



**SONOMA VALLEY HEALTH CARE DISTRICT
GOVERNANCE COMMITTEE MEETING**

AGENDA

WEDNESDAY, APRIL 20, 2022

6:00 P.M.

HELD VIA ZOOM VIDEOCONFERENCE ONLY

*To participate via Zoom videoconferencing,
use the link below:*

<https://sonomavalleyhospital-org.zoom.us/j/95905365996?pwd=VTZvc1lVVK1hmK0tVM0lpcXYzZk1sdz09>

Meeting ID: 959 0536 5996

Passcode: 270075

One tap mobile

+16699009128,94673199502#

+12133388477,94673199502#

Dial by your location

+1 669 900 9128

+1 213 338 8477

Meeting ID: 959 0536 5996

AGENDA ITEM	RECOMMENDATION	
In compliance with the Americans with Disabilities Act, if you require special accommodations to participate in a District meeting, please contact the District Clerk, Jenny Fontes, jfontes@sonomavalleyhospital.org or (707) 935.5005, at least 48 hours prior to the meeting.		
MISSION STATEMENT <i>The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</i>		
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Boerum</i>	
2. PUBLIC COMMENT SECTION <i>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Committee at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up.</i>		
3. CONSENT CALENDAR: <ul style="list-style-type: none"> • Governance Committee Minutes 03.16.22 	<i>Boerum</i>	Action
4. DISCUSS PROCESS/STEPS FOR POLICY AND DOCUMENT REVIEW	<i>Boerum</i>	Inform
5. FINAL GC APPROVAL OF THE FOLLOWING POLICIES: <ul style="list-style-type: none"> • FORMAT & INSTRUCTION FOR PREPARING BOARD LETTERS (NO CHANGES) • INVESTMENT POLICY (MINOR REDLINE EDIT) • FOUNDATION MOU (REDLINED CHANGES) • GUIDELINES FOR MINUTES (NO CHANGES) 	<i>Boerum</i>	Action

<ul style="list-style-type: none"> • BOARD COMMITTEE SELECTION PROCESS POLICY (<i>REDLINED CHANGES</i>) 		
6. CONFLICT OF INTEREST POLICY REVIEW – HR EDITS	<i>Boerum</i>	Action
7. APPROVAL “COMPOSITION OF STANDING COMMITTEES” (<i>REDLINED CHANGES</i>)	<i>Boerum</i>	Action
8. ADDITIONAL POLICY REVIEWS AND POLICY UPDATE PLANNING <ul style="list-style-type: none"> • BOARD LEGISLATIVE AND REGULATORY POSITIONS • GIFT TICKET AND HONORARIA • ETHICS TRAINING FOR DISTRICT BOARD MEMBERS 	<i>Boerum</i>	Inform
9. ADJOURN	<i>Boerum</i>	



**SVHCD GOVERNANCE
COMMITTEE MEETING**

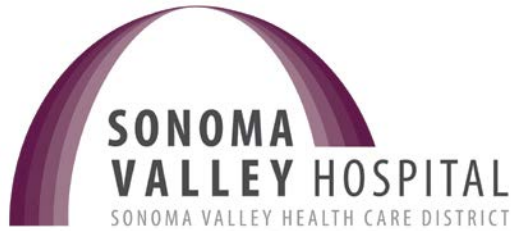
MINUTES

WEDNESDAY MARCH 16, 2022

Present	Not Present	Staff	Public	
Bill Boerum via Zoom Judith Bjordal via Zoom Amy Jenkins via Zoom		Jenny Fontes via Zoom		
AGENDA ITEM	DISCUSSION		ACTIONS	FOLLOW-UP
MISSION & VISION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>				
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Boerum</i>			
	Called to order at 6:01 p.m.			
2. PUBLIC COMMENT SECTION	<i>Boerum</i>			
	None			
3. CONSENT CALENDAR	<i>Boerum</i>		Action	
Governance Committee Minutes 02.16.22			MOTION: by Bjordal to approve, 2 nd by Jenkins. All in favor.	
4. REVIEW COMPOSITON OF STANDING COMMITTEES	<i>Boerum</i>			
	<p>The committee reviewed the Composition of Standing Committee document. Changes and revisions were made. The revisions will be submitted to the Board for approval.</p> <p>1. Audit Committee: The Committee observed that there is an even-number of members (4) on the Audit Committee. The Board may wish to consider appointing an additional member(s) in the event there is ever a tie vote.</p>			

	<p>2. Governance Committee: The Committee discussed whether a desired skill set should be established for Governance Committee members but did not make any recommendations for Board consideration at this time.</p> <p>3. Audit Committee, Finance Committee, and Governance Committees: The Committee observed that there are no term limits for appointees on Standing Committees. The Board may wish to consider whether term limits are appropriate.</p>		
5. IDENTIFY SKILL SETS OF COMMITTEE MEMBERS & CORRECT PROCEDURES	<i>Boerum</i>		
	The committee reviewed the skills sets of committee members and correct procedures in the Composition of Standing Committee document. Changes and revisions were made. The revisions will be submitted to the Board for approval.		
6. REVIEW DISTRICT BY LAWS	<i>Boerum</i>		
	The Committee decided the District by Laws do not need to be reviewed at this time.		
7. ADDITIONAL POLICY REVIEWS AND POLICY UPDATE PLANNING <ul style="list-style-type: none"> • GUIDELINES FOR BOARD MEETING MINUTES • BOARD COMMITTEE SELECTION PROCESS • CONFLICT OF INTEREST 	<i>Boerum</i>		
	<ul style="list-style-type: none"> • There was one minor typo recognized in the Guidelines for Board Meeting minutes, no other changes were needed. The next review will be in three years, or when necessary. • The Board Committee Selection Process policy was reviewed and revised. The changes will be submitted to the Board for approval. • Consult with HR regarding Appendix “A” in Conflict of Interest, versus Org Chart. 		

8. PLAN NEXT BOARD RETREAT	<i>Boerum</i>		
	Spring retreat will be a Strategy off-sight discussion. The retreat will be held at the Sonoma Golf Club on May 11, 2022, from 9am – 1pm.		
9. ADJOURN			
	Adjourned at 7:22 p.m.		



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Meeting Date: February 2, 2012
Prepared by: Kevin Carruth, Governance Committee Chair, Peter Hohorst, Board Chair
Policy: **Format and Instruction for Preparing Board Letters #P-2012.02.02**

Recommendations:

1. The Board shall adopt this Board Letter format and the instructions entitled “Board Letter Writing Basics” as Board Policy.
2. Direct the Board Members, Board Committee Chairs, and the CEO to use the Transmittal Format for all agendaized Board meeting items, including items agendaized and/or prepared by the CEO’s staff.
3. Direct the Board Chair, with support from the CEO, to ensure that all items on the regular or special Board agendas are accompanied by a Board Letter.
4. Direct the Chair to state the reason for exceptions to the Board policy and approve exceptions at the start of Board Meetings by a 4/5 vote of the Board prior to allowing any discussion and/or action on exception.

Background and Reasons for Recommendations:

Consistent with the Mission of the District the Governance Committee (GC) assists the Board to improve its functioning, structure, and infrastructure, while the Board serves as the steward of the District. The Board must ensure that it possesses the necessary systems to fulfill these responsibilities and execute these roles. In this regard it is the Board’s duty to ensure that its meetings are conducted in a productive manner.

The GC assists the Board in its responsibility to ensure that the Board functions effectively. To this end the GC formulates policy to convey Board expectations and directives for Board action. The Board approved the Board Letter format in May 2011. This is presented now in the format used for the Board Policy Manual.

