

Board member rights 2.5

Members of the MWHS board are granted certain specific rights. All board members have the right to:

- receive notice of board meetings and the agenda.
- attend and participate in board meetings.
- examine Metro West Housing Solutions books, records, meeting minutes, financial statements and contracts.
- place items on the board meeting agenda at the appropriate time.

Duty of board members not to compete 2.6

A board member may not use his/ her position on the MWHS board to prevent MWHS from competing with the board member's business. It is expected that board members, even after they complete board service, will not use trade secrets, client lists, or other confidential information acquired by virtue of being a member of the board.

Soliciting or receiving gifts 2.7

Members of the MWHS board must never offer, give, solicit or receive any form of bribe or kickback through their connection to MWHS. Board members must never solicit a personal gift of any kind from anyone who does business with MWHS. This restriction applies to both actual and proposed business transactions involving MWHS.

Board member conflict of interests 2.8

Board members have a duty to subordinate personal interests to the welfare of the MWHS and those we serve. Conflicting interests can be financial, personal relationships, status or power.

Board members and employees are prohibited from receiving gifts, fees, loans, or favors from suppliers, contractors, consultants, or financial agencies, which obligate or induce the board member or employee to compromise responsibilities to negotiate, inspect or audit, purchase or award contracts, with the best interest of MWHS in mind.

Board members and employees are prohibited from knowingly disclosing information about MWHS to those who do not have a need to know or whose interest may be adverse to MWHS, either inside or outside MWHS. Nor may board members or employees in any way use such information to the detriment of MWHS.

Board members or employees may not have a significant financial interest in any property which MWHS purchases, or a direct or indirect interest in a supplier, contractor, consultant or other entity with which MWHS does business.

Since it is not possible to write a policy that covers all potential conflicts, board members and employees are expected to be alert for and avoid situations which might be construed as conflicts of interests.

Any possible conflict of interests on the part of any board member should be disclosed to the other board members and made a matter of record, either through an annual procedure or when the interest becomes a matter of board action.

Any board member having a conflict of interests or possible conflict of interests should not vote or use his/ her personal influence on the matter, and he/ she should not be counted as part of a quorum for the meeting. The minutes of the meeting should reflect that a disclosure was made, the abstention from voting and the quorum situation.

These restrictions should not be construed as preventing the board member from briefly stating his/ her position in the matter, nor from answering pertinent questions of other board members, since his or her knowledge could be of assistance to the deliberations.

All board members will be required to complete the "Conflict of Interests" statement. This policy will be reviewed by the board annually and given to each new board member for signature during orientation.

Conflict of Interests Statement

I have read and am familiar with the MWHsboard policy concerning conflict of interests, and I have initialed the line opposite the appropriate paragraph below.

_____ During the past year, neither I, nor to the best of my knowledge, any member of my family has had an interest or taken any action which would contravene the policy of this board.

_____ During the past year, neither I, nor to the best of my knowledge, any member of my family has had an interest or taken any action which would contravene the policy of this board, except such interest or action fully disclosed below:

Board member signature _____

Legal obligations of board members 2.10

The MWHS board is both responsible and liable for MWHS. The MWHS board and the law require every board member to follow the rule of the reasonably prudent person and the principle of good faith.

The rule of the reasonably prudent person means the board will not:

- mismanage MWHS by deviating from fundamental management principles, such as planning carefully for the future of MWHS, regularly reviewing the financial status of MWHS, and monitoring compliance with board policies.
- fail to govern by utilizing all control systems to govern MWHS.
- be involved in self-dealing that provides personal gain to board members.

The principle of good faith means that board members will:

- attend all board and committee meetings to be a part of board actions.
- read and understand MWHS's policies and bylaws.
- pay attention to corporate affairs and keep informed about organization activities.
- ensure that MWHS is in compliance with legal requirements.
- avoid self-dealing.

Ethical obligations of board members 2.11

The board will annually approve a code of ethics for board members. All board members will be given a copy of the code of ethics, and will be expected to adhere to the provisions of that code.

Legal requirements of board members 2.12

All MWHS board members will be expected to recognize and accept their legal position as governing agents of MWHS. A board member of MWHS occupies the role of a fiduciary with regard to those served. A fiduciary is a person who holds something in trust for another. If the MWHS board members violate their trust or fiduciary duty, they may be subject to legal consequences. The duties and responsibilities of board membership attach automatically when board members accept the office.

There is a certain amount of liability involved with being a board member, so the board will annually discuss the liability issue to be certain that the board is adequately insured.

Maintaining ethical credibility **2.13**

Because the conduct of the board has a direct impact on public and constituent perceptions about MWHS, board members will maintain an appearance of high credibility in adhering to legal and policy requirements.

