

# CORPORATE COMPLIANCE PLAN

THE SHADOWFAX CORPORATION  
386 PATTISON STREET  
YORK, PA 17403

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# Shadowfax

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## I. INTRODUCTION

The Shadowfax Corporation (hereinafter “Shadowfax”) is a Pennsylvania non-profit 501(c)(3) tax-exempt corporation dedicated to supporting individuals who have a disability in residential, life skills, community, and prevocational settings. Every individual is encouraged to choose how they wish to live their life, which includes being as independent as possible, building relationships and friendships, pursuing dreams and choosing how they spend their time. Our team of dedicated and well-trained staff embodies our beliefs by helping people grow and experience all aspects of life, while providing the individualized support that each person needs.

Shadowfax conducts itself in accordance with the highest levels of business ethics, and in compliance with all applicable federal, state, and local laws and regulations. This requires the highest level of integrity and ethical behavior from our Board Members, Staff Members, and Contractors. To that end, Shadowfax has adopted this Compliance Plan, which has been developed and adopted in order to describe Shadowfax’s firm commitment to compliance with all legal and ethical obligations. The purpose of this Plan is to ensure that all persons associated with Shadowfax understand the basic expectations and standards of conduct for personal and professional behavior that are conditions of employment with Shadowfax.

While this Compliance Plan cannot address every situation that one may encounter, it is intended to outline the expectations and requirements needed to reach our goal of total compliance with all applicable laws and regulations. In addition to the specific obligations and expectations set forth in this Compliance Plan, and in Shadowfax’s organizational policies and procedures, all Staff Members, Management Employees, Board Members, and Contractors are required to act with the highest degree of personal integrity, judgment, and common sense with respect to legal compliance.

All Staff Members, Board Members, and Contractors must cooperate so as to achieve Shadowfax’s firm goal of total legal compliance. Through this Compliance Plan, Shadowfax is committed to fostering a workplace of excellence and integrity and requires that all employees actively participate in accomplishing effective, organization-wide compliance.

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## II. WHAT IS COMPLIANCE?

Compliance is the requirement that Shadowfax, as an organization, acts in accordance with all federal, state, and local laws and regulations under which it is governed. This includes operational regulations of the Pennsylvania Department of Human Services, the Pennsylvania Department of Aging the United States Department of Health and Human Services, and various federal and state laws relating to financial fraud, waste, and abuse. For a more specific explanation of financial fraud, waste, and abuse laws, refer to Shadowfax Fraud, Waste, and Abuse policy.

Shadowfax is truly the sum of its parts, and the moral, ethical, and legal behavior of its individual Staff Members, Board Members, and Contractors comprises the foundation of total organizational compliance. As such, all Staff Members, Management Employees, Board Members, and Contractors must understand that compliance necessarily involves strict accountability; Shadowfax for the actions of its Staff Members, Board Members and Contractors, supervisors for the actions of their subordinates, and each and every person for his or her own actions. Only by combining the efforts of all such persons can Shadowfax succeed in achieving total compliance, and effectively caring for and enriching the lives of the Individuals who we serve.

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## III. PURPOSE AND SCOPE

This Compliance Plan is intended to help prevent and to detect non-compliant, illegal, or fraudulent conduct within the Shadowfax organization. Non-compliant, illegal, or fraudulent conduct (“misconduct”) not only threatens the legal and financial standing of the organization, but also the well-being of the Individuals we support. As such, total organizational compliance is the responsibility of each and every person associated with Shadowfax. To this end, Shadowfax’s Compliance Plan intends to create and foster a supportive environment which cultivates trust, open communication, and shared goals.

The Compliance Plan accomplishes these goals by creating and maintaining a system of identifying potential compliance concerns and risks, taking steps to minimize those concerns and risks, ensuring that potential compliance issues are identified and communicated to the appropriate individuals in the organization, and addressing those compliance issues in a prompt, efficient, fair, and ethical way. Remove Shadowfax is committed to regularly revising this Compliance Plan and the systems and methods contained herein, in order to meet the needs and situations that arise in a rapidly changing organizational and regulatory landscape.

