

Village of Lincolnshire Whistleblower Policy

Effective September 13, 2021

Adopted by the Village of Lincolnshire
Resolution No. 829

I. PURPOSE

The Village of Lincolnshire (“Village”) is committed to high standards of ethical, moral, and legal business conduct. In line with this commitment, this Whistleblower Policy (“Policy”) aims to provide an avenue for employees and vendors to raise concerns and reassurance there will be protection from reprisals or victimization for whistleblowing.

The Village will investigate complaints of suspected fraudulent or dishonest use or misuse of its resources or property by staff, elected officials, appointed officials, consultants, partners, or clients. To maintain the highest levels of service, the Village will also investigate complaints concerning its programs and services.

It is the policy of the Village to maintain an environment and culture in which its employees may report and testify about employer actions involving suspected fraudulent or dishonest use or misuse of its resources or property which are illegal or that violate specific public policies, and do so without retaliation. The Village prohibits retaliation against an employee or vendor who: (a) reports an improper governmental action, (b) cooperates in the investigation related to a report of an improper governmental action, or (c) testifies in a proceeding or prosecution of an improper governmental action by the Village.

An improper governmental action is defined as follows:

“Improper governmental action” includes any action by a Village employee, an appointed member of a board, commission, or committee, or an elected official of the Village that is undertaken in violation of federal, State, or Village law or rule; is an abuse of authority; violates the public’s trust or expectation of his or her conduct; is of substantial and specific danger to the public’s health or safety; or is a gross waste of public funds.

By way of illustration, and without any limitation intended from any omission, improper governmental action may include:

- (1) Incorrect or fictitious financial reporting
- (2) Unlawful activity
- (3) Activities that do not conform to the general policies of the Village
- (4) Asset misappropriation
- (5) Procurement irregularities
- (6) Corruption and influence

(7) Activities that amount to serious instances of improper conduct

This Policy does not cover the reporting of employment issues, including personnel actions, including, but not limited to employee grievances, complaints, appointments, promotions, transfers, assignments, reassignments, reinstatements, restorations, reemployment, performance evaluations, reductions in pay, dismissals, suspensions, demotions, reprimands, or violations of collective bargaining agreements, except to the extent the action amounts to retaliation. Retaliation, in this context means retaliatory action that results from an employee's protected activity of reporting improper governmental action, cooperating in the investigation, proceeding or prosecution of a reported improper governmental action.

Employment issues are addressed separately in the Employee Handbook.

II. POLICY DETAIL

- (1) This policy has been adopted by the Lincolnshire Village Board.
- (2) Whistleblowing is the revelation by an employee of any dangerous, illegal, or unethical activities or practices engaged in by an organization or one of its employees or directors.
- (3) Whistleblowing can involve raising concerns about misconduct within an organization or within an independent structure associated with the organization.
- (4) The underlying purpose of whistleblower protection laws is to allow employees to report, participate in an investigation, and testify about employer actions that are illegal or that violate specific public policies including accounting, internal controls, or auditing matters.
- (5) This Policy protects all Village employees, officers, contractors, subcontractors, and agents of the organization from discharge, demotion, suspension, threats, harassment, or any discriminatory or retaliatory activity against the individual because of revealing information in the following situations:
 - (a) Providing information or assisting in an investigation regarding any conduct that the individual reasonably believes constitutes fraud or violates regulations set forth by any federal, state, or local regulatory or law enforcement agency, or any person with supervisory authority over the employee of the Village.
 - (b) Filing, testifying, participating in, or assisting in a proceeding filed or about to be filed against the Village relating to an alleged violation of fraud laws or regulations.
- (6) The Village Manager has been identified as the Auditing Official with the duties and responsibilities set forth in 50 ILCS 105/4.1

- (7) Copies of this Policy and Procedure, along with a copy of Section 4.1 of the Public Officers Prohibited Activities Act will be given to every employee upon hiring. Additionally, these same documents will be furnished or made available to all Village employees on an annual basis.

