

A G E N D A

AUDIT COMMITTEE

REGULAR MEETING
TUESDAY, NOVEMBER 13, 2018 AT 1:00 PM
BOARD ROOM – GATEWAY COMPLEX

- 1) MEETING CALLED TO ORDER: Dwight Walker, Chair
- 2) ROLL CALL: Dwight Walker, Alan Swanson, Mary Neff, John Kikuchi, Barbara Rothway, Sheldon Solloway, and Chris Yahng

INTRODUCTIONS: Tim O’Keefe, CEO; Rick Chakoff, CFO; Bob Kelso, GRF Board President; Merek Lipson, Resident and Committee Adviser
- 3) APPROVAL OF REPORT: October 23, 2018
- 4) RESIDENTS’ FORUM

The Audit Committee will follow Rossmoor custom and limit comments to 3 minutes.
- 5) ANNOUNCEMENTS
- 6) Q3 Financial Statement Review - Rick Chakoff
- 7) Audit Fee Comparisons - Rick Chakoff
- 8) UNFINISHED BUSINESS
 - a. Charter Task Force – Alan Swanson, Response to Legal Review (Attachment)
 - b. Whistleblower Task Force—John Kikuchi, (Attachment)
 - c. Member Transfer Fee Exemption Report
 - d. Goals for upcoming year
- 9) NEW BUSINESS
 - a. Code of Conduct Compliance
- 10) ADJOURNMENT
- 11) NEXT MEETING: (TBD)

cc: GRF Board

AUDIT COMMITTEE REPORT

REGULAR MEETING
TUESDAY, OCTOBER 23, 2018, AT 11:00 A.M.

A regular meeting of the Audit Committee was convened by the Chair, Dwight Walker, at 11:00 a.m. on Tuesday, October 23, 2018, in the Board Room at Gateway Complex.

Members present were Dwight Walker, Chair; Alan Swanson, Vice Chair; Mary Neff, GRF Board Treasurer; John Kikuchi, Barbara Rothway and Chris Yahng. Excused absence: Sheldon Solloway.

Roll Call

Representatives from BPM, external auditors, present were Scott Taylor, Partner and Bob Houston Tax Partner

Also attending were Tim O'Keefe, CEO; Rick Chakoff, CFO; Amanda Davis, Sr. Accountant; Judith Perkins, HR Manager; Merek Lipson, Resident/Committee Adviser; and GRF Board members: Bob Kelso, Sue Adams and Ken Anderson.

1. Report from the September 20, 2018, meeting were approved unanimously on a motion made by Alan Swanson and seconded by Mary Neff.
2. RESIDENTS' FORUM—Dick Locke had three comments on the draft of the Whistleblower Policy that were addressed later in the meeting.
3. Rick Chakoff presented a very brief overview of Internal Control Areas, including: purchasing/cash disbursements, revenue/cash, payroll and financial statement preparation.
4. Scott Taylor and Bob Houston reviewed the Audit Plan Presentation that was distributed at the meeting (Attachment). The plan covered the 2018 audit and tax preparation for GRF and reflected no increase in fees from 2017. An engaging discussion ensued regarding the Audit Plan and Committee members questions regarding its execution by BPM. Committee members expressed interest in learning more about the Internal Control Narratives used by the auditors during their testing of controls.

Audit
Plan
and
Proposal

A motion was made by Mary Neff, seconded by Chris Yahng, and CARRIED UNANIMOUSLY to recommend to the GRF Board that the BPM Audit Plan and Proposal at a cost of \$69,500 for the audit and \$9,200 for tax preparation be accepted.

5. AUDIT COMMITTEE CHARTER—Alan Swanson reported on the review of the draft Charter by the GRF Board Policy Committee. The Policy Committee recommended two revisions to the draft—remove the phrase “only one of whom shall be a member of the GRF Board of Directors” from the first paragraph under Organization and Membership and remove the phrase “the IRS Forms 1120 and 5500 and related documents” from the fifth paragraph under Procedures.

Draft
Charter

In addition, a legal review by GRF Counsel of the Charter was received by Rick Chakoff on October 19 with a number of comments. Due to the volume of legal comments, they have been forwarded to the Charter Task Force to review and return with a recommendation to the full Committee at its November meeting. Upon Audit Committee approval, the revised Charter will again be submitted to the GRF Board Policy Committee for review.

6. WHISTLEBLOWER POLICY—John Kikuchi reported on the revised draft that is in a very user-friendly format. Judith Perkins was able to provide some practical experience with policies of this nature, which was valuable. A number of comments by members of the Committee were made that resulted in minor revisions to the draft. John Kikuchi will take the draft back to the Task Force with these revisions and submit a new draft to the Committee at the November Audit Committee meeting.
7. DEFERRED ITEMS—Due to time constraints, the following items were deferred to the November Committee meeting:
 - Member Transfer Fee Exemption Report
 - Goals for Upcoming Year
8. ADJOURNMENT
There being no further business to come before the Committee, the meeting was recessed at 12:50 p.m.
9. NEXT MEETING: The next regular meeting of the Audit Committee TBD.