Shadowfax’s Compliance Plan is created with the following goals in mind:

1. Ensuring that all Staff Members, Board Members, and Contractors understand their responsibilities to behave ethically, with integrity, and in compliance with all laws to which Shadowfax must adhere.
2. To understand the respective roles of each person or entity associated with Shadowfax towards achieving its stated goal of total compliance.
3. To appoint a Compliance Officer, and to delineate the responsibilities of such individual and ensure adherence to this Compliance Plan.
4. To maintain a Compliance Committee, and to delineate the responsibilities of such Committee regarding the investigation and

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remediation of any and all failures with respect to the obligations set forth in this Compliance Plan.

5. To ensure that all Staff Members, Board Members, and Contractors are trained with respect to Shadowfax's compliance obligations and the responsibilities contained in this Compliance Plan.
6. To ensure that all Staff Members, Board Members, and Contractors have ample opportunity to communicate, inquire about, and report violations of this Compliance Plan, or of the standards of ethical and legal behavior required herein, without fear of retaliation and reprisal.
7. To set forth the consequences for any failure to adhere to the obligations set forth in this Compliance Plan; and
8. To establish a mechanism for regular review of Shadowfax's compliance activities and efforts, and for the amendment or revision of this Compliance Plan as necessary.

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## IV. TYPES OF COMPLIANCE ISSUES TO BE REPORTED

This Compliance Plan is intended to help prevent and detect non-compliant, illegal, or fraudulent conduct within the Shadowfax organization. Staff Members, Board Members, and Contractors should use good judgment and common sense in determining whether to report a particular issue, and Shadowfax encourages all Staff Members, Management Employees, Board Members, and Contractors to err on the side of caution and report an issue if there is any doubt. Staff Members, Board Members, and Contractors are expected to be familiar with all of the legal and ethical requirements of Shadowfax, and to understand how each of their job responsibilities relate to these requirements.

It is impossible to provide a complete listing of all situations and issues that are covered by this Compliance Plan. However, the following is a non-exhaustive list of situations and issues that must be reported in accordance with this Compliance Plan:

1. Suspected or known violations of any federal, state, or local law or regulations governing the operation of Shadowfax.
2. Suspected or known violation of any Bulletin, directive, policy, procedure, or other governmental rules, restrictions, and/or regulations of any department or agency of the federal or Commonwealth government, including the Department of Human Services- The Department of Aging and the Office of Developmental Programs.
3. Suspected or known violations of Shadowfax's Code of Conduct, policies with respect to fraudulent conduct, and this Compliance Plan.
4. Suspected or known violations of any Shadowfax compliance-related policies and procedures.
5. Suspected or known attempts to disrupt, circumvent, unduly influence, or otherwise obstruct the investigation or remediation of any compliance-related misconduct, including the making of false or

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misleading statements during the course of any compliance-related inquiry or investigation.

6. Suspected or known incidents of making false statements or otherwise unlawfully misleading any governmental agency, agent, or employee.
7. Suspected or known incidents of Medicare/Medicaid (“MA”) fraud, waste, and abuse, including, but not limited to:
  - a. Double billing for services.
  - b. The use of unqualified personnel to provide MA services.
  - c. Negligent supervision of unlicensed Staff Members.
  - d. Incidents regarding faulty or mistaken issuance of medication.
  - e. Forgery of any MA-related billing and/or documentation.
  - f. Upcoding.
  - g. Unbundling.
  - h. Unlawful kickback arrangements or accepting a kickback of any kind.
  - i. Providing non-medically necessary services.
  - j. Fraudulent or forged cost reports; and
  - k. Failure to meet any required duty or standard of care.
8. Suspected or known conduct that could threaten Shadowfax’s 501(c)(3) tax exempt status.
9. Suspected or known incidents of improper or irregular financial accounting.

Suspected or known incidents of misuse of electronic or information technology resources of the Commonwealth of Pennsylvania.
10. Suspected or known violations of any Shadowfax HIPAA policy, or the unauthorized or illegal disclosure of the personal information or identity of any recipient of public or MA.
11. Suspected or known violations of any federal, state, or local law relating to fair employment practices, discrimination, and/or

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harassment, or any other conduct that violates Shadowfax's Equal Employment Opportunity Policy.

