

The Grand
Standards of Behavior for Board Directors
Adopted 04/11/2024

PURPOSE

The leadership of The Grand strives to maintain a high standard of ethical conduct in performance of the Association's business and preserve the confidentiality of any information that is sensitive to the Association or personal to any member of the Association. For that reason, the Board of Directors has adopted for itself the following standards of behavior to create common ground in which all can work in the furtherance of the goals of the Association.

STANDARDS OF BEHAVIOR

1. **Directors shall act in the best interests of the Association as a whole.** Directors serve for the benefit of the Association and the entire community and shall, at all times, strive to do what is best for the Association as a whole. Directors shall not use their positions to benefit themselves, their families or their businesses. Directors shall act in good faith and in the best interest of the Association. Directors shall not act to further their personal agendas in conducting Association business, and no Director shall use their position for private gain.
2. **Directors shall act with civility at all times.** Disagreements may occur among Directors, with members of the Association, and with those who work for it. Directors shall conduct themselves at all times with civility and respect, in any and all kinds of communications. Language and conduct at all meetings shall be kept professional. Directors shall refrain from harassing or disparaging behavior or language against any other Director, member, resident, vendor, Association management, and Association employees.
3. **Directors shall act as a unified body.** No individual member of the Board shall be authorized to speak or act on behalf of the Board unless specifically authorized to do so in writing by the Board. This includes responding to residents' emails and posting on social media for any Association matters. Each Director acknowledges that they are only one Director and will explain that to anyone asking about Board business as opposed to speaking on behalf of the Board.
4. **Directors shall comply with governing documents, decisions of the Board and relevant laws.** Directors shall use their best efforts at all times to make reasonable decisions that are consistent with the CC&Rs, Bylaws, Residential Design Guidelines, Rules and Regulations and other governing documents of the Association, and to comply with all decisions made by the Board. Directors will support the decisions of the majority of the Board regardless of the position the Director may have taken at the time of the vote. No Director may degrade decisions of a majority of the Board, either verbally or in writing.
5. **Directors shall abide by the Statement of Operational Policy.** Directors shall not interfere with the day-to-day management of the Association. This includes interfering with staff members and contractors implementing contracts in progress. All communications with staff members and contractors will go through the General Manager unless the Board authorizes a particular Director to communicate directly with staff or unless a staff member solicits input from an individual

Director, in which case the Director will notify the General Manager of the request for input and the response.

6. **Directors shall maintain confidentiality.** Directors shall at all times maintain the confidentiality of all legal, contractual, financial, proprietary, personnel, and management matters involving the Association. Directors shall maintain confidentiality of any personal information about members of the Association [and their families] that they have received as a result of their service as Directors. Directors shall not distribute copies of confidential information, including, without limitation, attorney-client communications and executive session communications, to anyone other than Directors, unless expressly authorized by the Board. This duty extends to all Directors, even after their term has expired.
7. **Directors shall disclose any real, potential or perceived conflicts of interest.** Directors shall immediately disclose to the Board the existence of any relationship between them [or their families or businesses] and any matter involving any aspect of business operations of the Association where there is or could be reasonably thought as a personal interest or conflict of interest. Directors shall not vote on any such matter, nor seek to influence any decision affecting or disposition of any such matter. Directors shall not solicit or accept, directly or indirectly, any gifts, gratuity, favor, entertainment, loan, or any other thing of monetary value from a person who is seeking to obtain contractual or other business or financial relations with the Association, unless full disclosure is made to, and approved in writing by the Board.
8. **Directors may not endorse or comment on Board candidates during the election cycle.** This includes comments made in writing or verbally.
9. **No Director shall engage in any writing, publishing or speech making that defames any other member of the Board, community leader or resident of the community.** Personal attacks against Directors or other community leaders, owners, residents or CAM management are prohibited and are not consistent with the best interest of the community.

ENFORCEMENT

Bylaws 3.5 “Any Director who has three consecutive unexcused absences from Board meetings, who is more than 30 days delinquent in the payment of any assessment or other charge due the Association, who fails or refuses to complete the training requirements referenced in section 3.1, or who is shown to be in violation of the governing documents or any written policy or resolution adopted by the Board, may be removed by the vote of at least two-thirds (2/3) of all Directors at a regular or special meeting of the Board at which a quorum is present.”

First step: Call an executive session meeting of the Board to present the Director with a written list of the behaviors the Director is engaging in. This is followed up with a discussion on how the behavior could harm the Association and ways to positively address the behavior.

Second step: If the Director continues to engage in damaging behavior, then the Director’s action is discussed at an open meeting of the Board. A document should detail the areas of concerns and ways the Director can address the behavior.

Third step: If the Director continues this behavior, then the Board will conduct a formal process beginning with an official letter of censure to the Director. The Censure Letter may list the areas of concern and the ramifications if the behavior continues.

Last step: The Board has two remaining options: A) The calling of a special meeting of the Board to discuss the removal of the Director or b) Filing a breach of fiduciary duty lawsuit.