



THE REVOLUTIONARY GOVERNMENT OF ZANZIBAR

OFFICE OF THE TREASURY REGISTRAR

**GUIDELINES ON BOARD CHARTER FOR
PUBLIC INSTITUTIONS, 2023**

**Office of the Treasury Registrar,
10, 12 Vuga Street,
P. O. BOX 1154,
70402 Urban/West Region,
Zanzibar
Tanzania.**

AUGUST 2023

TABLE OF CONTENTS

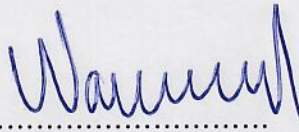
FOREWORD	ii
SECTION ONE	1
PRELIMINARY PROVISIONS	1
1.1 Introduction	1
1.2 Interpretation	1
1.3 Purpose.....	3
1.4 Citation.....	3
1.5 Scope and Applicability.....	3
1.6 Rationale for Board Charter Guidelines	4
1.7 Key Benefit of Board Charter	4
SECTION TWO	5
BOARD CHARTER GUIDELINES	5
2.1 Introduction	5
2.2 Components of the Board Charter	5
2.3 Role of the Chairperson of the Board	12
2.4 Remuneration of Board Members.....	12
2.5 Board Induction and Continuous Skills Development	12
2.6 Commencement and Review of Board Charters	13
2.7 Approval of Board Charters.....	13
2.8 Performance Contract.....	13
2.9 Performance Evaluation.....	13
2.10 Code of Ethics and Conduct.....	14
APPENDIX I	15

FOREWORD

For enhancing effective Governance in Public Institutions, the Office of Treasury Registrar has decided to issue these Guidelines on Board Charter preparation, which will be used by all Public Investment Entities and all Public Institution as designated by Minister that include, Budget Institution and Public Entity.

These guidelines specify a number of issues considered important in the governance process including roles, responsibilities and authorities of the Board in setting direction, management and the control of the Public Institutions. These guidelines illustrate working relationship between the Board, management and other stakeholders as key elements for effective governance in Public Institutions.

Thus, all Board Charters shall be prepared using these guidelines as a framework to enhance good governance in Public Institutions and promote standards of self-regulation in line with existing Government Circulars, Laws and Regulations. The guidelines have set out direction for Boards and its Committees in discharging their roles and responsibilities in the most effective manner.



.....
Waheed Muhammad Ibrahim Sanya
Treasury Registrar

SECTION ONE
PRELIMINARY PROVISIONS

1.1 Introduction

The Board Charter is a document that clearly defines the respective roles, responsibilities and authorities of the Board (*both individually and collectively*) in setting direction, management and the control of the Entity. The Board Charter is complementary to the applicable legislation and the provisions of the Memorandum and Articles of Association of the Company. This Board Charter is not intended to replace or amend the Memorandum and Articles of Association of the Company in any way. In the event of a conflict between the Memorandum and Articles of Association and the Charter, the provisions of the Memorandum and Articles of Association shall be prevailed.

1.2 Interpretation

In these Guidelines, unless the context otherwise requires-

“Accounting Officer” has the same meaning as defined in the Public Finance Management Act, 2016;

“Board” in relating to Public Entities, means Board of Directors or any Governing Body including Board of Trustees and Board of Chancellors, holding positions comparable with those of the Board of Directors;

"Chief Executive Officer" means a head of a Public Institution established under order made by President or any other law, who is responsible for the day-to-day operations of that Public Institution;

“Company” means a company registered under the provisions of the Companies Act;

"Conflict of interest" means a situation in which someone in a position of trust has competing professional, business or personal interest, making it difficult to fulfil his duties impartially;

“Dividend” means sums of money paid regularly by the Public Institution to shareholders out of its profits;

“Establishing Act” in relation to Public Institution, means any law under which Public Institution is established;

“Ex-official member” means a person appointed as a Board member in the Public Institution by virtue of his position;

“Financial Plan” means budget and any other forthcoming financial plans, includes borrowing, investment plans and other detailed activities of Public Entities;

“Government” means the Revolutionary Government of Zanzibar;

"Non-Executive Director" means a director who does not hold any executive or management position in a Public Institution;

“Minister” means the Minister responsible for Finance;

“Office” means the Office of Treasury Registrar of Zanzibar as established under the provisions of the Office of Treasury Registrar and Public Asset Management Act, 2021;

