

MEMORANDUM

TO: Board of Trustees

FROM: Trustee Sara Schmitz

SUBJECT: Review discuss and possible adopt the modifications to the Whistleblower procedure as approved by the Audit Committee.

DATE: February 8, 2023

I. RECOMMENDATION

The Board of Trustees accepts the proposed modifications approved by the Audit Committee and changes the name from the Whistleblower Procedure to Policy 15.2 Whistleblower Policy and Procedure.

II. BACKGROUND

The recent Moss Adams report identified the Whistleblower procedure as a document to be refined. In their recommendation, they identified the need for clarity between the policy and the procedures. The Audit Committee has reviewed the refinements in the policy to identify the policy separate more clearly from the procedures. In addition, the Audit Committee Chair and the Interim General Manager requested minor revisions related to the delegation of issues between them and the information to be contained in the tracking log.

III. FINANCIAL IMPACT AND BUDGET

None.

IV. ALTERNATIVES

Make further refinements and possibly approve with the identified revisions.

V. ATTACHEMENTS

Whistleblower Policy & Procedure 15.2

Whistleblower Procedure Adopted January 11, 2023 (Redlined)



INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT WHISTLEBLOWER POLICY & PROCEDURE Policy 15.2

POLICY

1.0 - General

The Incline Village General Improvement District (IVGID) expects its employees, Trustees, and volunteers to observe high standards of business and professional ethics in the conduct of their duties and responsibilities. Employees and representatives of IVGID must practice honesty and integrity in fulfilling their responsibilities and comply with all IVGID Policies, Practices, Resolutions and Ordinances and other applicable laws and regulations. Moreover, IVGID is committed to transparency and fostering a “speak up” culture. This Whistleblower Policy & Procedure implements Board of Trustees Policy 15.1.0(2.8).

In addition, IVGID encourages its employees, volunteers, other stakeholders of the District, and the public to share their questions, concerns, suggestions, or complaints with their supervisor, Venue Manager, Trustees, General Manager, or the Audit Committee Chair.

“**Misconduct**” means (a) questionable or improper accounting or auditing matters, (b) violations and suspected violations of federal, state, local laws, and (c) violations and suspected violations of IVGID Ordinances, Policies, Practices, Resolutions and the Code of Conduct, (d) Conflicts of Interest, (e) Misuse of District resources.

“Misconduct” does not include minor, immaterial matters or routine workplace complaints or disciplinary matters which shall be processed under applicable Human Resources policies.

This policy is not intended to replace the day-to-day operational issues typically resolved by managers and/or the Human Resources Department. It is specifically intended for use in cases of suspected Misconduct.

2.0 - Reporting

It is the responsibility of all employees, Trustees, and volunteers to report Misconduct and/or reasonable suspicions of Misconduct in accordance with this Whistleblower Policy & Procedure. Other stakeholders of the District and the public may also report Misconduct in accordance with this Whistleblower Policy & Procedure.

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2.1 - Trustees, employees and volunteers have the following **options** for reporting concerns that involve Misconduct and/or or reasonable suspicions of Misconduct. The information will be handled in a manner to protect confidentiality and anonymity to the extent permitted by applicable law.

- A. Discuss any suspected Misconduct with their **immediate supervisor**.
- B. Report the suspected Misconduct to the **Director of Human Resources**.
 - 1. If the Misconduct was reported verbally to the Director of Human Resources, the reporting individual, with assistance from the Director of Human Resources, shall reduce the reported Misconduct to writing.
- C. Report the suspected Misconduct to the **Chair of the Board of Trustees**.
 - 1. Should the suspected Misconduct implicate one or both of the General Manager or the Chair of the Audit Committee, this is the recommended reporting option.
- D. Report the suspected Misconduct to the **Chair of the Audit Committee**.
- E. Report the suspected Misconduct to any other **Trustee**. It is recommended that if a Trustee receives a report it is copied to the Chair of the Audit Committee – unless the Chair of the Audit Committee is implicated - to be investigated in accordance with the procedure described in the section Receipt, Retention, and Treatment – Role of the Audit Committee Chair.
- F. Report the suspected Misconduct to any other Audit Committee Member.
- G. Submit concerns of suspected Misconduct anonymously using the IVGID website. Such submittals will automatically be routed to the Audit Committee Chair with a copy to the General Counsel.

