

Date: February 21, 2024
To: Board of Retirement
From: Jeff Berk, Board Counsel
Subject: Code of Conduct Policy

Recommended Action:

Adopt as presented, or as modified by the Board.

Fiscal and Financial Impacts:

There is no fiscal impact from adopting this policy.

Strategic Plan Importance:

While this policy is not tied to a strategic plan goal, it does support the following guiding principle in the Strategic Plan: We value professionalism, inclusion, and collegiality in doing our work.

Background and Discussion:

As discussed at last month's meeting, the Code of Conduct Policy, outlining expectations and consequences relating to Trustee conduct, is being brought forth for Board consideration.

This policy provides general expectations of trustees and enforcement provisions for breaches of the conduct policy. This policy augments the Board's Conflict of Interest policy addressing ethical behavior with respect to Board members fulfilling their fiduciary duty.

Attachment(s):

1. Code of Conduct Policy

CODE OF CONDUCT POLICY

I. PURPOSE

As fiduciaries of a public trust, the trustees of the Mendocino County Employees Retirement Association (MCERA) Board of Retirement are mindful that they must carry out their duties in a manner consistent with these positions of trust and confidence they hold. The success and effectiveness of the Board require that all trustees abide by the highest standards of professionalism, ethics, and integrity. In addition to meeting these fiduciary and other duties, the Board believes it is important that the trustees conduct themselves in accordance with generally accepted standards of business and social behavior. To confirm and support its commitment to such standards, the Board has therefore established this Code of Conduct Policy

II. GENERAL EXPECTATIONS

Trustees shall:

- A. Be respectful, professional, and courteous to all trustees and staff, members, and all persons and entities with which MCERA interacts.
- B. Be responsible for maintaining professional competence.
- C. Refrain from any behavior or activity that may reflect poorly on the image or reputation of the Board.
- D. Comply with all policies and rules of the Board.
- E. Make a good faith effort to attend, in their entirety, all meetings of the Board and committees on which they serve, and to be sufficiently prepared for all such meetings.
- F. Be engaged and constructive in all meetings of the Board and committees on which they serve.
- G. Build and maintain the knowledge necessary to fulfill their fiduciary responsibilities.

III. ENFORCEMENT PROVISIONS

1. The Chair, when presiding over meetings of the Board, will enforce and attempt to address any breaches of this Policy that may occur during meetings of the Board. Similarly, committee chairs will enforce and attempt to rectify any breaches of this Policy that may occur during meetings of a committee of the Board.
2. Any Board member who believes that a fellow Board member may have breached any provision of this Policy is encouraged to communicate this directly to the Board member in question. Alternatively, the Board member may communicate such a concern to the Chair, who will consider the matter and determine appropriate action.
3. In the event a Board member has a concern with the conduct of the Chair, the Board member may communicate such concern to the Vice-Chair, who will consider the matter and determine the appropriate action.
4. In the event an external party has a concern with a member of the Board, the party may communicate the concern to the Executive Director who will communicate directly with the Board member in question or may communicate such concern to the Chair, who will consider the matter and determine appropriate action.
5. When considering reported breaches of this Policy, the Chair and Vice-Chair shall exercise their discretion, but the Board expects that they will at a minimum discuss the reported breach with the Board member in question, and if necessary, with the Executive Director, Board and/or counsel.
6. Where the Chair believes that a Board member has committed or refuses to cease the offending behavior, the Chair may consult with the Executive Director, Board and/or Counsel and recommend that the Board:
 - a) Request the offending Board member rectify past actions if possible, and/or refrain from similar actions in the future;
 - b) Request the offending Board member to undertake special education or counseling initiatives that may assist in addressing the matter;
 - c) Remove the offending Board member from the position of Chair, Vice-Chair, Secretary, or committee chair, or from any Board committee assignment the Board member may hold; or
 - d) Preclude the offending Board member from serving as Chair, Vice-Chair, Secretary, or committee chair, or from serving on a Board committee, for a specified period of time.

- e) Limiting the Board member's travel privileges, if the violation relates to travel.
 - f) Censuring the Board member.
 - g) Communicating the Board's concern to any party and by any means the Board deems appropriate.
 - h) Any other lawful action the Board deems appropriate
7. Each of the enforcement provision in Subdivision 6, above, requires approval by two-thirds of the voting members of the Board.
8. MCERA management will provide training to new Board members on this Policy as part of the new trustee orientation.

IV. POLICY REVIEW

The Board shall review this policy at least every two years to ensure that it remains relevant and appropriate.

V. POLICY HISTORY

This policy was adopted by the Board of Retirement on [INSERT DATE].