

Marion Fire Auxiliary Inc. Policies Handbook



Marion Fire Auxiliary Inc.

Code of Ethics

Adopted by the Board of Directors on November 6, 2017

Personal and Professional Integrity

All directors, officers, Members, and other MFA volunteers will act with honesty, integrity and openness in all their dealings as representatives of MFA.

Working Environment

MFA promotes a working environment that values respect, fairness and integrity. It encourages a collegial atmosphere. However, that does not mean discussion and dissent are discouraged. Although MFA directors try to keep business meetings to no longer than an hour, doing so is not a rule. They do their best to prioritize certain matters over others to allow enough time for Members to ask questions while gently discouraging irrelevant digressions from meeting agendas.

Mission Statement

MFA supports the Marion Fire District.

Vision Statement

MFA seeks to prevent loss of life and property by ensuring its community's first responders have the right gear, tools, and equipment to do their jobs safely and effectively. MFA also strives to strengthen the ties between its community and its volunteer first responders to motivate more people to volunteer and to prevent current volunteers from burning out.

Programs in Support of Mission

Each of MFA's programs supports its mission, and all who work on behalf of MFA understand and are loyal to its mission and vision. Currently MFA's programs are:

Grant-making

MFA provides grants to the Marion Fire District to address needs that its taxpayer-funded budget cannot cover. The grants are funded by public contributions and rental income generated by management of the [Marion Community Center](#) (which is attached to Marion's main fire station).

Food services

Besides raising funds to give grants, MFA provides meals to district volunteers during their missions and prolonged training events.

Fostering volunteerism

MFA hosts frequent community events to encourage volunteerism with the Marion Fire District, and to demonstrate to current volunteers how much the community appreciates their sacrifices.

Governance

Director vs. Officer Role

MFA's Board of Directors is responsible for setting the mission and strategic direction of MFA and oversight of MFA's finances, operations, and policies. MFA's bylaws do not stipulate that its officers must be directors. Currently, those elected to MFA's Board of Directors are also officers responsible for day-to-day operations spelled out in MFA's bylaws.

Independent Directors

Directors must be "independent," as defined in the instructions for the IRS 990 tax reports. In other words, a director:

- Is not, and has not been for a period of at least three years, an employee of MFA or any entity in which MFA has a financial interest;
- Does not directly or indirectly have a significant business relationship with MFA, which might affect independence in decision-making;
- Is not employed as an executive of another corporation where any of MFA's officers serve on that corporation's compensation committee; and
- Does not have an immediate family member who is an MFA officer or employee or who holds a position that has a significant financial relationship with MFA.

Policies

Directors, officers, (and when applicable) Members will adhere to the following policies adopted by MFA Board:

- Board Governance Policy
- Conflict of Interest Policy

- Whistleblower Non-Retaliation Policy
- Public Reporting and Transparency Policy
- Document Retention and Destruction Policy
- Gift Acceptance Policy
- Restricted Gift Policy

Legal Compliance

MFA complies with all applicable laws, regulations and professional standards. Given that laws, regulations, and professional standards periodically change, Board members will frequently ask questions and seek counsel to ensure MFA's continued compliance.

Responsible Stewardship

MFA manages its funds responsibly and prudently. This includes the following considerations:

- It spends a reasonable percentage of its annual budget on programs in pursuance of its mission;
- It spends an adequate amount on administrative expenses to ensure effective accounting systems, internal controls, and other expenditures critical to professional management;
- To the extent MFA has endowments or grants, it prudently draws from endowment or grant funds consistent with donor/grantor intent, legal guidelines and to support the public purpose of MFA;
- MFA ensures that all spending practices and policies are fair, reasonable and appropriate to fulfill the mission of MFA; and,
- All financial reports are factually accurate and complete in all material respects.

Transparency and Disclosure

MFA will adopt a Public Reporting and Transparency Policy to ensure appropriate and timely information is provided to Members, the public, and any other stakeholders. MFA is responsive to reasonable requests for information. All information about MFA will fully and honestly reflect the policies and practices of MFA. All solicitation materials accurately represent MFA's policies and practices and will reflect well on its programs' beneficiaries. All financial, organizational, and program reports will be complete and accurate in all material respects.

Program Evaluation

MFA will regularly review their programs' effectiveness and incorporate lessons learned into future programs.

Donors' Rights

MFA is truthful in its solicitation materials and will disclose important and relevant information to potential donors. MFA will respect the rights of donors, as follows:

- To be informed of the mission of MFA, the way the resources will be used and MFA's capacity to use donations effectively for the intended purposes;
- To have access to MFA's most recent board approved program and financial reports;
- To be assured their gifts will be used for the purposes for which they were given;
- To receive appropriate acknowledgement and recognition;
- To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by the law;
- To expect that all relationships with individuals representing MFA will be professional in nature;
- To have the opportunity for their names to be deleted from mailing lists; and,
- To feel free to ask questions receive prompt, truthful and forthright answers.

Out-of-State Solicitations

Whenever soliciting funds by mail from people who have mailing addresses outside of Montana, MFA shall ensure it is not violating other states' fundraising registration requirements. Failure to comply could result in penalties assessed against MFA by other states' attorneys general.

Marion Fire Auxiliary Inc

Board Governance Policy

Policy adopted by the Board of Directors on November 6, 2017

Purpose

The purposes of this policy are:

- To provide a framework within which directors and officers of MFA's Board will be guided in the execution of their fiduciary duties on behalf of MFA.
- To help assure awareness by directors and officers of MFA's Board of their basic fiduciary duties under state law and of their obligations related to federal tax exemption granted MFA.
- To help assure that the decisions and conduct of the directors and officers of MFA's Board are always consistent with their duties and obligations and with the charitable mission of MFA.

Directors' Role:

Directors are responsible for setting the mission and strategic direction of MFA, as well as oversight of MFA's finances, operations, and policies. All corporate powers are exercised by or under the authority of the Board and the affairs of MFA are managed under the direction of the Board.

Currently, those elected to MFA's Board of Directors are also officers responsible for day-to-day operations spelled out in MFA's bylaws. However, MFA's bylaws do not stipulate that its officers must be directors. If the Board delegates authority to someone to act on behalf of MFA, directors must exercise reasonable and prudent oversight of that person's activities.

In the performance of his or her duties, a director may rely on information and reports received from people whom the director reasonably believes to be reliable and competent in the matters presented, as well as on professional advisors (e.g. attorneys, public accountants) and other persons regarding matters the director reasonably believes are within the person's professional or expert competence. A director may also rely upon a committee of the Board of which the director is not a member, as to matters within its jurisdiction, if the director reasonably believes the committee merits confidence.

Core Fiduciary Obligations

Duty of Loyalty

Each Board member:

- Is obligated to exercise an undivided and unselfish loyalty to MFA by affirmatively protecting MFA's interests and to refrain from doing anything that would deprive MFA of profit or advantage which the director's skill or ability might bring to it.
- Must exercise his or her obligations and powers in the best interests of MFA and its charitable mission, not in his or her own interests or in the interests of another person or entity (even if charitable in nature).
- Must refrain from engaging in personal activities which would injure or take advantage of MFA.
- Shall fully comply with MFA's code and policies.

Duty of Care

Board members must act:

- In good faith
- With the care that a reasonably prudent person in a similar position would use.
- In a manner the director reasonably believes to be in the best interests of MFA

Therefore, Board members must:

- Inform themselves of all material information prior to making decisions.
- Monitor the affairs of the organizations.
- Exercise proven stewardship of MFA's limited resources.

Duty of care implies a duty of reasonable inquiry. Each Board member is obligated to ask questions and demand information to allow that director to have sufficient information and understanding to make decisions s/he reasonably believes are in MFA's best interests.

Board members are not acting in good faith if they have knowledge concerning a matter in question that makes reliance on advice from others, such as other directors, Members, professional advisors and consultants, unwarranted.

Duty of Obedience

Board members are required to perform their duties in accordance with applicable laws and the terms of MFA's charter and bylaws. Conflicts include:

- Failure to abide by statutes affecting fundraising, political and business activities.
- Jeopardizing MFA's tax-exempt status.
- Co-mingling of assets or operations with personal dealings.
- Failure to adhere to the stated purposes of MFA.

