

CALLEN-LORDE COMMUNITY HEALTH CENTER'S CORPORATE COMPLIANCE PROGRAM

STANDARDS OF CONDUCT

Statement of Purpose

Callen-Lorde, its Board members, as well as its employees, contractors, agents, consultants, volunteers, and others who act on Callen-Lorde's behalf ("employees") have a responsibility to Callen-Lorde's patients, Federal and State Governments, other Callen-Lorde funders, and the communities served by Callen-Lorde to conduct themselves prudently, responsibly, in furtherance of, and consistent with, Callen-Lorde's charitable purposes and non-profit, tax-exempt status, and in the best interests of Callen-Lorde's patients.

General Responsibilities

The Board of Directors recognizes the paramount importance of maintaining Callen-Lorde's reputation for integrity that includes, but is not limited to, assuring compliance with applicable Federal, State, and local laws and regulations, as well as fulfilling contractual obligations.

Individual Responsibility

Every member of Callen-Lorde's Board and all employees are responsible for ensuring that their conduct is consistent with these Standards of Conduct, with Callen-Lorde policies and procedures, and with generally accepted standards of professionalism, courtesy, and respect. Furthermore, employees in supervisory positions must assume, and are charged with, responsibility for ensuring that the conduct of everyone they supervise complies with these Standards of Conduct.

Compliance with Laws and Regulations

Board members and employees are expected to comply with all laws and regulations applicable to the operations of Callen-Lorde, including, but not limited to, billing and coding requirements; the maintenance of accurate and complete business records; and requirements related to procurement standards.

Confidentiality of Information

Employees may acquire confidential or proprietary information by virtue of their affiliation with Callen-Lorde. Confidential or proprietary information may not be: (1) disclosed outside of Callen-Lorde without appropriate authorization from the Executive Director or designee, or (2) used for personal gain or for the benefit of a third party. (Additional information regarding patient confidentiality requirements may be found on page 45.)

Gifts

No employee or member of an employee's family/household may solicit or accept gifts, gratuities, favors, or anything of value from any current or potential patient, client, vendor, or contractor or potential contractor of Callen-Lorde or any current or potential party to a sub-agreement with Callen-Lorde. Every Board member and employee will decline or return any gift of more than token value and notify the employee's manager of said gift.

A “gift” means anything of value except for promotional materials of little or nominal value such as pens, calendars, mugs, and other items intended for wide distribution and not easily resold. Gifts include, but are not limited to: personal gifts, such as sporting goods, household furnishings, and liquor; social entertainment or tickets to sporting events; gift cards, personal loans or privileges to obtain discounted merchandise, and the like.

It is never appropriate to offer, pay, or receive bribes or kickbacks (including to or from any government official or employee), which can subject you to civil or criminal penalties. You should immediately notify the Legal Department about any payment or gift that is offered to you, or requested from you, that you believe may be a bribe, kickback, solicitation of a bribe or kickback, or otherwise improper. It is never appropriate to offer or accept personal loans or guarantees (e.g., preferences or discounts not offered widely) to or from customers, business providers or competitors. Callen-Lorde will immediately dismiss any Board member or employee found to have offered or accepted a bribe to secure funding or other benefits for or from Callen-Lorde.

Honest Dealing with Government Officials

Board members and employees will be cooperative and truthful in their dealings with any governmental inquiry or request, including audits, surveys, and certifications reviews. However, employees who are not authorized to speak on behalf of Callen-Lorde will not respond to any governmental inquiry or request, including audits, surveys, and certifications reviews and will promptly report any such inquiry or requests to the Executive Director, Compliance Officer, or other member of senior management.

Conflicts of Interest

General Prohibition

Conflicts of Interest: Callen-Lorde expects employees to conduct themselves according to the highest ethical standards. Employees are expected to devote their best efforts to the interests of Callen-Lorde and to strive to make decisions fairly and objectively. Callen-Lorde employees must comply because Callen-Lorde is a Department of Health and Human Services (“DHHS”) grantee. These standards for managing Conflicts of Interest are also necessary to comply with DHHS regulations found at 45 C.F.R. § 74.42. No employee shall participate in the selection, award, or administration of any contract or grant, paid in whole or in part with Federal funds, when a real or apparent conflict of interest is involved.

