



## Whistle-Blower Policy

### General

The Special Children's Charities' requires directors, key volunteers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees and representatives of the Special Children's Charities must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

The objectives of the Whistle-Blower Policy are to establish policies and procedures for the following:

- The submission of concerns or complaints regarding (1) conduct in material violation of the Principles of Ethical Conduct or the Conflict of Interest Policy; (2) allegations of illegal, criminal or fraudulent conduct; (3) allegations of unethical conduct; (4) allegations of employment discrimination, sexual or other employee harassment, or employee retaliation for reporting misconduct (5) concerns regarding questionable accounting and audit matters.
- The submission of concerns or complaints of financial malfeasance, misfeasance, fraud, or misapplication, appropriation or embezzlement of funds or property of Special Children's Charities.
- The submission of concerns or complaints concerning the submission of materially false or fraudulent information or documents to any City, State or Federal agency or to the President, Executive Director or the Board of Directors.
- The submission of concerns or complaints related to conduct which is materially detrimental to the reputation or good name of Special Children's Charities or Special Olympics Chicago.

### Reporting Responsibility

Each director, board member, and employee of Special Children's Charities has an obligation to report in accordance with this whistle-blower policy and the concerns or complaints disclosed in the previous section.

### Acting in Good Faith

Anyone reporting a concern must act in good faith and have reasonable grounds for believing the information disclosed indicates an improper conduct as described above. The act of making allegations that prove to be unsubstantiated, and that prove to have been made maliciously, recklessly, or with the foreknowledge that the allegations are false, will be viewed as a serious disciplinary offense. It may also result in discipline, up to and including dismissal from the volunteer position or termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.

### Confidentiality

Reports of concerns or complaints, and investigation pertaining thereto, shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Disclosure of reports of concerns or complaints to individuals not involved in the investigation will be viewed as a serious disciplinary offense and may result in discipline, up to and including termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.



## Authority of Audit Committee

All reported concerns will be forwarded to the audit committee in accordance with the procedures set forth herein. The audit committee shall be responsible for investigating and making appropriate recommendations to the board of directors, with respect to all reported concerns.

## No Retaliation

This whistle-blower policy is intended to encourage and enable directors, board members volunteers, and employees to raise concerns within the Special Children's Charities for investigation and appropriate action. With this goal in mind, no director, volunteer, or employee who, in good faith, reports a concern shall be subject to retaliation or, in the case of an employee, adverse employment consequences. Moreover, a volunteer or employee who retaliates against someone who has reported a concern in good faith is subject to discipline up to and including dismissal from the volunteer position or termination of employment.

## Reporting Concerns

### *Encouragement of Reporting*

The Special Children's Charities encourages complaints, reports, or inquiries about illegal practices or serious violations of the Principles of Ethical Conduct, including illegal or improper conduct by the Special Children's Charities itself, by its leadership, or by others on its behalf. Appropriate subjects to raise under this policy would include financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices or policies. Other subjects on which the Special Children's Charities has existing complaint mechanisms should be addressed under those mechanisms, such as raising matters of alleged discrimination or harassment through the Special Children's Charities' human resources channels, unless those channels are themselves implicated in the wrongdoing. This policy is not intended to provide a means of appeal from outcomes in those other mechanisms.

### *Employees*

Employees should first discuss their concern with their immediate supervisor. If, after speaking with his or her supervisor, the individual continues to have reasonable grounds to believe the concern is valid, the individual should report the concern to the president of the board of directors. However, if the individual is uncomfortable speaking with his or her supervisor, or the supervisor is a subject of the concern, the individual should report his or her concern directly to the Board of Directors. In addition, suspected fraud should be reported directly to the chair of the audit committee.

If the concern was reported verbally to their direct supervisor, the reporting individual, with assistance from the executive director, shall reduce the concern to writing. The executive director is required to promptly report the concern to the chair of the audit committee, which has specific and exclusive responsibility to investigate all concerns. If the executive director, for any reason, does not promptly forward the concern to the audit committee, the reporting individual should directly report the concern to the chair of the audit committee. Concerns may also be submitted anonymously. Such anonymous concerns should be in writing and sent directly to the chair of the audit committee.



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## *Directors and Other Volunteers*

Directors and other volunteers should submit concerns in writing directly to the chair of the audit committee.

## Handling of Reported Violations

The audit committee shall address all reported concerns. The chair of the audit committee shall immediately notify the audit committee, the board president and executive director. The chair of the audit committee will notify the sender and acknowledge receipt of the concern within five business days, if possible. It will not be possible to acknowledge receipt of anonymously submitted concerns.

All reports will be promptly investigated by the audit committee, and appropriate corrective action will be recommended to the board of directors, if warranted by the investigation. In addition, action taken must include a conclusion or follow-up, or both, with the complainant for complete closure of the concern.

The audit committee has the authority to retain outside legal counsel, accountants, private investigators, or any other resource deemed necessary to conduct a full and complete investigation of the allegations.