

24-Hour Compliance Line Notification
POLICY: AC.ETH.01.09

Date: August 30, 1999

Responsible to: President/CEO

PURPOSE:

To provide guidelines to all Shepherd Center and affiliates staff on the use of the Ethics in Business Compliance Line.

POLICY:

It is the policy of Shepherd Center for all employees or agents to report any suspected fraud or abuse activities to supervisor, manager, director, vice-president, president, chief compliance officer or through 24-hour Compliance Line.

RESPONSIBILITY:

1. It is the responsibility of the Chief Compliance Officer to ensure that all Executive Management and Senior Management are completely knowledgeable in the operational and use of the Ethics in Business Compliance Line.
2. It is the responsibility of Senior Management to ensure that all staff under their direction understand the use of the 24-hour Ethics in Business Compliance Line.

PROCEDURE:

1. All employees of Shepherd Center and affiliates will be trained in the use of the Compliance Line, as well as given a card with number and information. The compliance line number will be posted throughout employee areas and on bulletin boards.
2. Employees will be given a number, information and card during employee orientation. Re-education will occur each year during the Annual Review Workshop (ARW).
3. Employee may call the Ethics in Business Compliance Line at any time 24 hours a day from any telephone anywhere in the United States **toll free**.
4. The employee may dial **1-800-860-0085** to reach a trained communication specialist. This individual who has no affiliations with Shepherd Center will accept, debrief, document and report all incoming compliance line calls.

5. Employees may choose to either give their name and position or they may remain anonymous at which point they will be given a control number.
6. Calls dealing with issues other than business compliance (i.e. Payroll, Human Resources, etc.), the caller will be referred back to the appropriate department when applicable.
7. Calls will be set on three levels:

Priority A – These calls require immediate action with verbal notification being made immediately to the appropriate on-call administrator.

Priority B – These calls will be reported to the Chief Compliance Officer during normal business hours or the following business day, if after hours.

Priority C – These calls will be reported within two business days to the Chief Compliance Officer.

8. All anonymous callers who use the Compliance Line will be given a follow-up date to callback to the compliance line to receive a response from Shepherd on the callers concerns.
9. Follow-ups are set for the three priority calls as follows:

Priority A – Should be followed up within 24 hours.

Priority B – Will be responded to within 10 business days.

Priority C – Will be responded to within 30 days of receipt.

10. All Priority B and C calls will be followed up by use of a case disposition log.* The respondent, in most cases the Chief Compliance Officer, will complete the log and send back to the communication specialist for follow-up with caller.

***Note:** Some calls may require a complete investigation, which could take more time than is available for follow-up. In these cases, one or more additional follow-ups may be necessary to reach a final conclusion.

TOTAL ANONYMITY:

Any Shepherd Center or Affiliates staff member who request anonymity will have that anonymity throughout the reporting process, to the extent permitted by law. Shepherd will **not** be allowed to learn the name or identity of any caller who request to remain anonymous.