

VAUGHN COLLEGE OF AERONAUTICS AND TECHNOLOGY

College Integrity and Whistleblower Policy

Introduction

Vaughn College of Aeronautics and Technology (the “College”) requires its trustees, directors, officers, employees and volunteers, (as well as all persons who provide the College with contracted services) (each, a “Protected Person”), to observe high standards of business and personal ethics in the performance of their duties on the College’s behalf. As employees and representatives of the College, Protected Persons are expected to practice honesty and integrity in fulfilling their responsibilities, to protect and preserve the College’s assets and are required to comply with all applicable laws and regulations, as well as policies of the College.

The objectives of this College Integrity and Whistleblower Policy (“Policy”) are to encourage and enable Protected Persons, without fear of retaliation, to raise concerns regarding suspected unethical and/or illegal conduct or practices on a confidential and, if desired, anonymous basis so that the College can address and correct inappropriate conduct and actions

This policy is not intended as a vehicle for reporting violations of the College’s applicable human resources policies, problems with co-workers or managers, or for reporting issues related to alleged employment discrimination or sexual or any other form of unlawful harassment, all of which should be dealt with in accordance with the College’s Personnel Policies and Procedures, as it is those Policies and Procedures that are applicable to such matters. In addition, student matters relating to the code of conduct and academic standards are handled with separate policies and procedures.

Reporting Responsibility

It is the responsibility of all Protected Persons to report in good faith any concerns they may have regarding actual or suspected activities which may be illegal or in violation of the College’s policies with respect to, without limitation, fraud, theft, embezzlement, accounting or auditing irregularities, bribery, kickbacks, and misuse of the College’s assets, as well as any violations or suspected violations of high business and personal ethical standards, as such standards that relate to the College (each, a “Concern”), in accordance with this Policy. The obligation to report is significant and a Protected Person should report all credible concerns, whether or not there is clear proof, so that the College may undertake a review and make an independent determination.

No Retaliation

No Protected Person who in good faith reports a Concern shall suffer intimidation, harassment, retaliation, discrimination or adverse employment consequence because of such report. Any employee of the College who retaliates against someone who has reported a Concern in good faith is subject to discipline up to and including termination of employment. Notwithstanding

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anything contained herein to the contrary, this Policy is not an employment contract and does not modify the employment relationship between the College and its employees, nor does it change the status of employees of the College who are employees at will. Nothing contained herein is intended to provide any Protected Person with any additional rights or causes of action, other than those provided by law.

Reporting Concerns

Any Concerns should be reported as soon as shall be practicable to the College's designated Compliance Officer (the "Compliance Officer") or the Chair of the College's Audit Committee (the "Audit Committee Chair"). Any questions with regard to the scope, interpretation or operation of this Policy should also be directed to the Compliance Officer or Audit Committee Chair. Reports should be made in writing or orally so that there can be follow-up and a summary provided of the outcome of the review. A report can be made anonymously, although an anonymous report can be very difficult to investigate because there is no reasonable opportunity to obtain additional information or clarification of a point.

Compliance Officer

The Compliance Officer, or his or her designee, is responsible for administering this Policy, investigating and resolving all reported Concerns, and shall advise the Audit Committee Chair and the President of the College of all reported Concerns. The Compliance Officer shall report in writing regularly to the Audit Committee all Concerns reported and their disposition, and the Audit Committee shall keep the full Board advised regularly of the activities under this Policy. Any trustee who is an employee of the College may not participate in any Board or committee deliberations or voting relating to the administration of this Policy.

Accounting and Auditing Matters

The Audit Committee shall address all reported Concerns regarding College accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the Audit Committee of any accounting concern and shall work with the Audit Committee until its resolution. The Audit Committee shall evaluate whether a Concern constitutes a matter that requires additional assistance and, if so, shall promptly determine what professional assistance, if any, it needs in order to conduct an investigation. The Audit Committee will be free in its sole discretion to engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of results.

Investigations

The Compliance Officer may delegate the responsibility to investigate a reported Concern to one or more employees of the College or to any other individual, including persons not employed by the College, selected by the Compliance Officer; provided that the Compliance Officer may not delegate such responsibility to an employee or other individual who is the subject of the reported Concern or in a manner that would compromise either the identity of an employee who reported the Concern anonymously or the confidentiality of the complaint or resulting investigation. The

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person who is the subject of a Concern shall not be present at or participate in any Board or committee deliberations or vote on the matter relating to the Concern; however, the Board or committee may request the subject to present information as background and to answer questions before any deliberations or voting occurs. Notwithstanding anything herein to the contrary, the scope, manner and parameters of any investigation of a reported Concern shall be determined by the Audit Committee in its sole discretion and the College and its employees shall cooperate as necessary in connection with any such investigation.

Acting in Good Faith

Anyone reporting a Concern must act in good faith and have reasonable grounds for believing that the information disclosed may indicate a violation of law and/or ethical standards. Any allegations that prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense. Anyone reporting a Concern who has been directly involved in activity related to the reported Concern may remain responsible for his or her own direct conduct, though with recognition of the report.

Confidentiality

The College takes seriously its responsibility to enforce this Policy and therefore encourages any person reporting a Concern to identify him or herself so as to facilitate any resulting investigation. Notwithstanding the foregoing, in reporting a Concern, a Protected Person may request that such report be treated in a confidential manner (including that the College take reasonable steps to ensure that the identity of the reporting person remains anonymous). Concerns may also be reported on an anonymous basis. Reports of Concerns will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation. The College retains a responsibility to consider reporting some conduct to government agencies and/or the Police and in these circumstances limits to confidentiality may arise as required by law.

Handling of Reported Concerns

The Compliance Officer will acknowledge receipt of each reported Concern promptly to the extent the reporting person's identity is disclosed or a form of contact is provided. All reports will be promptly investigated; the scope of any such investigation being within the sole discretion of the Audit Committee, and appropriate corrective action will be taken if warranted by the investigation.

Records

The College will retain on a confidential basis in accordance with College policy records relating to any reported Concern and to the investigation and resolution thereof.

Distribution

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The College shall make this Policy widely known to all Protected Persons and the College community.

Compliance Officer Contact Information

: Name: Mary Durkin
Office A135
Phone Number: 718-429-6600 x105
Email Address: mary.durkin@vaughn.edu

Chair Audit Committee Information

Name: Joseph Werner
Email: joeair@optonline.net

Anonymous Communications may be transmitted to either party in a Communication Marked **CONFIDENTIAL**

Adopted by the College's Board of Trustees at its Meeting on February 16, 2017
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