

## WHISTLEBLOWER

The Board expects all Board members, employees, volunteers, consultants, vendors, contractors, and other parties that maintain a relationship with Seacoast Charter School to act with integrity, due diligence, and in accordance with law in their duties involving school resources. The Board is entrusted with public funds, and no one connected with the school shall do anything to erode that trust.

Fraud, financial improprieties, or irregularities include but are not limited to:

1. Forgery or unauthorized alteration of any document or account belonging to the school.
2. Forgery or unauthorized alteration of a check, bank draft, or any other financial document.
3. Misappropriation of funds, securities, supplies, or other assets.
4. Impropriety in handling money or reporting financial transactions.
5. Profiteering because of insider information of school information or activities.
6. Disclosure of confidential and/or proprietary information to outside parties.
7. Acceptance or seeking of anything of material value, other than items used in the normal course of advertising, from contractors, vendors, or persons providing services to the school.
8. Destruction, removal, or inappropriate use of school records, furniture, fixtures, or equipment.
9. Failure to provide financial records to authorized state or local entities.
10. Failure to cooperate fully with any financial auditors, investigators or law enforcement.
11. Other dishonest or fraudulent acts involving school moneys or resources.
12. Illegal acts or violations of the adopted policies of the organization.

The Head of School or designee shall be responsible to develop and implement internal controls designed to prevent and detect fraud, financial impropriety, fiscal irregularities, illegal acts or violations of the adopted policies within the school, subject to review and approval by the Board. The Head of School shall be responsible for maintaining a sound system of internal controls that is designed to identify potential risks, evaluate the nature and extent of those risks, and manage them effectively. School administrators are responsible to be alert to an indication of fraud, financial impropriety, fiscal irregularity, illegalities or policy violations within their areas of responsibility.

The Head of School shall recommend to the Board for its approval completion of a forensic audit when it is deemed necessary and beneficial to the school. The Head of School shall ensure the appropriate authorities are notified, pursuant to state law, when cases of fraud, embezzlement or theft have been identified.

### Guidelines

#### Reporting

An employee who suspects fraud, impropriety, illegality or violation of adopted policies shall immediately report his/her suspicions to Seacoast Charter School Board of Trustees Board Chair. Reports may be made to the Board Chair by mail to 171 Watson Road, Dover, N.H. 03820 (marked as confidential).

Seacoast Charter School policy prevents an employee from being subject to disciplinary or retaliatory action by Seacoast Charter School or any of its employees or agents as a result of the employee filing, testifying,

participating in, or assisting in a proceeding filed or about to be filed relating to any of the above matters. Employees who file reports or provide evidence which they know to be false, or who do not have a reasonable belief in the truth and accuracy of such information, will not be protected by this policy and may be subject to disciplinary action, including termination of their employment.

Complaints or suspected violations may also be submitted by third parties.

**Investigation**

The Head of School shall have primary responsibility for conducting necessary investigations of reported fraudulent activity. Based on his/her judgment, the Head of School shall coordinate investigative efforts with the school auditor, insurance agent, external agencies, and law enforcement officials, if applicable. If the Head of School is involved in the complaint, the Board Chair is authorized to initiate investigation of the complaint and coordinate the investigative efforts with individuals and agencies s/he deems appropriate. Records shall be maintained for use in an investigation. Individuals found to have altered or destroyed records shall be subject to disciplinary action. If an investigation substantiates the occurrence of a fraudulent activity, the Head of School shall present a report to the Board and appropriate personnel. The Board shall determine the final disposition of the matter, if a criminal complaint will be filed, and if the matter will be referred to the appropriate law enforcement and/or regulatory agency for independent investigation.

**Confidentiality**

The Head of School shall investigate reports of fraudulent activity in a manner that protects the confidentiality of the individuals and facts. All employees involved in the investigation are required to maintain confidentiality regarding all information about the matter during the investigation. Results of an investigation shall not be disclosed to or discussed with anyone other than those individuals with a legitimate right to know, until the results are made public (if applicable).

**Policy Prevention**

In order to prevent fraud, the Board directs that a system of internal controls be followed that include but are not limited to the following:

- Segregation of Duties - Where possible, more than one (1) person will be involved in pieces of financial transactions. No one (1) person shall be responsible for an entire financial transaction.
- Payments - Payments shall be made only by checks. No cash transactions shall be permitted. Check signers shall be approved annually by the Board and will consist of persons not involved in the transaction.
- Bank Reconciliation - Bank statements and canceled checks shall be reconciled by individuals who are not authorized to sign checks, nor involved in check processing.
- Access to Checks - Physical and electronic access to school checks and accounts shall be limited to those employees with designated business functions.
- Capital Assets - The business office shall maintain updated lists of school capital assets.
- Training - Administrators shall be responsible for ensuring that employees under their supervision receive training regarding fraud prevention.

DATE:  
Adopted:  
Reviewed:  
Revised:  
Cancellation: