



2020-07 RESOLUTION FOR “FINANCIAL CONTROLS AND WHISTLEBLOWER PROTECTION FOR MONEY RECEIVED BY GOVERNMENT LOANS AND GRANTS”

WHEREAS: the Rivergrove Water District is aware strict financial management is necessary for the control of funds received by government loans or grants and whistleblower protection is prudent should a District employee become aware of improper use of these funds is adopted,

WHEREAS: The Rivergrove Water District recognizes that strict accounting practices and policies are necessary for ensuring all government rules and regulations that apply to the distribution and management of these government funds are followed and those charged with administering these funds must be ever vigilant in fulfilling their responsibilities,

WHEREAS: all duly elected officials and employees of the Rivergrove Water District are required to comply with the Rivergrove Water District’s “**Financial Controls and Whistleblower Protection for Money Received by Government Loans and Grants**”.

THEREFORE, BE IT RESOLVED that the Rivergrove Water District believes the current internal controls in place and the adoption of “**Financial Controls and Whistleblower Protection for Money Received by Government Loans and Grants**”, which becomes an integral part of this resolution, is a sufficient and appropriate plan of control for proper management of any and all monies received by government loans and grants.

This Resolution moved by Commissioner Johnson.

Seconded by Commissioner Patterson.

Adopted by the Board of Commissioners of the Rivergrove Water District this 24th day of August 2020, by the following vote:

Ayes: Commissioner Roth, Commissioner Johnson, Commissioner McDowell, Commissioner Magura, and Commissioner Patterson.

Nays: None Abstain: Commissioner Magura

Signed Christine K Roth
Christine K. Roth, Chair

Attest James W. Johnson
James W. Johnson, Commissioner

Rivergrove Water District
Financial Controls and Whistleblower Protection for Money Received by
Government Loans and Grants

The following internal controls govern the financial management of the District, in particular funds received by government loans and grants and whistleblower protection should a District employee become aware of improper use of these funds. These controls have been adopted by the Board of Commissioners by Resolution 2020-07.

Objectives

- To preserve capital received by loans or grants through prudent banking and cash management activities.
- To achieve the most productive use of all funds received by government loans or grants, and to control receipts and disbursements.
- To ensure all financial systems, functions, and controls meet generally accepted auditing and accounting standards.
- To provide reporting procedures should a District employee become aware of or have concern of an illegal or dishonest fraudulent activity concerning the use of these funds.

Internal Control

- State Funds/State Grants. If state agency/grantor is willing and it is feasible, funds will be received via Local Government Investment Pool.
- Deposits will be reviewed to ensure funds are placed in the proper District accounts.
- The person performing the reconciliation of District accounts should not be the same person that signs the checks and the reconciliation must be reviewed regularly by the Board of Commissioners.
- Invoices will be analyzed to ensure all charges and expenses are appropriate to the project and take advantage of any discounts available.
- All obligations paid by the District will be reviewed to ensure proper documentation is attached and that all District requirements are met.

Whistleblower Protection

- Any employee with knowledge of or concern of an illegal or dishonest fraudulent District activity concerning the use of these funds will immediately report the information to the Chair of the Board of Commissioners.
- The employee may also provide the information to a state or federal regulatory agency, a law enforcement agency or an attorney licensed to practice law in Oregon if a confidential communication is made in connection with the alleged violation.
- All such issues will be investigated in a timely manner to determine fault and institute any appropriate corrective measures.
- 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 reporting.

- The employee must exercise sound judgement to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing may be subject to corrective action up to and including termination.
- Whistleblower protections are provided to maintain confidentiality and to prevent retaliation. While identity may have to be disclosed to conduct a thorough investigation, to comply with the law, and to provide accused individuals their due course, the privacy of the individual making the report will be protected as much as possible.
- The District will not retaliate against a whistleblower. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, or poor work assignments and threats of physical harm.
- Any whistleblower who believes he/she is being retaliated against must contact the Chair of the Board of Commissioners immediately. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.
- All reports of illegal and dishonest activities will be promptly submitted to the Chair of the Board of Commissioners who is responsible for investigating and coordinating corrective action.

Audit/Auditors

- The District will conduct an annual audit in the month of July and will simultaneously conduct a Uniform Grant Guidance if expenditures from funds received from the government loan or grant exceeds the maximum required amount during a fiscal year.
- District employees will cooperate with all auditors, external and internal, regarding any records maintained for or by the District.