Manner of Governing

The Board shall:

- Enforce upon itself whatever discipline is needed to govern with excellence.
- Cultivate a sense of group responsibility. The Board will use the expertise of individual members to enhance the ability of the Board as a body, rather than allowing individual expertise of directors to substitute for judgments that should be made by the Board as a body.
- Implement operations that are accountable to MFA's members and its mission.
- Conduct regularly scheduled business meetings and expect that directors will attend (unless they have an excused absence) and actively participate.
- Adopt and monitor policies that assure:
 - Adequate oversight of MFA's affairs;
 - Adequate implementation of its programs;
 - Compliance with the law; and
 - Effective pursuit of MFA's charitable mission.
- Ask Members for their advice on important decisions and actively engage Members' participation in business meetings, as well as program activities.

Outside Education and Training

MFA's directors and officers are encouraged to attend training seminars and programs offered by outside groups that relate to nonprofit governance, legal obligations, and fundraising. Here are recommended resources:

- [Flathead Nonprofit Development Program](#)
- [Montana Nonprofit Association](#)

Marion Fire Auxiliary Inc.
Public Reporting and Transparency Policy

Policy adopted by the Board of Directors on **November 6, 2017**

Purpose

This policy exists to implement IRS requirements regarding public disclosure and transparency.

Information Available to Public

MFA's policy is to post to its website in a timely manner, and make available on request, the following information and documents:

- A list of current directors and officers
- Articles of Incorporation
- Bylaws
- Code of Ethics
- Public Reporting and Transparency Policy
- Conflict of Interest Policy
- Whistle-blower Non-Retaliation Policy
- Gift Acceptance Policy
- Restricted Gift Policy
- IRS Form 1023 exemption application
- IRS 501(c)(3) status determination letter
- Most recent IRS Form 990
- Externally audited financial statements

Delegation of Authority to Manage Website and Social Media Sites

The Marion Fire Auxiliary Inc (MFA) delegates to Janine Presson the authority to manage MFA's website and social media sites in accordance with this policy, and with the further objectives of informing MFA's Members and the public of MFA's major activities and programs, as well as providing other information that supports MFA's mission.

Marion Fire Auxiliary Inc.

Conflict of Interest Policy

Policy adopted by the Board of Directors on November 6, 2017

Purpose

This policy exists to protect MFA's interests when it contemplates entering into a transaction or arrangement that might benefit the private interests of an MFA director, officer, or person with Board-delegated powers, or might result in a possible excess benefit transaction. This policy is based on the IRS Conflict of Interest model policy, which is an attachment to Form 1023, Application for Tax Exempt Status, and provides information needed for answers to Form 990, Return of Organization Exempt from Income Tax.

Definitions

Conflict of Interest

A *conflict of interest* occurs when the personal, professional, or financial interests of a director, officer, or person with Board-delegated powers conflicts with the interests of MFA.

Financial Interest

A person has a *financial interest* if the person has, directly or indirectly, through business, investment, or family:

- An ownership or investment interest in any entity with which MFA has a transaction or arrangement,
- A compensation arrangement with MFA or with any entity or individual with which MFA has a transaction or arrangement, or
- A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which MFA is negotiating a transaction or arrangement.

Compensation

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

Nonfinancial Interest

Nonfinancial interests are issues that might influence participation or vote in an action, to include personal, political, religious, friendship, or personal relationships that might be affected by an action MFA is contemplating taking.

Financial and nonfinancial interests do not necessarily create a conflict of interest.

Duty to Disclose

Regarding any actual or possible conflict of interest, in annually in a written statement, and as individual interests arise, directors, officers, and persons with Board-delegated powers must disclose the existence of any financial and nonfinancial interests that might conflict with MFA actions and be given the opportunity to disclose all material facts to the Board.

Recusal

Any director, officer, or person with Board-delegated powers may recuse himself or herself at any time from involvement in any decision or discussion in which that person believes s/he has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.

Procedures for Addressing a Potential Conflict of Interest

1. An interested person may make a presentation at the Board meeting, but after the presentation, s/he shall leave the meeting during the discussion of, and the vote on, the transaction, arrangement, or other matter involving the possible conflict of interest.
2. The Board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
3. After exercising due diligence, the Board shall determine whether MFA can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a financial conflict of interest.
4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a financial conflict of interest, the Members shall determine by a majority vote whether the transaction or arrangement

is in MFA's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

Violations of the Conflicts of Interest Policy

If the Board has reasonable cause to believe a director, officer, or Member with Board-delegated powers has failed to disclose actual or possible conflicts of interest, it shall inform that person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board determines the member has failed to disclose an actual or possible conflict of interest, it shall call for Members to vote on the corrective action to be taken.

