



**COLUMBIA ASSOCIATION, INC. POLICY FOR REPORTING VIOLATIONS  
of the *CODE OF ETHICS AND BUSINESS CONDUCT*, the *CONFLICTS OF INTEREST POLICY*  
and the *SPECIAL REQUIREMENTS FOR MEMBERS OF THE BOARD OF DIRECTORS***

**Introduction**

Columbia Association, Inc. ("CA") is committed to maintaining a work environment conducive to ethical conduct, open communication and integrity. Furthermore, CA is committed to compliance with all laws and regulations to which it is subject and to promulgating policies to promote adherence to these laws and regulations. Laws, regulations, policies and practices strengthen and promote ethical practices and ethical treatment of members of the CA community and those to whom CA provides services.

The procedures under this policy are intended to:

- Provide avenues to report alleged illegal or unethical activities to management and the Board of Directors.
- Enable management and the Audit Committee of the Board of Directors to be informed at an early stage regarding alleged illegal or unethical activities.
- Reassure those who make good faith complaints that they will be protected from discriminatory or retaliatory treatment.
- Maintain a culture of openness, accountability and integrity at CA.

In order to further CA's commitment to a legal and ethical workplace, this policy:

- Establishes a procedure for making verbal or written complaints and reports under CA's ***Code of Ethics and Business Conduct***, CA's ***Conflicts of Interest Policy*** and CA's ***Special Requirements For Members of the Board of Directors***, (collectively, the "Ethics Policies") and otherwise regarding CA's operational practices or allegedly fraudulent and/or unethical business practices.
- Establishes a procedure for the receipt, review and possible investigation of and response to such complaints.
- Establishes a procedure for the retention of records concerning all such complaints and any investigation, resolution or report regarding the complaint.

- Makes clear CA's intention to discipline by appropriate means, up to and including termination, any person whom CA determines engaged in discriminatory or retaliatory conduct toward a person making a complaint or impeded any investigation of a complaint of illegal or unethical conduct.

Please note that issues related to individual employment, including claims of discrimination, harassment or other allegedly unfair or improper treatment, are covered by the applicable policies set forth in CA's ***Team Member Handbook***.

## **1. Making a Complaint**

Any person may report allegations of suspected illegal or unethical conduct. CA encourages that all complaints be made in writing so as to assure a clear understanding of the issues raised; however, complaints may also be made orally and by email. They should be factual rather than speculative or conclusory and should contain as much specific information as possible to allow for proper assessment and to facilitate the investigative process. Complaints are encouraged at the earliest possible time relative to the alleged misconduct so that timely investigation and, if appropriate, action may be taken.

### **A. Complaints by CA Personnel**

Any CA personnel (which includes any CA team member, team leader, officer or director) who becomes aware of illegal conduct, such as misuse of CA funds, a possible criminal act, or a significant threat to the health and safety of others, or believes that illegal conduct may take place in the future, **must promptly report** the matter.

CA Personnel are strongly encouraged to report any unethical conduct such as a conflict of interest as well as situations that are likely to receive adverse media attention or publicity or matters that are sufficiently significant or sensitive so as to adversely affect CA's operations or CA's standing in the community. Members of the Board of Directors, officers and members of Senior Management **are required** to report such matters.

Complaints should be directed to the following designees:

- Complaints should ordinarily be made to CA's Principal Ethics Officer ("**PEO**"). The PEO of CA is presently CA's General Counsel.
- If a complaint concerns the PEO, it should be made directly to CA's President.
- If a complaint concerns CA's President or a Board Member, the complaint should be made directly to the Chair of the Board of Directors for consideration by the full Board of Directors.
- If a complaint concerns the Chair of the Board of Directors, it should be made to the Chair or Vice Chair (whichever is a CA board member) of the Board's Audit Committee for consideration by the full committee.

- Complaints involving human resources matters should be reported to the Director of Human Resources.

If a complaint is received by a person other than the one designated above, it must be referred by the recipient to the appropriate designated person.

#### **B. Complaints by Persons Other Than CA Personnel**

Individuals who are not CA Personnel may report these matters through the same channels outlined above.

### **2. Investigation of Reports**

All complaints are to be considered as serious and shall be promptly addressed.

