

Tioga County Industrial Development Agency

Whistle-Blower Protection/Code of Conduct Policy

In keeping with the policy of maintaining the highest standards of conduct and ethics, the Tioga County Industrial Development Agency (the "Agency") will investigate any suspected Fraudulent or Dishonest Conduct by an employee, board member or agent of the Agency. The Agency is committed to maintaining the highest standards of conduct and ethical behavior and promotes a working environment that values respect, fairness and integrity. All employees, board members and agents shall act with honesty, integrity and openness in all their dealings as representatives for the organization. Failure to follow these standards will result in disciplinary action including possible termination of employment, dismissal from one's board or agent duties and possible civil or criminal prosecution if warranted.

Employees, board members, consultants and agents are encouraged to report suspected acts of Fraudulent or Dishonest Conduct by an employee, board member or agent of the Agency, (i.e. to act as "Whistle-Blower"), pursuant to the procedures set forth below.

Reporting

A person's concerns about suspected acts of Fraudulent or Dishonest Conduct by an employee, board member or agent of the Agency should be reported to the Chair of the Agency. If for any reason a person finds it difficult to report his or her concerns to the Chair, the person may report the concerns directly to any other board member. Alternately, to facilitate reporting of suspected violations where the reporter wishes to remain anonymous, a written statement may be submitted to any one of the individuals listed above.

The Governance Committee will then review all claims of Fraudulent or Dishonest Conduct. The Governance Committee will make a recommendation to the full Board with regard to the appropriate action on such claims. Any action taken with regard to the suspected violation will be made by the full Board upon review and discussion of the information gathered by the Governance Committee.

Definitions

Baseless Allegations: People making allegations with reckless disregard for their truth or falsity may be subject to disciplinary action by the Agency, and/or legal claims by individuals accused of such conduct.

Fraudulent or Dishonest Conduct: The act of wrongdoing, misconduct, malfeasance or other inappropriate behavior by an employee, board member or agent of the Agency, including a deliberate act of failure to act with the intention of obtaining an unauthorized benefit. Examples of such conduct include, but are not limited to:

- Forgery or alteration of documents;
- Unauthorized alteration or manipulation of computer files;
- Fraudulent financial reporting;
- Pursuit of a benefit or advantage in violation of the Agency's Conflict of Interest Policy;
- Misappropriation or misuse of the Agency's 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; and
- The violation of any Law, Rule or Regulation.

Law, Rule or Regulation: Any duly enacted statute, or ordinance or any rule or regulation promulgated pursuant to any federal, state or local statute or ordinance.

Public Body: includes the following:

- The United States Congress, any state legislature, or any popularly-elected local governmental body, or any member or employee thereof;
- Any federal, state or local judiciary, or any member or employee thereof, or any grand or petit jury; and
- Any federal, state, or local law enforcement agency, prosecutorial office, or police or peace office.

Retaliatory Personnel Action: The discharge, suspension or demotion of an employee, or other adverse employment action taken against the employee in terms and conditions of employment, including but not limited to, threats of physical harm, loss of job, punitive work assignments, or impact on salary or fees.

Whistle-Blower: An employee, consultant or agent who informs the Chair, any board member or Public Body pursuant to the provisions of this policy about an activity relating to the Agency which that person believes to be Fraudulent or Dishonest Conduct.

Rights and Responsibilities

Supervisors

The Executive Director is required to report suspected Fraudulent or Dishonest Conduct to the Chair of the Board.

Reasonable care should be taken in dealing with suspected Fraudulent or Dishonest Conduct to avoid:

- Baseless Allegations;
- Premature notice to persons suspected of Fraudulent or Dishonest Conduct and/or disclosure of suspected Fraudulent or Dishonest Conduct to others not involved with the investigation; and
- Violations of a person's rights under law.

Due to the important yet sensitive nature of the suspected Fraudulent or Dishonest Conduct, effective professional follow-up is critical. The Chair, while appropriately concerned about properly examining such issues, should not in any circumstances perform any investigative or other follow up steps on his own. Accordingly, when the Chair becomes aware of suspected Fraudulent or Dishonest Conduct he:

- Should contact the full Board of Directors and inform all of the suspected Fraudulent or Dishonest Conduct and inform the Board that the Governance Committee will be gathering information related to the claim;
- Should not contact the person suspected of Fraudulent or Dishonest Conduct to further investigate the matter or demand restitution;
- Should not discuss the case with attorneys other than counsel to the Agency, the media or anyone other than the members of the Board; and
- Should not report the case to an authorized law enforcement officer without first discussing the case with the members of the Board.

Investigation

All relevant matters, including suspected but unproved allegations of Fraudulent or Dishonest Conduct, will be reviewed and analyzed, with documentation of the receipt, retention, investigation and treatment of the complaint by the Governance Committee. Upon full Board review of the Committee report, appropriate corrective action will be taken, if necessary, and findings will be communicated back to the reporting person, if

appropriate. Investigations may warrant investigation by an independent person such as auditors and/or attorneys if so determined by the full Board of Directors.

Whistle-Blower Protection

The Agency will protect a Whistle-Blower pursuant to the guidelines set forth below.

- The Agency will use its best efforts to protect a Whistle-Blower against all Retaliatory Personnel Actions. Whistle-Blowing complaints will be handled with sensitivity and discretion to the extent allowed by the circumstances and law. Generally, this means that Whistle-Blower complaints will only be shared with those who have a need to know including, if appropriate, law enforcement personnel, so that the Agency can conduct an effective investigation and determine what action is required based on the results of any such investigation. (Should disciplinary or legal action be taken against a person or persons as a result of a Whistle-Blower complaint, such persons may also have the right to know the identity of the Whistle-Blower.);
- Employees, board members, consultants and agents of the Agency may not engage in any Retaliatory Personnel Action against a Whistle-Blower for (i) disclosing or threatening to disclose to the Chair or a board member, as applicable, any activity which that person believes to be Fraudulent or Dishonest Conduct, or (ii) objecting to or refusing to participate in any Fraudulent or Dishonest Conduct. A Whistle-Blower who believes that he has been the victim of a Retaliatory Personnel Action may file a written complaint with the Chair or any board member, as applicable. Any complaint of a Retaliatory Personnel Action will be promptly investigated by the Governance Committee and appropriate corrective measures, as determined by the full Board of Directors, will be taken if such allegations are substantiated. This protection from Retaliatory Personnel Action 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;
- Employees, board members, consultants and agents of the Agency may not engage in any Retaliatory Personnel Action against a Whistle-Blower for (i) disclosing, or threatening to disclose to a Public Body any activity which that person

believes to be Fraudulent or Dishonest Conduct, or (ii) providing information to, or testifying before, any Public Body conducting an investigation, hearing or inquiry into any such Fraudulent or Dishonest Conduct. Provided, however, that a Whistle-Blower who discloses or threatens to disclose any Fraudulent or Dishonest Conduct to a Public Body is not covered under this policy unless he first brings the allegation of Fraudulent or Dishonest Conduct to the attention of the Chair or any board member, as applicable, and has afforded the Agency a reasonable opportunity to correct or remedy such Fraudulent or Dishonest Conduct; and

- A Whistle-Blower must be cautious to avoid Baseless Allegations.