

# POLICY ON TRANSPARENCY AND CONFLICT OF INTEREST



Review, 2020

## I. INTRODUCTION

The Mennonite Social Action Commission (CASM), is a non-profit Christian Institution, founded within the Mennonite Evangelical Church that works as a Non-Governmental Organization, formed by a General Assembly made up of pastors and Mennonite leaders, other Christian leaders. and members of the communities where the organization accompanies the character of these members is of Voluntary form, this assembly delegates the political, strategic, operative action of the institution in a Board of Directors, management, technical personnel, and support of foreign volunteers and volunteers. national

The aforementioned instances have agreed to develop a Compliance **Transparency Policy and mechanisms** in all the actions in the different programs and projects that the organization executes.

## II. INSTITUTIONAL PHILOSOPHY

CASM is based on the fact that God is the center of the universe and the family the fundamental unit of society. Under this Christian concept, of the Anabaptist-Mennonite tradition, based on love, peace, justice, non-violence and solidarity, is that as an institution, we believe that all families have the right to social integration, to the use and rational use of resources, to have more opportunities and greater capacity for management and negotiation, so that they can obtain greater participation in the social, economic, political, cultural, spiritual and, therefore, greater well-being, better condition and quality of life.

## III. INSTITUTIONAL DEFINITION

- **CASM** is a Christian institution, facilitator of integral human development processes, non-profit, which is based on the Mennonite principles of the Anabaptist tradition (peace, Justice, non-violence and solidarity).

- **CASM** is an institution that works hand in hand with community, municipal and regional organizations, made up of men and women in conditions of greater social disadvantage, so that they can be strengthened and empowered as representative and democratic structures, articulated to the local governments, contribute to the integral development of their municipalities.

- **CASM** is an institution that provides timely attention to families in situations of Emergency, without political, economic, religious and social distinction, that provides continuous support to the most vulnerable families in their social and productive reactivation and preparation for future disasters.

- **CASM** is an institution that promotes and practices justice, equity and democracy Pluralist, which is why it participates in and influences important issues at the regional, national and international levels, in order to contribute to generate positive changes, aimed at improving the quality of life of the vulnerable and excluded population of our country .

## **Vision and mission**

### **Vision**

To be a faith-based Mennonite organization of national and international reference that provides high-quality services to democratic processes and comprehensive human development with a focus on rights, gender equality, age and multiculturalism.

### **Mission**

CASM strengthens self-management capacities of rights holders such as families and social organizations, who seek to face economic, social, environmental and political injustice.

## **IV. THEOLOGICAL PERSPECTIVE OF POLITICS**

Corruption has become a hot topic in Honduras. Not because before it did not exist, but because our slow walk towards democracy means that now, due to various circumstances, a series of cases of corruption are emerging that were previously (in less democratic times) anonymous and silent. The truth is that one of the main causes of poverty in Honduras is corruption, which exists at all levels, from the cheating student in the exams and the small tradesman who cheats on the weights to the politicians located on the cusp of power. In the Bible it is: The wicked are condemned whose mouth overflows with fraud and folded. Ps 10, 7: Make it clear that I will not dwell in my house who commits fraud. Sal 101, 7

About bribery (buying an official) the following is said: Dt 16, 19: You will not be partial or accept bribes, that the bribe blinds the eyes of the wise and falsifies the cause of the innocent. Deut 27, 25: Cursed whoever lets himself be bribed to kill an innocent. Is 33, 15: The one who shakes his hand is rejected, rejecting the bribe. 1 Sam 8, 3; It is 4, 5; Ne 6, 12; Is 1, 23; Am 5, 12; Mi 7, 3; Ps 15, 5; Ps 26, 10; Job 15, 34; Pro 15, 27; Pro 17, 8; Pro 17, 23; Ec 7, 7

In Lk 3, 14 John the Baptist tells the soldiers that if they want to fulfill the will of God they should not "extort" anyone. It also condemns those who commit fraud in Rom 1, 29; 1 Co 6, 10 and 1 Tim 1, 10. In Lk 19, 8 the converted Zacchaeus tells Jesus: "Whoever has defrauded, I will restore him four times more." Obviously it is necessary to define that for there to be transparency there must also be clear rules and essential limits that reduce arbitrariness, showing that it can and can not be done at all levels of the staff.

