

# RANCHO MURIETA COMMUNITY SERVICES DISTRICT

<b>Category:</b>	Personnel	<b>Policy #</b> 2005-6
<b>Title:</b>	Ethics Policy for Board of Directors	

## 1. Purpose and Scope

The purpose of this policy is to comply with SB 135 and maintain the highest standards of ethics from its Board members and its employees. The proper operation of the District requires decisions and policy to be made in the proper channels of government structure, that public office not be used for personal gain, and that all individuals associated with the District remain impartial and responsible towards the public. Accordingly, it is the policy of the District that Board members and District employees will maintain the highest standard of personal honesty and fairness in carrying out their duties. This policy sets forth the minimum ethical standards to be followed by the Board members of Rancho Murieta Community Services District.

## 2. Responsibilities of Public Office

Board members are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Board members will comply with applicable laws regulating their conduct, including conflict of interest and financial disclosure laws. Board members will work in cooperation with other public officials unless prohibited from so doing by law or officially recognized confidentiality of their work. (Government Code Section 1360; Article 20, Section 3 of the California Constitution.)

All Board members need to take at least two (2) hours of ethics training every two years and receive a certificate of completion. New Board members need to complete the training within one (1) year of taking office. The District must keep records indicating when each Board member has completed the training and who provided the training for five years.

## 3. Fair and Equal Treatment

Board members will not, in the performance of their official functions, discriminate against any person on the basis of race, religion, color, creed, age, marital status, national origin, ancestry, sex, sexual preference, medical condition or disability. A Board member will not grant any special consideration, treatment or advantage to any person or group beyond that which is available to every other person or group on similar circumstances. (See, e.g., Article 1, Section 31 of the California Constitution; Age Discrimination in Employment Act of 1967; Americans with Disabilities Act of 1990; Fair Employment and Housing Act; Rehabilitation Act of 1973; Title VII of the Civil Rights Act of 1964; Labor Code Section 1102.1.)

#### **4. Proper Use and Safeguarding of District Property and Resources**

Except as specifically authorized, a Board member will not use or permit the use of District owned vehicles, equipment, telephones, materials or property for personal convenience or profit. A Board member will not ask or require a District employee to perform services for the personal convenience or profit of a Board member or employee. Each Board member must protect and properly use any District asset within his or her control, including information recorded on paper or in electronic form. Board members will safeguard District property, equipment, moneys and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust. Board members are responsible for maintaining written records, including expense accounts, in sufficient detail to reflect accurately and completely all transactions and expenditures made on the District's behalf, in accordance with the District's policy for reimbursement of expenses of Board members (District's Travel/Reimbursement Policy, No. 2000-01).

#### **5. Use of Confidential Information**

A Board member is not authorized, without approval of the Board, to disclose information that qualifies as confidential information under applicable provisions of law to a person not authorized to receive it, that (1) has been received for, or during, a closed session meeting of the Board, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, or (3) is not required to be disclosed under the California Public Records Act.

This section does not prohibit any of the following: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the District, (2) expressing an opinion concerning the propriety or legality of actions taken by the District in closed session, including disclosure of the nature and extent of the allegedly illegal action, or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Board member will first bring the matter to the attention of either the President of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation.

A Board member who willfully and knowingly discloses, for financial gain, confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code Section 1098 (Government Code Section 54963).

#### **6. Conflict of Interest**

A Board member will not have a financial interest in a contract with the District, or be purchaser at a sale by the District or a vendor at a purchase made by the District, unless the Board member's participation was authorized under Government Code Section 1090. A Board member will not participate in the discussion, deliberation or vote on a matter before the Board, or in anyway attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the Political Reform Act, Government Code Section 81000, and following, relating to conflicts of interest. Generally, a Board member has a financial interest in a matter if it is reasonably foreseeable that the Board decision would have a material financial effect (as defined by the Fair Political Practices Commission's regulations) that is distinguishable from the effect on the public generally on (a) a business entity in which the Board member has a direct or indirect investment of \$2,000 or more, (b) real property in which the Board member has a direct or indirect investment interest worth \$2,000 or more, (c) a source of income of

the Board member amounting to \$500 or more within 12 months before the Board decision, (d) a source of gifts to a Board member amounting to \$320 or more within 12 months before the Board decision, or (e) a business entity in which the Board member holds a position as a Board member, trustee, officer, partner, manager or employee. An "indirect interest" means any investment or interest owned by the spouse or dependent child of the Board member, or the Board member's spouse, dependent child or agent, owns directly, indirectly or beneficially a ten percent interest or greater. A Board member will not accept gifts or honoraria that exceed the limitations specified in the Fair Political Practices Act or FPPC regulations. The dollar limitations referred to in this section are revised from time to time by the FPPC (Government Code Section 87103).

