ComicBooks For Kids

Comprehensive Governance Policy and Board Handbook

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Document control	
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Part I — Governance and leadership

1. Purpose, mission and scope

1.1 Purpose

This policy establishes the governance standards, responsibilities, decision-making procedures and internal controls for ComicBooks For Kids!

It is intended to:

Protect CB4K's charitable assets and tax-exempt status.

Ensure resources are used to advance the organization's mission.

Define the respective responsibilities of the board, officers, management, employees and volunteers.

Promote responsible financial management and accurate reporting.

Protect the children, families, hospitals and other partners served by the organization.

Establish accountability to donors, grant makers, regulators and the public.

Provide consistent operating standards as the organization grows.

1.2 Mission

ComicBooks For Kids! provides comic books and other age-appropriate pop-culture items to children and teens in hospitals and cancer centers, supporting imagination, enjoyment, emotional well-being and positive treatment experiences.

All organizational decisions must further this charitable mission and comply with the organization's governing documents and applicable law.

1.3 Scope

This policy applies to:

Directors and officers.

Employees and executive leadership.

Volunteers and committee members.

Individuals authorized to spend, receive, transfer or manage CB4K resources.

Contractors and representatives when acting on behalf of CB4K, to the extent applicable to their agreements.

2. Governing principles and legal compliance

CB4K may operate according to the following principles.

Mission first. Decisions must support charitable purposes rather than private interests.

Fiduciary responsibility. Directors and officers must act in good faith, with appropriate care and loyalty to the organization, consistent with applicable law.

Accountability. Significant decisions, financial transactions and exceptions must be documented.

Responsible stewardship. Donated money, comics, toys, supplies, equipment and other assets must be used for authorized charitable purposes.

Fairness. Conflicts must be disclosed and appropriately managed. Personal relationships must not determine who receives organizational funds or contracts.

Compliance. CB4K must maintain appropriate corporate, tax, charitable solicitation, employment, privacy and financial records and meet applicable filing requirements.

3. Board of Directors: authority and responsibilities

3.1 Governing authority

The Board of Directors is responsible for the overall governance, strategic direction and oversight of CB4K. It must exercise its authority consistently with the organization's articles of incorporation, bylaws and applicable law.

The board may delegate appropriate operational duties to officers, employees, committees or contractors. Delegation does not eliminate the board's responsibility to provide oversight.

3.2 Board composition

CB4K's exact number of directors, qualifications, election process, terms and removal procedures are established by its bylaws and applicable law.

For an Illinois nonprofit corporation, the statutory framework generally calls for three or more directors, subject to the Act's applicable provisions.

Directors understand that board service is undertaken for the benefit of CB4K, not to obtain personal financial advantages.

3.3 Core board responsibilities

The board shall:

Approve and periodically review the organization's mission and strategic direction.

Approve the annual operating budget.

Oversee financial performance, cash management and material financial risks.

Appoint, supervise, evaluate and, when appropriate, remove the chief executive or executive director, if that position exists.

Approve material compensation and benefits arrangements under an independent and documented process.

Review significant contracts, borrowing, leases, grants, partnerships and other commitments as required by policy or delegated authority.

Adopt and oversee conflicts-of-interest, financial-control, whistleblower, records-retention and other essential policies.

Monitor compliance with tax-exempt purposes and applicable laws.

Oversee fundraising integrity and the responsible use of donations.

Monitor program effectiveness and the proper distribution of donated goods.

Oversee child safeguarding, privacy, insurance and incident response.

Ensure required tax filings, state reports and registrations are completed.

Maintain adequate organizational records and minutes.

Plan for leadership succession and continuity of operations.

Protect CB4K's reputation and charitable assets.

3.4 Directors' duties

Each director must:

Act in good faith and in the organization's interests.

Exercise reasonable care and informed judgment.

Disclose actual, potential or perceived conflicts of interest.

Protect confidential and sensitive information.

Prepare for and participate in board meetings.

Review where appropriate financial and program reports.

