

Whistleblower Policy of the Shorefront YM-YWHA of Brighton-Manhattan Beach, Inc.

General

The SHOREFRONT YM-YWHA OF BRIGHTON-MANHATTAN BEACH, INC. (the "Corporation") requires its directors, officers, employees and volunteers to observe the highest standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Corporation, we must practice honesty and integrity in fulfilling our responsibilities and must comply with all applicable laws, regulations and corporate policies of the Corporation. In this spirit, the Corporation encourages its directors, officers, employees and volunteers to identify any instances in which these standards may be compromised.

This Whistleblower Policy (the "Policy") has been established to provide a means for directors, officers, employees and volunteers of the Corporation to raise good faith concerns about behavior by or within the Corporation that is or appears to be illegal, fraudulent, dishonest, unethical or in violation of any adopted policy of the Corporation (a "Suspected Violation"). A "Whistleblower" is the director, officer, employee or volunteer reporting such Suspected Violation pursuant to this Policy. A copy of this Policy shall be distributed to all directors, officers and employees of the Corporation, and to all volunteers who provide substantial services to the Corporation.

Examples of Suspected Violations covered by this Policy include, but are not limited to, violations of federal, state or local law or regulations; fraudulent financial reporting or actions that may lead to such fraudulent reporting; providing false information to or withholding material information from the Corporation's auditors; fraudulently influencing or misleading any independent public accountant engaged in the performance of an audit of the Corporation's financial statements; destroying, altering, concealing or falsifying a document, or attempting to do so, with the intent to impair the document's availability for use in an official proceeding; or planning, facilitating or concealing any of the above. This is not intended to be an exhaustive list but rather a guide to the types of improper behavior covered by this Policy. In addition to actions which have been taken by others that the Whistleblower believes in good faith to be subject to reporting, actions which have not been taken, and which the Whistleblower believes are required to be taken to be in compliance with laws or corporate policies adopted by the Corporation, are also within the scope of this Policy.

Reporting Responsibility

Any person may report allegations of Suspected Violations. All directors, officers, employees and volunteers are covered under this Policy and it is the responsibility of all directors, officers, employees and volunteers to comply with this Policy and to report Suspected Violations in accordance with the procedures set forth in this Policy. The individuals involved in such Suspected Violations may be directors, officers, employees, volunteers, auditors, vendors or other third parties.

Compliance Officer

The Chair of the Corporation's Audit Committee (the "Compliance Officer") is responsible for investigating and, as discussed below under Handling of Reported Violations, overseeing the resolution of all reported complaints concerning Suspected Violations.

Procedure for Reporting Suspected Violations

Any person may report a Suspected Violation, either in written or oral form. The complaint submitted by the Whistleblower should include whatever documentation is available to support a reasonable basis for the allegation(s) and to assist in investigating the complaint.

Complaints of Suspected Violations may be made anonymously. Anonymous complaints should be detailed to the greatest extent possible because follow up questions will not be possible, making the investigation and resolution of such complaints difficult.

A Whistleblower should direct all reports, either in written or oral form, to the Compliance Officer. If the Compliance Officer is the subject of the Suspected Violation or a Whistleblower is not comfortable reporting a complaint concerning a Suspected Violation to the Compliance Officer or is unsatisfied with the response, the Whistleblower is encouraged to instead speak with his or her supervisor or anyone in management with whom he or she is comfortable. In such case, the manager to whom such Suspected Violation is reported shall in turn report such Suspected Violation to the Compliance Officer, unless the Compliance Officer is the subject of the complaint, in which case the manager shall submit the report to the Audit Committee. If the Compliance Officer is the subject of the complaint, the Audit Committee shall designate someone to act in the place of the Compliance Officer and all references to the Compliance Officer in this Policy with respect to such complaint shall be applicable to such designee. Such report shall include a statement as to whether such Suspected Violation was reported first to the Compliance Officer; if it was, the report shall indicate what response was given by the Compliance Officer. If the Suspected Violation was not first reported to the Compliance Officer, the report shall indicate why the Suspected Violation was not reported to the Compliance Officer.