To repeat the background provided in May, government bodies typically have standard formats for agenda item documents, the Sonoma City Council and Sonoma County Boards of Supervisors being two prime examples. Local government boards typically require all items on the agenda to conform to their standard format. The amount of information needed for various agenda items can vary tremendously. The standard Board Letter format proposed here allows the presenter to demonstrate that the issue has been carefully analyzed by providing the facts along with the analysis and the conclusions that can be drawn from the analysis. It provides all the information available to the Board members in writing, in advance, and when done well will

often result in few, if any, questions and Board Agenda items can often be placed on the Consent Agenda. Well prepared Board Letters are the vehicle for informing the Board so they can in turn make well informed decisions. Board Letters become the permanent documentation of the information provided to the Board at the time of its action. It should further reduce the need for detailed minutes because the critical information should have been included in the Board Letter and need not be repeated in the minutes. It will facilitate more items being on the consent calendar if they are sufficiently clear and non-controversial, which can then allow the Board to have more time to focus on the critical issues.

Most units of local government also provide written instructions on how to use those formats in a consistent and appropriate manner. Instruction can prove particularly helpful to those preparing the Board Letters and assures the Board receives kinds of standard information in a standard format on everything that comes before the Board for discussion, action, etc.

It is the opinion of the Board Chair that since the adoption of this approach in May the Board has had shorter and more effective Board meetings, since most of the information is available for Board member's and the public's consideration in advance of the meeting.

Consequences of Negative Action/Alternative Actions:

The Board Letter format and the accompanying instruction would not be placed in the Board Policy Manual.

Financial Impact:

1. When done well, the Board should continue to have more information and better analysis that can lead to more thoughtful recommendations by the Board members and/or CEO and with the increased likelihood of the Board having sufficient information to make the best decision for the District.
2. This Board policy will require the hospital staff to take the time to fully present the facts and then analyze the issue before presenting a conclusion and recommendation. The staff will then need to write the Board Letters for issues presented to the Board by the CEO, when the CEO does not prepare the item. The CEO will need to review and approve all hospital generated items before submitting them for the Board agenda. The time used to thoughtfully prepare the Board Letter so as to fully inform the Board's decision making process is time that cannot be used for other purposes.
3. Board members are uncompensated. It will similarly require time from Board members to submit Board Letters for items they desire to have on the agenda.
4. Reducing the time invested in the production of the meeting minutes will continue to save a very substantial amount of hospital secretarial time that can be redirected to more productive purposes.

Contract History:

No contract is involved in this proposal.

Board Committee Review:

The Board's Governance Committee Charter directs the GC to draft policies and decisions regarding governance performance and submit them to the Board for deliberation and action. This proposal was considered by the Governance Committee on January 23, 2012. The Governance Committee unanimously supports the recommendation.

Attachments:

Policy #3 -- Format and Instructions for Preparing Board Letters



POLICY #3

POLICY TITLE

Format and Instructions for Preparing Board Letters

PURPOSE

To provide the District's standard format for Board Letters along with instructions in order to better inform the Board on Regular and Special Board Meeting agenda items and to ensure consistent levels of information are provided to the Board prior to its discussion and/or action.

SCOPE AND APPLICABILITY

This is a SVCHD Board Policy and it specifically applies to the Board, Board Committees, the CEO, and those preparing Board items on behalf of the CEO.

RESPONSIBILITY

When preparing the Board Meeting agendas, it is the specific responsibility of the Board Chair, supported by CEO, to ensure that all agenda items are transmitted to the Board for discussion and/or action via a Board Letter as described in this policy.

FREQUENCY OF REVIEW/REVISION

This shall occur every three years or more often if required, to confirm that it is still being followed and to make changes if necessary. If revisions are needed they will be taken to the Board for action.

Next scheduled review is February 2015.

POLICY HISTORY

On May 12, 2011, the Board adopted this basic policy. This action includes the Board Letter Writing Basics as a guide to those who prepare Board Letters.



Board Letter Writing Basics

**A Writer's Guide for
Creating Board Letters in the
Sonoma Valley Health Care District**

February 2012
v. 0.1



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INTRODUCTION

The “Board Letter Writing Basics Writer’s Guide” is a tool in the quiver of the transmittal writer in the Sonoma Valley Health Care District (SVHCD). Its purpose is to be a “job aid” for Board Members, Board Committee Chairs, and the CEO of Sonoma Valley Hospital (SVH) that are creating or approving items for inclusion on the Board Agenda and the Board Letters requesting discussion or action by the SVHCD Board of Directors.

This guide will provide:

- Background on Board meetings and Board Letters, including why and how they are used.
- Overview of the format of Board Letters and the definition of each section.
- Examples of Recommended Action language.

“Meeting” includes any congregation of a majority of the members of the SVHCD Board of Directors, at the same time and place to hear, discuss, or deliberate upon any issue that is under the subject matter jurisdiction of the District. Under this definition, gatherings of the Board of Supervisors to address issues under the subject matter jurisdiction of the Board and where issues are discussed, decided, or voted upon are meetings subject to the Brown Act.

Regular meetings occur at a time and location set by District By-laws. At least 72 hours prior to the meeting, the body must post an agenda containing a brief general description of each item to be discussed or transacted at the meeting, including items to be discussed in closed sessions.

The purpose of the brief general description is to inform interested members of the public about the subject matter under consideration so that they can determine whether to monitor or participate in the meeting. The description must be sufficient to provide interested persons with an understanding of the subject matter that will be considered.

BOARD LETTER WRITING BASICS

What are Board Letters?

Board Letters are the documents used to convey recommendations for SVHCD Board of Directors' discussion and/or action.

Board Letters include recommendations and supporting documentation providing background material that enables the Board to make well informed decisions.

Board Letter Format

The District has established a standard Board Letter format. Board Letters are comprised of the following sections:

- Date
- Subject
- Recommendation(s)
- Reasons for Recommendation(s) and Background
- Fiscal Implications
- Contract History
- Consequences of Negative Action/Alternative Action
- Board Committee Review
- Attachments

All sections are required in all Board Letters, but in some cases the information may be very brief, e.g., if there is no prior contract history it may only state "There is no contract history with this firm/individual."

The following describes each section and explains why and how they are used.

Date

The Date should be the date of the Board Meeting when the item will be heard. Do not use the date the Board Letter is prepared.

Subject

The Subject should be a concise and consolidated statement of the action(s) to be taken. The subject line will be used on the Draft and Final Board Agendas provided to the Board and the public.

Recommendation(s)

Make sure all actions you are asking the Board to take are clearly indicated. There can be one recommendation or many, depending on what needs to be accomplished.

The wording for the agenda is also taken from this section, along with the Subject so as to make the public fully aware of the possible Board action(s).

Here are a few helpful tips when completing the Recommendation(s) section of your Board Letter:

- Do not simply refer to “attached”; instead, spell out the item that the Board will be approving. For example: “Approve Agreement with ABC Corporation relating to...”
- Don’t include too much detailed information that describes every nuance of the recommendation. Keep the recommended action concise, particularly when the detail is in documents attached to the Board Letter such as an appropriation contact modification, contractual agreement, etc.

Reasons for Recommendation(s) and Background

This section provides a brief justification for each action being recommended in the order they are being recommended. You should anticipate and answer key policy and economic questions that could be raised. If you are requesting delegation of authority to execute or extend a contract, explain why in this section.

Include as Background information that the Board of Directors may need to place the recommended action in proper historical perspective. The goals are to:

- Describe the relevant historical facts to put the situation/program/service/contract in perspective.
- If the action is new, why is it needed; if continuing, how was it provided before?
- If appropriate, what other alternatives were explored and why were they rejected in favor of the recommendation(s).

Fiscal Implications

- Advise the Board of whether or not there is a fiscal impact in the current budget year and any out years that will be affected by the decision. Describe how the expenditure is covered if there is no fiscal impact. For example, if the recommendation is funded by an outside source of funds, state “There is no impact on the General Fund. Costs are fully covered by _____,” i.e., a grant from the State Department of Health Services, or a generous grant by the Smith Family Trust.
- Also advise the Board of staff time that will be needed to accomplish the recommendation(s) since that is a cost as well.

