

Family & Children Services

Suspected Fraud or Illegal Activity Reporting Policy and Procedure

The purpose of this policy and procedure is to ensure consistency of handling suspected fraudulent or illegal activities throughout Family and Children Services. We wish to ensure that all employees who suspect fraudulent or illegal activity can voice their concerns confidentially and anonymously. We also wish to ensure that all employees who report suspected fraud or illegal activity are protected from repercussion, retaliation or punishment such as firing, demotion, suspension, harassment, failure to consider an employee for promotion, or any other kind of discrimination.

This policy seeks to create a confidential avenue for all employees to air their concerns and review their allegations in a timely manner. All employee reports will be taken seriously and investigated. If fraud or an illegal activity is found, the agency will solve the problem. If no fraud or illegal activity is found, the agency will document why corrections are not necessary.

If an employee's claims cannot be substantiated, the agency will not reprimand the employee.

Procedure for reporting fraud or illegal activity:

1. An employee who is concerned as to the accuracy, quality, timeliness or effectiveness of any aspect of Family & Children Services financial reporting or internal control processes (including fraud, embezzlement, or illegal activities) should communicate the information to the CEO or Director of Finance and Business Operations.
2. In addition, the employee may submit complaints or concerns regarding financial statement disclosures, accounting, internal accounting controls, misused or inappropriate use of corporate assets or auditing matters to the Audit Committee of the Board of Directors, in a sealed envelope, addressed to:

Chairperson of the Audit Committee
Board of Directors, Family and Children Services
c/o John Harland
25 Woodhill Drive
Redwood City, CA 94061

Mark the envelope "To be opened by the Audit Committee only."

If the employee would like to discuss any matter with the Audit Committee, he/she should indicate this on his/her submission and include a telephone number at which he/she might be contacted if the Audit Committee deems it appropriate.

3. If the fraudulent or illegal act concerns the CEO, Director of Finance and Business Operations, or an individual member of the Board of Directors, the employee may

submit the complaint to the Chair of the Board of Directors, in a sealed envelope, addressed to:

Chair of the Board
Board of Directors, Family & Children Services
c/o Tasneem Ismailji
14240 Berry Hill Court
Los Altos Hills, CA 94022

Mark the envelope "To be opened by the Chair, Board of Directors only."

If the employee would like to discuss any matter with the Board Chair, he/she should indicate this on his/her submission and include a telephone number at which he/she might be contacted if the Board Chair deems it appropriate

4. If the fraudulent or illegal act concerns the Board Chair, the employee may submit the complaint to the Audit Committee of the Board of Directors, in a sealed envelope, addressed to:

Audit Committee of the Board of Directors, Chair
Board of Directors, Family & Children Services
c/o John Harland
25 Woodhill Drive
Redwood City, CA 94061

Mark the envelope "To be opened by the Audit Committee only."

If the employee would like to discuss any matter with the Audit Committee, he/she should indicate this on his/her submission and include a telephone number at which he/she might be contacted if the Audit Committee deems it appropriate

5. The identity of the employee will be kept confidential unless he/she expressly waives confidentiality in the submission of the complaint.
6. The Audit Committee/Board Chair shall review and consider any such complaints or concerns that it has received and take any action that it deems appropriate in order to respond thereto.
7. The employee may ask, if desired, that the information be submitted to the Board of Directors for entering into Board of Director meeting minutes as documentation that a complaint was made. The employee may also request that the information, if desired, be entered into his/her personnel file as documentation that a complaint was made.