“President” means the President of Zanzibar and Chairman of the Revolutionary Council;

“Public Entity” means:

- (a) Public Corporation; or
- (b) A Board, Commission, Company, Constitutional Institution, Fund or other Institution, other than a Public Corporation, which is:
 - (i) Established in terms of an Act of the House of Representatives, and
 - (ii) Fully or substantially funded either from the consolidated fund, or by way of tax, levy or other money imposed in terms of a law enacted by the House of Representatives:

“Public Institution” includes Budget Institution, local Government and Public Entity;

“Public Investment” means assets of the Government in form of tangible or intangible and include shares, notes, bonds and mortgages in any corporate body issued by or on behalf of the Government;

“Public Investment Entity” means any commercial entity, company or Government Owned Enterprise;

“Performance Contract” means any agreement that sets targets for measuring performance;

“Responsible Minister’ means a relating to Public Institution;

“Subsidiary Entity” means a company owned or controlled by another company’

1.3 Purpose

The purpose of these Guidelines is to set out the key values and principles of the Public Institutions. It provides a concise overview of the role and responsibilities of the Board of Directors; powers of the Board, various Board committees and their roles; separation of roles between the Board and Management and the policies and practices of the Board in respect of corporate governance matters. This Board Charter Guidelines are subject to the provisions of the Companies Act, the Company’s Memorandum and Articles of Association and any applicable law or regulatory provision.

1.4 Citation

These Guidelines may be cited as “The Guidelines on Board Charter for Public Institutions, 2023”.

1.5 Scope and Applicability

These Board Charter Guidelines shall apply to:-

- (a) Public Investment Entities
- (b) Any Public Institutions designated by Minister in accordance with Section 2 (*Applicability*) of the Office of Treasury Registrar and Public Asset Management Act, 2021, which are governed by Board as defined under these Guidelines excluding Advisory Boards.

1.6 Rationale for Board Charter Guidelines

The Office is mandated to evaluate performance and effectiveness of the Board and recommend remedial measures to the Government. In implementing such role, the Office, among other, is required to ensure that, Public Institutions have all necessary instruments to effectively discharge their key functions and power. Among such instruments is the Board Charter, which guides Public Institution on various issues related to the conduction of Boards as oversight bodies.

These Board Charter Guidelines are therefore intended to provide a framework to be used by Public Institution in preparing their Board Charters as governance tools. Through Board Charters, different players in Public Institution shall have a common understanding of their roles, responsibilities and expected contributions towards attainment of Organizational goals.

1.7 Key Benefit of Board Charter

In the governance system of the Public Institution, for the following key benefits can be derived by having the document of the Board Charter;

- (a) Assists the Public Institution's leadership in delivering good governance;
- (b) Documents the policies that the board has decided upon to meet its legal and other responsibilities;
- (c) Serves as a reminder for the board of the legal framework within which it operates;
- (d) Is a point of reference for disputes;
- (e) Serves as an induction tool for new directors and senior managers;
- (f) Greatly assists in establishing effective operating procedures for a board;
- (g) Develops of a shared understanding of the board's role throughout the Institution.

SECTION TWO
BOARD CHARTER GUIDELINES

2.1 Introduction

This section outlines basic guidance and components to be considered in preparation of Board Charter as essential governance tool in Public Institutions as well as power and responsibilities of directors.

2.2 Components of the Board Charter

The Public Institution shall consider the following key components during the preparation of the Board Charters; -

2.2.1 Introduction

The introduction part of the Board Charter shall cover a brief historical background, Vision, Mission, Core Values and Main Functions of the respective Public Institution as stipulated in the Establishment Act/Constituent document.

2.2.2 Establishment of Board

The Public Institution shall establish a Board, which shall be the governing body of the Institution and shall be accountable to the appointing authority in the manner set out under Office of Treasury Registrar and Public Asset Management Act, 2021. The Board Charter shall specify the relevant Section under the Establishment Act/Constituent document, which provides for establishment of the Board as the oversight body of the particular Public Institution.

2.2.3 Composition and Size of the Board

The Board Charter shall specify composition and size of Board members according to Establishment Act/Constituent document or as stipulated in the Section 21 (1) and Section 79 of the Office of Treasury Registrar and Public Asset Management Act, 2021. In addition, the Board Charter of Public Institution shall specify key issues related to Vice-Chairperson and his/her appointment.

