

SMUD BOARD POLICY

Category: Governance Process	Title: Guidelines for Board Member Behavior
Date of Adoption: December 19, 2002	Policy Number: GP-7
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	Resolution No. 08-03-05

The Board and its members should act in an ethical, businesslike, productive, and lawful manner. Board members should avoid even the appearance of impropriety to ensure and maintain public confidence in SMUD.

Specifically:

- a) Board members shall conduct themselves in accordance with all laws.
- b) Board members should conduct themselves with civility and respect at all times with one another, with staff, and with members of the public.
- c) Board members are expected to demonstrate loyalty to the interests of SMUD owners and ratepayers. This supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any Board member acting as a consumer of the organization's activities.
- d) Board members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.
 - i) Board members must recognize the lack of authority vested in them as individuals in their interactions with the General Manager or with staff, except where explicitly Board authorized.

- ii) In their interactions with the public, press or other entities, Board members should recognize the same limitation and the inability of any Board member to speak for the Board or for other Board members except to repeat explicitly stated Board decisions.
- e) Board members shall at all times endeavor to express their individual opinions in a responsible manner, without causing harm to SMUD, to SMUD's owners and customers, or to other Board members and staff.
 - i) Each member of the Board is expected to support the legitimacy and authority of the decisions of the Board concerning any matter, irrespective of the member's personal position.
 - ii) Board members retain the right to criticize the decisions of SMUD, but in doing so should make it clear that it is their opinion, and not the opinion of the Board or other Board members, and so long as it complies with the limitations set forth in these policies. Board members are encouraged to notify the General Manager in advance when they plan to speak publicly in opposition to SMUD decisions and policies.
- f) Members should prepare themselves for Board deliberations.
- g) Board members shall discourage former Board members from attempting to influence the Board, individual Board members or staff, on behalf of any third party (other than a governmental entity) from whom the former Board member is receiving compensation, on any matter that the former Board member substantially participated in during his or her tenure with the Board. This provision shall not apply to: (i) communications by a former Board member acting in his or her capacity as an individual or ratepayer and for which the Board member receives no compensation; or (ii) communications with a former Board member who has not been a Board member for more than two years.

Monitoring Method: Board Report
Frequency: Semi-Annual

