



Title: Whistleblowers Policy

Purpose: To establish a protocol for the protection of whistleblowers

Protocol: The Sarbanes-Oxley Act amended the federal criminal code to create or enhance penalties for retaliating against whistleblowers while a federal investigation is underway. These changes to the criminal code apply to all business entities, possibly including nonprofit organizations, their board members and employees. Therefore, adopting policies and procedures for the protection of whistleblowers is advisable.

Date: June 2, 2017

Supersedes: June 2009

General Protocol:

The Pottstown Cluster of Religious Communities (PCRC) is committed to facilitating open and honest communications relevant to its governance, finances, and compliance with all applicable laws and regulations. PCRC requires directors, other volunteers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees and representatives of the organization must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

This whistleblower policy (“the Policy”) reflects the practices and principles of behavior that support this commitment. It is important that PCRC be apprised about unlawful or improper workplace behavior including, but not limited to, any of the following conduct:

- theft;
- financial reporting which is fraudulent, intentionally misleading or negligent in any manner;
- improper or undocumented financial transactions;
- forgery or alteration of documents;
- unauthorized alteration or manipulation of computer files;
- improper destruction of records;
- improper use of PCRC assets, including, but not limited to its funds, supplies, intellectual property and other assets;
- improper access and/or use of confidential client or donor information;
- authorizing or receiving compensation for goods not received or services not performed;
- violations of PCRC’s conflict-of-interest policy;
- any other improper occurrence regarding cash, financial procedures, or reporting;

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- any abuse of or discrimination against a PCRC employee, client, vendor or person connected with a PCRC member; and
- a failure by PCRC to provide reasonable accommodation for disability or religious belief.

We request the assistance of every director, other volunteer and employee who has a reasonable belief or suspicion about any improper transaction. PCRC values this input and each director, volunteer and employee should feel free to raise issues of concern, in good faith, without fear of retaliation. Directors, volunteers and employees will not be disciplined, demoted, lose their jobs, or be retaliated against for asking questions or voicing concerns about conduct of this sort. While PCRC has separate policies which cover harassment and employment discrimination, this Whistleblower Policy applies to these situations to encourage the reporting of such wrongful actions against PCRC's interest. Employees and other interested persons are encouraged to report any such improprieties without fear of retaliation or intimidation.

PCRC will investigate any possible fraudulent or dishonest use or misuse of PCRC's resources, or abuse, discrimination or failure to provide reasonable accommodation, by management, staff, or volunteers. PCRC will take appropriate action against anyone found to have engaged in fraudulent, dishonest, abusive or discriminatory conduct, including disciplinary action by PCRC, or civil or criminal prosecution when warranted.

Therefore, all members of PCRC staff, directors and other volunteers are encouraged to report possible fraudulent, abusive, discriminatory, or dishonest conduct (*i.e.*, to act as a "whistleblower"), pursuant to the procedures set forth below.

Reporting Responsibility:

Each director, volunteer, and employee of PCRC has an obligation to report in accordance with this Whistleblower Policy (a) questionable or improper accounting, financial or auditing matters, and (b) violations and suspected violations of PCRC's policies or any unlawful or improper workplace conduct (hereinafter collectively referred to as "Concerns").

Authority of Audit Committee:

All reported Concerns will be forwarded to the Governance Committee in accordance with the procedures set forth herein. The Governance Committee shall be responsible for investigating, and making appropriate recommendations to the Board of Directors, with respect to all reported Concerns.

No Retaliation:

This Whistleblower Policy is intended to encourage and enable directors, volunteers, and employees to raise Concerns within the Organization for investigation and appropriate action. With this goal in mind, no director, volunteer, or employee who, in good faith, reports a Concern shall be subject to retaliation or, in the case of an employee, adverse employment consequences. Moreover, a volunteer or employee who retaliates against someone who has reported a Concern

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in good faith is subject to discipline up to and including dismissal from the volunteer position or termination of employment.

Reporting Concerns:

Employees

Employees should first discuss their Concern with the Executive Director. In addition, if the individual is uncomfortable speaking with the Executive Director, or the Executive Director is a subject of the Concern, the individual should report his or her Concern directly to the President of PCRC's Board of Directors or the Chair of the Governance Committee.