Definitions

Interest: A person has an “Interest” if they have, directly or indirectly through a family member or business partner:

- A business relationship (e.g. an actual or forthcoming contractual or employment compensation arrangement) with: (1) Callen-Lorde, (2) an entity with which Callen-Lorde has entered (or is negotiating to enter) a transaction or arrangement, or (3) an entity that is a competitor or potential competitor of Callen-Lorde;
- A financial relationship (e.g. a controlling or material ownership or investment interest) with: (1) an entity with which Callen-Lorde has entered (or is negotiating to enter) a transaction or arrangement, or (2) an entity that is a competitor or potential competitor of Callen-Lorde;

- A fiduciary relationship (e.g. Board member or trustee) with: (1) an entity with which Callen-Lorde has entered (or is negotiating to enter) a transaction or arrangement, or (2) an entity that is a competitor or potential competitor of Callen-Lorde; or
- A personal relationship with an individual who has a business, financial, or fiduciary relationship as defined above. A personal relationship means a relationship based on family, friendship, or romance.

Any interest in a company through publicly-traded stocks, bonds, or mutual funds available to the general public shall not constitute an Interest, provided the ownership or investment interest is less than one (1) percent of the company's shares.

Conflict of Interest: A "conflict of interest" arises whenever the Interest of a person competes with or has the potential to compete with the best interests of Callen-Lorde. A conflict is presumed to exist if a person with an Interest is involved in any way in the transaction or arrangement in which they have such Interest.

Affirmative Disclosure Requirements

It is the policy of Callen-Lorde that an interest shall be fully disclosed by any individual regardless of whether a conflict of interest is determined to exist.

Disclosures: Callen-Lorde requires that all employees, as well as Board members, and candidates for Board membership, disclose in writing upon hire (and update at any time that changes in interests warrant): (1) all Interests described above that may create an actual or potential conflict of interest, and (2) where applicable, provide a statement suggesting how such conflict could be avoided or mitigated.

In order to facilitate such full disclosure, Callen-Lorde requires employees, Board members, and candidates for Board membership to complete a Disclosure Form upon hire (and update at any time that change in interests warrant). Completion of a Disclosure Form does not relieve individuals of the obligation to comply with these Standards of Conduct with regard to disclosure of Interests that may occur after the filing of the Disclosure Form (e.g. with respect to a particular transaction).

Additional Interests: Callen-Lorde requires all employees, Board Members, and candidates for Board membership to disclose additional Interests that arise after the filing of the Disclosure Form.

Members and candidates for membership on the Board of Directors shall make disclosures to the Chair of the Board of Directors. If the Chair has such an Interest, they must make disclosure to the vice Chair, respectively, who will, in turn, be responsible for advising the Board.

The Executive Director shall make disclosures to the Chair of the Board who will, in turn, be responsible for advising the Board of such disclosure.

Employees shall make disclosures in writing to the Executive Director or designee.

Determining Whether a Conflict of Interest Exists

In the case of a potentially conflicted person who is a Board member (including the Executive Director), that person may make a presentation to the Board regarding whether they have a conflict, and may respond to related questions from the Board. However, after such presentation, they shall leave the meeting during any discussion of, or vote on, whether a

conflict of interest exists, and if such conflict is determined by the Board to exist, they shall leave the meeting during any discussion of, and voting on, the transaction or arrangement that involves the conflict of interest.

Procedures for Addressing the Conflict of Interest

Procurement: If the conflict involves Callen-Lorde procurement, the process shall be conducted in accordance with Callen-Lorde's Procurement Policy.

Alternative Arrangements: In other instances, the Board shall, as it may deem appropriate, appoint the Executive Director or designee to investigate alternatives to the proposed transaction or arrangement and make recommendations. After exercising due diligence, the Board or Executive Director, as applicable, shall determine whether Callen-Lorde can obtain an equivalent transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

Callen-Lorde's Best Interests: If a transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or Executive Director, as applicable, shall determine (if Board, then by a majority vote of the disinterested Board members) whether, notwithstanding the conflict of interest, the transaction or arrangement is in Callen-Lorde's best interests, for its own benefit, and whether the transaction is fair and reasonable to Callen-Lorde such that it would constitute an "arms-length" transaction (and be consistent with 45 C.F.R. § 74 standards).

Pervasive Conflicts of Interest: In circumstances where there are material continuing or pervasive conflicts of interest, an individual may be required by the Board of Callen-Lorde or the Executive Director, as applicable, to withdraw from their position with Callen-Lorde unless the individual, family member, or business associate chooses to disassociate from the outside position that causes the conflict.

Violations of the Standards of Managing Conflicts of Interest

If the Board or Executive Director, as applicable, has reasonable cause to believe that a person has failed to disclose an Interest, the person shall be informed of the basis for such belief and afforded an opportunity to explain the alleged failure to disclose.

