



Diocese of Lansing

MEMORANDUM

TO: All Employees
RE: Anonymous Hotline

Effective March 1, 2017 we have engaged Lighthouse Services to provide an anonymous ethics and compliance hotline for all employees of the juridic persons of the Diocese of Lansing. Attached is our Financial Misconduct Hotline Policy with information on submitting reports.

We have established this Financial Misconduct hotline through Lighthouse Services, Inc. for a specific purpose. This purpose is to allow for an appropriate means to report fraud, unlawful, unethical and other types of improper behavior at it relates to temporal administration of juridic persons in the Diocese of Lansing. This hotline is NOT a substitute for routine communications within our organization between associates and their supervisors and managers, particularly as to workplace duties. Likewise, it does not replace communications with HR staff about benefit issues or other job related issues, nor does it replace other communications protocol related to Protecting God’s Children. Rather, this hotline is an additional tool for specific types of situations and it is provided because we believe that it is a good business practice to do so.

Please note that regular business matters that do not require anonymity should be directed to the employee’s supervisor and should not be submitted using this service. Reports submitted via this hotline may cover but are not limited to the following topics:

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|--|-------------------------------------|
| Unethical business conduct | Inadequate internal controls |
| Fraud | Vandalism or sabotage |
| Conflict of interest | Bribery or kickbacks |
| Theft, larceny or embezzlement | Loss or misuse of property |
| Violation of civil law | Diversion of funds |
| Falsification of reports, records | Violation of diocesan policy |

Naturally, it is our expectation that all employees will conduct business fairly, impartially, in an ethical manner and in complete compliance with the law. Our business conduct must be guided by the highest level of integrity when dealing with our parishioners, suppliers, local communities, donors, volunteers and employees. Employees will not engage in any activity that could call into question the Diocese’s honesty, impartiality or reputation. Employees must obey all applicable laws and regulations governing our operations anywhere we conduct business. Each employee bears the responsibility to ask questions, seek proper guidance and report suspected violations. We are all called to be good stewards of the resources entrusted to us.

God Bless,

George Landolt, CFO
Diocese of Lansing



Diocese of Lansing
Building an Ethical Workplace Together

FINANCIAL MISCONDUCT HOTLINE POLICY

SCOPE:

This policy applies to all employees, including part time, temporary and contract, of juridic persons of the Diocese of Lansing.

PURPOSE:

The Diocese of Lansing is committed to the highest possible standards of ethical, moral and legal business conduct. In conjunction with this commitment and the Diocese's commitment to open communication, this policy aims to provide an avenue for interested parties to raise concerns primarily related to potential financial misconduct and reassurance that they will be protected from reprisals or victimization for whistleblowing in good faith. If an employee feels that their anonymity is not required then they should follow our existing procedures.

POLICY:

This whistleblowing policy is intended to cover serious concerns related to financial matters that could have a significant impact on the Diocese of Lansing, such as actions that:

- May lead to financial loss or incorrect financial reporting;
- Are unlawful;
- Are not in line with Diocesan policy, including the Employee Handbook; or
- Otherwise amount to serious improper financial conduct.

Regular business matters that do not require anonymity should be directed to the employee's supervisor and are not addressed by this policy. Reports may cover but are not limited to the following topics:

Unethical business conduct
Fraud
Conflict of interest
Theft, larceny or embezzlement
Violation of civil law
Falsification of reports, records

Inadequate internal controls
Vandalism or sabotage
Bribery or kickbacks
Loss or misuse of property
Diversion of funds
Violation of diocesan policy

SAFEGUARDS:

Harassment or Victimization

Harassment or victimization of individuals submitting hotline reports will not be tolerated.

Confidentiality

Every effort will be made to protect the reporter's identity by our hotline vendor. Please note that the information provided in a hotline report may be the basis of an internal and/or external investigation by our company into the issue being reported. It is possible that as a result of the information provided in a report the reporter's identity may become known to us during the course of our investigation.

Anonymous Allegations

The policy allows employees to remain anonymous at their option. Concerns expressed anonymously will be investigated, but consideration will be given to:

- The seriousness of the issue raised;
- The credibility of the concern; and
- The likelihood of confirming the allegation from attributable sources.

Malicious Allegations

Malicious allegations may result in disciplinary action.

PROCEDURE:

Reporting

The whistleblowing procedure is intended to be used for serious and sensitive issues. Serious concerns relating to financial reporting, unethical or illegal conduct, should be reported in either of the following ways:

- Website: www.lighthouse-services.com/dioceseoflansing
- English speaking USA: 844-446-0009
- Spanish speaking USA: 800-216-1288
- E-mail: reports@lighthouse-services.com (must include Diocese of Lansing specific parish, school or agency's specific name with report)
- Fax alternative for written documents: Fax: (215) 689-3885 (must include Diocese of Lansing specific parish, school or agency's specific name with report)

Reporters to the hotline will have the ability to remain anonymous if they choose. Please note that the information provided by you may be the basis of an internal and/or external investigation into the issue you are reporting and your anonymity will be protected to the extent possible by law. However, your identity may become known during the course of the investigation because of the information you have provided. Reports are submitted by Lighthouse to the Diocese of Lansing, and may or may not be investigated at the sole discretion of the Diocese.

This service does not replace existing reporting procedures for matters related to employment-related concerns, Protecting God's Children, or pastoral or liturgical matters. Employment-related concerns should continue to be reported through your normal channels such as your supervisor, local HR representative, or to the Director of Human Resources (517-342-2511). In addition, as noted in the Employee Handbook, under F. Reporting Misconduct: "An employee must comply with any law that requires that misconduct be reported to civil authorities. Additionally, physical, sexual, or financial misconduct must be promptly reported to the appropriate representative of the employer. If an employee is uncertain to whom such a report should be given, the employee should contact the Chancellor of the Diocese of Lansing. (517) 342-2454."

Timing

The earlier a concern is expressed, the easier it is for us to take action.

Evidence

Although you are not expected to prove the truth of an allegation, the employee submitting a report needs to demonstrate in their hotline report that there are sufficient grounds for concern.

HOW THE REPORT WILL BE HANDLED:

The action taken will depend on the nature of the concern.

Initial Inquiries

Initial inquiries will be made to determine whether an investigation is appropriate, and the form that it should take. Some concerns may be resolved by agreed upon action without the need for an investigation.

Feedback to Reporter

Whether reported directly to Diocese personnel or through the hotline, the individual submitting a report will be given the opportunity to receive follow-up on their concern:

- * Acknowledging that the concern was received;
- * Confirmation that the matter was brought to an appropriate conclusion.

Further Information

The amount of contact between the individual submitting a report and the body investigating the concern will depend on the nature of the issue, the clarity of information provided, and whether the employee remains accessible for follow-up. Further information may be sought from the reporter.

Outcome of an Investigation

At the discretion of the company and subject to legal and other constraints the reporter may be entitled to receive information about the outcome of an investigation.

The Diocese of Lansing reserves the right to modify or amend this policy at any time as it may deem necessary.