Dwight Walker, Chair
Audit Committee

Golden Rain Foundation

AUDIT PLAN PRESENTATION

FOR THE YEAR ENDED DECEMBER 31, 2018

October 23, 2018



AGENDA

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<i>BPM Audit Plan</i>	<i>6-9</i>
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<i>2018 Audit fees</i>	<i>11</i>
<i>New and Proposed Accounting Standards for Nonprofits</i>	<i>12-14</i>

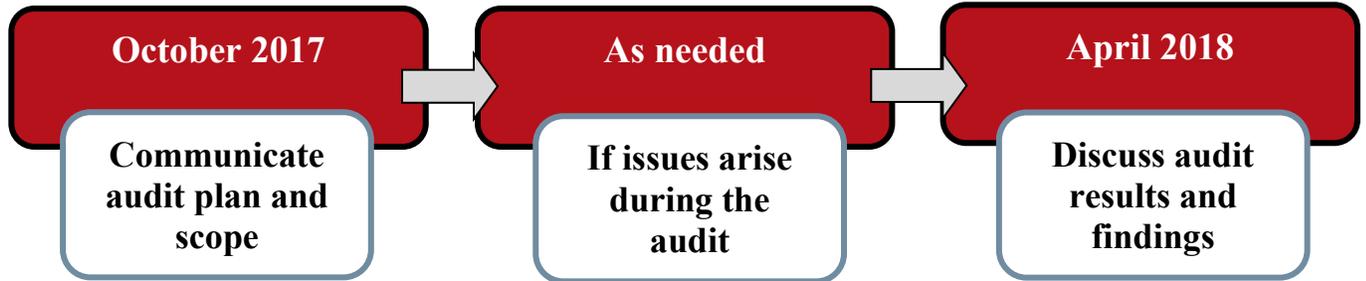
This document to the Members of the Audit Committee of Golden Rain Foundation is intended solely for the information and use of the Audit Committee and management of Golden Rain Foundation and is not intended to be, and should not be, used by anyone other than these specified parties. This document is not intended for general use, circulation, publication or reproduction and should not be used for any other purpose without our prior written permission in each specific instance.

INTRODUCTION

We have planned the scope of our audit to allow us to issue an opinion in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) on the December 31, 2018 financial statements of Golden Rain Foundation (the “Foundation”).

- ♦ We are independent within the meaning of Rule 1.200 of the AICPA Code of Professional Conduct.
- ♦ We will communicate our Audit Plan and related audit risk areas to the Audit Committee.
- ♦ We will provide responses to Audit Committee inquiries and assist in discharging corporate governance and compliance responsibilities.
- ♦ We will hold pre-audit planning, update, and exit conferences with the Audit Committee and/or management, as appropriate.
- ♦ We will collaborate with the finance department during the year, prior to fieldwork, regarding proper accounting treatment(s).
- ♦ We will provide observations and advice on financial reporting, tax, business issues and related controls, including sharing experience on best practices.
- ♦ The performance and discussion of the annual audit does not relieve those charged with governance of their ongoing responsibilities.
- ♦ *Nonaudit Services* – Tax return preparation of Golden Rain Foundation federal and state information returns. Such nonaudit services do not constitute an audit under U.S. GAAS.
- ♦ *Nonaudit Services* – Assist the Foundation with drafting and completion of the financial statements, where management has identified at least one individual who has suitable skills, knowledge, and experience to oversee this process, as well as the ability to accept responsibility for the financial statements.

