



CORPORATE COMPLIANCE MANUAL

1.A.7.a-b

CARF Requirements:

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Prohibition of Waste, Fraud, Abuse and Other Wrong Doing	1.A.6(a-e) 1.A.7.d.(2)	COE
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I. Mission Statement

Goodwill Industries of Southwest Florida, Inc. is committed to serving people with disabilities and disadvantages by offering life-changing opportunities to achieve independence.

II. Resolution of the Board of Directors for a Corporate Compliance Program

WEREAS, Goodwill Industries of Southwest Florida, Inc. is dedicated to the delivery of mission services in an environment characterized by strict conformance with the highest standards of accountability for administration, business, programs, services, human resources, marketing, and financial management.

WHEREAS, the leadership of Goodwill Industries of Southwest Florida, Inc. is committed to the need to prevent and detect fraud, waste, and abuse, including, but not limited to, fiscal mismanagement and misappropriation of funds, and strict adherence of all federal and state laws, rules, and regulations.

WHEREAS, Goodwill Industries of Southwest Florida, Inc. is committed to the development and implementation of a formal "Corporate Compliance Program" to ensure ongoing monitoring and conformance with all federal and state laws, rules, and regulations.

BE IT RESOLVED, that the Board of Directors of Goodwill Industries of Southwest Florida, Inc. met and discussed the development of a Corporate Compliance Program for the organization on this date. The Board of Directors has delegated overall responsibility for a Corporate Compliance Program to the President/Chief Executive Officer (CEO). The President/CEO will formally appoint a Corporate Compliance Officer to assist in the design and implementation of the Corporate Compliance Program.

IT IS SO APPROVED AND EFFECTIVE THIS DATE.

Michael W. Sullivan
Typed Name of Board Chair

Michael W. Sullivan
Signature of Board Chair

Date: 9/22/14

Approved [Signature]
Signature of the President of the Board of Directors

III. Memorandum Appointing Corporate Compliance Officer

To: Robin Antone

From: Rick Evanchyk, President and CEO

Date: August 21, 2017

Re: Corporate Compliance Officer Appointment

Per our discussion, you are hereby appointed Corporate Compliance Officer for Goodwill Industries of Southwest Florida, Inc. In the performance of your duties, you will be bound by applicable state and federal guidelines and will have direct access to the President/CEO and members of Goodwill Industries of Southwest Florida, Inc. Board of Directors as necessary. As Corporate Compliance Officer, you will be responsible for development, implementation, and ongoing monitoring of all policies and procedures to ensure conformance with generally accepted operational and administrative practices regarding corporate compliance.

Additionally, you will be responsible for submitting periodic reports on corporate compliance activities as required.

Your appointment as Corporate Compliance Officer is effective this date and will remain in effect until withdrawn in writing.



Rick Evanchyk, President/CEO

I. Finance

Goodwill Industries of Southwest Florida, Inc. is committed to effective and approved internal controls. Also, Goodwill is committed to providing guidance on key methods of accomplishing the goals of clearer financial statements. This will improve and validate management's assessment of the organization's performance, trends in business, and effects of critical accounting policies and estimates.

Goodwill's policy is that all financial and accounting data included in any report on auditable, verifiable, and adequate documentation must meet the criteria for "financial transparency." Financial transparency means that all disclosures or release of financial information must be presented in a manner that: does not contain an untrue statement of a material fact; does not omit a material fact; is not misleading; reconciles the financial information presented with the financial cognition and results of operations of the business; and all cost and financial data is based on financial and statistical records, which must be capable of verification by both internal and external auditors. The goals of financial transparency are enhanced financial disclosure, integrity, and competency of accountants, promoting professional ethics, harmony, and competency standards, improving the organization's rules, reviewing accountant work products, and removing any potential conflict of interest(s) between an accountant, the Board of Directors, officers, and management.

Financial information must follow Generally Accepted Accounting Principles (GAAP). Financial, accounting, and cost data must be: capable of being audited; consistent with good business concepts; and effective and efficient for management of the organization.

