

Whistleblower Policy

1. PURPOSE

The Sarbanes-Oxley Act of 2002 makes it a federal crime for any organization — nonprofit and for-profit — to retaliate against a “whistleblower” who reports illegal, fraudulent, or unacceptable activity.

As in practice, it is difficult to separate the prohibition against retaliation from the reporting process, this whistleblower policy addresses both. The policy intends to provide a mechanism for the reporting of illegal activity, misuse of MCPSEF assets, or conduct of unacceptable activity while protecting the board members, employees, or volunteers who make such reports from retaliation.

2. DEFINITIONS

Whistleblower

A board member, employee, or volunteer who informs the executive director, or board chair and vice-chair, about an activity relating to the Montgomery County Public Schools Educational Foundation (MCPSEF) which that person believes to be illegal, fraudulent, or unacceptable.

Unacceptable Activity

The following is a non-exhaustive list of the kinds of unacceptable activities that should be reported:

- False or fraudulent financial reporting
- Forging, altering, concealing, or destroying records to mislead, deceive, or obstruct
- Misappropriation or misuse of MCPSEF resources, such as funds, supplies, or other assets
- Pursuit of a benefit or advantage in violation of MCPSEF’s Conflict-of-Interest Policy
- Paying for services or goods that are not rendered or delivered
- Authorizing or receiving compensation for hours not worked
- Using remarks or actions of a sexual nature that are not welcome and are likely to be viewed as personally offensive, including sexual flirtations; unwelcome physical or verbal advances; sexual propositions; verbal abuse of a sexual nature; the display of sexually suggestive objects, cartoons, or pictures; and physical contact of a sexual or particularly personal nature.
- Using epithets, slurs, negative stereotyping, and threatening, intimidating, or hostile acts that relate to race, color, religion, gender, national origin, age, or disability
- Circulating or posting written or graphic material in the workplace that denigrates or shows hostility or aversion toward an individual or group because of race, color, religion, gender, nationality, age, or disability

- Discriminating against an employee or potential employee due to a person's race, color, religion, sex, sexual orientation, national origin, age, physical or mental impairment, or veteran status
- Facilitating or concealing any of the above or similar actions

3. **POLICY**

Montgomery County Public Schools Educational Foundation requires directors, employees, and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Montgomery County Public Schools Educational Foundation (MCPSEF), we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Reporting Responsibility

This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns internally so that MCPSEF can address and correct inappropriate conduct and actions. It is the responsibility of all board members, employees, and volunteers to report concerns about violations of MCPSEF's code of ethics or suspected violations of law or regulations that govern MCPSEF's operations.

No Retaliation

It is contrary to the values of MCPSEF for anyone to retaliate against any board member, employee, or volunteer who in good faith reports an ethics violation, or a suspected violation of law, such as a complaint of discrimination, or suspected fraud, or suspected violation of any regulation governing the operations of MCPSEF.

A board member, employee, or volunteer who has made a report of suspicious conduct and who subsequently believes they have been subjected to retaliation of any kind by any MCPSEF board member or employee is directed to immediately report it to the executive director, or the board chair and vice chair as appropriate.

Reports of retaliation will be investigated promptly in a manner intended to protect confidentiality as much as practicable, consistent with a full and fair investigation. The party conducting the investigation will notify the employee of the results of the investigation.

An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

Reporting Procedure

MCPSEF has an open-door policy and suggests that employees share their questions, concerns, suggestions or complaints with the executive director. If you are not comfortable speaking with the executive director or you are not satisfied with their response, you are encouraged to speak with the chair or vice-chair of the board. The executive director shall be required to report complaints or concerns about suspected ethical and legal violations in writing to the MCPSEF board chair and vice-chair, who has the responsibility to investigate all reported complaints. Employees with concerns or complaints may also submit their

concerns in writing directly to the executive director or the organization's board chair and vice-chair.

4. COMPLIANCE

The executive director and vice-chair shall review this policy regularly to ensure the Foundation's actions follow the guidelines.

The vice-chair shall periodically review this policy and related procedures with legal counsel to ensure the policy and practice are compliant with new or revised Foundation, MCPS and other regulatory bodies' policies and regulations.

Policy History

- Adopted September 10, 2025