

THE OFFICE OF REGULATORY COMPLIANCE HANDBOOK



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This handbook is not a substitute for legal advice.

INTRODUCTION

Regulatory compliance controls are used in all parts of our society, such as state and federal governments, healthcare, information technology, pharmaceutical research and development, financial institutions and religious organizations. Each one of the aforementioned organizations involves the other. Yet, religious organizations are faced with both particular circumstances and complex issues that are unique to faith based institutions, because of their spiritual mission and their special legal status in the United States of America. THAT United International, as a religious nonprofit organization, has the benefit of conducting transactions, within most areas of our society, in order to reach its business and ministry goals.

In general, compliance is either a state of being in accordance with established guidelines, specifications, or legislation or the process of becoming so. The Internal Revenue Service, the Secretary of State, and banking institutions have created and administered civil laws and agency regulation for its constituents. Organizations will benefit from these laws and regulations when they implement internal regulatory compliance controls. Internal regulatory compliance programs develop organizational controls that will ensure that their personnel are aware of and take steps to comply with relevant laws and regulations. Therefore, an efficient regulatory system is essential to a well functioning organization. The Bible gives explicit instructions concerning obedience to the higher powers that are ordained of God:

Let every soul be subject unto the higher powers. For there is no power but of God: the powers that be are ordained of God. Whosoever therefore resisteth the power, resisteth the ordinance of God: and they that resist shall receive to themselves damnation. For rulers are not a terror to good works, but to the evil. Wilt thou then not be afraid of the power? do that which is good, and thou shalt have praise of the same: For he is the minister of God to thee for good. But if thou do that which is evil, be afraid; for he beareth not the sword in vain: for he is the minister of God, a revenger to [execute] wrath upon him that doeth evil. Wherefore [ye] must needs be subject, not only for wrath, but also for conscience sake. For for this cause pay ye tribute also: for they are God's ministers, attending continually upon this very thing. Render therefore to all their dues: tribute to whom tribute [is due]; custom to whom custom; fear to whom fear; honour to whom honour. (Romans 13:1-7)

UNDERSTANDING REGULATORY COMPLIANCE

An answer to this question lies in understanding what regulatory compliance is. In layman terms, regulatory compliance means adhering to or satisfying “the laws of the land”. These can consist of statutes or laws enacted by the legislature or the rules and regulations created by various departments, governmental and quasi-governmental bodies which fall under the executive branch of government.

Regulatory compliance is not limited to the world of money and finance alone, though we certainly often hear more about this type of compliance. Each and every industry, whether pharmaceutical, healthcare, environmental, manufacturing, etc, has its own list of laws, rules and regulations, which must be followed by all participants engaged in that industry.

THAT United International’s compliance officer role is basically that of an overseer; who is constantly alert to the changes that take place among external regulatory bodies.

UNDERSTANDING THE OFFICE OF REGULATORY COMPLIANCE WITHIN THAT UNITED INTERNATIONAL

In most cases, for example, a church is both a religious organization as well as a corporate entity that is recognized by the state and federal government. As a spiritual fellowship of believers, the church can also be an incorporated entity that exists for purposes of owning property, entering into contracts, using the courts, and other temporal matters. In enjoying the benefits of the corporate entity (such as limited liability and organizational structure), congregations submit themselves to their respective state laws. This organizational duality, which is unique to religious organizations, can present a number of governance issues, if regulations are not observed.

Congregations and other religious organizations also enjoy certain federal and state constitutional protections that do not extend to other nonprofit organizations. Therefore, The Office of Regulatory Compliance will serve the leadership by providing education in the following:

- Legal duties and liabilities of pastors, trustees, officers and volunteers.

- Tax and regulatory compliance, including securing and maintaining property tax exemptions for congregations.
- Contract management
- Banking and financing matters.
- Fund raising and planned giving policies.
- Compliance with intellectual property laws and protection of intellectual property, including copyright law.
- Internal church laws and regulations
- Internal finance and governance practices and issues.

RESPONSIBILITY OF THE SENIOR LEADERSHIP TO THE ORGANIZATION

The Presiding Bishop and the Board of Bishops keep THAT United's leadership, congregations and subsidiaries heading in the right direction with checks and balances aligns them with the shepherd organization's mission and vision that the Almighty God has established. The Presiding Bishop and the Board of Bishops is therefore concerned with the integrity issues during administrative and ministry operations.

