

Council for the Spanish Speaking, Inc.

POLICIES ON MATTERS OF ETHICS

POLICY ON CONFLICTS OF INTEREST

In the course of business, situations may arise in which an organization's decision-maker has a conflict of interest, or in which the process of making a decision may create an appearance of a conflict of interest.

All directors and employees have an obligation to:

1. Avoid conflicts of interest, or the appearance of conflicts, between their personal interests and those of the organization in dealing with outside entities or individuals,
2. Disclose real and apparent conflicts of interest to the Board of directors, and
3. Refrain from participation in any decisions on matters that involve a real conflict of interest or the appearance of a conflict.

What Constitutes a Conflict of Interest?

A conflict of interest arises when a member of the board of directors or employee involved in making a decision is in the position to benefit, directly or indirectly, from his/her dealings with the organization or person conducting business with the organization. [A potential conflict of interest exists when a member of the board of directors or employee, or his/her immediate family (spouse, children, brother, sister and spouses of children, brother or sister) owes/receives the benefiting business and/or profits].

Examples of conflicts of interest include, but are not limited to, situations in which a member of the board of directors or employee:

1. Negotiates or approves a contract, purchase, or lease on behalf of the organization and has a direct or indirect interest in, or receives personal benefit from, the entity or individual providing the goods or services;
2. Negotiates or approves a contract, sale, or lease on behalf of the organization and has a direct or indirect interest in, or receives personal benefit from, the entity or individual receiving the goods or services;
3. Employs or approves the employment of, or supervises a person who is an immediate family member of a member of the board of directors or employee;
4. Sells products or services in competition with the organization;
5. Uses the organization's facilities, other assets, employees, or other resources for personal gain;
6. Receives a substantial gift from a vendor, if the director or employee is responsible for initiating or approving purchases from that vendor.

Disclosure Requirements

A member of the board of directors or employee who believes that he/she may be perceived as having a conflict of interest in a discussion or decision must disclose that conflict to the group making the decision. Most concerns about conflicts of interest may be resolved and appropriately addressed through prompt and complete disclosure. Therefore the Council for the Spanish Speaking, Inc. requires the following:

1. On an annual basis, all members of the Board of directors, the President/CEO, key administrative staff members, and employees with purchasing and/or hiring responsibilities or authority shall sign a disclosure indicating that they have read this document (“Policies on Matters of Ethics”), and, if such is the case, report any conflict(s). The President/CEO will in turn report to the board of directors of any potential or actual case of conflict of interest and make a recommendation for appropriate board action.
2. If a conflict arises during the year, the employee or board member will immediately notify the President/CEO who will determine the appropriate resolution.

Resolution of Conflicts of Interest

All real or apparent conflicts of interest shall be disclosed to the President/CEO of the Organization. Conflicts shall be resolved as follows:

- The President/CEO shall be responsible for making all decisions concerning resolutions of conflicts of interest involving key administrative staff; in the case of individual board members, s/he shall make a recommendation to the full board for appropriated action.
- The full board, in close session, shall act and make a determination on any conflict of interest that may arise with the President/CEO of the organization.
- The President/CEO shall be responsible for making all final decisions concerning resolutions of conflicts involving employees.

An employee or director may appeal the decision that a conflict (or appearance of conflict) exists as follows:

- An appeal must be directed to the chair of the board.
- Appeals must be made within 30 days of the initial determination.
- Resolution of the appeal shall be made by vote of the full Board of directors.
- Board members who are the subject of the appeal, or who have a conflict of interest with respect to the subject of the appeal, shall abstain from participating in, discussing, or voting on the resolution, unless such discussion is requested by the remaining members of the board.

POLICY ON MISCONDUCT

This policy communicates the actions to be taken for suspected misconduct committed, encountered, or observed by employees and volunteers.

Like all organizations, the Council faces many risks associated with fraud, abuse, and other forms of misconduct. The impact of these acts collectively referred to as misconduct throughout this policy, may include, but not be limited to:

- Financial losses and liabilities
- Loss of current and future revenue and clients
- Negative publicity and damage to the organization’s good public image
- Loss of employees and difficulty in attracting new personnel
- Deterioration of employee morale
- Harm to relationships with clients, vendors, bankers, and subcontractors
- Litigation and related costs of investigations, etc.

