

Subject: Contractor Code of Business Ethics and Conduct

Effective Date:

11/23/10

Approval:



POLICY

As a rule, no Horizons Youth Services employee may solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who (a) has or is seeking to obtain business with Horizons, (b) conducts activities that are regulated by any governmental agency that has contracted Horizons, or (c) has interests that may be substantially affected by the performance or nonperformance of the employee's official duties. Certain limited exceptions are authorized as contained in this policy.

PROCEDURE

1. Public service is a public trust. All employees of Horizons Youth Services, as a Government contractor, must conduct themselves with the highest degree of integrity and honesty. This applies to all levels of the company, from the President, Director, manager, and supervisor to the most junior staff person. It means placing professional and job-related responsibilities before personal gain and individual interest.
2. Horizons employees may neither engage in, nor give the appearance of engaging in, dishonest or unethical actions. Both are injurious to the company's reputation and the public's perception of honest government contracting. In the context of government contracting, this means that Horizons personnel may not:
 - a. Show favoritism, instead must take actions and make decisions based upon merit in accordance with requirements of established laws, rules, policies, and procedures;

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- b. Accept a gift worth \$20 or more per occurrence (\$50 per year) from any person or firm doing or intending to do business with Horizons (a gift includes cash, goods, meals, travel, sporting event tickets, entertainment, loans, services, or anything else of value; separate gifts within a 12-month period from the same person or firm or from related persons or firms (for example, from two employees of a single supplier) are grouped together); Unsolicited gifts (NOT cash) with a market value of \$20 or less per source and per occasion are permissible so long as the total value of all gifts received from a single source during a CY does not exceed \$50.
 - c. Work for any supplier that has a contract or other business dealings with Horizons or has an ownership interest in any supplier that has a contract or other business dealing with Horizons, unless the President has given written approval of the work or ownership interest (the restriction on ownership also applies to the employee's spouse);
 - d. Accept a gift of any kind, regardless of the value thereof, under circumstances in which it could be reasonably inferred that the gift was intended (or could be reasonably expected) to influence the performance of official duties or serve as a reward for any official action.
 - e. Disclose for private use, including personal or family gain, any confidential information learned as a result of Horizons employment; nor
 - f. Discuss prospects of employment with any supplier seeking or doing business with Horizons as long as the employee remains involved in business dealings with that supplier.
3. The Contractor Code of Business Ethics and Conduct is outlined FAR Part [3.1002](#) and applies as guidance to Horizons employees. When there is doubt as to whether conduct is prohibited by this policy or the FAR, employees may seek written or oral guidance from the company president.
 4. Employees and subcontractors have an affirmative obligation to report known or suspected wrongdoing, including supplier offers to engage in the above-described conduct, to the President either by phone (540) 421-9080,

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email (calvop@horizonsva.com), or through the HYS Hotline at: (<http://www.horizonsyouthservices.com/HYS-Web/DesktopDefault.aspx?tabid=153>).

5. Horizons employees responsible for procurement actions are obligated, under requirements of law and policy, to obtain the best price or value for the expenditure of public funds. Generally, this is accomplished through full and open competition, which requires that:
 - a. Contracts are made accessible to a wide number of prospective suppliers, including <https://www.fbo.gov/>, as applicable.
 - b. Requirements, designs, work plans, and specifications are not tailored to favor a particular supplier; and
 - c. No competitor is permitted an advantage by the premature disclosure of contract details or the disclosure of competitors' confidential information.

Responsibility of Suppliers

6. Horizons relies upon open, arms-length, competitive procurements, to assure that it spends the public's money wisely. To do business with the Horizons, suppliers must respect and not undermine that process. We also expect suppliers to perform fully, timely, and honestly in accordance with the terms of their contracts and to demonstrate their responsibility through a history of successful and honest performance.
7. Suppliers are expected to independently and honestly prepare and submit quotes, bids and proposals based upon their own costs and operations without the benefit of knowing what their competitors will do. By this mechanism Horizons obtains the most advantageous price or proposal available among firms doing business in that market.
8. Suppliers shall not offer a gift of any kind to a Horizons Employee to directly or indirectly influence the drafting of procurement requirements, evaluations, awards, or payment. Such an offer is not a "gift", but a bribe. The employee

must report attempts at bribery. In addition to being a crime, bribery is the fastest way to ensure that a supplier will cease to do business with Horizons.

