

HERITAGE FARM POLICY AND PROCEDURES

Policy: Enforcement of Compliance Standards

Date: October 8, 2013

Rationale:

- Heritage Farm will transact its business in both an ethical and regulatory manner in regards to all Federal and State laws, regulations, and Heritage Farm's Code of Conduct. Heritage Farm has developed policies and procedures for compliance to and disciplinary actions that may be taken for violations of the Compliance Program and/or Code of Conduct.

Policy:

- Employees and associated persons of Heritage Farm who have committed violations of such laws, regulations and policies will be subject to disciplinary action including termination.
- The following actions are examples of actions that may result in disciplinary action:
 - Actions or active participation that violates any laws, regulations, and policies.
 - Falsification of business documents, reports, claims, and reimbursement.
 - Failure to comply specifically with Heritage Farm's policies that oversee prevention, detection, and reporting of intentional fraud and abuse;
 - Failure by an employee or associated person to report a known or suspected violation;
 - Failure to cooperate in an investigation;
 - Retaliation against an employee or associated person who reporting a possible violation or participates in an investigation; and
 - Not cooperating with an investigation in a "Good Faith" effort.
- If disciplinary action is warranted, it should be consistent and well documented. The discipline should be filed in the employee's personnel file. If an associated person, it should be filed in that person's or contractor's file.
 - The Compliance Officer and Executive Administrative Assistant will consult and review disciplinary compliance issues for consistency between other similar events and from person to person.

Procedures:

- All disciplinary action will be consistent with past practices, Employees Handbook, cumulative disciplinary actions for that person, the intent of the non-compliant person, and the extent of the violation.
- When a compliance violation has occurred, the Compliance Officer will notify the Executive Director (ED). Any person(s) with a need to know will be notified by the ED. If appropriate, the Board of Directors and or the Compliance Committee may be notified of any significant violations.
- The Compliance Officer should have the discretion to **recommend** a disciplinary process other than the normal procedure.
- The Compliance Officer and/or Executive Administrative Assistant may have to consult Legal Counsel, to discuss the appropriate disciplinary action to be taken.
- The Executive Administrative Assistant is responsible for reporting disciplinary actions taken as a result of violations of Heritage Farm's Code of Conduct and/or Compliance Program to the Compliance Officer.
- The Compliance Officer will maintain a log of disciplinary actions, and will refer to this log to ensure consistency in disciplinary measures.
- The Compliance Officer will report all compliance violations to the Compliance Committee on a regular basis and at least annually to the Board of Governors.