



Lawyers Alliance
for New York

Connecting lawyers, nonprofits, and communities

[NAME OF CORPORATION]

Whistleblower Policy¹

Introduction

[Name of Corporation] (the “Corporation”) requires its directors, officers, employees and volunteers, [as well as all persons who provide the Corporation with contracted services] (each, a “Protected Person”), to observe high standards of business and personal ethics in the performance of their duties on the Corporation’s behalf. As employees and representatives of the Corporation, Protected Persons are expected to practice honesty and integrity in fulfilling their responsibilities and are required to comply with all applicable laws and regulations.

The objectives of this Whistleblower Policy are to encourage and enable Protected Persons, without fear of retaliation, to raise concerns regarding suspected unethical and/or illegal conduct or practices on a confidential and, if desired, anonymous basis so that the Corporation can address and correct inappropriate conduct and actions

This policy is not intended as a vehicle for reporting violations of the Corporation’s applicable human resources policies, problems with co-workers or managers, or for reporting issues related to alleged employment discrimination or sexual or any other form of unlawful harassment, all of which should be dealt with in accordance with the Corporation’s Personnel Policies and Procedures, as it is those Policies and Procedures that are applicable to such matters.²

Reporting Responsibility

It is the responsibility of all Protected Persons to report in good faith any concerns they may have regarding actual or suspected activities which may be illegal or in violation of the Corporation’s policies with respect to, without limitation, fraud, theft, embezzlement, accounting or auditing irregularities, bribery, kickbacks, and misuse of the Corporation’s assets, as well as any violations or suspected violations of high business and personal ethical standards, as such standards relate to the Corporation (each, a “Concern”), in accordance with this Whistleblower Policy.

No Retaliation

No Protected Person who in good faith reports a Concern shall suffer intimidation, harassment, retaliation, discrimination or adverse employment consequence because of such report. Any employee of the Corporation who retaliates against someone who has reported a Concern in good

¹ Every corporation with 20 or more employees and annual revenue in excess of \$1 million, in the prior fiscal year, must adopt a whistleblower policy.

² Although the Act mandates a process for reporting violations of “any adopted corporate policy,” Lawyers Alliance recommends maintaining a separate workplace harassment policy.

faith is subject to discipline up to and including termination of employment. Notwithstanding anything contained herein to the contrary, this Whistleblower Policy is not an employment contract and does not modify the employment relationship between the Corporation and its employees, nor does it change the fact that employees of the Corporation are employees at will. Nothing contained herein is intended to provide any Protected Person with any additional rights or causes of action, other than those provided by law.

Reporting Concerns

Any Concerns should be reported as soon as shall be practicable to the [Chair] of the Corporation's [Audit] ³ Committee (the "Compliance Officer"). Any questions with regard to the scope, interpretation or operation of this Whistleblower Policy should also be directed to the Compliance Officer.

Compliance Officer

The Compliance Officer is responsible for investigating and resolving all reported Concerns and shall advise the [Audit] Committee [and, if the Compliance Officer deems it appropriate, the Executive Director,] of all reported Concerns. The Compliance Officer shall report to the full Board of Directors at each regularly scheduled board meeting on compliance activity.

Accounting and Auditing Matters

The [Audit] Committee of the Board of Directors shall address all reported Concerns regarding corporate accounting practices, internal controls or auditing ("Accounting Concerns"). The Compliance Officer shall immediately notify the [Audit] Committee of any Accounting Concern and shall work with the committee until its resolution. Promptly upon receipt, the [Audit] Committee shall evaluate whether a Concern constitutes an Accounting Concern and, if so, shall promptly determine what professional assistance, if any, it needs in order to conduct an investigation. The [Audit] Committee will be free in its sole discretion to engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of results.⁴

Investigations

The Compliance Officer may delegate the responsibility to investigate a reported Concern, whether an Accounting Concern or otherwise, to one or more employees of the Corporation or to any other individual, including persons not employed by the Corporation, selected by the Compliance Officer; provided that the Compliance Officer may not delegate such responsibility to an employee or other individual who is the subject of the reported Concern or in a manner that would compromise either the identity of an employee who reported the Concern anonymously or the confidentiality of the complaint or resulting investigation. Notwithstanding anything herein

³ Nonprofits generally designate the Audit Committee of the Board of Directors to receive and address Whistleblower complaints, but if an organization does not have an Audit Committee, it may designate an Executive, Finance or Governance Committee to serve in this role. In the event an organization does not have any committees, it may designate the entire Board of Directors to serve in this role.

⁴ If an organization does not have an Audit Committee this report should be made to the Board.

to the contrary, the scope, manner and parameters of any investigation of a reported Concern shall be determined by the [Audit] Committee in its sole discretion and the Corporation and its employees shall cooperate as necessary in connection with any such investigation.

Acting in Good Faith

Anyone reporting a Concern must act in good faith and have reasonable grounds for believing that the information disclosed may indicate a violation of law and/or ethical standards. Any allegations that prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Confidentiality

The Corporation takes seriously its responsibility to enforce this Whistleblower Policy and therefore encourages any person reporting a Concern to identify him or herself so as to facilitate any resulting investigation. Notwithstanding the foregoing, in reporting a Concern, a Protected Person may request that such report be treated in a confidential manner (including that the Corporation take reasonable steps to ensure that the identity of the reporting person remains anonymous). Concerns may also be reported on an anonymous basis. Reports of Concerns will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Handling of Reported Concerns

The Compliance Officer will acknowledge receipt of each reported Concern within five business days, but only to the extent the reporting person's identity is disclosed or a return address is provided. All reports will be promptly investigated; the scope of any such investigation being within the sole discretion of the [Audit] Committee, and appropriate corrective action will be taken if warranted by the investigation.

Records

The [Audit] Committee will retain on a strictly confidential basis for a period of seven years (or otherwise as required under the Corporation's record retention policies in effect from time to time) all records relating to any reported Concern and to the investigation and resolution thereof. All such records are confidential to the Corporation and such records will be considered privileged and confidential.

Distribution

The Corporation shall distribute a copy of this Whistleblower Policy to all Protected Persons.

Compliance Officer Contact Information

: [Name; Mailing Address; Phone Number;
and eMail Address]

Adopted by the Corporation's Board of Directors at its Meeting on _____