



Health Forward Foundation

Fifth Amended and Restated Bylaws–Exhibit A Ethics Policy

Approved October 14, 2015

I. Purpose

The Corporation (as defined below) serves a leading role in assessing, maintaining and enhancing the health of the communities it serves. To preserve and protect the integrity of the Corporation and its decisions, and to foster an open and trusting relationship between and among members of the Board (as defined below) and Corporation staff, this Policy requires employees, officers and Board members of the Corporation to maintain the highest standard of corporate ethics not only to avoid Conflicts of Interest (as defined below) in the Corporation's affairs, but also to avoid even the appearance of impropriety that undisclosed Conflicts of Interest can create.

II. General Policies

A. Every Covered Person (as defined below) must file with the Secretary of the Corporation an Attestation and Statement of Personal Interests, which Attestation and Statement shall be maintained among the open records of the Corporation. In the event of disclosure of any Attestation and Statement to anyone other than another Covered Person, the Secretary may redact from the Attestation and Statement such information as he or she deems necessary to protect the legitimate privacy interests of the Covered Person

- provided that, in every event, sufficient material remains to disclose the general nature of the interests and the types of matters in which such interests may arise.
- B. All Covered Persons should maintain an awareness of the activities, business affairs, principal corporate policies, financial transactions, and contracts of the Corporation. Such an awareness includes a duty to make a reasonable inquiry if circumstances appear to warrant investigation.
 - C. Except as otherwise set forth herein, no Covered Person may have any Involvement (as defined below) in any action by the Corporation with regard to which the Covered Person has a Conflict of Interest (as defined below).
 - D. Where a Covered Person has or may have a Conflict of Interest with respect to a Corporate action, the Covered Person must disclose that Conflict of Interest at every relevant opportunity and that Covered Person's participation in the Corporate action must be limited as set forth below.

III. Definitions

- A. An "**Attestation and Statement of Personal Interests**" means a written disclosure (in such form as the Board shall require) stating that the Covered Person has received a copy of this Policy, has read and understands it, and agrees to be bound by it. The Attestation and Statement must also list every Financial and Institutional Interest of a Covered Person, and shall include a full disclosure of all material facts regarding a possible Conflict of Interest. An Attestation and Statement must be filed by every Covered Person every year,

- and must be amended promptly by the Covered Person whenever the information included or to be included therein undergoes a material change.
- B. **"Board" or Board of Directors"** shall mean the Board of Directors of the Corporation.
- C. **"Confidential Information"** means any information of a confidential nature disclosed by the Corporation to a Covered Person or obtained by a Covered Person in the course of his or her service to the Corporation. "Confidential Information" does not include information which is or becomes generally available to the public, information that is obtained by a Covered Person through sources other than the Corporation, and information which is known by a Covered Person prior to his or her becoming a Covered Person.
- D. A **"Conflict of Interest"** exists with respect to an issue on which the Corporation may or must act when a Covered Person has or may have an actual or apparent Financial Interest or Institutional Interest in the outcome of that matter.
- E. **"Corporation"** means Health Forward Foundation, a nonprofit public benefit corporation organized under the laws of the State of Missouri.
- F. **"Covered Person"** means every employee, officer, committee member or board member of the Corporation. For all purposes under this policy, a Covered Person's interests and relationships include not only his or her own, but also the interests and relationships of his or her father, mother, grandparents, siblings, spouses, parents-in-law, children, step-children,

sons-in-law, daughters-in-law, grandchildren, or any of his, her, or their legal guardians.

- G. A **"Financial Interest"** exists with respect to a matter when the outcome of the matter may or will inure to the financial betterment or detriment (directly or indirectly) of a Covered Person. For example, a Covered Person has a Financial Interest with respect to a matter when the Covered Person is an employee or compensated consultant or advisor to an entity that has a Financial Interest in the outcome of the matter. For purposes of this definition, a Financial Interest does not exist merely because the outcome of the matter may affect a publicly traded corporation less than 5% of which is owned by the Covered Person.
- H. An **"Institutional Interest"** exists with respect to a matter when the outcome of the matter may or will impact (directly or indirectly) an organization with which the Interested Person has a relationship that is other than financial. For purposes of this definition, a "relationship other than financial" exists when the Covered Person is an uncompensated consultant, officer, committee member, or board member of an organization. Such a relationship also exists when the Covered Person has any other course of dealing with the organization such that the person is likely to consider, or is likely to be perceived to consider, the interests of the organization as his or her own. For example, such a relationship can arise when a Covered Person, though not an employee, officer or director of an organization, held such a position in the past, or is a long-term donor or volunteer with the organization.
- I. **"Interested Person"** means a Covered Person who has a Conflict of Interest.

- J. **"Involvement"** with respect to a matter means approving, voting on, analyzing, preparing or making recommendations regarding, preparing or making formal presentations regarding, attending any portion of a meeting regarding, participating in any informal discussions with other Covered Persons regarding, or seeking to influence or persuade (in or out of any meeting) any other Covered Person with respect to, that matter.
- K. **"Supervisor"** means the executive or other employee to whom a Covered Person reports directly and, in the case of the President, the Chairperson of the Board.

IV. Procurement

The Corporation may not purchase goods or services from any entity in which any Covered Person as a result of such transaction will or may have a Conflict of Interest unless such goods or services are purchased as a result of a competitive bidding process, in which case the Interested Person must disclose his or her Financial and/or Institutional Interest, ensure that his or her disclosure is reflected in the minutes, and must abstain from any Involvement in the matter. The Corporation should not select a vendor with respect to which a Conflict of Interest exists or may exist unless that vendor has submitted, clearly and objectively, the best bid, as determined in accordance with the factors set forth below.