2.2.4 Appointment of Secretary of the Board

The Board Secretary is not a member of the Board but is accountable to the Board. The Board Charter shall specify the conditions, qualification and procedures for appointment or recruitment of Board Secretary by the Board as stipulated in the Establishment Act/Constituent document. However, for effective leadership and good governance, the Board shall consider the following qualification for appointment or recruitment of legal office to be Board Secretary, provided that the Establishment Act/Constituent document had not specify such conditions and qualifications; -

- (a) a legal officer from among qualified senior public officer within respective Public Institution;
- (b) has at least first degree in the field of law; or qualified corporate secretary from the institution recognized by the Government;
- (c) legal experience of not less than five (5) years in the public service; and
- (d) High level of integrity and confidentiality.

2.2.5 Role of the Board Secretary

The Board Charter shall specify the roles of the Board Secretary as stipulated in the Public Institution's Establishment Act/Constituent document. Key roles of the Board Secretary shall include -

- (a) to provide guidance to the Board on its duties, responsibilities and other governance issues;
- (b) to ensure all Board Committees are properly constituted and provided with clear terms of reference;
- (c) to ensure Board members are timely notified about Board Meetings and Board Papers are timely circulated;
- (d) to ensure that each Board member is made aware of and provided with guidance as to their duties, responsibilities and powers;
- (e) to ensure that the applicable rules and regulations for the conduct of the affairs of the Board are complied with;
- (f) to coordinate induction programs for new Board members and in collaboration with the Board, develop mechanisms for providing continuous education and training for Board members in order to improve Institutional governance;

- (g) to guide the Board on the Board Evaluation process; Maintain and update the register of conflicts of interests; and
- (h) To facilitate effective communication between the organization and the shareholders;

2.2.6 Tenure, Removal and Cessation of the Board Member

The Board Charter shall specify clearly the tenure of the Board as follows: -

- (a) Except for ex-official members, the Chairperson and other Board members shall hold office for a term of three (3) years from the date of appointment and may be eligible for re-appointment for another term only.
- (b) The renewal of a Board member's tenure for a second term shall be subject to an acceptable evaluation as determined during Board evaluations.
- (c) The appointing authority shall ensure staggering of Board appointment so that the respective expiry dates of the members' term fall at different time to ensure continuity.

Furthermore, the Board Charter shall specify the basis under which Board member may be removed in accordance with Section 23 (2) of of the Office of Treasury Registrar and Public Asset Management Act, 2021, and shall specify ground under which, Board membership can be terminated including voluntary resignation.

2.2.7 Eligibility to be a Member of the Board

The following person shall not be eligible for appointment as Board member and it should be clearly stated in the Board Charter: -

- (a) Member of the Parliament of the United Republic of Tanzania;
- (b) Member of House of Representatives;
- (c) Principal Secretaries in the Public Entities under their Ministries unless stipulated in the Public Entities' Establishment Act/Constituent document;
- (d) Regional and District Commissioners;
- (e) Internal Auditor General and staff of the office of the Internal Auditor General;
- (f) Controller and Auditor General and staff of the Office of the Controller and Auditor General; and
- (g) Treasury Registrar and staff of the Office.

2.2.8 Assessment of appointed Member

In accordance with Section 21 (2) of the Office of Treasury Registrar and Public Asset Management Act, 2021 (*Board of Directors*), before the appointment of Board members, the appointing authority shall submit a list of names to the Office, excluding ex-official members, for assessing their qualifications and experiences. For this case, the Board Charter of Public Institution shall specify the required competencies, skills and experience in respect of the Public Institution's key roles and responsibilities.

2.2.9 Reporting of Vacancy of Board Member

For effectiveness and performance of Public Institution, the Board Charter shall describe the responsibility of Chief Executive Officer, within seven (7) days after any vacancy due removal, cessation or exceptional event of any Board member, to notify the Office in writing on such vacancy on Board member of Public Institution;

2.2.10 Responsibilities of the Board

The Board Charter shall outline the responsibilities of the Board as specified in the Establishment Act/Constituent document or in accordance with Regulatory Authority of the respective Public Institution or as stipulated under Section 26 (1) of the Office of Treasury Registrar and Public Asset Management Act, 2021.