If, after hearing the response of the individual who failed to disclose an Interest and making such further investigation as may be warranted in the circumstances, the Board or Executive Director determines that the individual has in fact failed to disclose an Interest in accordance with Section II.F.3., appropriate corrective and/or disciplinary action shall be taken, including removal of the individual from the selection, negotiation, or administration of any contracts or grants.

Records of Proceedings

The minutes of the Board and all committees with Board-delegated powers and those records as determined by the Executive Director shall contain:

- **Conflicts of Interest.** The names of the person who disclosed or otherwise were found to have an Interest in connection with an actual or potential conflict of interest and the nature of the Interest; any action taken to determine whether a conflict of interest was present; and the Board or Executive Director's decision, as applicable, as to whether a conflict of interest in fact existed.

- Management of Conflicts. For transactions where a conflict of interest has been disclosed or otherwise found to exist, the names of the persons who were present for discussions and votes relating to the transaction or arrangement, and the names of the persons who recused themselves; the content of the discussion, including any alternatives to the proposed transaction or arrangement or Callen-Lorde best interests; and a record of any votes taken in connection therewith.

Outside Employment and Supplemental Income

The Executive Director and all members of the Board of Directors must disclose to the Chair of the Board, and all employees must disclose to their Manager, in writing, any specifics of any plans to accept supplemental outside employment so that Callen-Lorde may determine whether such outside employment or consultancy conflicts, or has the potential or appearance to conflict, with the interests of Callen-Lorde. Callen-Lorde's prior approval of such outside employment or consultancy is required. Approval will likely be granted unless the activity conflicts with the interests of Callen-Lorde. In general, outside work activities are not allowed when they:

- Prevent the employee from fully performing work for which they are employed at Callen-Lorde including overtime assignments;
- Involve organizations that are doing or seek to do business with Callen-Lorde, including actual or potential vendors; or
- Violate provisions of law or Callen-Lorde's policies or rules.

From time to time, Callen-Lorde employees may be required to work beyond their normally scheduled hours. Employees are expected to perform this work when requested. In cases of conflict with any outside activity, the employee's obligations to Callen-Lorde must be given priority.

Honoraria earned by employees speaking or writing in connection with their employment at Callen-Lorde are the property of Callen-Lorde. If questions arise, the Executive Director determines when an honorarium or royalty is earned as a result of employment at Callen-Lorde and, with reference to prevailing policy at similar agencies, also determines if the entire amount or a percentage of the honorarium is to be retained by the employee.

Political Activities

No employee may participate or intervene in any political campaign in support of or in opposition to any candidate for elected public office while at work during business hours. A political campaign is deemed to begin when an individual announces their candidacy for an elective public office, or is proposed by others for an elective public office. No employee may use Callen-Lorde's name, facility, or any resources in connection with political campaign activities.

Lobbying

Lobbying is generally defined as a communication (written or oral) that is an attempt to influence (for or against) specific legislation, including appropriations. Any lobbying activities proposed to be undertaken by Callen-Lorde or by any employee on behalf of Callen-Lorde shall require the prior approval of the Executive Director. Any employee undertaking lobbying activities will work with the Executive Director, or their designee, to ensure that such activities are supported by non-Federal resources. Any employee undertaking lobbying activities will work with the

Executive Director, or their designee, to ensure that all disclosures and reporting of lobbying activities which are required by State or Federal law are submitted in a timely manner.

Violations of Standards of Conduct

Board members and employees should promptly report concerns regarding compliance with these Standards of Conduct. Such a report should normally be made initially through standard management channels, beginning, for employees, with the employee's immediate supervisor. For Board members, reports should be made directly to the Compliance Officer. As an alternative for employees, a report may also be made to the Compliance Officer. Such reports may be made confidentially, and even anonymously. Raising such concerns is a service to Callen-Lorde and will not jeopardize the terms and conditions of employment of the reporting individual.

All Board members and employees must cooperate fully in the investigation of any alleged misconduct. Any Board member or employee who makes intentionally false accusations regarding a compliance concern is subject to discipline by Callen-Lorde in accordance with the Callen-Lorde Policy and Procedure: Addressing Instances of Non-Compliance through Appropriate Disciplinary Actions.

These Standards of Conduct shall be reviewed periodically and updated consistent with the requirements established by the Board of Directors, Callen-Lorde's senior management, Federal and State law and regulations, and applicable accrediting and review organizations.

Callen-Lorde strives to maintain a work environment that is supportive, progressive, and respectful of each employee.

Each employee is expected to perform in a manner that upholds and enhances Callen-Lorde's professional reputation and maintains its obligations to the community it serves and to the public and private entities that support it.