III. SAFEGUARDS

- (1) *Harassment or Victimization* – Harassment or victimization for reporting concerns under this Policy will not be tolerated. No retaliatory action of any kind will be permitted against anyone making such a report in good faith, and the Village will strictly enforce this prohibition.
- (2) *Confidentiality* – The identity of the Complainant will be kept confidential to the extent allowed by law. The Complainant may waive confidentiality in writing on a form presented to the Village Manager.
- (3) *Anonymous Allegations* – This Policy encourages employees and vendors to put their names to allegations because appropriate follow-up questions and investigation may not be possible unless the source of the information is identified. However, concerns expressed anonymously will be explored appropriately.
- (4) *Fraud and/or Significant Accounting Deficiencies* – Any Village employee shall promptly report an allegation he or she may have concerning:
 - (a) significant deficiencies in internal controls over financial reporting which could adversely affect Village’s ability to legitimately and accurately record, process, summarize, and report financial data; or
 - (b) any fraud involving any financial or operational matter.

IV. REQUIRED PARTICIPATION

Village employees are required to report allegations of all known or suspected violations of this policy as soon as practicable.

V. REPORTING AN ALLEGATION

- (1) The whistleblowing procedure is to be used for serious and sensitive issues. If a Village employee believes that he/she has been retaliated against for reporting improper governmental action, or cooperating in the investigation or procedure involving an improper governmental action, the employee must report such alleged retaliation to the Village Manager within sixty (60) days of the retaliatory action taking place.

- (2) Whistleblowers should provide initial information related to a reasonable belief that an improper government activity has occurred. The motivation of a whistleblower is irrelevant to the consideration of the validity of the allegation. However, the intentional filing of a false report is itself considered an improper governmental activity which the Village has the right to act upon.
- (3) If the Village Manager is also the subject of the complaint, the Complainant may file the complaint with any States Attorney.
- (4) If the reporting party does not want to hand deliver a written complaint, the written complaint may also be mailed or faxed to the Village Manager as listed below:
 - (a) Mail
*Village of Lincolnshire
Attn: Village Manager
1 Olde Half Day Road
Lincolnshire, IL 60069*
 - (b) Fax
*847/883-8608
Attn: Village Manager*

Be advised that the anonymity of the sender may be compromised using any of these methods of transmission unless the sender takes precautions to protect that anonymity.

- (5) The Village Manager may transfer the complaint to another auditing official, including the States Attorney if he/she determines that it is appropriate.
- (6) The content of the written complaint should contain sufficient amount of detail so that the situation may be properly investigated. The Complainant is encouraged to include any supporting documentation including copies of documents, transactions, or other details to support the claim. The anonymity of the sender may be compromised if a return address is used or the letter is signed.
- (7) If required, additional reporting to regulatory or law enforcement agencies may be necessary, including, but not limited to the filing of a "Suspicious Activity Report" (SAR) to the Financial Crime Enforcement Center. The anonymity of filers will be preserved whenever possible. The identity of filers who choose to reveal their identity will be kept confidential unless disclosure is unavoidable in connection with an investigation.

- (8) The Village Manager shall investigate the complaint promptly and thoroughly and conclude whether or not the evidence gathered through such investigation warrants merit of a finding that either an improper governmental action, or retaliation for filing such a complaint or complying with such investigation occurred or did not occur.
- (9)
- (10) All complaints received will be reported to the Village Board at the next regularly scheduled meeting. Depending on the severity and time sensitivity of the complaint, a special meeting of the Village Board may be called. The Village Board has the authority to hire and retain any consultants or legal counsel that it deems necessary to assist in investigating and resolving any complaints submitted. The Village shall be responsible for all costs for such consultants and/or legal counsel.
- (11) Subsequent to the final resolution of the complaint, files will be placed in a locked personnel file cabinet. Access to the files will be logged and limited to authorized personnel only.
- (12) Although the employee or vendor is not expected to prove the truth of an allegation, the employee should be able to demonstrate that the report is being made in good faith.