Raise concerns about suspected fraud, misuse of funds, legal violations or significant risks.

Avoid using organizational opportunities, information or assets for unauthorized personal benefit.

3.5 Board independence

The board may maintain meaningful oversight of financial decisions, compensation, conflicts and executive performance.

A director with a personal financial interest in a matter must not participate in the decision except as permitted for factual disclosure or as otherwise required by law. The organization may document the conflict, the recusal and the independent directors' decision.

The board may periodically assess whether family, business or employment relationships could impair independent judgment.

4. Officers and executive leadership

4.1 Officers

CB4K shall have the officers required by its bylaws and applicable law. This includes a President or Chair, Secretary and Treasurer.

A person may hold more than one office only if permitted by the governing documents and applicable law. The board may avoid arrangements that eliminate meaningful independent financial oversight.

4.2 President or Board Chair

The Chair shall:

Lead board meetings.

Coordinate the board's governance responsibilities.

Work with other directors to establish meeting agendas.

Ensure that significant matters are presented for appropriate board consideration.

Help ensure that board decisions are documented and followed up.

Support the board's evaluation of organizational performance.

The Chair does not have authority to override a valid board decision or independently commit CB4K to transactions outside delegated authority.

4.3 Treasurer

The Treasurer shall oversee, or ensure appropriate oversight of:

Financial reporting.

Budget preparation and monitoring.

Bank and payment controls.

Cash flow and reserves.

Financial recordkeeping.

Tax and financial reporting coordination.

Reconciliation and review procedures.

Identification and escalation of financial irregularities.

The Treasurer may delegate bookkeeping and routine financial work to qualified personnel or service providers but must maintain oversight.

4.4 Secretary

The Secretary shall ensure that CB4K maintains:

Board and committee minutes.

Meeting notices and records of board actions.

Current copies of governing documents and adopted policies.

Director and officer records.

Written consents and resolutions.

An organized record of policy adoption and amendments.

4.5 Executive Director or operational leader

If CB4K has an executive director or other designated operational leader, that person shall manage the organization's day-to-day activities within the authority delegated by the board.

Responsibilities may include program delivery, purchasing, shipping, donor communications, employee supervision, volunteer coordination and operational reporting.

The board must document the person's authority and spending limits. No job title alone grants unlimited authority to sign contracts, borrow money, hire relatives, change compensation or commit organizational funds.

4.6 Founder and board relationships

A founder may also serve as a director, officer or employee if permitted by the governing documents and law.

Founder status does not exempt a person from conflict-of-interest rules, financial controls, board oversight or compensation review. Where the founder is also the executive or a major decision-maker, independent directors may oversee matters involving the founder's compensation, related-party transactions and performance.

5. Meetings, voting and board records

5.1 Regular and special meetings

The board shall meet as often as required by the bylaws and as needed to oversee the organization's affairs. A regular schedule may be adopted annually.

Special meetings may be called in accordance with the bylaws.

Meetings may be held remotely where permitted by the governing documents and applicable law.

5.2 Notice, quorum and voting

Notice requirements, quorum, voting thresholds, director terms and written-consent procedures shall be governed by CB4K's bylaws and applicable law.

A board member may not vote by proxy where prohibited by applicable Illinois law. The Secretary shall record attendance, recusals and voting outcomes.

5.3 Minutes

Minutes may record:

Date, time, location or remote format.

Directors present and absent.

Whether a quorum was present.

Major topics considered.

Motions and resolutions.

Votes and recusals.

Material financial or legal decisions.

Assigned actions and deadlines.

Minutes need not be a verbatim transcript. They must, however, accurately document the board's actions and material deliberations.

5.4 Written consents

Actions taken without a meeting must follow the written-consent requirements of the bylaws and applicable law. The consent must be retained with the corporate records.

5.5 Annual board review

At least annually, the board shall review:

Mission and strategic priorities.

Financial performance and the budget.

Material risks and insurance coverage.

Required filings and compliance status.

Board composition and director participation.

Policy compliance.

