

Policy on Corporate Compliance

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Affirmed by:


Dennis Wance, Board Chair

Date:

12/3/2020

PURPOSE

Eggleston is dedicated to the delivery of programs and services in an environment characterized by strict conformance with the highest standards of accountability for administration, business, service delivery, marketing and financial management. Eggleston's leadership is fully committed to the need to prevent and detect fraud, fiscal mismanagement and misappropriation of funds, and the development of a formal corporate compliance program to ensure ongoing monitoring and conformance with all legal and regulatory requirements.

Eggleston is committed to providing education and training on expected ethical behavior, treatment and protection of its employees, associates, applicants and other stakeholders. Furthermore, Eggleston is committed to protecting its employees, associates, applicants and other stakeholders from interference when making a protected disclosure or retaliation for having made a protected disclosure or refusing an illegal order. This Policy on Corporate Compliance does not replace any of the more specific policies of the organization. Rather, it is intended to support Eggleston's mission to provide the highest quality services to all those it serves and to continuously seek improvement.

Maintaining integrity and high ethical/legal standards requires hard work, courage, and difficult choices. Each individual must accept responsibility for compliance with this code. Commitment to these standards should never be compromised for financial, professional, or other business purposes.

Code of Ethical Behavior

Eggleston affirms its commitment to the following Code of Ethical Behavior based on its long established values. All Board Members, employees, associates or volunteers, must follow both the letter and the spirit of the following code:

1. To conduct all matters with honesty and respect.
2. To avoid actual or the appearance of conflicts of interest.
3. To comply with applicable laws and regulations of federal, state, and local governments.

4. To include full, fair, accurate, timely and understandable disclosure in reports and documents.
5. To responsibly use and protect all assets, resources and information.
6. To encourage the prompt reporting of any violation of the Code of Ethical Behavior or any other governing document to our Executive Committee of the Board of Directors, or other designated entity.
7. To establish accountability for adherence to the Code of Ethics.

Violations of the above Code of Ethical Behavior by an employee or intern shall be brought to the attention of the Corporate Compliance Officer and investigated utilizing the EthicsPoint® Reporting System. If warranted, disciplinary action, up to and including termination or removal from the organization, may occur.

Violations of the above Code of Ethical Behavior by a volunteer or community service worker shall be brought to the attention of the Corporate Compliance Officer and investigated utilizing the EthicsPoint® Reporting System. If warranted, the volunteer or community service worker shall be relieved from organizational involvement immediately.

Violations of the above Code of Ethical Behavior by an individual in a management position shall be brought to the attention of the Corporate Compliance Officer and investigated utilizing the EthicsPoint® Reporting System. If warranted, action up to and including termination or removal from the organization may occur.

Violations of the above Code of Ethical Behavior by a member of the Board of Directors shall be brought to the attention of the Executive Committee of the Board of Directors and investigated by the Executive Committee. If warranted, action up to and including removal from organizational involvement may occur.

Corporate Compliance Officer: By formal resolution of the Board, a Corporate Compliance Officer will be formally named by the Chief Executive Officer. In performance of his/her duties, the Corporate Compliance Officer shall have direct and unimpeded access to the CEO, Board of Directors, Executive Committee and the organization's audit firm and/or legal counsel for matters pertaining to corporate compliance. The Corporate Compliance Officer shall:

1. Serve as the organization's primary contact for all corporate compliance issues, including scheduling meetings, reporting on committee activities and making recommendations to the CEO and Board of Directors as required.
2. Develop, implement and monitor - on a regular and consistent basis - the organization's corporate compliance plan, including all internal and external monitoring, auditing, investigative and reporting processes, procedures and systems.
3. Prepare, submit and present annually reports, or more often as needed, to the CEO and/or Board of Directors. This report will include, for each specific incidence: a summary of all allegations, investigations and/or complaints

processed in the preceding twelve months and a complete description of all corrective action(s) taken.

