



Policy No.: 1	<b>Policy for the Promotion of Ethical Conduct</b>
Version: 1.0	Effective Date: 6/20/13

## **Policy**

As a nonprofit organization at the forefront of health information exchange, Healtheway, Inc.'s (dba The Sequoia Project) policy is to uphold the highest legal, ethical, and moral standards. Our members, donors and volunteers support The Sequoia Project because they trust us to be good stewards of their resources, and to uphold rigorous standards of conduct. The Sequoia Project's reputation for integrity and excellence requires the careful observance of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

## **Procedure**

The Sequoia Project shall comply with all applicable laws and regulations and expects its Directors, officers, employees, contractors and volunteers to conduct business in accordance with the letter and spirit of all relevant laws; to refrain from any illegal, dishonest, or unethical conduct; to act in a professional, businesslike manner; and to treat others with respect. Directors and officers shall not use their positions to obtain unreasonable or excessive services or expertise from The Sequoia Project's staff.

In general, the use of good judgment based on high ethical principles should guide Directors, officers, employees, contractors and volunteers with respect to lines of acceptable conduct. If, however, a situation arises where it is difficult to determine the proper course of conduct, or where questions arise concerning the propriety of certain conduct by an individual or others, the matter should be brought to the attention of The Sequoia Project. Employees, contractors and volunteers should contact their immediate supervisor. Board members should raise any such concerns with the chair or the treasurer of The Sequoia Project's Board.

In all questions involving ethics and conduct, the Board shall make relevant determinations, except that any individual whose conduct is at issue may not participate in such decisions.



Policy No.: 2	<b>Compensation of Individuals While Serving as Board Members Policy</b>
Version: 2.0	Effective Date: 5/20/14

## Policy

This policy establishes expectations for providing compensation to individuals who provide services to Healthway, Inc. ("The Sequoia Project") while also serving as The Sequoia Project Board members.

### Compensation for Serving on the Board

No compensation of any kind shall be paid to any Director for the performance of his or her duties as a The Sequoia Project Director. Board members may be allowed reasonable reimbursement of expenses incurred in the performance of their duties, including attendance at Board-authorized meetings and conferences, pursuant to prior approval from The Sequoia Project.

### Compensation for Services Outside the Duties of a Board Member

Subject to The Sequoia Project Conflict of Interest Policy, this policy shall not in any way limit reasonable compensation for payment for services provided to The Sequoia Project by the Director in any capacity separate from his or her responsibilities as a Director, provided that there is full disclosure of the terms of such compensation and the arrangement has been approved by the Board. The provisions of this section shall not in any way limit reimbursement of or payment for services provided to The Sequoia Project by any organization with which a Director is affiliated.

Nothing in this Policy shall prevent a Board member from being employed by The Sequoia Project.

## Procedures

In order to avoid a conflict-of-interest situation between an individual Board member and The Sequoia Project, the following procedures will be observed:

1. If the Board member is asked or volunteers to perform a service in his or her capacity as a Board member, the Board member will not charge or be reimbursed for the service.  
  
Example: A Board-member attorney agrees to research and/or give an opinion regarding Director liability. That task will be done by the attorney as a volunteer Board member at no charge.
2. If the Board member is requested by The Sequoia Project to perform a service or provide a product to The Sequoia Project and if a majority of disinterested Directors approve such engagement, the Board member will be paid accordingly for the service or product.



Policy No.: 3	<b>Confidentiality Policy</b>
Version: 2.0	Effective Date: 5/20/14

## **Policy**

The Sequoia Project and its Board members, committee members, staff, consultants and volunteers (“Personnel”) may only use and disclose The Sequoia Project Confidential Information as authorized by The Sequoia Project, in the conduct of The Sequoia Project’s affairs, and shall make reasonable efforts to prevent unauthorized disclosures of The Sequoia Project Confidential Information.

The Sequoia Project Confidential Information shall include all such information relating to (i) The Sequoia Project members, donors, potential donors, clients and Personnel; (ii) eHealth Exchange operations, governance and participants; or (iii) The Sequoia Project and its programs operations, policies, plans, goals, or objectives. The Sequoia Project Confidential Information shall not include information previously known to Personnel, The Sequoia Project membership, the general public, or previously recognized as standard practice in the field.

