



**MORROW COUNTY
HEALTH DISTRICT**
Excellence in Healthcare

Board of Directors Governance Manual

Mission

Bring essential health services to our rural communities that meet the unique needs of the people we serve.

Vision

Be the first choice for quality, compassionate care, and lead the way in promoting wellness and improving health in our communities.

Values

Integrity encompassing honesty and consistently adhering to the principles of professionalism and accountability with our patients, fellow employees, and community partners; integrity is at the heart of everything we do

Compassion being motivated with a desire to assist patients and staff with empathy and kindness and committed to going the extra mile to ensure patients and staff feel comfortable and welcomed

Quality creating standards of performance that surpass ordinary expectations; we want to make this the place where patients want to come, our providers want to practice, and people want to work

Respect recognizing and valuing the dignity and uniqueness of everyone; respect creates a work environment based on teamwork, encouragement, trust, concern, honesty, and responsive communication among all employees and our patients

Financial Responsibility being good stewards of public funds; always considering whether expenditures are in the best interests of patients and the community; ensuring financial sustainability for the future



**MORROW COUNTY
HEALTH DISTRICT**
Excellence in Healthcare

Board Meeting Calendar 2024

Date	Time	Location
January 29, 2024	6:30 p.m.	Ione Community Church 395 East Main Street, Ione , OR 97843
February 26, 2024	6:30 p.m.	Port of Morrow – Sand Hollow Room 2 East Marine Drive, Boardman , OR 97818
March 25, 2024	6:30 p.m.	Morrow County Grain Growers – Conference Room 350 Main Street, Lexington , OR 97839
April 29, 2024	6:30 p.m.	Pioneer Memorial Clinic – Conference Room 130 Thompson Street, Heppner , OR 97836
May 20, 2024	6:30 p.m.	Irrigon City Hall 500 NE Main Ave, Irrigon , OR 97844
June 24, 2024	6:30 p.m.	Ione Community Church 395 East Main Street, Ione , OR 97843
July 29, 2024	6:30 p.m.	Port of Morrow – Sand Hollow Room 2 East Marine Drive, Boardman , OR 97818
August 26, 2024	6:30 p.m.	Morrow County Grain Growers – Conference Room 350 Main Street, Lexington , OR 97839
September 30, 2024	6:30 p.m.	Pioneer Memorial Clinic – Conference Room 130 Thompson Street, Heppner , OR 97836
October 28, 2024	6:30 p.m.	Irrigon City Hall 500 NE Main Ave, Irrigon , OR 97844
November 25, 2024	6:30 p.m.	Ione Community Church 395 East Main Street, Ione , OR 97843
December 30, 2024	6:30 p.m.	Port of Morrow – Sand Hollow Room 2 East Marine Drive, Boardman , OR 97818

MORROW COUNTY HEALTH DISTRICT BYLAWS

ADOPTED JANUARY 30, 2023

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MORROW COUNTY HEALTH DISTRICT BYLAWS

ARTICLE 1 NAME, AUTHORITY, AND PRINCIPAL OFFICE

Section 1. Name

The name of this District shall be "Morrow County Health District."

Section 2. Authority

- (a) This District, having been established September 2, 1994, by an order of creation from the Morrow County Court of the State of Oregon as a health district under the provisions of Oregon Revised Statutes Chapter 440, and since said time having been operated thereunder, these Bylaws are adopted in conformance therewith and subject to the provisions thereof.
- (b) In the event of any conflict between these Bylaws and the Oregon Revised Statutes, the latter shall prevail. These Bylaws shall comply with all applicable federal, state and local laws and regulations. If any portion thereof is found to conflict with any local, state, or federal law or regulation, only that portion of the Bylaws shall be deemed null and void.
- (c) These Bylaws shall be known as the "District Bylaws."

Section 3. Principal Office

The principal office for the transaction of the business of the District shall be located in the state of Oregon. The Board of Directors may, at any time, change the location of the registered office within Oregon. This District may also have offices at more than one location in Oregon.

ARTICLE 2 POWERS AND PURPOSE

Section 1. Powers

- (a) This District has all powers necessary to carry out the purposes of ORS 440.315 through 440.410, including, but not limited to, the power:
 - (i) To provide directly or indirectly any physical or mental health related service.
 - (ii) To make any contract or agreement, to purchase and lease real and personal property, to enter into business arrangements or relationships with public or private entities and to create and participate fully in the operation of any business structure, including the development of business structures and arrangements for health care delivery systems and managed care plans.
 - (iii) To participate in community sponsored health screening, prevention, wellness, improvement or other activities that address the physical or mental health needs of district residents. Such participation may include clinical, financial, administrative, volunteer, or other support considered appropriate by the Board.

MORROW COUNTY HEALTH DISTRICT BYLAWS

- (iv) To perform any other acts that in the judgment of the Board are necessary or appropriate to accomplish the purposes of ORS 440.315 through 440.410.

Section 2. Purpose

- (a) The purpose of this District shall be in accordance with ORS 440.320 and may include, but is not limited to:
 - (i) To establish, maintain, and operate one or more health facilities or health services at any location within or without the territorial limits of the District for the benefit of the District and the people served by the District.
 - (ii) To acquire, maintain, and operate ambulances or ambulance services.
 - (iii) To establish, maintain, and operate, or provide assistance in the operation of health education programs, wellness and prevention programs, rehabilitation, aftercare, and such other health care services and organizations that are necessary for the maintenance of good physical and mental health in the communities served by the District.

ARTICLE 3 BOARD OF DIRECTORS

Section 1. Election

The election of Board members shall be conducted as provided by these District Bylaws and ORS Chapter 255.

Section 2. Positions

The Director positions shall be Position 1, Position 2, Position 3, Position 4, and Position 5.

Section 3. Qualifications

- (a) No person shall be elected or appointed to the Board unless such person meets the qualifications for office set forth in these Bylaws.
- (b) No person shall be eligible to be a Board member who is not at the time of election or appointment a legal resident of Morrow County and has been for at least one year.
- (c) Persons employed by Morrow County Health District are not eligible to serve on the Board during their employment.
- (d) If questions exist regarding the eligibility of any candidate, the Board shall obtain an opinion from legal counsel prior to swearing in such person.

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Section 4. Oath of Office

Each newly elected or appointed Board member shall take an oath of office at a Board meeting prior to assuming the duties of the position.

Section 5. Term

Except where the Board is filling a vacancy on the Board, terms of office shall begin on July 1 of years in which special district elections are permitted. Each Board member so elected shall serve for a term of four years.

Section 6. Vacancies

- (a) Vacancies on the Board shall be filled by appointment by a majority of the remaining members of the Board. If a majority of the membership of the Board is vacant, or if a majority cannot agree, the vacancies shall remain open until such a majority can be reached.
- (b) The period of service of a person appointed to fill a vacancy shall expire on the June 30 after the next regular District election at which a successor is elected. The successor shall be elected to serve the remainder, if any, of the term of the position for which the appointment was made. If the term for which the appointment was made expires June 30 after election of the successor, the successor shall be elected to a full term. In either case, the successor shall take office July 1 next following their election.

ARTICLE 4 BOARD POWERS AND RESPONSIBILITIES

Section 1. Powers

- (a) The Board of Directors shall be responsible for the oversight of all operations and affairs of the District and its facilities according to the best interests of the public health. The Board of Directors shall make and enforce all rules and regulations necessary for the administration, governance, protection, and maintenance of hospitals and other facilities under its jurisdiction.
- (b) Members of the Board of Directors shall and may exercise authority with respect to the District and its affairs only when acting as part of the Board of Directors and during Board of Directors' meetings or meetings of authorized committees of the Board of Directors, excepting the Chair of the Board of Directors, who is expected to confer with the District's Chief Executive Officer regarding Board of Directors' and committee agendas and other matters between scheduled meetings of the Board of Directors. As individuals, Directors may not commit the District to any agreement, act, or expenditure. Board Members do not have individual authority over hiring, discipline or other employee matters.
- (c) No individual Board member may speak for or act on behalf of the Board or District, except as authorized to do so by official Board action as recorded in the official minutes, guidelines or resolutions of the District.

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- (d) It is the policy of the Board of Directors to exercise those powers granted to it, and to carry out those duties assigned to it by law, in such a way as to best meet the needs of the District.
- (e) Board members act as representatives of the citizens of the District. Therefore, Board members shall adhere to the highest ethical standards in the conduct of District business.

Section 3. Subordinate Organizations

The Board shall, by resolution, create a Medical Staff and any other subordinate organizations or committees that it may deem necessary to carry out the purposes of the District. The Board may delegate certain powers to the Medical Staff and other subordinate organizations in accordance with their respective bylaws. All powers and functions not expressly delegated in the Medical Staff Bylaws are to be considered residual powers still vested in the Board of Directors. The District Bylaws shall override any provisions to the contrary in any bylaws, rules, regulations, or policies of any of the subordinate organizations. In case of conflict, the provisions of the District Bylaws shall prevail.