Adequate cost information must be supportable in the records for reimbursement by any agencies of any government from whom funds are received. The requirements of adequate data imply that the data is accurate and in sufficient detail to accomplish what it is intended. When appropriate, financial, accounting, and cost data must be maintained in a consistent manner from one period to another.

Goodwill's President/CEO or Chief Operating Officer (COO), Finance Committee, and Board of Directors will review monthly financial results. An independent audit firm will conduct a yearly financial audit. The President/CEO or COO, Director of Finance, Finance Committee, and Board of Directors will discuss the results of this yearly audit. Material deficiencies will be disclosed, in writing, to the appropriate government agency.

II. Commission on the Accreditation of Rehabilitation Facilities (CARF)

Goodwill Industries of Southwest Florida, Inc. strives to continually provide the highest quality of programs and services and meet internationally recognized standards. Goodwill will conform to all applicable standards by the Commission on the Accreditation of Rehabilitation Facilities (CARF). All Goodwill employees, volunteers, and Board members will adhere to these standards.

III. Code of Ethics

Goodwill Industries of Southwest Florida, Inc. conducts business ethically and in conformance with all applicable laws, regulations, and standards. Goodwill strives to create a culture of high ethical standards. Goodwill endeavors to communicate acceptable behavior and expectations to its employees, volunteers, and Board of Directors. This Code of Ethics applies to all employees, volunteers, and Board members. All employees, volunteers, and Board members are expected to understand and adhere to this Code of Ethics. The Code of Ethics is designed to deter fraud, waste, abuse, and other wrongdoing. These terms are defined as follows:

- **Fraud:** deception deliberately practiced to secure unfair or unlawful gain.
Examples: billing for services not rendered, double billing, or over billing.
- **Waste:** the production of excess and unwanted materials and articles. This can be intentional or unintentional.
Examples: overspending, purchasing unneeded items, or billing back to funding source.
- **Abuse:** a corrupt practice or custom. This can be intentional or unintentional.
Examples: unfair compensation, unwarranted bonuses, or misreporting.
- **Wrongdoing:** evil or improper behavior. This can be intentional or unintentional. Examples: embezzlement, incompetence, or not providing proper training for staff.

A. General Standards

Employees, volunteers, and the Board of Directors of Goodwill Industries of Southwest Florida, Inc. will promote and adhere to the following ethical standards: excellence, trustworthy, honesty, integrity, caring, and stewardship. These terms are defined as follows:

- **Excellence:** We do our best. We are responsible, accountable, diligent, and perseverant.
- **Trustworthy:** We keep our promises, safeguard confidential information, act professionally, and avoid conflicting interests. Our goal is to secure and maintain the trust of the public, to whom we owe our ultimate loyalty.
- **Honesty:** We are truthful, we are fair, and we communicate with sincerity and candor. We avoid half-truths or any form of deception.
- **Integrity:** We conduct ourselves in an ethical manner, avoiding serving self-interest.
- **Caring:** We are genuinely concerned about the welfare of others. We show our concern by treating others with respect, dignity, courtesy, tolerance, and impartiality.

- **Stewardship:** We are responsible protectors of the resources that our donors and customers entrust to us.

Nothing in this policy is intended to infringe upon an employee's right to engage in protected activity.

B. Whistleblower

Goodwill Industries of Southwest Florida, Inc. strives to be an outstanding business partner and member of the community. We will comply with all federal, state, and local laws. Goodwill is affected by numerous laws, ranging from speed limit laws to laws regulating Vocational Rehabilitation processes to federal employment laws. Every employee of the organization will put forth every effort to comply with all laws that affect our organization.

Should an employee of Goodwill Industries of Southwest Florida, Inc. become aware that Goodwill is not complying with a federal, state, or local law, that employee should immediately report the matter to their immediate supervisor. If the situation is such that it is not appropriate for the employee to report the matter to the employee's immediate supervisor, the employee must report the matter to the Director of Human Resources or the Vice President of the employee's department. The Director of Human Resources will fully investigate any reports of non-compliance with a federal, state, or local law. All necessary procedure adjustments to maintain compliance with the law will be implemented immediately.