VI. INVESTIGATION WORKGROUP

The action taken by the Village in response to a report under this Policy will depend on the nature of the concern. All complaints (not involving the Village Manager) will be directed to the Complaint Workgroup by the Village Manager. The Complaint Workgroup will consist of Village Manager, Assistant Village Manager/Community & Economic Development Director, and other members of the Village staff as needed. Any person named in the allegation will be excluded from the Complaint Workgroup. The Workgroup will take any and all actions required to adequately resolve the concern or address the issue. All investigations of allegations will be conducted with the highest standards of integrity and without bias. The Workgroup's responsibilities include:

- (1) Assuring that the proper investigative channels are utilized according to appropriate expertise and jurisdiction.
- (2) Assuring all appropriate administrative and elected officials are apprised of the allegations.
- (3) Assuring appropriate reporting to relevant groups on a need-to-know basis.
- (4) Assuring that appropriate resources and expertise are brought to bear to cause the timely and thorough review of reports of allegations of suspected improper activities.

- (5) Ensuring there are no conflicts of interest on the part of any party involved in specific investigations.
- (6) Coordinating and facilitating communications across investigative channels as necessary to ensure comprehensive attention to all facets of the matter.
- (7) Monitoring significant elements and progress of investigations to ensure allegations are timely and thoroughly addressed.
- (8) Coordinating and facilitating in an advisory capacity the corrective and remedial action that may be initiated in accordance with applicable Policies.
- (9) Whistleblowers shall refrain from obtaining evidence for which they do not have a right of access. Such improper access may itself be considered an improper government activity. Whistleblowers have a responsibility to be candid with the authority accepting the complaint, investigators or others to whom they make a report of alleged improper governmental activity and shall set forth all known information regarding any reported allegations. Whistleblowers are not investigators. They are not to act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by investigators.
- (10) All employees of the Village have a duty to cooperate with investigations initiated under this Policy.

VII. INVESTIGATION

1. The Village Manager or another auditing official shall investigate the complaint promptly and thoroughly and conclude whether or not the evidence gathered through such investigation warrants merit of a finding that either an improper governmental action, or retaliation for filing such a complaint or complying with such investigation occurred or did not occur.
2. The investigation by the Village Manager may include:
 - a. Interviews of the Complainant and witnesses;
 - b. Interviews of governmental officials who may have knowledge about the complaint or may be the subject of the complaint;
 - c. Inspection of documentation (in written, printed, or electronic format) relevant to the complaint;
 - d. Take any other appropriate measures to ensure that the complaint has been thoroughly investigated.

- e. Make a determination whether the complaint has merit or whether the complaint does not have merit.

VIII. DETERMINATION AND REMEDIAL ACTION IF NECESSARY

1. If the Village Manager determines that the complaint has no merit, he/she can dismiss the complaint.
2. If the Village Manager determines that the complaint has merit, he/she may take remedial action on behalf of the Complainant, including reinstatement, reimbursement for lost wages or expenses, promotion, or other remedial action that the Auditing Official deems appropriate. The Auditing Official may also make his/her investigation findings available to the Complainant's attorney if the Auditing Official finds that restitution is not sufficient.
3. Any person who engages in prohibited retaliation under Section 4.1 of the Public Officers Prohibited Activities Act may also be subject to fines, appropriate employment action, civil or criminal prosecution, or any combination of these actions.

IX. NO RETALIATION

Individuals who feel they are being retaliated against due to the submission of any type of complaint that is covered by this Policy may file complaints with the appropriate federal or state regulatory agency within 90 days following the date of the alleged retaliation. The agencies can be reached by mail or phone:

U.S. Department of Labor
200 Constitution Ave.,
NW Washington, DC 20210
1-866-4-USA-DOL

Illinois Department of Labor
160 North LaSalle, Suite C-1300
Chicago, Illinois 60601,
(312) 793-2800
idol@cms.state.il.us

X. DISCIPLINE

Any violation of this Policy, will result in discipline up to and including discharge. Any violation of this Policy that also constitutes a violation of law may result in criminal penalties and civil liabilities for the offending employee.