Section 4. Delineation of Board and CEO Responsibilities

- (a) The Board of Directors for the Morrow County Health District has direct responsibility only for the Chief Executive Officer (CEO). The CEO is delegated responsibility by the Board for the operation of the organization, the oversight of all staff, and for the oversight of the medical providers. In this role, the CEO will act within guidelines set by the Board.
- (b) The CEO shall not allow any organizational activity, circumstance, or decision that is unlawful, imprudent, or in violation of commonly accepted health care administration ethics and practices.
- (c) The CEO may not risk fiscal jeopardy or allow a material deviation of actual expenditures from the Board's priorities without prior discussion and approval from the Board.
- (d) All Board members will participate in a performance evaluation of the Chief Executive Officer (CEO) at least annually. The evaluation will take place during an executive session and will include the establishment of goals for the coming year that are mutually agreed upon between the Board and the CEO.

Section 5. Compliance Officer Direct Report

- (a) The District shall employ a Compliance Officer for the day-to-day administration and oversight of the District's Ethics and Compliance Program. The Compliance Officer shall make periodic reports directly to the Board regarding compliance matters and shall be authorized to report such matters to the Board at any time.
- (b) The Board will participate in the recruitment, hiring, and annual performance evaluation of the Compliance Officer.

ARTICLE 5
BOARD FIDUCIARY DUTIES

Section 1. Duty of Care

- (a) Board members must discharge their duties with the care an ordinary prudent person in a like position would exercise under similar circumstances in accordance with ORS 65.357. Board members must act with common sense and informed judgment.
 - (i) Active participation. Board members must actively participate in the management of the organization including attending periodic meetings of the Board, evaluating reports, reading minutes and reviewing the performance of the Chief Executive Officer.
 - (ii) Reasonable inquiry. Board members should request and receive sufficient information so that they may carry out their responsibilities as Directors.

Section 2. Duty of Loyalty

- (b) Board members have a duty to give their undivided loyalty to the District. Decisions regarding the District's funds and activities must promote the District's public purpose rather than private interest.
 - (i) Conflicts in general. While transactions between the District and individual Board members, their families, and businesses they own or operate should be avoided, they are not absolutely prohibited. Under certain circumstances, a contract or transaction between the District and a Board member in which the Board member has a material or financial interest is acceptable. However, if the transaction is challenged, the Board member will have the burden of establishing that the contract or transaction is fair and reasonable, that there was full disclosure of the conflict and that the contract or transaction was approved by the Board of Directors in good faith in accordance with ORS 65.361. The Board should only approve the transaction if it is clearly in the best interest of the District.
 - (ii) Written policy. The Board will observe the District's *Conflicts of Interest* policy. Board members will disclose financial interests and withdraw from discussion and voting when a conflict of interest arises. Any transactions benefiting a Board member may be approved only by a greater than majority vote. Board members will formally disclose any conflicts of interests or their business involvement with the District annually.
 - (iii) Loans. In general, the District may not lend money to an officer or director with one exception in which the law allows loans for executive relocation expenses under certain circumstances in accordance with ORS 65.364.
 - (iv) Corporate opportunity. Board members of the District are under a fiduciary obligation not to divert a corporate business opportunity for their personal gain. A Board

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member may not engage or benefit from a corporate opportunity that is available to and suitable for the District unless the District decides not to engage in the corporate opportunity and conflicts of interest procedures are followed.

Section 3. Duty of Obedience

Board members have a duty to follow the District's governing documents to carry out the District's mission and to ensure that funds are used for lawful purposes. Board members must comply with other state and federal laws that relate to the District and the way in which it conducts its business.

ARTICLE 6 BOARD OFFICERS

Section 1. Officers

- (a) The officers of this District shall be Chair, Vice Chair, Treasurer, and Secretary who shall be chosen by the Board of Directors.
- (b) There shall be a regular election of officers annually. Each officer so elected shall serve for a term of one year, provided that any officer may resign at any time or be removed by a majority vote of the Board at any regular or special meeting of the Board of Directors. In the event of a resignation or removal of an officer, the Board of Directors shall elect a successor to serve for the balance of that officer's unexpired term.
- (c) The Board of Directors may also establish additional officers if it desires, and prescribe their duties, qualifications and terms of service provided such terms may not extend past the next regular election of officers.

Section 2. Chair

- (a) The Board of Directors shall elect one of its members to act as Chair, as set forth in Section 1 of this Article, and if at any time the Chair shall be unable to act, the Vice Chair shall take the Chair's place and perform the Chair's duties. If the Vice Chair shall also be unable to act, the Board of Directors may appoint someone else to do so, in whom shall be vested, for the time being, all the functions and duties of the office of the Chair. The Chair, or officer acting as such, shall:
 - (i) Preside over all the meetings of the Board of Directors.
 - (ii) Call Special Meetings of the Board as described by the Oregon Public Meetings Law.
 - (iii) Consult with the CEO regarding the preparation of each Board meeting agenda.
 - (iv) Sign and execute in the name of the District all contracts and all other instruments in writing which have been authorized by the Board of Directors. The Board of Directors may, by resolution, designate any other person or persons to execute in the name of

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the District all contracts and all other instruments in writing which have been authorized by the Board of Directors.

- (v) Have the same right as other members of the Board to discuss and to vote on questions before the Board.

Section 3. Vice Chair

In the absence or inability of the Chair to serve, the Vice Chair shall perform the duties of the Chair. The Vice Chair shall have such titles, perform such other duties, and have such other powers as the Board of Directors shall designate from time to time.

Section 4. Treasurer

The Treasurer shall ensure that the CEO has assigned staff to keep correct and accurate accounts of the property and financial records and transactions of the District, and in general, supervise or perform all duties incident to the office of Treasurer and such other duties as may be prescribed by the Board of Directors or as required by law. All duties of the Treasurer will be delegated to the Chief Financial Officer.

Section 5. Secretary

The Secretary shall ensure that the CEO has assigned staff to keep the minutes of all meetings of the Board of Directors, send or cause to be sent appropriate notices and agendas for all meetings of the Board of Directors, and exercise such other powers and perform such other duties as may be prescribed by the Board of Directors or as required by law. All duties of the Secretary will be delegated to the CEO.

ARTICLE 7 BOARD MEETINGS

Section 1. Preparation for Board Meetings

- (a) The Agenda and any supplemental documents to be considered shall be given to each member at least twenty-four hours prior to any regularly scheduled Board meeting.
- (b) The proposed Agenda will simultaneously be distributed to local news media and posted at one or more locations convenient for review by District personnel and the public.

Section 2. Board Meeting Agenda

- (a) The CEO shall draft the Agenda after conferring with the Board Chair. The following general order shall be observed:
 - (i) Call to Order
 - (ii) Public Comments

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- (iii) Approval of Meeting Minutes
- (iv) CEO Report and Executive Team Dashboard
- (v) Consent Agenda
- (vi) New Business
- (vii) Old Business
- (viii) Executive Session
- (ix) Adjourn

Section 3. Notice of Meetings

- (b) Public notice shall be provided, reasonably calculated to give actual notice to interested persons including news media which have requested notice, of the time and place for all regular meetings in accordance with ORS 192.640. The notice shall include a list of the principal subjects anticipated to be considered at the meeting, but this requirement shall not limit the ability of a governing body to consider additional subjects.
- (c) If an executive session only will be held, the notice shall be given to the general public and to news media which have requested notice, stating the specific provision of law authorizing the executive session.
- (d) No special meeting shall be held without at least twenty-four hours' notice to the general public and to news media which have requested notice.
- (e) In case of an actual emergency, a meeting may be held upon such notice as is appropriate to the circumstances, but the minutes for such a meeting shall describe the emergency justifying less than twenty-four hours' notice.

Section 4. Location of Meetings

All meetings shall be held in accordance with ORS 192.630 and within the geographic boundaries of the District, except for training sessions held without any deliberative action. No meeting shall be held in any place where discrimination on the basis of race, creed, color, sex, age, national origin, or disability is practiced.

Section 5. Electronic Communications

- (a) Notice and opportunity for public access shall be provided when meetings are conducted by electronic means in accordance with ORS 192.670.

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- (i) For nonexecutive session meetings held by telephone or other electronic means of communication, the public shall be provided at least one place where individuals may listen to the meeting by speakers or other devices upon request. In the alternative, the public may be provided with the access code or other means to attend the meeting using electronic means.
- (ii) The media shall be provided access to a listening location whenever executive sessions are conducted electronically upon request, unless such executive sessions are exempt from media attendance pursuant to the Public Meetings Law. In the alternative, the media may be provided with the access code or other means to attend the meeting using electronic means.

Section 6. Accommodations for the Hearing Impaired

- (a) The District shall provide interpreters for the hearing impaired at Board meetings, in accordance with the following rules:
 - (i) The District shall make a good faith effort to have an interpreter for hearing impaired persons provided at any regularly scheduled meeting if the person requesting the interpreter has given the District at least forty-eight hours' notice of the request, provided the name of the requester, the requester's sign language preference, and any other relevant information which the District may require.
 - (ii) If a meeting is held upon less than forty-eight hours' notice, the District shall make reasonable efforts to have an interpreter present.
 - (iii) The requirement for an interpreter does not apply to emergency meetings.
 - (iv) The Chief Executive Officer shall have the responsibility for making the required good faith effort to arrange for attendance of an interpreter at any meeting for which an interpreter is requested.

