

1. What is the Ethics hotline?

The Ethics hotline is a comprehensive Internet and telephone based reporting tool that is being hosted by Ethics Point, Inc. Ethics Point, Inc. itself does not conduct investigations of the reports submitted to them through their system. Rather, the reports are investigated internally, by the Archdiocese of Baltimore and remain confidential. This reporting tool assists the Archdiocese and its parishes, schools and other affiliates, in working together to address concerns related to fraud, accounting irregularities, internal controls, human resources misconduct and any other ethical violations, while helping to cultivate a positive culture.

2. Why does The Archdiocese need a program like the Ethics Hotline?

There are several reasons why we need a professional, formal reporting tool:

- a. As stated by the Cardinal in his December 2006 letter, the Archdiocese is committed to the principles of accountability and transparency in managing the resources of the church. By utilizing open channels of communication, such as the Ethics Hotline, all Archdiocesan Personnel, which includes clergy, religious and lay ministers, employees and volunteers, can participate in achieving these goals and in creating an ethical environment.
- b. The creation of a formal, professionally managed hotline will serve to standardize the process of receiving concerns.
- c. The United States Conference of Catholic Bishops recommends hotlines as an important tool for dealing with concerns regarding ethics, integrity, internal controls and accounting and auditing matters, as well as a means to improve overall transparency.
- d. The Diocesan Fiscal Managers Conference has encouraged the establishment of professionally managed and operated hotlines to facilitate the resolution of legitimate concerns.
- e. With the advent of large corporate scandals such as Enron and World COM, more publicly traded companies and even non-profit organizations have established hotlines as an integral part of their overall Corporate Governance and in response to Sarbanes-Oxley.

3. May I report using either the Internet or the telephone?

Yes. By giving choices, the Ethics Hotline helps ensure that individuals can voice a concern in the manner most comfortable and convenient to them.

4. If I suspect a violation, shouldn't I just report it to my supervisor?

Yes, you certainly should report concerns to your supervisor. However, the Ethics hotline should be used, also. First, the Ethics Hotline ensures that your concern is directed to the appropriate individuals in Central Services for investigation. Also, all concerns received by the Ethics Hotline are handled in a confidential, efficient, professional and objective manner.

5. Isn't this just another "Big Brother" program making everyone suspicious of each other?

Absolutely not! The Ethics Hotline is a positive aspect of the overall Archdiocesan program of integrity and accountability. It allows users to partner with the Archdiocese to help ensure a safe, secure and ethical culture. The system can be used to seek guidance on ethical dilemmas, provide positive suggestions or simply to communicate a concern. Effective and open communication is the lifeblood of any organization and the Ethics Hotline is a great tool to enhance the communication.

6. Will the Ethics Hotline receive and investigate reports that are anonymous?

No. If a reporter refuses to identify himself or herself, they will be informed that their concern cannot be reported through the Ethics Hotline for investigation. However, the person wishing to submit a report anonymously would be encouraged to contact the appropriate Department within the Archdiocese.

7. If a report is investigated and proven to be unfounded, will the individual who was investigated be given the name of the individual who surfaced the concern?

No. We want individuals to feel free to come forward and report concerns. Fear of retaliation may make individuals reluctant to come forward with what they believe to be a legitimate concern.

8. Will unsubstantiated claims be placed in the employee's permanent personnel record?

No. Only credible/substantiated concerns will be retained in an employee's record. An employee may request to see his or her personnel record at any time.

9. I am not sure what I have observed or heard is a violation or involves unethical conduct, but it does not look right to me. What should I do?

If you have a good faith belief that an infraction of the policy has occurred, file a report. It is better to report a situation that turned out to be harmless than let possible unethical behavior go unchecked. However, as outlined in question 11, the misuse of the Ethics Hotline for malicious and reckless accusations will not be tolerated.

10. Specifically, what investigative processes will be conducted to ascertain the validity of any reported allegations?

Reports of financial misconduct or Human Resources issues will be investigated the same way they are today. Depending on the type of report filed, Human Resources and/or Internal Audit will work in tandem conducting a professional objective investigation. For those investigations that uncover criminal activity, the Archdiocese will turn over the results to the appropriate authorities.

11. Could the hotline be used as a means for disgruntled employees, volunteers, students and parishioners to harass Archdiocesan priests, principals, administrators and teachers? If a false or malicious accusation is made, what actions will be taken against the individual making the false accusation?

Ethics Point and other “hotline providers” have not seen a substantial increase in malicious complaints. Other Archdioceses indicate that malicious complaints are less than one in one hundred of all complaints received. Also, the frequency of total claims, in these Arch/dioceses have averaged five to six accusations per month. If an accusation proves to be reckless and mean-spirited, the accuser, if an employee of the Archdiocese, may be subjected to disciplinary action up to and including termination.

12. Where do hotline reports go? Who can access the reports?

Reports are entered directly on to the Ethics Point server to deter any breach in security. The ethics hotline reports are reviewed and monitored by a select group of high level executives, similar to pre-hotline reports. Those individuals are as follows:

- Executive Director of Human Resources
- Executive Director of Management Services
- Manager of Archdiocesan Financial Affairs (Internal Audit)
- Risk Manager

If reports implicate any of the executives listed above, the individual implicated will not receive a copy of the report and will not be made aware of its existence.

13. What type of situations should I report?

All unethical conduct in the workplace, at any level, ultimately hurts our entire Catholic community. You only have to consider the consequences of recent corporate scandals to see the disastrous effects that a small lapse in ethics can have on the entire organization. While it is not possible to list every possible unethical/dishonest activity, you should

refer to the Archdiocesan policies on Fraudulent or Dishonest Conduct and The Code of Conduct for Church Personnel, for examples of unacceptable behavior.

14. Will the supervisor or manager of the individual who was investigated be notified of the matter?

The decision of whether and when to notify the supervisor or manager will be made on a case-by-case basis by the individuals charged with conducting the investigation. It may be necessary to interview the supervisor in the course of an investigation, or the supervisor may need to be notified if the results of the investigation require that disciplinary action or further training take place with respect to the individual who was the subject of the report. Reasons not to include the supervisor or manager from the outset include the need to preserve the good name and reputation of the individual in the eyes of the supervisor, and the need to protect the integrity of the investigation (e.g., if the supervisor or manager may be implicated in the concern).

15. What is the intended scope of conduct for which the Ethics Hotline is to be notified? And if a report is received outside that intended scope, how will the report be handled?

The Ethics Hotline is available to anyone who has access to either the Internet or a telephone. Reports of fraud, misappropriation, or other forms of fiscal mismanagement, as well as human resources matters and other ethical violations can be made about any "Archdiocesan Personnel" as defined above in item #2a. Reports may also be made regarding vendors and contractors doing work on behalf of the Archdiocese.

The Ethics Hotline will accept reports regarding alleged fiscal mismanagement, human resource violations or other ethical violations. Each complaint will then be reviewed by the Archdiocesan members of the review committee. This committee is comprised of four members of the executive team, as listed above in item #12. The committee will review each complaint for alleged inappropriate conduct that implicates an individual in his or her role with respect to the Archdiocese. A complaint involving private activity which does not directly impact the person's role or ability to act within the scope of their relationship to the Archdiocese will not be passed along by the committee for further investigation.

16. Who can I talk to if I still have more questions about the Ethics Hotline?

Please contact Ashley Conley, Manager of Archdiocesan Financial Affairs by phone at (410) 547-5355 or (410) 960-1292 or by email at aconley@archbalt.org.