Contract Selection Process and History

If the recommended action refers to an agreement or contract, there is contract history. This section is intended to provide a brief history of the contractor/vendor's relationship to the District and describe the procurement process. If there is no agreement/contract, state, "Not applicable."

Consequences of Negative/Alternative Action(s)

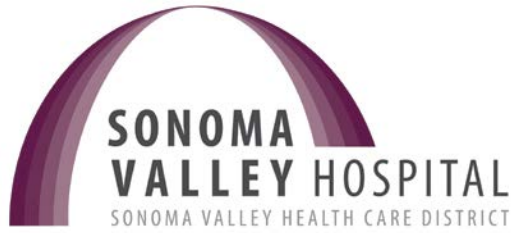
This section should be a concise statement of the consequences that will follow should the recommended action not receive Board approval. The statement begins: "Failure to approve this action may result in..." Use wording that does not create liability problems for the District if the Board elects to delay action or reject/modify staff recommendation. List the alternative actions the Board could take and the possible consequences of those decisions.

Board Committee Review

This section should briefly explain what Board Committee(s) reviewed the issue and when, and include their input and/or recommendation for Board consideration. If there is a requirement for Board Committee review, that should also be noted. If it was not reviewed by a Board Committee, that should also be explained.

Attachments

Include documents referred to in the Board Letter, such as contracts/agreements and amendments, resolutions, relevant correspondence, reports, audits, etc. so the Board can have easy access to background or related materials that will better inform the Board when it is making its decision.



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Meeting Date:

Prepared by: [Name, department]

Agenda Item Title:

Recommendation(s):

Background and for Recommendation(s):

Consequences of Negative Action/Alternative Actions:

Financial Impact:

Contract Selection Process and History:

Board Committee:

Attachments:



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Sonoma Valley Hospital Sonoma Valley Healthcare District Policy and Procedure Organizational	
Title: Investment Policy #P-2014.03.06	Number: LD118 Page: 1 of 1

Carl Gerlach, CEO	01/22/08	Effective Date:	November 24, 1980
Approved By	Date	Revision Dates:	
Signature		Review Dates:	6/89, 3/96, 3/99, 7/00, 12/01, 3/05, 12/07

POLICY

Until such time as surplus funds exceed \$5,000,000, all investments shall be placed with the Local Agency Investment Fund (LAIF). If surplus funds exceed \$5,000,000, an investment policy ~~shall is to~~ be developed and approved by the Finance Committee. Funds required under bond indentures which are invested by a trustee are not covered by this policy.

ACCOUNTABILITY/RESPONSIBILITY FOR REVIEW

Board of Directors

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE SONOMA VALLEY HEALTH CARE DISTRICT
AND
THE SONOMA VALLEY HOSPITAL FOUNDATION FOR FUND RAISING ACTIVITIES

This Agreement is made and executed in Sonoma, California, on **DATE**, by and between the Sonoma Valley Health Care District (hereinafter referred to as "District"), a District duly organized and existing under the Local Health Care District Law of the State of California (California Health and Safety Code, Division 23, Sections 3200-32492), with its principal place of business at Sonoma, California and the Sonoma Valley Hospital Foundation, a hospital foundation organized and operating as a tax-exempt 501(c)(3) corporation with its principal place of business at Sonoma, California (hereinafter referred to as "Foundation"). The District and the Foundation may be referred to herein as "Party" or "Parties." The District and the Foundation desire to enter into this Agreement for fund raising activities with respect to the following:

RECITALS

Whereas, the District and the Foundation agree that significant philanthropic support is needed to continue to provide patient-focused, state-of-the-art health care and health-related programs to residents and visitors in its service area; and

Whereas, the District and the Foundation agree that such support can most effectively be garnered through a hospital foundation operated as a 501(c)(3) corporation, and as such an organization, the Foundation is best suited to provide and develop philanthropic support for the District; and

Whereas, the District and the Foundation agree that in order to provide and develop philanthropic support for the District, the Foundation will develop and implement a fund development program in support of health care for residents and visitors of the District.

Now therefore, in consideration of the promises and the mutual covenants herein contained, and for other good and valuable consideration, it is agreed:

1. Responsibilities and Mutual Expectations

A. Responsibilities of the Foundation

- i. The Foundation will develop, implement and refine a rolling three-year philanthropic strategic plan to maximize community support for the health care of the residents and visitors of the District.
- ii. The Foundation will continue to work with the Hospital and District leadership to determine annual and longer term goals and mission.
- iii. The Foundation agrees to support the capital, program, and other needs of District-owned facilities and District-operated programs.
- iv. The Foundation shall ensure there are two (2) ex-officio directors on the Foundation Board. Ex-officio directors shall be selected as follows: one shall be selected by the Board or Directors of the District; one shall be selected by the CEO of the Hospital.
- v. The Foundation will accept and process all gifts in accordance with all applicable laws and regulations.
- vi. The Foundation shall operate according to fundraising best practices and ethical

standards.

vii. The Foundation shall make its books and records available to the District and its agents for review and inspection upon reasonable written notice and at reasonable times.

~~vii-viii.~~ The Foundation shall present annually a report of its activities, funding, and otherwise to the Board of Directors of the District.

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B. Responsibilities of the District.

- i. The District will direct all charitable contributions in support of the District to the Foundation for acceptance and gift processing. If unusual circumstance requires a gift to be accepted directly by the District, the District will do so in accordance with the Foundation's Gift Acceptance Policy. (see attachment)
- ii. The District agrees to honor donor instructions by using the restricted funds it receives from the Foundation only for the purposes intended by the donor.
- iii. The District shall select one (1) ex-officio director on the Foundation Board, as described in Section 1.A.iv above.
- iv. The District agrees to make all books and records pertinent to the Foundation available to the Foundation for review and inspection upon reasonable notice and at reasonable times.
- v. The District shall be responsible for funding 50% of the cost for annual independent audits of the Foundation's financial statements.

2. Request for and Transfer of Funds

- A. All grant funding requests for the District from the Foundation will be submitted in writing to the Foundation and have the Hospital CEO's written approval. The Foundation agrees to review grant requests submitted by the CEO within sixty (60) calendar days ~~or of~~ receipt.
- B. If a grant is approved by the Foundation Board, the Foundation will notify the primary project contact, as indicated on the grant application, within seven (7) calendar days of approval.
- C. If a grant is denied by the Foundation Board, explanation of the Board's decision will be submitted in writing to the Hospital CEO within seven (7) calendar days ~~of denial~~.
- D. Grants approved by the Foundation Board will be paid within thirty (30) days of receiving request for payment, which shall ~~be~~ submitted in writing by the Hospital CEO or Accounting Department and shall be accompanied by the corresponding invoice or purchase order ~~showing the equipment and/or services~~.

3. Funding Cost of Foundation Operations

- A. Based on a budget approved by the Foundation Board, the Sonoma Valley Hospital will assist in funding an agreed upon portion of operating expenses of the Foundation.

4. Terms and Termination

- A. *Term.* The term of this Agreement shall automatically renew at midnight on June 30 of

each calendar year unless either Party exercises their right to terminate the Agreement under Section B below.

B. *Termination.* This Agreement may be terminated by either Party, with or without cause, by giving sixty (60) days written notice as provided in Paragraph 11 of this Agreement.

C. *Dissolution and Distribution of Assets.* In the event that this MOU is terminated or the Foundation ~~be is~~ dissolved by the Foundation Board, all properties, monies, and assets will be distributed as outlined in ~~the Fourth~~ section four of the Foundation's Articles of Incorporation.