12. Suspected or known incidents relating to the destruction or unauthorized alteration of any documents required to be kept and maintained by Shadowfax under any federal, state, or local laws or regulations.
13. Suspected or known incidents of retaliation against any person who complied with, or attempted to comply with, this Compliance Plan or any other personal or organizational legal requirement; and
14. Suspected or known incidents of retaliation against any person making any report, question, suggestion, or complaint under this Compliance Plan.

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## V. OVERVIEW OF RESPONSIBILITIES

### A. STAFF MEMBERS

**Purpose.** The effectiveness of this Compliance Plan depends on the efforts of each and every Staff Member to act in accordance with all laws and regulations governing Shadowfax, as well as to assist the organization in achieving the goals of total compliance. This is achieved by fostering an environment that encourages open communication of concerns, suggestions, complaints, questions, and information relating to Shadowfax's compliance goals. Shadowfax is dependent upon all Staff Members to promptly report any and all compliance-related issues in an appropriate manner. Communication of compliance concerns is not optional; it is required as a condition of employment with Shadowfax.

**Training.** Each Staff Member will be required, as a condition of employment, to attend training and education sessions at Shadowfax's direction with respect to this Compliance Plan, as well as the various laws and regulations to which Shadowfax must adhere. It is impossible for Shadowfax to meet its compliance goals unless each and every person involved has an understanding of what those goals are, and how Shadowfax intends to reach them. Each employee will be required to execute the attached form indicating completion of all required compliance-related training and education sessions.

After completing such training and education sessions as set forth in this Compliance Plan, Staff Members must understand the expectations placed upon him or her by this Compliance Plan, how to abide by these expectations, and how to be sensitive to situations that could lead them or others to violate these expectations. While these training and education sessions are designed to give each Staff Member this understanding, each Staff Member must seek clarification where necessary by asking questions of appropriate individuals with respect to this Compliance Plan. Failure to abide by these compliance guidelines is grounds for disciplinary action, if violated, and claims of ignorance or good intention are not an acceptable excuse.

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**Duty to Report.** Each Staff Member must report all actual or suspected compliance issues promptly, and in accordance with the provisions of this Compliance Plan. The failure to report actual or suspected misconduct about which a Staff Member is aware shall subject such person to disciplinary action, up to and including termination, and in some circumstances, being held accountable for the misconduct to the same degree as the individual committing the misconduct.

**Method of Reporting.** All compliance-related issues, misconduct, questions, suggestions, and complaints, including actual or suspected misconduct, must be reported directly to Shadowfax's Compliance Officer, any Management Employee, and/or via any other anonymous reporting mechanism set forth in this Compliance Plan. Shadowfax intends that compliance-related matters concerning egregious behavior shall be referred to the Compliance Officer for appropriate action.

**Good-faith Reporting.** All reports of actual or suspected misconduct must be made in good faith. Abusing the compliance process or making false reports shall result in disciplinary action up to and including termination. Making a good-faith report, however, is a protected activity under this Compliance Plan and Shadowfax's policy regarding Fraud, Waste, and Abuse, and no Staff Member making a good-faith report shall be subjected to retaliation as a result.

**Staff Member Responsibilities.** Under this Compliance Plan, Staff Members are expected to:

1. Act in accordance with Shadowfax's written Code of Conduct at all times, remove.
2. Attend and receive training with respect to the Staff Member's obligations and expectations set forth in the policies and procedures of Shadowfax and this Compliance Plan.
3. Ask the appropriate individual(s) for clarification of any aspects of Shadowfax's Compliance Plan that may be confusing in order to ensure an understanding of all information necessary to act with compliance.

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4. Adhere to Shadowfax's employment policies and the requirements of this Compliance Plan at all times, as a condition of your employment.
5. Promptly report instances of suspected misconduct in accordance with this Compliance Plan within twenty-four hours of becoming aware of the misconduct.
6. Cooperate with respect to any investigations into compliance-related issues, and any steps taken by Shadowfax to remediate the negative effects of noncompliant behavior.