Records of Proceedings

The minutes of the Board and all committees with Board-delegated powers shall contain:

- The names of the persons who disclosed or otherwise were found to have a financial interest relating to an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the decision as to whether a conflict of interest in fact existed.
- The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken relating to the proceedings.

Annual Written Statements

Each director, officer and Member with Board-delegated powers shall annually sign a statement which affirms that person:

- Has received a copy of the conflict of interest policy,
- Has read and understands the policy,
- Has agreed to comply with the policy, and
- Understands MFA is charitable and, to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

If at any time during the year, the information in the annual statement changes materially, the director, officer, or Member with Board-delegated powers shall revise the annual disclosure form.

The Board shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking such other actions as are necessary for effective oversight.



MARION FIRE AUXILIARY INC
CONFLICT OF INTEREST STATEMENT

Name: _____ Date: _____

1. To what other organizations do you belong or represent? _____

2. Affirm the following by initialing each statement:

2a. I have received a copy of the MFA Conflict of Interest Policy. _____ (initial)

2b. I have read and understand the policy. _____ (initial)

2c. I agree to comply with the policy. _____ (initial)

2d. I have reviewed the MFA's Operations Manual. _____ (initial)

2e. I understand that MFA is charitable and to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of tax-exempt purposes. _____ (initial)

3. Do you have a current financial interest (current or potential), including a compensation arrangement, as defined in the Conflict of Interest policy with MFA? Yes / No

3a. If yes, please describe it. _____

3b. If yes, has the financial interest been disclosed, as provided in the Conflict of Interest policy? Yes / No

4. In the past, have you had a financial interest, including a compensation arrangement, as defined in the Conflict of Interest policy with MFA? Yes / No

4a. If yes, describe it, including approximately when. _____

4b. If yes, has the financial interest been disclosed, as provided in the Conflict of Interest policy? Yes / No

5. Are you an independent director, as defined in the Conflict of Interest policy? Yes / No

If no, explain why not. _____

Signature

Date of Review by Board: _____

Marion Fire Auxiliary Inc.

Document Retention and Destruction Policy

Policy adopted by the Board of Directors on November 6, 2017

Purpose

MFA has a document retention policy, because its Treasurer wants to be able to answer “yes” on IRS Form 990 tax returns to the question about whether MFA has a document retention policy.

Goal

MFA’s goal is to maintain documents for at least the minimum time required by law, but also for as long as they may be relevant to its needs or might be important for its historical record.

Destruction

No paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation, audit, or private litigation proceeding. Documents not covered in this policy should be destroyed when no longer useful and MFA’s files periodically culled of useless documents.

Permanent Retention

Secretary’s Responsibilities

MFA’s Secretary is responsible to permanently retain the following documents and keep a copy of the documents on file in MFA’s office.

- Articles of Incorporation
- Bylaws
- Minutes of board meetings and annual meetings of Members
- Corporate resolutions
- Board policies with record of effective dates, amendments, and revisions
- Correspondence on legal or otherwise important matters
- List of Members with dates of membership and contact information

Treasurer’s Responsibilities

MFA’s Treasurer is responsible to permanently retain the following documents and keep a copy of the documents on file in MFA’s office.

- Tax returns and worksheets
- Year-end financial statements
- Determination Letter from the IRS
- Independent audit reports
- Insurance policies, claims, and other related records
- Depreciation schedules
- Donations records with names and contact information for donors, and restrictions on disbursement of funds
- Grant records with names and contact information of grantors, and restrictions on disbursement of funds

A copy of deeds, mortgages, and bills of sale will also be kept permanently in their own file in the office. Treasurers shall not make the mistake of keeping bills of sale solely with other receipts in the month the expense was incurred. If necessary, make a copy to keep with monthly records.