If a member of the Board believes that he or she may be disqualified from participation in the discussion, deliberations or vote on a particular matter due to conflict of interest, the following procedure will be followed: (a) if the Board member becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Board member will notify the District's General Manager of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest; (b) if it is not possible for the Board member to discuss the potential conflict with the General Manager before the meeting, or if the Board member does not become aware of the potential conflict until during the meeting, the Board member will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and (c) upon a determination that there is a disqualifying conflict of interest, the Board member will not participate in the discussion, deliberation or vote on the matter for which a conflict of interest exists, which will be so noted in the Board minutes.

A Board member will not recommend the employment of a relative by the District. In addition, a Board member will not recommend the employment of a relative to any person known by the Board member to be bidding for or negotiating a contract with the District.

A Board member who knowingly asks for, accepts or agrees to receive any gift, reward or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code Section 70 (Government Code Section 1090, and following, and 81000, and following).

## **7. Soliciting Political Contributions**

Board members are prohibited from soliciting political funds or contributions at District facilities. A Board member will not accept, solicit or direct a political contribution from any person or entity who has a financial interest in a contract or other matter while that contract or other matter is pending before the District. A Board member will not use the District's seal, trademark, stationary, or other indicia of the District's identity, or facsimile thereof, in any solicitation for political contributions contrary to state or federal law.

## **8. "Revolving Door" Policy**

- a. For a period of one year after leaving office, Board members will not represent for compensation non-governmental entities before the District with regard to any issues over which that officer had decision-making authority during the three years prior to leaving office.

- b. For purposes of this section, “represent” will mean for compensation to actively support or oppose a particular decision in a proceeding by lobbying in person the officers or employees of the District or otherwise acting to influence the officers of the District.
- c. These restrictions will not apply to representation of not-for-profit charitable entities before the District.
- d. These restrictions may be waived in specific cases by a two-thirds vote of the District’s Board members.
- e. Nothing in this section is intended or will be applied to prevent a former Board member from participating in meetings of the Board in the same manner as other members of the public (See, for example, Government Code Section 54954.3).

## **9. Board-General Manager Relationship**

The Board sets the policy for the District.

The District’s General Manager serves at the pleasure of the Board. The Board will provide policy direction and instructions to the General Manager on matters within the authority of the Board by majority vote of the Board during duly-convened Board meetings. Members of the Board will deal with matters within the authority of the General Manager through the General Manager, and not through other District employees, except as it pertains to the functions of the Finance Officer and District consultants, including the District auditor. Members of the Board will refrain from making requests directly to District employees (rather than to the General Manager) to undertake analyses, perform other work assignments or change the priority of work assignments. Members of the Board may request non-confidential, factual information regarding District operations from District employees.

## **10. Improper Activities and the Reporting of such Activities: Protection of “Whistle Blowers”**

The General Manager has primary responsibility for (1) ensuring compliance with the District’s Personnel Manual, and ensuring that District employees do not engage in improper activities, (2) investigating allegations of improper activities, and (3) taking appropriate corrective and disciplinary actions. The Board has a duty to ensure that the General Manager is operating the District according to law and the policies approved by the Board. Board members are encouraged to fulfill their obligations to the public and the District by disclosing to the General Manager to the extent not expressly prohibited by law, improper activities within their knowledge. Board members will not interfere with the General Manager’s responsibilities in identifying, investigating and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities. Nothing in this section affects the responsibility of the Board to oversee the performance of the General Manager.

A Board member will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute: a work-related violation by a Board member or District employee of any law or regulation, gross waste of District funds, gross abuse of authority, a specified and substantial danger

to public health or safety due to an act or omission of a District official or employee, use of a District office or position or of District resources for personal gain, or a conflict of interest of a Board member or District employee.