Board members will be active and encourage all other board members to be active by attending meetings, studying, questioning, voting on all issues, monitoring progress and maintaining active committees.

Board members will not condone conflicts of interest on the board. A generally accepted rule of thumb is that a board member or his/ her family may not receive any gain (tangible or intangible) through the connection with the MWHS board.

Board members will vote against proposed actions if they feel there is insufficient information on which to base an opinion. Minutes of each meeting should be carefully maintained and all votes properly recorded.

Board members will adopt formally, by motion, any rules, regulations, policies and budgets.

Board members will review fiscal records and controls at regular intervals.

Board members will ensure that standard budget forms and annual report forms are prepared and filed as required by law.

Political contributions **2.14**

Members of the MWHS board must never make political contributions on behalf of MWHS. If a board member takes an active part in the political process, it must be done at the board member's personal expense. MWHS will not reimburse anyone for a political contribution.

Board members must not make any direct or indirect political contribution in cash, property or service on behalf of MWHS.

The MWHS Board Code of Ethics pledge **2.15**

The MWHS Board Code of Ethics

As a member of Metro West Housing Solutions, I will...

- Listen carefully to my teammates, and those served by MWHS.
- Respect the opinion of other board members.
- Respect and support the majority decision of the board.
- Recognize that all authority is vested in the board when it meets in legal session and not with individual board members.
- Keep well-informed of developments that are relevant to issues that may come before the board.
- Participate actively in board meetings and actions.
- Call to the attention of the board any issues that I believe will have an adverse effect of MWHS or those we serve.
- Attempt to interpret the needs of constituents to MWHS and interpret the action of MWHS to its constituents.
- Refer constituent or staff complaints to the proper level on the chain of command.
- Recognize that the board member's job is to ensure that MWHS is well managed, not to manage MWHS.
- Represent all constituents of MWHS and not a particular geographic area or special interest groups.
- Consider myself a "trustee" of MWHS and do my best to ensure that MWHS is well maintained, financially secure, growing and always operating in the best interest of constituents.
- Always work to learn more about the board member's job and how to do it better.
- Declare any conflict of interests between my personal life and my position on the MWHS board, and avoid voting on issues that appear to be a conflict of interest.

As a member of the MWHS board I will not...

- Be critical, in or outside of the board meeting, of other board members or their opinions in an unprofessional manner.
- Use MWHS or any part of MWHS for my personal advantage or the personal advantage of my friends or relatives.
- Discuss the confidential proceedings of the board outside the board meeting.
- Promise prior to a meeting how I will vote on any issue in the meeting.
- Interfere with duties of the executive or undermine the executive's authority.

Board member signature

Date

Board Member Confidentiality Agreement

As a member of the MWHS board, I acknowledge the importance of confidentiality with respect to the affairs of MWHS. In light of this acknowledgement, I agree to keep confidential, during and after service on the board, all confidential information acquired pertaining to MWHS and any related activities in the course of membership on the board.

I particularly recognize the sensitivity of information regarding capital decisions, real estate purchases, decisions regarding closures, mergers and other strategic plans that may have impact on MWHS competitive position relative to other organizations.

I agree that this confidentiality agreement includes, but is not limited to:

- information pertaining to performance of MWHS employees or staff including evaluation data, compensation, and grievances.
- issues related to the board’s legal, moral and regulatory responsibility for the oversight of statistical data, risk management information and litigation information, and reviews of attitudes and opinions from those who work at MWHS.

I understand that it is the board chairperson’s responsibility to address infractions of confidentiality by individual board members and to take action to remedy the problem. I also understand that if infractions of confidentiality by individual board members continue, it is the expectation that the board chairperson will ask for the resignation of the individual board member who has violated this confidentiality agreement.

I agree to resign my board membership if requested by a majority vote of the board members for any confidentiality infraction.

Board member signature

Date

Enforcement of board ethics policies 2.17

Any board member who believes that a fellow board member has acted unethically should first review current board ethics policy. Board members should not file or encourage the filing of ethics complaints that are frivolous and are intended to harm the respondent rather than to protect MWHS.

If the board member continues to believe a fellow board member has acted unethically he/ she should seek resolution by discussing his/ her concerns with the colleague if such discussion is likely to be productive and does not violate any individual's right to privacy.

If this discussion, or other informal attempts to address the concern, fail to resolve the problem, the board member should bring the concern to the attention of the board chairperson. If the concern relates to the board chairperson the issue should be brought to the attention of the board vice- chairperson.

The board chairperson may choose to address the concern individually with the member in question or refer the concern to the executive committee.

Board members shall cooperate in ethics investigations, proceedings, and resulting requirements. In doing so, they should make reasonable efforts to resolve any issues as to confidentiality. Failure to cooperate is itself an ethics violation.