



# MONTGOMERY COUNTY COMMUNITY FOUNDATION

## Financial Impropriety Reporting & Whistle Blower Protection Policy

Approved January 21, 2010

### Overview:

It is the goal of The Montgomery County Community Foundation (“MCCF”) to maintain the highest standards of personal and professional integrity, conduct and ethics. The success of MCCF depends upon public confidence, credibility and broad public support of the actions of the MCCF Board of Directors, officers, staff, and volunteers directly impact the Foundation’s standing in the community.

This Financial Impropriety Reporting & Whistleblower Protection Policy (the “Policy”) reflects the practices and principles of behavior that MCCF considers crucial to maintaining its success and standing within the community. MCCF expects that every member of the Board of Directors, committee member, and employee will understand and abide by this Policy and its application to MCCF operations.

MCCF will carefully and thoroughly investigate allegations of Financial Impropriety (defined below) in the use of MCCF’s resources and property by Board members, employees and others associated with MCCF. MCCF will take appropriate action against anyone found to have engaged in a Financial Impropriety, including disciplinary action and civil or criminal prosecution when warranted.

All Board members and employees of MCCF are encouraged to report possible Financial Impropriety (i.e. to act as a “whistleblower”), pursuant to the procedures set forth below.

### Definitions:

Financial Impropriety: an act or failure to act which results in the actor obtaining an unauthorized benefit from MCCF funds, property or assets, or a violation of any federal, state, or local statute or regulation, of any common law principle, or of an MCCF policy involving the use or application of MCCF funds, property or other assets, whether or not the act, the failure to act or the violation was intentional. Examples of such conduct include, but are not limited to:

- forgery or alteration of documents;
- unauthorized alteration, manipulation or destruction of records;

- fraudulent, intentionally misleading or improper financial reporting;
- pursuit of a benefit or advantage in violation of MCCF's Conflict of Interest Policy;
- misappropriation or misuse of MCCF resources, such as funds, supplies, internet access, e-mail accounts, personnel, or other assets;
- authorizing or receiving compensation for goods not received or services not performed; and
- authorizing or receiving compensation for hours not worked

Whistleblower: an employee, consultant, Board member, or volunteer who, in good faith, informs the Executive Director of MCCF or an officer of the Board of Directors about conduct or activity relating to MCCF which that employee, consultant, Board member, or volunteer reasonably believes to be a Financial Impropriety.

Baseless Allegation: an allegation made with reckless disregard for its truth or falsity or made by a person who knows the allegation is false and intentionally makes the false allegation. A person who makes a Baseless Allegation may be deemed not to be acting in good faith.

#### **What to Report:**

Employees, consultants, Board members, and volunteers are encouraged to report suspected Financial Impropriety, as defined above, by any MCCF employee, Board member, consultant or volunteer.

#### **How to Report and to Whom to Report:**

Employees should report concerns about possible Financial Impropriety to the Executive Director of MCCF. If for any reason the Whistleblower finds it difficult to report his or her concerns to the Executive Director, he or she can report it directly to any officer of the Board of Directors.

Managers, supervisors, Board members, consultants, and volunteers shall report suspected Financial Impropriety to the President of the Board of Directors and/or the Treasurer of the Board. If for any reason the manager or supervisor finds it difficult to report the concerns to those persons, the manager or supervisor may report it directly to another officer of the MCCF Board of Directors.

The names of the Executive Director and of the persons who currently serve as an officer of the Board and their contact information are attached to this Policy.

MCCF encourages concerns to be reported verbally so that the person receiving the concern can ask clarifying questions in order to ensure that the concern is fully understood. Notwithstanding the encouragement to report verbally, a report may be in writing and anonymously submitted. If the concern is communicated in writing, the Whistleblower should

ensure that the concern is described in detail sufficient for an effective investigation. Less than a thorough understanding of the concern reported may impair any investigation into the concern.

### **Rights and Responsibilities After A Report Has Been Made:**

#### Whistleblower

Any person making a report of Financial Impropriety should have, where possible, some substantiation of the claimed activity. The more detailed information provided related to the claim, the more effective and fair the ensuing investigation can be conducted.