Financial Reporting and Management Practices

Eggleston recognizes that financial reporting and an integrated system of internal controls are key responsibilities of the Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer. A periodic review of financial status by the Board of Directors is essential and an integral part of its duties. An annual independent examination and assessment of Eggleston's finances under the supervision of the Finance Committee of the Board is a key element in maintaining Eggleston's credibility and ensuring the safety of its assets.

Financial Statements: The Chief Financial Officer will report the financial position and results of operations and cash flow of the organization in accordance with generally accepted accounting principles to our Finance Committee and Board of Directors at least quarterly.

The Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer will certify that:

- The financial statements submitted do not contain any material untrue or misleading information.
- Appropriate internal controls are in place to protect corporate assets and ensure the integrity and competency of the accounting system, and that the controls are evaluated annually.
- Any and all fraudulent activity involving personnel who deal with internal controls have been reported to the Executive Committee of the Board of Directors.

The Audit Committee will be directly responsible for the appointment, compensation, and oversight of the independent accounting firm employed to conduct the annual audit. The Audit Committee will issue a RFP (Request for Formal Proposals) minimally every five years to select an independent accounting firm. If the same firm is selected for more than one - five year period, the engagement partner and/or audit supervisor of the independent firm should be changed, if possible. The selected firm cannot perform non-audit services for the corporation.

Internal Controls: An integrated system of internal controls shall be established designed to provide a reasonable assurance that Eggleston will:

- Attain and efficient operations, including the safeguard of assets.
- Compile financial statements.
- Require integrity, accuracy and reliability.
- Comply with all applicable laws and regulations.

Audit Committee: The Finance Committee of the Board of Directors will be designated to be the Audit Committee. Committee members should be independent of management, free of any relationship that would interfere with the exercise of independent judgment and none will be an Eggleston employee. Eggleston staff acting as committee liaisons will not participate in the Audit Committee. At least one member of the Finance Committee must qualify as a "financial expert". The committee will establish procedures for the receipt, retention, and treatment of complaints regarding accounting, internal controls and auditing. The Audit Committee will report at least annually to the full Board of Directors.

Annual Audit: The Board of Directors through the Finance Committee will engage an independent accounting firm to conduct an examination of Eggleston's financial statements. The Audit Committee will be directly responsible for the appointment, compensation, and oversight of the independent accounting firm employed to conduct the annual audit. The Audit Committee will issue a RFP (Request for Formal Proposals) minimally every five years to select an independent accounting firm. If the same firm is selected for more than one - five year period, the engagement partner and/or audit supervisor of the independent firm should be changed, if possible. The selected firm cannot perform non-audit services for the corporation. The independent firm will conduct its audit in accordance with generally accepted accounting and auditing standards. The auditors will examine Eggleston's financial statements and internal controls and report their findings and recommendations for changes to the Audit Committee and Board of Directors.

The Audit Committee will ensure prompt "follow-up" of any auditor recommendations. The Chief Financial Officer will be responsible for establishing and maintaining a tracking system to ensure the prompt and proper resolution and implementation of audit recommendations as well as reporting this information to the Board of Directors.

Certification of Form 990: Both the Chief Executive Officer and the Chief Financial Officer of Eggleston, will sign Internal Revenue Form 990 to attest to the accuracy and completeness of its contents. The Form 990 will not contain any untrue material statements or facts nor be misleading.

Conduct in Regards to Fiscal Management

The conduct of all employees, associates, volunteers and the Board members of Eggleston impact the ability to manage financial resources and serve the community. To strengthen the principles of this document, each Board member, employee, associate and volunteer agrees to conduct him or herself in a manner that promotes essential values and ethical behaviors that include:

- Operating in a manner that upholds the integrity of Eggleston and ensures public trust.
- Upholding all applicable laws and regulations.
- Being a responsible steward of the resources of Eggleston.

- Consistently using ethical decision-making, recognizing when something might be illegal.
- Consulting with others when presented with a dilemma on an issue.
- Deciding on a course of action, determining responsibility, reviewing all relevant facts and information and refer to all applicable Eggleston policies or professional standards.
- Considering whether an action goes against ethical, moral, or professional standards.

