

**I. STATEMENT OF PURPOSE**

While it is recognized that the *Sarbanes-Oxley Act of 2002* does not directly apply to the nonprofit/charitable sector, Optimist International recognizes the purposes and effect of the intent of that legislation as well as similar legislation enacted in numerous states. Therefore, Optimist International hereby adopts its policy regarding personnel practices commonly known as “Whistle blowing”. The policy is intended to encourage and enable employees and others to review the issues set forth herein within the organization prior to seeking outside resolutions.

**II. APPLICATION OF POLICY**

This policy applies for the benefit of and creates an obligation on all employees, directors, officers and committee members certified trainers, certified club builders, and all other Optimists appointed to represent Optimist International who shall obey all applicable laws, rules and regulations, conduct themselves at all times within the highest standards of business and personal ethics, avoid the appearance of impropriety and otherwise perform their duties and responsibilities in the best interest of Optimist International.

**III. REQUIRED ACTION**

All persons covered by this policy have the duty and obligation to report to the designated person as described in section five of this policy, all discovered incidents of fraudulent or dishonest conduct, conduct in violation of any law.

**IV. DEFINITION OF CONDUCT**

Fraudulent conduct, dishonest conduct, conduct in violation of any law and other conduct deemed to be detrimental to Optimist International shall include:

- Forging or material alteration of documents;
- Unauthorized alteration or manipulation of computer files;
- False financial reporting;
- Use of Optimist International for pursuit of personal benefit or advantage in conflict with the interests of Optimist International;
- Misappropriation or misuse of Optimist International resources such as funds, supplies or other assets;
- Authorizing or receiving compensation for goods not received or services not performed;
- Improper use of Optimist International internet sites including accessing of and forwarding of pornography, gambling and racial material;
- Unauthorized and excessive expenditure of Optimist International funds; or,

- Any conduct, appearance of conduct or actions that are unlawful as harassment, intimidation, sexual misconduct, or the creation of a hostile work environment, or any action which may be contrary to the rules, laws and regulations covered by EEOA, and other pertinent laws.
- Acts of excessive use of alcoholic beverages, use of unlawful substance, or acts of abuse or of a sexual nature.

**V. DUTIES AND RESPONSIBILITIES**

Any person to whom this policy applies who (in any manner) obtains information concerning any conduct proscribed by this policy shall report such information to a Senior Director or the Executive Director in the case of employee, officer or director and to the President and/or Immediate Past President if the conduct concerns a volunteer. If the reporting person finds it difficult to report to the designated person the report may be made to the Optimist International, President, Immediate Past President, the Board Personnel Committee or Chair of the Finance/Audit Committee. The report may be made orally, via email or in writing. The report may be made anonymously.

**VI. CONFIDENTIALITY**

All complaints will, to the extent practicable, be kept ~~strictly~~ confidential for the purpose of protection of the alleged wrongdoer and the reporting person while recognizing that Optimist International has the obligation to determine the validity of the report.

**VII. INVESTIGATION**

Upon receipt of a report by the designated person it shall be reviewed, evaluated and investigated by the Executive Director and/or the Board of Directors or their designees (unless the Executive Director is the subject of the report in which case the report shall be directed to a designated person for further handling).

The designated person shall then document receipt of the complaint and conduct or direct the conducting of such investigation as is necessary to determine the validity of the complaint and to determine what action if any, is to be taken. The reporting party and other persons with a need to know shall be informed of any action taken.

**VIII. RETALIATION**

No reporter who in good faith makes a report shall suffer harassment, retaliation or adverse employment consequence. Anyone who retaliates against a good faith reporter is subject to discipline up to and including termination; any reporter who believes that he/she has been retaliated against may file a written report with the Executive Director,

the Immediate Past President, or the President at the reporter's option. The report will be fully investigated and appropriate corrective measures taken if the allegations of retaliation are proven.

**IX. ACTING IN GOOD FAITH**

Anyone filing a report concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed is true and indicates a violation. Any allegation that proves to be unsubstantiated and which proves to have been made with malice, with knowledge of falsity or without a reasonable factual basis will be viewed as a serious offense subjecting the reporter to discipline including discharge.

**X. COMPLIANCE OFFICER**

Optimist International may designate an employee as Compliance Officer. To this designated person may be referred all reports, from whatever source, including from those persons designated in this policy to receive reports. The Compliance Officer shall then assume responsibility for evaluating reports and submitting their report to the Executive Director.

**XI. GENERAL OBLIGATIONS**

Optimist International recognizes that this policy covers areas of a highly sensitive nature. Therefore, it is incumbent upon all persons involved in the process to take up utmost care in dealing with suspected or alleged misconduct to avoid baseless allegations, premature notice to persons suspected of misconduct; disclosure of suspected misconduct to those not involved in the investigation process and violation of a person's legal rights.

**OPTIMIST INTERNATIONAL  
Employee Protection (Whistleblower) Policy**

If any employee reasonably believes that some policy, practice, or activity of Optimist International is in violation of law or public policy, and management has not resolved the issue, a written or email complaint must be filed by that employee with the Optimist International Board of Director's Personnel Committee. The Committee is charged to review all issues so as to protect whistleblowers as an essential component of an ethical and open work environment.

It is the intent of Optimist International to adhere to all laws and regulations that apply to the organization and the underlying purpose of this policy is to support the organization's goal of legal compliance. The support of all employees is necessary to achieving compliance with various laws and regulations.

All employees are obligated to bring the alleged unlawful activity, policy, or practice to the attention of Optimist International through the Personnel Committee and provides Optimist International with a reasonable opportunity to investigate and correct the alleged unlawful activity.

Optimist International will not retaliate against employees who disclose or threaten to disclose to a supervisor or a public body, any activity, policy, or practice of Optimist International that the employee reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

My signature below indicates my receipt and understanding of this policy. I also verify that I have been provided with an opportunity to ask questions about the policy. Any allegation that proves to be unsubstantiated and which prove to have been made with malice, with knowledge of falsity or without a reasonable factual basis will be viewed as a serious offense subjecting the reporter to discipline including discharge.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

(Mar 2006; Mar 2008; Dec 2009; Mar 2010; Jul 2012)