

Corporate Compliance Program

January 2023

Objective

To establish and publish the official procedures of Goodwill of Western Missouri and Eastern Kansas (Goodwill) regarding the organization's Corporate Compliance Program. As recipient of charitable contributions, we recognize the responsibility to ensure funds received are used to further the mission and to safeguard the assets of the corporation.

Policy

Goodwill is dedicated to the delivery of programs and services in an environment characterized by strict conformance with the highest standards of accountability for administration, business, marketing and financial management. Goodwill leadership is fully committed to the need to prevent and detect fraud, fiscal mismanagement and misappropriation of funds, and the development of a formal corporate compliance program to ensure ongoing monitoring and conformance with all legal and regulatory requirements.

Goodwill is committed to providing education and training on expected ethical behavior, treatment and protection of our employees, applicants and other stakeholders. Furthermore, Goodwill is committed to protecting our employees, applicants and other stakeholder from interference with making a protected disclosure or retaliation for having made a protected disclosure or refusing an illegal order.

As part of our commitment to the compliance program, a Corporate Compliance Officer (CCO) has been designated. The role will be facilitated by the CFO. The program will ensure that we have the structure, people, and resources to address employment issues which may include, but are not limited to, employee relations, workplace violence, harassment, fraternization, discrimination, theft, and policy violations.

Table of Contents

- A. Code of Business Behavior
- B. Corporate Compliance Officer
- C. Financial Reporting and Management Practices
- D. Document Destruction
- E. Ethics
- F. Complaint Resolution

A. Code of Business Behavior

We affirm our commitment to the following Code of Business Behavior based on the values of Goodwill. As officers, employees or volunteers we pledge to follow both the letter and the spirit of the following code.

1. Honesty and respect in all matters
2. Avoid actual or the appearance of conflicts of interest.
3. Comply with applicable laws and regulations of federal, state, and local governments
4. Full, fair, accurate, timely and understandable disclosure in reports and documents.
5. Responsibly use and protect all assets, resources and information
6. Encourage the prompt reporting of any violation our Code of Conduct or any other governing document to our Audit Committee, or other designated entity.
7. Accountability for adherence to ethical behavior.

Violations of the above code of conduct by an employee or intern shall be brought to the attention of the Corporate Compliance Officer and investigated. If warranted, disciplinary action, up to and including termination or removal from the Agency, may occur.

Violations of the above code of conduct by a volunteer or community service worker shall be brought to the attention of the Executive team and investigated. If warranted, the volunteer or community service worker shall be relieved from Agency involvement immediately.

Violations of the above code of conduct by an Executive Team member or a member of the Board of Directors shall be brought to the attention of the Corporate Compliance Officer and investigated. If warranted, action up to and including termination or removal from Agency involvement may occur.

B. Corporate Compliance Officer

By formal appointment of the President / CEO, a Corporate Compliance Officer will be formally named and fulfilled by the CFO. The Corporate Compliance Officer (CCO) shall:

1. Serve as the organization's primary contact for all corporate compliance issues, report on activities and make recommendations to the President/CEO and Board of Directors as required.
2. Develop, implement and monitor – on a regular and consistent basis – the organization's corporate compliance plan, including all internal and external monitoring, auditing, investigative and reporting processes, procedures and systems.
3. Ensure ethics and EEO strategies and concerns are discussed periodically with the CEO, CCO, CPO and Director of Human Resources.
4. Prepare, submit and present annually reports, or more often as needed, to the President/CEO and/or Board of Directors. This report will include: a summary of all allegations, investigations and/or complaints processed in the preceding twelve months and a complete description of all corrective action(s) taken.
5. In performance of his/her duties, the CCO shall have direct and unimpeded access to the President/CEO, Board of Directors, and the organization's audit firm and/or legal counsel for matters pertaining to corporate compliance.