Billing: When claiming payment for services, Eggleston has an obligation to the persons served, third-party payers, and the state and federal governments to exercise diligence, care, and integrity. Employees will maintain both operational and financial documentation, billing, and coding records that are accurate and have data integrity. Eggleston will only bill and accept revenue for which it is entitled. Employees are expected to monitor compliance with applicable billing rules and established coding guidelines. Any false, inaccurate, or questionable claims should be reported immediately to the Corporate Compliance Officer.

It is against the law to knowingly submit false claims for payment. Submitting a false claim may include using the wrong billing codes, falsifying the medical record, or billing for services that are not provided or are not medically necessary. Violations of these laws can be punishable by fines, prison, or both. Providers may be excluded from the Medicaid program for submitting false claims. Eggleston's policy is to bill accurately and only for medically necessary services that are provided and documented.

Document Destruction: Based on legal requirements, there is a mandatory document retention and destruction policy. By law, certain documents, such as financial records, contracts, real estate, and employee records must be archived according to specific guidelines. It is illegal to alter, cover up, falsify, or destroy any document to prevent its use in an official proceeding. The policy on information technology includes guidelines for electronic or voice mail destruction.

Human Resources

Eggleston is committed to providing a work environment that values diversity among its volunteers, associates and employees. All Human Resources policies and activities are intended to create a respectful workplace where every individual has the opportunity to reach their highest potential.

Employees and associates are provided opportunities regardless of race, color, religion, gender, national origin, age, veteran status, or disability. These policies apply to both applicants and employees in all phases of employment including, recruiting, hiring, placement, training, development, transfer, promotion, demotion, performance reviews, compensation, benefits, and separation from employment.

We are committed to hiring competent individuals who support our core values. For our employees, we provide:

- Continuous educational and training opportunities, to ensure their competency and knowledge.
- A work environment in which ethical concerns may be raised and openly discussed without fear of retribution or retaliation.

Mutual respect among employees is an essential component of a productive work environment. Employees and associates must comply with the code of conduct and/or the residential code of conduct, as well as, applicable corporate policies and procedures. Employees and associates should not be harassed, intimidated or coerced by other employees or associates (regardless of title or position), or by vendors or contractors. Harassment of any kind, including but not limited to sexual harassment, which creates an intimidating, hostile or offensive work environment is contrary to company policy and will not be tolerated.

Confidentiality

In operating our business, employees and Board members often acquire confidential or proprietary information about Eggleston, and its customers, prospective customers and persons receiving services. Employees and directors must maintain the confidentiality of all such information, except when disclosure is authorized or legally required. Confidential or proprietary information includes, among other things:

- a. non-public information concerning Eggleston, such as its business plans, trade secrets, financial performance or condition, results of operations, or financial prospects; and
- b. non-public information provided by or learned about a third party with the expectation that the information will be kept confidential such as protected healthcare information or confidential information obtained to assist in the provision of services. Board members, employees, associates or volunteers may not use, or permit others to use, confidential information for the purpose of furthering a private interest or as a means of making a profit.

Records documenting service provisions, including service plans, test data, correspondence, computer-stored or electronic information, progress notes, and other documents are to be considered part of the confidential records of Eggleston. Disclosure of such information is protected by federal and state statutes and regulations.

Whistle Blower Protection

In accordance with laws governing both profit and nonprofit corporations, we adopt a whistle blower policy and procedure which encourages employees to confidentially/anonymously report any financial improprieties, internal controls, auditing matters, and/or potential violations of law, regulation or policy. These procedures will include that the Executive Committee of the Board that will be provided updates

regarding complaints and violations. Employee reports of improprieties will be taken seriously and investigated promptly by the Corporate Compliance Officer. Employees bringing such reports will not be subject to retaliation or adverse action based on the disclosure of the complaint.

Retaliation Complaint Procedures: Retaliation complaints for whistle blowing will be filed under Eggleston's grievance procedures and will be handled by the Corporate Compliance Officer or his/her designee.

