

# **CORPORATE COMPLIANCE POLICY and Implementation Procedures**

Policy Last Updated (Approved by Board of Directors): September 15, 2011

## **I. Background**

United Way of the Bay Area (“UWBA”) is committed to providing sector-leading working conditions for its management, volunteers, and staff. In order to achieve this goal, UWBA has instituted an organization-wide set of standards, commitments, and policies that are intended to ensure that all employees and volunteers can excel in a positive working environment.

Accordingly, if an employee or volunteer has reasonable grounds to believe that another individual has engaged in wrongdoing in violation of legal or internal policy standards, whether in the workplace or otherwise as part of UWBA’s activities, he or she should disclose this information through a clearly defined process, and do so with confidence that he or she will be treated fairly and protected from reprisal or retaliation.

## **II. The Policy Implementation Mechanism**

In connection with this Corporate Compliance policy (“Compliance Policy”), UWBA has established internal mechanisms, including the designation of “Designated Representatives” and the establishment of an organization-wide “Task Force” with an Ombudsperson, to allow employees and volunteers an appropriate organizational body to which to disclose, in good faith, information concerning allegations of wrongdoing within UWBA; to ensure that these disclosures are addressed in an appropriate and timely fashion; and to ensure that employees and volunteers who disclose such information are treated fairly and protected from reprisal or retaliation. This Compliance Policy applies to all current and future UWBA employees and volunteers, temporary workers, and independent contractors.

## **III. Designated Representative Leadership**

The “Task Force” will consist of UWBA’s Chief Executive Officer, Executive Vice President and Chief Operating Officer, and Senior Vice President-Finance & Administration. The General Counsel and Chief Ethics Officer will serve as legal counselor to the Task Force. The Ombudsperson on the Task Force will be the Executive Vice President and Chief Operating Officer.\* The Task Force, in collaboration with the

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\* As of June 9, 2011: The Ombudsperson is Eric McDonnell, Executive Vice President and Chief Operating Officer; he can be contacted at 221 Main Street, San Francisco, CA 94105 (office: 415-808-4494; mobile: 415-320-2205; e-mail: [emcdonnell@uwba.org](mailto:emcdonnell@uwba.org)). The Chief Executive Officer is Anne Wilson; she can be contacted at 221 Main Street, San Francisco, CA 94105 (office: 415-808-4346; mobile: 415-320-2201; e-mail: [awilson@uwba.org](mailto:awilson@uwba.org)). The Senior Vice President-Finance & Administration is Joan Catherine Braun; she can be contacted at 221

General Counsel and Chief Ethics Officer, emphasizes the responsibility of the Board of Directors, other key volunteer bodies, and UWBA's management team, to promote a culture of open communication where issues and concerns can be resolved by normal interaction, but also provides an alternative resolution mechanism when necessary.

#### IV. **Policy Implementation Objective**

The objective of this Compliance Policy is to allow UWBA employees and volunteers the ability to make known information concerning alleged wrongdoing that violates legal or internal policy standards, and to ensure that they are treated fairly and are protected from reprisal or retaliation when they do so.

#### V. **Definitions**

The following words, phrases or terms have the following meanings as used in this Compliance Policy:

- A. **“Complaint”** means any report of Wrongdoing.
- B. **“Designated Representative”** means any member of the Task Force, the General Counsel or any other representative or outside entity designated from time to time by the Task Force to receive Complaints.
- C. **“Disclosure”** means the process by which a Reporting Person reports that someone has committed, or appears to have the intention to commit, Wrongdoing.
- D. **“Fact Finder”** means the representative or outside entity appointed by the Task Force to investigate a Complaint and produce a Fact Finding Report.
- E. **“Fact Finding Report”** means the written report issued by the Fact Finder containing a summary of the facts learned in the Fact Finder's investigation and the Fact Finder's recommendations.
- F. **“Ombudsperson”** means the Executive Vice President and Chief Operating Officer or any other representative or outside entity designated from time to time by the Task Force or UWBA's Board of Directors to receive Complaints.
- G. **“Reporting Person”** means anyone who discloses Wrongdoing. A Reporting Person can be any full-time, part-time and temporary employee, volunteer,

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Main Street, San Francisco, CA 94105 (office: 415-808-4465; mobile: 510-872-0941; e-mail: [jbrown@uwba.org](mailto:jbrown@uwba.org)). The General Counsel and Chief Ethics Officer is Jeffrey Wohl; he can be contacted at Paul, Hastings, Janofsky & Walker LLP, 55 Second Street, 24th Floor, San Francisco, CA 94105 (office: 415-856-7255; mobile: 415-519-1550; e-mail: [jeffwohl@paulhastings.com](mailto:jeffwohl@paulhastings.com)).

applicant for employment, vendor, contractor, and any other person or entity that may become part of UWBA in the future.

H. **“Wrongdoing”** means as an act or omission concerning:

1. a violation of any law or regulation;
2. a breach of the Code of Ethical Conduct or any other internal policy;
3. misuse of public funds or assets; or
4. mismanagement of a nature sufficiently substantive which would lead one to reasonably believe that such mismanagement would have a potentially harmful impact on UWBA’s work, reputation or operations.