C. Financial Reporting and Management Practices

We recognize that financial reporting and an integrated system of internal controls are key responsibilities of our Chief Executive Officer and our Chief Financial Officer. A periodic review of financial status by our Board of Directors is essential and an integral part of their duties. An annual independent examination and assessment of our finances under the supervision of our audit committee is a key element in maintaining our credibility and ensuring the safeguard of our assets.

Financial Statements: Report the financial position and results of operations and cash flow of the organization in accordance with generally accepted accounting principles to our audit committee and Board of Directors at least quarterly.

The Chief Executive Officer and the Chief Financial Officer will certify that:

- The financial statements and claims submitted do not contain any material untrue or misleading information.
- Appropriate internal controls are in place to protect corporate assets and ensure the integrity and competency of the accounting system and are evaluated annually.
- Any and all fraudulent activity involving personnel who deal with internal controls have been reported to the audit committee.

Internal Controls: Integrated system of internal controls will be in place, designed to provide reasonable assurance that we will attain:

- Effective and efficient operations, including the safeguard of assets.
- Reliable financial statements.
- Compliance with all applicable laws and regulations.

Annual Audit: The Board of Directors will engage an independent accounting firm to conduct an examination of our financial statements. The independent firm will conduct its audit in accordance with generally accepted accounting and auditing standards. The auditors will examine our financial statements and internal control assessment and report on their findings and recommendations for changes to our audit committee and Board of Directors.

The audit committee will ensure prompt “follow-up” of any auditor recommendations. The Chief Financial Officer will be responsible for establishing and maintaining a tracking system to ensure the prompt and proper resolution and implementation of audit recommendations.

Finance Committee: The finance committee is responsible for reviewing significant financial transactions, goals and budgets that support the mission, values and strategic goals of the organization. The committee also reviews the organization’s financial performance against its goals and oversees the annual financial audit.

This committee will consist of at least three volunteers, minimally, one of whom will be a member of our Board of Directors, and none will be an employee of the corporation. Committee members should be independent of management and free of any relationship that would interfere with the exercise of independent judgment. One of the three must qualify as a “financial expert”.

The Finance Committee responsibilities include, but are not limited to the following:

- Evaluate the opening of new retail stores and launch of new business initiatives with supporting business case analysis.
- Provide CFO with recommendations on investment policies and strategies.
- Review monthly and annual financial statements to assess the Agency’s fiscal stability.
- Review audit results annually and report audit to the full Board of Directors.
- Ensure that staff addresses any identified weaknesses or deficiencies cited in the annual Management Letter from the audit firm.

Certification of Form 990: Both the Chief Executive Officer and the Chief Financial Officer of Goodwill will provide approval of the Internal Revenue Form 990 to attest to the accuracy and completeness of its contents. The Form 990 will neither contain any untrue material statements or facts nor be misleading in their presentation. A copy of Goodwill's Form 990 will be made available on the Organization's website.

Conduct in Regard to Fiscal Management

The conduct of all employees, volunteers and officers of Goodwill, impacts the ability to manage financial resources and serve the community. To strengthen the principles in this document, each of the officers, employees and volunteers agrees to conduct him/herself in a manner that promotes essential values and ethical behaviors that include:

- Operating in a manner that upholds the integrity of the Goodwill movement and ensures public trust;
- Uphold all applicable laws and regulations;
- Being a responsible steward of the resources of our Goodwill;
- Consistently use ethical decision-making, recognizing when something might be illegal;
- Consulting with others when presented with a dilemma on an issue;
- Decide on a course of action, determining responsibility, reviewing all relevant facts and information and refer to all applicable Goodwill policies or professional standards;
- Consider whether an action goes against ethical, moral, or professional standards.

D. Document Destruction

Based on legal requirements, there is a mandatory document retention and destruction policy. By law, certain documents, such as financial records, contracts, real estate and employee records must be archived according to specific guidelines. The policy states that it is illegal to alter, cover up, falsify, or destroy any document to prevent its use in an official proceeding. The policy includes guidelines for electronic or voice mail.