All files, documents, and working papers of The Sequoia Project and The Sequoia Project Confidential Information are the property of The Sequoia Project. When Personnel cease to be employed by or affiliated with The Sequoia Project, such Personnel shall return to The Sequoia Project all The Sequoia Project Confidential Information and all materials supplied to them by The Sequoia Project, including, but not limited to, files, documents, working papers, agendas, minutes and supporting documents.

Any Personnel who purposely, or through a failure to exercise reasonable care, causes The Sequoia Project Confidential Information to be disclosed improperly will be subject to disciplinary action, up to and including termination.

## **Procedures**

The Sequoia Project employees, contractors, volunteers and other staff shall execute a Confidentiality Agreement with The Sequoia Project.

The Sequoia Project shall include confidentiality provisions in legal agreements it executes with service providers, suppliers, and partners to protect The Sequoia Project Confidential Information.

The Sequoia Project Board members shall execute a The Sequoia Project Consent to be Named a Director, which includes obligations for safeguarding The Sequoia Project Confidential Information.

Government liaisons to The Sequoia Project Board of Directors shall execute a The Sequoia Project Government Liaison Invitation Letter which includes obligations for safeguarding The Sequoia Project Confidential Information.



Policy No.: 4	<b>Conflict of Interest</b>
Version: 2.0	Effective Date: 5/20/14

## **Policy**

Directors, Officers and committee members (“Covered Persons”) shall always act in the best interests of The Sequoia Project in carrying out their duties. In order to fulfill this obligation, Covered Persons shall avoid situations in which they are directly involved in matters on behalf of The Sequoia Project in which they have a personal or financial interest. Covered Persons shall disclose to The Sequoia Project all possible conflicts of interests in accordance with this policy. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflict of interest.

## **Definitions**

For the purposes of this policy, a Covered Person shall be deemed to have a Financial Interest in a matter if the Covered Person has, directly or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which The Sequoia Project has a current or proposed transaction or arrangement,
2. A compensation arrangement with The Sequoia Project or with any entity or individual with which The Sequoia Project has a transaction or arrangement, or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which The Sequoia Project is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A Financial Interest is not necessarily a conflict of interest. A Covered Person who has a Financial Interest may have a conflict of interest only if the The Sequoia Project Board of Directors decides that a conflict of interest exists.

## **Procedures**

### **Duty To Disclose**

A Covered Person shall disclose the existence of any personal or Financial Interest in any matter being considered by the Board of Directors or any committee and shall refrain from voting on such matter. A Covered Person may participate in the discussion of a matter in which they have a personal or Financial Interest so long as there is full disclosure of the interest.

### **Annual Attestation**

Each Covered Person will be required to annually sign the Conflicts of Interest Policy Acknowledgement Statement, attached as Exhibit A, attesting that he or she has read and understands this Conflicts of Interest Policy. Each Director will also be required to annually complete the Conflicts of Interest Disclosure Form, attached as Exhibit B.



### **Violations of the Conflicts-of-Interest Policy**

1. If The Sequoia Project Board of Directors has reasonable cause to believe a Covered Person has failed to disclose a personal or Financial Interest in a matter under consideration by the Board of Directors, it shall inform the individual of the basis for such belief and afford the individual an opportunity to explain the alleged failure to disclose.
2. If, after hearing the individual's response and after making further investigation as warranted by the circumstances, The Sequoia Project Board of Directors determines the individual has failed to make any required disclosure, it shall take appropriate disciplinary and corrective action.



**Exhibit A**

THE SEQUOIA PROJECT

ANNUAL CONFLICTS OF INTEREST POLICY STATEMENT

Pursuant to the applicable provisions of the Conflicts of Interest Policy (“Policy”) of Healtheway, Inc. (dba The Sequoia Project), a Virginia nonstock corporation, the individual who executes this statement affirms that such individual:

1. Has received a copy of the Policy.
2. Has read and understands the Policy.
3. Agrees to comply with the Policy.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title(s) or Office(s)

\_\_\_\_\_  
Date



**Exhibit B**

THE SEQUOIA PROJECT

ANNUAL CONFLICTS OF INTEREST DISCLOSURE FORM

1. I am not aware of any relationship or interest or situation involving my relatives or myself that might result in, or give the appearance of being, a conflict of interest between such family member or me on one hand and The Sequoia Project on the other.

