[ORGANIZATION NAME] Whistleblower Policy

Replace every [bracket]. Delete the notes in italics before the board adopts it. The Whistleblower Report Form and Intake Log are the accompanying documents.

1. Purpose

[ORGANIZATION NAME] (the Organization) requires its directors, officers, key persons, employees, and volunteers to observe high standards of business and personal ethics and to comply with the law and with the policies the board has adopted. This policy encourages every person covered by it to come forward, in good faith, with credible information about illegal practices, fraud, or violations of adopted policies of the Organization; states that the Organization will protect the person from retaliation for doing so; and identifies the persons to whom such information can be reported and how a report is handled.

2. Who is covered

This policy applies to all directors, officers, key persons, employees, interns, and volunteers of the Organization, and to contractors and outside service providers acting for it. Any of these persons may make a report under this policy. Nothing in this policy limits any right a person has under federal, state, or local law to report information to a government or law enforcement agency, and this policy does not waive any such right.

Keep the following paragraph if the Organization receives a federal grant or subgrant; otherwise delete it.

[Federal award notice. Employees of the Organization are protected by 41 U.S.C. section 4712 from being discharged, demoted, or otherwise discriminated against as a reprisal for disclosing, to the persons and bodies listed in that section, information the employee reasonably believes is evidence of gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal grant. The Compliance Officer is a management official of the Organization with responsibility to investigate, discover, or address misconduct. These rights may not be waived by any agreement, policy, form, or condition of employment. This notice is provided in writing under 2 CFR 200.217.]

3. What to report

A report under this policy may concern any action or suspected action taken by or within the Organization that the reporting person in good faith believes is illegal, fraudulent, or in violation of an adopted policy of the Organization, including:

- theft, embezzlement, misuse or diversion of the Organization's funds or property, false expense claims, or falsified financial records;
- fraud in fundraising, grant reporting, or financial reporting, including gross mismanagement or waste of grant funds;
- violations of the Conflict of Interest Policy, the Document Retention and Destruction Policy, financial controls, or other policies adopted by the board;

harassment, discrimination, or a substantial and specific danger to health or safety;

retaliation against a person for making a report under this policy or under the law.

A report made in good faith is one the reporting person reasonably believes to be true and reasonably believes to describe conduct of the kind listed above. A report is not required to be certain, only honest. Knowingly making a false report is itself a violation of this policy.

4. How to report

Reports may be made in writing or orally, with or without the accompanying Whistleblower Report Form, to the Compliance Officer, who is the [TITLE, e.g., Treasurer / Board Secretary / a designated director]. If a report concerns the Compliance Officer, or the reporting person is not comfortable reporting to the Compliance Officer for any reason, the report may be made to the [Board Chair / Audit Committee Chair]. If a report concerns the Executive Director or a director, it may be made directly to the [Board Chair / Audit Committee Chair].

Reports may be made anonymously by [METHOD, e.g., mail addressed to the Board Chair at the Organization's mailing address marked "Confidential," or the outside intake line at ______]. Anonymous reports are investigated to the extent the information provided allows; a report that includes enough detail to be checked will be acted on regardless of whether the reporting person is named.

Supervisors and managers who receive a report, or who observe conduct described in Section 3, must pass it to the Compliance Officer or the [Board Chair] promptly and must not investigate it on their own or discuss it beyond what is necessary to pass it on.

5. Confidentiality

Reports are treated confidentially to the extent consistent with a thorough investigation and with legal requirements. The identity of a reporting person who asks for confidentiality is not disclosed without that person's consent except as required by law or as necessary to investigate the report and take corrective action. Records of reports and investigations are kept in restricted files.

6. No retaliation

No director, officer, key person, employee, or volunteer who in good faith reports any action or suspected action taken by or within the Organization that is illegal, fraudulent, or in violation of any adopted policy of the Organization shall suffer intimidation, harassment, discrimination, or other retaliation or, in the case of employees, adverse employment consequence, for making the report or for cooperating with an investigation of it. Retaliation includes, without limitation, discharge, demotion, suspension, threats, reduction of pay or hours, failure to promote, change of duties, exclusion, and other adverse treatment, whether formal or informal.