Program outcomes and distribution records.

Leadership and succession arrangements.

6. Committees and delegated authority

The board may create committees when useful and legally permissible.

Potential committees include:

Finance and audit oversight.

Governance and nominations.

Fundraising and development.

Programs and distribution.

Risk management and compliance.

As a small organization, CB4K may perform these functions without creating separate committees.

Every committee must have written terms of reference specifying its purpose, membership, authority, reporting duties and limits. Committees may not exercise powers reserved to the full board by law or the bylaws.

A committee may recommend a decision without having authority to approve it. The distinction must be clear in the committee's written mandate.

Part II — Ethics and financial stewardship

7. Conflict of interest and related-party transactions

7.1 Policy

CB4K shall conduct its affairs in a manner that prevents personal interests from improperly influencing charitable decisions.

This policy applies to directors, officers, key employees and committee members with delegated board authority. The board may extend it to other employees, volunteers and representatives.

7.2 Examples of conflicts

Conflicts may include:

A director's company selling shipping supplies to CB4K.

A board member receiving payment for services without independent review.

A family member being hired or awarded a contract.

An officer directing donations or inventory to a business they own.

A director influencing a grant, purchase or sponsorship that benefits them personally.

Using donor lists, confidential information or nonprofit resources for private commercial purposes.

A conflict does not automatically mean a transaction is prohibited. It means the organization must assess and manage the situation appropriately.

7.3 Required procedures

The interested person must disclose the relevant relationship and material facts promptly.

The Secretary or designated officer must record the disclosure.

The interested person may answer factual questions but must leave the discussion before deliberation and voting, unless the disinterested decision-makers determine otherwise is legally appropriate.

The disinterested directors must decide whether a conflict exists.

If a conflict exists, the disinterested directors must determine whether the transaction is fair, reasonable, in CB4K's interests and consistent with charitable purposes.

Where practical, independent alternatives or competing bids may be considered.

The decision, alternatives considered, recusals and voting results must be documented.

The interested person must not improperly influence the outcome.

No interested person may approve their own compensation, reimbursement, contract or other financial benefit.

7.4 Annual disclosure

Each director and officer, and each other individual designated by the board, shall complete an annual conflict-of-interest disclosure.

The form will identify relevant financial interests, business relationships, family relationships and outside roles that could affect the person's duties to CB4K. Individuals must update their disclosures when material circumstances change.

7.5 Gifts and favors

Directors, officers and employees must not solicit or accept personal gifts, kickbacks, commissions or favors in exchange for organizational purchasing, grant, hiring or distribution decisions.

Ordinary low-value courtesy items may be accepted only when permitted by a board-approved standard and when they do not influence, or appear to influence, a decision.

8. Financial management and internal controls

8.1 General requirements

CB4K's financial management system must provide reasonable assurance that:

Receipts are recorded accurately.

Expenditures are authorized and mission-related.

Organizational money is deposited in accounts held in CB4K's legal name.

Transactions are supported by receipts, invoices, contracts or other appropriate documentation.

Financial records are complete and reliable.

Fraud, errors and unauthorized payments can be detected.

Funds restricted by donors are used consistently with their restrictions.

8.2 Banking

All organizational bank and investment accounts must be held in CB4K's name and approved by the board or its authorized delegate.

The board shall designate authorized signers and online banking administrators by written resolution.

The organization must not use personal bank accounts as a substitute for nonprofit accounts or commingle organizational and personal funds.

Bank access shall be limited to individuals who need it for their duties. Access must be removed promptly when authorization ends.

8.3 Separation of duties

Where staffing permits, different individuals may handle:

Authorization of payments.

Processing or issuing payments.

Recording transactions.

Reconciling bank accounts.

For a small nonprofit where complete separation is impractical, compensating controls are required. For CB4K an independent director can review bank statements, transaction details and reconciliations monthly.

No individual may be the sole person who initiates, approves, records and reconciles the same material financial transactions without independent review.

8.4 Financial reporting

The Treasurer or designated financial officer may provide the board with:

Income and expense statements compared with budget.