Although the Whistleblower is not expected to prove the truth of the allegation(s) asserted in the complaint, she or he must demonstrate reasonable grounds for concern. No investigation will be made of unspecified wrongdoing or broad allegations. The Whistleblower is not responsible for investigating the activity or for determining fault or corrective measures.

Confidentiality

Any investigation will be conducted in a manner that conceals and protects the Whistleblower's identity to the greatest extent practicable given legal requirements, consistent with the need to conduct a fair and adequate investigation and take necessary corrective action.

Procedure for Handling of Reported Violations

Unless the complaint is submitted anonymously or there are overriding legal or public interest concerns, the Whistleblower will be provided with an acknowledgement of receipt of his or her complaint within five business days.

All complaints will be promptly investigated by or under the direction of the Compliance Officer, and appropriate corrective action will be taken if warranted by the investigation. The Compliance Officer may resolve any complaint without consulting others, discuss such complaint with the Audit Committee, any other Board committees or the Board of Directors before taking action or refer the matter to the Audit Committee or the Board of Directors for action, depending on the Compliance Officer's determination of the seriousness or severity of the complaint.

The Compliance Officer shall provide to the Audit Committee on a quarterly basis a written report identifying all complaints reported under this Policy during the preceding quarter or indicating that no such complaints were reported. Records of all complaints shall be maintained in accordance with the Corporation's document retention policy.

Following investigation, the Corporation will take appropriate remedial and disciplinary action as it deems justified by the circumstances, including, but not limited to, terminating employment, board membership or volunteer status, seeking restitution, removal from office, or criminal prosecution.

Acting in Good Faith

Anyone filing a complaint concerning a Suspected Violation must act in good faith and have reasonable grounds for believing the information disclosed may indicate a Suspected Violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowing them to be false will be viewed as a serious disciplinary offense.

No Retaliation

No director, officer, employee or volunteer of the Corporation who in good faith reports any Suspected Violation (whether reported to the Corporation, its agents or its auditors or to any law enforcement officials, government or regulatory agency), or who cooperates with an investigation of a complaint (whether conducted by the Corporation, its agents or its auditors or by any law enforcement officials, government or regulatory agency), shall suffer intimidation, harassment, discrimination, or other retaliation or, in the case of an employee, adverse employment consequences. Any person who retaliates against someone who has reported a Suspected Violation in good faith is subject to appropriate discipline and corrective action, up to and including termination of employment in the case of an employee.

A Whistleblower's right to protection under this Policy does not provide him or her with immunity for participating or being complicit in the Suspected Violation that is the subject of the complaint or ensuing investigations.

Oversight of Policy

The Audit Committee shall oversee the adoption, amendment and implementation of, and compliance with, this Policy.¹

Any questions, concerns or suggestions regarding this Policy also should be addressed directly to the Compliance Officer.

Adopted by the Corporation's Board of Directors on January 17 2018

Temporary Compliance Officer:
Susan Fox, Executive Director
347-689-1880
foxs@shorefronty.org

¹ Note to Shorefront: The adoption and implementation of, and compliance with, the whistleblower policy must be overseen by the Audit Committee, which must be comprised solely of independent directors, another Board committee comprised solely of independent directors or the independent directors on the Board. To be considered an “independent director” under the Revitalization Act, the director may not (i) be or have been within the last three years an employee of the organization or any affiliate, or have a relative who is or has been within the last three years a key employee of the organization or any affiliate; (ii) have received or have a relative who received more than \$10,000 in direct compensation from the organization or any affiliate within any of the last three fiscal years (other than reimbursement of reasonable expenses incurred as a director or reasonable compensation for services as a director); or (iii) be an employee of or have a substantial financial interest in any entity that has made payments to or received them from the organization or an affiliate for property or services which, in any of the last three fiscal years, exceeds the lesser of \$25,000 or two percent of such entity's consolidated gross revenues, or have a relative who is an officer of or has a substantial financial interest in any such entity. Payments in this context do not include charitable contributions.