



# VENDOR CODE OF CONDUCT

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## INTRODUCTION

As a national, nonprofit organization, Southwest Key Programs (“SWK”) exists to create opportunities and improve the quality of life for thousands of youth and families each day by providing safe shelter, alternatives to incarceration, career development, and educational opportunities. Our vendors are an important and integral part of our success and we seek to partner with responsible companies that share our values and our commitment to ethical standards.

This Code of Conduct (“Code”) describes SWK’s expectations for our vendors, their officers, employees, and representatives that provide products, services, or functions to SWK. The Code is updated intermittently based on SWK needs.

SWK conducts business with government customers—including government agencies. SWK stresses the importance of honesty and openness in our business and vendor interactions. We take the trust that government agencies put in us seriously.

Vendors must act with integrity and are expected to demonstrate a commitment to legal, ethical, safe, fair, and responsible business practices. We require that our vendors understand the requirements of this Code, operate in accordance with the expectations outlined in this Code and comply, at a minimum with all applicable laws, rules, regulations, and standards within the geographies in which they operate. In instances where standards outlined in the Code differ from local laws, vendors must respect these standards within the framework of the applicable local laws.

## EXPECTATIONS OF SUPPLIERS

We have a responsibility to the children, families, and communities that SWK serves and supports, as well as our customers, government funders and third-party donors, to do business with vendors that provide high quality goods and services in accordance with the expectations of this Code. We seek to maintain such high standards by routinely evaluating the performance of our vendors.

In the evaluation of vendor performance, SWK considers, among other factors:

- the quality of the product or service provided;
- compliance with contractual terms and conditions;
- ability to meet delivery schedules;
- efficiency in response to requests for information;
- adherence to warranty provisions; and
- speed and cooperation in resolving problems and/or settlement of claims.



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A supplier may be removed from SWK's list of approved vendors for poor performance or unethical behavior, including but not limited to the following:

- poor performance based on contractual obligations or terms;
- non-compliance with this Supplier Code of Conduct;
- submission of false information;
- bankruptcy or a decision of legal incompetence;
- state or federal suspension or debarment; or
- criminal conviction or civil judgment for any offense indicating a lack of business integrity or business honesty; or
- failure to timely disclose criminal arrests including ongoing investigations of crimes of a sexual nature, convictions, ongoing investigations under Child Protective Services (CPS), license revocation or suspension, professional or ethical investigations or reprimands, or other violations of industry professional standards or ethics.

Vendors removed from SWK's list of approved vendors may be considered for re-admission to the list if the vendor can demonstrate that the reason for removal has been corrected.

## **LEGAL COMPLIANCE**

Our vendors are expected to, at a minimum, abide by all laws and regulations relating to their business conduct, and to understand the laws and regulations relevant to their work and applicable to the locations in which they operate.

Vendors shall not be subject to bankruptcy, have affairs administered by a court, have suspended business activities, have revoked professional licensing, or be subject to proceedings for such matters.

Vendors shall not be subject to a judgment or conviction for fraud, corruption, involvement in a criminal organization, or any other grave professional misconduct.

Vendors shall have fulfilled obligations relating to the payment of social security contributions and taxes in accordance with relevant legal requirements.

## **COMPLIANCE WITH THE VENDOR CODE OF CONDUCT**

Our vendors are expected to comply with this Code. In the event of a violation of this Code, SWK will pursue corrective action to remedy the situation, which may include terminating the relationship if the violation cannot satisfactorily be resolved under the existing contract or agreement terms.

Vendors also have a responsibility to timely report any potential or actual violations relating to government contracts, subcontracts, cooperative agreements, or grants performed by SWK. For example,



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under federal regulations, including FAR 52.103-13, these violations may include violation of a federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations under Title 18 of the U.S. Code, or a violation of the civil False Claims Act (31 U.S.C. §§ 3729-3733).

