

## Alaska Family Services, Inc.

**Department:** All

**Scope of Policy:** All Programs

**Distribution:** All Programs

**Subject:** Whistleblower Policy

**Policy:** 104

**Revised:** New

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### WHISTLEBLOWER POLICY

#### A. General

Alaska Family Services, Inc. (“AFS”) is committed to lawful and ethical behavior in all of its activities. AFS requires employees, directors, and volunteers to act in accordance with all applicable laws, regulations and AFS policies and to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

The objectives of AFS’s Whistleblower Policy are to establish policies and procedures to:

- (i) prevent or detect and correct improper activities;
- (ii) encourage each AFS director, officer, employee and volunteer (“Reporting Individual”) to report what he or she in good faith believes to be a material violation of law or policy or questionable accounting or auditing matter by AFS;
- (iii) ensure the receipt, documentation, retention of records, and resolution of reports received under this Policy; and
- (iv) protect Reporting Individuals from retaliatory action.

AFS’s Whistleblower Policy was modeled to comply with the complaint mechanism provisions of the Sarbanes-Oxley Act of 2002 and the Alaska Whistleblowers Act (Alaska Statutes 39.90.100-39.90.150).

By this Policy, AFS is not requiring itself to compensate an employee for participation in a court action, investigation, hearing or inquiry, nor is AFS authorizing the disclosure of confidential information.

Individual employee grievances and complaints regarding terms of employment will continue to be reviewed under the applicable personnel policies and procedures.

#### B. Reporting Responsibility

AFS strongly encourages Reporting Individuals to report any perceived improper activity, as explained in this Policy. In fact, each Reporting Individual has an obligation to report what he or she believes is a material violation of law or policy or any questionable accounting or auditing matter (each, an “improper activity”) by AFS, its

officers, directors, employees, volunteers, agents or other representatives. Reporting Individuals must also notify AFS if an action needs to be taken in order for AFS to be in compliance with law or policy or with generally accepted accounting practices. The types of improper activity that should be reported include, for purposes of illustration and without being limited to, the following:

- providing false or misleading information on AFS’s financial documents, grant applications or reports, tax returns or other public documents;
- providing false information to or withholding material information from AFS’s auditors, accountants, lawyers, directors or other representatives responsible for ensuring AFS compliance with fiscal and legal responsibilities;
- embezzlement, private benefit, or misappropriation of funds;
- material violation of AFS policy, including among others, confidentiality, conflict of interest, whistleblower, ethics, data protection, and document retention;
- discrimination based on race, gender, age, ethnicity, and disability, or harassment of any kind;
- facilitation or concealing any of the above or similar actions

## **C. Reporting**

### **1. Obligation to Report to Matters of Public Concern to AFS before Reporting to a Public Body**

Before a Reporting Individual initiates a report about a matter of public concern to a public body, the person must first submit a written report concerning the matter to AFS under this Policy, unless the person:

- (i) reasonably believes the report to AFS will not result in prompt action to remedy the matter of public concern;
- (ii) believes with reasonable certainty that the activity, policy or practice is already known to one or more supervisors;
- (iii) reasonably believes an emergency is involved; or
- (iv) reasonably fears reprisal or discrimination as a result of the disclosure.

For purposes of this Section C:

(1) the term “matter of public concern” means (a) a violation of a state, federal, or municipal law, regulation, or ordinance; (b) a danger to public health or safety; or (c) gross mismanagement, a substantial waste of funds, or a clear abuse of authority; and

(2) the term “public body” means the federal government, the state, a political subdivision of the state or federal government, including but not limited to a court, municipality, or borough.

**2. Form of Report**

Whenever practical, reports should be in writing, although oral reports are acceptable.

Employees may submit reports anonymously by leaving a voicemail message for the person to whom the report is being made or by sending a written report to the following address:

Attention: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

There is a risk, of course, that the reporter’s voice might be recognized if a voicemail message is used. Sending a written report to the above address probably provides the most anonymity since a sender can type the reports and mail it without a return address.

Because it is impossible to seek additional information from a Reporting Individual about anonymous reports, it is essential that such reports contain as much specific information as possible.

