

Sunshine Village

ETHICS and CORPORATE COMPLIANCE PROGRAM

Established: BOD – April 2005

Revised: BOD - Jan 2006, Feb 2008, March 2008, Feb 2009, April 2010, May 2011, Sept 2022

Reviewed: BOD – January 2007, May 2012, February 2014, December 2016, October 2019

COMMITMENT

Sunshine Village's Corporate Compliance Program is intended to promote adherence to appropriate standards of business conduct in all aspects of organizational operations and to ensure conformance to federal, state and local statutory and regulatory obligations through:

- the development and implementation of effective regulatory compliance policies and internal controls for all organizational operations;
- the dissemination of compliance policies to Managers and Employees;
- the development of appropriate communication and training mechanisms to ensure policies and procedures are clearly understood;
- the creation of channels for Employees to report suspected violations of agency policies or regulatory obligations without fear of reprisal and the prompt investigation of all credible reports;
- the routine audit of agency functions and assessment of the effectiveness of internal controls to assess compliance with applicable agency policies and regulatory obligations; and
- the imposition of accountability for violation of agency policies and regulatory obligations (including Directors or Managers who condone or unreasonably fail to prevent improper conduct) and the administration of disciplinary action promptly and fairly.

This is a voluntary program proactively implemented by the Board of Directors with the following objectives:

- deter criminal or unethical conduct;
- encourage all Directors, Managers and Employees to conduct themselves in a correct and professional manner; the early identification of any improper conduct that does occur before much damage can be done; and
- the increased likelihood that employees will report concerns internally and in a timely manner.

RESPONSIBILITY

Every Director, Manager and Employee is responsible and accountable for performing his/her function in compliance with applicable laws and regulations.

The Board of Directors is responsible for:

- Evaluating the risk of non-compliance;
- Approving and supporting the Ethics and Compliance Program; and
- Overseeing the performance of the program to reduce risk to SSV and all of its assets.

The Executive Director is responsible for:

- Communicating with the Board, Managers and Employees to ensure awareness, understanding, implementation of, adherence to and success of the Ethics and Compliance Program;
- Ensuring that audits and/or examinations are conducted in connection with laws and regulations; and
- Serving as the agency's Compliance Officer and/or designating others to perform duties related to the Ethics and Compliance program.

All Managers and Employees are responsible for:

- Conducting daily business in compliance with laws and regulations and SSV policies;
- Understanding the regulatory requirements of their position and job description; and
- Identifying issues to remediate weaknesses and prevent violations.

CODE OF ETHICS (ethical guidelines)

The Board of Directors of Sunshine Village approved a Code of Ethics, which are the actionable and absolute values of the agency, in June of 2002. The Board reviews and recommits themselves to these guidelines frequently. This code is posted throughout agency buildings and communicated to Directors and Employees on an on-going basis.

CODE OF CONDUCT (legal guidelines)

The Board of Directors of Sunshine Village approved Codes of Conduct for the Board of Directors, Management, Human Rights Committee and Employees in January of 2006. The Board reviews and recommits themselves to these codes on a frequent basis. These codes are communicated on an on-going basis.

LEGAL ENTITY and FINANCIAL COMPLIANCE

The organization maintains and abides by a set of Organizational Bylaws, which it reviews on a regular basis.

Sunshine Village files annual reports, including the IRS Form 990 and Massachusetts EOHHS Uniform Financial Report (UFR), and other compliance documents, in a timely and accurate manner.

Sunshine Village maintains all necessary licenses, including its charitable solicitation license, as required by the Commonwealth of Massachusetts and federal regulatory bodies.

OPERATIONAL and ACCOUNTING REQUIREMENTS

The organization conducts auditing and monitoring of systems of internal accounting controls to build an effective compliance program by the early detection of inaccuracies, poor performance and misconduct. Financial disclosure and reporting are an integral part of the internal accounting controls.

- Sunshine Village has a clear and concise FISCAL OPERATIONS MANUAL which is reviewed by the Board of Directors on a regular basis. This manual includes the Record Retention Policy. The manual also includes language that prohibits off-the-books accounts or inadequately identified transactions.
- Sunshine Village has a COMMUNITY RELATIONS PROGRAM which is reviewed by the Board of Directors on a regular basis. This program includes the Resource Development Policy and the Communication Policy.
- Sunshine Village follows federal and state mandates related to its workforce, including the proper classification of Employees. Sunshine Village reviews/revises its policies and protocols when standards change.