Reporting is also required for the following:

- Misconduct or unethical behavior related to goods, services, or functions provided to SWK;
- Violations of SWK's Code of Conduct;
- Violations of statutes or regulations involving fraud, deceit, or dishonesty;
- Misconduct or unethical conduct relating to any government contract or subcontract work, or other government funded business; and
- Criminal arrests including ongoing investigations of crimes of a sexual nature, convictions, ongoing investigations under Child Protective Services (CPS), license revocation or suspension, professional or ethical investigations or reprimands, or other violations of industry professional standards or ethics.

In short, if vendors believe there has been a violation of the Code or SWK policy, our vendors have a responsibility to report it.

Finally, in the event of an internal or government investigation, SWK vendors are expected to be truthful and honest and cooperate with government authorities. Doing so includes preserving all documents, data, and other materials related to any subject matter of the investigation, audit, or review. It is SWK's policy to cooperate with any reasonable and lawful request by federal, state, and municipal government investigators seeking information concerning SWK's operations for law enforcement purposes.

## **LABOR & EMPLOYMENT**

### **Nondiscrimination & Harassment**

Our vendors will comply with all applicable laws regarding discrimination and harassment in hiring and employment practices. Our vendors are expected to create and maintain an environment that treats all employees with dignity and respect.

Vendors are expected to maintain a workplace free of discrimination, all types of harassment (physical, psychological, and verbal), intimidation, victimization, and any other form of inappropriate behavior or abusive conduct on any grounds including but not limited to age, ancestry, ethnic or social origin, gender, gender identity or expression, mental or physical disability, nationality, race, sexual orientation, marital status, parental status, pregnancy, political convictions, religious beliefs, union affiliation, or veteran status.

Vendors are expected to provide their employees and prospective employees with equal employment opportunity, without regard to the statuses noted above or any other status protected under applicable



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federal, state or local law or regulation, so long as the essential functions of the job can be competently performed with or without reasonable accommodation.

## Wage And Benefits

Our vendors are expected to pay their workers at least the minimum compensation required by local law and provide all legally mandated wages and benefits. Such wages and benefits should satisfy the higher of national standards, locally required minimums, or local industry benchmarks, including any compliance with Service Contract Act standards, and as amended (“SCA,”). Where no local minimum wage legislation exists, the vendor should seek to establish a living wage that provides an adequate standard of living for all its employees and their families.

## Child Labor

SWK supports ILO Convention 138 with regard to the appropriate age of workers and will not work with vendors who use child labor.

Our vendors must not employ child labor and should take preventative measures to make sure that the vendor does not employ child labor, including but not limited to: age verification systems, training for managers, and communicating with subcontractors and suppliers on child labor issues. The term “child” refers to any person under the minimum legal age for employment where the work is performed.

## Human Trafficking

Our vendors must not engage in, or support through their supply chain, forced or involuntary labor, performed under threat of punishment for reduced or no payment or work situations which compromise basic human rights. This includes transporting, harboring, recruiting, transferring, or receiving vulnerable persons by means of threat, force, coercion, abduction, or fraud for the purpose of exploitation.

Vendors must not engage in any practices as defined by FAR 52.222-50; the Trafficking Victims Protection Act of 2000 (Pub. L. 106-386), as amended (TVPA); and the California Transparency in Supply Chains Act, including Slavery, Servitude, Forced Labor, Debt Bondage, Human Trafficking, Forced Marriage, Worst Forms of Child Labor and Deceptive Recruitment for Labor and Services.

Vendors must not import goods prohibited under Section 307 of the Tariff Act of 1930 as amended in the Trade Facilitation and Trade Enforcement Act of 2015 (TFTE) (prohibiting the importation into the US of merchandise mined, produced or manufactured, in whole or in part, by forced or indentured labor, including convict labor).

## SUBSTANCE ABUSE AND DRUG-FREE WORKPLACE



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Our vendors are expected to have policies and procedures in place to make sure that their employees do not conduct work while under the influence of alcohol, illegal drugs, or misused medications, whether prescription or non-prescription. Vendors shall implement and enforce policies and procedures that prohibit employees from using, possessing, or selling illegal drugs, alcohol, or misusing medications while performing job functions.