5. **Negotiation and Mediation Clause.** In the event of a disagreement or dispute between the Parties arising out of or connected with this Agreement, the disputed matter shall be resolved as follows:

A. *Negotiation.*

- i. The parties shall attempt in good faith to promptly resolve any dispute arising out of or relating to this Agreement ~~promptly~~ by negotiation between the District and Foundation Board Chairs. Any party may give the other party written notice of any dispute not resolved in the normal course of business. Within 15 days after delivery of the notice, the receiving party shall submit to the other a written response. The notice and response shall include with reasonable particularity (a) a statement ~~of~~ of each party's position and a summary of arguments supporting that position, and (b) the name and title of the executive who will represent that party and of any other person who will accompany the executive. Within 30 days after delivery of the notice, the chairs of both parties shall meet at a mutually acceptable time and place.
- ii. Unless otherwise agreed in writing by the negotiating parties, the above described negotiation shall end at the close of the first meeting of chairs described above ("First Meeting"). Such closure shall not preclude continuing or later negotiations, if desired.
- iii. All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the negotiation.
- iv. At no time prior to the First Meeting shall either side initiate an arbitration or litigation related to the Agreement except to pursue a provisional remedy that is authorized by law or by agreement of the parties. However, this limitation is inapplicable to a party if the other party refuses to comply with the requirements of Paragraph i above.
- v. All applicable statutes of limitation and defenses based upon the passage of time shall be tolled while the procedures specified in Paragraphs i and ii above are pending and for 15 calendar days thereafter. The parties will take such action, if any, required to effectuate such tolling.

B. Mediation.

- i. If the matter is not resolved by negotiation pursuant to paragraphs i -v above, then the matter will proceed to mediation as set forth below.
 - ii. Either party may commence mediation by providing the other party a written request for mediation, setting forth the subject of the dispute and the relief request.
 - iii. The parties agree that any and all disputes, claims or controversies arising out of or relating to this Agreement shall be submitted for mediation.
 - iv. The parties will cooperate in selecting a mediator and in scheduling the mediation proceedings. The parties agree that they will participate in the mediation in good faith and that they will share equally in its costs.
 - v. All offers, promises, conduct and statements, whether written or oral, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator, are confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation.
6. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California.
7. **Forum.** Any mediation to enforce or interpret the provisions of this Agreement or the Parties' rights and liabilities arising out of this Agreement or the performance hereunder shall be maintained only in the County of Sonoma, California, or within one or such County's incorporated cities.
8. **Severability.** If any provision of the Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.
9. **Integration.** This Agreement contains the entire agreement among the Parties and supersedes all prior and contemporaneous oral and written agreements, understandings, and representations among the Parties. No amendments to this Agreement shall be binding unless executed in writing by all of the Parties.
10. **Waiver.** No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.
11. **Notices.** Any notice required by this Agreement shall be effective only if sent by certified or registered mail, postage prepaid, as follows:

If to District:
Chair, Board of Directors and President/CEO
Sonoma Valley Hospital, 347 Andrieux St, Sonoma, CA 95476

If to Foundation:
Chair, Board of Directors and Executive Director
Sonoma Valley Hospital Foundation, 347 Andrieux St, Sonoma, CA 95476

For the purpose of determining compliance with any time limit in this Agreement, a notice shall be deemed to have been duly given on the second business day ~~after~~ after mailing, if mailed to the Party to whom notice is to be given in the manner provided in this Section. Either Party may, at any time, change its address designated above by giving to the other Party thirty (30) days' written notice of the new address to be used for the purposes of this Section.

12. **Assignability.** Neither this Agreement nor any duties or obligations hereunder shall be assignable by any Party hereto without the prior written consent of the other Parties.

In witness whereof, the Parties have executed this Agreement as of the date first above written.

Sonoma Valley Health Care District

By: _____ Date: _____
~~Jane Hirsch~~ Joshua Rymer, Chair, Board of Directors

Sonoma Valley Hospital Foundation

By: _____ Date: _____
~~Kevin Jaggie~~ Brian Sebastian, Chair, Board of Directors



SUBJECT: GUIDELINE FOR THE BOARD OF DIRECTORS MEETING MINUTES

POLICY #P-2017.12.07

DEPARTMENT: BOARD OF DIRECTORS

PAGE 1 OF 2

EFFECTIVE:

APPROVED BY:

REVISED: 3/11,12/17

MINUTES FORMAT AND GUIDELINE:

Minutes shall reflect the agenda topics, order and format.

All changes to the agenda shall be noticed in the minutes.

All motions, whether passed or not shall be noticed in the minutes; notice shall include the name of the director making the motion, and the specific action(s) taken. If multiple motions are made, each one shall be noticed separately. A brief summary of the discussion, if any, regarding the motion shall also be noticed.

When members of the public make comments at Board meetings, their comments shall be included in the minutes with their names (when provided). Direct quotes of the speaker shall be used with the exception when multiple speakers make the same comment (or nearly the same) on one topic, only one of the comments of one speaker shall be noticed in the minutes. Detailed summarization of the comments of the remaining speakers, with names, shall be included in that instance.

Consent Calendar – Suggested changes to items on the consent calendar shall be noticed in the minutes with motions accordingly.

All presentations shall be noticed in the minutes and shall include: the speaker’s name (s), and the key talking and subject points. Detailed reporting and commentary shall be omitted.

Written reports in the Board packet from Board committees shall be noticed in the minutes. Only limited detail on the presentations supporting these written reports shall be captured.

The Financial and Administrative reports in the Board Packet shall be noticed in the minutes. Commentary on these reports should be limited to capturing factual data. A summary of discussions about these reports shall be noticed in the minutes as needed for clarity. These summaries should be brief unless action is taken by the Board concerning these reports and is pertinent to a vote.

Board comments shall be noticed in the minutes and shall include the name of the director and a detailed summarization of the comments.

The time of the meeting’s adjournment shall be noticed in the minutes.



SUBJECT: GUIDELINE FOR THE BOARD OF DIRECTORS MEETING MINUTES

POLICY #P-2017.12.07

PAGE 2 OF 2

DEPARTMENT: BOARD OF DIRECTORS

EFFECTIVE:

APPROVED BY:

REVISED: 3/11,12/17

In cases where an audio or video recording of a Board meeting is made for whatever purpose by or at the direction of the District Board, these recordings shall be retained until the minutes are approved or for thirty (30) days, whichever is longer. (California Government Code section 54953.5(b)). These recordings are subject to the California Public Records Act.

Recordings of Board Committee meetings shall be retained until the minutes of the meeting have been approved by the Committee.



Board Committee Selection Process Policy

Approved P 2012.10.04
Revised 05.05.22 P 2018.02.01

POLICY

~~It is the policy of T~~he Sonoma Valley Health Care District Board ~~shall; to-~~

- ~~U~~tilize Board Committees for assistance in providing oversight and governance of District operations.

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~~It is the policy of the Sonoma Valley Health Care District Board to-~~

- ~~U~~tilize the experience and expertise of the citizens in the community to assist the Board members assigned to Board Committees.

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~~It is the policy of the Sonoma Valley Health Care District Board to-~~

- ~~E~~ncourage involvement of the public in the District's operations by maintaining full staffing of ~~regular and alternate public~~ Community members on Board Committees.

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The Current Board Committees are: Affiliation Oversight Committee, Audit Committee, Finance Committee, Quality Committee, Governance Committee.

PROCEDURE

When a public member vacancy occurs on a Board Committee, the Committee Chair shall notify the Board Chair of the vacancy.

For Board Committees with voting and alternate public members, the Committee Chair may elect to promote an alternate public member to be a voting member and notify the Board Chair of the alternate member vacancy.

The Board Chair shall notify the Board Clerk of the public member vacancy on the Committee.

The Board Clerk shall solicit written applications for the vacant public member Committee position by preparing an advertisement and/or press release for publication in local newspapers based on selection criteria from the Committee's charter and containing pertinent information, including the time and date deadline for submitting the application.