AUDIT COMMITTEE COMMUNICATIONS



EXIT CONFERENCE REQUIRED AUDITOR COMMUNICATIONS



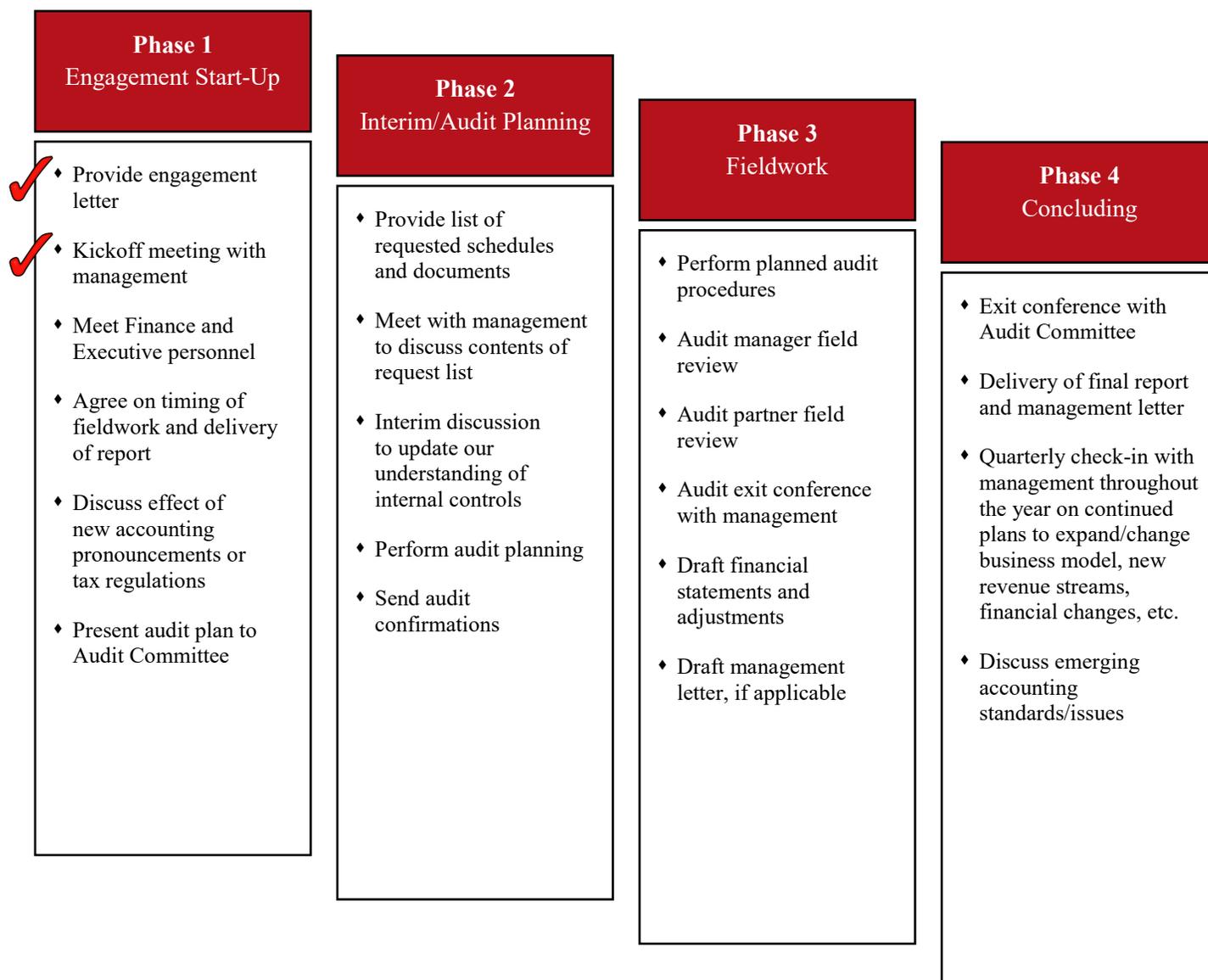
BPM ENGAGEMENT TEAM

	<p>Scott Taylor, Assurance Partner</p> <p>staylor@bpmcpa.com (650) 855-6882</p>
	<p>Nate Farris, Assurance Manager</p> <p>nfarris@bpmcpa.com (925) 296-1014</p>
	<p>Jenise Gaskin, Assurance Concurring Partner</p> <p>jgaskin@bpmcpa.com (925) 296-1016</p>
	<p>Bob Houston, Tax Partner</p> <p>bhouston@bpmcpa.com (415) 288-6238</p>

AUDIT TIMELINE

October 2018	<ul style="list-style-type: none">• Present Audit Plan
January 2019	<ul style="list-style-type: none">• Planning
February 2019	<ul style="list-style-type: none">• Internal controls, interim testing, and fieldwork
April 2018	<ul style="list-style-type: none">• Provide draft report and management letter (as appropriate)• Audit Committee presentation and issue financial statements