CONTROL and MONITORING

- The agency enlists a local CPA firm to complete a full audit each year. Representatives from the CPA firm meet with members of the Audit Committee of the Board of Directors before the audit and with the full Board of Directors after the audit, reporting all findings directly to them.
- Sunshine Village undergoes a national accreditation every three years by the Commission on Accreditation of Rehabilitation Facilities (CARF), which includes an assessment of fiscal and administrative operations.
 - The Board of Directors, based upon a recommendation by CARF, developed a BOARD POLICY MANUAL to outline current and future efforts to insure highly effective controls. This manual was established in January of 2011.
- Sunshine Village's Performance Management System includes objectives to ensure fiscal stability and accountability to local, state and federal standards. It is this internal mechanism that monitors the Corporate Compliance Program.

COMMUNICATION AND TRAINING

The Code of Ethics is posted at each site and is included regularly in Management and Board of Directors minutes. The Codes of Conduct are also communicated on a regular basis through meeting minutes and within new employee packets. The organization uses its Right/Ethic/Character of the Month Educational Campaigns to train staff and clients on these values. Sunshine Village uses its training mechanisms to provide on-going professional development to Employees in the areas of Ethics and Compliance.

COMPLIANCE

Accountability: With enforcement of the agency's Code of Ethics and Codes of Conduct being critical, the documents clearly state that non-compliance will result in discipline, up to termination or dismissal.

Reporting Mechanisms: Sunshine Village has created reporting mechanisms that include policies on confidentiality and non-retaliation.

- The WHISTLEBLOWER POLICY was established by the Board of Directors in January of 2005 and incorporated into the agency's Personnel Policy Handbook in February of 2008 to make it accessible to all employees.
- The agency maintains a culture that if a mistake is made, it is better to report it early and truthfully, so that prompt corrective action may be taken.
- Sunshine Village offers an Employee Assistance Program to all Employees that can provide guidance on how to cope with and resolve difficult situations.
- Sunshine Village's organizational structure allows for various positions, including Managers and Supervisors, as well as a Human Resources Department, for Employees and other Stakeholders to report issues.

CONTINUOUS IMPROVEMENT

This program will be reviewed by management and the Board of Directors on a regular basis and modifications for education, detection and deterrence are developed and implemented as needed.

CORPORATE COMPLIANCE OFFICER

The Board of Directors appoints the Executive Director to serve as the agency's Corporate Compliance Officer. The Executive Director and/or his/her designee(s) will serve as the point of contact for monitoring and reporting on matters pertaining to corporate compliance.

GIFT POLICIES – included in the agency's Personnel Policy Handbook

GIFT POLICY: Gifts, Favors and Payments To Others:

Gifts, favors and payments may be given to others at SSV's expense if they are consistent with accepted business practices, are of sufficiently limited value and are in a form that will not be construed as a bribe or payoff. All such gifts, favors and payments must not be in violation of applicable laws, are generally accepted ethical standards and that public disclosure of the facts will not cause embarrassment to SSV.

GIFT POLICY: Gifts, Favors and Entertainment For Employees:

CUSTOMER GIFTS: Employees and members of the Board of Directors will not seek or accept for themselves any gifts, favors and/or entertainment without a legitimate business purpose. Employees and volunteers may accept common courtesies usually associated with customary business practices including t-shirts, pens, trade show bags and all other tchotchkes that employees obtain, as members of the public - at events such as conferences, training events, seminars, and trade shows - that are offered equally to all members of the public attending the event. Employees may also accept food, beverages and moderately priced meals or tickets to local (Western Massachusetts) events that are supplied by and also attended by current customers, partners and vendors in the interest of building positive business relationships. Any exceptions to this policy must be pre-approved by the Executive Director or the Chairperson of the Board of Directors.

It is never permissible to accept a gift in cash or cash equivalent, including gift cards, from any supplier or vendor.

SUBORDINATE GIFTS: Management and members of the Board of Directors should not accept gifts from those under their supervision of more than limited value. The exception to this is a gift to recognize a “life event” (wedding, graduation, birth of a child, retirement etc.)

CLIENT GIFTS: Employees should not accept any gifts or services that benefit them personally from clients and/or client’s family members without approval from the Executive Director. Gifts given by the client and/or their family members that benefit a group of clients and their support staff or the program as a whole can be accepted. The exceptions to this is: (1) a gift certificate for no more than \$50 in recognition of a staff member’s commitment to an individual client and it is given no more than once per year; and (2) a gift to recognize a “life event” (wedding, graduation, birth of a child, retirement, etc.)