Candidates for the public member position ~~shall be will be-~~ directed to the Board Clerk to obtain an information package and application form. Candidates ~~will shall~~ submit the application form and current resume/CV to the Board Clerk.

Candidate applications ~~shall will~~ be received and date stamped by the Board Clerk.

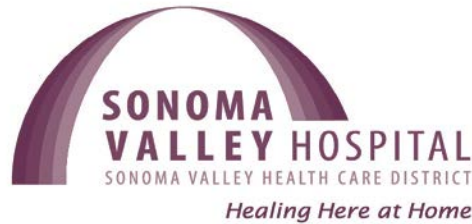
Committee candidate interviews ~~shall will~~ be scheduled at a regular or special Board meeting at a time and date to be determined by the Board Chair.

Committee candidates ~~shall will~~ be interviewed and prioritized by the Board.

The Board Chair ~~shall will~~ appoint the top ranked applicant (or applicants) to the vacant position (or positions) on the Board Committee subject to the approval of a majority of the Board.

The Board Clerk ~~shall will~~ ensure that newly appointed public Board Committee members are added to the Committee distribution list to receive notices of meetings.

~~The Board Clerk will send each n~~New public Committee members shall receive a copy of the appropriate Committee Charter, Board Orientation Guide.



CONFLICT OF INTEREST CODE AND APPENDIX #P-2018.02.01-2

(Incorporated here by Reference is Cal. Code of Regs. 18730)

Adopted by the Board of Directors, (November 1, 2012)

Amended by the Board of Directors

(August 4, 2016, January 5, 2017 & February 1, 2018)

The Political Reform Act (California Government code Sections 81000, et seq.) requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The California Fair Political Practices Commission has adopted a regulation (California Code of Regulations Section 18730, hereinafter "Regulation") which contains the terms of a standard Conflict of Interest Code which can be incorporated by reference and may be amended by the Fair Political Practices Commission after public notice and hearings to conform to amendments in the Political Reform Act. The Regulation further provides that incorporation of its terms by reference along with the designation of employees and the formulation of disclosure categories in an Appendix (Appendix A and B attached hereto) shall constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code Section 87300 or the amendment of a conflict of interest code within the meaning of Government Code Section 87307.

Therefore, the terms of the Regulation and any amendments to it, duly adopted by the Fair Political Practices Commission, are hereby incorporated by reference. The Regulation and the attached Appendix designating officials and employees and establishing disclosure categories constitute the Conflict of Interest Code of the Sonoma Valley Healthcare District, doing business as Sonoma Valley Hospital.

Designated officials and employees and any person who manages the District's investments shall file statements of economic interests (Form 700) with the District. Such officers covered by this Code who are also public officials specified in Section 87200 of the Government Code, including those who manage public investments, shall file Form 700s pursuant to that Government Code provision as long as the categories of disclosure are the same or broader than those under this Code. The Form 700s will be available for public inspection and reproduction. (California Government Code Section 81008). Upon receipt of the statements of all designated officials and employees, the District shall make

and retain a copy and forward the original of the statements of the President and Chief Executive Officer and all Board Members to the County Clerk for the County of Sonoma.

Dated: _____

Secretary, Board of Directors

SONOMA VALLEY HEALTH CARE DISTRICT

CONFLICT OF INTEREST CODE

Appendix “A”

Designated Positions	Disclosure Category
Member of the Board of Directors	1
President and Chief Executive Officer	1
Chief Ancillary Officer	2
Chief Financial Officer	2
Chief Human Resources Officer	2
Chief Medical Officer	2
Chief Nursing Officer	2
Chief of Support Services	2
Chief Information Officer	2
Chief Nursing Officer	2
Director of Accounting Controller	2
Director of Information Technology	2
Director of Case Management & Med Staff	2
Director of Emergency Department Services	2
Director of Patient Care Services / Intensive Care Unit	2
Director of Facilities	3
Director of Human Resources	2
Director of Materials Management	2
Director of Pharmacy	2
Director of Surgical Services	2
Director of Diagnostic Imaging	2

Laboratory Manager

~~Director of Patient Financial Services & Admitting~~ 2

Food & Nutrition Services Manager 4

Public Members of the Finance Committee 2

Public Members of the Quality Committee 2

Consultants *

*Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The chief executive officer may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The chief executive officer’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

SONOMA VALLEY HEALTH CARE DISTRICT

CONFLICT OF INTEREST CODE

Appendix “B”

Disclosure Categories

General Rule

The District has adopted Section 18730 of Title 2 of the California Code of Regulations, as it may hereinafter be revised, as the District’s standing Conflict of Interest Code provisions, supplemented by this Appendix and its preamble. An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee or officer by virtue of the his or her position. Form 700 provides guidelines on what are “reportable” interests within each category and the corresponding disclosure schedule in Form 700, i.e., Schedules A-1, A-2, B, C, D, E, F.

Designated Employees in Category #1 Must Report:

- A. Investments in any business entity which
 - (a) Has an interest in real property within the Sonoma Valley Health Care District
 - (b) Does business with Sonoma Valley Health Care District (“District”), or has done business with the District at any time during the two years prior to the time any statement or other action is required under this code; or
 - (c) Engages in any of the following businesses:
 - 1. Ambulance service
 - 2. Banks, Savings and Loan
 - 3. Collection agencies
 - 4. Communications equipment
 - 5. Computer hardware or software
 - 6. Construction or building materials
 - 7. Construction companies
 - 8. Data processing consultants
 - 9. Dietetic, kitchen or equipment consultants
 - 10. Dietetic or kitchen supplies, equipment, including food and food products
 - 11. Educational and training supplies, equipment or material
 - 12. Employment agencies
 - 13. Engineering services

14. Equipment consultants
15. Equipment or fixture manufacturers
16. Health care equipment or instruments
17. Health care facilities
18. Health care materials or supplies
19. Health facilities or services
20. Housekeeping or linen supplies or equipment
21. Housekeeping service agencies
22. Insurance companies
23. Laboratory supplies or equipment
24. Landscaping consultants or companies
25. Laundries
26. Medical laboratories
27. Medical records supplies or equipment
28. Motor vehicles and specialty vehicles and parts
29. Nursing service supplies, equipment or material
30. Office equipment or supplies
31. Petroleum products
32. Pharmaceutical supplies or equipment
33. Physical therapy supplies or equipment
34. Plant, building, grounds supplies or equipment
35. Printing and distribution
36. Public relations or advertising
37. Publications
38. Radiology supplies or equipment
39. Real property
40. Respiratory therapy supplies or equipment
41. Safety equipment
42. Safety instruction material
43. Social services agencies
44. Structural, mechanical, electrical, etc., engineering firms
45. Temporary help agencies
46. Testing laboratories or services
47. Utilities

B. Income from any business entity described in subparagraph A.

C. Status as a director, officer, partner, trustee, employee or holder of a position of management in any business entity described in subparagraph A.

D. Each interest in real property located in the Designated Area.

Designated Employees in Category #2 Must Report:

- A. Investments in any business entity which does business with the District or has done business with the District at any time during the two years prior to the time any statement or other action is required under this code.
- B. Income from any business entity described in subparagraph A.
- C. Status as a director, officer, partner, trustee, employee, or holder of a position of management in any business entity described in subparagraph A.

Designated Employees in Category #3 Must Report:

- A. Investments in any business entity which, within the last two years, has supplied or in the future foreseeably may supply building maintenance materials, gardening materials, or other materials for use in the maintenance and repair of the physical plant of the hospital.
- B. Income from any business entity described in subparagraph A.
- C. Status as a director officer, partner, trustee, employee, or holder of a position of management in any business entity described in subparagraph A.