## B. MANAGEMENT

**Purpose.** Management Staff members are responsible for serving as the primary examples of moral, legal, and ethical behavior for all Staff Members. Management staff members must also be reliable conduits of information relating to this Compliance Plan, including responding to particular questions and suggestions from Staff Members or referring such questions and suggestions to the Compliance Officer for action.

**Training.** All Management Staff members must attend all compliance-related training and education sessions; and are responsible for ensuring that all compliance-related goals and responsibilities are understood and executed. Each Management staff member shall be required to execute the attached form indicating completion of all required compliance-related training and education sessions. A complete understanding of this Compliance Plan and Shadowfax's compliance-related goals is vital for Management Staff members as it is the responsibility of each Management Employee to assist Staff Members in understanding and following this Compliance Plan. This includes communicating to Staff Members, whenever necessary, the importance of Shadowfax's compliance goals and the standards of conduct set forth in Shadowfax's Code of Conduct, in order to supplement all compliance-related training and education sessions. Management staff members will hold staff members accountable for any misconduct and compliance-related failures of Staff Members under their supervision. Failure to understand these compliance guidelines is

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grounds for disciplinary action if violated and claims of ignorance or good intentions are not an acceptable excuse.

**Reporting.** Management Staff Members are responsible for ensuring that compliance-related matters concerning egregious behavior shall be referred to the Compliance Officer for appropriate action. Management Employees must serve as a conduit for information between Staff Members and the Compliance Officer whenever necessary to carry out the goals and responsibilities of this Compliance Plan.

**Retaliation.** All Management Staff Members must fully understand the prohibition of retaliation against any Staff Member attempting to comply with their obligations under this Compliance Plan. Any Management Staff Member found to have retaliated against any person as set forth in this Compliance Plan shall be subjected to disciplinary action, up to and including termination.

**Accountability.** Management Staff Members play an extremely important role in the supervision of Staff Members during the course of their employment, and with respect to their adherence to this Compliance Plan. As such, Management Staff Members will hold staff members accountable for the actions of the Staff Members they supervise. Each Management Employee's efforts at enforcing this Compliance Plan and ensuring that all Staff Members under their supervision adhere to its requirements shall be a part of each Management Employee's performance evaluation.

**Management Employee Responsibilities.** Under this Compliance Plan, Management Employees are expected to:

1. Attend and receive training with respect to their obligations and expectations set forth in the policies and procedures of Shadowfax and this Compliance Plan.
2. Adhere to Shadowfax's employment policies, and the requirements of this Compliance Plan.

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3. Act in accordance with Shadowfax's written Code of Conduct at all times and serve as an example of legal, moral, and ethical behavior to all Staff Members.
4. Report actual or suspected misconduct in accordance with this Compliance Plan.
5. Assure that any questions, suggestions, or other inquiries of Staff Members are communicated directly to the Compliance Officer in a timely manner.
6. Cooperate with any investigations into compliance issues, as well as with respect to any remediation of noncompliant behavior.

## C. INDEPENDENT CONTRACTORS AND BUSINESS ASSOCIATES

Shadowfax will, at all times, ensure that all contractors and business associates who are authorized to act for or on behalf of Shadowfax have been presented with a copy of this Compliance Plan, and understand their obligation to act in accordance with this Compliance Plan when doing business for or on behalf of Shadowfax.

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## VI. COMPLIANCE OFFICER

**Purpose.** An effective organizational Compliance Plan requires the appointment of an individual to serve as the “quarterback” for compliance-related matters concerning egregious behavior. The Compliance Officer shall be responsible for coordinating all aspects of the Compliance Plan. Coordinating all aspects of this Compliance Plan includes, but is not limited to, overseeing all day-to-day activities under this Compliance Plan, including receiving and documenting questions, complaints, and suggestions from numerous sources, chairing meetings of the Compliance Committee, and executing all compliance-related recommendations and decisions of the Compliance Committee and the Board of Directors.

