

**ROTARY CLUB OF MODESTO, CALIFORNIA, INCORPORATED**  
**A California Nonprofit Public Benefit Corporation**  
**WHISTLEBLOWER POLICY**

**I. Policy:**

ROTARY CLUB OF MODESTO, CALIFORNIA, INCORPORATED (“**MODESTO ROTARY**”) requires the Board of Directors, employees, and members to exhibit high standards of business and personal ethics in the discharge of their duties and responsibilities. As employees and representatives of MODESTO ROTARY, all parties must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations governing MODESTO ROTARY, but not limited to the Articles of Incorporation, the Bylaws, the Conflict of Interest Policy, and this Whistleblower Policy. MODESTO ROTARY encourages the reporting of possible dishonest, fraudulent, or unethical use or misuse of MODESTO ROTARY resources or property by employees, members, board members, volunteers, and/or contractors. Examples of fraudulent or dishonest conduct include but are not limited to:

1. forgery or alteration of documents;
2. unauthorized alteration or manipulation of computer files;
3. fraudulent financial reporting or any financial wrongdoing;
4. receiving a benefit or advantage in violation of MODESTO ROTARY personnel policies and the MODESTO ROTARY Conflict(s) of Interest policy;
5. misappropriation or misuse of MODESTO ROTARY resources i.e. funds, office supplies or other assets;
6. authorizing or receiving compensation for goods not received or services not performed;
7. authorizing or receiving compensation for hours not worked;
8. violation of federal, state or local laws;
9. deficiencies of internal accounting controls; and/or
10. misrepresentation of information to MODESTO ROTARY Board of Directors.

MODESTO ROTARY has decided to adopt this Whistleblower Policy (“**Policy**”) to safeguard the reporting party and our process. It is the responsibility of all Board members, members, employees, and volunteers to comply with this policy and to report violations or suspected violations as described above and any other illegal or unethical conduct.

The reporting party under this Policy is defined as a “**Whistleblower**”, a term described in the Sarbanes-Oxley legislation.

No member of the Board of Directors, member, employee, volunteer, or contractor of Modesto Rotary who in good faith reports a violation will suffer harassment, retaliation, or adverse employment or membership consequences. An employee or member who retaliates against a Whistleblower is subject to disciplinary action up to and including termination of employment or membership. This Policy is intended to encourage and enable MODESTO ROTARY employees and members to raise serious concerns within the organization prior to seeking resolution outside of the MODESTO ROTARY.

## **II. Procedures:**

- A. All employees, Board members, and Committee Chairs of MODESTO ROTARY will read and sign a copy of this Policy. This Policy will be posted on the MODESTO ROTARY web-site and be made available to all members for review upon request. New employees and other MODESTO ROTARY representatives will receive this Policy to review and sign on their first day of employment.
- B. Training regarding this Policy will be incorporated into existing MODESTO ROTARY trainings (Board member orientation, new employee orientation, and volunteer training meetings, etc.) and at least one (1) time per year the Policy will be reviewed with all Board members, Committee Chairs, employees, volunteers, and contractors.
- C. Individuals having questions, concerns or complaints are encouraged to share these issues with the President or Secretary of MODESTO ROTARY.
- D. If a Whistleblower is not comfortable making a report to the President or Secretary, then any member of the Board of Directors can accept the report.
- E. Once the report has been made, the person receiving the report is required to report the suspected violation, concern, or question to the MODESTO ROTARY Board of Directors at its next regular meeting. The matter shall not be included on the published Agenda for the meeting, but shall be raised confidentially in an executive session of the Board of Directors meeting. "Executive session" means that only duly appointed Directors are present at the meeting, along with legal counsel if desired, or merited, in order to resolve a violation, and no other persons.
- F. The President or Secretary with guidance from the Board of Directors will be responsible for investigation and resolving all reported complaints and allegations. The President or Secretary will advise the Board of Directors of all complaints, questions, etc. and action plans to resolve the situation.
- G. Any employee, member, Board Member, or volunteer of MODESTO ROTARY may file a complaint. The person filing the complaint must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of MODESTO ROTARY polices described herein, or any other applicable law or regulation governing MODESTO ROTARY.
- H. Any allegation that proves not to be substantiated and which proves to have been maliciously or knowingly to be false will be viewed as a serious disciplinary offense. The Board of Directors will coordinate any action to be taken in this regard.
- I. Complaints, violations, or suspected violations may be submitted on a confidential basis or anonymously if necessary by writing a note to the President or Secretary of MODESTO ROTARY and placing the note in a sealed envelope to be mailed to the office of MODESTO ROTARY.

- J. The Board of Directors will keep reports of violations or suspected violations confidential to the extent possible and consistent with this policy and the need to conduct an adequate investigation.
- K. The President or Secretary will notify the reporting individual and acknowledge the receipt of the complaint within ten (10) business days unless the report is filed anonymously. All reports will be promptly investigated.