Any person who retaliates against a reporting person is subject to discipline up to and including termination of employment, removal from a volunteer or board position, or termination of a contract. A person who believes they have been retaliated against may report it under Section 4, and the report is handled under Section 7.

7. Handling a report

Acknowledgment. Where the reporting person is known, the Compliance Officer acknowledges receipt of the report within [five business days].

Intake. Every report is entered in the Intake Log with the date, the method of receipt, a summary, and the person assigned to it.

Assessment and investigation. The Compliance Officer determines whether the report describes conduct covered by Section 3 and what investigation is warranted, and conducts or arranges it, involving the [Board Chair / Audit Committee], counsel, the Organization's accountant, or an outside investigator as appropriate. Reports concerning financial matters are reviewed with the [Treasurer / Audit Committee Chair]; reports concerning the Executive Director or a director go to the [Board Chair / Audit Committee Chair].

Recusal. A person who is the subject of a report does not participate in any board or committee deliberation or vote on the matter, although the board or committee may ask that person to present information or answer questions before deliberations begin. Directors who are employees do not participate in board or committee deliberations or votes relating to the administration of this policy.

Resolution. The findings and any corrective action are documented. The reporting person, if known, is told that the matter has been concluded and, to the extent appropriate, the outcome.

Outside reporting. Where the investigation indicates a crime, a material diversion of the Organization's assets, or a matter that must be reported to a government agency, funder, or insurer, the [Board Chair] and counsel determine the required reports.

8. Reporting to the board

The Compliance Officer reports to the [board / audit committee] at least [annually] on this policy, its implementation, and the general type and resolution of reports received, without disclosing the identity of reporting persons except as necessary. Any report involving the Executive Director, a director, or a possible material diversion of the Organization's assets is brought to the [Board Chair / Audit Committee Chair] immediately.

9. Records

Reports, investigation files, and outcomes are kept for [seven years] after the matter is closed, in restricted files, in accordance with the Organization's Document Retention and Destruction Policy, and are not destroyed while any related investigation, audit, claim, or proceeding is pending or reasonably anticipated.

10. Distribution and acknowledgment

A copy of this policy is given to every director, officer, key person, employee, and volunteer who provides substantial services to the Organization, at the start of their service and whenever the policy changes, and is posted [on the Organization's website / in a conspicuous location at the Organization's offices]. Each person covered signs an acknowledgment of receipt, which is kept with the Organization's governance records. The policy is included in the employee and volunteer handbooks.

11. Review

The board reviews this policy at least every [two] years and whenever the Organization adds employees, begins receiving federal awards, or changes its state of operation.

Adoption

This Whistleblower Policy was adopted by the Board of Directors of [ORGANIZATION NAME] on [DATE] by a vote of [__] in favor and [__] opposed, with [__] abstaining. It applies to the Organization as a whole and replaces any earlier whistleblower policy.

____ Date: _______________

[NAME], Secretary

Next scheduled review: [MONTH YEAR]

Editing notes (delete before adoption)

Form 990. Part VI line 13 asks whether the organization had a written whistleblower policy. The instructions describe a policy that encourages staff and volunteers to come forward with credible information on illegal practices or violations of adopted policies, specifies that the organization will protect the individual from retaliation, and identifies to whom such information can be reported: Sections 1, 4, and 6 of this policy. Answer "Yes" only if the board, or a committee with delegated authority, adopted the policy by the end of the tax year. If the policy is placed inside the bylaws, later changes to it are reportable on Part VI line 4; a stand-alone policy changed by resolution is not. Form 990-EZ has no governance section.

