

VEHI Code of Ethics Policy

Policy

The Vermont Education Health Initiative (“VEHI”) is a nonprofit organization that provides employee benefit plans to Vermont school districts and Vermont school employees. VEHI recognizes that its board members have broad interests and participate in many community, charitable, and business activities. Indeed, the broader the board member’s experience, the more value is the member to VEHI. As the body that is charged with oversight of VEHI, it is the ethical and legal duty of all members of the board of directors to adhere to the highest ethical and professional standards and to avoid actual or perceived conflicts of interest. Additionally, members of the board of directors are bound by the legal duties of nonprofit board of directors and agree to conduct themselves in accordance with the following duties:

Duty of care

Board members take care of VEHI by ensuring lawful, prudent, ethical, humane, and socially responsible use of all assets, including facilities, people (including board members, officers, service agents and vendors), and good will. Board members provide oversight that ensures activities of VEHI advance the mission of VEHI.

Duty of loyalty

Board members make decisions that are in the best interest of VEHI, not in individual self-interest, including personal and financial interests. Board members should avoid taking actions or making representations that compromise the authority of the full board of directors to make decisions on behalf of VEHI.

Duty of obedience

Board members ensure that VEHI follows applicable laws and governing documents. Board members conduct themselves in adherence with the VEHI's stated policies, protocols and purposes, and do not engage in activities that harm VEHI's ability to pursue its mission.

Implementation

Board members, officers and/or trust administrators should promptly report to the chair of the board possible violations of this Code of Ethics by any board member. If the allegations concern the chair of the board, then the report should be made to the vice chair.

The chair shall document and give notice to the board member any alleged violations. If the alleged violation is potentially material to VEHI’s financial statements, the chair, or vice chair as the case may be, will coordinate with the president to develop a notification to other board members, VEHI’s general counsel, and the auditors, as appropriate.

After three documented instances of alleged violations, or one serious violation that directly harms the organization, the board will meet to review the alleged conduct with the board

member. The board member who is the subject of the allegations will be given a chance to view any documentation of alleged violations and to respond at that meeting.

Upon conclusion of the meeting, the board may take one or more of the following actions or another appropriate course of action determined by the board:

1. Conclude that there was no misconduct or violation of the Code of Ethics and document that determination.
2. Issue a written warning to the board member who was found to have violated the code of ethics.
3. Vote to censure the person in question.
4. Communicate the misconduct to members.
5. Formally request for that person's resignation from the board of directors.
6. Announce in advance of the next board election cycle for the board member's seat that person in question has been the subject of VEHI Board discipline and a request that the members not elect the person in question, or the sponsoring organization not reappoint that individual to the VEHI Board of Directors.

Adopted December 8, 2017