Goodwill Industries of Southwest Florida, Inc. follows and enforces all applicable federal, state, and local laws and requires employees to do likewise. The organization has the responsibility to correct or prevent violations of applicable federal, state, and local laws. Every employee has a responsibility to assist in implementing this policy.

If any employee of Goodwill Industries of Southwest Florida, Inc. reasonably believes that an existing policy, activity, or practice is in violation of law, we have established a confidential procedure whereby employees can report matters on an anonymous basis and protect the confidentiality of those employees that identify themselves. Goodwill Industries of Southwest Florida, Inc. employees are expected and required to report any activity the employee suspects or considers illegal, dishonest, or involving theft or fraud, to a supervisor, manager, human resources, loss prevention, or anonymously, as outlined below.

Goodwill Industries of Southwest Florida, Inc. has faithfully adopted a policy that permits employees anonymously or in confidence to report problems, concerns, or potential violations of federal, state, and local laws and regulations, including our Code of Ethics and policies and procedures. This can be accomplished confidentially by calling the Corporate Compliance Officer at 239-995-2106, extension 2271, or 1-866-995-2106, extension 2271. Private voice mails can be left on this system, which is password protected. Callers may remain anonymous. Should callers identify themselves, callers will have confidentially protected to the full extent of the law. No attempt will be made to identify an individual that requests anonymity. Any violation of this policy may result in sanctions and penalties. Determinations regarding the limit of confidentiality under the law will be made after consultation with legal counsel. The Corporate Compliance Officer will keep the President/CEO, COO, and the Board of Directors informed of hotline activity. If appropriate and practical, an investigation will be conducted

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by the Corporate Compliance Officer with assistance from the President/CEO, Director of Human Resources, Director of Loss Prevention, or other Vice President(s).

Goodwill Industries of Southwest, Florida, Inc. intends to strictly adhere to any and all laws applicable to the organization. The primary purpose of this policy is to fully support the organization's goal of legal compliance. The support of all employees is necessary to achieve such compliance. The protection described in the sentence below is only available to employees that adhere to this requirement. There will be no retaliation by Goodwill Industries of Southwest Florida, Inc. or any of its employees against an employee that makes a good faith report under this policy, even if, after investigation, it is determined there has not been a violation.

C. Loss Prevention

Goodwill Industries of Southwest Florida, Inc. does not tolerate any form of theft. Management/Supervisors have the responsibility to ensure that all employees understand that every necessary and legal means will be taken to protect Goodwill's assets. Additionally, all employees have the duty to report suspicious theft or wrongdoing to the responsible parties. Goodwill encourages and supports its employees to report possible integrity issues. Goodwill has developed systems whereby employees can make confidential reports to communicate their concerns (see Whistleblower policy).

It is impossible to describe all of the situations that are considered theft, a dishonest act, or improper procedures causing loss to Goodwill. Therefore, the prohibitions listed below are not exhaustive and only include clear examples. Goodwill Industries of Southwest Florida, Inc. has established the following guidelines for conduct that is considered theft, a dishonest act, or improper procedures causing loss to Goodwill:

1. Items thrown in the dumpster or placed on the salvage truck are considered Goodwill property and, if taken, these items are considered stolen.
2. Unauthorized discounts and/or under-ringing merchandise.
3. Failing to ring-up a sale. Bagging, concealing, or taking Goodwill's merchandise without completing the required sales transaction is theft.
4. Discarding register receipts, transaction paperwork, not completing employee purchase log requirements, or any unauthorized conduct with the intent to hide or conceal a dishonest act.
5. Misappropriating Goodwill property for personal gain.
6. Taking an unauthorized markdown.
7. Intentionally defacing or damaging items for purposes of purchasing at a reduced price.
8. Retaining a customer's receipt and fraudulently creating a void.
9. Intentionally pricing an item at a lower price without authorization.
10. Failing to ring-up a sale and pocketing the money.
11. Concealing merchandise inside lockers, personal handbags, purses, or on one's person, or hiding or stashing merchandise with the intent to defraud Goodwill is considered theft and a dishonest act.
12. Stealing directly from cash registers.
13. Disposing or discarding otherwise saleable merchandise to avoid processing the product.
14. Falsification of time sheet.