A balance sheet or statement of financial position.

Cash balances and anticipated cash needs.

Material fundraising and grant information.

Significant variances and explanations.

Outstanding liabilities and contractual commitments.

Inventory or in-kind donation information where material.

Any suspected fraud, irregularities or financial-control failures.

The board may require more frequent reporting when cash flow or financial risk warrants it.

8.5 Fraud and irregularities

Any suspected theft, fraud, misuse of funds, unexplained account discrepancy or unauthorized transaction must be promptly reported to the Treasurer and board Chair, or to another independent director if either is implicated.

The board shall take appropriate steps to preserve records, prevent further losses, investigate the matter and make legally required notifications.

8.6 Independent financial review

The board shall periodically assess whether an independent accountant's review or audit is appropriate or legally required, taking account of revenue, assets, grants, donor requirements, government funding and applicable law.

An independent financial review is not a substitute for routine internal controls.

9. Budgeting, spending and reimbursements

9.1 Annual budget

The board shall approve an annual budget before the start of the relevant fiscal year whenever practicable.

The budget may cover, as applicable:

Comic books, graphic novels and activity books.

Toys, plush items, educational materials and other program goods.

Packaging, shipping and fulfillment.

Fundraising and donor communications.

Employee compensation and benefits.

Insurance, accounting, legal and compliance expenses.

Technology, storage and administrative costs.

A reasonable contingency for unexpected expenses.

Spending must support the mission and comply with donor restrictions.

9.2 Spending authority

The board must define who may approve expenses and contracts at different levels as follows:

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The board may set dollar limits that reflect CB4K's actual financial resources and cash flow.

No one may split a purchase into smaller transactions to avoid an approval threshold.

9.3 Reimbursements

CB4K shall reimburse reasonable, necessary and documented expenses incurred on its behalf under an accountable reimbursement procedure.

Each request must identify the business purpose, date, amount and supporting documentation.

An individual may not approve their own reimbursement. A director's reimbursement may be reviewed by an authorized, disinterested person.

Personal expenses are not reimbursable merely because the individual is a director, employee, founder or volunteer.

9.4 Purchasing and contracts

Purchases may balance cost, quality, reliability, suitability for children, delivery requirements and mission impact.

For significant purchases, competitive quotes may be obtained when practical. The board may establish a written dollar threshold and exceptions for urgent needs, unique suppliers or donated goods.

Contracts must be signed only by individuals with delegated authority. Material agreements must be retained in the organization's records.

10. Fundraising, donations and gift acceptance

10.1 Fundraising integrity

All fundraising must be conducted honestly and consistently with CB4K's charitable purpose.

CB4K shall not knowingly make misleading statements about:

Its tax-exempt status.

How donated money may be used.

The number of children or hospitals served.

The value or impact of donated goods.

Matching gifts or sponsorship arrangements.

Donor recognition or benefits.

Fundraising communications must distinguish confirmed results from estimates, goals and projections.

10.2 Monetary donations

Donations must be recorded promptly and accurately. Appropriate records may identify the date, amount, source where known, payment method and any donor restrictions.

Donor acknowledgments shall be provided when required and in accordance with applicable IRS requirements. Any description of goods or services provided in exchange for a contribution must be accurate.

10.3 Donated goods

CB4K may receive comic books, graphic novels, toys, activity books, educational items, packaging materials and other goods consistent with its mission.

The organization may decline or dispose of donated items that are unsafe, unsuitable, damaged, counterfeit, unlawful to distribute, impractical to store or ship, or inconsistent with its charitable purposes.

The organization may document material in-kind donations and maintain records sufficient to support inventory management and financial reporting.

Donors may be advised that they are responsible for determining the tax value of their donated property; CB4K may not assign or guarantee a donor's tax deduction value.

10.4 Restricted gifts

CB4K shall honor valid donor restrictions and maintain records sufficient to track restricted funds.