Section 8. Board Meeting Conduct

- (a) All meetings shall be conducted in accordance with the Oregon Public Meetings Law.
- (b) Presiding officer. The Chair shall preside at Board meetings. In the Chair's absence, the Vice Chair shall preside. If both the Chair and Vice Chair are absent, the Board shall select one of the attending Board members to preside.
- (c) Authority to conduct meetings. The Chair or other presiding officer at any Board meeting shall have full authority to conduct the meeting. Meetings shall be conducted in such a manner as to provide a full and fair opportunity for discussion of the issues in an efficient and timely manner. Any decision of the Chair or other presiding officer at the meeting may be overridden by a majority vote of the Board.

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- (d) Public participation. If public participation is to be a part of the meeting, the presiding officer may regulate the order and length of appearances, and limit appearances to presentations of relevant points. Persons failing to comply with the reasonable rules of conduct outlined by the presiding officer, or causing any disturbance, may be asked or required to leave. Failure to do so, such persons becomes trespassers.
- (e) Electronic equipment. The authority to control the meetings of the Board extends to control over equipment such as cameras, tape recorders, and microphones. The presiding officer shall inform persons attending any meeting of the Board of reasonable rules necessary to assure an orderly and safe meeting. The physical comfort and safety of members of the Board and the public attending the meeting shall be of primary concern in formulating such rules.
- (f) Recording of votes. Votes shall be recorded. Any member may request that their vote be changed, if such request is made prior to consideration of the next order of business.
- (g) Quorum requisites. Three Board members shall constitute a quorum. If only a quorum is present, a unanimous vote shall be required to take final action.
- (h) Vote explanations. Members of the Board may append to the record, at the time of voting, a statement indicating either the reason for their vote or abstention.
- (i) Conflicts of interest. In the event of a conflict of interest, a member of the Board shall declare such conflict and abstain from voting. In the event any member of the Board has had any ex parte contact regarding a matter, the member shall declare such contact prior to participating in any vote on the matter. An ex parte communication occurs when a Board member in a quasi-judicial proceeding communicates, directly or indirectly, with any person or party in connection with a matter before the Board, absent of notice and opportunity for all parties to participate. The term ex parte literally means "one-sided."

Section 9. Executive Sessions

- (a) Executive sessions shall be held only for the purposes described in ORS 192.660.
- (b) The Board shall not take any votes during any executive session, nor make any final decisions during any executive session. This policy, however, shall not prohibit full discussion of Board members views during executive sessions.
- (c) The Chair or other presiding officer shall announce the statutory authority for the executive session before going into closed session. Once the executive session has been convened, the Chair shall direct any representatives of the news media who are present not to report certain specified information from the executive session.
- (d) Board members, staff and other persons present shall not discuss or disclose executive session proceedings outside of the executive session without prior authorization of the Board as a whole.

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Section 10. Meeting Minutes

- (a) The Board shall keep written minutes of all of its meetings in accordance with the requirements of ORS 192.650. Minutes of public meetings shall include at least the following information:
 - (i) All members of the Board present.
 - (ii) All motions, proposals, resolutions, orders, ordinances and measures proposed and their disposition.
 - (iii) Results of all votes.
 - (iv) The substance of any discussion on any matter.
 - (v) Subject to ORS 192.445 - 192.502 relating to public records, a reference to any document discussed at the meeting.
- (b) Minutes of executive sessions shall be kept separately from minutes of public meetings. Minutes of executive sessions may be kept in writing, in the same manner as minutes of public sessions.

ARTICLE 8 DISCLOSURE AND RETENTION OF MINUTES

Section 1. Disclosure

- (a) Written minutes of public sessions shall be made available to the public within a reasonable time after the meeting in accordance with ORS 192.650.
- (b) If disclosure of material in the executive session minutes would be inconsistent with the purpose for which the executive session was held, the material may be withheld from disclosure. No executive session minutes may be disclosed without prior authorization of the Board and in accordance with ORS 192.650.

Section 2. Retention

Any written minutes of public Board meetings or executive sessions shall be retained by the District until such time as their disposal is authorized by the State Archivist pursuant to ORS 192.105.



MORROW COUNTY HEALTH DISTRICT

Excellence in Healthcare

Strategic Plan

2023 - 2025

Mission

Bring essential health services to our rural communities that meet the unique needs of the people we serve.

Vision

Be the first choice for quality, compassionate care, and lead the way in promoting wellness and improving health in our communities.

Values

Integrity encompassing honesty and consistently adhering to the principles of professionalism and accountability with our patients, fellow employees, and community partners; integrity is at the heart of everything we do

Compassion being motivated with a desire to assist patients and staff with empathy and kindness and committed to going the extra mile to ensure patients and staff feel comfortable and welcomed

Quality creating standards of performance that surpass ordinary expectations; we want to make this the place where patients want to come, our providers want to practice, and people want to work

Respect recognizing and valuing the dignity and uniqueness of everyone; respect creates a work environment based on teamwork, encouragement, trust, concern, honesty, and responsive communication among all employees and our patients

Financial Responsibility being good stewards of public funds; always considering whether expenditures are in the best interests of patients and the community; ensuring financial sustainability for the future

OVERVIEW

Morrow County Health District (MCHD) is a non-profit, special district formed in 1995 to meet the healthcare needs of Morrow County residents.



Pioneer Memorial Hospital & Nursing Facility

Opened in 1950, PMH is a 21-bed critical access hospital located in Heppner, Oregon. PMH has an emergency department, inpatient and acute care, imaging services, laboratory, therapies, and a swing bed program that provides skilled-nursing for both short-term and long-term care needs. PMH’s critical access designation allows MCHD to receive enhanced funding to support the provision of other healthcare services.



Boardman Immediate Care

Located in Boardman Oregon, BIC provides immediate care and occupational health services as a mobile extension of Irrigon Medical Clinic.



Lone Community Clinic

Both a school-based health center and rural health clinic, the Lone Community Clinic serves the needs of lone and the surrounding area. ICC operates as a partnership between Morrow County Health District, Morrow County Public Health, Lone School District, and Community Counseling Solutions.



Irrigon Medical Clinic

Located in Irrigon, Oregon, IMC is a rural health clinic offering primary care, same day appointments, and occupational health services.



Pioneer Memorial Clinic

PMC is a rural health clinic offering primary care, same day appointments, and occupational health services in Heppner, Oregon.



Home Health & Hospice

MCHD provides home care and hospice services throughout Morrow and Gilliam counties.



Ambulance Service

MCHD provides ambulance service to all of Morrow County with ambulances dispatching from Boardman, Heppner, Lone, and Irrigon. Quick response teams dispatch from Lexington and Lone.



Community Care

To provide the best care, MCHD actively partners with other local healthcare entities through the Morrow County Community Health Improvement Partnership and through more formal arrangements, such as contracting medical provider time to Morrow County Public Health.

STRATEGIC PRIORITIES

Adult Care Home



OBJECTIVE

Open a 5-bed adult care home in Boardman, Oregon for seniors and people with disabilities.

BACKGROUND

There are currently no assisted living options for seniors in Boardman, Oregon. With the current population in Boardman and the proximity of assisted living resources in the area, it is unlikely that a full assisted living facility would be financially feasible. An adult care home can provide the same level of care as an assisted living facility on a smaller scale in a more home-like environment. Adult care homes are licensed through the Oregon Department of Human Services.

OUTCOMES

- ❖ Increase access to assisted living options for seniors in Boardman and surrounding area
- ❖ Provide high-quality care to seniors and people with disabilities to support safety and independence
- ❖ Foster a caring, home-like environment

Irrigon Ambulance Hall



OBJECTIVE

Construct a new ambulance hall in Irrigon, Oregon.

BACKGROUND

MCHD currently has \$363,378 set aside for a new ambulance hall. MCHD's ambulance service in Irrigon is co-located with Irrigon Rural Fire Protection District. MCHD and IRFPD are exploring options for the ambulance service and fire department to remain co-located in a new building on the existing lot. This objective is expected to continue into the next strategic planning period.

OUTCOMES

- ❖ Partner with Irrigon Rural Fire Protection District on plans for a new building
- ❖ Explore funding options

Occupational Medicine Services



OBJECTIVE

Expand the array of occupational medicine services available at all outpatient District locations.

BACKGROUND

MCHD currently provides basic occupational health services at all outpatient locations. With the addition of Boardman Immediate Care and an occupational health registered nurse, MCHD will be able to expand the availability of occupational medicine services to meet the needs of employers across Morrow County.

OUTCOMES

- ❖ Increase availability of occupational medicine services for businesses in Morrow County

Boardman Immediate Care Expansion



OBJECTIVE

Remodel MCHD's building in Boardman, Oregon to house Boardman Immediate Care. The expansion will include four exam rooms with offices for providers and administrative staff.

BACKGROUND

In October of 2022, MCHD began providing immediate care and occupational medicine services in Boardman from a mobile clinic. This mobile clinic operates as a satellite location of Irrigon Medical Clinic. This model allowed MCHD to quickly begin providing services that were discontinued by another provider in the area, however, the mobile unit is not large enough to meet the needs of the community long-term.

OUTCOMES

- ❖ Develop space for additional medical providers in Boardman
- ❖ Increase availability of occupational medicine services for local businesses
- ❖ Complete the certification for Boardman Immediate Care to become a hospital-based Rural Health Clinic

Service Excellence



OBJECTIVE

Become the provider and employer of choice by intentionally focusing on improving patient satisfaction and employee engagement scores.