Minimum Retention

MFA policy is to retain documents for the minimum amount of time recommended for nonprofits by American Institute of Certified Public Accountants in the following table:

Type of Document	Minimum Retention Requirement
Annual conflict of interest disclosures	10 years after director is no longer on Board
Bank reconciliations	2 years
Bank statements	3 years
Contracts (expired)	7 years
Contracts (in effect)	Contract period
Correspondence (general)	2 years
Correspondence (with customers & vendors)	2 years
Deposit slips	2 years
Internal audit reports	3 years
Inventory records for supplies or products	3 years
Invoices (to customers & from vendors)	7 years
Proxy statements or other evidence of authority of a person to vote for any nonprofit member	5 years after no longer effective

Marion Fire Auxiliary Inc.

Gift Acceptance Policy

Policy adopted by the Board of Directors on November 6, 2017

Purpose

The IRS suggests that nonprofit charities have a gift acceptance policy. Therefore, MFA has one.

General Rules

MFA's policy is that acceptance of any contribution, gift or grant is at the discretion of MFA. MFA will not accept any gift unless it can be used or expended consistently with MFA's mission. MFA will encourage donors to seek guidance from their own professional advisors about their gifts, contributions, or grants to MFA.

Generally Accepted without Review

MFA will accept donations of cash or publicly traded marketable securities.

Restrictions on Acceptance

MFA will not accept gifts that:

- Are too difficult or too expensive to administer in relation to their value
- Would result in any liability or other unacceptable consequences for MFA
- Are for purposes outside MFA's mission

Members soliciting gifts shall consult the Board prior to accepting a gift that would probably or potentially be refused.

In-kind Services

Gifts of in-kind services will be accepted at the discretion of MFA.

Life Insurance

MFA will accept gifts of life insurance where MFA is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy.

Use of Legal Counsel

Certain other gifts, real property, personal property, in-kind gifts, non-liquid securities, and contributions whose sources are not transparent or whose use is restricted in some manner, must be reviewed prior to acceptance due to the special obligations raised or liabilities they may pose for MFA. Review by legal counsel is recommended for:

- Gifts of securities that are subject to restrictions or buy-sell agreements.
- Documents naming MFA as trustee or requiring MFA to act in any fiduciary capacity.
- Gifts requiring MFA to assume financial or other obligations.
- Transactions with potential conflicts of interest.
- Gifts of property which may be subject to environmental or other regulatory restrictions.

Deciding Whether to Accept or Refuse Questionable Gifts

When considering whether to accept or refuse a gift, Board members should take into consideration the following:

- Is MFA's intended use of the gift compatible with the donor's intent?
- Would acceptance of the gift damage MFA's reputation?
- Does the primary benefit accrue to MFA or the donor?
- Is acceptance of the gift consistent with prior practice?
- Is the gift offered in a form that MFA can use without incurring substantial expense or difficulty?
- Will refusal of the gift encourage or discourage future gifts?
- Is the property marketable?
- Are there any unacceptable restrictions imposed on the property?
- Is the title/provenance of the property clear?

Acknowledging Donations

MFA will properly acknowledge donations. The IRS can impose a penalty on charities that do not meet written disclosure requirements. The penalty is \$10 per contribution, not to exceed \$5,000 per fundraising event or mailing. An organization may only avoid the penalty if it can show that failure to meet the requirements was due to reasonable cause. However, ignorance is rarely an adequate excuse in the eyes of the law. For more information consult the following IRS publications: IRS Publication 526, "Charitable Contributions;" IRS Publication 561, "Determining the Value of Donated Property;" and IRS Publication 1771,

“Charitable Contributions: Substantiation and Disclosure Requirements.”

Cash Donations

MFA shall acknowledge all donations with a receipt despite the IRS stating that charities only must acknowledge gifts of \$250 or more. Without a written acknowledgment, the donor cannot claim a tax deduction. Donations should be acknowledged no later than January 31st of the year following the donation.

The following information should be given to the Treasurer to accompany a bank deposit slip for a donation:

- The donor’s name.
- The amount of money.
- A statement indicating whether any goods or services were provided in return for the gift.

Receipts should NEVER state that a contribution IS deductible. Rather, it should state contributions MAY BE deductible, based on the donor’s tax situation.