2.2.11 Declaration of Conflict of Interest

A director who has, whether directly or indirectly, personal interest in a transaction that is tabled for discussion before the Board, or in a decision that the Board is about to make, has either financial or any other interest, shall declare his personal interest at the opening of the meeting at which the transaction is to be discussed. Upon declaration of his personal interest, director shall absent himself from the meeting and not be counted for the purposes of determining a quorum required for that discussion, thus shall not take part in any decision of the Board with respect to that matter. This should be clearly stated in the Board Charter under this item.

2.2.12 Handover

To ensure proper transition between the outgoing and the newly appointed Board, the Board Charter shall stipulate handover procedure and report guideline to provide successors with key information regarding the milestones and works in progress.

2.2.13 Board Meetings

The Board Charter shall consider and clearly specify the following with regards to Board meetings; -

- (a) The Board shall meet ordinarily once in every three (3) months and may meet twice in a year for extraordinary meetings when deemed necessary for the discharge of its business;
- (b) If there is an urgent need to conduct more than above mentioned meetings in a year, the Treasury Registrar must grant permission;
- (c) A member of the Board shall attend at least seventy-five percent (75%) of the Board meetings of the Public Institution in each year;
- (d) A Board meeting may be held through; -
 - (i) physical appearance;
 - (ii) video conferencing; provided that;
 - 1. Meetings held through video conferencing in a year shall not exceed fifty percent (50%) of all Board meetings including extra-ordinary meeting;
 - 2. majority of directors attending such meetings are physically present;
 - 3. Director shall not attend all Board meetings in any given year through video conferencing.
 - (ii) Such other means as the Office or other regulatory authority may prescribe or approve upon application by a Public Institution.
- (e) how disagreements among members of the Board will be resolved;
- (f) whether members outside the Board may take part in any deliberations and how their participation may be considered in decision making;
- (g) the manner in which minutes and any other Board resolutions shall be recorded;

- (h) the manner in which external professional advice may be sought by the Board or its Committees for more effective discharge of the Board's functions;
- (i) the timeline and manner in which Board papers will be availed to Board members;
- (j) attendance in Board meetings and consequences for non-attendance; and
- (k) The modality by which Board meetings will be conducted and notification procedures.
- (l) The uses of Circular Resolution as one of the means for making Board decisions; and
- (m) The requirement for Board and Board Committee meetings to be held at Head Office of Public Institution, and the approval by Treasury Registrar on any circumstances require such meetings to be held out of the Head Office.

2.2.14 Quorum of the Meeting

The Board Charter shall specify the concern of the quorum in the meeting. The quorum of Board meetings shall be more than half (1/2) of all members including Chairperson present in person or via electronic communication. The Board will endeavour to reach decisions by consensus but if this is not possible, simple majority of votes will take decisions. In the event of the necessity for an urgent decision to be taken between Board meetings, such decision may be taken by way of a written resolution. In this instance, decisions taken by written resolution are valid decisions of the Board if the number of directors required to meet the ordinary quorum requirements approves such resolution.

2.2.15 Board Work plan

The Board Charter shall illustrate an annual Board work plan and meeting schedules for the Board of Public Institution. The Board Work Plan may be adjusted if deemed necessary by the Board.

2.2.16 Board Committee charter

The Board Charter shall specify the following with regards to Board Committee;-

- (a) The number of Committees to be established by the Board;
- (b) The members of the Committee of the Board shall be among the Board members only;
- (c) The Board may invite any person to assist the Committees of the Board to perform its functions;
- (d) Each Committee shall have a charter or other instrument that sets out its mandate, scope, work plan/schedule of meeting in a year and working procedures including the manner in which Committee will report to the Board and any tenure limits for serving on the Committee;
- (e) Board Committees shall consist of non-executive directors, and the number of Committee members shall not be less than three including Audit Committee having accounting, auditing or related financial management experience;
- (f) A member of the Audit Committee shall not simultaneously serve as a member of other Board Committees;
- (g) The purpose of establishment of each Board Committee;
- (h) Key qualifications and the manner in which Board Committee members shall be appointed;
- (i) Each Board Committee shall be composed of members with relevant skills and experience in relation to the key duties and responsibilities of such Committee;
- (j) Duties and responsibilities of each Board Committee including Terms of Reference which shall set out its mandate, delegated authorities, operations and reporting mechanisms to the Board; and
- (k) The manner in which Board Committee meetings will be handled.

