



CODE OF ETHICS POLICY 2021/2022

Desert Arc's Annual Policy Review is between June and August

Reviewed and Updated: August, 2021

Reviewed and Updated June, 2020

Reviewed and Updated June, 2019

Reviewed and Updated June, 2018

PURPOSE:

Desert Arc Employees will maintain the highest ethical standards in the conduct of Desert Arc affairs. The intent of this policy is that each employee will conduct Desert Arc's business with integrity and comply with all applicable laws in a manner that excludes considerations of personal advantage or gain.

The following is a summary of Desert Arc's policy with respect to (1) gifts, favors, entertainment and payments given or received by company associates, (2) potential conflicts of interest and (3) certain other matters:

GENERAL POLICY APPLICATION:

A. Gifts, Favors, and Payments by the Company: Gifts, favors, and payments may be given to others at Company expense, if they meet all of the following criteria:

1. They are consistent with accepted business practices.
2. They are of sufficiently limited value and in a form that will not be construed as a bribe or payoff.
3. They are not in violation of applicable law and generally accepted ethical standards.
4. Public disclosure of the facts will not embarrass Desert Arc.

Payments, commissions or other compensation to or for the benefit of associates of customers (or their family members or associates) not required by written contract are contrary to Company policy.

B. Gifts, Favors, Entertainment and Payments Received by Desert Arc Employees:

1. Desert Arc employees shall not seek or accept for themselves or others any gifts, favors, entertainment, payments without a legitimate business purpose (nor shall they seek or accept personal loans other than conventional loans at market rates from lending institutions) from any persons or business organizations that do or seek to do business with or is a competitor of Desert Arc. In the application of this policy:

a. Employees may accept for themselves and members of their families common courtesies usually associated with customary business practices. These include but are not limited to:

- Lunch and/or dinner with vendors sometimes including spouses as long as the invitation is extended by the vendor.
- Gifts of small value from vendors such as calendars, pens, pads, etc. are acceptable if valued at \$25 or less.
- Gifts valued larger than \$25 (such as sports, arts, etc.) are not acceptable. If offered by the vendor, the President/CEO must approve acceptance.
- The receipt of alcoholic beverages is discouraged.
- Gifts of perishable items usually given during the holidays such as hams, cookies, nuts, etc. are acceptable.

b. A strict standard is expected with respect to gifts, services, discounts, entertainment or considerations of any kind from suppliers.

- Day outings including but not limited to golf, fishing, and hunting are acceptable with prior approval from the President/CEO. The vendor must be in attendance and participation by the employee's family members is not acceptable.
- Use of vendor's facilities (vacation homes, etc.) by employees or families for personal use is prohibited. In the event the vendor is present for the duration of the visit such a situation is acceptable as long as it is only once per year and for limited duration, i.e. a long weekend. The employee must have prior approval from the President/CEO.
- It is never permissible to accept a gift in cash or cash equivalent such as stocks or other forms of marketable securities of any amount.

2. Management should not accept gifts from those under their supervision of more than a value of \$25.

C. Conflicts of Interest:

Employees should avoid any situation which involves or may involve a conflict between their personal interest and the interest of Desert Arc. As in all other facets of their duties, employees dealing with customers, suppliers, contractors, competitors or any person doing or seeking to do business with the company are to act in the best interest of Desert Arc. Each employee shall make prompt and full disclosure in writing to their manager of any potential situation which may involve a conflict of interest.

Such conflicts include:

1. Ownership by employees or by a member of their family of a significant interest in any outside enterprise which does or seeks to do business with or is a competitor of Desert Arc.
2. Serving as a director, officer, partner, consultant, or in a managerial or technical capacity with an outside enterprise which does or is seeking to do business with or is a competitor of the company. Exceptions to this must be approved by the President/CEO.
3. Acting as a broker, finder, go-between or otherwise for the benefit of a third party in transactions involving or potentially involving Desert Arc or its interests.
4. Any other arrangements or circumstances, including family or other personal relationships, which might dissuade the employee from acting in the best interest of the company.
5. Personal fundraising such as selling girl scout cookies or promoting school fundraisers, having clients sell items on behalf of employees, Board members, or Desert Arc affiliate, or allowing clients to raise funds by appeals to personnel or other clients.

D. Social Media:

Desert Arc employees must be respectful and professional of all postings on any social media towards other employees, clients, Board Members, Desert Arc and any Desert Arc affiliate. Employees must not post any comments or materials that are obscene, defamatory, racial, sexual, profane, libelous, threatening, harassing, abusive, hateful or embarrassing to other employees, clients, Desert Arc or any Desert Arc affiliations. This policy also pertains to Zoom or other forms of videoconference, webinar and communication tools. Please refer to Desert Arc Social Media Policy.

The only representative authorized to communicate with the broadcast or print news media is the President/CEO or designee.

E. Confidential Information:

The revelation or use of any confidential product information, data on decisions, plans, or any other information which might be contrary to the interest of Desert Arc without prior authorization from the President/CEO is prohibited. The misuse, unauthorized access to, or mishandling of confidential information, particularly personnel information, or any information pertaining to Desert Arc clients is strictly prohibited and will subject an employee to the Disciplinary Process up to and including immediate termination of employment.

F. Marketing:

Desert Arc must not misrepresent our programs, business services or any other endeavor in its marketing campaigns and/or materials. Desert Arc will make no service comparisons to similar agencies.

G. Legal Documents:

Desert Arc staff will not witness client legal documents, which include powers of attorney, guardianship, advance directives and others. If requested, the client will be referred to the Regional Center for resources.

H. Contractual Relationships:

Desert Arc will conduct itself with integrity, honesty, respectfulness and professionalism in its relationships with clients, funding agencies, customers, vendors and other parties to which we have a contractual relationship.

I. Waste, Fraud and Abuse:

Desert Arc will promote an ethical culture of compliance with all state and federal regulatory requirements and all staff is mandated to report any suspected fraud, waste or abuse of Desert Arc's property.

Fraud refers to, but is not limited to, any dishonest or fraudulent act to include forgery or alteration of any document, misappropriation of funds or supplies, improper handling or reporting of money or financial transactions, destruction or intentional disappearance of records, furniture or equipment.

Waste refers to, but is not limited to, the unnecessary incurring of costs as a result of inefficient practices and procedures, systems or controls.

Abuse refers to, but is not limited to, violations and circumventors of departmental or agency regulations which impair the effective and efficient execution of operations.

J. Fundraising Activities:

Desert Arc will conduct its fundraising activities with the highest ethical standards and to ensure that donors have confidence that their donations are being directed toward an organization with well-managed fundraising efforts. Please refer to Desert Arc Fundraising Policies and Procedures.

K. Compliance:

Any violation of this policy will subject the employee to the Disciplinary Process or immediate termination of employment. Any Desert Arc employee having knowledge of any violation of the policy shall promptly report such violation to the appropriate level of management. The President/CEO is responsible for the overall compliance of Desert Arc, and each Director is responsible for compliance in their area of responsibility. When questions arise concerning any aspect of this policy, contact the Director of Human Resources.

L. Reporting a Breach of Ethics:

Desert Arc encourages employees to bring forward any knowledge or witnessed breach of the codes of ethics. Employees will not suffer reprisals or retaliation by Desert Arc for the reporting of breaches if done in good faith. If a breach is to be reported, the Investigation Procedure, Section I.V. of the Employee Handbook will be followed.

Reviewed and/or Updated:



August 31, 2021

Richard Balocco, President/CEO

Date