

# **Daemen College Whistleblower Policy**

## **I. General**

Daemen College requires all trustees, 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 College, we must practice honesty and integrity when fulfilling our responsibilities and comply with all applicable laws and regulations. The College's internal controls and operating procedures are intended to detect, prevent or deter improper activities; however, even the best systems of control cannot provide absolute safeguards against irregularities. Accordingly, the College has adopted this Whistleblower Policy to provide a mechanism to assist and encourage trustees, officers and employees to come forward in good faith with reports or concerns about suspected compliance issues on a timely basis.

## **II. Reporting Responsibility**

It is the responsibility of all trustees, officers and employees to report suspected financial misconduct. This Whistleblower Policy governs only the reporting and investigation of suspected financial misconduct, such as violations of applicable laws, external regulations, College policy of a financial nature or misuse of College resources. Financial misconduct may include, but is not limited to, ethics violations, fraudulent transactions, conflicts of interest, inappropriate expenditure of funds, questionable internal controls and failure to comply with accounting standards and audit practices, theft or inappropriate use of cash or other College resources, falsification of hours worked for payroll purposes and inappropriate spending of cash through the accounts payable process. The policy is not intended and may not be used for personal or employment grievances, general compensation and benefit complaints, opinions on policy, etc. Such concerns should be pursued in accordance with pertinent policies articulated in employee and student handbooks and as discussed in section X below.

While this policy pertains only to trustees, officers and employees of the College, students with concerns in this regard are encouraged to discuss their concerns with the VP for Student Affairs and Dean of Students, who will determine the most appropriate course of action.

## **III. Reporting Suspected Violations**

Daemen College has an open door policy and encourages trustees, officers and employees to share their questions, concerns, suggestions or complaints regarding any concern with someone who can address them properly. In most cases, an employee's supervisor, or the head of the affected department or office is in the best position to address an area of concern.

The College has adopted this Whistleblower Policy for those instances where a person has a serious concern about possible financial or ethical misconduct. The Policy allows allegations to be made outside of the immediate area that the suspected trustee, officer or employee is associated with and allows for confidentiality for the reporting person, if requested.

It is recommended that complaints under this Policy be made in person, electronically, or by mail. Employees reporting by campus mail or email should complete a Whistleblower Disclosure Statement (attached below – Appendix A) and forward it to the Chair of the Audit Committee of the Board of Trustees (Compliance Officer). Alternatively, the report may be made to the College President, Vice President for Business Affairs (VPBA) or Chair of the Board of Trustees, although all complaints will be forwarded to the Audit Committee Chair as Compliance Officer unless the Chair is the subject of the complaint. Contact information for each of these individuals can be found in Section XI of this Policy.

Every whistleblower should understand that making a report will likely cause an investigation to commence and that he/she may need to visit the office of the Compliance Officer to answer any questions regarding the report.

Complaints may be submitted on an anonymous basis, if the person so desires; however, sufficient information must be provided in order that an investigation can be conducted. Whistleblowers are encouraged to put their names to allegations because appropriate follow-up questions and a complete investigation may not be possible unless the source of the information is identified. Concerns expressed anonymously will be explored appropriately, but consideration will be given to (1) the seriousness of the issue raised; (2) the credibility of the concern; and (3) the likelihood of confirming the allegation from attributable sources. Anonymous whistleblowers must provide sufficient corroborating evidence to justify the commencement of an investigation. An investigation of unspecified wrongdoing or broad allegations will not be undertaken without verifiable evidentiary support.

Since investigations are more complete and reliable when based upon timely evidence, reports under this policy should be made as soon as possible after the conduct complained of is discovered.

#### **IV. Compliance Officer and Handling of Reported Violations**

The Daemen College Whistleblower Compliance Officer is the Chair of the Audit Committee of the Board of Trustees. (Should the Audit Committee Chair be the subject of allegations, the Audit Committee shall appoint another member to perform the Compliance Officer's role regarding said allegations.) The Compliance Officer will direct and oversee an investigation, but may call upon the appropriate College office for information or other assistance depending on the specific circumstances of the issue.

All reports will be promptly investigated. The Compliance Officer has access to all resources of the College and external counsel to ensure a fair and accurate resolution of the alleged violation. The investigation is closed when the Compliance Officer has deemed the investigation is complete and a resolution is reached. The Compliance Officer is responsible for documenting the investigation and explaining the rationale for the resolution. That document and all other relevant documents will be attached to the original Whistleblower Disclosure Statement (if one has been filed, or any other documentation that exists for anonymously reported allegations) and reside in the office of the Compliance Officer during the investigation. Documents and evidence relating to a closed investigation will remain in the College's files in the Human Resources Department.