Initials: \_\_\_\_\_

2. The following are relationships, interests, or situations involving me or a relative that I consider might result in or appear to be an actual, apparent, or potential conflict of interest between such family members or myself on one hand and The Sequoia Project on the other.

Initials: \_\_\_\_\_

Corporate (either nonprofit or for-profit) directorships, positions, and employment:

\_\_\_\_\_

Memberships in the following organizations:

\_\_\_\_\_

Contracts, business activities, and investments with or in the following organizations:

\_\_\_\_\_

Other relationships and activities:

\_\_\_\_\_

My primary business or occupation at this time:

\_\_\_\_\_

I have read and understand The Sequoia Project's Conflict-of-Interest Policy and agree to be bound by it. I will promptly inform the Chairperson of The Sequoia Project of any material change that develops in the information contained in the foregoing statement.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Type/Print Name

Signature

Date



Policy No.: 5	<b>Director Expectations</b>
Version: 1.0	Effective Date: May 20, 2014

Directors are responsible, both individually and collectively, for contributing to the effective governance of The Sequoia Project and for fulfilling the responsibilities of the Board of Directors. To that end, Directors are responsible to:

1. Learn about The Sequoia Project, read all materials provided to Directors about The Sequoia Project, and keep up-to-date on The Sequoia Project activities, programs, and management.
2. Be familiar with and act in accordance with The Sequoia Project’s policies.
3. Understand and use best efforts to support The Sequoia Project so that it reaches its goals.
4. Prepare for Board meetings by diligently reviewing all materials provided to Directors in advance of the meeting.
5. Attend as many Board of Directors meetings in-person as practical, and participate in all such meetings using fair, independent judgment and due care in conducting the business of The Sequoia Project. Directors are not permitted to send a proxy if the Director is unable to attend the meeting.
6. As appropriate, serve on committees.
7. Act as an informed advocate of The Sequoia Project by promoting its mission, generating good will for The Sequoia Project, and encouraging participation by relevant stakeholders.
8. Always exercise Board of Director powers in the interest of The Sequoia Project, and not for the interest of the Director or others.
9. Maintain and promote high ethical standards including good-faith Board of Director decision making and avoid an actual or perceived conflict of interest with other activities, interests, and/or organizations with which the Director may be involved.
10. Provide constructive input and respect the diverse opinions of others.
11. Be accessible, at least by phone or e-mail, to staff and other Directors as needed.
12. Agree that in the event, for whatever reason, a Director can no longer fulfill his/her duties and responsibilities as a Director, such Director will immediately notify the President and resign from the Board of Directors. Notice of resignation shall be effective when delivered unless the notice specifies a later effective time.

To assist the Directors in fulfilling their responsibilities, The Sequoia Project staff will provide each Director with the following:

1. Access to the management team of The Sequoia Project, as needed for proper operation of the Board of Directors
2. Ample notice of all Board meetings





3. Minutes of all Board meetings
4. Relevant information to conduct his or her job as a Director
5. Respect for his or her time
6. The use of his or her talent effectively
7. Straightforward and thorough responses to any questions necessary to carry out his or her responsibilities to The Sequoia Project.



Policy No.: 6	<b>Lobbying and Political Activity</b>
Version: 1.0	Effective Date: May 20, 2014

1. The Sequoia Project encourages individual participation in civic affairs. However, as a charitable organization, The Sequoia Project may not participate in lobbying acts or make contributions to any candidate for public office or political committee and may not intervene in any political campaign on behalf of or in opposition to any candidate for public office. To avoid any appearance that The Sequoia Project is engaging in prohibited lobbying or political activities, The Sequoia Project personnel must refrain from making any contributions to any candidate for public office or political committee on behalf of The Sequoia Project.
2. Refrain from making any contributions to any candidate for public office or political committee in a manner that may create the appearance that the contribution is on behalf of The Sequoia Project.
3. Refrain from using any The Sequoia Project financial resources, facilities, or personnel to endorse or oppose a candidate for public office.
4. Clearly communicate that The Sequoia Project personnel are not acting on behalf of the organization, if identified as a Director of The Sequoia Project, while engaging in political activities in an individual capacity.
5. Refrain from engaging in political activities in a manner that may create the appearance that such activity is by or on behalf of The Sequoia Project.