BACKGROUND

MCHD initiated a 3-year service excellence initiative in 2022 with the expectation that improvements will become hard-wired into the organizational culture.

OUTCOMES

- ❖ Improved patient satisfaction scores
- ❖ Improved employee recruitment, engagement, and retention

CPR & First Aid Training



OBJECTIVE

Offer regular CPR and First Aid training to the community in partnership with other local entities.

BACKGROUND

CPR saves lives, but skills can fade over time, so it is important for the community to have ready access to CPR training. MCHD is increasing the number of staff that are able to teach CPR and First Aid in an effort to make this training more widely available to businesses, schools, families, and others.

OUTCOMES

- ❖ Increase local knowledge of CPR and First Aid
- ❖ Increase access to low-cost and free CPR and First Aid training

Financial Sustainability



OBJECTIVE

Keep financial sustainability at the forefront for leadership and the board of directors throughout the strategic plan period. The plan includes significant growth, which will better provide for the healthcare needs of Morrow County, but which must always be considered through the lens of financial responsibility.

BACKGROUND

MCHD has identified two key priorities to enhance financial sustainability throughout this plan period:

- ❖ Meet productivity benchmarks at outpatient locations.
- ❖ Ensure passage of the District's local option tax levy, which expires on June 30, 2024.

OUTCOMES

- ❖ MCHD will continue to grow in a responsible and sustainable manner



Community Partnerships

OBJECTIVE

Focus on enhancing partnerships with local entities through participation in local groups and initiatives such as the Morrow County Community Health Improvement Partnership.

BACKGROUND

Partnerships are essential to rural health services, expanding the resources, knowledge, expertise, and support available to address specific issues. Additionally, with limited resources, it is important to support existing services and avoid duplication where possible.

OUTCOMES

- ❖ Contribute to the 2024 Morrow County Community Health Needs Assessment
- ❖ Enhance collaboration with community partners
- ❖ Support healthcare partners to meet the needs of the community



**MORROW COUNTY
HEALTH DISTRICT**
Excellence in Healthcare

PO Box 9, Heppner, OR 97836

www.morrowcountyhealthdistrict.org

community@mocohd.org

541-676-9133

SEP 2 10 20 AM '94

IN THE COUNTY COURT OF THE STATE OF OREGON

FOR MORROW COUNTY

BARBARA BLOODSWORTH
MORROW COUNTY CLERK

BY *Barbara Bloodworth*

In the matter of Ordering the)
Creation of a Health District)
in Morrow County, Oregon.....)

ORDER
No. 0-26-94

This matter coming before the Morrow County Court on September 2, 1994 for hearing, and due notice having been given and final hearing held on the question of formation of the Morrow County Health District; and

Whereas, the Court finds that formation of the above-described district is in the best interests of the people of Morrow County and that all procedures required prior to formation have been duly and lawfully taken;

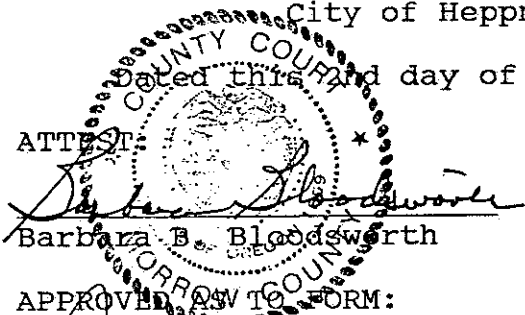
NOW THEREFORE, the Court Orders as follows:

1. That a health district including all of the territory within the boundaries of Morrow County be, and hereby is, created.
2. The name of the district shall be "The Morrow County Health District".
3. The district is formed with no tax base.
4. The district shall be governed by a Board of Directors consisting of five (5) members each of which shall be elected from and by a zone of the district, such zones to be of equal population.
5. The initial zones of the district shall be:
 - Zone 1: ~~This~~ City of Irrigon;
 - Zone 2: The City of Boardman;
 - Zone 3: That area of voting precincts #1 and #2 (Boardman) which lies outside the City of Boardman and that area of voting precincts #5 and #6 (Irrigon) which lies outside the City of Irrigon;

- Zone 4: That area comprising the Ione and Lexington voting precincts and those portions of the Heppner voting precincts which lie north and west of the City of Heppner;
- Zone 5: The City of Heppner together with the area of the County which lies south and east of the City of Heppner.

Dated this 2nd day of September, 1994.

ATTEST:



Barbara B. Bloodsworth
 Barbara B. Bloodsworth

APPROVED AS TO FORM:

Patrick B. Roberts
 Patrick B. Roberts
 County Counsel

Louis A. Carlson
 Louis A. Carlson, Judge

R. J. French
 R. J. French, Commissioner

Donald C. J. McElligott
 Donald C. J. McElligott, Commissioner

INTERGOVERNMENTAL AGREEMENT

Between

MORROW COUNTY HEALTH DISTRICT

and

MORROW COUNTY

This Agreement is executed as of July 1, 1995, by and between the MORROW COUNTY HEALTH DISTRICT, a political subdivision of the State of Oregon (District), and MORROW COUNTY, a political subdivision of the State of Oregon, (County),

WITNESSETH:

That the Morrow County Health District was formed on September 2, 1994 as a Health District pursuant to ORS Chapter 440 for the purpose of assuming and administering the Exhibit A services currently provided by County; and

That District has adopted a budget to provide for the Exhibit A services, commencing July 1, 1995; County has eliminated such funding from the County budget, also effective July 1, 1995; and

That it is the intention of the people of Morrow County to transfer all fiscal and performance responsibility for the Exhibit A services from Morrow County to District, effective July 1, 1995; and

That Morrow County has transferred to District all real property comprising medical and health facilities which County owns or holds an interest in to District, effective July 1, 1995 in order to carry out the intent of the people of Morrow County; and

That the purpose of this Agreement is to transfer from County to District all other assets owned by County necessary to the purposes of providing the Exhibit A services, which assets are described in Exhibit B, effective July 1, 1995.

NOW THEREFORE, the parties are agreed as follows:

1. That County shall, and hereby does, transfer to District all assets described in the attached Exhibit B, effective July 1, 1995. Such Exhibit is intended to include all personal property owned by County and used in the performance or provision of health services, except Public Health Department Services and Mental Health services. Such property includes, but is not limited to, supplies, equipment, material, cash on hand, accounts receivable, contract rights and uncollected delinquent property taxes. "Uncollected delinquent property taxes" does not include any amount payable by reason of unpaid property taxes which has been designated as, or ordered to be paid as, other than delinquent taxes by a court of competent jurisdiction.

2. District shall indemnify, defend, and hold County harmless from any and all claims, damages, suits or actions for injuries to persons or property which may arise as the result of performance of the Exhibit A services, whether performed prior to transfer of assets and responsibilities to District, or thereafter. District shall obtain and maintain liability insurance sufficient to protect itself and County, as an additional named insured, including the officers, directors, and employees of both parties, from all such claims, damages, suits or actions.

3. District shall be assigned County's interest, and shall assume all outstanding contract rights and responsibilities associated with the operation and maintenance of facilities, the acquisition of materials and supplies, the provision of services, and employment-related matters, all effective July 1, 1995.

4. The employees of County who currently provide the services transferred to District effective July 1, 1995, shall also be transferred to District effective July 1, 1995.

5. Any dispute arising between the parties under this Agreement shall be resolved by arbitration pursuant to the rules of the American Arbitration Association. Each party shall select an arbitrator and the two arbitrators selected by the parties shall select a third arbitrator. Alternatively, the parties may agree to

engage a single arbitrator approved by both parties. The decision of the arbitrator(s) shall be final and binding on the parties. Prior to any arbitration required by this paragraph, the parties shall conduct formal mediation by selecting an agreed-upon mediator and participating in good faith in mediation sessions as directed by such mediator. The costs of arbitration and mediation required above shall be shared equally by the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the 1st day of July, 1995.

Morrow County Health
District

By: Carol Osmin
Board Chairperson

By: Robert McKinley
Board Secretary

APPROVED AS TO FORM:

Counsel for the Board

Morrow County Court

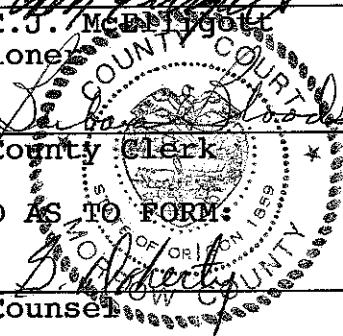
Louis A. Carlson
Louis A. Carlson, Judge

R.J. French
R.J. French, Commissioner

Donald C.J. McElroy
Donald C.J. McElroy,
Commissioner

ATTEST: Deborah Goodsworth
County Clerk

APPROVED AS TO FORM:
Valerie B. Roberts
County Counsel



*Morrow County Health District
Medical Services*

Pioneer Memorial Hospital -- is a 12-bed, acute care, inpatient facility with a cardiac care unit, located in Heppner. In addition to the acute care services, the hospital is licensed to provide skilled nursing care under the Medicare/Medicaid Swing-Bed Program. Outpatient services include emergency, physical therapy, radiology, and laboratory services. PMH is designated an Oregon Trauma Level IV facility. This designation requires many upgrades in the delivery of emergency care for trauma victims and greatly improves chances for trauma survival in a rural area.