9. If a Horizons employee suggests or demands a "gift" for providing any service, consideration, or advantage to a supplier, the supplier should report this to the company president.
10. Should a supplier determine that a Horizons employee, or his or her family member, would make a perfect addition to their firm, they must make sure that the employee is not involved in any capacity with any procurement that affects the supplier before discussing a job offer, or even the prospect of a job. Wait until the employee is no longer involved with the procurement or until that particular procurement is completed before discussing employment prospects. Otherwise, any attempt to discuss employment may be considered an attempt to improperly influence the procurement.

Gifts Between Employees

11. An employee cannot solicit a gift or make a donation to any superior. Likewise, an employee cannot accept a gift from a lower paid employee, unless they are personal friends and not in superior-subordinate relationship.
12. Unsolicited gifts on occasional basis are permissible, including traditional gift-giving occasions, such as birthdays and holidays, subject to the following limitations:
 - a. Items (NOT cash) with aggregate value of \$25 or less per occasion.
 - b. Food and refreshments consumed at office
 - c. Personal hospitality at someone's home
13. Subordinate may give gift or donate toward group gift for superior and superior may accept gift on special, infrequent occasions such as marriage, illness, birth of child, (not promotion), or upon termination of superior- subordinate relationship, such as transfer, resignation, or retirement.

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14. Solicitations for group gifts may not exceed \$20 per person (employee free to donate more). Any donation must be voluntary! Group gift(s) given on special, infrequent occasions generally limited to \$300. On very rare occasions, group gift(s) may exceed \$300 provided it is appropriate to the occasion and uniquely linked to departing employee’s position.

Sanctions for Misconduct

- 15. A wide range of criminal, civil, administrative, and contractual sanctions are available to address procurement fraud or misconduct. These include, but are not limited to, filing of State and Federal criminal charges; civil contract remedies, including damages; assessment of liquidated damages; voiding or rescinding a contract; finding a contractor non-responsible; and debarment.
- 16. The Corporate Director of Finance and Administration has the authority to void a contract between Horizons Youth Services and a supplier if the Horizons finds that the contract involved a violation of the Code of Ethics.
- 17. The supplier and the employee alike can find themselves facing misdemeanor or felony charges for procurement fraud. At a minimum, Horizons employees shall be subject to disciplinary action up to and including termination.
- 18. Maintaining a good relationship with the Horizons involves an understanding of both our business needs and our ethical environment. Horizons Youth Services looks forward to doing business with the many knowledgeable and honest suppliers who comprise our vendor community.

Notice to Suppliers, Vendors, and Subcontractors

19. Horizons Youth Services procurement staff shall communicate the **Contractor Code of Business Ethics and Conduct** policy to suppliers, vendors, and subcontractors either by furnishing a copy of the policy or through referencing the requirements in



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solicitations and awards by Inserting the clause at FAR [52.203-13](#), Contractor Code of Business Ethics and Conduct.

20. As a general practice, HYS procurement staff shall send a letter or email blast to suppliers, vendors, and subcontractors, at the start of the Holiday season (3rd week of November) summarizing our policy and soliciting their support and understanding. A sample letter is provided below:

Date

To: Horizons Youth Services Suppliers, Vendors, and Subcontractors

Horizons would like to take this opportunity to remind its suppliers, vendors, and subcontractor of its policy against receiving and/or soliciting gifts and gratuities. Our policy states "No Horizons Youth Services employee may solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who (a) has or is seeking to obtain business with Horizons, (b) conducts activities that are regulated by any governmental agency that has contracted Horizons, or (c) has interests that may be substantially affected by the performance or nonperformance of the employee's official duties."

Horizons takes our Contractor Code of Business Ethics and Conduct policy very seriously. Violations are subject to employee disciplinary action, debarment of vendor, or civil/criminal penalties.

This letter is intended only to remind our valuable suppliers, vendors, and subcontractors of our policy during the upcoming holiday season. We appreciate your cooperation. If you have any questions, you can contact our Corporate Office at (540) 896-9947.

Sincerely,

Director,
Corporate Finance and Administration



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Staff Training and Development

21. Center Human Resources and Purchasing staff shall include an overview of the **Contractor Code of Business Ethics and Conduct** policy as part of new hire orientation and annual staff training requirements of the center's annual training plan.
22. Copies of the policy shall be posted in the office(s) of Horizons procurement staff and made available to all employees at their request.

Corporate Monitoring

23. Corporate Finance & Administration and Human Resources support staff will monitor compliance during scheduled monitoring and assessments.
24. Prompt action will be taken to investigate any reported violations or allegations of improprieties related to the content of this policy.