**Selection.** Shadowfax shall select an individual in a high-level management position to act as the organization’s Compliance Officer. This individual shall be selected by the Chief Executive Officer and ratified by a resolution of Shadowfax’s Board of Directors.

**Responsibilities.** The Compliance Officer’s responsibilities are:

1. To organize, schedule, and attend all meetings of the Compliance Committee.
2. To serve as the organization’s liaison to the Board of Directors for compliance-related matters, whenever necessary.
3. To execute and carry out any and all recommendations and decisions of the Compliance Committee and Board of Directors, in accordance with the Chief Executive Officer and Human Resources Director.
4. To conduct periodic compliance risk assessments (at least semi-annually) in order to identify potential compliance risks, exposure areas, threats, and vulnerabilities of Shadowfax’s Compliance Plan – this includes assessing and identifying particular positions that carry a heightened risk of misconduct potentially affecting Shadowfax’s compliance goals.

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5. In conducting periodic compliance risk assessments, the Compliance Officer may consider and implement the following techniques and methods:
  - a. On-site visits to all homes and facilities owned by Shadowfax.
  - b. Unannounced surveys and questionnaires relating to compliance-related issues.
  - c. Examination of quarterly audit and trend analyses.
  - d. Reevaluation of prior quarterly audit and trend analysis reports for evaluation of effectiveness of remedial measures.
  - e. Reviewing personnel records of prior offenders.
  - f. Updating background checks of Staff Members on an as needed basis
  - g. Any other technique or method reasonably likely to assist the Compliance Officer in such risk assessment, in his or her discretion.
6. To ensure that this Compliance Plan and all Shadowfax policies and procedures are equipped to address any and all areas of compliance risks, threats, and vulnerabilities.
7. To ensure that no individual with a history of financial, legal, or other fraudulent conduct is employed in a position that could significantly affect Shadowfax's compliance goals.
8. To conduct a periodic review of all Shadowfax policies and procedures to ensure continued compliance with all relevant laws and regulations, in accordance with this Compliance Plan.
9. To update and amend any and all policies and procedures, as necessary, and to ensure such policies and procedures are adequately achieving their goals.  
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10. To make periodic reports to the Board of Directors regarding the status and effectiveness of Shadowfax's compliance program.

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11. To develop and coordinate effective and efficient compliance-related training programs for Staff Members and Management Employees.
12. To develop and coordinate effective and efficient compliance-related training programs for newly hired employees prior to the commencement of their job responsibilities.
13. To be available to all staff members for the purpose of receiving questions, suggestions, complaints, and reports of misconduct.
14. To ensure that all legal requirements regarding notification to governmental agencies and authorities are made in accordance with Shadowfax's Incident Management policy.
15. To maintain written documentation of any and all compliance related matters – which shall be kept confidential at all times.
16. To document and maintain detailed records with respect to all meetings, investigations, and actions of the Compliance Committee – which shall be kept confidential at all times; and
17. To prepare an annual report of Compliance activities to the Compliance Committee for the purpose of conducting an annual audit of compliance-related issues and goals.

## VII. COMPLIANCE COMMITTEE

**Purpose.** Assigning responsibility for conducting investigations, making recommendations, and overseeing the enforcement and implementation of Shadowfax's Compliance Plan and other compliance-related policies is vital to an effective Compliance Plan. As such, Shadowfax shall designate the individual(s) responsible for carrying out these responsibilities for the purpose of strengthening and maintaining Shadowfax's organizational compliance.

**Composition.** Compliance Committee shall be comprised of senior members of management representing various departments.

**Role.** This Compliance Committee shall be responsible for assisting the Compliance Officer in a formal capacity with carrying out the obligations set forth in this Compliance Plan, including conducting investigations, recommending remedial action for incidents of misconduct, and continuously monitoring the effectiveness of this Compliance Plan and recommending any changes or amendments to Shadowfax's Compliance Plan.