**3. Reports by Employees**

Whenever possible, employees should seek to resolve concerns by reporting suspected improper activity directly to his/her supervisor or to the next level of management as needed until matters are satisfactorily resolved. However, if for any reason an employee is not comfortable speaking to a supervisor or does not believe the issue is being properly addressed, the employee may contact the director of Human Resources or Compliance Officer. If an employee does not believe that these channels of communication can or should be used to express his/her concerns, an employee may make the report to the President/CEO or chair of AFS’s board of directors.

**4. Reports by Directors and Other Volunteers**

Directors and other volunteers should submit reports directly to the president/CEO or the board chair.

**5. Contact Information**

Contact information for the HR Director, Compliance Officer, president/CEO, and board chair is as follows [or: may be obtained from]:

\_\_\_\_\_  
\_\_\_\_\_

#### **D. Handling of Reports**

AFS will investigate all reports filed in accordance with this policy with due care and promptness. The president/CEO or board chair shall promptly (generally within five business days) acknowledge receipt of the report to the Reporting Individual if the identity is known. The president/CEO or board chair, as the case may be, shall conduct or direct an investigation to determine if the allegations are true, whether the issue is material and what actions, if any, are necessary to correct the problem. Upon the conclusion of this investigation, the president/CEO or board chair shall promptly report the findings to the full board [or: audit committee?].

The president/CEO will issue a full report of all reports of improper activity received, including those deemed untrue or immaterial, and investigations conducted under this Policy to AFS's auditors, who may conduct a further investigation upon receiving the report. At least semi-annually, the president/CEO shall review prior reports of improper activity to determine if there is any pattern of misconduct, and shall report the results of that review to the full board and AFS's auditors.

#### **E. Authority of Investigator**

As the investigator, the president/CEO or board chair, as the case may be, and all other investigators appointed by either of them, shall have full authority to investigate concerns raised in accordance with this policy and may retain outside legal counsel, accountants, private investigators, or any other resource that the investigator reasonably believes is necessary to conduct a full and complete investigation of the allegations.

#### **F. Acting in Good Faith**

A person is not entitled to protection under this Whistleblower Policy unless the person (i) believes that the information reported constitutes or is about to constitute improper activity, and (ii) reports the information in good faith.

Anyone making a report must have reasonable grounds for believing that the information reported constitutes or is about to constitute improper activity (as defined in Section D of this Policy) and report the information in good faith. The act of reporting allegations that prove to be unsubstantiated, and that prove to have been made maliciously, recklessly, with gross negligence, or with the foreknowledge that the allegations are false, will be viewed as a serious disciplinary offense and may result in discipline, up to and including dismissal from the volunteer position or termination of employment. Depending on the circumstances, such conduct may also give rise to other actions, including civil or criminal lawsuits.

The Reporting Individual should not attempt to conduct his or her own investigation or to obtain evidence that he/she does not have a right to access. Such improper access may in itself be an improper activity. The reporting individual is not an investigator, but only a reporter of the improper activity.

## **G. Protection - No Retaliation**

This Whistleblower Policy is intended to encourage and enable directors, volunteers, and employees to raise serious concerns within the organization for investigation and appropriate action. With this goal in mind and so long as the individual complies with the terms of this Policy:

(i) AFS will not discharge, threaten or otherwise discriminate against an employee regarding the employee's compensation, terms, conditions or location or privileges of employment because the employee (or someone acting on behalf of the employee) reports or is about to report an improper activity, or if the employee participates in a court action, an investigation, a hearing, or an inquiry held by a public body on a matter of improper activity; and

(ii) No AFS director or volunteer who, in good faith, makes a report in compliance with this Policy or participates in an investigation of an improper activity shall be threatened, discriminated against or otherwise subject to retaliation.

An employee, director or volunteer who retaliates against someone who has reported or participated in an investigation of an improper activity in compliance with this Policy is subject to discipline up to and including dismissal from the volunteer position or termination of employment.

## **H. Confidentiality**

Reports of improper activity, and investigations pertaining to those activities, shall be kept confidential to the extent possible. However, consistent with the need to conduct an adequate investigation, AFS cannot guarantee complete confidentiality. Disclosure of information relating to an investigation under this policy by AFS staff, directors, or others involved with the investigation of improper activity to individuals not involved in the investigation will be viewed as a serious disciplinary offense and, with respect to AFS employees, may result in discipline, up to and including termination of employment. Depending on the circumstances, such conduct may also give rise to other actions, including civil or criminal lawsuits.