Whistleblower Protection Policy

PURPOSE
The Global Ministry Center, Church of the Nazarene (GMC) policies require directors, officers, and employees to observe high standards of integrity and accountability in order to maintain our Christian witness and comply with Federal and State law. This Whistleblower Protection Policy is implemented to protect the ministry from financial, accounting, or internal control irregularities or wrongdoing. This policy establishes a process for employees to submit good faith concerns regarding questionable accounting, internal control, or auditing matters and provides reassurance that they will be protected from retaliation. The GMC is committed to the highest possible standards of ethical, moral, and legal conduct in the operation of the ministry.

POLICY
Reporting Responsibility
It is the responsibility of all directors, officers, and employees to report financial irregularities, misconduct, fraud, misrepresentation, or other serious financial concerns that may constitute unethical or illegal conduct. A director, officer, or employee, who raises a good-faith concern regarding financial misconduct or compliance with any law, is protected from any form of retaliation by the organization. “Good faith” means that the director, officer, or employee has a reasonably held belief that the concern reported is true and has not made the report either for personal gain or for any ulterior malicious motive. Malicious allegations may result in disciplinary action.

This Policy is intended to encourage and enable directors, officers, employees, and others to express their serious concerns within the organization prior to seeking resolution outside the organization. Any concern may be reported anonymously; however, providing a source generally enhances the investigation process and findings. The reporter should exercise due care to ensure the accuracy of the report.

Retaliation Prohibited
No director, officer, or employee who in good faith reports an accounting, internal control, auditing, or financial concern shall be subjected to harassment, retaliation, or any adverse employment consequence, even if the allegations are not confirmed by the subsequent investigation. Any director, officer, or employee who retaliates against the reporting party will be subject to discipline up to and including termination of employment.

Definition of Financial, Accounting, Internal Control, Auditing Matters
For purposes of this Policy, concerns related to financial, accounting, internal control, or auditing matters include but are not limited to:

1. Violations of Federal or State law relating to fraud
2. Theft or other misappropriations of assets of the organization
3. Misstatements, misrepresentation, or other irregularities in the accounting records, including improper accounting entries or the intentional misstatement of the results of operations
4. Violations of internal accounting controls or improper auditing activities
5. Any attempt to conceal potential wrongdoing or misconduct
6. Any retaliation for any report, complaint, or allegation made by a director, officer, or employee, in good faith pursuant to this Policy
7. Any improper conflict of interest or other transactions that could embarrass or damage the reputation of the organization

Additional types of misconduct
Serious concerns related to sexual harassment, moral failure, racial discrimination, age or gender discrimination, or other types of discrimination prohibited by state or federal statute may also be communicated through the telephone hotline or communication methods described below.

Additional types of indiscretions
Serious concerns related to intentional disregard of corporate policies for the benefit of the employee or some third party (i.e. failing to obtain competitive bids to favor a selected vendor, knowingly paying for services not received, etc.) may also be communicated through the telephone hotline or communication methods described below.
**Reporting Process**

The goal of the GMC is to establish and maintain an environment of fairness, ethics, honesty, and accountability for its employees, donors, the general public, and anyone else with whom it has a relationship. To maintain such an environment requires the active assistance of every employee and manager every day.

The misconduct whistleblower telephone hotline will be monitored by an independent party who will maintain strict confidentiality of all details of the call and provide a written report to legal counsel for follow up.

CapinCrouse LLP (CC) has been engaged as an independent national CPA firm that specializes in working almost exclusively in the ministry, church, and faith-based NPO market. CC will monitor the misconduct telephone hotline and will be responsible for checking the hotline for messages on a daily basis. CC staff, who have been approved by GMC personnel regarding the method for obtaining information necessary to give a clear and accurate account of the nature of the complaint, will follow up by phone with any person who leaves a message. CC will endeavor to respond to all messages within two (2) business days. All such calls will be documented by CC and reported to the GMC Human Resources Officer (GMC-HRO) who will inform the following:

- President of the General Board of the Church of the Nazarene, Inc.,
- Chair of the Audit Committee of the General Board, and
- Chair of the Board of General Superintendents

If the complaint involves an entity other than the GMC – namely, either the Church of the Nazarene Foundation (CNF), Harvest Partners (HP), Nazarene Compassionate Ministries, Inc. (NCMI), or Nazarene Publishing House (NPH) – then the GMC-HRO will inform the following persons affiliated with such entity:

- President or CEO
- Chair of the Board of Directors
- Chair of the Audit Committee

In no case, however, shall the GMC-HRO initially inform a person who is the subject of a complaint that the complaint has been received. The subject of a complaint may be advised of it during the Investigation phase described below.

