200 GENERAL INTERNAL CONTROL POLICIES

201 Business Conduct and Disclosure

A. Unethical actions, or the appearance of unethical actions, are unacceptable under any conditions.

Each employee must apply his/her own sense of personal ethics, which should extend beyond compliance with applicable laws in business situations, to govern behavior where no existing regulation provides a guideline. It is your responsibility to apply common sense and sound judgment in business decisions where specific rules do not provide all the answers.

In determining compliance with this code in specific situations, ask yourself the following questions:

1. Is my action legal?
2. Is my action ethical?
3. Does my action comply with Agency policy?
4. Am I sure that my action doesn’t appear inappropriate?
5. Am I sure that I would not be embarrassed or compromised if my action became known within the Agency or publicly?

You should be able to answer "yes" to all these questions before taking action.

Each supervisor is responsible for the ethical business behavior of his/her subordinates. Supervisors must weigh carefully all courses of action suggested in ethical as well as economic terms and base their decisions on the guidelines provided by this manual.

Implementation of the provisions in this manual is one of the standards by which the performance of all levels of employees is measured.

B. In recommending or proposing a particular business transaction or course of action for approval, those involved must disclose to their superiors or to the Agency’s Directors of the Organization, if the recommendation is to the Board, all pertinent information known about such transactions and the persons involved. Disclosure should include significant information that they may have reason to believe has been omitted by others.

C. Employees must not attempt to accomplish by indirect means, through agents and intermediaries, what is directly forbidden.

D. Failure to comply with the standards contained in this manual will result in disciplinary action that may include termination, referral for criminal prosecution, and reimbursement to the organization or public entity for any losses 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 code will be afforded an opportunity to explain his or her actions before disciplinary action is taken.

Disciplinary action will be taken:

1. Against employees who authorize or participate directly in actions which are a violation of this manual; and,

2. Against any employee who has deliberately failed to report a violation or deliberately withheld relevant and material information concerning a violation of this manual.

203 Compliance with Laws

A. Political Contributions

No funds or assets of the Agency may be contributed to any political party or organization or to any individual who either holds public office or is a candidate for public office. The direct or indirect use of any funds or other assets of the Agency for political contributions in any form, whether in cash or other property, services, or the use of facilities, is strictly prohibited. The Agency also cannot be involved with any committee or other organization that raises funds for political purposes.

Following are examples of prohibited activities:

1. Contributions by an employee that are reimbursed through expense accounts or in other ways;

2. Purchase by the Agency of tickets for political fundraising events;

3. Contributions in kind, such as lending employees to political parties or using organization assets in political campaigns; and,

4. Indirect contributions by the organization through suppliers, funding sources or agents.

B. Agents of Public Entities

The Agency is legally prohibited from offering, promising, or bestowing money, gifts, loans, rewards, services, use of facilities, lavish or extensive entertainment, or other favors to government employees with a view toward influencing or inducing such employees to use their influence to effect an action or decision.

This includes any employee of a Federal, state or local government agency. These provisions apply to anyone who acts for the Agency. For example, you may not allow an agent to act on behalf of the organization. If you know or have reason to believe that the agent would disregard these provisions in performing their duties, bring the matter to the attention of your supervisor.

C. Commercial Bribery

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You are not allowed to make a payment either directly or indirectly or as a kickback to influence someone else nor are you allowed to accept anything of value from someone who wants to do business with the Agency. Items $25 or less are considered to have no value.

Gifts to any individual, other non-profit organization or other agency are prohibited. However, gifts of a value of $25 or less may be accepted. Examples include inexpensive holiday gift baskets or other such items. Gifts that do not fit this category must be returned. If the return of a gift is not practicable because of its nature, it may be given to a charitable institution and the giver informed of its disposition.

You may neither give nor receive any lavish or expensive entertainment. If you are asked to make or accept a payment or gift in any form prohibited by this code, report the matter to your supervisor immediately.

D. Record Keeping

To provide an accurate and auditable record of all financial transactions, Agency books, records, and accounts are maintained in conformity with generally accepted accounting principles. You are responsible for safeguarding organization assets under your control and for maintaining an auditable record of financial transactions.

Further, the Agency specifically requires that:

1. No funds or accounts may be established or maintained for purposes that are not fully and accurately described on the books and records of the Agency.

2. Receipts and disbursements must be fully and accurately described on the books and records of the Agency.

3. Payments may be made only to the authorized payee or a valid assignee and only for the actual services rendered or products delivered. No false or fictitious invoices may be paid.

4. If you have reason to believe that the Agency's books and records are not in accord with the foregoing requirements, report the matter to the President.

E. Sarbanes-Oxley Act

4C's Code of Ethics and Conduct requires Directors, Officers, and employees to observe the highest standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Agency, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

A whistleblower as defined by this policy is an employee of Community Coordinated Care for Children, Inc. (4C) who reports an activity that he/she considers to be illegal or dishonest to one or more of the parties specified in this policy. The whistleblower is not responsible for investigating the activity or for determining fault or corrective measures; appropriate management officials are charged with these responsibilities. Examples of illegal or dishonest activities are violations of federal, state or local laws; billing for
services not performed or for goods not delivered; and other fraudulent financial and programmatic reporting.

If an employee has knowledge of or a concern of illegal or dishonest fraudulent activity, the employee is to contact his/her immediate supervisor or the Human Resource Manager. The employee must exercise sound judgment to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing will be subject to disciplinary action up to and including termination. Please refer to the 4C Employee Handbook for further elaboration on this policy and procedures related to the policy.

205 Employee Conflict of Interest

A. General

You have a primary responsibility to the Agency and are expected to avoid any activity that may interfere, or have the appearance of interfering, with the performance of this responsibility. Similarly, you may not use nor disclose confidential or proprietary information in any outside activity.

A conflict of interest exists if commitment to your other interests adversely affects your motivation or performance in fulfilling your primary 4C responsibilities.

How can you tell if you have a conflict of interest? The test criteria include not only whether you actually are improperly influenced but also whether the situation lends itself to improperly influencing you. Even if you are the most conscientious person, a conflicting interest may unconsciously influence you, and the mere existence of that interest may cause the propriety of your acts to be questioned.

Taking inventory of your outside interests should make it possible to determine whether you actually are improperly influenced, as well as determining whether the situation lends itself to improperly influencing you.

Employees are expressly prohibited from any involvement with the selection of a vendor for which they or their immediate family have a financial or other interest.

B. Outside Activities

You may not serve as a consultant to, or as a director, officer, or part-time employee of a company that competes or deals with the organization or that seeks to do so, unless you have obtained the prior express consent of your supervisor. Even if you receive no pay from the other company and have no direct or indirect contact with it in your job, this conflict of interest exists because you may inadvertently disclose proprietary information to the other company or benefit it through your Agency contacts and general knowledge of how the Agency operates.

You may also have a conflict of interest if your outside activities, which in and of themselves may not be conflicts of interest, are so demanding on your time that they interfere with your job performance.

C. Agency Assistance

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You should review your personal and job situations and eliminate any possible conflicts of interest that exist. Discuss possible conflicts of interest with your supervisor, who may in turn refer the matter to the President. If you wish, you may consult the Vice-President/CFO or President directly, with the understanding that the Vice-President/CFO and/or President will hold disclosures in confidence unless they involve violations of law or failure to eliminate conflicts within a reasonable time. If necessary, the President will report the disclosure to the 4C Board.