

Prader-Willi California Foundation

Whistleblower Policy

Adopted: November 2009

Under the provisions in the Sarbanes-Oxley Act, Finance Committees of all organizations, including not-for-profit organizations, are required to establish procedures for “(a) the receipt, retention, and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the issuer regarding questionable accounting or auditing matters.

The Sarbanes-Oxley Act requires all organizations to establish procedures, in accordance with Section 301 of the Act, for:

- The receipt, retention, and treatment of complaints received by the organization regarding accounting, internal controls, or auditing matters.
- The submission of concerns regarding questionable accounting or audit matters by employees, directors, officers, and other stakeholders of the organization, on a confidential and anonymous basis.

Prader-Willi California Foundation’s Code of Conduct (“Code”) requires directors, other volunteers, and employees to observe the high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees and representatives of PWCF must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

Reporting Responsibility

Each director, volunteer, and employee of PWCF has an obligation to report in accordance with this Whistleblower Policy (a) questionable or improper accounting or auditing matters, and (b) violations and suspected violations of PWCF’s Code (hereinafter collectively referred to as Concerns).

Authority of Finance Committee

All reported concerns will be forwarded to the Finance Committee in accordance with the procedures set forth herein. The Finance Committee shall be responsible for investigating, and making appropriate recommendations to the Board of Directors, with respect to all reported Concerns.

No Retaliation

This Whistleblower Policy is intended to encourage and enable directors, volunteers, and employees to raise Concerns within PWCF for investigation and appropriate action. With this goal in mind, no director, volunteer, or employee who, in good faith, reports a Concern shall be subject to retaliation or, in the case of an employee, adverse employment consequences. Moreover, a volunteer or employee who retaliates against someone who has reported a Concern in good faith is subject to discipline up to and including dismissal from the volunteer position or termination of employment.

REPORTING CONCERNS

Employees

Employees should first discuss their Concern with their immediate supervisor. If, after speaking with his or her supervisor, the individual continues to have reasonable grounds to believe the Concern is valid, the individual should report the Concern to the Executive Director. In addition, if the individual is uncomfortable speaking with his or her supervisor, or the supervisor is a subject of the Concern, the individual should report his or her concern directly to the Executive Director.

If the Concern was reported verbally to the Executive Director, the reporting individual, with assistance from the Executive Director, shall reduce the Concern to writing. The Executive Director is required to promptly report the Concern to the Chair of Finance Committee, which has specific and exclusive responsibility to investigate all Concerns. If the Executive Director, for any reason, does not promptly forward the Concern to the Finance Committee, the reporting individual should directly report the Concern to the Chair of the Finance Committee. Contact information for the Chair of the Finance Committee may be obtained through the Human Resources Department. Concerns may also be submitted anonymously. Such anonymous Concerns should be in writing and sent directly to the Chair of the Finance Committee.

Directors and Other Volunteers

Directors and other volunteers should submit Concerns in writing directly to the Chair of the Finance Committee. Contact information for the Chair of the Finance Committee may be obtained from the Treasurer (Chief Financial Officer).

Handling of Reported Violations

The Finance Committee shall address all reported Concerns. The Chair of the Finance Committee shall immediately notify the Finance Committee, the President, and the Executive Director ~~and Chief Operating Officer~~ of any such report. The Chair of the Finance Committee will notify the sender and acknowledge receipt of the Concern as promptly as practicable. It will not be possible to acknowledge receipt of anonymously submitted Concerns.

All reports will be promptly investigated by the Finance Committee, and appropriate corrective action will be recommended to the Board of Directors, if warranted by the investigation. In addition, action taken must include a conclusion and/or follow-up with the complainant for complete closure of the Concern.

The Finance Committee has the authority to retain outside legal counsel, accountants, private investigators, or any other resource deemed necessary to conduct a full and complete investigation of the allegations.

Acting in Good Faith

Anyone reporting a Concern must act in good faith and have reasonable grounds for believing the information disclosed indicates an improper accounting or auditing practice, or a violation of the Codes. The act of making allegations that prove to be unsubstantiated, and that prove to have been made maliciously, recklessly, or with the foreknowledge that the allegations are false, will be viewed as a serious disciplinary offense and may result in discipline, up to and including dismissal from the volunteer position or termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.

Confidentiality

Reports of Concerns, and the investigation pertaining thereto, shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Disclosure of reports of Concerns to individuals not involved in the investigation will be viewed as a serious disciplinary offense and may result in discipline, up to and including termination of employment. Such conduct may also give rise to other actions, including civil lawsuits.