



## Whistleblower Protection

### 1. GENERAL

The National Guild for Community Arts Education, Inc. (the “**Guild**”) requires its directors, officers, trustees, employees, and volunteers (each, a “**Non-Profit Individual**”) to observe high standards of business and personal ethics, as such personal ethics relate to the organization, in the conduct of their duties and responsibilities. All Non-Profit Individuals must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

### 2. PURPOSE

The purpose of this whistleblower policy (the “**Policy**”) is to:

- (a) Encourage and enable Non-Profit Individuals to raise concerns regarding suspected illegal or unethical conduct or practices or violations of the Guild’s policies on a confidential and, if desired, anonymous basis;
- (b) Protect Non-Profit Individuals from retaliation for raising such concerns; and
- (c) Establish policies and procedures for the Guild to receive and investigate reported concerns and address and correct inappropriate conduct and actions.

### 3. REPORTING RESPONSIBILITY

- (a) Responsibility. Each Non-Profit Individual has the responsibility to report in good faith any concerns about actual or suspected violations of the Guild’s policies, any federal, state or municipal law or regulation governing the Guild’s operations, or any high business and personal ethical standards, as such personal ethics relate to the organization (each, a “**Violation**”) in accordance with the Policy.
- (b) Violations. Appropriate subjects to report under the Policy include, but are not limited to, financial improprieties, accounting or audit matters, ethical violations or other similar illegal or improper practices (e.g., suspected fraud, theft, embezzlement, accounting or auditing irregularities, bribery, kickbacks, misuse of the Guild’s assets or suspected regulatory, compliance, or ethics-related issues, concerns, or violations).
- (c) Other. The Policy is not a vehicle for reporting violations of the Guild’s applicable human resources policies, problems with coworkers or managers or for reporting issues related to alleged employment discrimination, sexual harassment or any other form of unlawful harassment, all of which should be dealt with in accordance with the Guild’s Personnel Policies and Procedures (the “**Policies and Procedures**”), as it is those Policies and Procedures that are applicable to such matters.

#### 4. NO RETALIATION

(a) Protection. The Policy is intended to encourage and enable Non-Profit Individuals to raise serious concerns within the Guild prior to seeking resolution outside the Guild. No Non-Profit Individual who in good faith reports an alleged Violation or participates in a review or investigation of an alleged Violation shall suffer harassment, retaliation or, in the case of an employee, adverse employment consequence because of such report or participation. This protection extends to Non-Profit Individuals who report in good faith, even if the allegations are, after an investigation, not substantiated.

(b) Consequences. Any Non-Profit Individual who retaliates against someone who has reported an alleged Violation in good faith is subject to discipline up to and including termination of employment or volunteer status. Anyone who believes that a Non-Profit Individual has been subject to harassment, retaliation or adverse employment consequences as a result of making a good faith reporting or participating in a review or investigation of an alleged Violation should contact the chair of the Guild's Audit Committee (the "**Compliance Officer**").

(c) At-Will Employment. Notwithstanding anything contained herein to the contrary, the Policy is not an employment contract and does not modify the employment relationship between the Guild and its employees, nor does it change the fact that employees of the Guild are employees at will. Nothing contained herein provides any Non-Profit Individual with any additional rights or causes of action, other than those provided by Section 1107 of the Sarbanes-Oxley Act of 2002.

#### 5. REPORTING VIOLATIONS

(a) Reporting to Supervisor. Questions, concerns, suggestions, or complaints regarding the Policy or reports of alleged Violations should first be discussed with the Non-Profit Individual's direct supervisor. Such supervisor shall then follow the procedures set out in Section 6(a).

However, if any of the following apply, the Non-Profit Individual should directly contact the Compliance Officer and follow the procedures addressed in Section 5(b) and Section 6(b):

- (i) The Non-Profit Individual reasonably believes that the supervisor will disregard or otherwise not fairly consider that alleged Violation.
- (ii) The supervisor is the subject of the alleged Violation.
- (iii) The Non-Profit Individual does not feel comfortable discussing the alleged Violation with the supervisor.

(b) Reporting to Compliance Officer. When reporting alleged Violations to the Compliance Officer, the Non-Profit Individual should describe in detail (ideally in writing) the specific facts that support the reported allegation of an alleged Violation. Any written reports may be sent to the Compliance Officer by way of e-mail.

If the Compliance Officer is the subject of the alleged Violation or the Non-Profit Individual is not comfortable reporting the alleged Violation to the Compliance Officer, the alleged Violation may alternatively be reported to the chair of the Board of Trustees of the Guild (the "**Board**").

(c) Good Faith Reporting. Anyone filing a complaint concerning an alleged Violation must act in good faith and have reasonable grounds for believing the information disclosed may indicate a violation of law and/or ethical standards. Any allegations that prove not to be substantiated and which prove to have been made maliciously, recklessly or knowingly to be false will be viewed as a serious offense, with appropriate discipline to be determined by the Board.

