



801: Ethics for Boards

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Ethics

- a system of moral principles: the ethics of a culture
- the rules of conduct recognized in respect to a particular class of human actions or a particular group



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Principles of personal ethics

- basic justice; being fair
- refusing to take unfair advantage
- benevolence: doing good
- preventing harm



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Principles of personal ethics

- concern for the well-being of others
- respect for the autonomy of others
- trustworthiness and honesty
- willing compliance with the law (with the exception of civil disobedience)



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Principles of professional ethics

- impartiality and objectivity
- openness; full disclosure
- confidentiality
- due diligence / duty of care/standard of care
- fidelity to professional responsibilities
- avoiding potential or apparent conflict of interest



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Due diligence

- asked the questions that needed to be asked
- had policies and processes in place
- researched consequences before a decision is made



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Duty of care

“a requirement that a person act toward others and the public with watchfulness, attention, caution and prudence that a reasonable person in the circumstances would. If a person's actions do not meet this standard of care, then the acts are considered negligent, and any damages resulting may be claimed in a lawsuit for negligence”



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Why are ethics important for housing providers?

- in receipt of public funds:
 - responsibility to the public
 - responsibility to the funder / government
- bound by legislation:
 - conflict of interest
 - confidentiality
 - to act in best interest of the non-profit



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THERE IS
NO RIGHT WAY
TO DO
A WRONG THING.



What's at stake?

- reputation in the community
- financial viability
- corporate status



Ethics audit

“A comprehensive ethics audit should assess the extent to which ... agencies have practices, procedures, and policies in place to protect clients, identify ethics-related risks, and prevent ethics complaints and ethics-related litigation.”

*Frederick Reamer, in The Social Work Ethics
Audit: A Risk Management Tool*



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Code of conduct



Code of conduct/ ethics

- your code of conduct should be based on agreed-upon principles of ethics
 - test your past decisions against the principles of ethics
 - show a commitment to operate according to the code



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General principles to include

- comply with laws that govern the organization
- avoid conflicts of interest
- listen to stakeholders and make an effort to consider their concerns
- not accept gifts or payments
- respect confidentiality



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Conflict of interest



"What conflict of interest?!
I work here in my spare time."

Corporations Act

"...be carried on without the purpose of gain for its members and any profits or other accretions to the corporation shall be used in promoting its objects and the letters patent shall so provide,..."



Ontario Not-for-Profit Corporations Act (ONCA) - disclosure

A director or officer of a corporation who,

(a) is a party to a material contract or transaction or proposed material contract or transaction with the corporation; or

(b) is a director or an officer of, **or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the corporation**, shall disclose to the corporation or request to have entered in the minutes of meetings of the directors the nature and extent of his or her interest.

2010, c. 15, s. 41 (1)



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ONCA – meeting to vote

A director referred to in subsection (1) shall not attend any part of a meeting of the directors during which the contract or transaction is discussed and shall not vote on any resolution to approve the contract or transaction

2010, c. 15, s. 41 (5)



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ONCA – standard of care

Every director and officer in exercising his or her powers and discharging his or her duties to the corporation shall,

- (a) act honestly and in good faith with a view to the best interests of the corporation; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

2010, c. 15, s. 43 (1)



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Social Housing Reform Act

- description on conflict
 - personal or business interest is in conflict with the organization
 - personal gain, benefit, advantage or privilege is directly or indirectly given to or received
- defines large scope (Directors, employees, agents, relatives)
- reporting conflict



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Housing Services Act (HSA)

Limits of local standards

The following are prescribed, for the purposes of subsection 75 (2) of the Act, as matters with respect to which a service manager may make local standards:

