

Governance & Compliance Policies

Baltimore County Historical Society, Inc. dba
Historical Society of Baltimore County
A Maryland 501(c)(3) Nonprofit Organization

Adopted by the Board of Directors on

**Baltimore County Historical Society, Inc. dba
Historical Society of Baltimore County**

Governance Policy Packet

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OVERVIEW

Baltimore County Historical Society, Inc. dba Historical Society of Baltimore County

Governance Policy Packet

The **Baltimore County Historical Society, Inc. dba Historical Society of Baltimore County** (“HSBC”) is committed to maintaining the highest standards of ethical conduct, transparency, and responsible stewardship of its resources and mission.

This packet contains three foundational governance policies recommended for nonprofit organizations and consistent with IRS guidance and Maryland nonprofit best practices:

1. **Whistleblower Policy**
Establishes procedures for reporting suspected misconduct or misuse of resources and provides strong protections against retaliation.
2. **Conflict of Interest Policy**
Requires disclosure of financial or personal interests and sets procedures to ensure board decisions are made solely in the best interests of HSBC.
3. **Document Retention & Destruction Policy**
Creates clear record retention timelines and safeguards important organizational and historical records while reducing legal risk.

Collectively, these policies strengthen internal oversight, reduce liability exposure, and demonstrate the Board’s commitment to sound governance and accountability.

Board Action Requested:

Review, discuss, and adopt the enclosed policies by formal resolution.

Baltimore County Historical Society, Inc. dba Historical Society of Baltimore County

Whistleblower Policy

Adopted:

1. Purpose

The **Baltimore County Historical Society, Inc. dba Historical Society of Baltimore County** (“HSBC”) is committed to conducting its affairs ethically, legally, and in accordance with applicable federal and Maryland laws. This Whistleblower Policy is intended to encourage staff, board members, consultants, volunteers, or clients to report suspected misconduct without fear of retaliation.

In keeping with the policy of maintaining the highest standards of conduct and ethics, HSBC will investigate complaints of suspected fraudulent or dishonest use or misuse of its resources or property. To maintain the highest standards of service, HSBC will also investigate complaints concerning its programs and services.

Staff, board members, consultants, volunteers, clients, and community members are encouraged to report suspected fraudulent or dishonest conduct or problems with services provided, pursuant to the procedures set forth below. This policy supplements, and does not replace, any procedures required by law, regulation, or funding source requirements.

2. Scope

This policy applies to any individual associated with HSBC, including staff, board members, consultants, volunteers, or clients

3. Reportable Conduct

Reportable conduct includes, but is not limited to:

- Fraud or financial impropriety
- Misuse or misappropriation of HSBC funds or assets
- Violations of federal, state, or local law or regulation
- Conflicts of interest not properly disclosed
- Retaliation against individuals who raise concerns
- Ethical violations or misconduct related to the HSBC’s operations

4. Reporting Procedures

Individuals who believe that misconduct, fraud, misuse of resources, or improper program operations have occurred are encouraged to report concerns promptly and in good faith.

Reports may be made orally or in writing and may be submitted confidentially. Anonymous reports will be accepted to the extent feasible.

Concerns should be reported as follows:

- To the **Vice President**, if the concern involves an employee, volunteer, or the President; or
- To the **President**, if the concern involves a client, community member, or board member.

If, for any reason, an individual is uncomfortable reporting a concern to the appropriate officer listed above, the concern may be reported directly to the **President of the Board**. Individuals who wish to remain anonymous may submit a written statement to any of the individuals listed above.

5. Investigation

All reports will be taken seriously and promptly reviewed and investigated in a manner appropriate to the circumstances. Relevant matters, including suspected but unproven allegations, will be analyzed and documented, including the receipt, retention, investigation, and resolution of the complaint. Investigations will be conducted confidentially to the extent possible and may involve the Board of Directors, a committee of the Board, legal counsel, independent auditors, attorneys, or other appropriate parties. Appropriate corrective action will be taken when warranted, and findings may be communicated to the reporting individual. While every effort will be made to maintain appropriate confidentiality, confidentiality cannot be guaranteed.

