

COMMUNITY FOUNDATION OF THE EASTERN SHORE, INC.

EMPLOYEE PROTECTION (Whistleblower) POLICY

As approved by the Board of Directors on 4/14/09 and Amended by the Executive Committee on 11/8/11

It is the intent of the Foundation to adhere to all laws and regulations that apply to the organization and the underlying purpose of this policy is to support that goal of legal compliance. This Employee Protection (Whistleblower) Policy is intended to encourage and enable directors, volunteers, employees, consultants, or other persons to raise serious concerns for investigation and appropriate action.

If any person reasonably believes that some policy, practice, or activity of the Foundation is in violation of the law, a written complaint must be filed by the person with the Foundation's President or Chairperson of the Board, who will then investigate. The types of concerns that must be reported include, but are not limited to, the following:

- providing false or misleading information on the Foundation's financial documents, grant reports, tax returns or other public documents;
- providing false information to or withholding material information from the Foundation's auditors, accountants, lawyers, directors or other representatives responsible for ensuring Foundation compliance with fiscal and legal responsibilities;
- embezzlement, private benefit, or misappropriation of funds;
- material violation of Foundation policy, including among others, confidentiality, conflict of interest, whistleblower, ethics and document retention;
- discrimination based on race, gender, age, sexual orientation, ethnicity, and disability;
- facilitation or concealing any of the above or similar actions

A complainant is protected from retaliation if the complainant brings the alleged unlawful activity, policy, or practice to the attention of the Foundation and provides the Foundation with a reasonable opportunity to investigate and correct the alleged situation. The protection described herein is only available to complainants who comply with this policy.

Anyone reporting a concern must act in good faith and have reasonable grounds for believing the matter raised is a serious violation of law or policy or a material accounting or auditing matter. The act of making allegations that prove to be unsubstantiated, and that prove to have been made maliciously, recklessly, with gross negligence, or with the foreknowledge that the allegations are false, will be viewed as serious and may result in discipline, up to and including dismissal from the volunteer position or termination of employment. Depending on the circumstances, such conduct may also give rise to other actions, including civil or criminal lawsuits.

Reports of concerns, and investigations pertaining thereto, shall be kept confidential to the extent possible. However, consistent with the need to conduct an adequate investigation, the Board of Directors cannot guarantee complete confidentiality. Disclosure of information relating to an investigation under this policy by Foundation staff, directors, or others involved with the investigation, to individuals not involved in the investigation will be viewed as serious and, with respect to Foundation employees, may result in discipline, up to and including termination of employment. Depending on the circumstances, such conduct may also give rise to other actions, including civil or criminal lawsuits.