2.2 - The public may also submit suspected Misconduct and/or or reasonable suspicions of Misconduct to:

- A. The Audit Committee Chair by email at AuditCommittee@ivgid.org. This email will be routed to both the Audit Committee Chair and General Counsel.

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- B. Anonymously using the IVGID website. All anonymous allegations of Misconduct will be routed to the Chair of the Audit Committee and General Counsel.

- C. Mail to 893 Southwood Blvd. to the attention of Audit Committee Chair, Strictly Confidential – Addressee only, Incline Village NV 89451

The information provided will be handled in a manner to protect confidentiality and anonymity to the extent permitted by applicable law.

Upon receipt of suspected Misconduct, the receiving party shall take swift action which shall include investigating or referring it to Human Resources if it is not subject to this procedure. When employee conduct is in question and to obtain complete unbiased results, investigations may include an independent third party reviewer. How investigations are to be conducted will be up to the Audit Committee Chair, the General Manager and/or General Counsel, as deemed appropriate.

2.3 - No Retaliation

This Whistleblower Policy is intended to encourage and enable Trustees, volunteers, stakeholders of the District, the public and employees to report Misconduct and/or reasonable suspicions of Misconduct within IVGID for investigation and appropriate action. With this goal in mind, no Trustee, volunteer, member of the public, employee or other stakeholder of the District who, in good faith, reports Misconduct shall be subject to retaliation, harassment or public disclosure except to the extent required by applicable law. Moreover, any volunteer, Trustee or employee who retaliates, directly or indirectly, in violation of this procedure, against someone who has reported Misconduct and/or or reasonable suspicions of Misconduct in good faith is subject to discipline up to and including removal from the volunteer position, or termination of employment, or being censured as a Trustee.

2.4 - Acting in Good Faith

Anyone raising concerns of Misconduct and/or reasonable suspicions of Misconduct must be acting in good faith and have reasonable cause for believing the information disclosed indicates 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. “Good faith” does not mean that the reporting person must be positive that their report is correct, but rather that



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the person is providing all of the information they have and that they believe it to be true at the time of reporting.

2. 5 - Confidentiality

To the extent permitted by applicable law, reports of Misconduct or suspected Misconduct will be kept confidential on a "need-to-know" basis, consistent with the need to conduct an adequate investigation. To the extent permitted by applicable law, the party leading the investigation shall make every reasonable effort to ensure the identity of the reporter is not disclosed if such reporter wishes to remain confidential. If an internal investigation could materially increase the risk of confidentiality being compromised, the use of an independent third party to conduct the investigation is recommended. Improper or unauthorized disclosure of reports of Misconduct or resulting investigations will be viewed as a serious offense and will result in applicable disciplinary procedures being followed, up to and including termination of employment if provided under such procedures.

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PROCEDURE:

1.0 - General

The methods for submission of suspected Misconduct may be reported by employees, Trustees, volunteers, other stakeholders of the District, and the public on a confidential and anonymous basis to the extent permitted by applicable law.

The Whistleblower Policy & Procedure is to be followed when a submission of concern is received.

2.0 - Receipt, Retention, and Treatment – Role of the Audit Committee Chair

The Audit Committee Chair will track and provide quarterly reports on the following statistics:

1. The number of reported concerns regarding misconduct received through the IVGID website or direct reporting to the Audit Committee Chair, or passed to the Audit Committee Chair for investigation by another party receiving a report.
2. The Average time to resolve or respond to those concerns.
3. The number of repeated concerns regarding Misconduct submitted.
4. A brief description of what investigation was done for a given submission, who did the investigation, and closure regarding actions taken. This detail is NOT to result in confidential information being made public but is a brief overview and closure.

