

## 1.12 WHISTLEBLOWER POLICY

### I. Introduction

Scholars Academy is committed to operating in furtherance of its tax-exempt purposes and in compliance with all applicable laws, rules and regulations, including those concerning accounting and auditing, and prohibits fraudulent practices by any of its board members, officers, employees or volunteers (collectively, "Scholars Academy Affiliates"). This policy outlines a procedure for Scholars Academy Affiliates to report actions that are reasonably believed to constitute Improper Activities (as such term is defined in Section II below) conducted by Scholars Academy or any Scholars Academy Affiliates. This policy applies to any matter which is related to Scholars Academy's business and does not relate to the private actions of an individual not connected to the business of Scholars Academy.

### II. Improper Activities

"Improper Activities" are defined as actions that result in:

- (A) A violation of State or Federal law, rule, or regulation;
- (B) Fraud, including fraudulent accounting;
- (C) Substantial and specific danger to the public health and safety; or
- (D) Gross mismanagement, gross waste of monies, or gross abuse of authority.

### III. Policy

Any Scholars Academy Affiliate with a reasonable belief that Scholars Academy and/or any other Scholars Academy Affiliate has engaged in any action that constitutes Improper Activities is expected to immediately report such information to the Executive Director. If a Scholars Academy Affiliate does not feel comfortable reporting such information to the Executive Director, he or she is expected to report the information to the Chair of the Board of Directors.

All reports will be promptly investigated. In conducting its investigation, Scholars Academy will strive to keep the identity of the complaining individual as confidential as possible, while conducting an adequate review and investigation.

### IV. Prohibition Against Retaliation

Scholars Academy will not retaliate against any Scholars Academy Affiliate in the terms and conditions of his or her relationship with Scholars Academy because that Scholars Academy Affiliate: (a) reports to a supervisor, to the Executive Director, the Chair of the Board of Directors or to a federal, state or local agency what Scholars Academy Affiliate believes in good faith to be Improper Activities; (b) participates in good faith in any resulting investigation or proceeding; or (c) exercises his or her rights under any

state or federal law or regulation to pursue a claim or take legal action to protect Scholars Academy Affiliate's rights.

Scholars Academy may take disciplinary action (up to and including termination) against a Scholars Academy Affiliate who, in the assessment of Scholars Academy's management, has engaged in retaliatory conduct in violation of this policy. In addition, Scholars Academy will not, with the intent to retaliate, take any action harmful to any Scholars Academy Affiliate who has provided to law enforcement personnel or any court truthful information relating to the commission or possible commission of a violation of any applicable law or regulation by Scholars Academy or any Scholars Academy Affiliate.

#### **V. Policy Training**

Scholars Academy board members, officers, and supervisors will be trained on this policy, including the policy's prohibition against retaliation.

Adopted: August 26, 2014