A Board member will not use or threaten to use any official authority or influence to effect any action as a reprisal against a District Board member or District employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.

Any person who believes that he or she has been subjected to any action prohibited by this section may file a confidential complaint with (1) the General Manager, or (2) a Board member, if the complaint involves the conduct of the General Manager, who will thereupon refer the matter to the full Board to investigate the complaint. Upon the conclusion of the investigation, the General Manager (or the Board in case of a complaint against the General Manager) will take appropriate action consistent with the District's Personnel Manual and applicable law (Labor Code Section 1102.5 and following, and Government Code Section 53296).

## **11. Compliance with the Brown Act**

The Board members will fully comply with the provisions of the State's open meeting law for public agencies (the Brown Act). The Board has adopted Board of Directors Rules and Procedures, Chapter 2 of the District Code to guide the Board in ensuring that Board decisions are made during meetings of the Board that are open to the public, in compliance with the Brown Act.

## **12. Board Expense Reimbursement**

The Board members will fully comply with the provision of the District's Travel/Reimbursement Policy as amended from time to time.

## **13. Board Compensation**

Board members shall receive remuneration in accordance with **Resolution 2003-15** as amended from time to time, periodically reviewed and adopted. Changes in the compensation of the Board will require the approval of the Board during an open meeting of the Board held within sixty days prior to the effective date of change.

## **14. Candidate's Statement**

A Board member will not include false or misleading information in a candidate's statement for a general District election filed pursuant to section 13307 of the Election Code. (Elections Code section 13313.)

## **15. Violation of Ethics Policy**

A perceived violation of this policy by a Board member should be referred to the President of the Board or full Board members for investigation, and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to the

District, including but not limited to: (a) verbal public censure at a Board meeting (b) adoption of a resolution expressing disapproval of the conduct of the Board member who has violated this policy, (c) injunctive relief, or (d) referral of the violation to the District Attorney and/or the grand jury.

## **16. Code of Conduct**

In order to assist in the governance of the behavior between and among Board members, the following rules shall be observed.

- a. The dignity, style, values and opinions of each Board member shall be respected.
- b. Responsiveness and attentive listening in communication is encouraged.
- c. The needs of the District's constituents should be the priority of the Board members.
- d. The primary responsibility of the Board members is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to professional staff members of the District.
- e. Board members should commit themselves to emphasizing the positive, avoiding double talk, hidden agendas, gossip, backbiting, and other negative forms of interaction.
- f. Board members should commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged. Cliques and voting blocks based on personalities rather than issues are to be avoided.
- g. Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board takes action, Board members should commit to supporting said action and not to create barriers to the implementation of said action.
- h. Board members should practice the following procedures:
  1. In seeking clarification on informational items, Board members may directly approach professional staff members to obtain information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision-making.
  2. In handling complaints from residents and property owners of the District, said complaints should be referred directly to the General Manager.
  3. In handling items related to safety, concerns for safety or hazards should be reported to the General Manager. Emergency situations should be dealt with immediately by seeking appropriate assistance.
  4. In presenting items for discussion at Board meetings, the Board member shall identify the item for discussion at the appropriate time on the agenda.
  5. In seeking clarification for policy-related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and programming, said concerns should be referred directly to the General Manager.

i. When approached by District personnel concerning specific District policy, Board members should direct inquiries to the appropriate staff supervisor. The chain of command should be followed.

j. The work of the District is a team effort. All individuals should work together in the collaborative process, assisting each other in conducting the affairs of the District.

k. When responding to constituent requests and concerns, Board members should be courteous, responding to individuals in a positive manner and routing their questions through the General Manager and/or responsible management personnel.

l. Board members should develop a working relationship with the General Manager wherein current issues, concerns and District projects can be discussed comfortably and openly.

m. Board members should function as a part of the whole. Issues should be brought to the attention of the Board as a whole, rather than to individual members selectively.

n. Board members are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

o. The duties of the President are identified in Chapter 2 of the District Code. His/her power and authority do not exceed that of any other Board member, except as defined in Chapter 2.

<b>Approved by CSD Board of Directors</b>	11-16-05
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