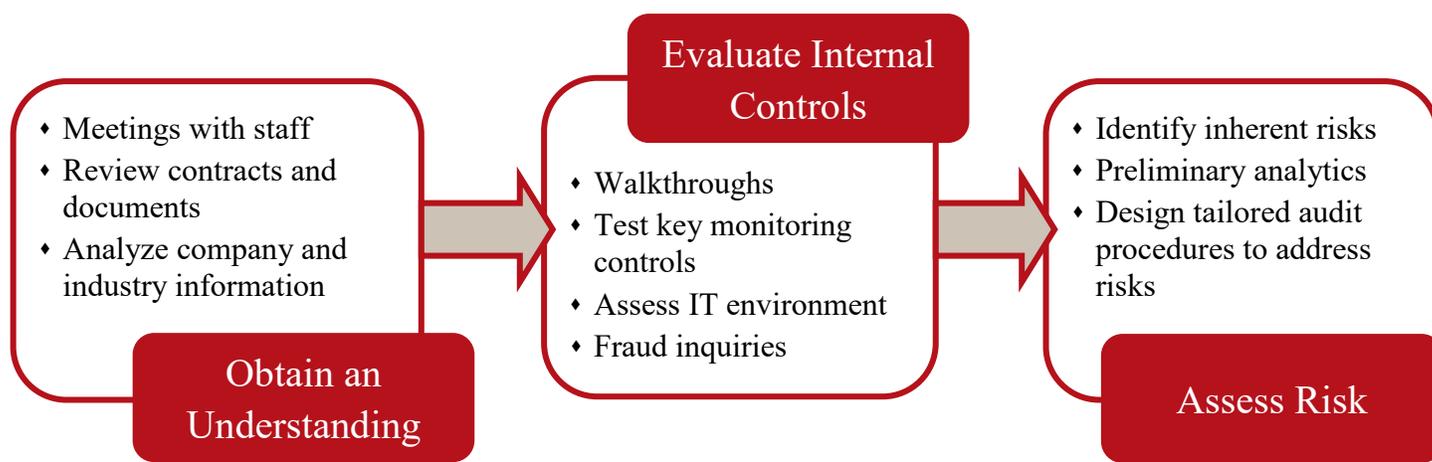
PROGRESS REPORT



✓ Step Completed

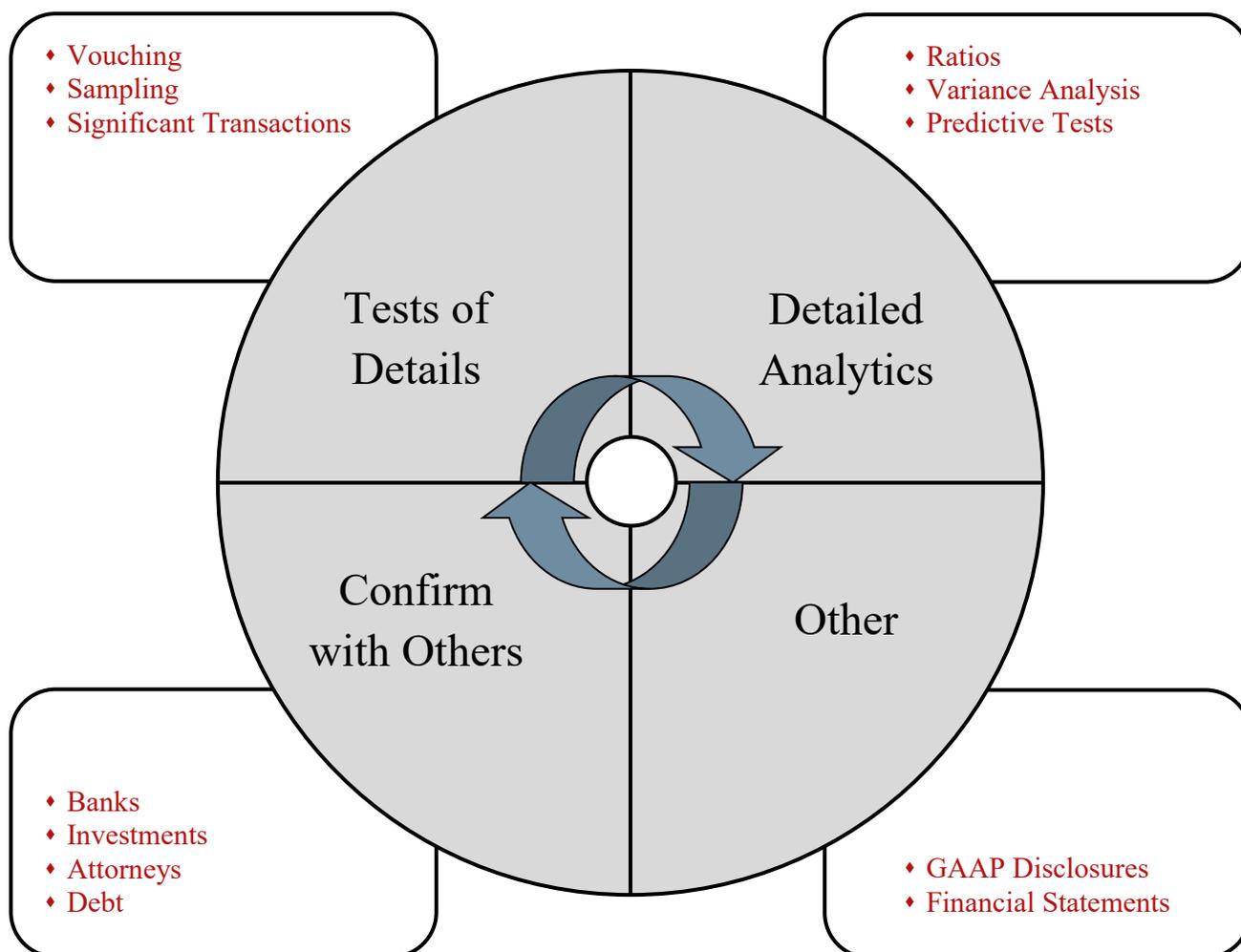
BPM AUDIT PLAN

PLANNING



BPM AUDIT PLAN

FIELDWORK



BPM AUDIT PLAN

AUDIT RISK AREAS

Key Business and Operational Risks

- ❖ **Scrutiny from taxing authorities related to income tax reporting**
- ❖ **Risk for compliance with debt covenants**

Internal Controls and Audit Risks

- ❖ **Risk of improper revenue recognition due to errors or fraudulent financial reporting**
- ❖ **Risk of improper valuation of pension liability**
- ❖ **Risk of understatement of transfer fees**

BPM AUDIT PLAN

PLANNED AUDIT PROCEDURES

Cash	Review year-end bank reconciliations and send confirmations
Accounts Receivable	Review aging and bad debt balances
Property and Equipment	Review activities, vouch significant additions and deletions, and test depreciation reasonableness
✓ Accounts Payable and Accrued Expenses	Perform a search for unrecorded liabilities, test retirement plan and payroll accruals, and inquiries to ascertain completeness of accruals
✓ Notes Payable	Send confirmations, review compliance with covenants, and review loan documentation
Net Assets	Review accounting for net assets and current year activity
Expenses	Test for proper expense coding, review expense through predictive analytics, and review for unusual transactions
Journal Entries	Test supporting documentation for reasonableness and proper authorization of nonrecurring journal entries
Revenue and Deferred Revenue	Vouch transactions, review trends, perform predictive analytics, and test amortization of deferred balances

✓ Key Risk Areas

BPM FRAUD INQUIRIES OF AUDIT COMMITTEE MEMBERS

Fraud

(Misappropriations and/or Fraudulent Financial Reporting)

Do you have any knowledge of any actual, suspected, or alleged fraud affecting the Foundation or its federal award programs?

Do you have any knowledge of any possible or actual noncompliance or abuses of broad programs and controls occurring during the period being audited or subsequent periods?

What is your view about the risk of fraud?

