

GOODWILL INDUSTRIES OF COLORADO SPRINGS

Memorandum 45-61

January 1, 2012

Ethics Code

1. PURPOSE: To establish a value statement and code of ethics and conduct, that will form the basis of how we approach our work and other people, whether internal or external to the Company.
2. VALUE STATEMENT: Goodwill Industries believes that certain principles must guide our actions and relationships with clients, program participants, employees, volunteers, donors, customers, parents, guardians, providers, and suppliers. We believe in:
 - ❖ Honesty
 - ❖ Respect for every individual
 - ❖ Valuing what each individual has to offer regardless of race, color, disabling condition, age, marital status, gender, veteran status, religion, nationality or sexual orientation
 - ❖ Individual responsibility
 - ❖ Making only commitments that we can meet
 - ❖ Holding people responsible for their work performance

This Ethics Code states *expected norms of behavior* at Goodwill Industries.

3. GENERAL:
 - a. This Code applies to employees, volunteers, clients, program participants, volunteers, customers, donors, parents, guardians, providers, and/or suppliers of Goodwill Industries. Wherever the word "employee and/or affiliated individual" appears, it will stand for "employee, volunteer, trainee/program participant, customer or supplier."
 - b. Goodwill Industries and any employee and/or affiliated individual will comply with the letter and spirit of all lawful requirements applicable to company business.
 - c. The provisions of this Ethics Code are **mandatory** and full compliance is expected under all circumstances.
 - d. Any employee and/or affiliated individual connected to Goodwill, who is aware of, perceives, or observes any violation of this Code
 - is encouraged and expected to report such violation promptly to his/her supervisor,
 - and may be subject to sanctions, disciplinary action and/or termination of service/employment for not reporting a violation.
 - e. Retaliation against any employee and/or affiliated individual for reporting a violation of the Ethics Code will not be tolerated by this Company.

4. GUIDELINES:

- a. Time Cards – the time card is considered a legal document and when the employee signs the card (or submits electronically, where appropriate), the person is validating that all worked time has been recorded in accordance with company policy. If any employee is asked to violate or is aware of any violation of the time card policy, it is that individual's responsibility to report this information to his or her supervisor.
- b. Expense Reports - by signing an expense report and submitting it for approval, the employee is verifying that the request for reimbursement is valid and in accordance with company policy. The employee's signature on the expense report is the attestation that the expenses are accurately stated and recorded against the proper account.
- c. Property and Equipment - employees will not use or allow the use of company property or equipment for other than activities approved by the company and with permission from the President or the President's designee.
- d. Copyrighted or Licensed Materials - it is both illegal and unethical to engage in practices which violate copyright laws or licensing arrangements. It is the policy of Goodwill that all employees respect the rights conferred by such laws and arrangements, and refrain from making unauthorized copies of protected materials such as printed matter and computer software.
- e. Fraud, Waste, and Abuse – employees and volunteers will not participate in any activities that perpetuate fraud, waste, or abuse of company resources or assets. Fraud consists of an illegal act (the intentional wrongdoing), the concealment of this act, and the deriving of a benefit from this act. Waste consists of thoughtless or careless expenditure, consumption or mismanagement of resources owned or operated by Goodwill, to the detriment of Goodwill. Abuse consists of excessive or improper use or the intentional destruction, manipulation, misapplication, or misuse of resources owned or operated by Goodwill.
 - (1). Funds and other assets of the company are to be used only for legal and proper business purposes.
 - (2). No false, improper, or misleading entries will be made in the books and records of the company. Complete and accurate information is to be given in response to inquiries from auditors and certified public accountants.
 - (3). All payments made by or on behalf of the company for any purpose must be fully set out in, and are to be made only for the purpose described in, the documents and records of the company supporting the payment.

(4). Examples of fraud, waste, and abuse activities include, but are not limited to:

- a) Forgery or alteration of documents (checks, contracts, purchase orders, invoices, time sheets, etc.).
- b) Misrepresentation of information on documents (employment history, time sheets, business expense reimbursement requests, financial records, etc.).
- c) Theft, unauthorized removal, or willful destruction of Goodwill records or property.
- d) Misappropriation of funds, equipment, supplies, or any other assets.
- e) Authorizing or receiving payments for goods not received or services not performed.
- f) Misuse of authority for personal gain.
- g) Any computer-related activity involving the alteration, destruction, forgery or manipulation of data for fraudulent purposes.
- h) Inappropriate use of Goodwill provided electronic devices such as computers, cells phones, pagers or email.

f. Relationship with Customers and Suppliers -

(1). This company believes in fair and open competition. Under no circumstances should arrangements affecting pricing, terms of sale, production volume, or marketing policies such as allocation of customers or territories be entered into with competitors. Knowledge of such discussions must be reported immediately to management.

