



BUILDING AND MAINTAINING AN ETHICS AND COMPLIANCE PROGRAM – The Small Business Toolkit



**DEFENSE INDUSTRY INITIATIVE
ON BUSINESS ETHICS AND CONDUCT**

A Resource from The Defense Industry
Initiative on Business Ethics and Conduct

What's in a good conflicts of interest policy?

Can the ethics and compliance leaders at your company detail the key elements of a conflicts of interest policy that meets federal standards? The Small Business Toolkit includes essential resources on the topic, including:

- A sample conflicts of interest policy
- PowerPoint slides defining conflicts of interest and guidelines for avoiding them as part of comprehensive, customizable training materials
- An ethics case study detailing a potential conflict of interest
- A sample ethics program with information on conflicts of interest
- A sample code of conduct with a conflicts of interest section
- A DII model code of conduct assessment tool with a section on conflicts of interest

The Department of Defense (DoD) and other government agencies have an ongoing goal to award more prime contracts and subcontracts to small businesses. In fact, nearly 25% of prime contracts awarded by the DoD in 2015 went to small businesses. Yet for many of these small businesses, complying with the myriad of regulations poses serious challenges. Most significantly, limited resources and a lack of guidance can make establishing an effective ethics and compliance program challenging for many of the small businesses DoD wants to attract.

For the first time, a complete solution for the defense industry to launch and maintain an ethics and compliance program is available in one place. The Small Business Toolkit from The Defense Industry Initiative on Business Ethics and Conduct (DII) offers government contractors a comprehensive collection of resources – everything a small business needs to create a program to facilitate compliance with complex federal contractor regulations.

SOLUTIONS PROVIDED IN THE SMALL BUSINESS TOOLKIT

- 1. GOVERNANCE AND ORGANIZATION**– Addresses key questions small businesses will face when establishing an ethics and compliance program, whether it's a full department or a department of one, and provides guidance for implementing an effective ethics and compliance program.
- 2. TRAINING AND ENGAGEMENT**– Includes a PowerPoint presentation that can be customized for employers to train individuals involved in your organization's compliance program and employees engaged in government contracts. The section also includes 12 training case study videos and two sample ethics communication documents.
- 3. POLICIES AND PROCEDURES**– Includes a DII Model Code of Conduct, a Supplier Code of Conduct and more than 25 sample policies and procedures covering mandatory and optional policies a contractor could be required to implement depending on the scope of work.
- 4. AUDITING, MONITORING AND MENTORING**– Provides tools for small businesses to self-audit their business ethics and compliance program and determine if it is working effectively. For DII members, the Small Business Toolkit also includes a list of individuals from DII member companies who have agreed to act as mentors to small businesses with respect to various ethics and compliance topics.



KEY BENEFITS

ACCESS TO INDUSTRY EXPERTS

For DII members, the Small Business Toolkit provides contact information for individuals at the most established, respected defense contracting companies in the industry today, including Boeing, Day & Zimmermann, Harris, Lockheed Martin and Northrop Grumman. These individuals, many of whom serve on the DII Working Group, can provide crucial insight and best practices on all aspects of developing a robust ethics and compliance program.