15. Moving, damaging, tampering, or rendering inefficient operation of any closed circuit television (CCTV) equipment, store or building alarm system, locks, or other physical security hardware.
16. Any attempt to access the CCTV without prior authorization from the Loss Prevention Department.

Goodwill uses undercover operatives, when deemed necessary. Management has the right to inspect packages, shopping bags, backpacks cartons, boxes, totes, containers, etc. Any employee who commits theft, a dishonest act, improper procedures causing loss to Goodwill, or refuses a routine search under these guidelines will be subject to corrective action, up to and including separation.

D. Confidential Information

Respecting the privacy of our customers, donors, staff, volunteers, Board of Directors, and Goodwill Industries of Southwest Florida, Inc. itself is a basic value of Goodwill. Employees, volunteers, and Board members of Goodwill may be exposed to information that is confidential and/or privileged and proprietary in nature. Goodwill's policy is that such information must be kept confidential both during and after employment or volunteer service. Staff, volunteers, and Board members are expected to return materials containing privileged or confidential information at the time of separation from employment or expiration of service.

General internal business affairs of Goodwill Industries of Southwest Florida, Inc. and matters of a confidential nature should not be disclosed with anyone outside Goodwill Industries of Southwest Florida, Inc., except as may be required in the normal course of business. Confidential information includes, but is not limited to, unpublished details of current projects, partnerships, financial information, trade secrets, and health information about Goodwill clients. Information designated as confidential is to be discussed within Goodwill Industries of Southwest Florida, Inc. only on a "need-to-know" basis. Care shall be taken to ensure that unauthorized individuals do not overhear any discussion of confidential information. Similarly, care shall be taken to ensure that documents containing confidential information are not left in the open or inadvertently shared.

Employees should refer inquires seeking information concerning applicants for employment, current employees, or former employees to Human Resources. Employees should refrain from discussing the medical, social, financial, emotional, or other conditions of another employee.

Unauthorized disclosure of confidential or privileged information is a serious violation of this policy. Such unauthorized disclosure will subject the person(s) that made the unauthorized disclosure to appropriate discipline, including removal/dismissal.

Nothing in this policy is intended to infringe upon an employee's right to engage in protected activity.

E. Conflict of Interest

Employees of Goodwill Industries of Southwest Florida, Inc., others retained by Goodwill, including, but not limited to, auditors, accountants, and consultants, and the Board of Directors of Goodwill have

an obligation to: refrain from a potential or actual conflict of interest; disclose any potential or actual conflict of interest; and seek guidance on how to handle such situations.

A conflict of interest is defined as any situation in which financial or other personal considerations may compromise or appear to compromise: the business judgment of an employee or other party engaged by us; the delivery of service(s); or the ability of an employee to do the employee's job.

Business dealings with outside entities should not result in unusual gain for those outside entities, this organization, an employee, or Board member. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit the employer, the employee, or Board member.

It is impossible to describe all of the situations that may cause or give the appearance of a conflict of interest for employees. Therefore, the prohibitions listed below are not exhaustive and only include clear examples. Goodwill Industries of Southwest Florida, Inc. has established the following guidelines for employees regarding conflicts of interest:

- Employees are not to accept full-time, part-time, or temporary employment with any organization that does business with Goodwill or is a competitor of Goodwill, unless approved by Goodwill's management. This includes serving as an officer or consultant to any such organizations, unless such activity is performed as a representative of Goodwill or otherwise approved by Goodwill's management.
- Employees are not to give, offer, or promise, directly or indirectly, anything of value to any representative of a customer or potential customer.
- Employees have an obligation to refer questions and concerns about a potential or actual conflict of interest to their supervisors.