The PEO or other designee shall make an initial determination of whether an investigation of the allegations in the complaint is warranted. The PEO or other designee may determine that no investigation is warranted because, among other reasons:

- The allegations in the complaint, even if true, do not amount to a violation of any of the Ethics Policies.
- The party about whom the allegations are made is no longer with CA, and no other circumstances nor the nature of the allegations suggest that an investigation is warranted
- The allegations are so vague and unspecific that they are not credible or are not capable of being efficiently investigated
- The value of CA assets involved in the complaint is negligible

If the PEO or other designee determines that an investigation is not warranted, she or he within 30 days of receipt of the complaint shall report the complaint and the reasons for the determination not to investigate to the Audit Committee of the Board of Directors and CA's President or other person as appropriate.

If the PEO, President, Chair of the Board of Directors, Chair/Vice Chair of the Audit Committee or other designee, upon review of the complaint, determines that an investigation is warranted, he or she must within 30 days of receipt of the complaint inform the appropriate parties about the complaint and how the investigation will be handled. The appropriate parties for purposes of this paragraph are as follows:

- PEO will inform the Audit Committee and the CA President
- CA President will inform the Audit Committee
- Chair of the CA Board will inform the CA Board
- Chair/Vice Chair of the Audit Committee will inform the CA Board.

An exception to these reporting requirements may be made only in cases where one of these individuals is the subject of the investigation.

The PEO or other designee shall conduct the investigation or shall assign one or more appropriate individuals from within or outside CA to assist with and/or to conduct the investigation. CA may retain outside legal counsel to advise the investigators and/or to conduct the investigation. If an investigation by the Board or Audit Committee requires the assistance of an outside entity in conducting the investigation, such assistance should be obtained from individuals or entities with whom CA does not have an ongoing business/working relationship.

Investigations shall be carried out in accordance with applicable laws and CA policies and procedures.

The investigators may interview the person reporting the violation and any person whose conduct or actions are the subject of the complaint. Other persons with information that may be relevant may be interviewed in the discretion of the investigators. The PEO or other designated person will determine the manner in which the investigation will be conducted, and the extent of any communications with the person reporting the violation and any person whose conduct or actions are the subject of the report.

The investigators shall not be governed or bound by technical rules of evidence or procedure. Persons and entities may be asked to provide documentation and oral, written and/or transcribed statements. The investigators shall conduct further inquiries as they deem appropriate in order to review and address the concerns raised by the complaint or resulting from information learned during the investigation. The PEO or other person designated as responsible for the investigation will closely monitor the investigation to help facilitate timely and thorough review of the allegations.

The PEO or other designee responsible for the investigation, following the completion of the investigation, shall prepare findings, including but not limited to findings concerning whether anyone violated any aspect of the Ethics Policies or any other CA policy, and shall provide recommendations, if appropriate. Those findings and recommendations shall be submitted as follows:

- When the findings and recommendations are issued by the PEO, they shall be submitted to the Audit Committee of the Board of Directors and CA's President. CA's President shall determine what, if any, corrective action to take.
- When the findings and recommendations are issued by CA's President, they shall be submitted to the Audit Committee of the Board of Directors. CA's President shall determine what, if any, corrective action to take.
- When the findings and recommendations are issued by the Chair of the Board of Directors or the Chair of the Audit Committee of the Board of Directors, they shall be submitted to the Board of Directors, which shall determine what, if any, corrective

action to take. Such determination shall be made by majority vote in accordance with the voting procedure stated in the Bylaws of CA.

The findings and recommendations shall normally be in a written report unless the PEO or other designee determines that it is more appropriate to make an oral report. Any corrective action taken pursuant to this policy shall be set forth in writing and records of the corrective action shall be maintained by CA.

All CA Personnel have an obligation to cooperate with these investigations.

### **3. Corrective Action**

Corrective action for violation of the Ethics Policies, for impeding the filing of a complaint or the conduct of an investigation pursuant to this policy, or for retaliation for protected conduct, may include appropriate discipline, up to and including termination. In the case of Board Members, such corrective action may include the Board of Directors' issuance of a reprimand or recommendation to the applicable Village Community Association that such Board Member be removed from the Board of Directors. In addition, the corrective action may include referring the information to an appropriate law enforcement agency if the investigation uncovers evidence of possible criminal conduct, and/or instituting a civil action to recover damages, loss or expenses incurred by CA.