## **HEALTH AND SAFETY**

Our vendors are expected to provide safe and healthy working facilities and to take appropriate precautionary measures to protect employees, visitors, and others from work-related hazards and anticipated dangers in the vendor workplace. Vendor employees should be provided with regular and recorded health and safety training.

Our vendors are expected to comply with all applicable health and safety laws, regulations, and directives. Our vendors are also expected to implement, as applicable, systems for the prevention of occupational injury and illness including standards for fire safety; emergency preparedness and response plans; occupational or industrial hygiene standards; appropriate lighting and ventilation; machinery safeguarding; reporting and investigation of occupational injuries and illness; reasonable access to potable water; with responsibility for health and safety assigned to a management representative.

Any accommodation provided (where applicable) should be clean and safe and meet the basic needs of the workers.

## **ETHICAL STANDARDS & BEHAVIOR**

As a third-party doing business with SWK, vendors have a responsibility to make ethical decisions and report unethical conduct. While this Code is designed to set guidelines for expected behaviors of SWK vendors, our vendors may face ethical challenges in the execution of their work or operations.

Suppliers are expected to abide by locally defined conduct requirements (which may not be applicable in all locations and regions) such as indigenous rights; environmental requirements; traditional customs; public policy; training and education.

Vendors and suppliers must timely, and in any event prior to vendor or vendor's employee continuing to provide services to SWK, disclose to SWK any conditions that would cause vendor or vendor's employees to become ineligible to provide Services, including but not limited to: criminal arrests including ongoing investigations of crimes of a sexual nature, convictions, ongoing investigations under Child Protective Services (CPS), license revocation or suspension, professional or ethical investigations or reprimands, or other violations of industry professional standards or ethics. A failure to self-report is considered a breach of contract and may result in termination of any active agreements.



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## Procurement Integrity

Our vendors are expected to maintain the integrity of our procurement and acquisition processes by adhering to SWK policies and procedures and federal and state regulations regarding procurement, cooperative agreements, or other agreement mechanisms. Vendors must not use competitors' confidential or proprietary information for their own benefit. If a vendor becomes aware of any such confidential or proprietary information, they should promptly take steps to avoid its improper use and inform SWK as appropriate.

## Conflicts of Interest

Our vendors are expected to avoid all conflicts of interest or circumstances giving the appearance of a potential conflict of interest in their dealings with SWK. Further, vendors must notify SWK of any situations of potential or apparent conflicts between their personal interests and the interests of SWK.

Conflicts of interest can occur if a personal, social, financial, professional, or political activity interferes or appears to interfere with: a vendor's ability to perform its work with or on behalf of SWK effectively and objectively, or the interests of SWK.

## Grievance or Complaint Mechanism

Our vendors are expected to have a process through which workers can raise workplace concerns without fear of retaliation. This grievance mechanism should be transparent and understandable to workers and should ensure the protection of whistleblowers.

## Anti-Corruption Laws

Our vendors must comply with all applicable anti-corruption laws, directives, and regulations, such as the U.S. Foreign Corrupt Practices Act. Our vendors must refrain from offering or making any improper payments of money (or anything of value) to government officials, political parties, candidates for public office, or other persons. This includes a prohibition on facilitating payments intended to expedite or secure the performance of a routine governmental action that the government official is already obligated to perform. Our vendors must not offer any illegal payments to, or receive any illegal payments from, any customer, vendor, their agents, representatives, or others. The receipt, payment, and/or promise of monies or anything of value, directly or indirectly, intended to exert undue influence or improper advantage is prohibited. This prohibition applies even in locations where such activity may not violate local laws.



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## Fair Competition/Antitrust

Our vendors are must conduct business in accordance with all applicable antitrust or competition laws and regulations. This includes avoiding business practices such as entry into arrangements that unlawfully restrain competition; improper exchange of competitive information; collusion; price-fixing, bid-rigging, or improper market allocation.

