

## Chicago Association of REALTORS® Policy Manual – June 2012

### Excerpt from the Financial Policies:

#### 424. WHISTLEBLOWER POLICY

The Chicago Association of REALTORS® ("CAR") requires officers, directors, other volunteers, and staff to observe high standards of business and personal ethics in the conduct of their duties and responsibilities on behalf of CAR. Staff and representatives of the organization must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

The objectives of the CAR Whistleblower Policy are to establish policies and procedures for:

- The submission of concerns regarding questionable accounting or auditing matters or compliance with state or federal laws by officers, directors, volunteers, staff of the organization, on a confidential and anonymous basis.
- The receipt, retention, and treatment of complaints received by the organization regarding accounting, internal controls, or auditing matters or compliance with state and federal laws.
- The protection from retaliatory actions of officers, directors, volunteers, employees reporting concerns.

#### Reporting Responsibility

Each officer, director, volunteer, staff of CAR has an obligation to report in accordance with this Whistleblower Policy (a) questionable or improper accounting or auditing matters, and (b) violations and suspected violations of state or federal law (hereinafter collectively referred to as concerns).

#### Authority of Executive Committee

All reported concerns will be forwarded to the CAR Audit Sub-Committee in accordance with the procedures set forth herein. The Audit Sub-Committee shall be responsible for investigating, and making appropriate recommendations to the Executive Committee, with respect to all reported concerns.

#### No Retaliation

This Whistleblower Policy is intended to encourage and enable officers, directors, volunteers, staff to raise concerns within CAR for investigation and appropriate action. With this goal in mind, no officer, director, volunteer or employee who, in good faith, reports a concern shall be subject to retaliation or, in the case of an employee, adverse employment consequences. Moreover, an officer, director, volunteer or employee who retaliates against someone who has reported a concern in good faith is subject to discipline up to and including dismissal from the officer, director or volunteer position or termination of employment.

#### Process

##### **Staff**

Staff should first discuss their concern with their immediate supervisor. If, after speaking with his or her supervisor, the individual continues to have reasonable grounds to believe the concern is valid, the individual should report the concern to the Chief Executive Officer (CEO). In addition, if the individual is uncomfortable speaking with his or her supervisor, or the supervisor is a subject of the concern, the individual should report his or her concern directly to the CEO.

If the concern was reported orally to the CEO, the reporting individual, with assistance from the CEO, shall reduce the concern to writing. The CEO is required to promptly report the concern to the Chair of the Audit Sub-Committee, who has specific and exclusive responsibility to investigate all concerns. If the CEO, for any reason, does not promptly forward the concern to the Audit Sub-Committee, the reporting individual should directly report the concern to the Chair of the Audit Sub-Committee. Contact information for the Chair of the Audit Leadership Committee will be provided to all staff annually as the Chair might change each year, and can be located within the CAR Leadership Directory within the CAR Website.

Concerns may also be submitted anonymously. Such anonymous concerns should be in writing and sent directly to the Chair of the Audit Sub-Committee.

### **Directors and Other Volunteers**

Officers, directors and other volunteers should submit concerns **in** writing directly to the Chair of the Audit Sub-Committee. Contact information for the Chair of the Audit Sub-Committee can be obtained from the CEO.

### **Handling of Reported Violations**

The Audit Sub-Committee shall address all reported concerns. The Chair of the Audit Sub-Committee shall immediately notify the Audit Sub-Committee Members, the CEO and CAR's legal counsel of any such report. The Chair of the Sub-Committee will notify the sender, if not anonymous, and acknowledge receipt of the concern within five business days.

All reports will be promptly investigated by the Audit Sub-Committee, and appropriate corrective action, if warranted by the investigation, will be recommended to the Executive Committee. In addition, action taken must include a conclusion and/or follow-up with the complainant for complete closure of the concern.

The Audit Sub-Committee, as approved by the CEO and the President, has the authority to retain legal counsel, accountants, private investigators, or any other resource deemed necessary to conduct a full and complete investigation of the allegations.

### **Acting in Good Faith**

Anyone reporting a concern must act **in** good faith and have reasonable grounds for believing the information disclosed indicates an improper accounting or auditing practice, or a violation of state or federal law. The act of making allegations that prove to be unsubstantiated, and that prove to have been made maliciously, recklessly, 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 termination of that position and civil lawsuit.

### **Confidentiality**

Reports of concerns, and investigations pertaining thereto, shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation. Disclosure of reports of concerns to individuals not involved in the investigation will be viewed as a serious disciplinary offense and may result in discipline, up to and including termination and civil lawsuit.