**Procedure.** Within 24 hours of the receipt of a report of misconduct to the Compliance Officer, the Compliance Officer shall assign an ODP Certified Investigator to conduct the initial investigation ("Primary Investigator"), including conducting interviews of the reporting individual (if known), the target of such report (if appropriate), any and all witnesses or potential witnesses to the alleged misconduct, and any other person capable of providing information relevant to the investigation. The Compliance Officer is responsible for ensuring that any person accused of misconduct is removed from work duty pending the outcome of an investigation, if appropriate. Upon the conclusion of the initial investigation by the Primary Investigator, the Compliance Committee shall meet to review the case and make a finding with respect to the suspected misconduct, and to make a recommendation for prompt and appropriate remedial action in accordance with this Compliance Plan.

**Conflicts of Interest.** The Compliance Committee will ensure that no individual accused of, or involved with, actual or suspected misconduct will

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have any involvement in the resulting investigation in order to avoid any and all conflicts of interest. In the event that a member of the Compliance Committee or other high level officer is accused of misconduct, or of failing to report such misconduct, and the Compliance Officer believes an investigation pursuant to this Compliance Plan cannot be conducted in an impartial manner, such misconduct shall be referred to the Chairperson of the Board of Directors to be investigated by an ad-hoc committee of the Board of Directors, in conjunction with the Chief Executive Officer and the Compliance Officer.

**Documentation.** All records relating to investigations of the Compliance Committee, including minutes of meetings, records of any reports of suspected misconduct, notes and records of interviews and witness statements, as well as written recommendations, shall be kept and maintained by the Compliance Officer in a secure file, and all such records shall be kept confidential.

**Responsibilities.** The Compliance Committee's responsibilities are:

1. To conduct (through the Primary Investigator) a thorough and competent investigation of any report of actual or suspected misconduct in a way that maintains the privacy of all persons involved in such investigation to the greatest extent possible – all such investigations and records relating thereto shall be kept confidential.
2. To issue periodic compliance reminders to address relevant compliance-related questions and/or concerns, clarify any compliance-related obligations, and/or prevent and deter future compliance-related misconduct, as necessary.
3. To make recommendations of remedial action for any misconduct found to have occurred.
4. To consider and propose, in light of incidents of noncompliance, amendments to this Compliance Plan and Shadowfax's policies and

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procedures intended to discourage misconduct from occurring in the future.

5. To make regular reports to the Board of Directors as needed to provide the Board of Directors with important compliance-related information, or to address specific compliance-related issues.
6. To assist the Compliance Officer in conducting an annual Compliance Audit, which shall recommend revisions to this Compliance Plan and Shadowfax's organizational policies and procedures in light of all compliance-related issues that occurred in the previous year.

## VIII. TRAINING AND EDUCATION

**Purpose.** The effectiveness of this Compliance Plan is dependent upon the efforts of each Staff Member, Board Member, and Contractor to understand Shadowfax's compliance obligations, keep abreast of any legal and organizational developments, comply with Shadowfax's reporting mechanisms and requirements, and to utilize the methods set forth herein for communicating reports, complaints, questions, and suggestions regarding compliance-related matters.

**Requirements.** Shadowfax will implement comprehensive and regular training and education sessions to educate all Staff Members, and Board Member about this Compliance Plan. This training will occur at least annually for existing Staff Members, and Board Members, and during the orientation and training period for new hires. All compliance-related training shall be coordinated by the Compliance Officer and shall proceed in accordance with Shadowfax's Orientation and Training policy. Training and Education shall occur more frequently for Staff Members and Management Employees in compliance-sensitive positions whose job responsibilities permit a greater risk of adversely affecting Shadowfax's organizational compliance, as determined by Shadowfax's Compliance Officer.

**Documentation.** Upon completion of the required training program, documentation of the completed training of each new hire and staff member will be maintained on the staff portal. The Board Member's will be maintained in the Board Member's file.

**Compliance Training.** Compliance-related training and education programs shall address the following topics:

1. The nature of personal and organizational compliance as a condition of continued employment for all Staff Members and Management Employees.
2. The various methods of reporting compliance-related complaints, questions, suggestions, reports of misconduct, and retaliation

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complaints, as well as the consequences for failing to report actual or suspected compliance-related misconduct.

