



Policy No.: 1	<b>Board of Directors Policy and Procedure Manual</b>
Version: 1.0	Effective Date: 5/30/2019

The Board of Directors shall be guided by written policies that are readily accessible to the Board of Directors and Sequoia staff. The Policy and Procedure Manual shall be reviewed periodically at intervals to be determined by the Board of Directors and revised as needed.

**Regulatory Reference:** None.

Policy No.: 2	<b>Policy and Procedure Adoption and Amendment Process</b>
Version: 1.0	Effective Date: 5/30/2019

**Purpose Statement:** The Policies and Procedures contained in this manual supplement The Sequoia Project, Inc. Bylaws related to the rights and responsibilities for the oversight and operation of The Sequoia Project. Being of a dynamic nature, policies are subject to revision by the Board of Directors. The Sequoia Project will continuously review, and as necessary, revise all of its Policies and Procedures so that they remain current with the latest developments in the rapidly evolving HIE environment. It might be necessary to revise Policies and Procedures to comply with changes in governance best practices; new legal and regulatory requirements; to incorporate new technologies that protect the confidentiality, integrity and availability of EHI; or to reflect any new governance or operational practices that are established.

**Policy/Procedure:**

1. The Sequoia Project Board of Directors has the authority to approve all new, amended, or replaced Policies and Procedures and to repeal any existing Policies and Procedures. The Sequoia Project Board of Directors may delegate to the Chief Executive Officer or a subcommittee of the Board of Directors the ability to approve non-substantive changes to the Policies and Procedures.
2. Any Director may submit in writing to The Sequoia Project a request for the development of a new Policy and Procedure, or a request for the amendment or repeal of an existing Policy and Procedure. All such requests shall identify (i) the Policy and Procedure that is the subject of the requested change (if any), (ii) the type of Policy and Procedure sought (if it is a request for a new Policy and Procedure), (iii) a thorough description of why the request is necessary, and (iv) an analysis of the expected impact of adopting the new Policy and Procedure or modifying/repealing an existing Policy and Procedure.
3. The Chief Executive Officer will consider any requests that meet the submission criteria set forth above within thirty (30) days following receipt of such request.
  - a. If, after considering the request, the Chief Executive Officer determines that the request does not have merit or lacks sufficient detail, it will communicate this determination to the requestor.



- b. If, after considering the request, the Chief Executive Officer determines that the request has merit, it will forward the request to a subcommittee or to staff to review the request and make a recommendation for action to the Chief Executive Officer
- 4. If the Chief Executive Officer approves a recommendation of a subcommittee or staff to adopt a new, amended, or replaced Policy and Procedure or repeal a Policy and Procedure, it will forward such recommendation to the Board of Directors. The Board of Directors will then vote on whether to approve the recommended Policy and Procedure. If it is approved, the Board of Directors will determine the effective date of such Policy and Procedure.
- 5. All Policies and Procedures and all documentation recording any changes or modifications to the Privacy and Security Policies and Procedures will be maintained for at least six years.

**Responsibility:** The Sequoia Project Chief Executive Officer, The Sequoia Project Board of Directors

**Regulatory References:** None.

Policy No.: 3	<b>Policy for the Promotion of Ethical Conduct</b>
Version: 1.0	Effective Date: 9/28/18

**Policy**

As a nonprofit organization at the forefront of health information exchange, The Sequoia Project, Inc.’s 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.: 4	<b>Compensation of Individuals While Serving as Board Members Policy</b>
Version: 1.0	Effective Date: 9/28/18

**Policy**

This policy establishes expectations for providing compensation to individuals who provide services to The Sequoia Project, Inc. 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 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 a Board member, either personally or through their organization, desires to perform a specific service or provide a product for which they seek payment from The Sequoia Project, they shall advise the Chief Executive Officer (CEO) in writing of such desire. If The Sequoia Project requests that a Board Member, either personally or through their organization, perform a service or provide a product to The Sequoia Project this request shall be in writing from the CEO.
2. If there is agreement between the CEO and the Board Member about the scope of services or product and that payment for those services or product, then the CEO shall present the proposal to the Board of Directors for consideration. Approval by a majority of disinterested Directors is required approve such engagement and any Board members who are involved in the engagement shall announce that they have a conflict of interest and refrain from voting on the issue. Board members with a conflict of interest may participate in the Board’s discussion of the engagement once they have informed the remainder of the Board of their conflict.



3. If there is an urgent need for approval, and The Sequoia Project Board cannot reasonably be convened, then the Executive Committee is authorized to consider any proposed engagement and act on behalf of the full Board.



