

CENTRAL FAIRFAX SERVICES, INC.

MEMORANDUM

TO: Board of Directors

FROM: Deb Bauer, Corporate Compliance Officer

SUBJ: Corporate Responsibility and Compliance Report-  
Fiscal Year 2009 (07/01/08- 06/30/09)

DATE: 10/22/09

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In 2005, the CFS Board of Directors adopted the Corporate Responsibility and Compliance Policy. This policy, in conjunction with other checks and balances, is designed to prevent fraud, fiscal mismanagement, and misappropriation of funds through a formal corporate program.

The Board of Directors designated the Assistant Executive Director to serve in the capacity of Corporate Compliance Officer (CCO). This was a logical assignment since CARF standards specify that the CCO should be a senior management staff member (other than the Executive Director, Chief Finance Officer, or Quality Assurance Manager) who has open access to the Board. The responsibilities of the CCO include an annual Corporate Compliance Report.

In accordance with this policy, training is provided for staff by Jacque Scholl, Human Resources Manager, regarding the reporting of illegal or unethical activity, fraud, waste, and abuse and to encourage ethical business practices and good corporate citizenship.

I am pleased to state that during fiscal year 2009, there were no reports of incidents, billing errors, or other matters that indicated fraud, fiscal mismanagement, or misappropriation of funds. This was verified by the annual independent financial audit as presented to the Board of Directors on 09/24/09 by Ted Ritman, CPA, and regular sampling of billings by the CFS Quality Assurance Manager, Sutapa Ghosh.

CFS practiced good corporate citizenship through diligent adherence to federal, state, and local legal requirements including those of the Virginia State Corporation Commission pertaining to non-stock member corporations. Legal actions were guided by Mike Bruggeman, Chairman, Legal Committee, and presented to the Board as necessary in executive session.

Corporate citizenship was also demonstrated through enthusiastic voluntary participation in several community betterment activities including parks and recreation center maintenance, CFS Proud Hearts Civitan projects, delivery of meals to the elderly, caring for animals at a shelter, litter patrol for Adopt-a-Highway, and collection drive for a food bank. CFS was also active with George Mason University as a field placement agency for student interns and participated in several coalitions and associations with other professional service and advocacy organizations.

CC: Sutapa Ghosh, Quality Assurance Manager  
Jeff Kotlyn, Chief Finance Officer  
Jacque Scholl, Human Resources Manager  
Paul Wexler, Executive Director

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