

Orange County Community Housing Corporation Whistleblower Protection

In keeping with the policy of maintaining the highest standards of conduct and ethics, OCCHC will investigate any suspected fraudulent or dishonest use or misuse of OCCHC's resources or property by staff, board members, consultants, or volunteers.

Staff, board members, consultants, and volunteers are expected and encouraged to report suspected fraudulent or dishonest conduct (i.e., to act as "whistleblower"), 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 must report the concerns directly to the Executive Director.

- 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, or to any member of the Executive Committee.
- All suspected or reported allegations shall be reported to the Executive Committee promptly or on a timely basis.

Definitions

Baseless Allegations

Allegations made with reckless disregard for their truth or falsity. Individuals making such allegations may be subject to disciplinary action by OCCHC, 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

- Forgery or alteration of documents
- Unauthorized alteration or manipulation of computer files
- Fraudulent financial reporting
- Pursuit of a benefit or advantage in violation of OCCHC's Conflict-of-Interest Policy
- Misappropriation or misuse of OCCHC resources, such as funds, supplies, or other assets
- Authorizing or receiving compensation for goods not received or services not performed
- Authorizing or receiving compensation for hours not worked

Whistleblower

An employee, consultant, volunteer, or board members who informs a Supervisor, Executive Director, or Executive Committee about an activity relating to OCCHC which that person believes to be fraudulent or dishonest.

Rights and Responsibilities

Supervisors

Supervisors are required to report suspected fraudulent or dishonest conduct to the Executive Director. 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
- 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 restitution
- Should not discuss the case with attorneys, the media, or anyone other than the Executive Director
- Should not report the case to an authorized law enforcement officer without first discussing the case with the Executive Director

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 by the Executive Committee. Appropriate corrective action will be taken, if necessary, and findings will be communicated to the reporting person and his or her supervisor. Investigations may warrant investigation by independent persons such as auditors and/or attorneys.

Whistleblower Protection

OCCHC will protect whistleblowers as defined below:

- OCCHC will use its best efforts to protect whistleblowers against retaliation. Whistleblowing 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 only be shared with those who have a need to know so that OCCHC 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 whistleblower complaint, such persons may also

have the right to know the identity of the whistleblower, if deemed necessary and appropriate.)

- Employees, consultants, volunteers, and board members of OCCHC may not retaliate against a whistleblower for informing management or Executive Committee Chairman, 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 whistleblower's employment, including but not limited to, threats of physical harm, loss of job, punitive work assignments, or impact on salary or fees.
- Whistleblowers who believe that they have been retaliated against may file a written complaint with the Executive Director or Executive Committee. 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.
- Whistleblowers must be cautious to avoid baseless allegations (as described earlier in the definitions section of this policy).
- If the investigation reveals that the whistleblower knowingly participated in the fraudulent or dishonest conduct, the whistleblower may face disciplinary or other action.

Excerpted from *The Nonprofit Policy Sampler, Second Edition* by Barbara Lawrence and Outi Flynn, a publication of BoardSource, formerly the National Center for Nonprofit Boards. For more information about BoardSource, call 800-883-6262 or visit www.boardsource.org. BoardSource © 2006.