In determining the "best bid" as required above, the Board or committee making such determination shall, prior to entering into such transaction, consider whether a more advantageous transaction or arrangement is reasonably attainable under circumstances that would not give rise to a Conflict of Interest, and the Board or committee shall determine by a majority vote of the disinterested directors or

committee members whether the transaction or arrangement is in the Corporation's best interest and for its own benefit, whether the transaction is fair and reasonable to the Corporation, and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

V. Employment

Members of the Board or any of its committees or the Community Advisory Committee, or members of their immediate families as described in the definition of Covered Persons above, may not be employed by the Corporation.

VI. Compensation

- A. Members of the Board or any of its committees or the Community Advisory Committee may not be compensated in any way for their services to the Corporation.
- B. The Board may not delegate responsibility for establishing, reviewing, and revising the compensation of Corporation executives. This policy does not prohibit the use of a committee to make recommendations to the Board in this regard, but the Board as a whole - and each individual director - acknowledges its and their non-delegable responsibility for these decisions.

VII. Gifts, loans, and reimbursement of expenses

- A. Other than items of nominal value, Covered Persons may not accept or give gifts, gratuities, loans or favors of any kind from or to any entity receiving or seeking a grant from, or otherwise doing or seeking to do business with, the Corporation, and must report solicitations for the same to the Chairperson of the Board.

- B. Covered Persons whose service to the Corporation requires out-of-town travel may be reimbursed only their actual, reasonable and necessary expenses, which shall not include expenses associated with others traveling with the Covered Person.

VIII. Confidential Information

Each Covered Person with access to Confidential Information regarding the Corporation or the Corporation's business is expected to hold such Confidential Information in confidence and to refrain from either using such information for personal gain or disclosing it unnecessarily outside the scope of such Covered Person's duties with respect to the Corporation.

IX. Grantmaking matters

- A. Upon the receipt by the Corporation of a grant proposal from any person or entity seeking a grant from the Corporation (each, a "Proposal"), the President of the Corporation or his designee shall review all Attestations and Statements of Personal Interests to determine if an actual or apparent Conflict of Interest exists with respect to such Proposal and any Covered Person. The Involvement of any Covered Person who is determined to have a Conflict of Interest shall thereafter be restricted as set forth below.
- B. Notwithstanding sub-section A above, Covered Persons who have or may have a Conflict of Interest with respect to any grant application, grantee performance review, or other matter involving expenditure of Corporation funds on programmatic matters (collectively, a "Grantmaking Matter"), have a affirmative duty to disclose such Conflict of Interest orally at the earliest opportunity in any meeting following the receipt of a Proposal relating thereto, whether or not a decision or action with respect to such matter is

expected, and take responsibility for ensuring that such disclosure is included in the minutes. In the event that a Covered Person is an employee or the President has or may have a Conflict of Interest with respect to a Grantmaking Matter, he or she shall promptly inform his or her Supervisor and refrain from further Involvement as set forth below.

- C. An Interested Person with respect to a Grantmaking Matter may not have any Involvement with respect to such Grantmaking Matter, commencing upon the Corporation's receipt of a Proposal relating thereto. An Interested Person who finds himself or herself in an informal discussion with any other Covered Person in which the matter comes up must disclose his or her interest and absent himself or herself from discussion.

- D. In the event of a possible Conflict of Interest with respect to a Covered Person, such Conflict of Interest, the facts and circumstances relevant to such Conflict of Interest, including the nature and extent of the Financial and/or Institutional Interest giving rise thereto, shall be reviewed by the disinterested members of the Executive Committee of the Corporation. In conducting such review, the Executive Committee may consult with legal counsel and such other authorities as may be necessary or desirable, and may request any additional information as may be deemed relevant. Upon a determination that a Conflict of Interest with respect to any Covered Person exists in a Grantmaking Matter, such Covered Person shall thereafter be deemed an "Interested Person" and shall have no Involvement with respect to such Grantmaking Matter. A Covered Person who is the subject of review as set forth in this sub-section D may not seek to influence or persuade the members of the Executive Committee conducting such review, and shall have no Involvement with respect to the relevant Grantmaking Matter unless and

until such Covered Person is affirmatively determined not to have a Conflict of Interest.

X. Enforcement and Remedies

- A. Any Covered Person who has reason to believe that another Covered Person has violated any aspect of this policy shall inform the chairperson of the Executive Committee or his designee. The person to whom such a report is made should inform the suspected violator of the basis for the report and afford the suspected violator an opportunity to explain. The Executive Committee shall then make a determination of whether a violation has occurred and the appropriate remedy, and shall inform the person making the report of all steps taken concerning the matter.
- B. Appropriate remedies for violators who are executives or other employees of the Corporation may include termination regardless of whether the violator's contract of employment expressly so provides.
- C. A material violation by a Board member or committee member who is not a Board member will constitute good cause for removal from the Board or committee pursuant to the Bylaws or by legal action pursuant to Section 355.356, RSMo. Any vote on a matter by a Board member or committee member taken prior to the discovery of such Board or committee member's violation of this policy may be voided at the discretion of the majority of the disinterested members of the Executive Committee.
- D. Where the circumstances of a violation do not merit termination or removal, appropriate remedies may include additional training for the violator or any

other manner of redress or cure deemed appropriate by the Executive Committee.

- E. This Policy is intended for the purposes set forth above and is solely for the benefit of the Corporation. This Policy does not create, and should not be construed by any person or court to create, enforceable rights on the part of any grant applicant or recipient, actual or prospective vendor, employee, or any other person or entity, and no such person or entity shall be entitled to enforce or rely on this Policy for any purpose whatsoever.