

Children's Home Society of South Dakota Administrative Policy		
Document ID HR25	Title Fraud and Misconduct Policy	Date Approved 11/21/2025
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PURPOSE

CHS requires employees and board members (“representatives”) to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As a representative of the organization, it is imperative that all individuals follow policies and procedures and comply with applicable laws and regulations. This policy outlines the steps if a representative becomes aware of or suspects any financial misconduct, and/or violation of any local, state or federal laws/regulations.

SCOPE

This policy applies to all employees of CHS/CHF, across every department and location. It establishes consistent standards, expectations, and procedures for the organization and is intended to ensure fairness, compliance, and clarity in the administration of human resources practices.

PROCEDURE

1. If an employee is aware of or suspects any financial misconduct and/or violation of any local, state or federal laws/regulations, the employee must follow these steps to report the accusation:
 - a. A formal complaint should be directed to the Vice President Human Resources (VPHR), or its designee, unless the alleged suspicion of fraud or misconduct pertains to the Chief Executive Officer. Anything alleged against the Chief Executive Officer should be submitted directly to the Society Board Chair, in which proper protocols will be followed as set forth by the organization’s bylaws.
 - b. The formal allegation should include the following information:
 - i. Complainant’s name, phone number, and email address
 - ii. Date(s) of the incident(s)
 - iii. Description of the incident(s)
 - iv. Name(s) of the person(s) involved in the incident(s)
 - v. Name(s) of any witness(s) to the incident(s)
 - vi. What action, if any, has been taken
 - vii. Signature of the complainant
2. Upon receipt of the allegation in the previous step, the VPHR, or their designee, will acknowledge the receipt of the allegation within a reasonable timeframe, but no longer than three (3) business days. All allegations and necessary investigations will be handled with confidentiality, and only those who need to be involved to resolve or investigate the matter will be included.
3. Employees may submit concerns or grievances anonymously if they do not feel comfortable identifying themselves. CHS will review and respond to all anonymous reports. To support a thorough and timely process, employees are encouraged to include as much detail as possible.

4. Retaliation for reporting an allegation or participating in an investigation will not be tolerated. If retaliation occurs, it should be reported immediately to the VPHR, a Chief Officer of the organization, Chief Executive Officer, or if the offense involves the Chief Executive Officer, the Board Chair, in which proper protocols will be followed as set forth in the organization's bylaws. Anyone engaging in unlawful retaliation, or who provides false information during an investigation, will be subject to disciplinary action, up to termination of employment.
5. All allegations, reports of suspected fraud or misconduct, along with any related investigation documentation, shall be securely maintained by the VPHR. All records will include the necessary documentation, investigation notes, and a record of any resulting actions. These records will be retained for a minimum of seven (7) years from the date the case is closed, or longer if required by law, regulation, or organizational policy. Access to these records will be restricted to authorized personnel only, and confidentiality will be preserved to the fullest extent possible.