If the Concern was reported orally to the Executive Director, the reporting individual, with assistance from the Executive Director, shall put the Concern in writing. The Executive Director is required to promptly report the Concern to the Chair of the Governance Committee, which has specific responsibility to investigate all Concerns. If the Executive Director, for any reason, does not promptly forward the Concern to the Governance Committee, the reporting individual should directly report the Concern to the Chair of the Governance Committee or the President of the Board of Directors. Contact information for the Chair of the Governance Committee and President of the Board of Directors may be obtained through the Executive Director. Concerns may also be submitted anonymously. Such anonymous Concerns should be in writing and sent directly to the Chair of the Governance Committee.

Directors and Other Volunteers

Directors and other volunteers should submit Concerns in writing directly to the Chair of the Governance Committee. Contact information for the chair of the Governance Committee may be obtained from the Executive Director.

Handling of Reported Violations

The Governance Committee shall address all reported Concerns. The Chair of the Governance Committee shall immediately notify the Governance Committee, the President and the Executive Director of any such report. The Chair of the Governance Committee will notify the reporter and acknowledge receipt of the Concern within five business days, if possible. It will not be possible to acknowledge receipt of anonymously submitted Concerns.

All reports shall be promptly investigated by the Governance Committee, or any other appropriate Committee of the Board of Directors and appropriate corrective action will be recommended to the Board of Directors, if warranted by the investigation. In addition, action taken must include a conclusion and/or follow-up with the reporter for resolution of the Concern.

The Governance Committee has the authority to retain outside legal counsel, accountants, private investigators, any other resource, or refer to another appropriate Committee of the Board of Directors, as deemed necessary to conduct a full and complete investigation of the allegations.

Acting in Good Faith

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Anyone reporting a Concern must act in good faith and have reasonable grounds for believing the information disclosed indicates an improper accounting or auditing practice, or a violation of PCRC's policies. The act of making allegations that prove to be unsubstantiated, and that prove to have been made maliciously, recklessly, or with the foreknowledge that the allegations are false, will be viewed as a serious disciplinary offense and may result in discipline, up to and including dismissal from the volunteer position or termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.

Rights and Responsibilities of Employee

Whistleblower Protection

PCRC will protect whistleblowers as follows:

- PCRC will use its best efforts to protect whistleblowers against retaliation. All complaints by Whistleblowers will be handled with sensitivity, discretion and confidentiality to the extent allowed by the circumstances and the law. Generally this practice means that whistleblower concerns will only be shared with those who have a need to know in order to conduct an effective investigation. (Should disciplinary or legal action be taken against a person or persons as a result of a whistleblower complaint, such persons may also have a right to know the identity of the whistleblower.)
- A whistleblower shall not be subject to retaliation. No punishment for reporting issues will be allowed, even if the claims are unfounded; a reasonable belief or suspicion that unlawful or improper workplace behavior has occurred is enough to create a protected status for the whistleblower. No action can be taken against the whistleblower 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 wages. Whistleblowers who believe that they have been retaliated against may file a written complaint with the Governance Committee Chair. Any complaint of retaliation will be promptly investigated and appropriate corrective measures taken if allegations of retaliation are substantiated. This protection from retaliation does not prohibit managers or 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, which are allegations made with reckless disregard for their truth or falsity. People making such allegations may be subject to disciplinary action by PCRC, and /or legal claims by individuals accused of such conduct.

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Posting and Notification

This policy is to be posted in PCRC's offices, including in the Employee Manual, posted on PCRC's website, and communicated to all new staff and board members as part of their orientation. In addition, each year, after the annual election of the board chair and after the chair of the Governance Committee has been selected; the Executive Director will have the responsibility of updating the contact information for both of those individuals and make the updated information available to all staff and the Board of Directors. This policy shall also be available to volunteers or Delegate Assembly members upon request.

Questions regarding this policy may be directed to the Chair of the Governance Committee or the Executive Committee of the PCRC Board of Directors.

Approved by: Board of Directors

Date: June 13, 2017