



**TAHOE DONNER ASSOCIATION
BOARD OF DIRECTORS**

CODE OF CONDUCT & ETHICS

CORPORATE RESOLUTION 2018-1

The Board of Directors has adopted the following Code of Conduct for its board members. This code is intended to provide guidance with ethical issues and a mechanism for addressing unethical conduct.

A. BOARD RESPONSIBILITIES

The general duties for directors are to enforce the association's governing documents, collect and preserve the association's financial resources, insure the association's assets against loss, and keep the common areas in a state of good repair. To fulfill that responsibility, directors must:

- regularly attend board meetings,
- review material provided in preparation for board meetings,
- review the association's financial reports, and
- make reasonable inquiry before making decisions.

B. PROFESSIONAL CONDUCT

In general, directors must conduct all dealings with vendors and employees with honesty and fairness, and safeguard information that belongs to the association.

1. **Self-Dealing.** Self-dealing occurs when directors make decisions that materially benefit themselves or their relatives at the expense of the association. "Relatives" include a person's spouse, parents, siblings, children, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone who shares the person's residence. Benefits include money, privileges, special benefits, gifts or other item of value. Accordingly, no director or committee member may:
 - solicit or receive any compensation from the association for serving on the board
 - make promises to vendors unless with prior approval from the board,
 - solicit or receive, any gift, gratuity, favor, entertainment, loan, or any other thing of value for themselves or their relatives from a person or company who is seeking a business or financial relationship with the association,
 - seek preferential treatment for themselves or their relatives,
 - use association property, services, equipment or business for the gain or benefit of themselves or their relatives, except as is provided for all members of the association.

2. **Confidential Information.** Directors are responsible for protecting the association's confidential information. As such they may not use confidential information for the benefit of themselves or their relatives. Except when disclosure is duly authorized or legally mandated, no director may disclose confidential information. Confidential information includes, without limitation:
 - private personal information of fellow directors,
 - private personnel information of the association's employees,
 - disciplinary actions against members of the association,
 - assessment collection information against members of the association, and
 - legal disputes in which the association is or may be involved--directors may not discuss such matters with persons not on the board without the prior approval of the association's legal counsel. Failure to follow these restrictions could constitute a breach of the attorney-client privilege and loss of confidential information.
3. **Misrepresentation.** Directors may not knowingly misrepresent facts. All association data, records and reports must be accurate and truthful and prepared in a proper manner.
4. **Interaction with Employees.** To ensure efficient management operations, avoid conflicting instructions from the board to management and avoid potential liability, directors shall observe the following guidelines:
 - The president shall be elected by the Board from among the directors. He shall be the chief executive officer of the Association and shall, subject to the control of the Board, have general supervision, direction and control of the affairs and officers of the Association. He shall preside at all meetings of the Board and shall have the general power and duties of management usually vested in the office of president of a corporation together with such powers and duties as may be prescribed by the Board or the Bylaws. (Article. XI, Section 7 of the Restated Bylaws)
 - An agenda for all regular meetings shall be prepared by the president or by management under the direction of the president. (Article VIII, Section 3 of the 2004 Amendments of the Restated Bylaws)
 - Directors shall not attempt to direct Tahoe Donner staff; that is the responsibility of the General Manager.
 - Directors may not contact management after hours unless there is an emergency representing a threat of harm to persons or property.
 - If directors are contacted by employees with complaints, the employees shall be instructed to contact management or the board as a whole.
 - No director may threaten or retaliate against an employee who brings information to the board regarding improper actions of a director or committee member.
 - Directors are prohibited from harassing or threatening employees, vendors, directors, committee members, and owners, whether verbally, physically or otherwise.
5. **Proper Decorum.** Directors are obligated to act with proper decorum. Although they may disagree with the opinions of others on the board or committee, they must act with respect and dignity and not make personal attacks on others. Accordingly, directors must focus on issues, not personalities and conduct themselves with courtesy toward each other and toward employees, managing agents, vendors and members of the association. Directors shall act in

accordance with board decisions and shall not act unilaterally or contrary to the board's decisions.

C. WHEN CONFLICTS OF INTEREST ARISE

Situations may arise that are not expressly covered by this code or where the proper course of action is unclear. Directors should immediately raise such situations with the board. If appropriate, the board will seek guidance from the association's legal counsel.

1. Disclosure & Recusal. Directors must immediately disclose the existence of any conflict of interest, whether their own or others. Directors must withdraw from participation in decisions in which they have a material interest.


2. Violations of Code. Directors who violate the association's code of conduct are deemed to be acting outside the course and scope of their authority. Anyone in violation of this policy may be subject to disciplinary action, including, but not limited to:
 - censure,
 - removal from committees,
 - removal as an officer of the board,
 - request for resignation from the board,
 - recall by the membership, and
 - legal proceedings.

Prior to taking any of the actions described above, the board shall appoint an executive committee to investigate the violation. The committee shall review the evidence of violation, endeavor to meet with the director believed to be in violation, confer with the association's legal counsel, and present its findings and recommendations to the board for appropriate action. The board shall endeavor to meet with the director in executive session prior to imposing disciplinary action against that person.

D. PLEDGE

I have read the Code of Conduct and pledge to act in accordance with my obligations as described above.

ACCEPTED AND DATED: February 24, 2018



Jeff Connors, President



Jeff Schwerdtfeger, Vice President



Jeff Borzon, Treasurer



Jennifer Jennings, Secretary

Darius Brooks, Director

Policy modified from an example provided on *Davis-Stirling.com* by Adams Stirling PLC.