6. Protection Against Retaliation

HSBC strictly prohibits retaliation against any individual who, in good faith, reports a concern or participates in an investigation. No staff, board member, consultant, volunteer, or client who makes a good-faith report of suspected fraud, misuse of resources or property, misconduct, or concerns regarding the HSBC's services or programs shall suffer harassment, discrimination, discipline, or other adverse employment or organizational consequences as a result of raising such concerns. This policy is intended to encourage individuals to raise serious concerns internally before seeking resolution outside the organization and is in addition to any non-retaliation protections provided by law or other HSBC policies. Any employee or representative who retaliates against a person making a good-faith report may be subject to disciplinary action, up to and including termination. This policy does not prohibit a supervisor from taking appropriate action within the normal scope of their duties based on legitimate performance-related factors. Individuals are expected to act responsibly and in good faith; knowingly false or malicious allegations may result in disciplinary action in accordance with HSBC policies.

7. False or Malicious Reports

While HSBC encourages the reporting of concerns, knowingly false or malicious reports may result in disciplinary action.

8. Confidentiality

HSBC will make every effort to maintain the confidentiality of reports and the identity of the individual reporting, consistent with the need to conduct a thorough investigation and comply with legal obligations.

9. Recordkeeping

All reports and investigations under this policy shall be documented and retained in accordance with HSBC's Document Retention and Destruction Policy.

10. Policy Review

This policy shall be reviewed periodically by the Board of Directors and updated as necessary.

Baltimore County Historical Society, Inc. dba Historical Society of Baltimore County

Conflict of Interest Policy

Adopted:

1. Purpose

The purpose of this Conflict of Interest Policy is to protect the interests of the **Baltimore County Historical Society, Inc. dba Historical Society of Baltimore County** (“HSBC”) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director, officer, or other key individual.

This policy is intended to comply with applicable federal and Maryland laws and IRS requirements for organizations exempt under Section 501(c)(3) of the Internal Revenue Code.

2. Persons Covered

This policy applies to all directors, officers, and members of board committees with governing board-delegated powers. The Board may also apply this policy to staff and volunteers when appropriate.

3. Definition of Conflict of Interest

A conflict of interest arises when a Covered Person has a direct or indirect financial interest, personal interest, or other interest that may influence—or appear to influence—their ability to act in the best interests of HSBC.

A person has a financial interest if they have, directly or indirectly:

1. An ownership or investment interest in any entity with which HSBC has or is considering a transaction or arrangement;
2. A compensation arrangement with HSBC or with any entity involved in a proposed transaction; or
3. A potential ownership, investment, or compensation interest in any entity or individual with whom HSBC is negotiating.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

4. Duty to Disclose

Covered Persons must disclose the existence of any actual or potential conflict of interest and all material facts to the Board of Directors prior to any discussion or vote on the matter.

5. Determining Whether a Conflict Exists

After disclosure of the financial or other interest and all material facts:

1. The interested person shall leave the meeting while the determination of a conflict of interest is discussed and voted upon.
2. The remaining Board members shall decide if a conflict of interest exists.

6. Procedures for Addressing the Conflict

If a conflict is determined to exist:

1. The interested person may present information at the request of the Board but shall not participate in discussion or vote.
2. The President shall appoint a disinterested person or committee to investigate alternatives, if appropriate.
3. The Board shall determine whether HSBC can obtain a more advantageous arrangement from a person or entity that would not give rise to a conflict.
4. If a more advantageous arrangement is not reasonably possible, the Board may approve the transaction only if it is fair, reasonable, and in the best interests of HSBC.

The decision must be made by a majority vote of the disinterested directors.

7. Violations of the Policy

If the Board has reasonable cause to believe a Covered Person has failed to disclose a conflict:

1. The individual shall be informed of the basis for such belief and given an opportunity to explain.
2. If, after hearing the response, the Board determines a violation occurred, it may take appropriate disciplinary or corrective action.

8. Records of Proceedings

The minutes of the Board shall contain:

- The names of persons who disclosed or were found to have a conflict;
- The nature of the conflict;
- Any action taken to determine whether a conflict existed;
- The Board's decision; and
- A record of votes taken.