Designated Employees in Category #4 must report:

- A. Investments in any business entity which engages in the business of supplying food or other culinary supplies which may be used in hospitals.
- B. Income from any business entity described in subparagraph A.
- C. Status as a director, officer, partner, trustee, employee, or holder of a position of management in any business entity described in subparagraph A.

Composition of Standing Committees

Affiliation Oversight Committee (4)

Ex Officio (4) ~~& Staff:~~

Board Chair - Joshua Rymer

Board - Judith Bjorndal

UCSF Affiliates Network President - Shelby Decosta

UCSF – ~~vacant~~ Theodore Abraham

~~No Community~~

Staff: CEO John Hennelly

Audit Committee (6 4)

Ex Officio (2) ~~& Staff (2)~~

Board Chair – Joshua Rymer

Board Treasurer & Finance Chair – Bill Boerum

~~CEO John Hennelly~~

~~CFO Ben Armfield~~

Community (2)

Art Grandy

Graham Smith

Non-Voting: CEO; John Hennelly, CFO; Ben Armfield, CMO; Controller

A majority of the members of the Audit Committee shall have financial expertise, including an understanding of generally accepted accounting principles and financial statements, an understanding of internal controls and procedures for financial reporting, and an understanding of audit committee functions

Finance Committee (9)

Ex Officio (2) ~~& Staff~~

Treasurer – Bill Boerum

Member – Joshua Rymer

Community (6):

Catherine Donahue

Bruce Flynn

Carl Gerlach

Art Grandy

Peter Hohorst

Wendy Lee

Medical Staff (1)

Subhash Mishra

Non-Voting: CEO; John Hennelly, CFO; Ben Armfield

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Rev. 03.16.22

All District Citizen members of the committee must be stakeholders of the District. The District Board has defined stakeholder for the purpose of committee membership as:

- Living some or all of the time in the District~~.,~~ ~~or~~
- Maintaining a place of business in the District~~.,~~ ~~or~~
- Being an accredited member of the Hospital's Medical Staff.

It is recommended that a majority of the community members have a financial background.

Governance Committee (3)

Ex Officio (2) ~~& Staff~~

Board Chair - Bill Boerum

Board – Judith Bjorndal

Community (1):

Amy Jenkins

The GC shall be staffed by the Hospital's CEO and/or Administrative Representative. At the request of the GC Chair, the Compliance Officer shall attend GC meetings.

~~The GC, with input from the Standing Committees and the Board, shall identify the skill sets of the current members and the skills sets ideal for the Standing Committees as a whole, and present a matrix to the Board for its action and use when recruiting and screening potential Standing Committee members. SVH employees and family members are not permitted to be on the Board Committees. SVH employees and family members are not permitted to be on the Board Committees.~~

Quality Committee (7 to 9)

Ex Officio (2) ~~& Staff:~~

Board – Susan Kornblatt Idell, Chair ~~Michael Mainardi (?)~~

Board – Michael Mainardi ~~Susan Kornblatt Idell, Chair~~

Community (5):

Howard Eisenstark, MD

Carol Snyder, RN

Ingrid Sheets

Ako Walther, MD

Cathy Webber

Non-Voting Members: ~~Sabrina Kidd~~, MD, CMO; Mark Kobe, CNO; Kylie Cooper, Director of Quality

A Majority of the community members should have a clinical background and/or demonstrate an interest in hospital quality outcomes.

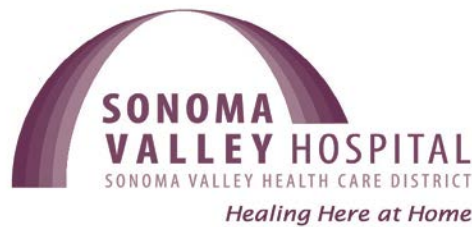
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Rev. 03.16.22

~~Voting Members: The Board Quality Committee shall have at least seven and no more than nine voting members. • Two Board members o One of whom shall be the QC chair, the other the vice chair. • One designated position from the Medical Staff leadership (the Chief or Vice Chief). • At least four and no more than six members of the public selected by the Governing Board. Quorum Requirement: Half plus one member present. Chair One of the appointed Board Members Composition Voting Committee Members, Presenters, CEO, Chief Medical Officer (CMO) and Chief Nursing Officer (CNO), Chief Quality Officer (CQO)~~

Rev. 03.16.22

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Board Legislative and Regulatory Positions Policy #P-2018-04-05-2

It is the policy of the Sonoma Valley Health Care District and the Sonoma Valley Hospital to take an active role in advocating legislative efforts that will benefit the District/Hospital and in opposing legislation/regulatory efforts that will impact the District/Hospital in a negative manner. Within this framework, time is of the essence when communicating with elected and appointed government officials.

Policy

By this policy the District Board authorizes the District CEO to fully and actively support any federal or state legislation which:

- Decreases the District's/Hospital's operating costs.
- Increases the Hospital's reimbursement for services.
- Provides greater flexibility for the operation of the District/Hospital.
- Authorizes the District use of alternative capital project delivery methodologies, including but not limited to Design-build, Construction Manager at Risk, Job Order Contracting (JOC).

The District Board also authorizes the District CEO to fully and actively oppose any federal or state legislation which;

- Increases the District's/Hospital's operating costs.
- Decreases the Hospital's reimbursement for services.
- Restricts flexibility for the operation of the District/Hospital.
- Curtails the District's use of alternative capital project delivery methodologies, including but not limited to Design-build, Construction Manager at Risk, Job Order Contracting (JOC).

The Board directs that the CEO shall report to the Board at the Regular monthly Board meeting on any actions taken since the last Regular Board meeting along with copies of all letters, emails sent in support or opposition.

Board members shall coordinate all legislative or regulatory actions in advance with the CEO within the constraints of this policy



GIFT, TICKET AND HONORARIA POLICY #P-2018.04.05-3

I. PURPOSE

A. The purpose of this policy is to ensure Sonoma Valley Health Care District (SVHCD) Board Members, leaders and staff members (including Sonoma Valley Hospital (hospital)) comply with external regulations and internally established standards regarding the receipt and provision of gifts, tickets and honoraria. This policy covers gifts to and from internal and external parties including individuals, businesses and organizations. The policy also governs SVHCD's distribution of tickets and passes (e.g., to sporting, cultural and community events), and acceptance of payments or reimbursements related to speaking or appearing at professional or educational events.

B. Gifts, tickets and honoraria can be perceived tools to influence SVHCD decisions and patient care, and can erode public confidence and the impartiality of decisions made by public officers, officials and employees. This policy has been adopted to guard against even the appearance of impropriety in all aspects of SVHCD's programs, services and administration. Furthermore, this policy is intended to prevent the perceived obligations of reciprocity that can arise from the giving or accepting of gifts, tickets and honoraria.

II. POLICY

A. Federal Anti-Kickback Statute: It is the policy of SVHCD to ensure full compliance with the federal anti-kickback statute, which prohibits the acceptance of any item of value (remuneration) made directly or indirectly, in cash or in kind, that may induce or appear to induce the purchase or referral of any kind of health care goods, services, or items reimbursed by a federal or state health care program (Medicare and Medicaid). The unlawful acceptance of any gifts or business courtesies from vendors or others with whom SVMHS presently conducts business – or potentially could conduct business – is strictly prohibited.

B. State Gift Laws: Directors, Officers and designated employees of SVMHS identified in the District's Conflict of Interest Code or covered by Government Code section 87200 (including public officials who manage public investments) are subject to State laws regarding the receipt and disclosure of gifts as set forth in the Political Reform Act (at Government Code Section 89503) and the Fair Political Practices Commission (FPPC) Regulations. These minimum requirements are not altered by this Policy.