New York. N-PCL section 715-b requires the board of every corporation with twenty or more employees and prior-fiscal-year revenue over one million dollars to adopt and oversee a whistleblower policy containing four provisions: reporting procedures with confidentiality (Sections 4 and 5), a designated employee, officer, or director who administers the policy and reports to the board or an authorized committee, with directors who are employees recused from deliberations about its administration (Sections 7 and 8), recusal of the person who is the subject of a complaint (Section 7), and distribution to all directors, officers, key persons, employees, and substantial volunteers, which posting on the website or at the office can satisfy (Section 10). Labor Law section 740 separately requires every employer to post a notice of employees' rights under that section. Have New York counsel confirm the adopted policy meets the statute.

California. No statute requires a nonprofit to adopt a whistleblower policy. Labor Code section 1102.5 protects employees who report, to a government or law enforcement agency, to a person with authority over them, or to another employee with authority to investigate, discover, or correct a violation, and prohibits any rule or policy that would prevent such reports; Section 2 of this policy preserves those rights. Labor Code section 1102.8 requires employers to display, in lettering larger than 14-point type, a list of employees' rights under the whistleblower laws including the Attorney General's hotline number; posting the Labor Commissioner's model notice satisfies it.

Federal awards. Employees of recipients and subrecipients of federal grants are protected by 41 U.S.C. section 4712 for disclosures of gross mismanagement, gross waste, abuse of authority, danger to public health or safety, or violations of law related to the award, made to the persons listed in that section, which include a management official or other employee of the grantee who has the responsibility to investigate, discover, or *address misconduct; this policy gives the Compliance Officer that responsibility, which is what brings a report to that person within the statute's list. Under 2 CFR 200.217 the Organization must inform its employees in writing of those rights, and the rights may not be waived by any policy. The bracketed notice in Section 2 is written for that purpose: keep it, and give it to every employee in writing at onboarding, if the Organization receives a federal award.*

Other states and funders. Check the corporations code and employment laws of the state of incorporation and every grant agreement. Have counsel read the policy once before adoption.

[ORGANIZATION NAME] Whistleblower Report Form

Using this form is optional; a report may also be made orally or by email to the persons named in Section 4 of the Whistleblower Policy. You may leave the name and contact lines blank to report anonymously. Reports are treated confidentially to the extent consistent with a thorough investigation and legal requirements, and the Organization's policy prohibits retaliation against anyone who reports in good faith.

1. About you (optional)

Name: ____ Best way to contact you: ________________________________

☐ Employee ☐ Volunteer ☐ Director or officer ☐ Contractor or service provider ☐ Other: _____________

☐ I wish to remain anonymous. ☐ I ask that my identity be kept confidential.

2. What happened

Describe the conduct you are reporting: what happened, who was involved, when and where it happened, and how you became aware of it. Attach additional pages if needed.

____

____

____

____

3. Law or policy involved (if known)

☐ Theft, embezzlement, or misuse of funds or property ☐ Falsified records or financial reports ☐ Fraud in fundraising or grant reporting

☐ Conflict of interest policy ☐ Document retention policy ☐ Financial controls ☐ Harassment or discrimination ☐ Health or safety

☐ Retaliation for a prior report ☐ Other: ____

4. Evidence and other people

Documents, records, or other evidence you have or know of (do not remove Organization records to attach them; describe where they are):

____

Other people who may have information: ____

Have you reported this before? To whom, and when? ____

5. Signature (optional)

I am making this report in good faith and believe the information to be accurate to the best of my knowledge.

Signature: ____________________________________ Date: _______________________________

For the Organization

Received by: _____________________________ (Compliance Officer / Board Chair) Date: _____________
Intake Log #: _________

Acknowledgment sent (if reporter known): _____________ Assigned to: _____________________________
Subject recused from deliberations: □ Yes □ N/A

[ORGANIZATION NAME] Whistleblower Intake Log

One line per report. Restricted file. Report to the board or audit committee at least annually on the general type and resolution of reports, without identifying reporting persons. Keep for [seven years] after closure under the Document Retention and Destruction Policy.

#	Date received	Method (form, email, verbal, anonymous)	Summary and category	Assigned to	Acknowledged (date)	Investigation steps and dates	Outcome and date closed	Reported to board (date)