1. Conflicts of interest of directors, employees and agents of a housing provider

O.Reg 367/11 S. 100



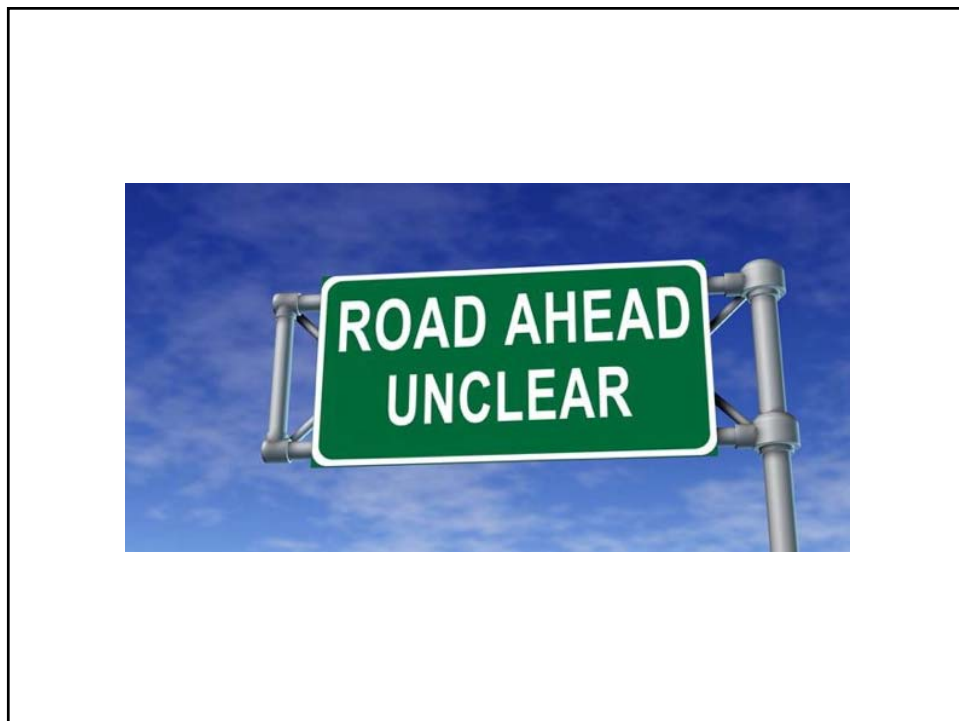
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Local standards

- some Service Managers have instructed to keep using the SHRA rules for conflict
- some have provided more detail



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Confidentiality



Confidentiality & protection of personal information

- Personal Information Protection and Electronic Documents Act (PIPEDA)
- Municipal Freedom of Information and Protection of Privacy Act (MFIPPA)
- Housing Services Act
- board best practices
 - confidentiality agreement
 - in camera sessions during meetings



PIPEDA

- appoint a privacy officer
- develop/review/update your existing Confidentiality and or Privacy of Personal Information Policy
- educate all board members, staff and agents on their responsibilities and liabilities under the legislation and sign confidentiality agreement



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MFIPPA

- institutions must protect the privacy of personal information in government records
- rules for collection, use, disclosure, disposal of personal information in a municipal institution



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Conflicting ethics



Challenging decisions require...

- information gathering
- good discussion
- adherence to policies and guidelines





Communications

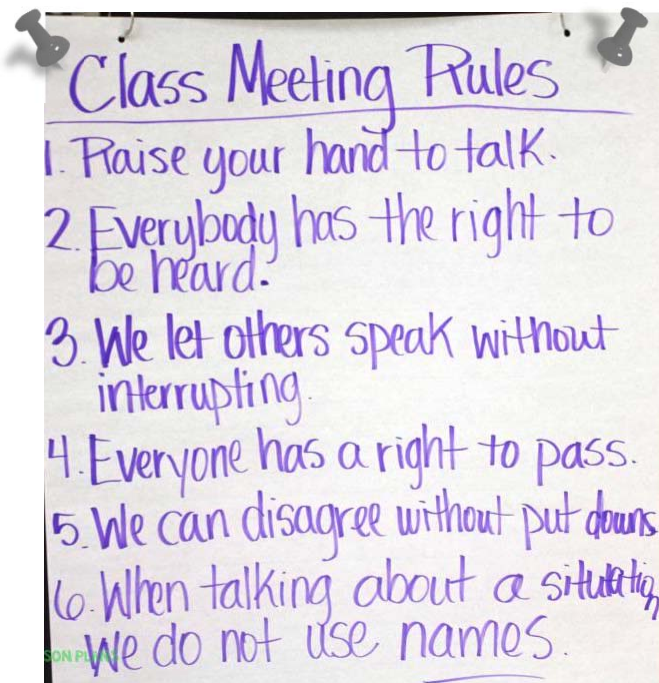


Effective meetings and sound decisions

- runs effective meetings
- undertakes thoughtful and focused deliberation
- makes sound decisions



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Good meeting culture

- chairperson is in control
- everyone is prepared
- environment is comfortable when discussing tough issues
- enthusiasm and participation are high
- decisions get made
- different points of view are welcome and encouraged
- positions change as a result of discussions
- feedback is given sensitively and constructively
- members follow through on their responsibilities
- start and end on time



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Talking to each other

- decide who is the primary contact with the staff
- keep discussions constructive and impersonal
- designate a primary contact with the outside community
- understand your key messages



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Building the foundation of ethics

- board code of conduct / code of ethics
- conflict of interest by-law
- rules for confidentiality and protection of personal information
- awareness of personal and professional ethics
- culture of clarity, respect and tolerance



2014 ONPHA Conference and Trade Show



Thank you!