



Whistleblower Protection Policy

I. Background:

Margert Community Corporation (MARG) adopts this Whistleblower Protection Policy to support and implement our stated values of integrity in all business dealings and justice for all who are encountered, to enhance our commitment to compliance with all laws and regulations applicable to our organization, including false claims laws and regulations, and to promote ethical and lawful corporate conduct.

This policy provides the mechanisms whereby employees, contractors, agents, and others can report a potential violation in good faith to those who can assist them, confidentially and without fear of retaliation. In addition, MARG has instituted various policies and procedures, which are described in its Employee Handbook, to ensure compliance with all applicable laws and regulations and to assist in preventing fraud, waste and abuse in government housing programs.

II. Definitions:

Corrective Action: The action taken or proposed to be taken by MARG in response to a potential violation. Corrective action may include refunding of overpayments, development of new policies or procedures, amendment of existing policies or procedures, employee discipline, compliance training, and voluntary disclosure of the violation to government authorities or others.

False Claims Act: A law that prohibits a person or entity from knowingly presenting or causing to be presented a false or fraudulent claim for payment or approval to Federal, New York State or local governments, and from knowingly making, using or causing to be made a false record or statement to get a false or fraudulent claim paid or approved by Federal, New York State or local governments.

Good Faith: A belief in the truth of an alleged potential violation that is based upon facts. Any allegation made with reckless disregard or deliberate ignorance of factual matters is not made in good faith.

Knowing and Knowingly: The terms knowing and knowingly mean that a person, with respect to information (1) has actual knowledge of the information; (2) acts in deliberate ignorance of the truth or falsity of the information; or (3) acts in reckless disregard of the truth or falsity of the information, and no proof of specific intent to defraud is required.

Potential Violation: Reported conduct that, if true, may (i) result in a determination that MARG has received an overpayment from a third party payor or payors; or (ii) constitute a violation of the MARG Employee Handbook, applicable laws, regulations or rules.

Retaliatory Actions: Unfavorable employment actions taken as a payback or to penalize those who report a potential violation in good faith or against those who participate in the investigation of or any proceeding related to such reports. Retaliatory actions may include discharge, suspension, demotion, penalization, harassment, discrimination or other adverse employment actions in the terms and conditions of employment of the reporter or participant.

III. Policy:

MARG prohibits retaliation against an individual or group for reporting a good-faith concern related to a violation or potential violation of any MARG policy or procedure or any applicable law, rule, or regulation.

- MARG will not retaliate or permit retaliation against employees, contractor, agents and others for:
- Filing a complaint or reporting a concern to MARG or to any regulatory agency or legal authority;
- Testifying, assisting, or participating in an investigation, compliance review, proceeding or hearing;
- Opposing, in good faith, any act or practice unlawful under Federal, state, or local law, regulation, or policy, provided that the manner of opposition is reasonable and does not itself violate law; or
- Exercising any right under or participating in any process established by Federal, state, or local law, regulations, or policy.

MARG strictly prohibits retaliation, discrimination, harassment or any other adverse action by management or any other person or group, either directly or indirectly, against any individual or group who reports a potential violation in good faith under the reporting system described both in this policy and in the MARG Employee Handbook. Anyone believing that he or she or an employee, contractor, agent or other person has been subjected to retaliation for reporting a potential violation in good faith should report such conduct to anyone designated to receive reports under this Whistleblower Protection Policy.

MARG also strictly prohibit retaliation, discrimination, harassment or other adverse action against any person who participates, in any way, in the investigation of a potential violation.

Unless a judicial or other legal process compels otherwise, the identity of any person reporting a potential violation in good faith or a retaliatory action against a reporter or a participant in an investigation shall remain confidential, and shall only be disclosed to those individuals with a need to know as determined by the reporting system described below. In addition, efforts to determine the identity of an anonymous reporter may result in disciplinary action against those seeking disclosure of the information.

IV. The Reporting System:

It is the policy of MARG to encourage prompt reporting, at the earliest reasonable opportunity, of any activity or conduct in violation of any compliance policy or any Federal, state or local laws or regulations pertaining to compliance related matters. Examples include, but are not limited to:

- financial wrongdoing, including fraud or suspected fraud;
- internal corporate financial concerns, such as deliberate omissions or misstatements in preparing, evaluating, reviewing or auditing of financial statements or violation of generally accepted accounting principles;
- mistreatment, abuse, or neglect of a client;
- falsification of eligibility records;
- dangers to health and safety, including environmental and worker safety issues;
- criminal conduct of any kind related to the delivery of programs and services;
- favoritism or bias in contractual matters;
- any form of retaliation against employees, contractors, agents or others, reporting a potential violation in good faith;
- a cover-up involving any of the above; and
- any other good faith concern.

Reports of potential violations may be oral or written and may be delivered either (a) personally; (b) through an anonymous reporting system set up by MARG; (c) by anonymous letter to the Chair, Executive Director or other member of senior management; or (d) by any other practicable method. When a report is made personally, it is suggested that the reporter discuss his or her concern with an immediate supervisor. Non-compliance related matters pertaining to human resource issues should be reported to the appropriate administrative or managerial personnel.

If the identity of the reporter is known, the reporter should be confidentially given the option of receiving a written acknowledgment, which shall contain the assurance of a timely and confidential investigation carried out in accordance with applicable policies and procedures. In order to maintain the anonymity of the reporter, no such acknowledgment shall be sent without his or her request.

Any report of a potential violation received by any supervisory personnel indicated above is to be promptly reported to the Chair or the Executive Director. Either shall take every report seriously and consider it objectively, thoroughly and fairly, bearing in mind that the reporter may have found it difficult to raise the issue. Such reports will be entered in a log, and the contents of the log, along with the results of any investigation and any corrective action will be reported quarterly to the Board of Directors.

All reports of potential violations require the agency to commence an investigation as soon as possible, but in no event later than thirty days from the date of the initial report. If the report addresses improper billing, the Executive Director shall determine whether billing should be temporarily suspended.

Investigations shall be conducted in an objective and thorough manner and will proceed as set forth in this Policy Statement, provided however, that where there is any risk or any perception of unfairness or partiality in the internal investigatory process, the investigation shall be turned over to outside counsel. All information related to the investigation shall be held in strict confidence. Every effort will be made to preserve the attorney-client and work product privileges, in connection with any investigation conducted under the direction of agency Counsel.

If the potential violation concerns MARG, upon completion of an investigation, the Board of Directors shall prepare a confidential report containing (i) a clear statement of the issue and conclusion; (ii) a summary of all information used to arrive at the conclusion; and (iii) a recommendation for corrective action. If the report does not concern a material potential violation, the report shall be submitted to the Executive Director, who shall review and act upon the recommended corrective action.

If an investigation indicates that a material potential violation has occurred, the recommended corrective action shall be reviewed MARG Board Executive Committee, and then shall be sent to the Board of Directors for final approval at its next regularly scheduled meeting.