The Audit Committee Chair will review all concerns under the Whistleblower Policy & Procedure she/he receives. The following are potential, but not exclusive, options of action for the Board of Trustees which shall be determined in consultation with General Counsel, unless the Counsel is implicated.

1. Delegate the investigation to the General Manager when the submission is outside the Audit Committee responsibilities as defined in Board Policy 15.1.0, Section 2.0.
2. Engage an external independent resource to investigate and provide recommended corrective actions as deemed appropriate by the Audit Committee Chair, General Counsel and the General Manager.
3. Delegate the investigation to the General Manager or General Counsel.

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If a concern under the Whistleblower Policy & Procedure is delegated to the General Manager, she/he is expected to take immediate action while keeping the Audit Committee Chair informed of the status of the investigation and corrective action taken. To ignore a concern under the Whistleblower Policy & Procedure will result in action pursuant to applicable disciplinary procedures, up to and including termination for inaction. The Audit Committee Chair shall retain ultimate responsibility to ensure that allegations of Misconduct under the Whistleblower Policy & Procedure are investigated and resolved in a timely fashion. The Board of Trustees have the authority to take additional action as deemed appropriate should they deem the investigation and corrective action is not being dealt with in an appropriate and timely manner.

3.0 - Receipt, Retention, and Reporting – Role of the General Manager

The General Manager shall be informed of any suspected Misconduct when reported to anyone on his staff. The General Manager is responsible for working with the Audit Committee Chair and General Counsel to determine appropriate action. She/he will track and provide quarterly reports to the Audit Committee chair on the following statistics:

1. The number of reported concerns under the Whistleblower Policy & procedure regarding Misconduct received through direct reporting to the General Manager or Human Resources Director, or passed to the General Manager for investigation by another party receiving a report.
2. The number of repeated concerns regarding Misconduct submitted.
3. The number of reported concerns referred to the Audit Committee Chair.
4. A brief description of what investigation was done for a given submission, who did the investigation, and closure regarding actions taken. This detail is NOT to result in confidential information being made public but is a brief overview and closure.



INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT WHISTLEBLOWER POLICY & PROCEDURE

POLICY

1.0 - General

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In addition, IVGID encourages its employees, volunteers, other stakeholders of the District, and the public to share their questions, concerns, suggestions, or complaints with their supervisor, Venue Manager, Trustees, General Manager, or the Audit Committee Chair.

"Misconduct" means (a) questionable or improper accounting or auditing matters, (b) violations and suspected violations of federal, state, local laws, and (c) violations and suspected violations of IVGID Ordinances, Policies, Practices, Resolutions and the Code of Conduct, (d) Conflicts of Interest, (e) Misuse of District resources.

"Misconduct" does not include minor, immaterial matters or routine workplace complaints or disciplinary matters which shall be processed under applicable Human Resources policies.

This policy is not intended to replace the day-to-day operational issues typically resolved by managers and/or the Human Resources Department. It is specifically intended for use in cases of suspected Misconduct.

The Whistleblower Procedure includes the following:

- ~~• The methods for submission of suspected Misconduct may be reported by employees, Trustees, volunteers, other stakeholders of the District, and the public on a confidential and anonymous basis to the extent permitted by applicable law.~~
- ~~• The process to be followed when a submission of concern is received.~~

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INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT WHISTLEBLOWER **POLICY & PROCEDURE**

- ~~The receipt, retention, and treatment of suspected Misconduct submissions received by the Audit Committee regarding IVGID Policies, Practices, Resolutions, Ordinances and other applicable laws and regulations. The protection of employees, Trustees, volunteers, other stakeholders of the District, and the public reporting concerns from retaliatory actions.~~

2.0 - Reporting

It is the responsibility of all employees, Trustees, and volunteers to report Misconduct and/or reasonable suspicions of Misconduct in accordance with this Whistleblower **Policy & Procedure**. Other stakeholders of the District and the public may also report Misconduct in accordance with this Whistleblower **Policy & Procedure**.