As part of the composition of Board Committees, the Board Charter shall also specify whether members outside the Board can be co-opted in order to provide technical expertise for more effective discharge of the Board's functions.

2.2.17 Board Members Access to Employees

The board charter shall state clearly the access of Board member or Chairperson to the employee of the Public Institution. Board member should have full and free access to employees of the Public Institution but such access

should be arranged through the Chief Executive Officer. The Board members will use their judgement to ensure that any such access does not disrupt the operations of the organization.

2.2.18 Communication Mechanism with key Stakeholders

The Board Charter shall define the engagement mechanism with various key Stakeholders regarding several issues related to Public Institution performance and other related matters. Only designated representatives of the Public Institution shall communicate on behalf of the organization with Government, media, stakeholders and public.

2.3 Role of the Chairperson of the Board

The Board Charter shall specify the roles of the Board Chairperson as stipulated in the Public Institution's Establishment Act/Constituent document. The roles of the Board Chairperson shall include -

- (a) to provide overall leadership for the Board;
- (b) to ensure the Board works as a team in discharging its roles and responsibilities in the most effective manner;
- (c) to ensure good governance practices and procedures are in place and existence of constructive relationships between the Board and Management; and
- (d) To lead the Board Evaluation process and institute a culture of transparency and team work among Board members.

2.4 Remuneration of Board Members

The Board Charter should specify that, remunerations/entitlements for all Board members shall be paid in accordance with Government Circulars and Guidelines reviewed from time to time.

2.5 Board Induction and Continuous Skills Development

The Board Charter shall specify the manner in which training for members of the Board of Directors may be administered.

2.6 Commencement and Review of Board Charters

All Board Charters shall come into effect after being approved by the Treasury Registrar and shall be reviewed annually or as deemed necessary. The Treasury Registrar may issue revised guidelines for review of Board Charters in Public Institution and resubmission to the Office for subsequent approval.

2.7 Approval of Board Charters

Board Charters shall be submitted to the Board for review and endorsement. Once endorsed by the Board, all Board Charters shall be submitted to the Office of the Treasury Registrar for further review and approval.

2.8 Performance Contract

The Board Charter shall specify the manner in which assessment and evaluation of the Public Institution's performance shall be conducted through Performance Contract with Treasury Registrar in accordance with Section 33, Section 34 and Section 35 of Office of Treasury Registrar and Public Asset Management Act, 2021. A chairperson of Board of Public Institution shall enter into a performance contract with the Treasury Registrar in accordance with Performance Contract Guidelines issued by Treasury Registrar at the beginning of each financial year of Public Institution. Similarly, the Chief Executive Officer of the Public Institution shall enter into a performance contract with a Chairperson of the Board at the beginning of each financial year of Public Institution.

2.9 Performance Evaluation

The Treasury Registrar shall annually conduct assessment of the performance contracts of Chairperson of Public Institution at the end of each financial year of Public Institution, and submit the assessment report to the responsible Minister for consideration. Correspondingly, Chairperson of the Board shall annually conduct assessment of performance contract between the Board and Chief Executive Officer and prepare assessment report which shall be submitted to the Treasury Registrar. Where Chief Executive Officer fails to perform as per term and conditions prescribed in the performance contract, the Chairperson of the Board shall report to the responsible Minister and the Treasury Registrar with

full details on lack of performance of that Chief Executive Officer. This should be clearly stated in the Board Charter under this section.

2.10 Code of Ethics and Conduct

Ethics is an important aspect of corporate governance and management. It creates and sustains confidence of shareholders, stakeholders, investors and the public. The Code of Ethics and Conduct sets out expectations for individual behavior necessary to enable Board members carry out their roles with integrity and in compliance with prevailing laws and regulations.

Each Public Institution shall ensure that, a formal Code of Ethics and Conduct is in place defining acceptable standards of conduct for Board members. The Code of Ethics and Conduct shall be made available to all Board members soon after their appointment. This should be stated clearly in the Board Charter. The Boards' Code of Ethics and Conduct Guideline is attached (**Appendix I**).

BOARDS' CODE OF ETHICS AND CONDUCT GUIDELINE

(As adopted in current year)

I. PREAMBLE

The Board of **(insert name of the institution)** has adopted this Code of Ethics and Conduct for Directors. The **(insert name of the institution)** is proud of its reputation for integrity and honesty and is committed to these core values. Maintaining organization's reputation depends on maintaining the highest standards of conduct in all business endeavors. The **(insert name of the institution)** Directors have a responsibility to lead by example, acting with truth, sincerity and fairness in all decisions.

