

DIOCESE OF PATERSON



WHISTLEBLOWER POLICY

March 2013

SCOPE:

This policy applies to all clergy, religious, employees and volunteers working for the Diocese of Paterson ("Diocese") including any of its parishes, schools, offices, agencies or other institutions which operate under the administrative authority of the Bishop of Paterson.

POLICY:

The Diocese's Code of Conduct (the "Code"), employee handbook and other policies require directors, volunteers and employees to observe high standards of business and personal ethics in conducting their duties and responsibilities. Employees and representatives of the Diocese, its parishes and affiliated organizations must practice honesty and integrity as well as comply with all applicable policies, laws and regulations. The Diocese's Whistleblower Policy includes procedures for:

- 1) The reporting of concerns regarding questionable accounting, internal controls or audit matters and violations or suspected violations of the Code, the employee handbook and other policies by employees, directors, officers and other stakeholders of the Diocese, on a confidential, anonymous basis.
- 2) The investigation of concerns as enumerated in # 1.
- 3) The receipt, retention and treatment of concerns as enumerated in #1.
- 4) The protection of directors, volunteers and employees reporting concerns from retaliatory actions.

STANDARDS:

In general, the use of good judgment, based on Catholic Teaching and high ethical principles, are the guides for acceptable conduct. If a situation arises where it is difficult to determine a proper course of action, the matter should be discussed openly with one's immediate supervisor. Diocesan officials, including the Vicar General, the General Counsel and the Compliance Officer are also available for advice and consultation.

Compliance with this Policy is the responsibility of every person working or volunteering in the Diocese. Disregarding or failing to comply with Policy could lead to disciplinary action, up to and including termination of employment or volunteer service.

REPORTING PROCEDURES:

Hotline - For reporting financial and other forms of misconduct:

The Diocese has selected EthicsPoint, an independent third party company, to institute a hotline so employees, volunteers, parishioners, vendors and other

interested parties can report concerns about financial and certain other types of misconduct.

The hotline provides a simple, risk-free means for reporting financial or other suspected misconduct by calling 855-247-3140 or going to www.patersondiocese.org (Diocesan website) which has a direct link to EthicsPoint.

The hotline is manned 24/7 by call center specialists trained to handle complaints related to allegations of misconduct which can include such matters as:

Category	Types Of Issues
Accounting & Financial *	<ul style="list-style-type: none"> • Accounting and Auditing Matters • Accounting, Auditing and Internal Financial Controls
Fraud & Theft *	<ul style="list-style-type: none"> • Conflict of Interest • Embezzlement • Falsification of Contracts, Reports or Records • Theft • Donor Stewardship • Misuse of Assets or Services • Violation of Policy
Harassment, Intimidation & Inappropriate Behavior	<ul style="list-style-type: none"> • Misconduct or Inappropriate Behavior • Harassment, Intimidation or Bullying of Students • Discrimination, Harassment, Intimidation or Bullying of Employees • Workplace Misconduct • Misconduct or Inappropriate Behavior • Retaliation

* These types of allegations should always be reported using the EthicsPoint Hotline. Other issues may also be reported using EthicsPoint or other In House reporting channels available in the Diocese.

In-House - For reporting other non-financial issues:

The employee should contact their immediate supervisor, e.g., pastor, department/agency head, principal or the General Counsel/Compliance Officer if they have knowledge of any violations, or suspected violations, of any Diocesan, parish agency or other policy, or of any suspected illegal, dishonest or unethical conduct. If an employee is not comfortable speaking with their supervisor or a diocesan official as set forth previously, or if an employee believes that their concern has not been addressed, the employee is encouraged to contact the Chancellor of the Diocese or make a report using the EthicsPoint Hotline.

For reporting suspected misconduct involving abuse of minors:

The Hotline should not be used for reporting suspected conduct involving abuse of minors.

If you suspect a minor or vulnerable adult is in imminent danger from abuse, call 911 immediately and then contact the Division of Youth and Family Services (DYFS) at 1-877-652-2873. You may also call your County Prosecutor.

In other situations where there is suspicion of abuse, the Diocesan Response Officer should be contacted to make your report:

Diocesan Response Team

Msgr. James T. Mahoney, Vicar General
(973) 777-8818 X 205

Sister Mary Edward Spohrer, Chancellor
(973) 777-8818, x 248

Victim Assistance Coordinator:

Ms. Peggy Zanello, (973) 879-1489

GENERAL PRINCIPLES FOR INVESTIGATION OF HOTLINE AND "IN-HOUSE" CONCERNS:

All inquiries will be handled promptly and discreetly. Individuals have the right to remain anonymous and confidentiality will be maintained insofar as possible.