Pioneer Memorial Nursing Home -- is a 32-bed intermediate care nursing facility, located in Heppner. Twenty-four hour nursing care, physical therapy, social services, and a diverse activities program are among the many services offered to enhance the quality of life residents enjoy.

Pioneer Memorial Clinic -- is a primary care clinic staffed by Drs. Edward and Jeanne Berretta. Both physicians specialize in family practice. Dr. Jeanne Berretta also specialized in Geriatrics. The clinic is located in Heppner.

Pioneer Memorial Home Health -- serves Morrow, Gilliam, and Northern Wheeler Counties. The agency provides intermittent home care, under the direction of a physician, for those with confining illnesses or who are recuperating from a stay in a medical facility.

Boardman Health Care Center -- a primary care clinic with minor trauma capabilities, is operated by Dr. Robert Boss, who specializes in Internal and Occupational Medicine. Physician Assistant Tony Carabba provides patient care under the supervision of Dr. Boss. The clinic is located in Boardman.

Boardman Dental Office -- is staffed by Dr. T. Blair Smith and provides services in the Boardman/Irrigon area two to three days per week.

Heppner Dental Office -- Dr. T. Blair Smith offers dental care to patients in the Heppner/Lexington/Ione area two to three days per week.

Morrow County Emergency Medical Services -- consists of three ambulance services, one in Boardman, one in Heppner, and the other in Irrigon. First response units are located in Ione and Lexington and are called to stabilize victims until Basic or Advance Life Support ambulance crews arrive to treat and transport patients. Call 911.

**MORROW COUNTY MEDICAL FUND
ASSETS AS OF MAY 31, 1995**

<u>ASSET NO.</u>	<u>PROPERTY DESCRIPTION</u>	<u>PURCHASE DATE</u>	<u>LIFE</u>	<u>ACQUISITION COST</u>
	LAND	1959	N/A	4,436.02
	AUDIT ADJ. LAND RECEIVED FM MORROW COUNTY	1989	N/A	28,818.00
	B. DENTAL CLINIC LAND	1994	N/A	5,000.00
121	MONITER SYSTEM W/ 4 TELEMETRY TRANSMITTERS	1989	60	14,964.50
130	O2 SUCTION SYSTEM	1990	240	46,796.83
128	MEDICAL CART	1990	120	1,632.00
122	RECORDING THERMOMETER/MONITOR	1989	60	740.94
133	O2 SYSTEM REGULATOR ASSEMBLY	1992	240	1,835.78
9	PATIENT MOBILIZER	1989	120	14,930.00
6	HEART MONITER SYSTEM	1989	120	8,210.77
2	ELECTRIC BEDS (6)	1986	180	11,104.00
16	INFUSION PUMPS	1992	120	3,711.26
8	LIFE CASE PUMP/POLES	1989	120	2,220.00
3	CARTS	1986	120	1,841.10
340	WINDOW AIR CONDITIONER	1994	60	449.99
341	WINDOW AIR CONDITIONER	1994	60	449.99
342	WINDOW AIR CONDITIONER	1994	60	449.99
343	WINDOW AIR CONDITIONER	1994	60	449.99
344	WINDOW AIR CONDITIONER	1994	60	449.99
1	HI - LO BEDS, BED RAILS & LIGHTS	1974	360	2,012.44
10	MED CARD HEAT SEALER W/ MED CARDS	1989	120	545.00
7	TELEVISION	1989	120	259.99
28	SURGERY CABINET, ANESTESIA EQUIP.	1975	240	491.32
27	ANESTESIA CART	1975	360	121.65
4	LIFESTAT 200 BLOOD PRESSURE MONITORS	1986	84	2,585.16
5	DEFIBRILATOR	1986	96	200.00
11	HUDSON OXYGEN ANALYZER	1965	360	175.00
237	SEE DEPR BOOK	1973	240	2,017.50
84	HON(?) CHAIRS	1990	120	3,107.00
79	ICE MAKER/DISPENSER	1989	120	500.00
349	OAK TRIM FOR PT ROOMS & HALLWAY	1995	180	1,089.09
129	CUBICLE CURTINS	1990	60	6,170.25
103	ALARM SYSTEM	1986	180	288.00
101	TUB LIFT	1984	120	2,455.13
252	PC System for N.H.	1993	60	6,350.00
254	PC (486/33MHZ) w/ 4100m controller for computer system	1993	60	4,174.00
26	DINING SROOM TABLE & CHAIRS	1991	180	3,058.00
24	MICROWAVE, WHEEL CHAIR	1986	120	753.27
22	WHEELCHAIR	1986	120	615.67
23	RECLINER CHAIR	1986	180	904.10
25	ICE MACHINE	1987	120	400.00
21	DESK, CABNET	1974	240	187.90
18	WARDROBE	1968	360	275.77
71	PICTURE FRAMES	1974	480	110.50
19	WARDROBE	1970	360	67.76
20	HANDRAILS	1970	360	56.32
17	WARDROBE	1967	360	56.25
70	MAPLE TABLE & CHAIRS	1974	20	231.95
78	PAINO & WHEELCHAIR	1988	60	575.00
276	N.H. Project - Furniture	1993	180	3,129.00
364	486-DX2 CPU	1995	60	789.25
324	QUEEN ANNE CHAIR	1994	60	140.00
30	MARQUETTE EKG	1990	96	8,671.22
34	SIGMOIDOSCOPE	1992	60	4,626.88
294	BLOOD WARMER	1994	96	3,338.05
33	BLANKET WARMER	1992	180	4,449.50
29	INFUSION PUMP	1991	120	1,857.07
32	CART	1990	120	1,218.37
355	HP VECTRA PC W/ 560C PRINTER	1995	60	3,411.97
31	HYDRO COLATOR	1990	120	400.00
53	1992 CHEVROLET AMBULANCE	1992	48	74,335.00
274	Ford BLS Ambulance (Van)	1993	48	7,500.00
52	LIFE PAK 300 & LIFE PAK 9	1992	84	11,164.95
49	LIFE PAK 5	1988	96	8,814.24
204	LIFE PAC 300 DEFIBRULATOR	1992	84	6,743.07
330	EMS COORDINATOR AUTO	1994	48	2,300.00
50	13 PAGERS, 6 CHANNEL RADIO	1989	120	3,889.67
363	Pulse Oximeter, Portable (2)	1995	120	1,264.21
51	RESCUE ANNIE	1991	120	793.70

ASSET NO.	PROPERTY DESCRIPTION	PURCHASE	LIFE	ACQUISITION
		DATE		COST
86	10 PAGERS	1990	60	2,500.00
307	VITAL SIGN MONITOR	1994	60	2,420.00
239	KEYPAD ENCODERS (2)	1992	60	664.00
195	AMBULANCE BUILDING	1989	300	91,437.60
197	LIFE PAC 300 DEFIBRULATOR	1992	84	6,743.06
198	HT 600 PORTABLE RADIO	1992	60	985.00
196	AUDIT ADJUST (MORROW CO. FUNDS)	1988	60	15,607.00
199	ADD'N TO IRRIGON FIRE HOUSE RESCUE VEHICLE	1989	180	15,348.00
335	LIFE PAK 300	1994	96	6,751.40
200	1989 FORD F350 4 X 4 CHASSIS	1989	48	20,000.00
202	LEASE OBLIGATION	1989	48	45,862.96
201	PAGERS/MONITERS (7)	1989	48	2,093.00
209	PAGERS & RADIO COMPONENTS	1992	60	12,019.45
205	BASE RADIO	1989	120	1,881.90
207	INSTALLATION	1989	120	1,500.00
208	RADIOS & PAGERS	1990	60	488.00
206	6 PAGERS & CHARGERS	1989	120	651.50
203	6 PAGERS & CHARGERS	1989	120	1,900.90
308	PARKING BLOCKS	1994	120	568.00
244	Clinic Addition (Clinic Portion)(see 244a&b also)	1993	300	142,628.69
293	WALKWAY HANDRAILS	1994	180	4,496.41
306	CABINETS	1994	180	1,118.60
175	SIGN	1989	120	560.00
333	H.CLINIC FINAL WORK ON ADDN	1994	300	922.21
159	Architect Fees (1992)	1992	300	500.00
322a	AT&T PHONE SYSTEM (Also see 322a&b)	1994	120	2,937.15
268	Clinic Software	1993	60	13,496.13
269	Clinic PC	1993	60	1,299.99
271	Clinic Furnishings - Fiber Optic Lights	1993	120	2,405.54
278	Exam Tables	1993	180	2,098.00
297	PYROMETER	1994	60	515.90
347	PANASONIC FAX MACHINE	1995	60	995.00
270	HP Desk Jet 500	1993	60	419.12
267	Exam Tables (2)	1993	180	500.00
298	EXAM ROOM STOOL	1994	180	197.06
162	MISC EQUIPMENT	1988	120	5,042.23
89	CONICA COPIER	1990	60	2,471.00
163	TELEPHONE	1988	120	3,622.25
279	Clinic Furnishings	1993	180	3,812.52
167	SINGLE CHANNEL ECG	1989	120	1,850.00
165	3 EXAM TABLES	1988	180	2,400.00
171	TYMPANOMETER	1990	120	1,495.00
161	CRYO SURG	1988	120	1,360.00
82	CHAIRS	1990	60	658.00
315	MUSIC SYSTEM	1994	60	631.94
281	Blood Pressure Cuff	1993	60	544.00
168	TABLE	1989	120	800.00
280	Clinic Xray Viewer	1993	96	598.00
164	AUTOCLAVE	1988	180	1,116.25
172	STACKING CHAIRS	1989	120	684.00
174	TRACK SYSTEM	1989	120	461.58
173	OPEN SHELF FILE	1989	120	454.55
169	CHARGER UNIT	1989	120	403.60
170	THERMOMETER KIT	1989	120	320.00
166	XRAY VIEWER	1989	120	257.62
240	FAX MACHINE	1991	36	965.00
359	PAVE B. CLINIC PARKING LOT	1995	120	6,410.00
179	LANDSCAPE IMPROVEMENTS	1992	120	1,463.60
176	CLINIC BUILDING - Boardman	1989	480	95,893.00
245	New Roof "	1993	120	19,177.20
177	BUILDING ADD'N "	1992	240	29,710.00
180	AIR CONDITIONER	1992	60	3,700.00
178	INTERIOR REMODEL	1992	180	9,320.12
247	Security System	1993	120	1,228.00
182	WINDOW BLINDS	1989	120	533.70
186	1989 AUDIT TRANSFER OF ASSET VALUE	1989	96	27,657.00
275	Blood Chem Analyzer	1993	96	10,650.00
188	CENTRIFUGE	1990	120	9,130.00
189	XRAY PROCESSOR	1991	96	6,800.00
187	HEMATOLOGY SYSTEM	1990	120	7,620.00
192	PC COMPUTER SYSTEM	1992	60	2,799.00
194	FAX MACHINE	1992	60	1,795.00
191	DOSEMETER	1992	84	1,100.00