1. Individuals in positions designated in the Conflict of Interest Code's Disclosure Category 1 or 2, or who are covered by Government Code section 87200 are prohibited from receiving gifts totaling more than \$470 from any single source in a calendar year.
2. Individuals in positions designated in the Conflict of Interest Code's Disclosure Category 3 are prohibited from receiving gifts totaling more than \$470 in a calendar year from any single source that provides services, supplies, materials, machinery or equipment of the type utilized by the District.
3. Individuals in positions designated in the Conflict of Interest Code's Disclosure Category 4 are prohibited from receiving gifts totaling more than \$470 in a calendar year from any single source that is a type to receive grants or other monies from or through SVHCD.
4. These annual limits shall automatically increase or decrease consistent with modification to the gift limit established by the FPPC every two years.
5. This Subsection B shall not be interpreted to permit receipt of Gifts prohibited under any other provision of this Policy, such as Subsection A, above.

C. Perishable Items: It is the policy of SVHCD that any department, clinical unit, or clinical practice may accept modest perishable gifts such as floral arrangements, cookies, candy or similar food items to be shared by staff members and, where possible, made available to the public.

D. Gifts to Agency: It is the policy of SVHCD that gifts received by SVHCD or any part thereof, which are then distributed to or used by individual recipients shall be used for official agency business, and must be distributed and reported as required under the Political Reform Act and FPPC Regulations.

E. Solicitation of Gifts: It is the policy of SVHCD that an employee shall not solicit (i.e., ask for or request) gifts unless authorized to do so for approved hospital functions, fundraisers or special events. Requests for authorization to solicit gifts shall be made in writing to the Director of the Human Resources.

F. Gifts Between Employees: It is the policy of SVHCD that gifts of a personal nature between employees is permitted, provided hospital funds are not utilized. The value of such gifts should not exceed \$25. It is further the policy of SVHCD that gifts between employees that are related to a person's employment at SVHCD (e.g., for Secretary's Day, Nurses Week, etc.) are permitted, provided they are customary for the occasion, are of reasonable value given the circumstances and the persons' positions in the organization, and hospital funds are not utilized. The value of such gifts shall not exceed \$25.

G. Tickets and Passes: All Tickets and Passes received by SVCHD shall be distributed and reported in accordance with this policy and relevant FPPC Regulations.

1. Tickets and Passes that are provided to a SVCHD board member or an official designated in the conflict of interest code are not considered "Gifts" to the official under

State law when they are received and distributed by SVHCD in compliance with related FPPC Regulations and this Policy.

2. When Tickets and Passes are provided by a third-party so that the recipient can perform a ceremonial role or function on behalf of the hospital, as further described in related FPPC Regulations, such Tickets and Passes are not considered "Gifts" under State law, though such Tickets and Passes shall still be reported by SVHCD.

3. A ticket or pass shall not be considered a gift to the recipient when it is provided directly to the recipient from a third-party when the giver and receiver treat the ticket or pass as income consistent with applicable state and federal income tax laws.

H. All Other Gifts: It is the policy of SVHCD that gifts other than those described in paragraphs D through G, above, shall not be accepted in the performance of any officer or employee's duties or responsibilities. This includes gifts from patients, family members of patients, vendors or business associates.

I. Honoraria: It is the policy of SVHCD to comply with the Political Reform Act and FPPC Regulations regarding the receipt of honoraria. SVHCD Board members and those who manage public investments (individuals who are required to file statements of economic interests under Government Codes section 87200) are prohibited from receiving honoraria payments. Likewise, employees whose positions are designated under the SVHCD Conflict of Interest Code are prohibited from receiving honoraria payments from any source of gifts or income included in their disclosure categories set forth in the Conflict of Interest Code. Exceptions to the State's honoraria prohibitions for local officials, such as for income earned from a bona fide business or profession, shall apply to SVHCD officers and employees. (Government Code Section 89502.) Honoraria and reimbursements for event attendance when permitted shall be handled pursuant to the procedures set forth below.

III. DEFINITIONS

A. "FPPC Regulations" means the regulations adopted by the Fair Political Practices Commission in its role as the implementing and enforcement agency of the State's Political Reform Act. These implementations are set forth in title 2, Division 6, Sections 18109-18997 of the California Code of Regulations.

B. "Gifts": For purposes of this Policy, "Gifts" are defined and excepted as set forth in the Political Reform Act and FPPC Regulations, as they may be amended from time to time. Generally speaking, the Political Reform Act defines a "gift" as any payment or other benefit received (including food/drink, travel or travel expenses, services, and items of any type) that confers a personal benefit for which the recipient does not provide something (e.g., payment, goods or services) of equal value. This includes a rebate or discount in the price of anything of value unless the rebate or discount is made in the regular course of business to members of the public without regard to official status. Exceptions generally include, but are not limited to:

1. Informational materials such as books, reports, pamphlets, calendars, or periodicals.

2. Gifts which are not used and which, within 30 days after receipt, are either returned to the donor or delivered to a nonprofit entity exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, without being claimed as a charitable contribution for tax purposes.
3. Gifts from close family members (e.g., an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, sister-in-law, brother-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person) unless the donor is acting as an agent or intermediary for any person not covered in this paragraph.
4. Campaign contributions.
5. Inheritance.
6. Personalized plaques or trophies with an individual value of less than two hundred and fifty dollars (\$250).
7. Gifts from long-term, close personal friends or friends or colleagues from business relationships unrelated to the recipient's role as a public officer or employee.
8. Acts of neighborliness (e.g., picking up someone's mail or feeding a pet while the recipient is on vacation) or compassion (e.g., delivering food or flowers to someone in mourning).

C. "Honoraria" (plural form of "honorarium") are payments received for making a speech, publishing an article, or attending any public or private conference, convention, meeting, social event, meal or similar gathering.

D. "Tickets" or "Passes": The FPPC, in interpreting the Political Reform Act, has established that "ticket" or "pass" means "admission to a facility, event, show, or performance for entertainment, amusement, recreational or similar purpose." This includes but is not limited to include tickets/passes/admission to fundraising events, luncheons, dinners, parties, etc. from third parties. (Tickets/passes purchased by the District/Hospital to enable Board members, the CEO or other employees to attend in their official capacity on official business shall not be governed by this policy, e.g., Sonoma Valley Chamber of Commerce meetings.)

IV. PROCEDURE

A. Giving and Receiving Gifts to or from Outside SVHCD in the Course of Business

1. Receiving Gifts from External Parties: Gifts from patients or patients' families shall be discouraged. An employee who is offered a gift of cash or a cash equivalent shall decline the gift or may suggest a donation to a charitable organization such as the Sonoma Valley Hospital Foundation. However, if the employee has a reasonable belief that refusing to accept such a gift would have a detrimental effect on a patient or the Hospital as an institution, the employee must report in writing and forward the gift immediately to the Department Director. The following applies to all gifts received by employees or SVHCD in the course of business:
 - a. An employee who receives a gift shall notify and forward the gift to the department director, who shall determine, in cooperation with the CEO, whether State disclosures (e.g., on FPPC Form 801) are required.
 - b. If a Gift is provided to SVHCD for distribution at the agency's discretion, the CEO shall distribute the Gift in accordance with FPPC Regulations. In such cases, the hospital

shall maintain records of such gifts and utilize FPPC Form 801, Gifts to Agency Report, to document this information. The hospital shall forward the completed Form 801 (Attachment A) within 30 days from the distribution of each included Gift to the Sonoma County Clerk, and shall post completed forms on the SVHCD web site. Gifts appearing on a Form 801 need not be included in the eventual recipient's Statement of Economic Interests.

- c. If the Gift was provided other than for distribution at the agency's discretion, the CEO shall decide how to handle the gift under relevant FPPC Regulations, including allowing the employee to retain it, or distributing it within the department (where feasible).
- d. Gifts of minimal value (under \$25) such as pencils, desk calendars, and other promotional items may be distributed and used within the receiving department.
- e. With prior written approval of the CEO, vendors may provide meals and other food to employees only when the vendor is providing significant education related to products or procedures, or when conducting informational business meetings. Written attendance records must be provided to the CEO for all meetings at which meals are provided.
 - i. The total value of any meal should not exceed \$20 per attendee.
 - ii. Annual value of all meals provided by a single vendor shall not exceed \$300 per year without prior written approval of the CEO.