Nothing in this policy is intended to infringe upon an employee's right to engage in protected activity.

The Finance Committee of Goodwill has a duty to ensure the independence of auditors to ensure that the scope of services provided are appropriate and in compliance with policies and procedures. Auditors are barred from engaging in non-audit services that raise questions concerning possible conflicts of interest and auditor independence. These services include financial system design and implementation, internal review outsourcing, and other services that raise similarly significant concerns regarding independence.

Given the purposes and the nature of the activities of Goodwill Industries of Southwest Florida, Inc., it appears unlikely that the Board of Directors will often, if ever, find themselves in a situation where an outside business or investment of professional interest conflicts with a Board member's fiduciary duty to Goodwill. To avoid even theoretical or perceived conflicts of interest, Goodwill Industries of Southwest Florida, Inc. has established the following guidelines regarding participation by the Board of Directors in matters coming before them wherein they may have a duality or potential conflict of interest:

- No Board member will knowingly take any action or make any statement intended to influence the conduct of Goodwill Industries of Southwest Florida, Inc. in such a way as to confer any benefit on such member or family member, or on any corporation in which such member has a significant interest as stockholder, director, or officer.
- Should a matter for consideration or decision come before the Board of Directors that raises a potential conflict of interest for any Board member, the Board member: will disclose the conflict as soon as the member becomes aware of it; will refrain from voting, deliberating on, or personally influencing the matter in any manner; will not be physically present during the Board's final discussion and vote on the issue; and will not be counted in determining the quorum for the meeting, even where permitted by law. Disclosure of the potential conflict of interest shall be made before a Board vote on the matter. The board minutes will reflect that a disclosure was made, the abstention from voting, and the quorum situation.
- These guidelines do not prevent or discourage any Board member from disclosing relevant information regarding any matter to which the member has knowledge, answering questions, or stating the member's position concerning any such matter.

F. Media

In order to maintain and enhance proper media relations, ensure that accurate information is being communicated, and ensure that Goodwill's mission and its brand identity is not compromised in any way, all communication with the media and all inquiries from the media must be directed immediately to the Vice President of Communications or the Director of Communications and Social Media Marketing. This applies to all Goodwill employees, volunteers, and members of the Board of Directors in regards to telephone calls or other communications to or from the media or media visits to any Goodwill location.

Any member of the media (i.e. Newspaper, Television, Radio, Magazine, etc.) requesting information about Goodwill, our customers, or our services must be directed to call the Communications and Development Department. Unauthorized interviews or filming in our stores is not allowed unless approved by the Vice President of Communications. The VP of Communications and Development is ultimately responsible for leading members of the media in Goodwill's facilities and arranging interviews with appropriate individuals. Unauthorized interviews or filming is prohibited, without the knowledge of the VP of Communications and Development.

Nothing in this policy is intended to infringe upon an employee's right to engage in protected activity.

G. Social Media

Only employees of the Communications and Development Department and employees specifically authorized by that Department may post or comment on behalf of Goodwill Industries of Southwest Florida, Inc., via any social media (i.e., blogs, Facebook, Twitter, Myspace, Pinterest, Instagram, etc.). Employees of Goodwill not employed or not specifically authorized by the Communications and Development Department may not post or comment in any manner that suggests they are doing so on behalf of Goodwill, via any social media. This prohibition also applies to volunteers and the Board of Directors of Goodwill.

No Goodwill employee, volunteer, or Board member may create an account on behalf of Goodwill or one of Goodwill's programs, services, stores, or facilities without permission of the Vice President (VP) of Communications and Development.

Goodwill will not post materials that violate any applicable federal, state, and local laws. Goodwill will adhere to all laws, including, but not limited to, laws on copyright, trademark, trade secrets, patents, and fair use.