Policy No.: 7	<b>Decision Making and Consensus Processes</b>
Version: 1.0	Effective Date: May 20, 2014

## Policy

While The Sequoia Project is not a voluntary consensus standards body as defined in OMB Circular A-119, it is committed to function with openness and to promote a consensus process for its decisions. This policy describes processes used to reach decisions by the The Sequoia Project Board of Directors; the committees of the Board as defined by the by-laws (“Board committees”); and any other committees, workgroups, or other formal entities designated by the President or Executive Director to carry out its work (“committees and workgroups”).

## Definitions

1. The Board, the Board committees, and other committees and workgroups of The Sequoia Project, will endeavor to reach agreement through consensus decision making wherever possible. For the purposes of this policy, “consensus” means an opinion, position or decision reached by, and accepted by a group as a whole. While consensus decision making is the goal, The Sequoia Project is a corporation and it is governed by its Board of Directors. In order for a decision to be recognized as a valid decision of the company, it must be approved by the Board of Directors or, by the Officers or the Executive Director under the authority specifically delegated to them by the bylaws or by the Board of Directors. The The Sequoia Project bylaws provide for the voting mechanisms that will be used by the Board for all of its actions.
2. As used for the work of The Sequoia Project, decision-making through consensus consists of:
  - a. Full deliberation among meeting participants;
  - b. Consideration of all points of view;
  - c. Resolution of differences of opinion through discussion;
  - d. Identification of areas of agreement and disagreement through discussion; and
  - e. Dialog until the sense of the group is clear.

## Procedures

### Reaching Consensus Decisions

1. Where unanimity is not possible, the participants should strive to make decisions where there is at least consensus with substantial support from all participants.

2. Participants are encouraged and expected to participate actively and to express affirmatively their agreement or disagreement with a standard or other matter under discussion.
3. The President and Vice President of the Board, the Board committee chairs, and the individual committee and workgroup chairs are responsible for assessing overall consensus through:
  - a. Summarizing the sense of the discussion;
  - b. Articulating the specific decisions; and
  - c. Asking whether there are other concerns, and if necessary, returning to deliberations.
4. Decisions may be made during meetings (face-to-face or distributed) as well as through email, teleconferences, and any other medium so long as the principles expressed in this policy are adhered to.



Policy No.: 8	<b>Investment and Financial Reporting Policy</b>
Version: 1.0	Effective Date: 7/15/14

## Policy

Sequoia has two primary financial objectives:

- To establish a financial reserve sufficient to sustain Sequoia operations in the event of fluctuations in revenue; and
- Provide as high a total rate of return on investments as is consistent with prudent investment risk while providing adequate liquidity to meet Sequoia requirements.

## Procedures

### Finance Committee

The Sequoia Board of Directors shall establish a committee to oversee Sequoia’s finances, including but not limited to reserve funds and investments (“finance committee”).

### Investment Policy

1. The finance committee or Board on a regular basis should review Sequoia’s financial position and investment activity.
2. When held in a commercial bank, investments of Sequoia funds should not exceed \$250,000 in any one institution for federal insurance purposes, unless approved by the Board.
3. The Board and finance committee will not invest Sequoia’s funds with any firm or vehicle that may, as a result of the transaction, monetarily benefit a member of the Board or Sequoia staff.
4. Accounts such as interest-bearing checking accounts, money market accounts, certificates of deposit, investment-grade commercial paper, and government securities are to be the primary investments. Investment transactions shall not include any: naked calls, naked puts, commodities, and/or uncovered short positions. Investing in any other type of investment vehicle requires prior approval by the finance committee or Board.
5. Short-term investments should be limited in term. The finance committee must approve any short-term investments with a term longer than 3 years.
6. The company’s goal is to maintain 3-6 months of operating reserves.
7. Within guidelines, maximum interest rates shall be sought on all monies deposited into interest bearing accounts.



### **Financial Reporting Procedures**

*Monthly* — Sequoia will provide the finance committee with monthly written financial statements regarding the performance of the company’s investments, as well as monthly corporate financial statements.

*Quarterly* — The Finance Committee will provide quarterly reports to the Sequoia board of directors regarding the performance of the company’s investment portfolio, as well as the company’s overall financial status.

*Annually* — The Finance Committee will present an annual report to the board of directors regarding investment performance over the course of the year.