9. Compensation Matters

A voting member of the Board who receives compensation, directly or indirectly, from HSBC for services may not vote on matters pertaining to their compensation.

10. Annual Statements

Each Covered Person shall sign a statement affirming that they:

- Have received a copy of this policy;
- Have read and understand the policy;
- Agree to comply with the policy; and
- Understand that HSBC is a charitable organization and must engage primarily in activities that accomplish its tax-exempt purposes.

11. Periodic Reviews

To ensure HSBC operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, the Board shall conduct periodic reviews of transactions and arrangements.

**Baltimore County Historical Society, Inc. dba
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Document Retention and Destruction Policy

Adopted:

1. Purpose

The purpose of this Document Retention and Destruction Policy is to ensure that the **Baltimore County Historical Society, Inc. dba Historical Society of Baltimore County** (“HSBC”) retains records as required by applicable federal and Maryland law, preserves documents of historical and operational value, and disposes of records in a timely and secure manner.

As a historical organization, HSBC recognizes that certain records have enduring educational and archival value beyond legal requirements.

2. Scope

This policy applies to all records—paper and electronic—created, received, or maintained by HSBC, including those held by board members, officers, staff, volunteers, and contractors acting on behalf of HSBC.

3. Responsibility

The Board of Directors has overall responsibility for compliance with this policy. The Board may delegate day-to-day oversight to the Secretary, Treasurer, or another designated officer or committee.

4. General Guidelines

- Records shall be retained for the period specified in the retention schedule below.
- Records shall not be destroyed if they are relevant to pending or reasonably anticipated litigation, audits, investigations, or government inquiries (“litigation hold”).
- Records of historical significance should be preserved even if the minimum retention period has expired.
- Electronic records are subject to the same retention requirements as paper records.

5. Record Retention Schedule

Record Type	Retention Period
Governance & Organizational Records	
Articles of Incorporation & amendments	Permanent
Bylaws & amendments	Permanent
IRS determination letter & correspondence	Permanent
Board & committee meeting minutes	Permanent
Board-approved policies	Permanent
Strategic plans	Permanent
Financial Records	
Annual financial statements & audits	Permanent
IRS Form 990	Permanent
General ledger	7 years
Bank statements & reconciliations	7 years
Cancelled checks	7 years
Expense reports & receipts	7 years
Payroll records & tax filings	7 years
Grant agreements & reports	7 years after completion
Legal & Insurance Records	
Contracts & agreements	7 years after expiration
Insurance policies	Permanent
Claims & incident reports	7 years after resolution
Administrative Records	
General correspondence	3 years
Vendor records	7 years after termination
Volunteer records	3 years after service ends
Fundraising & Membership Records	
Donor contribution records	7 years
Event records	3 years
Acknowledgment letters	7 years
Historical & Programmatic Records	
Publications (e.g., <i>History Trails</i>)	Permanent
Lecture programs & speaker materials	Permanent
Photographs, videos, oral histories	Permanent
YouTube and digital media content	Permanent
Archival collections & artifacts	Permanent

6. Destruction of Records

Once the applicable retention period has expired and no litigation hold applies:

- Paper records shall be shredded or otherwise destroyed to protect confidentiality.
- Electronic records shall be permanently deleted.
- Destruction shall be conducted in a manner that protects donor, member, and organizational confidentiality.

7. Litigation Hold

If HSBC becomes aware of pending or reasonably anticipated litigation, audit, or investigation, destruction of relevant records must cease immediately. The Board or designated officer will notify all affected parties.

8. Policy Review

This policy shall be reviewed periodically by the Board of Directors and updated as necessary to reflect changes in law or organizational practices.

Conflict of Interest Disclosure Statement

I, _____, affirm that:

4. I have received and read the Conflict of Interest Policy of the Baltimore County Historical Society, Inc. dba Historical Society of Baltimore County.
5. I agree to comply with the policy.
6. I disclose the following actual or potential conflicts of interest:

Signature: _____

Date: _____