Employees who identify themselves online as a Goodwill employee (even in an incidental mention on a topic not related to Goodwill) must follow the standards of conduct established in Goodwill's employee handbook. Employees, volunteers, and Board members should not say anything contradictory or in conflict with Goodwill's mission, vision, or image.

Goodwill employees, volunteers, and Board members may not publish confidential information relating to Goodwill (see Confidential Information policy). We respect the privacy of our persons served. Goodwill employees may not post or publish photographs of persons served on Goodwill's social media sites without first obtaining an appropriate media release from the person served or, if applicable, the parent or legal guardian of the person served. Employees are not encouraged to involve persons served on their personal social media posts.

Goodwill reserves the right to post, without written approval, images of employees taken at Goodwill events. Any employee who does not want Goodwill to post their image must notify the Communications and Development Department, and that Department will comply with the employee's request.

An employee, volunteer, or Board member who sees a misrepresentation about Goodwill should not use social networks to discuss the misrepresentation. Instead, such employee, volunteer, or Board member should notify the VP of Communications and Development. This prohibition does not apply to employees who post or comment on Goodwill's behalf, via social media.

Personal use of social media is any social media participation not specifically authorized by Goodwill. Personal use of social media should be done on non-work time, such as breaks or off hours. Goodwill does not use social media as part of our vetting process.

Any employee who violates this policy may be subject to corrective action, up to and including separation.

Nothing in this policy is intended to infringe upon an employee's right to engage in protected activity.

H. Solicitation

Unrestricted solicitation on the premises of Goodwill Industries of Southwest Florida, Inc. interferes with Goodwill's normal operations. Also, unrestricted solicitation is detrimental to the discipline and efficiency of employees; is annoying to customers; and poses a security threat.

Goodwill prohibits solicitation by any employee or volunteer while working. Solicitation refers to any attempt by an employee or volunteer of Goodwill Industries of Southwest Florida, Inc. or a third party to generate support for a cause, product, organization, or political issue. Working means all times when an employee or volunteer is required to be engaged in work tasks, but does not include an employee's or volunteer's own time, such as meal periods, time before or after an employee's or volunteer's shift, and an employee's or volunteer's personal clean-up.

Nothing in this policy is intended to infringe upon an employee's right to engage in protected activity.

I. Distribution

Goodwill Industries of Southwest Florida, Inc. prohibits distributing materials, handbills, or other literature, conducting surveys, circulating petitions, or posting materials in work areas, even if performed when the employee or volunteer is not working. Goodwill permits distribution in non-work areas only if the distribution is conducted in a manner that: does not interfere with the work of other employees and volunteers; and the employee or volunteer has the prior authorization of the employee's or the volunteer's supervisor.

Nothing in this policy is intended to infringe upon an employee's right to engage in protected activity.

J. Fair Business Practices

1. Relationships with Subcontractors, Suppliers, and Vendors

Goodwill Industries of Southwest Florida, Inc. selects subcontractors, suppliers, and vendors objectively and manages relationships with them in a fair and objective manner. Goodwill avoids unfair business practices, including, but not limited to, fee-splitting, kickbacks for referrals, business conflicts of interests (see Conflict of Interest policy), and self-dealing. Our selection of subcontractors, suppliers, and vendors will be based on objective criteria. Objective criteria include quality, technical excellence, cost/price, schedule/delivery, services, and maintenance of adequate sources of supply. Goodwill's purchasing decisions will never be compromised by personal relationships or influenced by the acceptance of inappropriate gifts, favors, or excessive entertainment.

Goodwill expects our subcontractors, suppliers, and vendors to establish their own business conduct and compliance programs. Additionally, Goodwill expects our subcontractors, suppliers, and vendors to conduct their businesses within the highest ethical standards and in full compliance with the laws, rules, standards, and regulations that govern their business operations. We will not disclose the terms of our business relationships with our subcontractors, suppliers, and vendors and/or any related contractual information to a third party, unless the subcontractor, supplier, or vendor authorizes us, in writing, to do so.

Nothing in this policy is intended to infringe upon an employee's right to engage in protected activity.