## **V. GENERAL CONSIDERATIONS ON POLICY**

The main objective of this policy is the assembly, board of directors and personnel of the Mennonite Social Action Commission, which we are obliged to ensure that this policy is faithfully fulfilled by deducting the responsibilities of the case to each instance when the parties are violated. precepts later enunciated.

A true practice of transparency enables effective governance, helps promote sustainable development, democratic processes, and fair business practices. Therefore, being transparent helps the achievement of our vision by confirming that as a Mennonite Christian organization we

are committed to supporting by our example families and movements committed to transforming the country for a more just society.

CASM is an organization that handles national and international aid funds, this aid is destined to promote development to impoverished families and organizations in our country, as these resources come from donations from church members, from taxes of some citizens of other countries that are destined by their governments for development aid, which demands a great responsibility in ensuring that these resources are properly spent.

As members of CASM, we are responsible before God, our institutional authorities as well as before the governmental authorities for the defense and promotion of the highest standards of ethical and professional conduct in the management of resources and in showing honesty and transparency in the actions of the organization.

For purposes of this policy we define transparency as the clarity and accessibility to information and the way of acting without hiding anything and doing everything in the public eye in a healthy and healthy way and corruption as "the abuse of entrusted power, to obtain Private profits, this includes bribery, fraud, embezzlement and extortion, and some of the examples will be detailed below, Corruption has many manifestations can take the form of money, or the provision of services in order to obtain advantages such as favorable treatment, special protection, additional services, or reduction of delays. It is important to realize that corruption is not exclusively a matter of money, it is to favor a person without capacity with a job, services or other favors, can in certain circumstances also be interpreted as corruption"

## **VI. GENERAL OBJECTIVE OF THE POLICY**

Establish a series of principles and mechanisms that guide the operational management characterized by a high level of personal and organizational integrity, in order to show transparency and zero tolerance for corruption in the internal and external actions of the institution.

## **VII. PRINCIPLES THAT DO NOT FAVOR TRANSPARENCY**

Below is a list of the principles that do not help Transparency

1. Conflicts of interest
2. Abuse of power and extortion
3. Fraud and embezzlement
4. Bribery
5. Nepotism and favoritism
6. Gifts

### **1. Conflict of interests**

We will avoid any actual undue conflict of interest to potential between our personal interests and the interest of CASM Avoiding conflicts of interest is the general principle in the fight against corruption. The conflict of interest arises from situations in which you, as an employee of CASM, have a private interest that may influence your professional performance. Conflicts of interest can occur quite frequently and are not necessarily about corruption; what is important is the way in which they are identified and managed if conflict of interest situations are not correctly identified and managed, can jeopardize the integrity of CASM, and can result in corruption. Each member of staff is expected to demonstrate good judgment, and in case of doubt, communicate with their superior. In matters of conflict of interest, it is important to use good judgment and common

sense to make the right decisions. The following principles are examples, in some way, of conflicts of interest.

If there is any conflict of interest in the supplier selection processes and the procedure for purchasing or contracting professional services, you must notify your immediate boss and / or the general administration and executive management to make the relevant decisions.

## **2. Abuse of power**

We will not seek to influence any person or institution for private purposes through the use of our official position or by offering personal advantages, in the same way we will not use the property and facilities services and / or financial resources of CASM for private purposes except when permission is granted by the competent authority. This principle implies that personnel should not use their professional status and position to obtain personal benefits such as sexual favors, personal services of employees, conditioning of suppliers for preferential treatment in the private in exchange for future purchases or hiring.

The institutionally established procedures for the selection and verification of suppliers of products and services must be followed at all times, and the representatives of supplier companies must be required at all times to comply with the requirements established by CASM, the national legal framework and national and international standards.

## **3. Fraud and embezzlement**

Fraud is defined as economic crime where deception is involved, trickery, false pretenses, through which someone gains advantages illegally. The misappropriation of funds is defined as the misappropriation of assets legally entrusted to someone in their formal position as a guardian agent.