## VI. **Responsibility and Authority**

A. **Task Force.** The primary responsibility and authority for applying this Compliance Policy rests with the Task Force. Specifically, the Task Force will be responsible for:

1. promoting a culture of open communication within UWBA and among its volunteers where issues and concerns can easily be dealt with in the normal interaction between employees and their managers and volunteers and their leadership;
2. establishing and monitoring internal mechanisms to manage the disclosure of Wrongdoing and, from time to time, assigning Designated Representatives and an Ombudsperson for the Task Force who will be responsible for receiving and acting on such Disclosures;
3. ensuring that Disclosures are reviewed in a timely fashion and investigated when required, and that prompt, appropriate action is taken to correct the situation; and
4. protecting any employee, volunteer or other individual who make Disclosures in good faith from reprisal or retaliation.

B. **Employees and Volunteers.** Employees and volunteers will be responsible for:

1. using UWBA information responsibly and in good faith in accordance with their duty of loyalty;
2. following the internal processes established to raise Complaints; and
3. respecting the reputation of individuals by not making trivial or vexatious disclosures of Wrongdoing or by making Disclosures in bad faith.

- C. **UWBA Managers.** UWBA Managers, with the assistance of Human Resources, will be responsible for:
1. informing their employees about this Compliance Policy at the time of hire and at the beginning of each calendar year;
  2. ensuring that their employees and volunteers understand the requirement that UWBA information be used responsibly;
  3. ensuring that their employees and volunteers are aware of the processes available to them if they wish to make a Disclosure under this Compliance Policy;
  4. promoting openness in their interaction with employees and volunteers;
  5. acting promptly when information concerning Wrongdoing is brought to their attention by alerting the Ombudsperson, any other member of the Task Force or the General Counsel; and
  6. protecting any employees or volunteers who make Disclosures in good faith from reprisal or retaliation.
- D. **The Task Force Designated Representatives.** The Task Force Designated Representatives will be responsible for:
1. disseminating information on this Compliance Policy and providing interpretation and related advice;
  2. receiving and reviewing Disclosures and establishing if there are sufficient grounds for further action or that the nature and scope of the issue requires involvement of the chair(s) of the Board of Director's Governance Committee, the Board of Directors itself and/or other Committees as appropriate;
  3. ensuring that procedures are in place to manage Disclosures that require immediate or urgent action;
  4. ensuring that the privacy rights of all parties, the employees or volunteers making the Disclosure and the employees or volunteers implicated or alleged to be responsible for the Wrongdoing, are respected;
  5. protecting from reprisal employees who make a Disclosure in good faith;
  6. in coordination with the Ombudsperson, maintaining information on the number of Disclosures received, rejected, accepted; or completed without investigation, of Disclosures investigated, and of Disclosures still under consideration or investigation; and

7. monitoring the type and disposition of cases brought to the attention of the Ombudsperson.

E. **The Ombudsperson.** The Ombudsperson will report directly to the Task Force on matters related to this Compliance Policy, but will be supported by the Assistant to the Chief Executive Officer for confidential administrative purposes. The mandate of the Ombudsperson will be to act as a neutral entity on matters of internal disclosure of wrongdoing. In particular, he or she will assist employees who (i) believe that the matter raised by them cannot be disclosed within their own department; or (ii) make their Disclosure in good faith through the departmental mechanisms but believe that the Disclosure was not appropriately addressed, by:

1. providing advice to employees who are considering making or have made a Disclosure;
2. receiving, recording and reviewing Disclosures from employees and/or the requests for review submitted from employees; establishing if there are sufficient grounds for further action or that the nature and scope of the issue require broader involvement by the Task Force and/or the General Counsel and Chief Ethics Officer;
3. ensuring that prompt action is taken and documentation made in all cases, and that procedures are in place to manage instances of Wrongdoing that require immediate or urgent action;
4. ensuring that investigations are initiated when required; reviewing, documenting and reporting the results of the investigations and making recommendations to the Task Force to initiate an investigation when required; reviewing the results of investigations; preparing reports, and making recommendations to the Task Force on how to address or correct the situation leading to the Disclosure; any decision of the Task Force regarding the subject matter of the Complaint will be communicated, if appropriate, to UWBA's chair(s) of the Governance Committee and/or Board of Directors, the Chief Executive Officer and Executive Vice President, the General Counsel and Chief Ethics Officer, and to the Reporting Person, unless the Complaint was filed anonymously.
5. preparing at the beginning of each calendar year a report for the Task Force and the General Counsel and Chief Ethics Officer. At a minimum, the annual report should cover the number of general inquiries and advice; the number of disclosures received from employees and volunteers and their status (*e.g.*, rejected, accepted, completed without investigations, still under consideration); the number of Disclosures investigated, completed, still under consideration; and

6. establishing adequate procedures to ensure that the protection of the information and the treatment of the files are in accordance with the UWBA policies and practices.