3. Shadowfax's absolute prohibition against retaliation for making any good-faith compliance-related complaint, question, suggestion, or report of actual or suspected misconduct.
4. The various laws and regulations to which Shadowfax and all Staff Members, and Board Members must adhere, with particular emphasis on Shadowfax's Fraud, Waste, and Abuse policy; and
5. All obligations, expectations, and requirements contained in this Compliance Plan, including the consequences for failing to act in accordance therewith.

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## IX. EFFECTIVE COMMUNICATION AND REPORTING

**Purpose.** Proper and effective avenues of communication are vital to a robust Compliance Plan. It is important that all Staff Members, Board Members, and Contractors are aware of the various methods of reporting compliance-related complaints, questions, suggestions, and reports of actual or suspected misconduct. Because it is the responsibility of all Staff Members, Management Employees, Board Members, and Contractors to report actual or suspected compliance-related misconduct about which they are aware, it is equally important that Staff Members, Management Employees, Board Members, and Contractors understand exactly how such reports should be made. The purpose of ensuring free-flowing communication is to prevent compliance-related misconduct through investigations of reports of actual or suspected misconduct, and the implementation of prompt remedial action. Such communication is vital to these compliance-related goals, as well as to Shadowfax's goal of limiting the role of federal and state governmental agencies in Shadowfax's compliance-related efforts. It should be noted, however, that Staff Members and Management Employees who abuse this reporting process by knowingly filing false reports of misconduct in bad faith are subject to disciplinary action up to and including termination. All Staff Members making good-faith reports of misconduct shall be protected from retaliation.

**Required Reporting.** Staff Members, Board Members, and Contractors are required to report any and all instances of compliance-related misconduct about which they are, or become, aware. The failure to report an instance of compliance-related misconduct about which a Staff Member or Management Employee knew or should have known is grounds for discipline in the same manner and to the same degree as the actual person committing such compliance-related misconduct.

**Multiple Avenues of Reporting.** Shadowfax is committed to providing Staff Members, Board Members, and Contractors with multiple avenues of reporting, including at least one method of reporting that allows such person to remain anonymous. Any report of compliance-related misconduct should be directed to Compliance Officer or the Staff Member's immediate supervisor, who is required to forward such report to the Compliance Officer. The Compliance Officer is responsible for keeping a written record

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of all reports of misconduct or wrongdoing, and for forwarding such reports to the Compliance Committee for a thorough and proper investigation. The Compliance Officer is also responsible for notifying all required governmental or regulatory authorities in accordance with Shadowfax's Incident Management Policy. All Staff Members are required to fully cooperate in any compliance-related investigation, and the Compliance Committee shall make every effort to keep the investigation confidential, including the identity of the individual who reported the actual or suspected misconduct.

**Anonymous Reporting.** In order to encourage all Staff Members, Board Members, and Contractors to report sensitive compliance-related matters, reports of actual or suspected compliance-related misconduct may be made anonymously. Any person who wishes to make an anonymous report of actual or suspected misconduct shall either deliver a note to the Compliance Officer, to their immediate supervisor, or by calling and leaving a message on the anonymous tip-line: 717-848-4349, extension 3198.

**Prohibited Retaliation.** Shadowfax is committed to the free-flow of compliance-related information and, as such, is committed to an absolute prohibition of retaliation against any Staff Member or Management Employee making a good-faith report of wrongdoing. Any Staff Member or Management Employee found to have retaliated against another person for his or her good-faith efforts to follow this Compliance Plan or to make a good-faith report of actual or suspected misconduct shall be subject to disciplinary action up to and including termination. Any Staff Member or Management Employee who feels as though he or she has been retaliated against for complying with this Compliance Plan shall report such retaliation in the same manner as reports are made under this Compliance Plan. For the purposes of this Compliance Plan, retaliation includes, but is not limited to, any official or unofficial action or inaction intended to punish, discourage, prevent, or impede a person or group of persons from complying with any portion of this Compliance Plan.

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## X. ENFORCEMENT

**Purpose.** Shadowfax is committed to enforcing compliance with all laws and regulations governing the operation of Shadowfax through rigorous investigation of reports of actual or suspected misconduct.