1. The Corporate Compliance Officer and/or his/her designee shall receive a copy of the retaliation complaint. If the complainant is unable to express him or herself in written form, or are monolingual in a language other than English, accommodations will be made so their complaint can be received and reviewed in a timely manner.
2. A retaliation complaint must be filed within six (6) months of the alleged act or threat of interference of retaliation. If the complaint alleges a pattern of retaliation, the complaint must be filed within six (6) months of the most recent retaliation.
3. When the complaint is filed, it will be thoroughly reviewed and investigated utilizing the EthicsPoint® Reporting System, and the complainant will receive a written response within 45 calendar days.

When indicated, the Executive Committee of the Board of Directors will:

1. Handle and process all reports and resolve any compliance issues in a timely manner.
2. Investigate and/or process complaints/allegations in a reasonable amount of time, communicate any recommendations to management and monitor the implementation of any recommended changes.
3. Determine:
 - a. Whether a complaint is timely.
 - b. Whether the complaint provides documentation of retaliation for having made a protected disclosure or disobeyed an illegal order.
 - c. Whether the complaint is eligible for processing under Eggleston's grievance procedures.
 - d. If appropriate corrective action was taken within a reasonable amount of time with regard to the above.

Cooperation with Law Enforcement

Federal and state agencies have broad rights to investigate matters involving care of persons served and billing. Employees shall cooperate with enforcement investigations and activities within the bounds permitted by law. Any employee who is contacted, orally or in writing, at home or at work, by a person stating that he or she is investigating on behalf of the government or an insurer, may refer the investigator to the Corporate Compliance Officer or legal counsel. Employees who are presented with a subpoena, warrant, or court order have the right to an attorney when speaking with a government investigator. The Corporate Compliance Officer or legal counsel will coordinate the disclosure of documentation. Employees who elect to speak with an investigator should tell the complete truth.

Conflict of Interest

A conflict of interest arises in a situation in which financial or other personal considerations may compromise or appear to compromise:

- a. the business judgment of any officer, employee, volunteer, or other party engaged by us;
- b. the delivery of services; or
- c. the ability of an employee to do his or her job.

An actual or potential conflict of interest occurs when an individual is in a position to influence a decision that may result in a personal gain for that person at the expense of Eggleston's best interest or that of stakeholders. All Board members, employees and volunteers should disclose any activity or relationship, which may be perceived as a conflict of interest, and a record of that disclosure should be maintained.

Violations of the conflict of interest policy will be handled according to the following procedures:

1. The alleged event shall be reported utilizing the EthicsPoint® Reporting System.
2. All alleged violations will be investigated in accordance with the EthicsPoint® Reporting System guidelines 5.1.4.

Waste Disposal

Eggleston will comply with various environmental laws in the way we dispose of medical waste and other hazardous materials. Employees should follow the Exposure Control Plan (Policy #6.1.1, Section II, G) for biohazard waste disposal. Other environmental spills or releases must be reported promptly.

Interpretation of the Code of Ethics

Difficult questions of judgment may arise in connection with the Code of Ethics. If any doubt exists regarding the propriety of any action or activity, the employee should seek advice and written approval from the Corporate Compliance Officer. All Board of Directors, employees, associates or volunteers are expected to promptly report the existence of any relationships, interests, or actions which might violate or appear to violate the Code of Ethics.

Violation of the Code of Ethics

Any suspected violations of the Code of Ethics should be referred to the Corporate Compliance Officer utilizing the EthicsPoint® Reporting System. Violations of the Code of Ethics are grounds for dismissal. In situations where infractions of the Code may have violated federal or state law, such infractions will be disclosed as appropriate and reported to enforcement agencies as required.

The community and its residents trust Eggleston based on its long-established reputation and integrity. Any misdeed, illegal activity or appearance of impropriety impacts negatively upon all. To maintain that trust, we agree to voluntarily comply with the guidelines and recommendations set forth in this document.

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