ASSET NO.	PROPERTY DESCRIPTION	PURCHASE DATE	LIFE	ACQUISITION COST
190	WASHER & DRYER	1992	96	832.00
184	1988 AUDIT TRANSFER OF ASSET VALUE	1989	60	325.00
367	2 EXAM TABLES W/ STOOLS	1995	180	3,067.44
185	1989 AUDIT TRANSFER OF ASSET VALUE	1989	84	9,448.00
181	SPACEFINDER UNIT	1989	120	759.57
193	INCLINOMETER	1992	60	116.50
183	MICROWAVE OVEN	1989	120	81.66
326	OPERATIVE CHAIR	1994	120	6,496.00
246	FIXED EQUIP PORTION OF	1994	120	5,000.00
325	MAJ MOV PORTION	1994	60	25,000.00
313	HARDWARE COMPUTER SYSTEM	1994	60	4,191.30
319	SOFTWARE PACKAGE	1994	60	3,790.00
318	SCHEDULER (SOFTWARE)	1994	60	600.00
327	GOODWILL	1994	120	40,000.00
309	LAND IMPROVEMENTS	1994	120	5,000.00
310	BLDG & IMPROV. PORTION	1994	240	67,600.00
311	FIXED EQUIP PORTION	1994	60	2,500.00
328	PHONE SYSTEM	1994	60	510.00
314	HARDWARE COMPUTER SYSTEM	1994	60	4,191.30
312	MAJ MOV PORTION	1994	60	4,000.00
320	SOFTWARE PACKAGE	1994	60	3,790.00
316	COPY MACHINE	1994	60	1,445.00
317	SCHEDULER (SOFTWARE)	1994	60	600.00
244A	CLINIC ADDN (HHA PORTION)	1993	300	95,085.80
322A	AT&T PHONE SYSTEM (Also see 322&322B)	1994	120	1,958.10
292	ROOM DIVIDERS	1994	60	2,388.93
253	Hams Software for HHA	1993	60	12,055.75
160	1988 AUDIT TRANSFER OF ASSET VALUE (HHA)	1988	120	4,000.00
295	BOOKCASE & CHAIRS	1994	60	1,535.50
329	PC SYSTEM	1994	60	1,411.86
299	DESK & HUTCH	1994	60	1,177.63
300	DESK	1994	60	1,024.00
357	LAB RENOVATION PROJECT	1995	120	10,061.61
47	NOVA ANALYZER	1990	120	29,196.00
255	Hematology Machine	1993	96	18,132.25
45	BLOOD GAS, COAG. MACHINE	1987	120	10,635.50
44	ANALYZER, REFRIGERATOR	1986	120	7,049.47
43	HEMOTOLOGY ANALYZER	1985	120	6,995.00
48	OXIMETER	1991	120	1,994.71
256	Blood Gas Analyzer component	1993	96	897.60
336	FUME HOOD	1994	180	1,147.07
42	TABLE TOP CENTRIFUGE	1984	120	1,880.00
46	USED CHEMISTRY SYSTEM	1989	60	24,950.00
69	XRAY TUBE	1992	96	6,400.00
67	FILM DUPLICATOR	1988	120	578.27
334	XRAY FILM FILING UNIT	1994	180	584.46
365	REFIRBISHED XRAY MACHINE PROJECT	1995	96	106,044.22
65	DARK ROOM WORK	1980	240	765.76
66	SHELVING	1986	240	363.68
360	DENSITOMETER W/ ELIMATOR, MODEL 331	1995	60	678.00
361	SENSITOMETER	1995	60	600.02
68	PORTABLE XRAY MACHINE	1992	96	21,975.00
83	XRAY EQUIP. (GRID & CAPS)	1990	96	1,433.50
80	SILVER RECOVERY EQUIPMENT	1989	120	417.78
14	PEDS TENT	1991	96	2,675.61
15	SPIROMETER	1990	120	3,195.00
12	OXYGEN HUMIDIFIER HEAD	1966	360	315.00
13	SPIROMETER	1989	60	3,000.00
244B	CLINIC ADDN (P.T. PORTION)	1993	300	47,542.89
302	WIRING	1994	120	823.52
322B	AT&T PHONE SYSTEM (Also see 322&322A)	1994	120	979.04
248	Whirlpool for P.T.	1993	120	3,067.00
321	TRACTION DEVICE	1994	60	1,300.00
338	ICE PACK MACHINE	1994	120	1,889.00
258	Ice Pack Cooler for PT	1993	120	875.00
257	Treadmill	1993	96	699.99
332	WEIGHT MACHINE	1994	120	599.77
356	REMODEL DINING ROOM	1995	120	1,988.26
151	KITCHEN HOOD	1990	180	6,450.67
249	Gas Stove & Installation of	1993	120	2,472.70
104	FREEZER	1987	120	2,000.00
58	FREEZER	1988	120	1,437.37
59	PIE CASE	1989	120	1,095.00

ASSET NO.	PROPERTY DESCRIPTION	PURCHASE DATE	LIFE	ACQUISITION COST
118	ICE MACHINE	1988	120	1,087.50
119	DISHWASHER	1989	120	900.00
100	KITCHEN DOORS	1983	180	1,164.00
57	STOVE DOWNPAYMENT & RANGE	1977	240	1,464.00
61	21 CU. FT. FREEZER	1992	120	699.99
56	BAKER'S TABLE	1975	240	919.65
55	METAL PANTRY SHELVES	1974	240	335.55
54	OVEN	1973	240	975.00
352	FOOD PROCESSOR	1995	60	666.79
60	PELLETT SYSTEM	1990	120	5,791.11
88	GARBAGE DISPOSAL	1990	60	532.04
131	WASHING MACHINE	1990	120	7,984.48
106	WASHER & DRYER	1988	120	2,646.83
102	WATER HEATER (LAUNDRY)	1985	180	972.41
120	WASHER PAD	1988	120	413.12
81	WATER BUCKETS W/ CONE WRINGERS (3)	1989	120	395.00
211	PARKING LOT, GRUARD RAIL, ETC.	1958	480	1,807.95
348	HOSP PARKING LOT PAVING	1995	120	5,940.00
149	SIGNS	1989	120	175.00
210	GUARD RAIL	1956	480	98.07
238	SEWER SYSTEM	1953	480	718.00
229	CLINIC ADD'N, FLOORING IN OR	1981	360	290,475.90
213	NEW WING OF HOSPITAL	1955	480	160,917.00
148	ROOFING	1989	120	17,498.43
231	WIRING UPGRADE, NH NURSES STATION RENOVATION	1985	240	20,480.16
235	NH UPGRADE PROJECT (WIRING, SHEETROCK, PLUMBING)	1992	180	14,998.88
143	N.H. FLOOR	1986	120	9,123.87
156	N.H. ELEC & PLUMBING	1991	240	17,054.51
147	CARPETING & TILE	1989	120	6,922.50
241	Rain Gutters - Hospital	1993	60	3,247.00
218	SPRINKLER SYS & WATER SOFTENER	1963	480	13,134.00
140	RECREATION AREA	1986	180	4,874.07
226	ADDITION	1980	360	7,833.60
242	N.H. Project - Window Dressings	1993	120	2,397.00
155	N.H. FIXTURES & CABINETS	1991	180	2,929.34
220	REMODEL KITCHEN	1966	480	7,391.00
221	STORE ROOM	1967	480	6,750.00
232	WIRING UPGRADE	1986	240	3,270.08
154	LIGHTING FOR N.H.	1991	120	1,424.47
233	HANDRAILS	1986	120	1,385.64
212	GARAGE	1981	240	2,503.00
219	FRONT ENTRANCE, AUX GENERATOR & BLDG	1965	480	4,589.00
236	SHOP SPRINKLER SYSTEM	1992	300	2,804.00
152	O2 SYSTEM (HOSPITAL)	1991	120	1,008.32
228	HANDRAILS	1985	120	973.34
145	FLOORING	1987	120	971.09
157	LIGHTING (HOSPITAL)	1991	120	939.24
234	ELECTRICAL RENOVATIONS	1987	240	1,712.09
158	VALVE INSULATION (HOSPITAL)	1991	300	2,070.00
224	NURSES STA., HOSP SIGN	1977	240	1,533.06
216	REMODEL CO. HEALTH OFC	1958	480	2,827.00
144	N.H. HALL PROJECT	1986	120	701.60
230	ENLARGE DINING ROOM	1983	180	849.45
225	CARPET, CURTAINS & CEILING FAN	1978	180	839.22
223	NH RAMP, XRAY RM IMPROVEMENTS	1976	240	1,090.36
142	ROOFING	1986	120	526.12
153	O2 SYSTEM (HOSPITAL)	1991	180	786.95
146	???	1988	120	460.00
243	Wiring	1993	240	904.00
217	ALL (DETAIL IN DEPR BOOK)	1961	480	1,596.00
215	WIDENING NH DOORS	1958	480	1,069.00
222	OB CABINET	1969	360	106.00
229	UTILITY ROOM FLOORING	1984	120	654.65
112	BOILER	1990	240	36,379.76
105	MERLIN PHONE SYSTEM	1987	240	22,884.22
113	EMERGENCY GENERATOR	1990	180	8,949.81
251	Satellite Receiver & Dish	1993	120	3,550.00
250	Telephone Upgrade (Master Control)	1993	120	2,501.47
150	TRANSFORMER	1990	120	1,934.57
114	WATER BOOSTER	1990	180	1,986.00
109	PHONE UPGRADE	1988	240	2,375.95
110	GENERATOR	1989	120	1,046.00
116	ROPER AIR CONDITIONER (WINDOW TYPE)	1992	60	512.50