**Procedure.** Upon receipt of a report of actual or suspected misconduct by the Compliance Officer, such report will be directed to the Primary Investigator, and the matter will be promptly investigated. After completion of a thorough investigation, the Compliance Committee will review the results of the investigation and issue a written finding with respect to the allegation(s) of misconduct, as well as a recommendation for remedial measures to be taken. Any remedial measures recommended by the Compliance Committee will be implemented by the Chief Executive Officer or the Compliance Officer, as appropriate. Remedial measures for actual misconduct shall include, but not be limited to: disciplinary action against the Staff Members responsible for such misconduct in accordance with Shadowfax's Corrective Action and Discharge Policy; disciplinary action against any and all Staff Members, Supervisors, and/or Management Employees who knew of the misconduct but failed to act in accordance with this Compliance Plan; and efforts to remit payment or otherwise correct the negative effects of the misconduct at issue. Remedial action may also include training; the issuance of Compliance Reminders to all Staff Members detailing the specific laws and regulations to which Shadowfax must adhere, as well as any and all information that may assist Staff Members in complying with such laws and regulations. Compliance Reminders shall not make reference to any specific allegation, misconduct, investigation, Staff Member, but shall be general in nature and intended only to provide information for the purpose of ensuring that such misconduct does not occur in the future.

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## XI. COMPLIANCE AUDIT AND TREND ANALYSIS PROCEDURES

**Purpose.** Shadowfax's compliance-related efforts, including this Compliance Plan, are fluid in nature, and are intended to be reviewed quarterly and adjusted to ensure maximum effectiveness. This is achieved through a regular review of compliance-related matters for the purpose of making recommendations and revisions to this Compliance Plan and Shadowfax's compliance-related efforts.

**Compliance Audit.** The Compliance Officer shall conduct a quarterly audit and trend analysis in accordance with Shadowfax's Incident Management Policy. The quarterly audit and trend analysis shall consist of a review of any and all reports of actual or suspected misconduct in the aggregate to identify any trends that may be developing, and whether such trends warrant further intervention beyond the remedial action taken in each individual case.

**Compliance Report.** On a quarterly basis, the Compliance Officer shall complete a report. This report shall include:

1. Incidents per month by individual and site.
2. Summary comparisons to the previous four quarters.
3. Incidents requiring investigation by individual and site.
4. Results of investigations (confirmed, unconfirmed, and inconclusive).
5. Actions to be taken in response to the conclusion/determination.
6. Analysis of increases/decreases in number and types of misconduct from the previous quarter and previous year by individual and by location.
7. Analysis of individuals with three or more incidents during the reporting period to detect patterns or connections.

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8. Analysis of significant factors that may influence the data.
9. Qualitative analysis of investigations conducted.
10. Analysis of the implementation of corrective actions during the reporting period; and
11. Discussion of special areas of concerns identified in the review process.

**Results of Compliance Audit.** The Compliance Committee shall meet at least once annually to review the semi-annual audit and trend analyses for the purpose of evaluating and recommending changes and revisions to this Compliance Plan and Shadowfax's organizational policies and procedures to deter and prevent future occurrences of misconduct. The Compliance Committee shall then create and deliver to the Board of Directors and Chief Executive Officer a report detailing such recommendations. The Compliance Officer is responsible for ensuring that all recommendations approved by the Board of Directors and/or the Chief Executive Officer are promptly implemented.

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## XII. FURTHER INFORMATION

This Compliance Plan creates a framework for achieving Shadowfax’s goal of total organizational compliance that can only be effective if all Staff Members and Management Employees understand their roles and responsibilities under this Compliance Plan. To assist all Staff Members in this respect, Shadowfax intends to foster an environment where any person is free to seek clarification and further training, to make suggestions, or to otherwise communicate openly about any aspect of this Compliance Plan. All such inquiries and communications shall be directed to the Compliance Officer.

## XIII. Revision History

Name	Date	Reason for Changes	Version
Compliance Committee	7/28/21	Compliance Committee Review	7/28/21