The organization may not accept a restriction it cannot reasonably fulfill. If a restriction becomes impracticable or impossible to fulfill, CB4K must seek an appropriate resolution with the donor or obtain legal guidance on the proper process.

10.5 Unusual or conditional gifts

Gifts involving significant conditions, unusual liabilities, intellectual-property concerns, expensive storage, unusual disposal requirements or obligations extending into the future must be reviewed by an authorized board representative before acceptance.

The board may adopt a separate gift-acceptance policy detailing the criteria for accepting, declining and documenting these gifts.

10.6 Donor privacy

Donor records must be protected against unauthorized disclosure. Donor information may be used for legitimate organizational purposes, subject to applicable law, donor preferences and any relevant agreements.

CB4K shall not sell donor information or disclose confidential donor details without proper authorization.

11. Inventory, program delivery and distribution

11.1 Ownership and use

Items purchased with CB4K funds or accepted as charitable donations belong to the organization unless a valid agreement or restriction provides otherwise.

Inventory may be used only for authorized charitable programs, approved fundraising activities or other board-authorized purposes.

Directors, employees and volunteers may not remove items for personal use or private resale without explicit, documented authorization consistent with donor restrictions and applicable law.

11.2 Inventory records

CB4K may maintain records appropriate to the scale and value of its inventory. Records may include:

Item category and description.

Quantity received or purchased.

Date received.

Source or supplier.

Storage location.

Quantity prepared, packed or shipped.

Recipient facility or authorized distribution destination.

Remaining quantity, damage or disposal.

11.3 Packing and shipping

Employees and volunteers must follow established packing, labeling, shipping and handling procedures.

CB4K may maintain reasonable safeguards against theft, loss, damage and shipment to unauthorized recipients.

Shipping records may be sufficient to confirm the destination, shipment date and nature or quantity of the items, as appropriate.

11.4 Recipient eligibility and distribution

Distribution must be consistent with CB4K's mission, donor restrictions, program capacity and any applicable facility requirements.

No director, officer, employee or volunteer may divert goods based on personal favoritism or for private benefit.

CB4K may retain reasonable evidence of program activity without collecting unnecessary information about individual children or patients.

11.5 Product safety and suitability

Items selected for distribution may be age-appropriate and suitable for the intended setting. CB4K shall take reasonable steps to identify product recalls, damaged goods, choking hazards, inappropriate content and facility-specific restrictions.

Healthcare facilities may impose their own infection-control, product-safety and delivery requirements. CB4K personnel must follow the applicable facility instructions.

11.6 Inventory discrepancies

Significant unexplained losses, theft, repeated shipping discrepancies or suspected diversion must be reported to the designated operational leader and Treasurer. Material incidents must be escalated to the board.

Part III — People, children and information

12. Child safeguarding, hospital relationships and privacy

12.1 Commitment to safeguarding

CB4K shall seek to protect the dignity, safety and privacy of children and teens who benefit from its programs.

Its activities may be conducted in a manner that respects children and families and complies with applicable laws, facility rules and written partnership agreements.

12.2 Hospital and cancer-center relationships

CB4K shall respect the policies of recipient facilities regarding deliveries, access, infection control, permitted materials, photography, publicity and interactions with patients.

CB4K personnel must not represent themselves as healthcare providers or claim to offer medical treatment, therapy or guaranteed clinical outcomes.

12.3 Direct contact with children

Unless specifically authorized under an approved program and the facility's rules, CB4K personnel and volunteers may not independently contact, visit or communicate privately with individual child patients.

When in-person activities are authorized, the organization shall establish appropriate supervision, conduct and safeguarding requirements. Background checks may be used where appropriate to the duties, facility requirements and applicable law.

12.4 Photographs and stories

No identifiable photograph, video, name, medical detail or personal story about a child may be collected or published without appropriate authorization and compliance with applicable law and facility requirements.

Consent may be obtained from the legally authorized parent or guardian when required, and the child's assent may be sought when age-appropriate. Permission to publish may be separate from participation in the charitable program wherever practicable.