The principles set forth in this document describe how Directors shall conduct themselves. This Code does not address every expectation or condition regarding proper and ethical business conduct. Each Director is expected to comply with the letter and spirit of this Code.

No code or policy can anticipate every situation that may arise. Accordingly, this Code is intended to serve as a source of guiding principles for Directors. Directors are encouraged to bring questions about particular circumstances that may be relevant to one or more of the provisions of this Code to the attention of the Chairman of the Board, who may consult with inside or outside legal counsel as appropriate.

II. PURPOSE

(Here insert a description of purpose/reason/rationale of the Institutional establishment). The Board hereby establishes its Code of Ethics and Conduct to provide guidance to its members regarding ethical and behavioral considerations and/or actions as they address their duties and obligations during their appointment.

Compliance with the provisions of this Code may facilitate the Board to enhance relationships and foster teamwork among Board members and also with staff; and to build respect, confidence, and credibility with the public.

III. CODE OF ETHICS

Members of the Board (including ex-officio members of the Board) shall at all times abide by and conform to the following Code of Ethics in their capacity as Board members:

- (a) Board members shall act with integrity and in an ethical and professional manner in their interactions with each other and the public.
- (b) Board members shall maintain high ethical and moral character, both professionally and personally, so that their behavior may reflect positively upon the Board of an organization and the Public.
- (c) Board members shall act with competence and shall strive to maintain and enhance their competence and that of their fellow Board members.
- (d) Board members shall use proper care and exercise independent professional judgment in the performance of their duties.
- (e) Board members shall maintain confidentiality about all matters that are considered in closed meetings and except as the Board may otherwise require or as otherwise required by Law, no Board member shall share, copy, reproduce, transmit, divulge or otherwise disclose any confidential information related to the affairs of the organization and each member of the Board may uphold the strict confidentiality of all meetings and other deliberations and communications of the Board.
- (f) No member of the Board may use any information provided by the Institution or acquired because of the Board member's service to the organization in any manner other than in furtherance of his or her Board duties. Further, no member of the Board may misuse organization property or resources and may at all times keep the organization's property secure and not allow any person not authorized by the Board to have or use such property.

- (g) The Board must act at all times in the best interests of the Institution and not for personal, third party gain, or financial enrichment. When encountering potential conflicts of interest, Board members may identify the conflict and, as required, remove themselves from all discussion and voting on the matter. Specifically, Board members shall follow these guidelines:
- (h) Avoid placing and avoid the appearance of placing one's own self-interest or any third-party interest above that of the organization; while the receipt of incidental personal or third-party benefit may necessarily flow from certain organization activities, such benefit must be merely incidental to the primary benefit to the organization and its purposes;
- (i) Do not abuse Board membership by improperly using Board membership or the organization's staff, services, equipment, resources, or property for personal or third-party gain or pleasure; Board members shall not represent to third parties that their authority as a Board member extends any further than that which it actually extends;
- (j) Do not engage in any outside business, professional or other activities that would directly or indirectly materially adversely affect the organization;
- (k) Do not engage in or facilitate any discriminatory or harassing behavior directed toward organization staff, members, officers, directors, meeting attendees, exhibitors, advertisers, sponsors, suppliers, contractors, or others in the context of activities relating to the **(Insert name of the Institution)**;
- (l) Do not solicit or accept gifts, gratuities, free trips, honoraria, personal property, or any other item of value from any person or Institution as a direct or indirect inducement to provide special treatment to such donor with respect to matters pertaining to the organization without fully disclosing such items to the Board; and
- (m) Provide goods or services to the association as a paid vendor to the organization only after full disclosure to, and advance approval by,

the Board, and pursuant to any related procedures adopted by the Board.