In the event that the corrective action to be taken involves probation, suspension, reduction in compensation, demotion, and/or termination, or, in the case of Board Members, a reprimand or recommendation to the applicable Village Community Association that the Board member be removed from the Board, that individual shall be given an opportunity to discuss with or submit in writing to the person or entity determining the corrective action a request for reconsideration and the reasons for such reconsideration prior to the corrective action becoming effective.

The complaint, investigation, and report of the findings and recommendations shall remain confidential to the extent that it is still possible to conduct a proper investigation of the complaint, and such confidentiality does not conflict with any action necessitated by the report or CA policy.

CA employees may be placed on leave, suspended with or without pay, or reassigned pending the outcome of any investigation if the PEO or other designee makes a determination that any of these apply:

- The complaint raises such serious allegations that such interim action is warranted
- Such interim action is warranted due to conduct by the person(s) under investigation
- Such action is warranted as a result of related factors such as safety, workplace productivity, risk of retaliation, or the need to separate persons involved in or the subject of the investigation

Investigatory matters may also be referred to local law enforcement officials where appropriate.

#### **4. Confidentiality**

Complaints may be submitted anonymously, or the person submitting the complaint may request confidentiality (subject to the limitations on confidentiality contained in this policy). Anonymous reports can be made by contacting the **Ethical Advocate** ethics hotline (877-619-7909) or *ca.ethicaladvocate.com*. A complaint made under this policy is subject to the non-retaliation provisions set forth below.

#### **5. Non-Retaliation**

CA is committed to protecting individuals from interference, discrimination or retaliation for having made a good faith report under this policy.

No adverse action may be taken and retaliation is strictly prohibited, including, without limitation, intimidation, harassment, discrimination, coercion or otherwise, whether express or implied, against anyone who makes a good faith report or assists in an investigation of, or the fashioning or implementation of any corrective action or response made in connection with, any complaint. Any retaliation or attempted retaliation against any party making a report in good faith will be disciplined severely.

After a report has been received, the PEO or other person designated as responsible for the investigation shall review the work environment, the supervisory structure, performance evaluation arrangements, and other matters relating to the person making the report, and may consult with Senior Management members in order to make a determination regarding whether adjustments in supervision, job location or other job aspects should be made in order to reduce the risk of retaliation.

It is the intention of CA to take whatever action may be deemed appropriate to prevent and correct activities that violate this policy. Reports of retaliatory or discriminatory actions or interference should be reported as any other reportable act.

CA encourages all to raise concerns in good faith. However, CA Personnel are prohibited from knowingly making false, misleading or malicious complaints.

#### **6. Records**

The PEO shall maintain a written record of all complaints that shall identify the receipt of the complaint, the investigation if any, the report to the Audit Committee of the Board of Directors or Board of Directors, and the ultimate resolution, and include all documentation relating to the report. (If the complaint concerns the PEO, the record shall be maintained by CA's President or other appropriate person designated by CA's President.) A summary of reporting activity shall be prepared by the PEO and submitted to CA's President and Audit Committee of the Board of Directors at such intervals as they shall determine. The Audit Committee of the Board of Directors will notify the Board of Directors of reporting activity when they determine such

communication is necessary. Appropriate modifications shall be made to this preparation and submission process if the report concerns the PEO, CA's President, or Board Members.

All records shall remain confidential.

#### **7. Interpretation**

The interpretation, application and operation of this policy are the responsibility of the PEO and CA's President, subject to the oversight of the Board of Directors and/or the Audit Committee only as applicable in the case of a complaint concerning the President, Chair or a Board member.

#### **8. Policy Distribution**

A copy of this policy will be distributed to all CA Personnel promptly following the adoption of or amendments to this policy, and at such time as a person becomes a member of CA Personnel.

**Approved by the CA Board of Directors on February 26, 2009**

**Revised and approved by the CA Board of Directors on July 7, 2011**

**Revised and approved by the CA Board of Directors on January 26, 2017**

**Updated for new ethics hotline information December 6, 2018**