CB4K may not make receipt of charitable items conditional on agreeing to publicity.

12.5 Patient information

CB4K may not request or retain patient medical records, diagnoses or other sensitive personal information unless there is a legitimate, authorized need and appropriate safeguards.

12.6 Incident reporting

Suspected abuse, inappropriate conduct, unauthorized photography, privacy breaches or other safeguarding incidents must be reported promptly through the designated reporting process.

13. Employees, volunteers and workplace conduct

13.1 Equal and respectful treatment

CB4K shall seek to maintain a respectful environment free from unlawful discrimination, harassment, retaliation, bullying and intimidation.

Employees and volunteers are expected to act honestly, responsibly and respectfully toward one another, donors, healthcare partners and beneficiaries.

13.2 Role clarity

Each employee or regular volunteer may receive a clear description of their responsibilities, reporting relationship, authorized activities and applicable conduct requirements.

Volunteers may not enter into contracts, make financial commitments or speak on behalf of CB4K outside their delegated authority.

13.3 Confidentiality

Employees and volunteers must protect confidential information relating to donors, patients, personnel, finances, vendors, partners and organizational operations.

Confidential information may be shared only with authorized persons for legitimate organizational purposes or when disclosure is legally required.

13.4 Training

CB4K may provide orientation appropriate to each person's role, including applicable safety procedures, safeguarding expectations, financial controls, confidentiality and reporting responsibilities.

Additional training may be provided when required by law, contractual obligations or the risks of a particular activity.

13.5 Corrective action

Violations may result in coaching, additional training, restriction of duties, removal from a volunteer role, disciplinary action or termination, as appropriate and consistent with applicable law and agreements.

Serious allegations must be handled fairly, documented and escalated to an independent decision-maker when a person in the normal reporting chain is implicated.

14. Compensation and benefits

14.1 Reasonable compensation

All employee, executive and contractor compensation must be reasonable in relation to the services provided, the organization's resources and relevant market information.

Compensation must not result in improper private benefit or an excess benefit transaction.

14.2 Approval procedure

When establishing or changing compensation for an executive, officer, director or other disqualified person under applicable federal tax rules, CB4K may use an appropriate independent approval process.

The process may include:

Approval by authorized, disinterested directors.

Review of relevant compensation comparisons or other reliable market evidence.

Documentation of the decision before or at the time it is made.

Recording the basis for concluding that the arrangement is reasonable.

Proper reporting of compensation and benefits.

14.3 Benefits

CB4K may offer employee benefits, including health insurance, when affordable, legally permissible, properly approved and consistent with its charitable purposes.

Benefits provided to an employee or officer must be appropriately documented and treated under applicable employment and tax rules.

The board may review total compensation costs, not just salary, when assessing affordability.

14.4 Director compensation

Directors shall not receive compensation merely for serving as directors unless authorized under the governing documents and applicable law and approved through an appropriate process.

Reasonable, documented reimbursement of authorized expenses is permitted under the reimbursement policy.

Part IV — Records, accountability and compliance

15. Records retention and destruction

15.1 General rule

CB4K shall maintain accurate records needed to demonstrate its legal status, governance decisions, financial activities, charitable operations and compliance with applicable law.

Records may be maintained electronically when appropriate safeguards preserve their integrity, accessibility and confidentiality.

15.2 Records to retain

The organization may maintain, as applicable:

Articles of incorporation, bylaws and amendments.

IRS determination letter and exemption application.

Board and committee minutes and resolutions.

Annual conflict-of-interest disclosures.

Financial statements, ledgers, bank records and reconciliations.

Donation records, grant agreements and donor restrictions.

Tax returns and state filings.

Payroll, employment and benefits records.

Contracts, leases, insurance policies and legal correspondence.

Inventory, distribution and shipping records.

Significant incident reports and investigations.

Policies, training records and compliance documentation.

15.3 Retention schedule

The board may adopt a detailed retention schedule specifying periods for different record categories. Retention periods must meet applicable legal, tax, grant, insurance and contractual requirements.