Whistleblower Disclosure Statements and the status of investigations will be reported to the Audit Committee of the Board of Trustees. At the discretion of the Compliance Officer, the President may also be advised of the status and/or results of any investigation. The Compliance Officer has direct

access to the Board of Trustees and is required to report to the Board at least annually on compliance activity.

## **V. Accounting and Auditing Matters**

The Audit Committee of the Board of Trustees shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the Audit Committee of any such complaint and work with the Committee until the matter is resolved.

## **VI. Results of Reports Made Under Whistleblower Policy**

If the investigation establishes that a violation of law, external regulation or College policy has occurred, the Compliance Officer, in conjunction with the appropriate College administrator (President, VPBA, VPAA, the Director of Human Resources and/or the Director of the applicable office of the investigated employee) will determine appropriate action based upon law and College policy. ( If as a result of the complaint a faculty member is disciplined, he or she is entitled to a detailed, written explanation of the reasons for the discipline, as noted in Article XII of the Faculty Handbook. If as a result of the complaint a faculty member is suspended or terminated, the faculty member may invoke the review procedures provided for in Article XII of the Faculty Handbook. College staff and students may elect to proceed with the review procedures provided for in the applicable handbook.) Civil or criminal prosecution will be pursued when warranted.

If the result of the investigation is that the allegation is not satisfactorily established, the investigation will be deemed complete. A whistleblower whose complaint is not established or is deemed inappropriate to be addressed under this Whistleblower Policy may pursue his or her claim under another relevant College policy.

## **VII. Confidentiality**

Whistleblowing complaints will be handled with sensitivity, discretion and confidentiality to the extent possible, consistent with the need to conduct an adequate investigation. Generally this means that whistleblower complaints will only be shared with those who have a need to know so that the Compliance Officer can conduct an effective investigation and determine what action to take based on the results of any such investigation. In appropriate cases, the investigation documents will be shared with law enforcement personnel.

Should disciplinary or legal action be taken against a person or persons as a result of a whistleblower complaint, such persons may also have the right to know the identity of the whistleblower. In addition, whistleblowers submitting a report should be aware that their public testimony might be needed to establish a violation.

Although a person's report may possess merit, comments made to others regarding another person could constitute defamation, invasion of privacy or other grounds for civil liability. Whistleblowers, witnesses and investigators should not discuss allegations outside of the reporting and investigation process. This is especially important if the investigation reveals that the suspected person's actions were lawful or within College policy.

Note that if a whistleblower self-discloses his or her identity directly or indirectly through his or her own actions outside of the official investigation process, the College is not obligated to maintain confidentiality.

### **VIII. No Retaliation**

Employees, trustees, and officers of the College may not retaliate against a whistleblower for reporting an activity which that person, in good faith, believes to be financial or ethical misconduct. An action is considered retaliatory if it has the intent or effect of adversely affecting the terms or conditions of the whistleblower's employment, including but not limited to, threats of physical harm, loss of job, punitive work assignments, or impact on salary or wages. Whistleblowers who believe that they have been retaliated against may file a written complaint with the Compliance Officer or the Vice President for Business Affairs. Any complaint of retaliation will be promptly investigated and, if allegations of retaliation are substantiated, the perpetrator will be subject to discipline up to and including termination of employment/relationship with the College. This protection from retaliation is not intended to prohibit managers or supervisors from taking action, including disciplinary action, in the usual scope of their duties and based on valid performance-related factors. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within Daemen College prior to seeking resolution outside the College.

### **IX. Acting in Good Faith**

A report made under this policy can have considerable impact on the personal and professional lives of those charged. Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Employees, trustees, and officers shall not intentionally misuse the College's Whistleblower Policy and procedures. Intentional misuse includes, but is not limited to, frivolous claims, attempts to treat a personal grievance or personnel dispute as an allegation of wrongdoing, lack of good faith in invoking the policy or any known false, malicious or intentionally misleading statements made at any time under the procedures of the policy. The Compliance Officer will report to the Chair of the Board of Trustees, the President, VPBA or VPAA, and/or the Director of the applicable office (if an employee), the identity of anyone who is believed to have intentionally misused the Whistleblower Policy. After appropriate review by these individuals, if the allegations are substantiated, the perpetrator will be subject to discipline up to and including termination of employment/relationship with the College.

As requested and as appropriate, the Compliance Officer and other College officials shall make all reasonable and practical efforts to protect or restore the reputation of persons alleged to have violated College policy, but against whom no finding of misconduct is made.