Do you take an active role in oversight of management's processes for identifying and responding to fraud risks and of the controls established to mitigate those risks, and if so, how does the committee exercise these oversight activities?

From your understanding is the Foundation in compliance with laws and regulations?

Please let us know via email or we can set up a phone call to discuss your answers.

You may contact Scott Taylor at (650) 855-6882
staylor@bpmcpa.com

2018 AUDIT FEES

2018 Combined Financial Statement Audit	\$ 69,500
2017 Financial Statement Audit Actual	\$ 69,500
2018 Retirement Plan Audits	\$ 26,500
2017 Retirement Plan Audits Actual	\$ 26,500
2018 C Corporation Income Tax Returns (2 returns)	\$ 9,200
2017 C Corporation Income Tax Returns	\$ 9,200

Note: These fees above do not include indirect out of pocket expenses which are billed at 7% of professional fees and direct out of pocket expenses.

NEW AND PROPOSED ACCOUNTING STANDARDS FOR NONPROFITS

Status	Effective Date	Topic
Not Yet Effective	Year beginning after December 15, 2017	ASU 2016-18, <i>Statement of Cash flows: Restricted Cash</i> – Affects all entities that have restricted cash or restricted cash equivalents. The amendments require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling beginning-of-period and end-of-period total amounts shown on the statement of cash flows.
Effective	Years beginning after December 15, 2017 (early adoption permitted)	ASU 2016-14, <i>Financial Statements of Not-for-Profit Entities</i> – This project includes updates that improve the usefulness of financial statements or reduce complexities for preparers. Some of the updates include: <ul style="list-style-type: none"> • Expenses – Requiring all nonprofits to present expenses by function and nature. Additionally, there are enhanced disclosure requirements around cost allocations between program and support functions with a refined definition of management and general activities and enhanced and refined disclosure around netted investment expenses.