15.4 Destruction

Records may be destroyed only in accordance with the approved schedule and under appropriate supervision.

No record may be destroyed, altered or concealed to obstruct an investigation, audit, litigation, regulatory inquiry or legally required disclosure.

When litigation or an investigation is reasonably anticipated or underway, destruction of potentially relevant records must be suspended until the matter is resolved and the hold is formally lifted.

15.5 Access and security

Access to financial, personnel, donor and sensitive program records shall be limited according to role.

CB4K may maintain reasonable access controls, backups and protections against accidental loss, unauthorized disclosure and unauthorized alteration.

16. Whistleblower protection and complaint handling

16.1 Purpose

CB4K encourages directors, employees, volunteers, contractors and other individuals associated with the organization to report suspected misconduct in good faith.

Reportable concerns include:

Fraud, theft or misuse of charitable assets.

Conflicts of interest that have not been disclosed.

Financial reporting irregularities.

Violations of law or adopted policy.

Abuse, harassment or safeguarding failures.

Retaliation against someone who raises a concern.

Misleading fundraising or reporting practices.

Significant privacy or cybersecurity incidents.

16.2 Reporting channels

A concern may be reported to:

The Board Chair.

The Treasurer, for financial matters.

Another independent director if the Chair or Treasurer is implicated.

A designated independent contact or appropriate external authority where necessary.

The board shall identify and publish the current contact details for these channels.

16.3 No retaliation

CB4K prohibits retaliation against anyone who raises a concern in good faith, assists an investigation or refuses to participate in unlawful conduct.

Knowingly fabricated allegations may be addressed appropriately, but an unsubstantiated report is not by itself evidence of bad faith.

16.4 Investigation

The recipient of a report shall promptly assess the issue, preserve relevant records and determine whether an investigation is warranted.

A person accused of misconduct must not control the investigation or its outcome. Investigations may be handled impartially and with appropriate confidentiality.

The board or its independent designee shall document material findings and corrective actions. Reports involving suspected criminal conduct or mandatory reporting obligations must be referred to the appropriate authorities when required.

17. Transparency, public communications and fundraising claims

17.1 Public statements

Only authorized representatives may speak officially on behalf of CB4K on matters requiring organizational approval.

Communications must be accurate, consistent with the mission and respectful of donors, beneficiaries, employees and partner facilities.

17.2 Financial transparency

CB4K shall maintain accurate financial statements and required public disclosures.

The organization may establish a procedure for reviewing its annual federal information return before filing, with board-level review appropriate to its size and reporting obligations.

17.3 Public inspection

CB4K must make documents available for public inspection when required by federal law. It may have a consistent process for handling requests, including applicable fees, deadlines and permitted redactions.

Public disclosure must not expose confidential donor, personnel, patient or other protected information beyond what law requires.

17.4 Use of logos and organizational identity

CB4K's name, logo, website, social media accounts and other official channels may be used only for authorized organizational purposes.

No person may imply that a personal project, business, fundraising appeal or endorsement is officially approved by CB4K unless proper authorization has been given.

17.5 Impact reporting

Reports about children served, hospitals reached, shipments, donated goods and program outcomes may be based on reasonable records and clearly distinguish actual results from estimates.

CB4K may avoid unsupported claims that its program produces a specific medical or psychological outcome.

18. Risk management, insurance and incident response

18.1 Risk oversight

The board shall periodically review risks that could materially affect CB4K's mission, finances, legal status, reputation or ability to operate.

Relevant risks include:

Fraud and financial loss.

Product safety and recalls.

Shipping and inventory loss.

Child safeguarding and privacy.

Cybersecurity and account compromise.

Employment and volunteer matters.

Contractual obligations and partner disputes.

Fundraising shortfalls and cash-flow constraints.

Insurance gaps and legal claims.

18.2 Insurance

The board may periodically assess appropriate coverage, which may include general liability, directors and officers liability, property or inventory coverage, workers' compensation where required, employment-related coverage and cyber coverage.

