

*Lake Almanor Country Club*  
*Policy Manual*  
**Whistleblower Policy**

Policy Manual Section: General Management and Administration

Policy Number: MA-2

WHEREAS, The Board of Directors desires to offer protection to employees and others who report concerns regarding actions taken by Lake Almanor Country Club, its Board of Directors or employees by the establishment of a written policy.

NOW, THEREFORE, be it resolved that the Lake Almanor Country Club Board of Directors does hereby adopt the following policy.

**General**

Lake Almanor Country Club (**LACC**) is committed to high standards of personal and professional integrity, conduct and ethics on the part of its Board of Directors, committee members, and employees (collectively and individually, "**LACC Representatives**"). LACC Representatives are expected to discharge their respective duties and responsibilities with honesty and integrity and in compliance with all applicable laws and the requirements of LACC's Declaration of Covenants, Conditions and Restrictions ("**CC&Rs**"), Articles of Incorporation, Bylaws, and other published Associations Policies and Rules. It is the responsibility of all LACC Representatives to report any such suspected violations in accordance with this Policy. The provisions of this Policy shall be in addition to and shall supplement the terms of the CC&Rs and the Association's Governing Documents, as well as all applicable federal, State of California, and local laws and regulations. It is not the intention that this Policy apply to alleged violations of the Governing Documents or State Laws that are subject to redress pursuant to the Internal Dispute Resolution and Alternative Dispute Resolution rules set forth in Civil Code sections 5900 through 5920 and 5925 through 5965, respectively.

For purposes of this Policy, potentially **Improper Conduct** includes any of the following:

- (i) Questionable accounting, internal accounting controls and auditing matters;
- (ii) Suspected violations of the Conflict of Interest Prohibitions imposed by California Civil Code section 5350 (attached hereto as "Exhibit "A").
- (iii) Apparent non-compliance with legal or regulatory requirements;
- (iv) A violation or suspected violation of any LACC Governing Documents, Policies, or Association Rules;
- (v) A violation or suspected violation of any federal, state or local laws and regulations; and/or

- (vi) Suspected commission of gross mismanagement or abuse of authority on the part of another LACC Representative.

### **No Retaliation:**

No LACC Representative who in good faith reports a suspected incident or incidents of Improper Conduct in violation of this Policy (each a “**Violation**”) shall suffer harassment, retaliation or adverse employment consequences. An LACC Representative who retaliates against someone who has reported a suspected incident or incidents of Improper Conduct or Violation in good faith is subject to discipline up to and including termination of employment. Any LACC Representative who retaliates against someone who has reported a suspected incident or incidents of Improper Conduct or Violation in good faith is subject to a review by the Board of Directors and may be subject to actions for removal from the Board as outlined in LACC Bylaws. It is not a violation of this Policy for an LACC Representative who is a manager or supervisor to take disciplinary action against an employee if that manager or supervisor had no prior knowledge that a complaint alleging Improper Conduct or a Violation of this Policy had been filed by the employee who is the subject of the disciplinary action.

### **Reporting Violations:**

This Policy establishes an open door mode of communication and suggests that LACC Representatives first share their questions, concerns, suggestions or complaints with their immediate supervisor. Non-employee individuals should contact the General Manager or an individual Director of the Board. If an LACC Representative is not comfortable approaching his or her immediate supervisor, he or she should contact the General Manager. Supervisors should take down the relative information and immediately report the suspected Violation or incident of Improper Conduct to the General Manager for further investigation.

### **Compliance Responsibility:**

All suspected Violations will be investigated to the fullest extent possible and appropriate corrective action shall be taken if warranted by the investigation. The General Manager is responsible for resolving reported Violations where he/she is able and informing the LACC Board of Directors. At his/her discretion, the General Manager may forward such matters to the Board of Directors for additional assistance. The Board may conduct an investigation itself or, if the situation warrants, appoint another person or entity to handle the investigation, including, without limitation, the Association’s legal counsel.

### **Accounting and Auditing Matters;**

Reported Violations or Improper Conduct regarding corporate accounting practices and internal controls will be handled in a manner similar to the procedure outlined above with involvement of the LACC auditing firm where necessary and appropriate.

**Obligation to Act in Good Faith:**

Any LACC Representative or Association Member filing a complaint concerning a suspected Violation or Improper Conduct by an LACC Representative must act in good faith and have reasonable grounds for believing the information disclosed indicates a Violation or Improper Conduct. Any allegation proved not to be substantiated and/or to have been made maliciously or knowingly to be false will be viewed as a serious offense. A malicious or knowingly false accuser cannot rely on this Policy as protection against other actions and remedies under the law. In the case of an employee, such action could include, but not be limited to, termination and, in the case of a Director of the Board; such person may be subject to actions for removal from the Board as set forth in the Bylaws.

**Confidentiality:**

Reports of suspected Violations or Improper Conduct may be submitted on a confidential basis by the complainant and will be kept confidential to the extent possible, consistent with the requirement to conduct an adequate investigation. Anonymous reports may be filed; however, complainants should recognize that adequate investigation may be hampered by the Association's efforts to maintain confidentiality.

**Handling of Reported Violations:**

The appropriate person (General Manager or Board Director) will notify the complainant and acknowledge receipt of the suspected violation report within five business days. All reports will be promptly investigated and appropriate action will be taken once an investigation has been completed.

This policy has been adapted from the Sample Whistleblower Policy, Copyright 2004, National Council of Nonprofit Associations, [www.ncna.org](http://www.ncna.org).

**APPROVED BY THE BOARD OF DIRECTORS:**

**EXHIBIT "A"**  
**DAVIS-STIRLING ACT**  
**CONFLICT OF INTEREST CODE SECTION**

**Article 8. Conflict of Interest**

**5350.**

(a) Notwithstanding any other law, and regardless of whether an association is incorporated or unincorporated, the provisions of Sections 7233 and 7234 of the Corporations Code shall apply to any contract or other transaction authorized, approved, or ratified by the board or a committee of the board.

(b) A director or member of a committee shall not vote on any of the following matters:

(1) Discipline of the director or committee member.

(2) An assessment against the director or committee member for damage to the common area or facilities.

(3) A request, by the director or committee member, for a payment plan for overdue assessments.

(4) A decision whether to foreclose on a lien on the separate interest of the director or committee member.

(5) Review of a proposed physical change to the separate interest of the director or committee member.

(6) A grant of exclusive use common area to the director or committee member.

(c) Nothing in this section limits any other provision of law or the governing documents that govern a decision in which a director may have an interest.