NEW AND PROPOSED ACCOUNTING STANDARDS FOR NONPROFITS

Status	Effective Date	Topic
Effective Continued	Years beginning after December 15, 2017 (early adoption permitted) Continued	<p>ASU 2016-14, <i>Financial Statements of Not-for-Profit Entities</i> – Continued</p> <ul style="list-style-type: none"> • Net Assets – <ul style="list-style-type: none"> ○ Replacing the traditional three classes of net assets with only two classes (those with donor-imposed restrictions and those without). ○ Modifying disclosure requirements about the nature and timing of restricted net assets. ○ More disclosures about Board-designated net assets. ○ Modified classification of underwater endowments. ○ Continue with placed-in-service option and eliminate over-time option for expirations of capital restrictions. • Cash Flows – Reaffirmation of existing methods of presenting operating cash flows. NFP's are no longer required to provide the indirect reconciliation when choosing the direct method of cash flows. • Liquidity – Provide disclosures useful in assessing a nonprofit's liquidity position.
Not Yet Effective	Year beginning after December 15, 2018	<p>ASU 2014-09, <i>Revenue from Contracts with Customers</i> – Affects all entities and industries for contracts with customers to transfer goods or services. The new standard eliminates current revenue recognition guidance and industry standards and replaces them with a principles-based 5-step framework. Revenue recognition will be focused on when promised goods or services are transferred to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. Contracts with multiple elements will need to break out the separate revenue streams.</p>

NEW AND PROPOSED ACCOUNTING STANDARDS FOR NONPROFITS

Status	Effective Date	Topic
Not Yet Effective	Years beginning after December 15, 2019 (early adoption permitted)	ASU 2016-02 – <i>Leases</i> – Requires recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under previous GAAP.

*We would like to thank management for their cooperation. We are excited for the opportunity to provide professional services and consider it a privilege to work with **Golden Rain Foundation.***



AUDIT COMMITTEE CHARTER
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

~~Draft: September 20~~November 8, 2018

MISSION

The mission of the Audit Committee is to oversee financial reporting, risk management, and audit functions for the Golden Rain Foundation.

ORGANIZATION AND MEMBERSHIP

The Committee shall consist of not less than five nor more than seven GRF members, ~~only one of whom shall be a member of the GRF Board of Directors.~~ All Committee members shall be nominated by the GRF Board President and approved by the GRF Board. One of the members shall be the GRF Treasurer, without vote, who shall also serve as the GRF liaison.

The Committee shall not include GRF employees or management. ~~No member shall have a material financial interest in any entity doing business with the Foundation.~~ All members of the Committee shall be ~~free of any relationship that, in the opinion of the~~ subject to GRF Policy 201.2, Conflicts of Interest, and Policy 201.5, Code of Conduct and Ethics, and such other policies as are made applicable to Committee members by the Board, ~~would interfere with that member's individual exercise of independent judgment.~~

Applicants for vacant positions on the Committee shall submit applications to the GRF Assistant Secretary and shall be interviewed by the GRF President, the GRF Liaison, and the Committee Chair. If the Chair or other officer is an applicant, a non-applicant Committee officer or member shall be the third interviewer.

The GRF President shall designate one of the Committee members as Chair, to serve a one-year term, effective July 1 of the appointment year.

At least one Committee member shall ~~be designated as a~~ have financial ~~expert.~~ ~~This member should understand~~ expertise which shall include but not ~~not be limited to an understanding of~~ generally accepted accounting principles, financial statements, and financial reporting through prior work as a principal financial officer, principal accounting officer, controller, certified public accountant, or auditor or through other relevant experience.

The members of the Committee who are not members of the GRF Board shall be appointed to staggered three-year terms, as required to fit their number. Terms shall begin July 1 of their appointment year. If a vacancy occurs among these Committee members who are not members of the GRF Board, the replacement shall serve out the term of the vacating member.

RESPONSIBILITIES

The Committee ~~assists~~ shall advise the GRF Board in fulfilling the Board's responsibility to oversee the integrity of Foundation's financial reporting process, the qualifications and performance of the

independent external auditor, the effectiveness of the Foundation's system of internal controls, and its compliance with laws and regulations.

The Committee shall:

- Annually assess the performance, independence, and cost of the Foundation's independent external auditor and recommend to the GRF Board for its approval renewal of that independent external auditor or retention of another independent external auditor to audit the Foundation's financial statements, accounts, and internal controls and to provide such other compliance services as are required by federal and state laws and regulations and by the retirement plans.
- Before the start of each year's audit, review with the independent external auditor the scope and planning for the audit; and make recommendations to the independent external auditor and the GRF Board as appropriate.
- Upon completion of the audit, review and discuss with the independent external auditor any material risks and weaknesses in the Foundation's internal controls that the independent external auditor may have identified, any restrictions that may have been placed on the scope of its activities and access to information that it requested, the conclusions it reached as to the adequacy of the Foundation's accounting and financial reporting process, and any recommendations that it may propose.
- Determine whether to accept the results of the independent external audit, report to the GRF Board on the Committee's activities, and recommend approval or rejection of the audit results. ~~Oversee~~
- Review the corrective actions that are implemented to address issues identified in the required communication and management letter.
- ~~Monitor~~Review compliance with the GRF's conflict of interest and whistleblower policies and anti-fraud program.
- ~~Monitor and review~~Review with management and the Board the adequacy and effectiveness of the Foundation's internal controls and its risk management framework. Risk management involves the identification and assessment of key potential risks (such as financial errors or frauds, threats to information technology security and data, legal liabilities, accidents, and natural disasters).
- Periodically review audit-related policies