### **X. General Reporting Outside of the Whistleblower Policy**

All are encouraged to report all other suspected violations of law or College policy directly to his/her supervisor. If the whistleblower feels unable to do so or if there is any reason why this may not be appropriate, he or she should raise the issue with the department chair, dean, director or other College official/office having responsibility for overseeing compliance with the particular policy or procedure in accordance with the guidance below:

## **Crime Reporting Policy**

Daemen College strives to maintain a safe campus and relies on all members of the campus community to do their part to keep our campus safe. Any member of the campus community – faculty, student, staff, trustee – who observes criminal activity on the Daemen main campus or at any off-campus instructional site is expected to report such conduct promptly to the police and to campus or building security. Criminal activity includes but is not necessarily limited to: physical assault, including sexual assault and abuse; burglary, robbery, arson, unauthorized display or use of a dangerous weapon, and the illegal distribution or manufacture of controlled substances.

If you observe a crime, phone 911 immediately and follow the instructions of the police. Contact campus security immediately thereafter. Any crime directly involving a member of the campus community, whether as victim or alleged perpetrator, should also be brought to the prompt attention of the Office of the President.

In addition, there are occasions when minors (persons under 18 years of age) are on the Daemen College campus or involved in College events. Any person who observes the sexual abuse of a minor or has a reasonable suspicion of such abuse, should immediately notify campus security and the local police authorities (call 911). A call may also be made to the NYS Child Abuse Hotline at 1-800-342-3720. Any such conduct involving a Daemen student or employee should also be brought to the attention of the Office of the President.

The prompt reporting of criminal activity is essential to securing a safe campus environment for all persons, including guests and members of the public. No one is exempt from the expectation of law-abiding behavior. There shall be no form of retaliation within the Daemen College community against any person making a good faith report of suspected criminal activity.

## **Employment Policies**

In the event of any claim concerning discrimination or harassment (including sexual harassment) or any other violation of employment policies, reports should be made in accordance with the Grievance Procedure in Discrimination and Harassment Cases or the Dispute Resolution Procedures found in staff, faculty, and student handbooks, as appropriate.

## **Education & Research**

An alleged violation that, if proved, would constitute misconduct in research will be processed in accordance with the Daemen College Research Integrity Policy and Guidelines on Misconduct (See Appendix C to the Faculty Handbook).

## **Environmental, Health and Safety**

In the event of any claim concerning personal safety, suspicious activity, fire, environmental protection, hazardous conditions, violations of state or federal health or campus safety, a report can be made to the Security Office at ext. 8246. Potential biohazard issues should be handled according to the College Biosafety Manual <http://www.daemen.edu/offices/securityoffice/Documents/Daemen->

[Biosafety-2-2005.pdf](#). Potentially hazardous chemical issues should be handled according to the College Chemical Hygiene Plan <http://www.daemen.edu/offices/securityoffice/Documents/Daemen-CHP-2-2005.pdf>.

## **Data Security**

In the event of knowledge regarding the improper use of electronic resources including: computer hardware; computer network and servers; software; data, voice, cable or other related wired or wireless signals of information; the improper handling or use of College electronic data; or any other violations of the College's Acceptable Use Policy, a report should be made to the Director of Academic Computing Services or Director of Information Resources Management.

## **XI. Contacts**

Listed below are the current names and email addresses of the President, VPBA, Chair of the Audit Committee and Chair of the Board of Trustees. These positions will change periodically. Consult the Office of the President for the most current names and addresses.

Edwin G. Clausen <a href="mailto:eclausen@daemen.edu">eclausen@daemen.edu</a>	President
Robert C. Beiswanger Jr. <a href="mailto:rbeiswan@daemen.edu">rbeiswan@daemen.edu</a>	Vice President for Business Affairs
Sr. Dorothy Mueller O.S.F. <a href="mailto:dmueller@sacredheartacademy.org">dmueller@sacredheartacademy.org</a>	Chair – Trustee Audit Committee
Ms. Caroline Buerk <a href="mailto:tsnre@aol.com">tsnre@aol.com</a>	Chair – Board of Trustees

## **XII. Questions**

Questions related to the interpretation of this policy should be directed to the Vice President for Business Affairs.

**Policy Approved by the Daemen College Board of Trustees on May 8, 2012.**

**Appendix A - Whistle-Blower Disclosure Statement**

***Personal Information:***

Name: \_\_\_\_\_ Email Address: \_\_\_\_\_

Campus Extension: \_\_\_\_\_

Are you requesting confidentiality? \_\_\_\_\_

***Incident Information:***

Description of the alleged violation (please be as specific as possible, including dates, and attach additional sheets as necessary):

Name of suspected employee(s):

Witness(es):

Do you have any evidence supporting the allegation? Yes / No If yes, briefly describe:

***Certification:***

I have read and understand the Daemen College Whistle-Blower Policy. I represent that the facts outlined above are true and accurate to the best of my knowledge.

\_\_\_\_\_  
Signature Date

This disclosure statement has been received by the Compliance Officer on the date noted below, and I am in custody of any evidence noted above. \_\_\_\_\_

\_\_\_\_\_  
Signature Date