The Council is committed to establishing and maintaining a work environment of the highest ethical standards. Achievement of this goal requires the cooperation and assistance of every employee and volunteer at all levels of the organization.

Definitions

For purposes of this policy, misconduct includes, but is not limited to:

1. Actions that violate the organization’s Code of Conduct (and any underlying policies) or any of the accounting and financial policies here in included
2. Fraud (see below)

3. Forgery or alteration of checks, bank drafts, documents or other records (including electronic records)
4. Destruction, alteration, mutilation, or concealment of any document or record with the intent to obstruct or influence an investigation, or potential investigation, carried out by a department or agency of the federal government or by the organization in connection with this policy
5. Disclosure to any external party of proprietary information or confidential personal information obtained in connection with employment with or service to the organization
6. Unauthorized personal or other inappropriate (non-business) use of equipment, assets, services, personnel or other resources
7. Acts that violate federal, state, or local laws or regulations
8. Accepting or seeking, other than within the normal course of business, anything of material value from contractors, vendors, or persons providing goods or services to the Council.
9. Impropriety of the handling or reporting of money in financial transactions.
10. Failure to report known instances of misconduct in accordance with the reporting responsibilities described herein (including tolerance by supervisory employees of misconduct of subordinates).

Fraud is further defined to include, but not be limited to:

- Theft, embezzlement, or other misappropriation of assets (including assets of or intended for the organization, as well as those of our clients, subcontractors, vendors, contractors, suppliers, and others with whom the Organization has a business relationship)
- Intentional misstatements in the organization's records, including intentional misstatements of accounting records or financial statements
- Authorizing or receiving payment for goods not received or services not performed
- Authorizing or receiving payments for hours not worked
- Forgery or alteration of documents, including but not limited to checks, timesheets, contracts, purchase orders, receiving reports

The Council prohibits each of the preceding acts of misconduct on the part of employees, officers, executives, volunteers and others responsible for carrying out the organization's activities.

Reporting Responsibilities

Every employee, officer, and volunteer is responsible for immediately reporting suspected misconduct to their supervisor and/or the President/CEO. When supervisors have received a report of suspected misconduct, they must immediately report such acts to their supervisor or the President/CEO. Reports of misconduct shall be in writing, except under very special circumstances as determine by the President/CEO.

Whistleblower Protection

The President/CEO will investigate, take action, and if determined by an external agency of established standing, make a recommendation to the full board regarding any reprisal against a reporting individual, staff or board member who reports an act of misconduct subject to disciplinary procedures. A "reporting individual" is one who, in good faith, reported a suspected act of misconduct in accordance with this policy, or provided to a law enforcement officer any truthful information relating to the commission or possible commission of a federal offense.

Investigative Responsibilities

When the President/CEO determines that reasonable suspicion exists, due to the sensitive nature of suspected misconduct, immediate supervisors shall not, under any circumstances, perform any investigative procedures. An investigative procedure shall be conducted by the President/CEO or by his/her designee who must be an external individual to the organization and

who has known expertise in investigations. The full board of directors may also designate an investigation, the results of which will be reported directly to the full board.

The full board of directors has the primary responsibility for investigating suspected misconduct involving the President/CEO, as well as board members and officers. It may also designate an agency or individual from outside of the organization to conduct an investigation and report to the full board.

Investigation into suspected misconduct will be performed without regard to the suspected individual's position, length of service, or relationship with the organization.

An individual designated to conduct an investigation on a matter of misconduct shall have free and unrestricted access to all of the organization's records and premises, whether owned or rented, at all times. S/he shall also have the authority to examine, copy and remove all or any portion of the contents (in paper or electronic form) of filing cabinets, storage facilities, desks, credenzas and computers without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of an investigation into suspected misconduct or related follow-up procedures.

The existence, the status or results of investigations into suspected misconduct shall not be disclosed or discussed with any individual other than those with a legitimate need to know in order to perform their duties and fulfill their responsibilities effectively.