- (n) Board members shall receive no payments from the organization or from any other transactions except for appropriate compensation for their services and reimbursement for expenses as provided by law.
- (o) Board members shall exercise due diligence to avoid breaches of duty via negligence, intentional action or omission, and unauthorized communications with individuals trying to influence by improper means or seeking to receive personal gains through Board decisions;
- (p) Board members recognize that all Board decisions and actions are to be based on integrity, competence, and independent judgment on the merits and benefits to the organization and the Public; and
- (q) No member of the Board shall persuade or attempt to persuade any employee of the organization to leave the employment of the organization or to become employed by any person or Institution other than the organization. Furthermore, no member of the Board shall persuade or attempt to persuade any member, exhibitor, advertiser, sponsor, subscriber, supplier, contractor, or any other person or Institution with an actual or potential relationship to or with the association to terminate, curtail, or not enter into its relationship to or with the organization, or to in any way reduce the monetary or other benefits to the organization of such relationship.

IV. STANDARDS OF CONDUCT

Board member shall comply with the following standards of conduct:

- (a) Board members shall not engage in conduct that would compromise, discredit, or diminish the integrity of the Public Institution;
- (b) The Board shall respect the authority of the Chief Executive Officer and may provide instruction and direction only to the Chief

Executive Officer. The Board may not instruct the Chief Executive Officer in regards to specific operational decisions;

- (c) No individual member shall give orders or instructions to any employee of the organization. This does not preclude an individual member from offering his or her opinion, based upon his or her expertise and/or experience, when an employee of the organization requests such an opinion;
- (d) Board members must recognize that, as individuals or as subgroups, they lack the authority to give orders or direction to the Chief Executive Officer except when such instruction is given according to the Board Charter Guideline or specific delegation;
- (e) Individual Board members are not to become involved in operational management of the Organization;
- (f) Board members shall operate with the understanding that they represent Public;
- (g) Board members may strive to establish sound working relationships with each other by taking time to know and appreciate each other as individuals;
- (h) Board members may be respectful of each other and may not make use of Board meetings to upstage or embarrass colleagues;
- (i) Board members may respectfully consider the opinions of others during deliberations, strive for integration of viewpoints or consensus building in decision-making, and may respect the corporate judgment of the Board in regard to its decisions;
- (j) Board members may refrain from using Board meetings or regulation approval processes to advance their personal agenda;
- (k) Board members may strive to cultivate and maintain good relations with the public, press, and constituent groups; however, they may recognize their limitations to speak for the organization;
- (l) Individual Board members shall refer all proposals or other communications regarding potential or existing programs, contracts, or services to the Chief Executive Officer;
- (m) Board members shall not communicate with persons under consideration for selection by the Board and/or the Chief

Executive Officer for contracts, acquisitions, etc. while the procurement process is in progress; and

- (n) A Board member shall not participate in a breach of this Code of Ethics and Conduct by another member, contribute to the concealment of such breach, or knowingly or negligently allow such breach to occur.

V. GIFTS

A Board member shall not solicit or receive a gift or favor from any person, company, or organization, or from any intermediary interest, that may compromise or appear to compromise the independent judgment of the member regarding his or her obligations to the Board.

VI. GENERAL PROVISIONS

- (a) The provisions contained herein do not excuse any Board member from other restrictions of other Laws regarding conflicts of interest.
- (b) Any breach of this Code of Ethics and Conduct shall be reported to the appropriate Committee. The Committee may investigate, as appropriate, and report its findings and recommendations to the Board.
- (c) All Board members may sign an affirmation pledging to honor and follow, according to both the letter and the spirit, this Code of Ethics and Conduct.
- (d) Members of the Board affirm their endorsement of the code and acknowledge their commitment to uphold its principles and obligations by accepting and retaining membership on the Board.
- (e) Upon termination of service, a retiring Board member shall promptly return to the organization all documents, electronic and hard files, reference materials, and other property entrusted to the Board member for fulfilling his or her job responsibilities. Such return shall not abrogate the retiring Board member from his or her continuing obligations of confidentiality with respect to information acquired because of his or her tenure on the Board.

VII. INTERPRETATION

The final interpretation of these codes is vested with the Treasury Registrar.

VIII. EFFECTIVE DATE AND REVIEW

These codes of Ethics and Conduct shall become effective and applicable from the date of approval the Codes by the Treasury Registrar and shall be reviewed from time to time as deemed necessary by the Treasury Registrar.

XV. DECLARATION OF COMPLIANCE WITH THE BOARDS' CODE OF ETHICS AND CONDUCT

I (***State name in full***) being a Board Chairperson/Member of (***Name of the Institution***), do hereby assert that I read and understand the Boards' Code of Ethics and Conduct and hereby declare that I shall abide them in my entire period as Chairperson/Member of (***Name of the Institution***).