(2). In any dealings with an employee and/or affiliated individual or other person or entity doing business with Goodwill, no employee of the company will request, accept, realize any personal gain, offer to give, or give any payment or other significant thing of value for any reason.

(3). Goodwill employees may not accept any gifts, favors or luncheons which exceed a nominal value from a customer, supplier or anyone else having a business relationship with Goodwill. Gifts, favors or luncheons that are "insubstantial in value" and not intended to influence the official acts of the recipients may be accepted.

g. Agreements for Products or Services –

(1). A written agreement constituting the entire understanding and specifying the services or products to be furnished and full compensation to be paid is required in each case. The agreement will contain provisions requiring the contracted party to comply with applicable laws, Goodwill policies and standards of business ethics. (See Memorandum 45-42.)

(2). Commitment will not be made without the advance approval of the President or other authorized staff member.

h. Responsibility to Persons Receiving Services (Clients and program participants) – Code of Conduct --

(1). Clients and program participants will be treated with respect. All services provided to clients and program participants will be in the best interest of those individuals.

(2). Discrimination against clients and program participants on the basis of race, color, disabling condition, age, marital status, gender, veteran status, religion, nationality, or sexual orientation will not be tolerated by this company.

(3). Confidentiality will be maintained in regards to all information obtained in the course of services provided to clients and program participants. Records will be stored in secured areas. Only authorized personnel will be allowed access to trainee files. Staff will not discuss trainee records in public or with persons not entitled to these records.

(4). Experience has shown that socialization of employees with program participants, on or off duty, is not beneficial to the parties involved, because they are at Goodwill for rehabilitation program purposes. If social interaction is desired, approval must be obtained from the Vice President, Rehabilitation and Community Services or the Vice President's designee.

In addition to the above, we serve program participants through partnerships with El Paso County and/or temporary staffing. It is strictly forbidden for any employee of Goodwill Industries of Colorado Springs to have any social or romantic relationship to those individuals that we serve.

(5). Staff members working with clients and program participants will not try to influence clients and program participants in the areas of religion, politics, or other such controversial topics, that should be individual choice.

i. Public Statements/Representation -

(1). All employee and/or affiliated individuals will act in accordance with the highest standards of professional integrity in regards to representation of our company.

(2). Care will be exercised in actions and statements that are presented to the general public about:

- a) our company; and
- b) other organizations or agencies, with whom we do business or associate, so that such actions or statements do not reflect negatively back to this company.

j. Conflict of Interest -

(1). Employee and/or affiliated individuals must avoid all situations in which their personal interests conflict or might conflict with their duties to the company, and should immediately disclose such conflict appropriately. Board of Directors and Administrative Team members are subject to additional requirements. See Memorandum 10-16 for additional information.

(2). Employee and/or affiliated individuals should avoid acquiring any interests or participating in any activities that would tend to create an obligation or distraction which would affect their judgment or ability to act solely in the company's best interests.

k. Information Disclosure – employee and/or affiliated individuals will not use--

(1) for their own financial gain, or

(2) disclose for the use of others, --inside information obtained as a result of their employment with the company.

l. Confidential Information -

(1) Certain of the company's records, reports, processes, plans, and other such information are considered to be confidential and employees are prohibited from revealing information concerning those matters without proper authorization. Board of Directors and Administrative Team members are subject to additional requirements. See Memorandum 10-16 for additional information.

(2) The company believes in full and complete reporting to regulatory agencies and provision of information to the public as required.

(3) Except as required by law, the company cannot be expected to disclose information which might impair its own competitive effectiveness or which might violate the private rights of individuals or institutions.

m. Discrimination and Harassment -

(1) It is our policy to abide by those laws that prohibit practices based upon race and other protected categories.

(2) Discriminatory practices based on race, color, disabling condition, age, marital status, gender, veteran status, religion, nationality, or sexual orientation will not be tolerated. Employee and/or affiliated individuals are entitled to freedom from sexual harassment and to the right to work in an environment that is not hostile.

(3) See Memorandum 45-43 Sexual Harassment Policy for more information.

n. Employee and/or affiliated individuals working at the Goodwill stores will not "set aside" or shop for donated goods out of the "back room." Purchases will take place after the goods are put on display to the public.

o. Marketing Practices –

(1) Goodwill will avoid deception and deceitful practices regarding marketing and will ensure our marketing material is factual, truthful, and ethical. We will be guided by honesty in serving all stakeholders including clients, employees, shoppers, donors, and the general public.

(2) Goodwill will not give unreasonable gifts in exchange for marketing promotions and will follow organizational conflict of interest procedures.

(3) Goodwill will only promote products and services that are safe and fit for their intended uses.

