

Five Colleges, Incorporated
Policy on Reporting Fraudulent Activities
Whistle-Blower Protections

Scope

Five Colleges, Incorporated is committed to high standards of ethical, moral and legal business conduct and to maintaining a workplace where employees are free to raise good faith concerns regarding the Organization's business practices. This policy provides a mechanism for employees to report suspected fraud and reassurance for employees that they will be protected from reprisals or victimization for whistle blowing.

Fraud generally involves a willful or deliberate act with the intention of obtaining an unauthorized benefit, such as money or property, by deception or other unethical means. All fraudulent acts are included under this policy and include such things as:

- Embezzlement, theft, misappropriation or other financial irregularities
- Forgery or alteration of documents (checks, time sheets, contractor agreements, purchase orders, other financial documents, electronic files)
- Improprieties in the handling or reporting of money or financial transactions
- Improprieties in the management or assignment of contracts
- Theft or misappropriation of funds, securities, supplies, inventory, or any other asset (including furniture, fixtures or equipment)
- Authorizing or receiving payment for goods not received or services not performed
- Authorizing or receiving payments for hours not worked
- Receiving of tangible personal benefit from a third party as a direct consequence of performance of duties as an employee of the Organization.

The policy is not intended and may not be used for personal or employment grievances, general compensation and benefit complaints.

Reporting Procedure

Allegations of embezzlement or action contrary to law should be reported to the Treasurer. If the report directly concerns the Treasurer, the incident should be reported directly to the Executive Director. Employees are protected under Massachusetts General Law, Chapter 149, section 185, and by this policy from any retaliatory actions by the Organization.

Investigation and Resolution

The Treasurer will document the allegation and arrange assistance to investigate the facts. Care will be taken to maintain appropriate confidentiality throughout the investigatory phase. The investigator is responsible for documenting its investigation and its rationale for the resolution. The results of this investigation will be reported to the Executive Director, and if evidence supports the allegation, to the chair of the Audit Committee of the Board of Directors.

Safeguards

Retaliation – Five Colleges, Incorporated expressly prohibits any form of retaliation, including harassment, intimidation, or adverse employment actions against any employee who in good faith reports concerns under this policy. An employee who engages in retaliation against someone who has reported a violation will be subject to discipline up to and including termination of employment. Any employee who believes that he/she has been retaliated against after making a good faith report may report this alleged retaliation to the Treasurer.

Confidentiality – Reports of suspected violations of law or policy and reports of retaliation will be investigated promptly and in a manner intended to protect confidentiality, consistent with a full and fair investigation and compliance with the law. Employees submitting a report should be aware that their public testimony might be needed to prove the case against the suspected employee. Note that if an employee self-discloses his or her identity directly or indirectly through his or her own actions outside of the official investigation process, the Organization is not obligated to maintain confidentiality.

Sanctions for a False Report

A report made under this policy can have considerable impact on the personal and professional lives of those charged both during the investigation and long term. An employee who intentionally misuses the Whistle-Blower Policy is subject to discipline up to and including termination. Intentional misuse includes, but is not limited to, frivolous claims, attempts to treat a personal grievance or personnel dispute as an allegation of wrongdoing, lack of good faith in invoking the policy or any known false, malicious or misleading statements made at any time under the procedures of the policy.