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~~Resolutions. “Misconduct” does not include minor, immaterial matters or routine workplace complaints or disciplinary matters which shall be processed under applicable Human Resources policies and/or applicable Memorandum of Understanding.~~

2.1 - Trustees, employees and volunteers have the following **options** for reporting concerns that involve Misconduct and/or or reasonable suspicions of Misconduct. The information will be handled in a manner to protect confidentiality and anonymity to the extent permitted by applicable law.

~~B.A.~~ Discuss any suspected Misconduct with their **immediate supervisor**.

~~C.B.~~ Report the suspected Misconduct to the **Director of Human Resources**.

- If the Misconduct was reported verbally to the Director of Human Resources, the reporting individual, with assistance from the Director of Human Resources, shall reduce the reported Misconduct to writing-writing.

~~D.C.~~ Report the suspected Misconduct to the **Chair of the Board of Trustees**.

- Should the suspected Misconduct implicate one or both of the General Manager or the Chair of the Audit Committee, this is the recommended reporting option.

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E.D. Report the suspected Misconduct to the **Chair of the Audit Committee.**

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F.E. Report the suspected Misconduct to any other **Trustee**. It is recommended that if a Trustee receives a report it is copied to the Chair of the Audit Committee – unless the Chair of the Audit Committee is implicated - to be investigated in accordance with the procedure described in the section **Receipt, Retention, and Treatment – Role of the Audit Committee Chair.**

G.F. Submit concerns of suspected Misconduct anonymously using the IVGID–website. Such submittals will automatically be outed to the Audit Committee Chair with a copy to the General Counsel.

2.2 - The public may also submit suspected Misconduct and/or or reasonable suspicions of Misconduct to:

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- A. The Audit Committee Chair by email at AuditCommittee@ivgid.org. This email will be routed to both the Audit Committee Chair and General Counsel.
- B. Anonymously using the IVGID website. All anonymous allegations of Misconduct will be routed sent directly to the Chair of the Audit Committee and with a copy to the General Counsel.
- C. Mail to 893 Southwood Blvd. to the attention of Audit Committee Chair, Strictly Confidential – Addressee only, Incline Village NV 89451

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2.3 - No Retaliation

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INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT WHISTLEBLOWER POLICY & PROCEDURE

PROCEDURE:

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The ~~Board of Trustees~~ Audit Committee Chair (it never said Board of Trustees) will review all concerns under the Whistleblower Policy & Procedure s/he receives. The following are potential, but not exclusive, options of action for the Board of Trustees which shall be determined in consultation with General Counsel, unless the Counsel is implicated.

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If a concern under the Wwhistleblower Policy & Pp procedure is delegated to the General Manager, s/he is expected to take immediate action while keeping the Audit Committee Chair informed of the status of the investigation and corrective action taken. To ignore a concern under the Wwhistleblower Policy & Pp procedure will result in action pursuant to applicable disciplinary procedures, up to and including termination for inaction. The Audit Committee Chair shall retain ultimate responsibility to ensure that allegations of Misconduct under the Wwhistleblower procedure-Policy & Procedure are investigated and resolved in a timely fashion. The Board of Trustees haves the authority to take additional action as s/he deemeds appropriate should theys/he deem the investigation and corrective action is not being dealt with in an appropriate and timely manner.

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3.0 - Receipt, Retention, and Reporting – Role of the General Manager

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The General Manager shall be informed of any suspected Misconduct when reported to anyone on his staff. The General Manager is responsible for working with the Audit Committee Chair and General Counsel to determine appropriate action. S/he will track and provide quarterly reports to the Audit Committee chair on the following statistics:

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