## 6. REVIEWERS OF REPORTED VIOLATIONS

(a) Supervisor. When a supervisor receives a report of an alleged Violation from a Non-Profit Individual, the supervisor should:

- (i) Ask the Non-Profit Individual to describe what happened and follow up with clarifying questions as necessary;
- (i) Document the conversation in detail;
- (ii) Explain the need for the Guild to conduct an investigation and request the Non-Profit Individual's cooperation in that investigation;
- (iii) Inform the Non-Profit Individual of the Guild's anti-retaliation policy;
- (iv) Assure the Non-Profit Individual that the matter will be handled as confidentially as possible; and
- (v) Promptly notify the Compliance Officer of such complaint in writing, no later than one business day after the report of the alleged Violation. The Compliance Officer will notify the sender and acknowledge receipt of the reported alleged Violation within five business days, but only to the extent the sender's identity is disclosed or a return address is provided. All complaints 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.

(b) Compliance Officer. The Compliance Officer is responsible for investigating and resolving all reported alleged Violations, and shall advise the Audit Committee and, if the Compliance Officer deems it appropriate, the Chair of the Board, of all reported complaints and allegations of Violations. The Compliance Officer is required to report to the full Board at each regularly scheduled Board meeting on compliance activity; provided however, that any Trustee who is an employee may not participate in any Board or Audit Committee deliberations or voting relating to administration of the Policy.

- (i) If the Compliance Officer is the subject of the alleged Violation or the Non-Profit Individual is not comfortable reporting the alleged Violation to the Compliance Officer, the Audit Committee may appoint an alternative individual to act as the Compliance Officer in such specific matter.

(c) Accounting and Auditing Matters. The Audit Committee shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the Audit Committee of any such complaints, and work with the committee until the matter is resolved. Promptly upon receipt, the Audit Committee shall evaluate

whether a complaint constitutes an accounting complaint, and if so, shall promptly determine what external 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.

## **7. INVESTIGATIONS PROCESS**

The Compliance Officer shall:

- (a) Conduct a prompt, discreet and objective review and investigation based on the submitted complaint;
  - (i) A full investigation may not be possible if a complaint made anonymously is vague or general.
  - (ii) The Compliance Officer may delegate the responsibility to investigate a reported alleged Violation, whether relating to accounting and auditing matters or otherwise, to one or more employees of the Guild or to any other individual, including persons not employed by the Guild, selected by the Compliance Officer; provided however that the Compliance Officer may not delegate such responsibility to an employee or other individual who is the subject of the reported alleged Violation or in a manner that would compromise either the identity of an employee who reported the alleged Violation anonymously or the confidentiality of the complaint or resulting investigation.
  - (iii) Notwithstanding anything herein to the contrary, the scope, manner and parameters of any investigation of a reported alleged Violation shall be determined by the Audit Committee in its sole discretion and the Guild and its employees will cooperate as necessary in connection with any such investigation.
- (b) Recommend appropriate corrective action to the Audit Committee, if warranted by the investigation;
- (c) Oversee the implementation of such corrective action based on the determination of the Audit Committee; and
- (d) Follow up with the reporting Non-Profit Individual, if possible, for closure of the reported alleged Violation.

Any person who is the subject of a reported alleged Violation may not be present at or participate in any deliberations or vote on the matter relating thereto; provided that nothing in this subparagraph shall prohibit the Board or Audit Committee from requesting that the person who is the subject of the alleged Violation to present information as background or answer questions at meeting prior to the commencement of such deliberations or voting.

## **8. CONFIDENTIALITY**

In reporting an alleged Violation, a Non-Profit Individual may request that such complaint be treated in a confidential manner (including that the Guild take reasonable steps to ensure that the identity of the person making the complaint remains anonymous). The Guild takes its responsibility to enforce

the Policy seriously, and therefore encourages any Non-Profit Individual reporting an alleged Violation to identify him or herself so as to facilitate any resulting investigation. Non-Profit Individuals may, however, submit complaints of alleged violations on an anonymous basis. Complaints of alleged Violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

## **9. MISCELLANEOUS**

- (a) Periodic Reviews. To ensure that the Guild operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its reputation or tax-exempt status, the Board shall conduct periodic reviews of the Policy.
- (b) Records. The Audit Committee will retain all records relating to the alleged Violation and to the investigation and resolution thereof on a strictly confidential basis for a period of seven years (or otherwise as required under the Guild's record retention policies in effect from time to time). All such records are confidential to the Guild and such records will be considered privileged and confidential.
- (c) Distribution. The Policy shall be made available to all Non-Profit Individuals through access on the Guild's website.
- (d) Date of Adoption. The Policy, as amended, was adopted by the Guild's Board at its meeting on June 18, 2020.