However, no accusations will be pursued that are based exclusively on an anonymous source. This means that the person making the allegations must provide, or indicate the existence of, supporting evidence.

Reports of violations or suspected violations will be kept in confidence to the extent possible, consistent with the need to conduct an adequate investigation. The employee's identity also may have to be disclosed in order to comply with the law and to provide accused individuals with their legal rights of defense. Disclosures of reports of complaints to individuals not involved in the investigation will be viewed as a serious disciplinary offense and may result in discipline, up to and including termination of employment or volunteer service. Such conduct may also give rise to other actions, including civil lawsuits.

No individual who in good faith reports a violation or suspected violation, or participates in the investigation of any alleged violation, shall be subject to harassment or retaliation by the Diocese, its parishes, schools, agencies or other affiliated institutions or any of its employees or agents, nor will they suffer adverse employment/volunteer service consequences relating to their complaint or participation in an investigation.

Anyone subject to this Policy who retaliates against an individual who has reported a violation or suspected violation in good faith, or against an individual who participates in the investigation of an alleged violation, shall be subject to discipline up to and including termination of employment, volunteer service or any other service to the Diocese. This policy is intended to encourage and enable individuals to raise serious concerns within the Diocese and its affiliates prior to seeking outside resolution.

REASONABLE GROUNDS FOR FILING A COMPLAINT:

Any employee filing a complaint concerning a violation or suspected violation must act in good faith and exercise sound judgment to avoid baseless allegations. A person filing a complaint should have reasonable grounds for believing that a violation has occurred or may occur. Allegations that prove to be false or unsubstantiated and determined to have been made with malice, recklessness or willful misconduct shall be subject to discipline, up to and including termination of employment or volunteer service.

TREATMENT OF REPORTS ON FINANCIAL MISCONDUCT:

Reports of financial misconduct will be confidentially reviewed by the Vicar General and, as needed, other members of Diocesan Leadership, who will make a determination as to whether a reasonable basis exists for commencing an investigation into the complaint or if law enforcement authorities need to be notified. They may determine not to begin an investigation if the complaint contains only unspecified or broad allegations of wrongdoing without appropriate informational support or sufficient corroborating information or if the complaint does not allege a violation of diocesan, parish, agency or other policy or applicable law. If Diocesan Leadership determines that sufficient evidence exists for an investigation, the appropriate pastor/administrator, principal, or director ("responsible administrator") will be notified. Unless the Vicar General or General Counsel directs otherwise, the Chief Financial Officer and the responsible administrator will be responsible for investigating and establishing an ongoing communication with the individual who initiated the report of allegations of financial misconduct.

TREATMENT OF REPORTS ON NON-FINANCIAL MISCONDUCT:

Reports filed will be confidentially reviewed by the Vicar General with the Diocesan General Counsel and/or Compliance Officer to make a determination as to whether a reasonable basis exists for commencing an investigation into the complaint. These same officers may determine not to commence an investigation if the complaint contains only unspecified or broad allegations of wrong doing without appropriate informational support or sufficient corroborating information. They will also determine who will be responsible for investigating and establishing an ongoing communication with the individual who initiated the report.

ENFORCEMENT:

The Diocese is committed to enforcing this Policy and requires every employee and volunteer to comply with its terms. If it is determined that illegal or unethical conduct has occurred, the necessary steps will be taken to assure that the violation is properly investigated, rectified and appropriate remedial and/or disciplinary action is taken. Where illegal activity is suspected, the General Counsel may determine that appropriate law enforcement officials will be notified before any investigation is undertaken.

Failure to comply with any of the provisions of this Policy will be grounds for discipline, up to and including termination of employment or volunteer service. Each employee and volunteer must sign the Policy Acknowledgement, which will be filed appropriately and kept on record.

ACKNOWLEDGEMENT

WHISTLEBLOWER POLICY

I have read and been informed about the content, requirements, and expectations of the Whistleblower Policy ("Policy") for employees and volunteers working or serving any of the parishes, schools, agencies or other institutions of the Roman Catholic Diocese of Paterson ("Diocese"). I have been given access to or received a copy of the Policy and agree to abide by the policy guidelines as a condition of my employment or volunteer service to the Diocese.

I understand that if I have questions, at any time, regarding the Policy, I will consult with my immediate supervisor or the Chief Human Resources & Compliance Officer or the General Counsel of the Diocese.

Please read the Policy carefully to ensure that you understand it before signing this document.

Employee/Volunteer Signature: _____ Date: _____

Employee/Volunteer Printed Name: _____

Employee's work/volunteer organization: _____