2. Marketing, Fundraising, and Antitrust Practices

Goodwill Industries of Southwest Florida, Inc. conducts sales, fundraising, and marketing activities in a fair, open, and honest manner. We provide only true and accurate information in discussions with our customers, advertising, literature, public announcements, and presentations. When asked to compare ourselves to the competition, we will present that information accurately and fairly for all parties. To preserve competition and open markets, antitrust laws prohibit agreements and activities that may unreasonably limit competition. Goodwill prohibits any discussions or agreements with competitors concerning: prices, discounts, or terms or conditions of sale; profits, profit margins, or cost data; market shares, sales territories, or markets; allocation of customers or territories; selection, rejection, or termination of customers or suppliers; restricting the territory or markets in which a company may resell products; and restricting the customers to whom a company may sell.

Goodwill has a responsibility and a right to obtain information about other business organizations, including our competitors, through ethical and legal means. Any potential Goodwill employee that has a nondisclosure/confidentiality agreement with a former employer must make that agreement known during the interview and pre-employment process to assure compliance with such agreement. Any employee that has competitive trade secrets or proprietary information from another organization or company must not disclose them or cause Goodwill to make use of them.

Nothing in this policy is intended to infringe upon an employee's right to engage in protected activity.

K. Record Retention and Destruction

Most organizations must keep copies of certain business records for legal, regulatory, or operational reasons. Goodwill Industries of Southwest, Florida, Inc. is committed to sound and ethical record retention practices and upholding applicable laws, rules, and regulations. The policies below outline the proper procedures for storing and disposing of records.

1. Definitions

A "business record" is any print or electronic document created and maintained in the ordinary course of business. However, not every document constitutes a business record that must be kept. A document should be retained if it contains business activities that have evidentiary or reference value or it provides function to the business. This includes, for example, contract negotiations where final pricing is set or a

policy memorandum. It does not include, for example, in-progress drafts, discussions, or negotiations, received copies of policy memos where an original already exists, or non-business correspondence. The document must also be kept, according to its classification, for the prescribed time in accordance with law (see Record Retention Schedule).

A “hard” document is a business record that exists on paper, film, microfiche, transparency, journals, ledgers, and other types of tangible media.

2. Storage

Each department supervisor is responsible for determining the retention period (see Record Retention Schedule). Hard documents in active use may be stored in the employee’s immediate work area or in the applicable department’s common filing area.

Hard documents no longer needed for active use must be stored in a secure area. This is usually in a separate locked room designated for such use. Hard documents are kept in a locked file room at the Opportunity Center.

Each department that stores hard documents in a storage box must complete a record retention slip. The record retention slip must contain:

- A complete description of all contents of the storage box; and
- The department’s name; and
- The supervisor’s name; and
- If the contents of the storage box are to be retained permanently, the slip must state that the contents are “permanent records”; or
- If the contents of the storage box are not to be retained permanently, the slip must list the future date that the contents are to be destroyed (i.e., a destruction date).

The retention slip must be attached to the front of the storage box before the box is placed in storage. The department requesting storage must retain a copy of the retention slip. Additionally, the department requesting storage is responsible for ensuring that any hard documents to be destroyed in the future are destroyed in at a future date in accordance with the policies set forth herein.

Data owners are required to ensure compliance with federal, state, and local laws. Electronic data stored on workstations should only be kept as long as business needs require them to be kept. Electronic data stored on workstations is not backed up or recoverable. Electronic data required by law to be stored longer must be stored on the server via the H drive, which is provided to every user. Electronic data stored on servers are backed up locally, with incremental backups every hour during business hours. This data is stored two months locally. All backed up data is uploaded to a secure data storage bunker nightly as an incremental snapshot.

3. Document Destruction

Goodwill Industries of Southwest Florida, Inc. has implemented safeguards to ensure that sensitive and/or confidential documents designated for destruction are protected from unauthorized use, possession, or viewing before proper destruction. Within each department, such sensitive and/or confidential documents must be placed in our “Secure Shred Bins,” which will then be destroyed at our document destruction operation.