Examples of fraud and embezzlement include: false documentation; lie about qualifications; abuse of power / knowledge to steal money and equipment from the office; misusing the resources entrusted to us.

Therefore, the accounting and documentation standards will be applied at all times, for example, the approval of payments must be made as established in the "Manual of administrative procedures of CASM.

## **4. Bribery**

Bribery is defined as the act of offering money, services or other valuables to someone in order to persuade them to do something in return. (Bribes can also be called commission, tip, bribe, bribe, money for silence, protection money, among other terms.)

Bribery is illegal in all countries and harms the possibilities of fair trials and fair competition; creates non-transparent business markets that can be difficult or impossible to access.

CASM personnel shall, in all relationships with product and service providers, disclose the Code of Conduct and this Transparency policy to ensure that the established standards of conduct and ethics are known, as well as disclose the Institutional complaints so that they know the cases and the ways in which they can establish their comments or complaints when they consider that the staff is not complying with these standards.

## **5. Nepotism and favoritism**

We do not favor friendly family members or other personal relationships in hiring, acquisitions, delivery of help or other situations. Nepotism is the favoritism towards family and friends that substitutes an evaluation of skills and suitability. For example: offering employment to a relative or a friend, even though there are others who are better qualified and willing to do the job; higher earnings; and other benefits to employees who are relatives of management. To avoid falling into nepotism, CASM has regulated the hiring of both personnel not allowing personnel to be hired with relationships of affinity and consanguinity up to the second degree, a process for purchases involving various levels of the institution and the code of conduct where also related aspects are established in the manual of administrative procedures.

## **6. Gifts**

We will not give or receive, directly or indirectly, any gift or favor that could influence the exercise of our function in the performance of duty or in any other way that could potentially harm CASM. Gifts include, but are not limited to: services, travel, entertainment, houses, materials or favors. In order to respect local traditions and hospitality. Minor conventional gifts are accepted. (As long as they do not intend to wait for a favor in return)

The value of an acceptable gift varies between regions where CASM operates. Cash donations are not acceptable. All employees are expected to demonstrate good judgment; and when there is doubt, that they communicate with their coordinator or another instance if necessary, they can also share with their colleagues the minor gifts accepted.

Facilitation Payments: Facilitation payments are small payments made to public officials (of other types) to expedite or ensure the development of activities and actions of a routine nature. The term "of a routine nature" is defined here as activities and actions that are part of the daily tasks and functions of our staff.

CASM strongly opposes facilitation payments; This type of payment should not be made. However, we understand that given the nature of our public officials, it can be extremely difficult to avoid this type of transaction altogether, facilitation payments must be documented with receipts and must be reported (as any other violation of this policy should be)

## **IX. SANCTIONS**

Failure to comply with this policy brings sanctions that are established in the Internal Work Regulations, after following the due process of investigation, which will be carried out as follows:

- a) Carry out an internal investigation of the case to identify the evidence that the offense was committed.
- b) Follow the procedure that the labor code and the Internal Regulations suggest in case the employee of the organization has committed any offense contemplated in this policy, the pertinent measures will be taken that according to regulations and law it corresponds.
- c) When the offense implies a violation of the laws, both of the CASM staff and other related natural or legal persons, the cases should be referred to the competent authorities depending on the results of the internal investigation.

d) Every effort must be made not to leave unpunished cases of corruption that are discovered so that there is a culture of justice but also of compliance with the rules of the institution and the laws of the country.

#### **X. MECHANISMS OF COMPLAINTS AND COMPLAINTS**

As employees of CASM, we are obligated to comply with this Transparency Mechanism Policy and report any violation of it. All incidents of lack of transparency in CASM or other incidents related to institutional activities must be reported through the complaints and complaints mechanism. If you suspect, or have any questions, you can send a communication to the Board of directors [juntadirectiva@casm.hn](mailto:juntadirectiva@casm.hn), [direccion@casm.hn](mailto:direccion@casm.hn), [administracion@casm.hn](mailto:administracion@casm.hn) or make the report in the suggestion boxes installed in each office or a written complaint to the transparency commissions in each of the municipalities where CASM has a presence.

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