ASSET NO.	PROPERTY DESCRIPTION	PURCHASE DATE	LIFE	ACQUISITION COST
108	FI RE ALARM SYSTEM	1988	240	1,952.44
115	HEAT CONTROL VALVES	1992	120	700.41
107	SECURITY SYSTEM	1988	120	353.80
111	AIR CONDITIONER	1989	120	317.40
358	BOILER MOTOR & ASSOC. PARTS	1995	120	1,705.49
214	COAL AUGER (OUTSIDE TO COAL BIN)	1956	480	458.00
291	IBM 6252 IMPACTWRITER & CONTROLLER	1993	60	13,278.00
64	1969 GMC PICKUP	1992	48	850.00
62	LAWN MOWER	1989	120	1,800.00
63	POWER CLEANER	1991	120	800.00
87	INTERCOM	1990	60	668.00
127	COMPUTER TERMINALS, EMULATION BOARDS & CONTROLLER	1992	60	20,791.68
141	SOFTWARE	1990	60	1,639.50
126	BATTERY BACKUP/SUSRGE PROTECTOR FOR LSYS 36	1990	60	1,396.00
125	COMPUTER CONVERSION	1990	60	600.00
123	IBM SYSTEM 36 COMPUTER	1989	60	14,278.00
124	MONITER	1989	60	4,357.87
138	SOFTWARE	1988	60	7,597.10
139	SOFTWARE	1989	60	3,259.85
95	HYUNDAI PC W/ ACCESSORIES	1991	60	3,271.00
305	PERSONAL COMPUTER SYSTEM	1994	60	2,768.41
277	Computer Chips	1993	60	716.45
304	PERSONAL COMPUTER SYSTEM	1994	60	2,768.40
92	85 MEG PACKARD BELL PC W/ EPSON PRINTER	1991	60	2,199.98
94	PACKARD BELL PC	1991	60	1,962.24
132	COMPUTER EQUIP & BILLING SYSTEM	1991	60	3,210.83
331	PITNEY BOWES POSTAGE MACHINE	1994	60	7,367.00
40	OFFICE FURNITURE	1978	240	563.91
37	DESK & CHAIR	1975	240	399.13
41	COMPUTER WORKSTATION	1987	240	391.85
35	STEEL CABINET, METAL DESK, TYPING STAND	1968	360	515.00
39	FILE CABENET	1977	240	138.00
36	STEEL MASTER FILE	1969	360	183.00
362	I/O PROTOCOL CONVERTER	1995	60	874.00
38	CHAIR	1976	240	80.00
90	CANNON COPIER	1990	60	3,345.00
85	IBM TYPEWRITERS	1990	60	1,475.00
99	TURNTABLE/WORKSTATION (FROM VISION BUS. PROD.)	1991	60	851.40
93	COMPUTER WORKSTATION	1991	60	807.90
96	DECISION DATA TERMINALS	1991	60	731.23
97	DECISION DATA TERMINALS	1991	60	731.23
98	SOFTWARE	1991	60	509.00
137	HEAT PUMP	1992	204	3,746.00
301	ADMIN CARPETING	1994	120	870.00
350	KAWNEER DOOR FOR ADMIN SUITE	1995	180	1,357.19
136	FIREPLACE INSERT	1986	180	1,040.00
134	HOUSE	1963	480	25,070.37
290	RESIDENCE CARPET & CEILING FAN	1978	180	953.00
296	KONICA COPIER	1994	60	9,900.00
303	PERSONAL COMPUTER SYSTEM	1994	60	2,768.40
260	HP Vectra PC	1993	60	2,383.00
272	IBM PC for CEO	1993	60	1,717.50
261	HP Laser Jet 4 Printer	1993	60	1,383.00
262	HP Scan Jet Scanner	1993	60	1,358.00
263	14" SVGA Monitor	1993	60	604.00
135	REFRIGERATOR	1986	60	541.57
273	HP Desk Jet 500C for Adm Secretary	1993	60	519.58
264	HP Desk Jet 501	1993	60	479.00
265	25" TV for Conference Room	1993	60	294.99
351	PANASONIC CAMCORDER	1995	60	1,779.26
259	Watergate Paper Shredder	1993	60	2,696.00
353	HP VECTRA PC W/ 560C PRINTER	1995	60	3,411.96
354	HP VECTRA PC W/ 560C PRINTER	1995	60	3,411.96
346	IBM THINKPAD 350C	1995	60	1,952.75
366	OAK DESK (FOR GRANT WRITER)	1995	180	403.03
75	COPIER & WORD PROCESSOR	1989	120	3,029.90
77	LANIER TRANSCRIPTION DEVICE	1991	60	1,181.20
266	HP Desk Jet 500	1993	60	419.13
76	BROTHER WORD PROCESSOR	1989	120	661.25
72	GROUPER	1984	120	795.00
73	DICTATIION EQUIPMENT	1986	84	2,285.50
74	DICTATION EQUIPMENT	1987	84	70.00
91	40 MEG PACKARD BELL PC W/ EPSON PRINTER	1991	60	1,579.98

<u>ASSET NO.</u>	<u>PROPERTY DESCRIPTION</u>	<u>PURCHASE DATE</u>	<u>LIFE</u>	<u>ACQUISITION COST</u>
	LAND IMPROVEMENTS	1988		3,366.30
	HOSP BLDG & IMPROVEMENTS	1988		308,269.25
	COMPUTER SOFTWARE	1988		33,995.49
	FIXED EQUIPMENT	1988		10,075.47
	HOSP MAJOR MOVABLE	1988		393,651.61
	BOARDMAN AMB. MAJOR MOVABLE	1988		122,524.33
	HOSP MINOR EQUIPMENT	1988		<u>16,983.21</u>
				3,473,391.50

LAST NAME	FIRST NAME	MI
ANDERSON	ALFRED	M
ANDERSON	KATY	J
ARBOGAST	GAYLE	L
ARNITT	SANDRA	K
ASHBECK	SHELLY	A
ATRINS, D.O.	ERNIE	L
BAKER	MARVETTA	
BEAM	RITA	M
BERRETTA	EDWARD	S
BERRETTA	JEANNE	S
BOCH	E. (MARIE)	M
BREDDING	PAUL	F
BREHAUT	CHRISTINE	M
BRITT	MELINDA	L
BRITNER	MARGARET	E
CARFY	SHERYL	L
CLARK	CHERIE	K
COINER	BARBARA	K
CONNOR	LOIS	R
CORTEZ	NETILA	F
CURNUTT	BETTY	L
DAVIS	JUDY	A
DEMIANEN	RUSSELL	J
DISQUE	ROBANAI	C
DUNAWAY	LINDA	L
DURKEE	JUDITH	M
EKENSETAM	SHARON	J
ERICH	SHARLA	D
EWING	SHERBY	M
FERGUTSON	ROBBIN	R
GARBETT	DAWN	M
GOODSELL	SANDRA	R
GRANT	DANIEL	J
GRANT	DIANA	F
HANNA	SANDRA	L
HANSEN	SUSAN	D
HEDMAN	JACQUE	A
HICKERSON	ELIZABETH	A
HICKERSON	RUSSELL	J
HOLLAND	KELLY	L
HOOBING	CAROL	J
HUGHES	JENNIFER	S
JOHN	CAROLYN	R
JOHNSON	MARK	E
JOHNSON	PEGGY	A
JONES	TONYA	A
KENNY	LINDA	K
KENNY	HARBORIE	P