AUTHORITY

The Committee reports directly to the GRF Board. As it deems necessary, the Committee may recommend to the GRF Board the hiring of outside counsel or other advisors or consultants. The Committee will have reasonable access to all Foundation books, records, data, policies, procedures, and personnel as necessary to carry out its responsibilities.

PROCEDURES

Each year, the Committee will meet with the Chief Executive Officer and/or his or her designee to establish the scope of that year's audit and required tax services and then may solicit a proposal from the independent external auditor who has been serving as the Foundation's auditor. If the Committee deems it advisable to engage the services of a new independent external auditor, it will solicit and review

proposals from at least three certified public accounting firms ~~and make recommendations to the Board for its approval.~~

At the end of the annual audit, the Committee and the Chief Executive Officer and/or his or her designee(s) will meet with the independent external auditor to review the audit results, discuss any critical policies and practices used by the Foundation, and consider any problems encountered by the independent external auditor. The Committee will also review with the Chief Executive Officer and/or his or her designee the proposed reply to the independent external auditor's management letter before its final presentation for approval by the Foundation's Board.

The Committee shall recommend to the GRF Board to pre-approve any non-audit services to be requested of the independent external auditor after determining whether these services would impair the auditor's independence.

The Committee will conduct sessions with the GRF's Chief Executive Officer, Chief Financial Officer, and if applicable legal counsel regarding the effectiveness of the Foundation's risk management.

The Committee shall meet as often as it determines necessary or appropriate to fulfill its responsibilities, but no fewer than twice annually – once to review the audit plan and once to review the audited financials, ~~the IRS Forms 1120 and 5500 and related documents, and to review the audit engagement, special investigations,~~ financial irregularities, ~~and~~ internal control failures, and other matters. The Committee will keep minutes of its meetings.

The Committee shall annually elect its own Vice-Chair and any other officers as necessary. The Committee shall appoint subcommittees as necessary.

The Committee shall follow Policy 201.4 Regarding Open Committee Meetings and provide a Residents' Forum in which Residents may address concerns to the Committee.

Robert's Rules of Order shall govern all Committee proceedings.

ADOPTED BY THE GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS, AS REVISED, ON

GOLDEN RAIN FOUNDATION WHISTLEBLOWER POLICY

Draft of 24 October 2018

BACKGROUND

- The Board of Directors of GRF is responsible for assuring that the business of GRF is conducted in a safe, legal, and efficient manner that also reflects the highest ethical and moral standards.
- GRF has adopted a Code of Conduct that requires directors, officers, committee members and employees to comply with all applicable laws and regulations and to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.
- The California Labor Code prohibits retaliation against employees who report internally a suspected violation of federal, state or local law to a supervisor or other employee with authority to investigate or correct, or report it externally to a government official, law enforcement agency, or public body conducting an investigation.
- The Sarbanes-Oxley Act of 2002 makes it a crime to knowingly, with the intent to retaliate, take any action harmful to any person, including interference with the lawful employment or livelihood of any person, for providing to a law enforcement officer any truthful information relating to the commission or possible commission of any Federal offense.

SCOPE AND PURPOSE

The Golden Rain Foundation requires Board members and officers, committee members, employees, and volunteers to observe high standards of business and personal ethics in carrying out their duties and responsibilities. GRF Board members, officers, committee members, employees and volunteers must practice honesty and integrity in fulfilling their responsibilities and must comply with all applicable laws and regulations. The Foundation encourages them to report any violation of or non-compliance with laws, regulations, and GRF policies, unsafe working conditions, questionable accounting or audit matters, fraud, or unethical activities of which they become aware.

This policy establishes principles and procedures for:

- Confidential submission of good faith ~~complaints~~ allegations of wrongdoing by GRF Board and committee members, officers, employees, residents, volunteers, outside vendors, and others regarding-
 - a) possible violations of, or non-compliance with, laws, regulations, and GRF policies,
 - b) unsafe working conditions,
 - c) questionable accounting or audit matters,
 - d) fraud, or
 - e) unethical activities.

- Receipt, retention, and treatment of such ~~complaints~~ allegations received by the GRF.
- Protection of persons submitting such ~~complaints~~ allegations from retaliatory actions.

