



FOUNDATION

MiraCosta College Foundation
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WHISTLEBLOWER POLICY

General

The MiraCosta College Foundation Code of Ethical Conduct (the “Code”) requires directors, officers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the MiraCosta College Foundation (the “Foundation”), we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Reporting Responsibility

It is the responsibility of all directors, officers and employees to comply with the Code and to report violations or suspected violations in accordance with this Whistleblower Policy. Matters that should be reported include anything that (1) is in violation of any state or federal law or regulation, including, but not limited to, corruption, malfeasance, bribery, theft of government property, fraudulent claims, fraud, coercion, conversion, malicious prosecution, misuse of government property, or willful omission to perform duty, (2) is economically wasteful, or involves gross misconduct, incompetency, or inefficiency, or (3) would cause others to work in conditions outside of their line of duty that would unreasonably threaten the health or safety of employees or the public.

No Retaliation

No director, officer, or employee who in good faith refuses to participate in or reports a violation or suspected violation of the Code shall suffer harassment, retaliation, or adverse employment consequences. An employee who retaliates against someone who has reported a violation or suspected violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns regarding violations or suspected violations of the Code within the Foundation prior to seeking resolution outside the Foundation.

Reporting Violations

Employees are encouraged to share their questions, concerns, suggestions, or complaints with someone who can address them properly. In most cases, an employee’s supervisor, or the Foundation’s Executive Director, is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or the Executive Director or you are not satisfied with the response given, you are encouraged to utilize one of three resources: 1) the chair of the audit

committee, 2) the MiraCosta Community College District's (the "District") internal fraud hotline, or 3) the District's Director of Risk Management. Procedures on how to report suspicion of fraud to the District are attached.

Compliance

The District's Director of Risk Management is responsible for investigating and resolving all reported complaints and allegations concerning suspicion of fraud and, at her/his discretion, shall advise the Executive Director and/or the audit committee.

The chair of the audit committee is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code of Ethics and, at her/his discretion, shall advise the Executive Director and/or the Board of Directors.

Accounting and Auditing Matters

The audit committee shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. Anyone receiving such a complaint shall immediately notify the audit committee and work with the committee until the matter is resolved.

Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Handling of Reported Violations

The chair of the audit committee, the District's Director of Risk Management, or the Executive Director acknowledges receipt of the complaint within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.



Responsible Parties (as of February, 2014)

Audit Committee Chair

Ken Noonan
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Executive Director and Secretary

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Director of Risk Management:

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How to Report Suspicion of Fraud (June, 2008)

The District supports a culture of honesty wherein employees are provided with information to assist them in identifying possible signs of fraud and encourages them to report their suspicions without fear of reprisal.

The following situations may create an environment in which occupational fraud could occur and should be reported on the District's internal fraud hotline at (800) 860-0597, to the Director of Risk Management at (760) 795-6866, or to the chair of the MiraCosta College Foundation Audit Committee:

- Inadequate internal controls over assets, e.g., lack of segregation of duties or independent checks, especially in areas such as purchasing, accounts payable, cash handling, and payroll
- Lack of management oversight
- Lack of proper screening and hiring procedures
- Poor physical safeguards over cash, investments, inventory, or fixed assets
- Lack of timely reconciliations of bank accounts
- Infrequent or no vacations taken by employees performing key control functions
- Inadequate management understanding of information technology, which enables any employees to perpetrate a misappropriation
- Inadequate access controls over automated records, including controls over and review of computer systems event logs
- Conflicts of interest
- Behavior indicating displeasure or dissatisfaction with the District or its treatment of employees
- Changes in behavior or lifestyle that may indicate assets have been misappropriated
- Management override of internal controls
- Management repeated failure to react to employee misconduct
- Theft
- Workers' Compensation fraud
- Questionable accounting practices

Any one of these outside agencies may also be contacted:

- The State Auditor's Whistle Blower Hotline at (800) 952-5665
- Investigations, Bureau of State Audits, 555 Capital Mall #300, Sacramento, CA 95814
- State of California Department of Insurance Fraud Division, (619) 645-2485, 1495 Pacific Hwy., Suite 300, San Diego, CA 92101
- WeTip Corporate Ethics Hotline, (800) 873-7283, P.O. Box 1296, Rancho Cucamonga, CA 91729-1296. www.wetip.com



The Director of Risk Management shall receive all reports of fraud. As needed, he/she shall form an ad hoc team of knowledgeable individuals to investigate all reports of suspected fraud. The reporting individual(s) name(s) will not be divulged unless and until legal proceedings are initiated. The team's findings will be reported to the Superintendent/President and/or the president of the Board of Trustees.