CC will not be involved in the resolution of any complaint or grievance. CC’s sole responsibility will be to serve as an independent recipient of complaints for follow up by GMC staff or legal counsel. CC will provide the GMC-HRO with summary reporting of hotline activity on an annual basis.

Any director, officer, or employee of the GMC must report any good faith concerns regarding financial, accounting, internal control matters, fraud, financial wrongdoing, or similar misconduct as described above. All such concerns shall be communicated by one or more of the following methods:

- Call a confidential telephone hotline monitored by CapinCrouse: **678-518-5304**
- Email [www.NazareneHotline@capincrouse.com](mailto:www.NazareneHotline@capincrouse.com) (a confidential account monitored by CapinCrouse),
- Mail a letter in a sealed envelope to:

  CapinCrouse LLP  
  Attention: Nazarene Hotline  
  1255 Lakes Parkway, Suite 130  
  Lawrenceville, GA 30043

**Investigation**

Following the receipt of any complaint or concern submitted in accordance with this Policy, CapinCrouse will immediately forward the complaint or concern to GMC’s Human Resources Officer, who will in turn immediately notify the appropriate individuals as outlined above in the reporting process section. However, if the complaint or concern involves the GMC-HRO, CapinCrouse will immediately directly notify Lathrop Gage, LLP who will notify the appropriate individuals as noted above.
If a supervisor who receives a complaint is uncomfortable reporting the issue to his or her direct supervisor, or to the GMC-HRO, the supervisor may report the issue through the confidential telephone hotline. The supervisor will not initiate any investigation. It is important that only persons with investigative responsibility conduct the investigation. The matter will be investigated by the person(s) designated by the Audit Committee, or in cases of expediency, the Audit Committee Chairperson.

The Audit Committee may enlist GMC’s in-house legal counsel, Chief Financial Officer, external auditor, outside legal counsel, accountants, consultants or other advisors, as appropriate, to conduct any investigation of complaints regarding financial statement disclosures or other concerns related to any financial wrongdoing, fraud, accounting, internal control, or auditing matters.

**Suspension of Document Destruction**
Document destruction shall be suspended immediately upon any indication of an internal investigation, or external investigation by a government entity or third party. Upon conclusion of the investigation, the regular document destruction protocol will be reinstated. The Audit Committee shall retain the records of any complaint or concern for a period of at least seven (7) years.

**Confidentiality**
This Policy encourages individuals communicating their concerns to identify themselves, because appropriate follow-up questions and investigation may not be possible unless the source of the information can be contacted by the individual(s) appointed to investigate. Nevertheless, suspected irregularities or violations which are reported anonymously or on a confidential basis will be investigated to the extent feasible.

In conducting an investigation, the Audit Committee or its designee(s) shall use all reasonable efforts to protect the confidentiality and anonymity of the individual voicing their concern. Reports of irregularities or violations or suspected misconduct will be kept confidential to the extent possible, consistent with the need to conduct a thorough and adequate investigation. The GMC-HRO, or designee, will acknowledge receipt of the complaint/concern to the concerned individual.

**Corrective Action**
Appropriate corrective action will be taken if warranted by the investigation.

**Investigation Report**
Subject to legal constraints, results of the investigation will be communicated to the reporter within a reasonable time period.

Adopted: 29 February 2016 (date)

The General Board of the Church of the Nazarene has adopted this Whistleblower Protection Policy, and has recommended that the Policy be adopted by the Board of Directors of each of the following entities, which will be monitored under a single agreement with CapinCrouse LLP. General Board action in February also requires that this policy be publicly displayed and annually communicated to employees of these entities:

Church of the Nazarene Foundation (CNF)
Global Ministry Center (GMC) (which includes the world regions through the Global Mission Department)
Harvest Partners, Inc. (JESUS Film Harvest Partners; JFHP)
Nazarene Compassionate Ministries, Inc. (NCMI)
Nazarene Publishing House (NPH)

WHISTLEBLOWER REPORTS CONTACT LIST
Jonathan R. Haden – Outside Legal Counsel, Lathrop & Gage LLP
President of the General Board of the Church of the Nazarene, Inc., Dr. Charles A. Davis
Chair of Audit Committee of the General Board, Mr. Joel K. Pearsall
GMC Human Resources Officer, Rev. Bill Sawyer
Chair, Board of General Superintendents, Dr. David Busic