5. COMMUNICATION PROCEDURES:

- a. New employees shall be given a copy of the Ethics Code and will be required to sign a statement of understanding of the Ethics Code as a condition of employment during their initial in-processing.
- b. All employees will be given a copy of the Ethics Code and will be required to sign a statement of understanding of the Ethics Code **annually or sooner if a change is made to the Ethics Code.**
- c. The Ethics Code will be displayed on all employee bulletin boards throughout the organization.

6. COMPLAINT REPORTING PROCEDURES:

- a. Employees who feel that any employee is not adhering to the Ethics Code shall inform their Supervisor, Vice President, the Vice President of Human Resources, the Corporate Compliance Officer, the President/CEO, or the Chairperson of either the Finance Committee or Administrative and Risk Management Committee of the Board of Directors.
- b. Employees who have knowledge of an ethical violation should fully and clearly define the nature of their complaint immediately or as soon as possible.
- c. The person hearing the complaint shall:
 - (1) Not investigate the complaint if he/she is in the chain of command of the person

making the complaint or if he/she is the subject of the complaint.

- (2) Ensure the employee or other affiliated individual reporting the incident that an investigation will commence within two (2) working days or sooner, when possible.
- (3) Gather all the facts that serve to explain when, where, to whom and why the complaint occurred. Check the details for accuracy.
- (4) Upon completion of the investigation the employee investigating the facts shall meet with either the Vice President of Human Resources, the Corporate Compliance Officer, or the President/CEO to discuss the findings. Depending upon the findings a decision shall be made as to what disciplinary action, if any, will be taken.
- (5) When appropriate, upon completion of the investigation, meet with the employee against whom the allegation is made to discuss the allegations and the decision.

7. COMMUNICATION WITH THE CORPORATE COMPLIANCE OFFICER (CCO) REGARDING COMPLAINTS: The Vice President of Human Resources or the President/CEO will notify the CCO of any complaint, the investigation findings and the action taken regarding the allegation.

8. STANDARDS OF CONDUCT: Although the various matters discussed in this code do not cover the full spectrum of employee activities, they are representative of the company's commitment to the maintenance of high standards of conduct and are to be considered descriptive of the type of behavior expected from all Goodwill employees.

9. APPLICABILITY: This policy applies to all employees of Goodwill Industries. Any violations of this policy will be grounds for disciplinary action, up to and including termination of employment. Goodwill may also elect to pursue criminal prosecution and reimbursement, where appropriate.

10. ETHICS POINT: *Goodwill* has partnered with "ethics*point" to provide a confidential telephone and online reporting system where employees are able to anonymously communicate practices and situations that do not promote a positive, productive workplace. There are three ways to access this resource:

- o Call 1-888-291-7589
- o Go online to the *Goodwill* homepage and follow the link
- o Visit the EthicsPoint web site at 'www.ethicspoint.com'

11. No Solicitation

Employees may not distribute or post any literature, or solicit or sell items of any kind as follows. *

- Employees are not permitted to solicit or sell items during working time.
- Employees are not permitted to distribute literature during working time or in working areas.
- Non-employees are not permitted to solicit, sell, or distribute literature or other items on the organization's premises.
 - Non-work time includes meals, breaks, or other specified times during the work-shift when employees properly are not engaged in performing their work tasks.
 - Working areas are defined as areas of the premises where employees perform their work tasks, but do not include break rooms, rest rooms, parking lots, or other non-work areas.
- Off-duty employees are not permitted in areas closed to the public without proper authorization and/or visitor's badge.

Employees may place their catalogs and/or other literature in the break room during their personal time, i.e., mealtime and/or break only with approval from Human Resources.

Soliciting money from employees for the benefit another employee, i.e., to purchase a gift, or for any other purpose is not considered to be in the best interest of the majority and will not be permitted, unless approved by the President or Vice President of Human Resources.

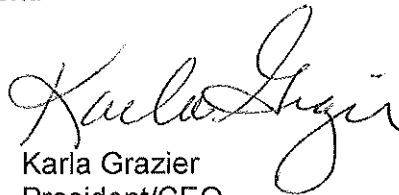
Borrowing or lending money between employees of *Goodwill* is discouraged. *Goodwill* will not intervene in any issues where this request has been violated. Employees are prohibited from borrowing monies from a client/program participant; any violation is subject to immediate termination.

* Occasionally, *Goodwill* will make available information 'for the good' of the community, and flyers will be made available to you.

*For example, an agency may be providing free physical examinations for students who wish to participate in school sports but may not be able to financially meet this requirement.



Steve Condon
Chair, Board of Directors



Karla Grazier
President/CEO

Distribution:
All Employees
Master File

Coordination:
Vice President, Human Resources *gjh*
Vice President, Rehabilitation and Community Services *DAK*
Vice President, Operations & Sales
Vice President, Finance & Contracts *RS*
Vice President, Foundation *je*

This replaces Memorandum 45-61 dated February 17, 2011.