“Quid Pro Quo” Donations

Whenever MFA provides a good or service in exchange for a donation of more than \$75, MFA must provide a written disclosure to the donor stating MFA’s estimate of the fair market value (FMV) of the goods and services received, and informing the donor that only the portion of the contribution that exceeds FMV is tax deductible. Determining FMV is tricky, but must be done in good faith. If MFA misrepresents or undervalues the exchange, it could be accused of defrauding the Treasury by colluding to overstate a deduction.

Low cost articles.

An exception for what the IRS calls “low cost articles” exists. This allows MFA to give out items such as mugs, calendars, and T-shirts bearing its logo or name. Such items do not need to be mentioned on MFA donation acknowledgements.

Auctions.

MFA does not have to give buyers receipts, but it is considered a good practice to do so and to mention what MFA considers to be its estimate of the item’s FMV. Doing so allows buyers who paid above the stated FMV a potential tax deduction of the difference between what they paid and the FMV.

Raffles.

If asked, MFA must tell buyers that they cannot deduct raffle tickets as charitable contributions. The IRS decided that the chance to win something is worth whatever was paid for the ticket. The tickets can be deducted as a gambling loss under circumstances that don’t apply to most people.

Donations of Property (Noncash Goods)

MFA must acknowledge the receipt of a noncash gift with an estimated value of \$250 or more. The receipt must include at a minimum:

- A description of non-cash property transferred to the charity.
- It should not attempt to value the property; that is donor's responsibility. It should have a blank line in which the donor can write down the value of the property.
- A statement of whether charity provided any goods/services in consideration for the gift. If so, a description and good faith estimate of the value of those goods/services.

Out-of-pocket expenses for volunteer services.

No deduction is available for the value of services contributed to a charity, but volunteers may deduct their out-of-pocket expenses incurred in rendering volunteer services. To claim a deduction for out-of-pocket costs, a volunteer must have adequate records to substantiate the expenses, and for expenses of \$250 or more, must obtain a written acknowledgment from the charity.

MFA will provide acknowledgments to donors meeting IRS substantiation requirements for property received by the charity as a gift. However, except for gifts of cash and publicly traded securities, no value shall be ascribed to any receipt or other form of substantiation of a gift received by MFA.

Confidentiality

MFA will respect the intent of the donors’ stated desire to remain anonymous. With respect to anonymous gifts, MFA will restrict information about the donor to only those with a need to know.

Compensation

MFA will not compensate, whether through commissions, finders' fees, or other means, any third party for directing a gift or a donor to MFA.

**Marion Fire Auxiliary Inc.
Restricted Gift Policy**

Policy adopted by the Board of Directors on **November 6, 2017**

Federal statutes require charitable organizations to use restricted gifts for the purposes for which they are given. MFA must be thoughtful in its solicitations, because once it has accepted a restricted gift, it must be diligent in documenting its use of the gift. MFA shall use an accounting system that classifies restricted investment assets on their receipt and records expenditures attributed to those assets. Given the administrative burden, MFA only accepts permanently restricted investments assets more than \$1,000.

Marion Fire Auxiliary Inc.

Whistle-Blower Policy

Policy adopted by the Board of Directors on November 6, 2017

Purpose

Whistle-blower policies are standard practice for nonprofit incorporations, because the Sarbanes-Oxley Act of 2002 requires corporations to have them.

Duty to Report

MFA's policy is that directors, officers, Members, and other volunteers are encouraged and enabled to raise serious concerns internally (so that MFA can address and correct inappropriate conduct and actions). In fact, it is the responsibility of all directors, officers, Members, and other volunteers to report concerns about violations of law, regulations that govern MFA operations, or ethics.

Non-Retaliation

It is contrary to MFA values for anyone to retaliate against any director, officer, Member, or other 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 Marion Fire Auxiliary Inc. Any director, officer, or Member who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including permanent termination from MFA.

Reporting Procedure

MFA has an open-door policy. Members and other volunteers are encouraged to speak with, or give a written complaint, to MFA's Vice-President who acts as MFA's "Compliance Officer" responsible to investigate and resolve all reported complaints. The Vice-President is also responsible for advising the Board of any complaints relating to accounting or alleged financial improprieties.

Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Handling of Reported Violations

The Marion Fire Auxiliary Inc's Vice-President will notify the person who submitted a complaint and acknowledge receipt of the reported violation or suspected violation. All reports will be promptly investigated, and appropriate corrective action will be taken if warranted by the investigation.