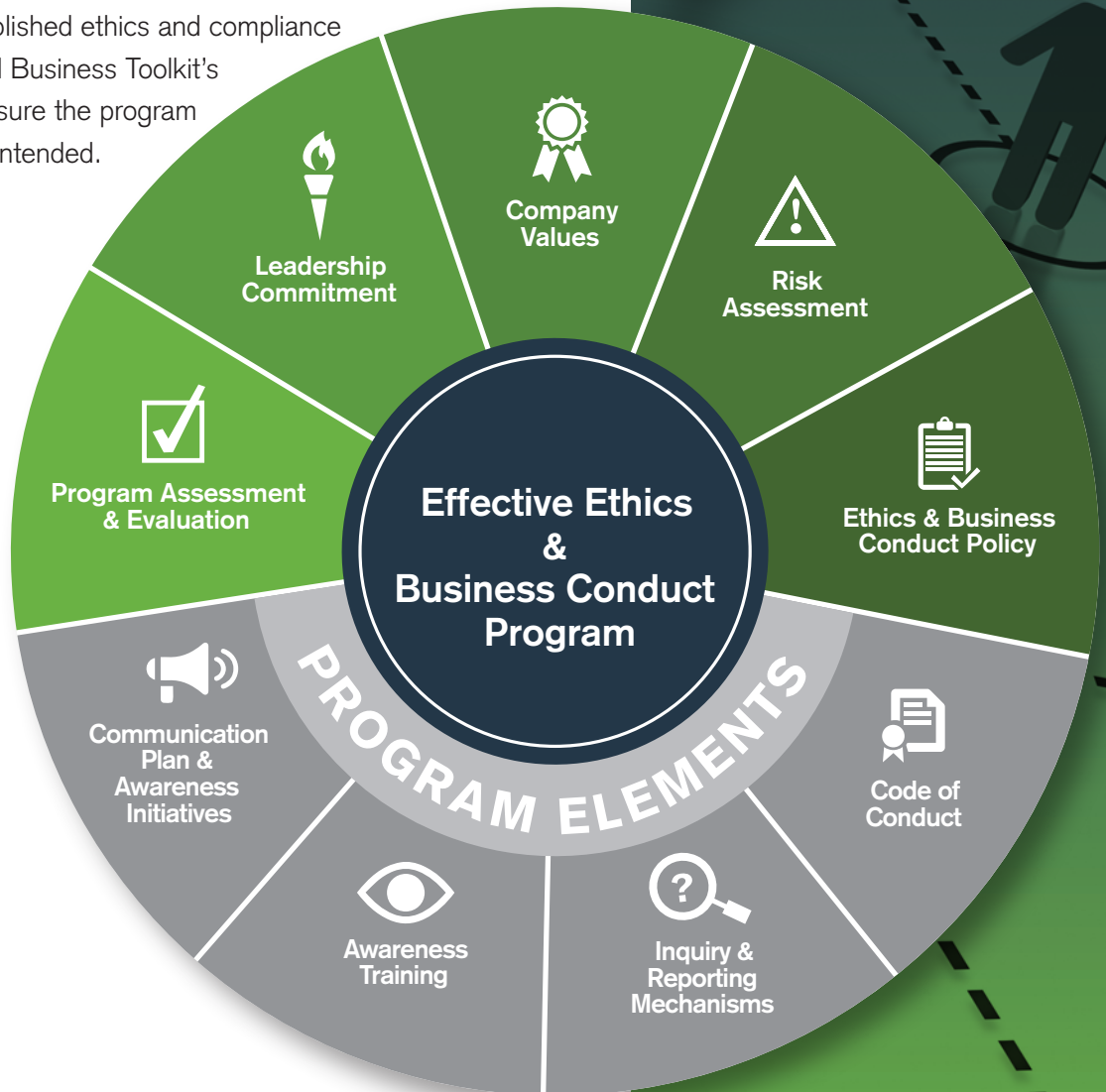
CUSTOMIZABLE TRAINING

Ethics and compliance training is time consuming. The Small Business Toolkit includes customizable slides that significantly reduce the burden of preparing and conducting training as well as an engaging case study, sample policies and procedures.

SELF-AUDITING YOUR ETHICS PROGRAM

Small businesses with established ethics and compliance programs can use the Small Business Toolkit's self-auditing resource to ensure the program is effective and working as intended.

The DII Small Business Toolkit outlines and explains the nine elements of an Effective Ethics and Business Conduct Program. By joining DII, you will receive full access to information that will help you understand these elements and how to implement them in your business.



Making Policies and Procedure Documents Easy

Many small businesses lack the time and experience to create policy and procedure documents that are essential to successful compliance. The DII Small Business Toolkit includes policy and procedure examples including:

- Conflicts of Interest
- Time Charging
- Non-Retaliation
- Anti-Corruption/Business Courtesies
- Mandatory Disclosure
- Export/Import Compliance

ABOUT DII

The Defense Industry Initiative on Business Ethics and Conduct (DII) helps businesses meet complex compliance requirements by promoting a culture of ethical conduct in every company that provides products and services to the United States government. DII is a nonpartisan, nonprofit organization that combines the dedication of over 70 signatory companies to create a culture and practice of ethics and integrity in all business dealings with the United States Department of Defense.

Since 1986, DII and its members have worked to push beyond strict regulatory requirements and instill a culture of ethical conduct. DII members commit to honesty in all business dealings, the protection of taxpayer resources, and high-quality products and services for the U.S. military. The CEO of every DII member must sign a personal letter agreeing to abide by DII's core principles. Each year, DII helps train hundreds of ethics officers on the latest issues in ethics and compliance. It also hosts a Best Practices Forum – an annual gathering of members offering best practices from recognized defense contractor industry leaders and government insights on the latest regulations.

TO JOIN DII

DII is made up of large, medium and small businesses working in the defense contracting industry. The CEO of the company must agree to abide by all DII principles, and membership is approved by DII's Working Group. An annual fee is assessed on a sliding scale based on company size. To join the DII, please send an e-mail to info@dii.org and request an application.