Policy No.: 5	<b>Confidentiality Policy</b>
Version: 2.0	Effective Date: 3/25/2021

## **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 use their best efforts to prevent unauthorized disclosures of The Sequoia Project Confidential Information.

The Sequoia Project Confidential Information shall include all information relating to (i) The Sequoia Project members, donors, potential donors, clients and Personnel; or (ii) all other information related to 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 in whatever media those Confidential Information is retained. In lieu of returning the Confidential Information, the Personnel may destroy it and certify in writing to The Sequoia Project that the Confidential Information has been destroyed.

Any Personnel who purposely, or through a failure to exercise the duty of care required by this Policy, causes The Sequoia Project Confidential Information to be disclosed improperly will be subject to disciplinary action, up to and including immediate termination of employment or volunteer position.

## **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 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.: 6	<b>Conflict of Interest-Directors, Officers, and Committee Members</b>
Version: 1.0	Effective Date: 9/28/18

## **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 use their best efforts to avoid situations in which their personal, employment, business or financial relationships prevent them from acting in the best interests of The Sequoia Project. Covered Persons shall disclose to The Sequoia Project all possible conflicts of interests that may arise in the course of serving as a Director, Officer or other committee by notifying the CEO in writing of the facts which have led the Covered Person to conclude that a conflict of interest might exist. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflict of interest.

## **Annual Attestation**

Each Covered Person will be required, on an annual basis, to submit a Conflicts of Interest Policy Acknowledgement Statement, attached as Exhibit A, attesting that he or she has read and understands this Conflicts of Interest Policy. In addition, 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 possible conflict of interest, 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 which may include suspension or termination of the Covered Person from their involvement with The Sequoia Project.



**Exhibit A**

THE SEQUOIA PROJECT

ANNUAL CONFLICTS OF INTEREST POLICY STATEMENT

Pursuant to the applicable provisions of the Conflicts of Interest Policy (“Policy”) of The Sequoia Project, Inc., 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

DIRECTOR 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: \_\_\_\_\_

Service on the governing body or any committee thereof of the following organizations:

\_\_\_\_\_

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 Board of any material change that develops in the information contained in the foregoing statement.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Type/Print Name

Signature

Date



Policy No.: 7	<b>Director Expectations</b>
Version: 2.0	Effective Date: 3/25/2021

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 approve Sequoia’s budget.
3. Accept, be familiar with, and act in accordance with The Sequoia Project’s Bylaws and policies and procedures.
4. Use their best efforts to support The Sequoia Project so that it reaches its goals.
5. Understand the values of The Sequoia Project, and use them in their decision-making.
6. Prepare for Board meetings by diligently reviewing all materials provided to Directors in advance of the meeting.
7. Participate in as many Board of Directors meetings 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.
8. As appropriate, serve on Sequoia committees.
9. Attend as many events of The Sequoia Project as possible, and speak publicly at events representing The Sequoia Project.
10. As a charitable, tax-exempt organization, Sequoia is prohibited from participating in any political campaign for or against any candidate for public office. Avoid all direct or indirect political campaign intervention (such as supporting or opposing candidates for public office) in the name of The Sequoia Project or when using The Sequoia Project’s assets.
11. Solicit the financial, in-kind, support of others, and seek donations made to The Sequoia Project each fiscal year.
12. Share resources and talents with The Sequoia Project, including expertise, contacts for financial support, and contacts for in-kind contributions.
13. Serve as an advocate for Sequoia within their circles of influence — personal, business, faith, civic, etc.
14. 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.
15. Always exercise Board of Director powers in the interest of The Sequoia Project, and not for the interest of the Director(s) or others.



16. Keep all matters of The Sequoia Project confidential, including but not limited to the private information of The Sequoia Project, staff, clients, and other Directors.
17. 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.
18. Communicate effectively, provide constructive input, and respect the diverse opinions of others.
19. Be accessible, at least by phone or e-mail, to staff and other Directors as needed.
20. Participate in Director orientation.
21. 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 Chairperson 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. To the extent allowed by law, indemnification from liability for a Board member's reasonable and necessary actions
6. Reimbursement for reasonable expenses in conducting and attending to The Sequoia Project's Board business, in accordance with The Sequoia Project's policies and procedures
7. Directors & Officers insurance liability coverage
8. Respect for his or her time
9. The use of his or her talent effectively
10. Straightforward and thorough responses to any questions necessary to carry out his or her responsibilities to The Sequoia Project.



Policy No.: 8	<b>Lobbying and Political Activity</b>
Version: 1.0	Effective Date: 9/28/18

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. Personnel shall refrain from engaging in political activities or 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. The Sequoia Project shall refrain from using any of The Sequoia Project financial resources, facilities, or personnel to endorse or oppose a candidate for public office.
4. The Sequoia Project shall clearly communicate that The Sequoia Project Personnel are not acting on behalf of the organization while engaging in political activities in an individual capacity.