NON-RETALITAION

No person who in good faith submits ~~a valid complaint~~ an allegation of wrongdoing shall be subject to harassment, retaliation, or adverse consequences as an employee or volunteer. Moreover, any GRF Board or committee member, officer, employee, or volunteer who retaliates against someone who has submitted ~~a complaint~~ an allegation in good faith or has cooperated in an investigation of an allegation ~~a complaint~~ will be subject to discipline up to termination of employment or volunteer status.

REPORTING PROCESS

GRF employees who believe they have ~~a valid complaint~~ an allegation of wrongdoing can discuss it with their immediate supervisor or report it to the Manager of Human Resources. An employee or supervisor who reports it verbally to the Human Resources Manager should reduce the ~~complaint~~ allegation to writing with the Human Resources Manager's help. Employees who are uncomfortable raising it with their supervisor may submit the ~~complaint~~ allegation directly to the Manager of Human Resources or through the Hotline e-mail address, Whistleblower_allegation@Rossmoor.com

The Human Resources Manager shall promptly report valid whistleblower ~~complaints~~ allegations to the GRF Chief Executive Officer. The Chief Executive Officer will notify the Chair of the Audit Committee. Allegations involving the Human Resources Manager may be reported directly to the GRF Chief Executive Officer. If ~~a valid complaint~~ an allegation involves either the GRF Chief Executive Officer, the Chair of the Audit Committee, or both, the Human Resources Manager shall report the ~~complaint~~ allegation directly to the President of the GRF Board.

Persons other than GRF employees (i.e., Board and committee members, officers, residents, outside vendors, and others) should submit their ~~complaints~~ allegations through the Hotline e-mail address. The GRF will communicate this policy to the Foundation's outside vendors and potential vendors.

PROCESSING OF ~~COMPLAINTS~~ ALLEGATIONS OF WRONGDOING

When a valid whistleblower ~~complaint~~ allegation of wrongdoing is received, the GRF Chief Executive Officer, in conjunction with the Chair of the Audit Committee, will establish procedures for investigating it. Investigations may be performed by ~~the Audit Committee itself,~~ the Human Resources Manager, other management personnel, or outside resources upon referral from the

Audit Committee or authorized by the GRF Board as appropriate. Outside resources may include legal counsel, civil authorities, accountants, civil authorities, private investigators, or any other provider deemed necessary to investigate the ~~complaint~~allegation. For whistleblowing allegations that pertain to Rossmoor mutuals, the allegation will be forwarded to the respective mutual board of directors for resolution.

The Chief Executive Officer, in conjunction with the Audit Committee, will recommend appropriate action to the GRF Board if warranted by investigation results. The ~~Committee Chief Executive Officer or their designee~~ will provide a report of whistleblower ~~complaints~~allegations to the Audit Committee and GRF Board. In addition, the Committee will ensure that a record is maintained of investigation results, actions taken, and follow-up communications with the person submitting the ~~complaint~~allegation.

ACTING IN GOOD FAITH

Anyone making a whistleblower ~~complaint~~allegation of wrongdoing must act in good faith and have reasonable grounds for believing the information disclosed indicates an improper accounting or auditing practice, an unsafe working condition, or a violation of law, regulation, or the GRF code of ethics. Allegations that prove to be unsubstantiated and were made maliciously, recklessly, or were knowingly false will represent a serious disciplinary offense and may result in discipline up to termination of employment or dismissal from a volunteer position. Such conduct also may lead to other consequences, including civil lawsuits.

CONFIDENTIALITY

Reports of whistleblower ~~complaints~~allegations of wrongdoing and their investigation shall be kept confidential to the extent possible. Disclosure of information to persons not involved in the investigation will be viewed as a serious offense and may result in discipline up to termination of employment as well as other consequences, including civil lawsuits.

Insofar as possible, the confidentiality of the complainant will be maintained. However, identity may have to be disclosed to conduct a thorough investigation, to comply with the law or to provide accused individuals their legal rights of defense. GRF will not retaliate against a person submitting ~~a complaint~~an allegation. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, poor work assignments, and threats of physical harm. Persons submitting ~~a complaint~~an allegation who believe that they are being retaliated against must contact the Human Resources Director immediately. The right of a complainant for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

AVAILABILITY OF OTHER REMEDIES

This policy supplements and does not replace any procedures required by law or regulation. It is not intended as a vehicle for reporting violations of GRF human resources policies, problems with co-workers or managers, or issues relating to alleged employment discrimination or sexual or any other form of harassment. Such matters should be dealt with in accordance with GRF personnel policies and procedures.

Nothing in this policy is intended to prevent or discourage any person who is concerned about a possible violation of state or federal law or regulation from also reporting it to an appropriate governmental or law enforcement agency if they conclude such a step is necessary.

DRAFT