E. Ethics

Conflict of Interest

Goodwill believes in doing business as a transparent, trustworthy Agency, operating with the benefit of the clients and the trust of the public in mind. A conflict of interest arises in a situation in which financial or other personal considerations may compromise or appear to compromise: (A) the business judgment of any officer, employee, volunteer, or other party engaged by us; (B) the delivery of services; or, (C) the ability of an employee to do his or her job. An actual or potential conflict of interest occurs when an individual is in a position to influence a decision that may result in a personal gain for that person at the expense of our best interest or that of our stakeholders. All officers, employees and volunteers should disclose any activity or relationship, which may be perceived as a conflict of interest, and a record of that disclosure should be maintained.

Violations of the Conflict of Interest policy will be handled by the agency's complaint resolution process.

Board of director conflicts are defined and requirements outlined by the corporate by-laws. Furthermore, board of director members are required to sign conflict of interest statements.

Whistle Blower Protection

In accordance with laws governing both profit and nonprofit corporations, we adopt a whistle blower policy and procedure, which encourages employees to confidentially/anonymously report any financial improprieties, internal

controls, auditing matters, and/or potential violations of law, regulation or policy. These procedures will include the appointment of an audit committee who will receive and investigate any complaints, and the development of a confidential system to report violations. Employee reports of improprieties will be taken seriously and investigated promptly. Employees bringing such reports will not be subject to retaliation or adverse action based on the disclosure of the complaint.

Retaliation

Employees should be able to come to work in an environment not ruled by fear or intimidation and they should be able to voice opinions or complaints without fear of retaliation. Goodwill has a comprehensive complaint resolution process and retaliation is strictly prohibited. Retaliatory actions from a peer may include intimidation, threats, or other hostile actions. Retaliation from a supervisor may include reduction of hours, targeting or demotion. Retaliation is strictly prohibited, and any employee found to have retaliated against another employee will be subject to disciplinary action up to and including termination.

F. Complaint Resolution Process

Complaints regarding fraud or breach of ethics may be filed under Goodwill's grievance procedures and will be handled by the CCO or his/her designee according to the Employee Handbook. Expectations of handling ethics complaints:

1. A complaint regarding fraud or breach of ethics can be submitted in writing to Director of Human Resources, Chief People Officer, CCO, or via a third-party company, EthicsPoint. The EthicsPoint information is located on the Agency's website, and a report can be filed either electronically or verbally through a third-party organization. If the complainant is unable to express themselves in written form, or are monolingual in a language other than English, accommodations will be made so their complaint can be received and reviewed in a timely manner.
2. When the complaint is filed, it will be thoroughly reviewed and investigated in a timely manner.
 - a. Ethics complaints will be directed to the Director of Human Resources, or designee for investigation.
 - b. Financial fraud complaints will be directed to the CFO/CCO, or designee for investigation.
 - c. Safety complaints will be directed to the Risk/Safety/Loss Manager, or designee for investigation.
3. If the complaint is filed against the Director of Human Resources or CPO, the complaint will be escalated to the CCO and/or President/CEO, who will select another executive team member to assume the role of the Director of Human Resources in this matter. If the complaint is against the CFO/CCO, the complaint will be escalated to the President/CEO. If the complaint is against the President/CEO, the complaint will be sent to the Board Chair who will select the person to perform the responsibilities of the President/CEO in this matter.
4. Findings will be assessed and recommended actions approved by a C-Level to determine:
 - a. Whether the complaint supports misconduct or illegal activity
 - b. Appropriate corrective action if required.
 - c. Recommendations communicated to management and monitoring the implementation of any recommended changes.
5. The CPO, CCO, President/CEO will be updated monthly on all outstanding complaints, with access to view the complaints.
6. The Board Finance Committee and President/CEO will be updated on all outstanding complaints regarding financial fraud concerns.

7. All issues and matters filed are kept confidential.

The community and people we serve put their trust in Goodwill based on its long established reputation and integrity. Any misdeed, illegal activity or appearance of impropriety impacts negatively upon all. To maintain that trust, we agree to voluntarily comply with the guidelines and recommendations set forth in this document.

Board Approved, August 2023