

Community Foundation of St. Clair County
Whistle Blower Policy
Approved 3/31/09, amended 12/15/10, Board ratified 1/18/11

WHISTLE BLOWER POLICY / CODE OF CONDUCT

In keeping with the policy of maintaining the highest standards of conduct and ethics, the Foundation will investigate any suspected fraudulent or dishonest use or misuse of the Foundation's resources or property by staff, board members, consultants or volunteers. The Foundation is committed to maintaining the highest standards of conduct and ethical behavior and promotes a working environment that values respect, fairness and integrity. All staff, board members and volunteers shall act with honesty, integrity and openness in all their dealings as representatives for the organization. Failure to follow these standards will result in disciplinary action including possible termination of employment, dismissal from one's board or volunteer duties and possible civil or criminal prosecution if warranted.

Staff, board members, consultants and volunteers are encouraged to report suspected fraudulent or dishonest conduct (i.e. to act as "whistle-blower"), pursuant to the procedures set forth below.

Reporting

A person's concerns about possible fraudulent or dishonest use or misuse of resources or property should be reported to his or her supervisor or, if suspected by a volunteer, to the staff member supporting the volunteer's work. If for any reason a person finds it difficult to report his or her concerns to a supervisor or staff member supporting the volunteer's work, the person may report the concerns directly to either of the following:

- Chair of the Foundation's Board of Trustees
- Foundation President
- Chair of the Audit Committee
- Vice President
- Director of Finance

Alternately, to facilitate reporting of suspected violations where the reporter wishes to remain anonymous, a written statement may be submitted to one of the individuals listed above.

Definitions

Baseless Allegations: Allegations made with reckless disregard for their truth or falsity. People making such allegations may be subject to disciplinary action by the Foundation, and/or legal claims by individuals accused of such conduct.

Fraudulent or Dishonest Conduct: A deliberate act or failure to act with the intention of obtaining an unauthorized benefit. Examples of such conduct include, but are not limited to:

- forgery or alteration of documents;
- unauthorized alteration or manipulation of computer files;
- fraudulent financial reporting;
- pursuit of a benefit or advantage in violation of the Foundation's *Conflict of Interest Policy*;
- misappropriation or misuse of Foundation resources, such as funds, supplies, or other assets;
- authorizing or receiving compensation for goods not received or services not performed; and
- authorizing or receiving compensation for hours not worked

Whistle-Blower: An employee, consultant or volunteer who informs an appropriate person (listed above) about an activity relating to the Foundation which that person believes to be fraudulent or dishonest.

Rights and Responsibilities of Individuals Receiving Reports of Possible Fraudulent or Dishonest Use or Misuse of Resources or Property:

All individuals receiving reports of possible fraudulent or dishonest use or misuse of resources or property are required to directly communicate the report to the President and the Chairman of the Board.

Reasonable care should be taken in dealing with suspected misconduct to avoid:

- baseless allegations;
- premature notice to persons suspected of misconduct and/or disclosure of suspected misconduct to others not involved with the investigation; and
- violations of a person's rights under law

Due to the important yet sensitive nature of the suspected violations, effective professional follow-up is critical. Supervisors, while appropriately concerned about "getting to the bottom" of such issues, should not in any circumstances perform any investigative or other follow up steps on their own. Accordingly, any individual who become aware of suspected misconduct:

- should not contact the person suspected to further investigate the matter or demand restitution.
- should not discuss the case with attorneys, the media or anyone other than the President or Board Chair.
- should not report the case to an authorized law enforcement officer without first discussing the case with the President or Board Chair.

Investigation

Upon receipt of all verbal or written reports of suspected but unproven matters, the Chairman of the Board will appoint an Ad-hoc Committee consisting of two independent Board trustees along with the Audit Committee Chairman to investigate the complaint report. Depending upon the circumstances, the complaint report may warrant a more in-depth investigation by hired professionals such as auditors and/or attorneys. The Ad-hoc Committee or the hired professionals will conduct a thorough investigation of the complaint and report back to the Chairman of the Board with documentation of the receipt, investigation, findings, and recommended treatment for the complaint. The Chairman will communicate this information to the full Board and appropriate corrective action will be taken, as deemed necessary. Findings and any corrective actions will also be communicated back to the person who raised the initial report as well as the person he or she initially reported the complaint to.

Whistle-Blower Protection

The Foundation will protect whistle-blowers as defined below.

- The Foundation will use its best efforts to protect whistle-blowers against retaliation. Whistle-blowing complaints will be handled with sensitivity, discretion and confidentiality to the extent allowed by the circumstances and the law. Generally this means that whistle-blower complaints will only be shared with those who have a need to know so that the Foundation can conduct an effective investigation, determine what action to take based on the results of any such investigation, and in appropriate cases, with law enforcement personnel. (Should disciplinary or legal action be taken against a person or persons as a result of a whistle-blower complaint, such persons may also have right to know the identity of the whistle-blower.)
- Employees, consultants, board members and volunteers of the Foundation may not retaliate against a whistle-blower for informing management about an activity which that person believes to be fraudulent or dishonest with the intent or effect of adversely affecting the terms or conditions of the whistle-blower's employment, including but not limited to, threats of physical harm, loss of job, punitive work assignments, or impact on salary or fees. Whistle-blowers who believe that they have been retaliated against may file a written complaint with the President or Board Chair. Any complaint of retaliation will be promptly investigated and appropriate corrective measures taken if allegations of retaliation are substantiated. This protection from retaliation is not intended to prohibit supervisors from taking action, including disciplinary action, in the usual scope of their duties and based on valid performance-related factors.
- Whistle-blowers must be cautious to avoid baseless allegations (as described earlier in the definitions section of this policy).