In response to these concerns, the Office of the President has established the Office of Regulatory Compliance to assist and direct the leadership within THAT United to comply with municipal, state, and federal governmental regulations that affect our nonprofit operations and exempt status. The Office of Regulatory Compliance reiterates the Board of Bishops' organizational goals to ensure that personnel are aware of and take steps to comply with external laws and regulations. The Office of Regulatory Compliance has a chief officer (Regulatory Compliance Officer) that ensures that our corporation's controls and guidelines are adequate, effective and in conforms to nonprofit administration and governmental regulations.

In order to help the missions and ministries, the united congregations and subordinates to avoid legal conflicts, the Office of Regulatory Compliance has provided written controls for operations policies regarding financial matters and other internal governmental processes.

REGULATORY COMPLIANCE OFFICER RESPONSIBILITIES

1. Reports to the President and the Board of Bishops

The Regulatory Compliance Officer acts as staff to the President and Board of Bishops, by monitoring and making quarterly reports of the results of the compliance efforts of the company and in providing guidance for the Board of Bishops and leadership, on matters relating to compliance.

2. General Purpose

- The Regulatory Compliance Officer develops and oversees the corporate compliance educational program, functioning as a partner with the President, who reviews and evaluates compliance issues and concerns within the organization. This program ensures the Board of Bishops, leadership, congregations and subsidiaries that they are in compliance with the rules and regulations of regulatory agencies, that THAT United's policies and procedures are being followed.
- This regulatory compliance officer responsibility is to eliminate and minimize compliance issues within THAT United International, by helping the organization's administrators and subsidiaries to act in accordance with internal policies and procedures; applicable local, state and federal laws and regulations, and third party guidelines.

3. General Duties and Responsibilities

- In collaboration with the President and Board of Bishops, initiates, maintains, and revises policies and procedures for the general operation of the compliance program and its related activities to prevent illegal, unethical, or improper conduct.
- Consults with a corporate attorney as needed to resolve difficult legal compliance issues.
- Develops and oversees a system for uniform handling of violations.
- Partners with the President to identify potential areas of compliance vulnerability and risk; develops/implements corrective action plans for resolution of problematic issues, and provides general guidance on how to avoid or deal with similar situations in the future.
- Provides reports on a regular basis, and as directed or requested, to the Board of Bishops.

- The compliance officer assists the President when responding to requests for information from external regulatory bodies.
- On behalf of the Presiding Bishop and the Board of Bishops, the officer also has responsibilities to prepare, deliver, and rescind ministerial credentials and other certificates that are in possession of ministerial representative of THAT United International.

4. Specific Duties and Responsibilities. Create a monthly schedule for each fiscal year:

- Annually electronically file True Holiness COPA Evansville, Indiana state SOS Business Entity Report. Secure funds for payment from Director of Cash Receiving and Disbursements.
- Annual update for THAT United Group Exemption with an official letter mailed to IRS. Secure funds for payment from Director of Cash Receiving and Disbursements.
- Annual electronic registration in State of Georgia for THAT United. Secure funds for payment from Director of Cash Receiving and Disbursements.
- File on www.IRS.gov website THAT United's Continue Existence when the Secretary of State of Ohio sends the request.
- Assist Pastors in planting churches.
- Assist Office of Finance when communicating with donors.
- Assist the Board of Bishops when updating the Book of Order and Discipline.
- Annual review THAT United's groups' bylaws, and policies and procedures manuals.
- Routinely communicate with Missions and Ministries leadership regarding compliance matters through electronic newsletter.
- Provide information about tax exemption to membership during tax filing season.
- Provide to external organizations Federal Group Tax Exemption Certificate, Ohio sales and Use Tax Blanket Exemption Certificate, and related information upon request.
- Electronically file Covenant of Peace Community Development Corporation Annual report to www.IRS.gov website

- Maintain an official archive of all manuals and policy & procedure handbooks.
- Maintain and periodically review the official library of the Annual Assembly Minute Books from 1966 to the present. The decisions and resolutions that are formed during these monthly and yearly meetings can effect the legal status of THAT United. Search for compliance issues. Then report them to the President and Board of Bishops.
- Maintain an official email address for the Office of Regulatory Compliance, for internal and external communications.

ADMINISTRATOR OF MINISTERIAL CREDENTIALS AND DOCUMENTATION

1. Reports to the Regulatory Compliance Officer

2. Duties and Responsibilities:

- On behalf of the Presiding Bishop and the Board of Bishops, the Administrator of Ministerial Credentials and Documentation will prepare, deliver ministerial credentials and other certificates that are used by ministerial representatives of THAT United International.
- Annually collect names of ministers (local licensed or ordained) who are entitled to receive renewed credentials, from their local church pastors.
- Distribute new and renewed credentials during Annual Assembly.
- Collect administration fee for each new or renewed credential.
- Keep ministerial records for up to 5 years.