## Post-Employment Restrictions

Post-employment restrictions may apply to current SWK staff and former SWK staff members who participated in the procurement process, if such persons had prior professional dealings with vendors. SWK Suppliers must refrain from offering employment to any such person for a period of one year following that person's separation from SWK service.

## Gifts And Gratuities

Our vendors are expected to compete on the merits of their products and services. The exchange of business courtesies must not be used to gain an unfair competitive advantage. The value of gifts, meals, entertainment, or other business courtesies given to SWK employees may not exceed \$30.00 during any twelve-month period. Any gift that could reasonably be perceived to influence business can damage both SWK and our vendor's reputations and should not be given.

SWK personnel or representatives will not accept any invitations to sporting or cultural events, offers of holidays or other recreational trips, transportation, or invitations to breakfasts, lunches or dinners. SWK expects its vendors not to offer any benefit such as free goods or services, employment or sales opportunities to a SWK staff member in order to facilitate business with SWK.

Further, in every business relationship, our vendors must ensure that the offering or receipt of any gift or business courtesy is permitted by law and regulation, that these exchanges do not violate the rules and standards of SWK or the recipient's organization, and that they are consistent with reasonable marketplace customs and practices.

## Donations

Vendors who elect to donate services or goods to further the mission of SWK will not receive any advantage or preference in the procurement process. Our vendors may not reference or mention any donations or contributions provided to SWK to staff during the procurement process. Identification of any donations made to SWK by a vendor in advance of the award of business will result in immediate disqualification from supplying that good or service to SWK.





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## **PROTECTING INFORMATION**

Our vendors are expected to properly protect information, including any sensitive information, proprietary and personal information, competition-sensitive information, or intellectual property. Information maintained on electronic systems should be protected against cyber intrusions and unauthorized access through appropriate physical and electronic security procedures. SWK information should not be used for any purposes other than the business purpose for which it was provided without prior authorization.

Vendors are expected to implement appropriate industry standard and best practices for data security controls to ensure that all information is protected and secure from damage and unauthorized use. In addition, vendors must comply with all applicable privacy and data protection and information security laws and regulations.

## **MAINTAINANCE OF ACCURATE RECORDS**

Our vendors are expected to maintain accurate records that completely reflect all transactions related to SWK business. All records submitted as evidence of a business transaction with SWK, its customers, and regulatory authorities must be accurate and complete and fully represent the transaction that is documented. Vendors should never falsify records or alter, conceal, or destroy any document to misrepresent any fact, circumstance, or transaction related to SWK business.

## **ENVIRONMENT AND SUSTAINABILITY**

Our vendors are expected to comply with all applicable environmental laws, regulations, and directives and operate as responsible stewards of the environment. Our vendors should operate in a manner that actively manages risk, conserves natural resources, and protects the environment.

## **VENDOR QUALITY**

Our vendors are expected to have established quality assurance processes and procedures to identify and correct defects to make sure their products and services meet or exceed contractual quality requirements. All required testing and inspection must be completed to make sure their work product meets any required quality standards.

SWK expects that the goods, services, or functions provided to SWK shall be of the best available design, quality, material, and workmanship, shall be fit and suitable for the purpose intended, shall meet or exceed any specification which has been provided without fault, and conform in all material respects with the specification and/or patterns supplied or advised by the vendor.



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## LOWER-TIER VENDORS

Our vendors are expected to convey and ensure compliance with the material requirements of this vendor Code of Conduct to any lower-tier subcontracting partner.

## SWK Policies

### Version Tracking

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1.1	Nov. 11, 2022	David Berndt, VP Compliance & Ethics
1.1.	Nov. 23, 2022	Eleanor Benmenashe, CLO
1.2	May 17, 2023	Sky Brown, Regulatory Counsel
1.3	Oct 27, 2023	Sky Brown, Regulatory Counsel