POLICY ON RETENTION AND PROTECTION OF RECORDS

All records of the organization shall be retained in a safe environment as long as required by city, state and federal laws governing such actions by governmental and funding sources. Text and electronic related records not subject to the prior laws shall be retained by the organization at least ten (10) years.

The Council prohibits the knowing destruction, alteration, mutilation, or concealment of any record, document, or tangible object with the intent to obstruct or influence the investigation or proper administration of any matter within the jurisdiction of any department or agency of the federal, state, or local government, or in relation to or contemplation of any such matter or case.

Violations of this policy will be considered violations of the organization's Code of Ethics and subject to the investigative, reporting, and disclosure procedures described earlier in this Policy on Suspected Misconduct.

POLICY ON CONFIDENTIALITY

Any employee who suspects dishonest or fraudulent activity will notify his/her immediate supervisor, or made notify the President/CEO directly, or when the matter involves the President/CEO may notify directly the chair of the board of directors, and should not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act.

Great care must be taken in the investigation of suspected improprieties or irregularities so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way. Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect the Council from potential civil liability.

An employee who discovers or suspects fraudulent activity may remain anonymous. All inquiries concerning the activity under investigation from the suspected individual(s), his or her attorney or representative(s), or any other inquirer should be directed to the President/CEO or the chair of the board. No information concerning the status of an investigation will be given out. The proper response to any inquiry is "I am not at liberty to discuss this matter." Under no circumstances should any reference be made to "the allegation," "the crime," "the fraud," "the forgery," "the misappropriation," or any other specific reference.

The reporting individual should be informed of the following:

1. Do not contact the suspected individual in an effort to determine facts or demand restitution.
2. Do not discuss the case, facts, suspicions, or allegations with anyone unless specifically asked to do so by the President/CEO or the chair of the board.

Disclosure to Outside Parties

Allegations of and information related to allegations of suspected misconduct shall not be disclosed to third parties except under the provisions described in this policy (such as disclosure to outside investigators hired by the organization to aid in an investigation).

However, all known frauds involving senior administrators and/or members of the board of directors, as well as all material frauds involving employees shall be disclosed by the President/CEO. When there are allegations of fraud or related claims against the President/CEO, such claims shall be reported directly to the chair of the board who may then take the matter to the full board for appropriate action.

Disciplinary Action for Violations of these Policies

Failure to comply with the standards contained in these policies will result in disciplinary action that may include termination, referral for criminal prosecution, and reimbursement to the organization or to the government, for any loss or damage resulting from the violation. As with all matters involving disciplinary action, principles of fairness will apply. Any employee charged with a violation of this policy will be afforded an opportunity to explain her/his actions before disciplinary action is taken.

Disciplinary action will be taken:

1. Against any employee who authorizes or participates directly in actions that are a violation of this policy.
2. Against any employee who has deliberately failed to report a violation or deliberately withheld relevant and material information concerning a violation of this policy.
3. Against any member of the board of directors, or supervisor who attempts to retaliate, directly or indirectly, or encourages others to do so, against any employee or member of the board who reports a violation of this policy.

A board member who violates this policy will be removed from the board.

This listing of possible disciplinary actions is for information purposes only and does not bind the organization to follow any particular policy or procedure.

File: CSS – Policies on Ethical Conduct
Revised: April 2010

The Council for the Spanish Speaking, Inc. does not discriminate in its programs, activities, facilities, employment, or educational opportunities on the basis of race, color, age, disability, gender, religion, national origin, or sexual orientation, and does not tolerate any form of discrimination, intimidation, threat, coercion, and/or harassment that insults the dignity of others by interfering with their freedom to learn or work.

Council for the Spanish Speaking, Inc.

POLICIES ON MATTERS OF ETHICS

ACKNOWLEDGEMENT

I acknowledge receipt of the ethics policies contained in this document and understand that I am responsible for adhering to all aspects of the policy including disclosure requirements.

Signature

Date

Print Name and Title

File: *CSS-Policies on Ethical Conduct*
Revised: April 2010

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