

## MEMORANDUM

**TO:** Audit Committee

**FROM:** Indra S. Winqest  
District General Manager

Josh Nelson  
Legal Counsel

**SUBJECT:** Review, discuss and possibly approve a Whistleblower procedure for financial matters

**DATE:** September 30, 2020

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### **I. RECOMMENDATION**

The Audit Committee receive, review, potentially revise, and consider adopting the enclosed Whistleblower Procedure.

### **II. BACKGROUND**

Enclosed please find a straw proposal for the development of a whistleblower complaint procedure for employees and the public. The Audit Committee was delegated the authority to review and refine financial whistleblower procedures under Policy 15.1.0(2.8). This procedure refines the existing practice.

The proposed process generally involves the receipt, investigation, and disposition of complaints. Complaints by employees can be made to supervisors, the General Manager, or the Audit Committee Chair. Complaints by others may be made to the General Manager or the Audit Committee Chair unless either is involved in which case complaints will be forwarded to the Chair of the Board of Trustees. Upon receipt, complaints will be investigated in good faith in coordination with Human Resources and legal counsel as appropriate.

One important topic of consideration is confidentiality. The procedure clarifies that complaints and investigations will be confidential to the extent permitted by law. In addition, and again to the extent permitted by law, employee complaints may be submitted anonymously.

### **III. ALTERNATIVES**

Do not move forward with the proposed procedure.

### **IV. BUSINESS IMPACT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

# **INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT WHISTLEBLOWER PROCEDURE – FINANCIAL MATTERS**

## **General**

The Incline Village General Improvement District (IVGID) expects its Trustees, officers, employees, and other representatives to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of IVGID, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations. This procedure implements Board of Trustees Policy 15.1.0(2.8.).

## **Reporting Responsibility**

It is the responsibility of all Trustees, officers, and employees to report Financial Misconduct in accordance with this Whistleblower Procedure.

## **Financial Misconduct**

“Financial Misconduct” means: violations of federal, state, local laws, Board and/or employee policy related to financial matters, theft, accepting bribes, fraudulent financial reporting and fraudulent recordkeeping.

## **No Retaliation**

IVGID prohibits retaliation against any Trustee, officer, or employee who reasonably believes that Financial Misconduct is occurring and reports it to a regulatory agency or a law enforcement agency, to a person with authority over the individual making the report, or to another employee with authority to investigate, discover, or correct the Financial Misconduct. IVGID also prohibits retaliation against any Trustee, officer, or employee because that individual may make or threatens to make such a disclosure. Retaliation includes harassment or adverse employment actions, such as unwarranted discipline or termination. Any Trustee, officer, or employee who retaliates in violation of this procedure is subject to discipline up to and including termination of employment, as applicable. This procedure is intended to encourage and enable employees and others to raise serious concerns within IVGID prior to seeking resolution outside IVGID.

IVGID also prohibits retaliation against any Trustee, officer, or employee who refuses to participate in any conduct that would result in a violation of local, state, or federal law or regulation related to any Financial Misconduct.

## **Reporting Financial Misconduct**

To retain confidentiality and to the extent permitted by applicable law, the District will provide a method for anonymous whistleblower submissions. The General Manager shall ensure all employees are aware of these procedures.

## **INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT WHISTLEBLOWER PROCEDURE – FINANCIAL MATTERS**

In addition, IVGID encourages its Trustees, officers, and employees to share their questions, concerns, suggestions, or complaints with their supervisor, Venue Manager, General Manager, or the Audit Committee Chair. Any Trustee, officer, employee, or member of the public may report Financial Misconduct to the General Manager and the Chair of the Audit Committee. If the Financial Misconduct implicates one or both of the General Manager or the Chair of the Audit Committee, the issue may be reported to the Chair of the Board of Trustees or any other Trustee if the Chair is implicated as well. Upon receipt an allegation of Financial Misconduct, the receiving party shall take appropriate action which shall include investigating the allegation if it appears to have reasonable cause and to be made in good faith. Investigations shall include the Human Resources department and legal counsel as applicable.

It is the responsibility of the General Manager to take immediate action to investigate and determine if corrective action needs to be taken. To ignore a report may result in disciplinary action up to and including termination for inaction.

### **Acting in Good Faith**

Anyone raising concerns of Financial Misconduct must be acting in good faith and have reasonable cause for believing the information disclosed indicates Financial Misconduct. Any allegations that prove to be made maliciously or knowingly false will be viewed as a serious disciplinary offense. For employees this may result in termination and for community members, it may result in suspension of their Recreation Privileges.

### **Confidentiality**

To the extent permitted by applicable law, reports of Financial Misconduct or suspected Financial Misconduct will be kept confidential on a "need-to-know" basis, consistent with the need to conduct an adequate investigation.

### **Information Technology Process**

The process will be to utilize a third party online form that is posted or linked to from yourtahoeplace.com that would then send an email directly to the Audit Committee Chairperson's IVGID email account. This process should be straight forward to implement and Staff believe it will take no more than a 6 to 8 business days from start to completion. There will be a nominal (*for 2020 it is \$60/year*) charge to host this form. Should a change be made to either this procedure or technology, the Director of Information Technology will consult with the District General Manager to ensure compliance.