The type and amount of coverage may reflect CB4K's activities, assets, staffing and contractual obligations.

18.3 Incident response

Material incidents must be escalated promptly to the appropriate organizational leader and, where necessary, the board.

The response may prioritize safety, preserve relevant records, notify insurers and affected parties when required, comply with legal reporting deadlines and implement corrective measures.

18.4 Business continuity

CB4K may maintain reasonable arrangements for access to financial records, donor systems, vendor accounts, shipping information, passwords and critical organizational files if a key person becomes unavailable.

Critical systems may not depend exclusively on a single individual's personal account or inaccessible records.

Part V — Organizational continuity and enforcement

19. Legal filings and regulatory compliance

CB4K is responsible for all applicable filing and renewal deadlines.

This includes:

Federal Form 990, Form 990-EZ or Form 990-N.

Illinois corporate annual reports.

Illinois charitable solicitation registration and reporting, where applicable.

Payroll, employment and information returns.

State registrations for fundraising in other jurisdictions, where required.

Grant reporting and donor-restricted fund obligations.

Insurance renewals and contractual deadlines.

The organization may maintain a current registered agent, corporate contact information and authorized filing credentials.

If CB4K conducts fundraising across state lines, it may evaluate its obligations in each relevant jurisdiction rather than assume that Illinois registration alone is sufficient.

The applicable filings depend on the organization's activities, revenue, assets, staffing and other circumstances. This policy does not itself determine which filings are required.

20. Executive succession and organizational continuity

The board should maintain a succession plan for key leadership and administrative functions.

The plan may identify:

Who may temporarily oversee operations if the executive leader is unavailable.

Who can access banking, accounting, donor and shipping systems.

Who can communicate with hospitals, suppliers, donors and regulators.

Where governing documents, insurance information and contracts are maintained.

Who can authorize urgent expenses.

How board leadership may be transferred or restored.

Temporary delegation must be documented and consistent with the bylaws and existing bank and contractual authorizations.

The board may review the plan as required and after a significant organizational change.

21. Policy enforcement, review and amendments

21.1 Responsibility

The Board of Directors is responsible for overseeing implementation and enforcing this policy.

The board may assign administrative responsibilities to the Chair, Treasurer, Secretary, executive director or another designated officer, provided the delegation does not conflict with the bylaws or law.

21.2 Violations

Policy violations may result in corrective action, withdrawal of authority, removal from a committee or volunteer role, employment discipline or other appropriate action.

Serious matters may require legal advice, insurer notification or referral to an appropriate authority.

21.3 Annual review

The board should review this policy at least annually and whenever a significant change in law, organizational structure, staffing, program operations or financial risk makes review necessary.

21.4 Amendments

The board may amend this policy by the vote and procedures required by the bylaws and applicable law.

Any amendment affecting the articles of incorporation or bylaws must also follow the applicable formal amendment process.

The Secretary shall maintain the current approved version and archive superseded versions.

Tables from the source document

Transaction	
Routine budgeted expenses	Authorized operational leader, within an approved limit
Expenses above the operational limit	Treasurer or designated second approver
Material unbudgeted expenditure	Board or authorized board committee
Loans, guarantees or major asset sales	Full board approval, subject to law and bylaws
Related-party transaction	Disinterested directors using the conflict procedure
Employee compensation changes	Authorized independent board decision-makers

Record category	Retention period
Articles, bylaws and amendments	Permanent
Board minutes and resolutions	Permanent
IRS determination letter and exemption records	Permanent
Annual financial statements and filed returns	Permanent archival copy
Routine financial supporting records	At least 7 years, unless a longer period applies
Donation and grant records	At least 7 years after the relevant reporting period, or longer if required
Employment and payroll records	According to applicable federal and Illinois requirements
Contracts and insurance records	For the agreement term plus the applicable claims and legal retention period
Inventory and distribution records	At least 7 years as an internal target, unless a longer period applies
Safeguarding and incident records	Under a restricted-access schedule reviewed for legal and reporting requirements