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

- Baseless Allegations;
- premature notice to persons suspected of Financial Impropriety and/or disclosure of suspected Financial Impropriety 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, a supervisor who becomes aware of suspected misconduct:

- should not contact the person suspected to further investigate the matter or demand resolution;
- should not discuss the case with anyone other than the Treasurer of the Board of Directors, the President of the Board of Directors, the Vice President of the Board of Directors, other officers of the Board, the Executive Director or any attorney retained by MCCF in connection with the alleged Financial Impropriety;
- should not report the case to an authorized law enforcement officer without first discussing the case with the Executive Director, the Treasurer of the Board of Directors, the President of the Board of Directors, or the Vice President of the Board of Directors; and
- should not report the case to the media, should not answer any questions from the media regarding the case and should inform all media inquires to direct their questions to the Executive Director or other person designated by the Board to respond to media inquires.

## Investigation

All relevant matters, including suspected but unproved matters, will be reviewed and analyzed, with documentation of the receipt, retention, investigation and treatment of the complaint. Appropriate corrective action will be taken, if necessary, and findings will be communicated back to the reporting person and his or her supervisor. Investigations may warrant investigation by an independent person such as auditors and/or attorneys.

## Whistleblower Protection

MCCF will protect Whistleblowers as outlined below:

- MCCF will use its best efforts to protect Whistleblowers against retaliation, as described below. 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 Whistleblower complaints will be shared only with those who have a need to know so that MCCF 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. In some instances, it may be necessary to disclose the individual's identity in order to conduct a thorough investigation, to comply with the law and to provide accused individuals their legal rights of defense. In such instances, the individual's identity will only be disclosed to the extent required.
- Employees, consultants and volunteers of MCCF may not retaliate against a Whistleblower with the intent or effect of adversely affecting the terms, conditions or privileges of the Whistleblower's employment, including but not limited to, threats of physical harm, loss of job, punitive work assignments, or reduction of salary or wages. Whistleblowers who believe that they have been retaliated against may file a written complaint with the Executive Director, President of the Board of Directors, Vice President of the Board of Directors, or Treasurer of the Board of Directors. 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 managers or supervisors from taking action, including disciplinary action, in the usual scope of their duties and based on valid performance-related factors or change in staffing requirements.
- The right of a Whistleblower for protection against retaliation does not include immunity for any personal wrong doing that is alleged and investigated.
- Whistleblowers must be cautious to avoid Baseless Allegations.

- An employee who intentionally makes Baseless Allegations or files a false report of wrongdoing will be subject to disciplinary action up to and including termination.

See below for contact information of various individuals noted as available in the Policy above.

Approved by the MCCF Executive Committee: November 19, 2009

Amended and Approved by the MCCF Board of Directors: January 21, 2010

## **CONTACT INFORMATION**

**(As of Spring 2015)**

The current President of the Board of Directors is Donnie Buckalew. He can be reached at 936-756-5581 or [donnie@buckalewchevrolet.com](mailto:donnie@buckalewchevrolet.com) or 1100 I-45 @ Gladstell, Conroe, TX 77304.

The current Vice President of the Board of Directors is Steve Sanders. He can be reached at (281) 830-5243 or [steve@steveandkathysanders.com](mailto:steve@steveandkathysanders.com) or 143 Split Rock Rd. Spring, TX 77381.

The current Treasurer of the Board of Directors is Gregg Hope. He can be reached at 936-521-7704 or [gregg@5hopes.com](mailto:gregg@5hopes.com) or 350 S. Loop 336 West Conroe, TX 77304.

The current Secretary of the Board of Directors is Nancy Martin. She can be reached at (281) 719-6287 or [NMartin@thewoodlands.com](mailto:NMartin@thewoodlands.com) or 24 Waterway Avenue, 11th Floor The Woodlands, Texas 77380.

The current Executive Director is Shannon Kidd. She can be reached at 281-363-8158 or at [skidd@mccfoundation.org](mailto:skidd@mccfoundation.org) or 9320 Lakeside Blvd, Bldg.2, Ste. 200, The Woodlands, TX 77381.