

CONFLICT OF INTEREST POLICY

POLICY #1

May 25, 2023

Article I: Purpose

Members of the Board of Directors and employees of the Mendocino Coast Health Care District (“District”) are expected to carry out their duties and responsibilities in the best interests of the District and under circumstances where they are free from conflicting loyalties. The purpose of this Code is to protect the integrity of the District and its employees, provide guidelines to employees, and meet the requirement of State law. This code shall be comprised of, and incorporates herein, the Government Code section 1090, et seq., and the Political Reform Act, Government Code §§81000-91015, and other laws in California governing conflicts of interest.

Article II: Application

Except as otherwise provided herein these policies and procedures shall apply to all Board of Directors, employees, or any consultants of the District (“District employee”).

Article III: Policy

(1) It is the policy of the District that full disclosure shall be made of those interests and activities that may bring the District employee into conflict with the mission and purposes of the District.

(2) District employees shall not engage in any employment, activity, or enterprise for compensation that is inconsistent, incompatible, in conflict with, or hostile to, their duties as a District employee, or with the duties, functions or responsibilities of the District. Full disclosure shall be made in writing to the Chair where those outside activities are, or could appear to be, inconsistent with, incompatible to, or in conflict with their duties to the District.

Article IV: Guidelines for Activities that May Present a Conflict.

District employees must avoid placing themselves in a position in which personal interest (financial or non-financial) may come into conflict with their duty to the public. This policy requires District employees to use common sense and good judgment for the

protection of the District's interests. The following is a non-exhaustive list of the types of activities that may present a conflict and must be disclosed.

(1) Adverse Interest

Participation by a District employee or their Family Member in decisions or negotiations related to a contract, transaction or other matter between the District and:

- i. the District employee;
- ii. an entity in which the District employee or a Family Member has financial or business interest; or
- iii. an entity with which the District employee has an agency relationship.
- iv. "Family Member" includes a spouse or registered domestic partner, parents, minor or dependent children.

(2) Competing Interests

Competition by a District employee, either directly or indirectly, with the District in the purchase or sale of property or property rights, interests, or services.

(3) Use of Resources

Use of the District's resources (for example, staff, contracts, vendor lists, or equipment) for personal purposes of the District employee or a Family Member..

(4) Inside Information

Disclosure or exploitation by a District employee of information pertaining to the District's business for the personal profit or advantage of such person or a Family Member of such person or a person/entity with whom the District employee has an agency relationship.

(5) Outside Enterprises

A District employee's outside employment, or enterprise may be considered a conflict if:

(a) It involves the use, for private gain or advantage, of the District time, facilities, equipment, or supplies.

(b) It involves time demands on the employee involving any outside employment activity or enterprise that would render the performance of their District duties inefficient.

(6) Extra Compensation (Gifts, Entertainment, Discounts, Etc.)

District employees must not accept gifts of cash or gifts that directly or indirectly imply an appearance of a transaction having some benefit or monetary value in return for rendering official District duties. This may include, but is not limited to, personal gifts, free or discounted transportation, lodging, tickets to sporting or entertainment events.

(7) Bribery

Bribery is defined as anything of value or advantage, currently or in the future, or any promise or undertaking to give anything, asked, given, or accepted, with a corrupt intent to influence the actions of a public official, including any District employee.

Article V: Disclosure & Disqualification Procedure

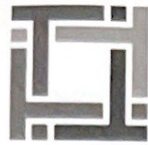
(1) A District employee who may have an actual or potential conflict of interest must, at the earliest reasonable time, advise, in writing, the Chair of the possible conflict of interest.

(2) District employees shall disqualify themselves from making, or attempting to use their official position to influence a governmental decision in which they know, or it is reasonably foreseeable, that they have a conflict of interest or appearance of a conflict. On those occasions where action is taken by a member of the District Board of Directors that may be construed as a conflict of interest, that member shall abstain from voting.

(3) Following disclosure of an actual or potential conflict of interest, the District employee will have the opportunity to disclose the existence of any financial interest and any material facts to the District regarding the proposed transaction or arrangement. The District shall then determine whether an actual conflict of interest exists. Consideration of alternatives to the proposed transaction or arrangement to avoid the conflict of interest may be made.

(4) If the determines that the District employee is in violation of this code, the District employee shall be so informed in writing of the possible violation of this policy.

(5) Failure to disclose or discuss information of the type indicated above may lead to disciplinary action up to and including dismissal. Such disciplinary action shall be undertaken in accordance with District disciplinary policies.



(6) The District is committed to the fair treatment of all District employees and recognizes the responsibility under state and federal law to protect from punishment and harassment any person who reports a potential ethics issue, whether or not the allegation is found to have merit. The District shall not take any action or threaten any action against any employee as a reprisal for making a disclosure under this Code.

Article VI: Disclosure of Financial Interests

(1) The Political Reform Act, Government Code §§81000-91015, requires each state and local government agency to adopt and promulgate a Conflict of Interest Code. The Fair Political Practices Commission has adopted a regulation, found in Title 2, California Code of Regulations, §18730, which contains the terms of a standard Conflict of Interest Code. This code can be incorporated by reference and may be amended by the Fair Political Practices Commission after public notice and hearings to conform to amendments of the Political Reform Act. The terms of the standard Conflict of Interest Code in Title 2, California Code of Regulations, §18730 and any amendments to it duly adopted by the Fair Political Practices Commission have been incorporated by reference by Resolution of the Board of Directors of the District, in which members and employees are designated.

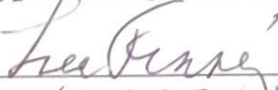
(2) Designated Positions


All members of the Board of Directors and all employees of the District are designated positions. Persons holding these positions are deemed to participate in the making of decisions which may foreseeably have a material effect on a financial interest.

(3) Economic Disclosure Statements.

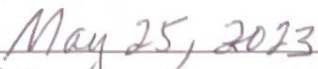
Designated employees shall file statements of economic interest with the District. As required by the Fair Political Practices Act (Gov't code 81000), an annual Conflict of Interest Statement Form 700 must be completed by each member of the Board of Directors and filed with the Mendocino County Clerk by April 1.

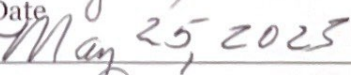
Approval Signatures:



Chair, Board of Directors


Secretary, Board of Directors



Date


Date