Policy No.: 9	<b>Decision Making and Consensus Processes</b>
Version: 1.0	Effective Date: 9/28/18

## Policy

The Sequoia Project facilitates much of its work as a voluntary consensus standards body as defined in OMB Circular A-119 and is committed to function with openness, engage stakeholders and promote a consensus process for its projects and initiatives. This policy describes the processes that The Sequoia Project follows for reaching consensus agreement by its 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 Board Chair or CEO 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 CEO under the authority specifically delegated to them by the bylaws or by the Board of Directors. The Sequoia Project bylaws provide for the voting mechanisms that will be used by the Board for all of its actions.
2. 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 Chairperson and Vice Chairperson 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.: 10	<b>Investment and Financial Reporting Policy</b>
Version: 1.0	Effective Date: 9/28/18

## Policy

The Sequoia Project has two primary financial objectives:

- Generate sufficient revenue to fully cover all direct and indirect operating costs and result in an excess of revenue over expenses to support continued development of programs and activities
- To establish a financial reserve sufficient to sustain The Sequoia Project 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 company requirements.

## Procedures

### Finance Committee

The Sequoia Project Board of Directors shall establish a committee to oversee the company's finances, including but not limited to reserve funds and investments ("Finance Committee").

### Investment Policy

1. The Finance Committee, on behalf of The Sequoia Project Board, on a regular basis should review The Sequoia Project's financial position and investment activity.
2. When held in a commercial bank, investments of company 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 The Sequoia Project's funds with any firm or vehicle that may, as a result of the transaction, monetarily benefit a member of the Board or Personnel.
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* — The Sequoia Project 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 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.





Policy No.: 11	<b>Board Officer Elections and Terms</b>
Version: 1.0	Effective Date: 1/1/2022

## Background

The purpose of this policy is to create a mechanism for The Sequoia Project, Inc. (Sequoia) to have an orderly process to elect corporate Officers to the Sequoia Board of Directors. The Sequoia Project, Inc. Bylaws are written to provide maximum flexibility to the Board of Directors in electing individuals to serve as corporate Officers. The Bylaws state that individuals elected to serve as an Officer are not required to be associated (either as an employee or via contract) with a Sequoia Member. The Board also desires for the Chairperson to continue to serve on the Board for a set period of time so that the Board can continue to benefit from this individual's perspective.

## Policy

The Board of Directors is committed to an orderly governance process and is further committed to assure that the Board of Directors benefits from the experience gained by those individuals who serve as Chairperson. Therefore, the Board establishes the following practices:

1. **Officer qualifications.** In addition to the requirements in the Bylaws, all officers must be Sequoia voting directors of the Corporation.

2. **Immediate Past Chairperson position.** When an individual ceases to serve as the Chairperson, they shall be invited to serve on the Executive Committee as Immediate Past Chairperson unless they are prevented from continuing to serve by virtue of their full-time employment role, e.g. serving as a government official, or for other valid reasons. The Immediate Past Chairperson shall serve on the Executive Committee as a non-voting representative for a period of up to two years for purposes of sharing their perspectives.

3. **Terms.** The terms of office for the Chairperson and Vice Chairperson shall be two (2) years and the terms of office for the Secretary and Treasurer shall be for one (1) year (January 1 to December 31 of each year) or until a successor shall have been duly elected and qualified, unless the officer's tenure is sooner terminated by incapacity to serve, resignation, or removal. Officers may be elected to a successive term subject to the term limits set forth in paragraph 4.

4. **Term limits.** All Officers shall be limited to two consecutive terms in any given office. The board has the discretion to extend Officer terms, as needed, if the board determines that it is in the best interest of Sequoia.



5. **Director and Officer elections.** Directors shall be elected by the Full Members by October of each year. Officers shall be elected by the Board at the first officially called meeting in January of each year. To promote continuity, the Chairperson shall be elected to a 2-year term and the Vice-Chairperson shall be elected such that their term expires at the same time as the Chairperson so that the Vice-Chairperson can ascend to the Chairperson office.

6. **Succession.** The Vice-Chairperson shall become the Chairperson unless the individual serving as the Vice-Chairperson resigns the position, declines to serve or the Board determines that this should not happen. The Chairperson shall become the Immediate Past Chairperson unless the individual serving as the Chairperson declines to serve or the Board determines that this should not happen.

7. **Miscellaneous.** For purposes of Section 4, Term Limits, any service of an individual prior to January 1, 2022 shall not be taken into account.

## **Procedures**

Board officer elections shall be facilitated in January of each calendar year.