2. Offering or Giving Gifts to External Parties: Under limited circumstances, gifts may be given to external parties provided they relate to the business of SVHCD, are in SVHCD's best interests and are legally and culturally acceptable. In addition they should meet the following criteria:

- a. Cash gifts or cash equivalents, such as gift certificates, are prohibited.
- b. The non-cash or non-cash equivalent gift may not exceed \$25.00 per recipient/year.
- c. The item is customary and does not create an appearance of impropriety.
- d. Giving the gift imposes no sense of obligation on the part of either the giver or recipient.
- e. Giving of the item is not concealed.
- f. Giving of the item has been approved in advance and in writing by the relevant department executive and copied to the CEO.

B. Giving and Receiving Gifts within SVHCD in the Course of Business

- 1. Gifts and cash equivalents, such as gift cards may be given to employees as incentives for program attendance, recognition of outstanding achievement or for other positive rationale. Gifts in excess of \$25.00 shall be documented as income and taxed accordingly. The CEO shall develop written policies and procedures for this to occur.
- 2. If an employee receives a gift card of any value (e.g., \$10.00 Starbucks Gift Card) from the organization, the value (\$10.00) of such gift must be documented as income and taxed accordingly. This provision does not apply to coupons for specific items, such as a free drink or free meal, or discount coupons such as 10% off any purchase in the Cafeteria, Gift Shop or Starbucks.
- 3. If gift cards are approved in writing by the CEO for distribution from the department executive, the director is responsible to obtaining the names of employees receiving such gifts and providing the information in writing to accounting with a copy to the CEO.

C. Ticket/Pass Distribution This procedure section shall provide procedures for the distribution of Tickets and Passes as required under State law, to ensure proper identification and use of 1) receipt of Tickets and Passes; 2) the “public purpose” to be achieved in distributing Tickets and Passes; 3) distribution of Tickets and Passes; 4) documentation and 5) public posting of the receipt and use of Tickets or Passes. Proper exercise of these procedures will exclude Tickets and Passes from required disclosure on individuals’ Statements of Economic Interests. For the purposes of this section of the policy, “official” means all positions identified in SVHCD’s Conflict of Interest Code.

1. Ticket/Pass Receipt Process: All Tickets/Passes received by SVHCD shall be forwarded to Administration. Determination of whether to give the tickets/passes to the Foundation for use, or to distribute internally will be at the discretion of the CEO.

2. Public Purpose: The distribution of Tickets or Passes by SVHCD/SVH must be in furtherance of a “public purpose.” Examples of such public purpose:

- a. To promote networking opportunities of officials with community stakeholders.
- b. To evaluate SVHCD/SVH’s ability to attract business at the locale or event, and thus to contribute to the healthcare of the community in the future.
- c. To reward an official, employee or hospital stakeholder for his or her exemplary service to the organization or to encourage staff development.
- d. To promote attendance at a hospital-sponsored event or event held at the hospital in order to maximize potential from concession sales.
- e. To reward a hospital healthcare partner for its contributions to the SVHCD/SVH or the community.
- f. To provide opportunities to those who are receiving services from County and State agencies consistent with the District’s goals for the particular population (e.g., for use by juvenile wards in the custody of the Chief Probation Officer or mental health clients and seniors receiving services from the Health and Human Services Agency/Public Health);
or
- g. To promote health, motivate and provide expanded opportunities to vulnerable populations in the SVHCD such as the disabled, underprivileged, seniors, and youth in foster care.

3. Distribution: Tickets/Passes are distributed at the discretion of the CEO. Once distributed, tickets cannot be transferred by the recipient other than to members of the official’s immediate family or no more than one guest, solely for such guest’s attendance at the event with the recipient.

4. Documentation: The CEO shall ensure that the hospital will maintain record of all Ticket/Pass distribution and the use of Tickets and Passes by SVHCD officials for ceremonial purposes, as required by FPPC Regulations and utilizing FPPC Form 802, Agency Report of Ceremonial Role Events and Ticket/Pass Distribution, to document this information. The hospital must forward the FPPC Form 802 (Attachment B) within 45 days from the distribution of each Ticket or Pass to the FPPC via email to Form802@fppc.ca.gov; by Fax to 916.322.0886; or by mail to 428 J Street, Suite 620, Sacramento, CA 95814.

D. Honoraria and Reimbursement for Professional/Educational Involvement

1. With the prior written approval of the CEO, employees who provide education at professional conferences and meetings may accept reimbursement for travel, meals and hotel expenses for the date(s) of the presentation(s). Presentations must be professional and educational in nature and may not be for the sole purpose of product endorsement.
2. In such circumstances, unless prohibited above, honoraria of \$100 or less in value may be accepted from the host organization.

V. DOCUMENTATION

A. Department directors shall maintain written records of all gifts given to employees of their departments when such gifts are to be reported under this Policy. Such documentation will include the type and value of each gift, the name and affiliation or position of recipient(s) and giver(s), the date of receipt and disposition, and method of disposition and provide a copy to the CEO.

B. Human Resources shall maintain documentation of education done in orientation or at annual compliance training. Department directors shall maintain documentation of staff training meetings.

C. Statements of Economic Interest (including gift disclosures under State law) shall be handled in accordance with the SVHCD Conflict of Interest Policy.

D. The CEO shall develop and implement policies and procedures that will maintain a record of all ticket/pass distribution as required by FPPC Regulations, including copies of all completed FPPC Forms (e.g., Form 801: Gift to Agency Report; Form 802: Agency Report of Ceremonial Role Events and Ticket/Pass Distribution Form 802).

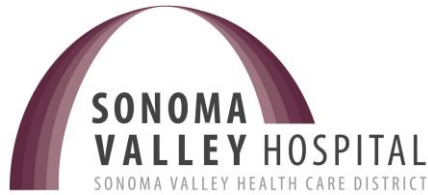
E. The CEO shall be responsible for posting completed FPPC Forms (e.g., Form 801: Gift to Agency Report) on the SVHCD website when required by State law.

VI. REFERENCES

A. The Medicare and Medicaid Patient Protection Act of 1987 (42 U.S.C. 1320a- 7b) (Anti-Kickback Statute).

B. Political Reform Act, California Government Code §81000 et. seq.

C. FPPC Regulations, Title 2 of the California Code of Regulations, Division 6, §18109 et seq.



Healing Here at Home

ETHICS TRAINING FOR DISTRICT BOARD MEMBERS BOARD POLICY #P-2018.07.05-2

PURPOSE

To establish guideline whereby the members of the Board of Directors maintain the mandated ethics training.

POLICY

On October 7, 2005, the Governor signed Assembly Bill No. 1234. AB 1234 requires that if a local agency provides any type of compensations, salary, stipend to, or reimburses the expenses of a member of its “legislative body” that local agency’s officials must receive training in ethics. Sonoma Valley Hospital Board members are required to take the ethics training every other year and the District is required to keep records of course completion.

PROCEDURE

The District will notify Board members of the need to complete the required ethics training as near to January 1st as practical with an expectation of completion by March 31st. The Governance Committee will be responsible for monitoring the training and report the completion of the training to the Board of Directors. Each Board member is expected to notify the District Board Clerk of completing of the testing by presenting the certificate to the Clerk.

Free online training is offered at www.fppc.ca.gov as a self-serve training program, therefore, there will be no expense reimbursement for this mandatory training.

REFERENCE

AB 1234 (Chapter 700, Statutes of 2005) Government Code sections 53232 and 53235 Health and Safety Code section 32103