Secure Shred Bins are secured with locking padlocks. Documents are dropped into the Bins through narrow openings, which prevent a person from reaching inside and removing documents. Keys to these padlocks are limited to each department supervisor

Documents to be destroyed that do not contain sensitive and/or confidential information may be destroyed by placement in the trash for recycling.

4. Record Retention Schedule

Goodwill Industries of Southwest Florida, Inc. is required by law to maintain certain business records for a specified period (Record Retention Schedule). Failure to retain such records for those periods could subject Goodwill and its employees to penalties and fines, cause the loss of rights, obstruct justice, spoil potential evidence in a lawsuit, place Goodwill in contempt of court, or seriously disadvantage Goodwill in litigation.

The following table lists a stipulated retention schedule for each business record. **This record retention schedule is only a guide. This schedule does not replace specific record retention requirements of applicable laws, contracts, or funding sources.**

Vouchers for payments to vendors, employees, etc. (includes allowances to and reimbursements of employees, officers, etc. for travel and entertainment expenses)	7 years
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5. Suspension of Record Retention Schedule and Destruction Policies

Upon service of legal process (subpoena, summons, or the like), upon learning of an investigation or audit, if a claim is made (whether formal or informal), or a dispute arises, the above policies and

BUSINESS RECORD	RETENTION PERIOD
Accident reports/claims (settled cases)	7 years
Accounts payable (ledgers and schedules)	7 years
Accounts receivable (ledgers and schedules)	7 years
Audit reports	Permanently
Bank reconciliations	3 years
Bank statements	3 years
Budgets (annual)	3 years
Cancelled checks for important payments (i.e., taxes, purchase of property, special contracts, etc. Checks should be filed with papers pertaining to underlying transaction)	Permanently
Chart of accounts	Permanently

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Contracts, mortgages, notes, and leases (expired)	7 years
Correspondence (general)	2 years
Correspondence (legal and important matters)	Permanently
Correspondence (routine) with customers and/or vendors	2 years
Deeds, mortgages, and bills of sale	Permanently
Depreciation schedules	Permanently
Duplicate deposit slips	3 years
Employment applications	2 years
Expense analyses/expense distribution schedules	7 years
Financial statements (annual)	Permanently
General and private ledgers	Permanently
Insurance policies (expired)	3 years
Insurance record, current accident reports, claims, policies, etc.	Permanently
Internal audit reports	3 years
Inventories of products, materials, and supplies	3 years
Investment summaries	3 years
Invoices (to customers, from vendors)	7 years
Minute books of directors, stockholders, bylaws, and charter	Permanently
Notes receivable ledgers and trial balances	7 years
Payroll records and summaries	7 years
Personnel files (terminated employees)	7 years
Petty cash vouchers	3 years
Physical inventory tags	3 years
Property appraisals by outside appraisers	7 years
Property records, including costs, depreciation reserves, year-end trial balances, depreciation schedules, blueprints, and plans	Permanently
Purchase orders with invoices	3 years
Real estate tax bills	3 years
Reconciliations of all balance sheets	3 years
Records of persons served	5 years
Retirement and pension records	Permanently
Sales records	7 years
Scrap and salvage records (inventories, sales, etc.)	7 years
Store deposit logs	3 months
Subsidiary ledgers	7 years
Tax returns and worksheets, revenue agent's reports, and other documentation relating to determination of income tax liability	Permanently
Time books/cards	7 years
Trial balances (annual)	Permanently
Voucher register and schedules	7 years

The above Record Retention Schedule shall be suspended and records related to the legal process, claim, dispute, investigation, or audit should not be destroyed. Should this situation arise, Goodwill Industries of Southwest Florida, Inc. will endeavor to seek the timely advice of legal counsel to ensure compliance with the law.

Corporate Compliance Manual

Reviewed: June, 2019, April 2018, August 2017, April 2017, October 2016, May 2016, April 2016, May 2015, September 2014, March 2013

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