## VII. **Responsibilities of the General Counsel and Chief Ethics Officer of UWBA**

The General Counsel and Chief Ethics Officer of UWBA will:

- A. provide policy interpretation and legal advice to the Task Force, the Board of Directors and senior management;
- B. provide advice and assistance to the Task Force, the Board of Directors and senior management on the handling of Disclosures, as required; and
- C. review and monitor the procedures established by UWBA for the internal disclosure of information concerning Wrongdoing to ensure the effectiveness and fairness of their application.

## VIII. **Monitoring**

The Ombudsperson will verify that all UWBA departments and volunteer structures have internal disclosure mechanisms in place on the effective date of this Compliance Policy. The General Counsel and Chief Ethics Officer will work with the Ombudsperson, the Task Force, and the Board of Directors to monitor the activities of the Task Force and its results in achieving the objectives of this Compliance Policy.

## IX. **Policy Review**

This Compliance Policy may be periodically evaluated but will be evaluated not later than three years after implementation, and on every subsequent three-year anniversary, unless otherwise directed by the Board of Directors. The General Counsel and Chief Ethics Officer will report to the Board of Directors annually regarding the activities of the Task Force and its results in achieving the objectives of this Compliance Policy.

## X. **The Process**

### A. **The Complaint**

1. To assure a correct understanding of the matters subject to the Complaint, the Complaint should be filed with the Ombudsperson or other member of the Task Force, or the General Counsel and Chief Ethics Officer, in writing (although the Complaint may be made orally if the individual making the Complaint prefers). The Complaint should be as specific as possible and should identify all knowledgeable witnesses and relevant documents. In order that prompt action can be taken, the Complaint should be submitted promptly after the Reporting Person becomes aware of the facts that give rise to the Complaint.

2. If the Complaint has been made orally, the Ombudsperson will reduce the Complaint to writing. The Ombudsperson will promptly forward the written Complaint to the Assistant to the CEO and to the Task Force. If the individual making the Complaint does not wish to maintain anonymity, the Complaint may be submitted to the employee's or volunteer's immediate supervisor. Any member of the Task Force other than the Ombudsperson who receives a Complaint will forward the Complaint to the Ombudsperson. Any individual making a Complaint may make it directly to the General Counsel and Chief Ethics Officer of UWBA, rather than to the Ombudsperson or any other Designated Representative, if he or she wishes to do so.
3. Upon receipt of a Complaint, the Ombudsperson will appoint a Fact Finder (who may be a member of the Task Force) to investigate the Complaint and issue a Fact Finding Report.
4. The designated Fact Finder will conduct an investigation, as the Fact Finder deems appropriate, including witnesses who are identified in the Complaint and other individuals who have information concerning the matters alleged in the Complaint. The Fact Finder will have access to all information and documents the Fact Finder deems relevant. The investigation and the delivery of the Fact Finding Report will be completed within thirty days or as soon as practicable after the receipt of the Complaint by the Ombudsperson.
5. The Fact Finding Report will concisely summarize the facts found by the Fact Finder and the Fact Finder's recommendations and will be delivered to the Ombudsperson. The Fact Finding Report will be delivered to the Task Force by the Ombudsperson.
6. The Task Force will review the Fact Finding Report and may review other facts relating to the Complaint, and determine if the nature and scope of the Complaint is substantial enough to require the involvement of other parties (*i.e.*, Chair(s), UWBA's Governance Committee and/or Board of Directors). Any decision of the Task Force regarding the subject matter of the Complaint will be communicated, if appropriate, to UWBA's senior management, Governance Committee, Board of Directors, and General Counsel and Chief Ethics Officer, and to the Reporting Person, unless the Complaint was filed anonymously.
7. If the Complaint is made against the Ombudsperson, the Ombudsperson will not participate in the process outlined above. Instead, the Task Force will appoint another person in place of the Ombudsperson to carry out the Ombudsperson's responsibilities under this process.

**B. Confidentiality**

Confidentiality—relating both to the fact that a Complaint has been made and to any investigation of such Complaints—will be maintained to the greatest extent possible consistent with the investigation and resolution of the Complaint.

**C. Potential Outcomes**

If it is determined that the Complaint is meritorious, the Task Force will recommend that appropriate action be taken, including discipline of the Wrongdoer(s). Discipline may take the form of counseling, verbal or written warning, reprimand, reassignment, suspension, demotion, and/or termination from employment, or other appropriate action.

**D. Strict Policy Against Retaliation**

It is strictly prohibited to retaliate against a Reporting Person or other employee or volunteer who in good faith has made a Complaint or provided information or otherwise assisted in an investigation regarding a Complaint.

**E. Complaint File Retention**

Upon the resolution of a Complaint, the Task Force will take all reasonable steps to ensure that the Complaint and all related documents are held in confidence and in a secure location by the Ombudsperson and the General Counsel and Chief Ethics Officer. Related documents may include and documents deemed relevant by the Task Force. Such documents will be held for a period of three years from the date of the Complaint.

**XI. Publication**

This Compliance Policy will be communicated to each group by UWBA's Human Resources department, their managers or volunteer staff leadership. UWBA will post a summary of this Compliance Policy on its Intranet Web site in an area that is publicly available and a full copy of this Compliance Policy on its Intranet. A designated email address for use by Reporting Persons will be provided by UWBA.