LAST NAME	FIRST NAME	MI
LAROUSSE	DIANE	M
LAURITSEN	CAHL	A
LAURITSEN	PEGGY	A
LEWIS	CHRISTINA	M
LOVgren	RITH	R
MAREN	PATRICIA	
MADDERN	SALLY	J
MC CONNELL	ROBERT	H
MILLER	JENNIFER	L
MILLER	PENNIE	F
MORROE III	DONALD	T
MUNTERS	RUBY	J
NAVE	VEDA	J
NOLAN	GARY	L
OSMIN	AMY	J
OSMIN	MYCAL	A
PAVILLUS	SHANNA	M
PETTYJOHN	BARBARA	E
REUTELER	CAROLYN	C
RHEA	MOLLY	F
RILL	SANDRA	J
ROBINSON	DELTA	A
ROYBAL	DELORES	E
SAGELY	PAMELA	
SAGER	LAURA	A
SALVA	RONDI	M
SCHONBACHER	DONNA	M
SCHULTZ	CHRISTIAN	M
SCHWARZ	ANN	B
SCHWARZIN		A
SEITZ	MELANIE	A
SEIER	MRYNA	G
SEIER	SHELLY	L
SKAGGS	BRIAN	W
SMITH	KAREN	K
SMITH	MEDRA	R
SMITH	SHEREE	A
SMITH	TIMOTHY	B
STANDERMAN-BASFORD	NONA	L
STRALBY	FRANCIS(JAY)	
STRON	MARA "LINN"	L
STRUTHERS	JOYLANE	F
SWANSON	MONICA	E
SWEEK	EVELYN	A
SWEEK	MICHAEL	H
TALIMAN	CHERYL	X
TARNASKY	SHERIDAN	
TEWS	RIKKA	A

JUNE 28, 1995

LAST NAME	FIRST NAME	MI
THOMPSON	KIMBER	L
THOMPSON	SUSAN	J
TURRELL	VICKEY	M
VAN BIBBER	MARY	A
VAN ETTA	MARIE	T
WALLACE	CHARLELA	A
WALLAIN	MARILYN	E
WALTON	SUE	E
WARNOUS	JULIANA	M
WARNOCK	SHERI	L
WISHT	SHELLEY	M
WOOD	CAROLYN	R
WOODCOCK	CLAUDIA	K
WRIGHT	JUDY	D

*** END OF REPORT ***

Contracts, Promissory Notes, Agreements, and Leases

AAB Proficiency Testing	service contract
Advanced Benefit Administrators	health and dental
Adventist Health System - West	computer software and support agreement
AFS*NET	non-exclusive license and subscriber contract
AFSCME	union contract
Alexis Risk Management	insurance agreement
American Red Cross Blood Services	contract
Ameritas Life Insurance Corp.	hold harmless agreement
ARUP	lab services
Bank of Eastern Oregon	clinic loan
Barnett & Moro	service agreement
Blue Cross and Blue Shield of Oregon	participating hospital contract
BlueCross BlueShield of Oregon	participating dental profession provider contract
BlueCross BlueShield of Oregon	participating hospital provider contract
Bruce Williams, M.D	E.R. coverage agreement
Cellular One	service agreement
CitiCorp. Leasing	service agreement
City/County Insurance	self-insurance pool
Clean & Clear Maintenance	cleaning agreement
Colonial Life and Accident Insurance	flexible benefits plan
Colonial Life and Accident Insurance	IRS Code section 125
Craig Office Supply	service agreement
Credits, Inc	collection agreement
Dr. Adams-Blue Mountain Pathology	Lab Consultant
Du Pont	capital lease agreement
Dulcie Palmer Cleaning	clean service - Boardman
Edith Thompson, Registered Dietitian	Dietitian consultant
Edward S. & Jeanne Berretta, M.D.	physician contract
First Interstate Bank	office rental space
Gene's Food Service	payment agreement
HealthCare Compare	affiliate hospital contract
Heath Science Television Network	installation agreement
Hermiston Ambulance	Intergovernmental agreement
IBM Corp.	service agreement
Interpath Laboratories, Inc	consulting laboratory services
Janice Pearl, M.D.	E.R. coverage agreement
Jennifer England, M.D	E.R. coverage agreement
John Jackson, M.D	E.R. coverage agreement
Judith Ingalls, M.D	E.R. coverage agreement
Kathy Johnson	dental hygienist agreement
Kenneth Wenberg, M.D	E.R. coverage agreement
Kevin Michael	contract x-ray tech
LDDS Communications	service agreement
LeMaster & Daniels	Medicare/Medicaid auditors
Liberty Northwest Insurance	workers' comp.
Management Software, Inc	software Agreement
Management Software, Inc.	software License Agreement

Contracts, Promissory Notes, Agreements, and Leases

MMSG, Inc	service agreement
North Gilliam County Health District	mutual aid agreement
North Gilliam County Health District	Intergovernmental agreement
Northeast Oregon Area Health Education Center	continuing education agreement -ed-net
Nova Biomedical	service agreement
Nova Biomedical	service agreement
Nova Biomedical	service agreement
Oregon Department of Human Resources	swing bed contract
OTIS Elevator	service agreement
PACC Health Plan	provider agreement
Pendleton Collections, Inc.	collection agreement
Pendleton Ambulance	mutual aid agreement
Pitney Bowes Credit Corporation	lease "option"
QualMed	managed Care
Robert Clark, MSW	MSW consultant agreement
Robert J. Boss, M.D.	medical clinic lease and operating agreement
Roche Diagnostic Systems	service agreement
Roche Diagnostic Systems	service agreement
Skylar Richabaugh	contract lab tech
South Gilliam County Health District	mutual aid agreement
Special District Assoc. of Oregon	participant agreement
Spray Ambulance	mutual aid agreement
Standard Security Life Insurance Co of New York	accomodation agreement
Staricycle	Hazardous waste containment agreement
State of Oregon	licenses
Sullivan, Kelly & Assoc., Inc	liability contract
T. Blair Smith, DMD	dental contract
Tarlow, Jordan & Schrader	legal consultant
Terry McMichael	contract x-ray tech
The Principal Financial Group	group disability insurance
Umatilla City Ambulance	mutual aid agreement
United Heritage Life Insurance	group life insurance
Western Health Resources, Inc.	management agreement
Wismer * Martin	software agreement

And/or any contracts, promissory notes, agreements and leases that are currently in existence with Morrow County Medical Fund, Board, or with Morrow County: that were made on behalf of the Morrow County Medical Board or the Morrow County Medical Fund

THE MORROW COUNTY HEALTH DISTRICT BOARD

RESOLUTION

IN THE MATTER OF THE ELECTION ON)
THE QUESTION OF APPROVING A TAX) RESOLUTION
BASE FOR THE MORROW COUNTY HEALTH)
DISTRICT)

THIS MATTER HAVING COME BEFORE THE MORROW COUNTY HEALTH DISTRICT BOARD on September 7, 1994, the Board makes the following findings and issues the following order:

WHEREAS, the Morrow County Health District was formed on September 2, 1994, without a tax base; and

WHEREAS, the Morrow County Health District Board feels that it is in the best interests of the people of Morrow County to have stable funding for the new health district; and

WHEREAS, it appears necessary, in the judgment of The Morrow County Health District Board to request a tax base of \$485,000.

NOW, THEREFORE, IT IS ORDERED AS FOLLOWS:


A. At a regular statewide election to be held on November 8, 1994, for the purpose of submitting to the qualified voters of Morrow County the following question:

Shall a tax base of \$485,000 be established to support the Morrow County Health District effective fiscal year 1995-1996?

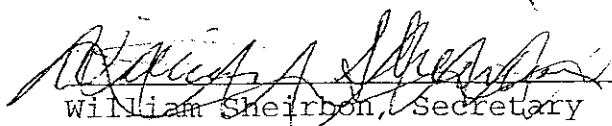
B. The explanation to accompany the election question shall be hereafter certified over to the Clerk by the Morrow County Health District Board by September 8, 1994.

Dated this 7th day of September, 1994.

MORROW COUNTY HEALTH DISTRICT



Lloyd R. Cash, Chairman



William Sheirbon, Secretary

Stub To Be Torn Off By A Board Member

SAMPLE
OFFICIAL BALLOT
GENERAL ELECTION BALLOT
MEASURES AND CANDIDATES BALLOT
AT THE GENERAL ELECTION TO BE HELD
Tuesday, November 8, 1994 from 7:00 a.m. to 8:00 p.m.
MORROW COUNTY, OREGON

Mark a CROSS (X) or a CHECK MARK (✓) in the square between the number and the name of each candidate voted for.

MEASURE NO. 25-10
PROPOSAL TO ESTABLISH TAX BASE FOR
MORROW COUNTY HEALTH DISTRICT

QUESTION: Shall a tax base of \$485,000 be established to support the Morrow County Health District effective fiscal year 1995-1996?

SUMMARY: The purpose of this measure is to establish a tax base to support a county-wide health district which shall be responsible for providing health care services to the people of Morrow County. The tax levy necessary to raise this amount of revenue is subject to the other governmental limits of Section 11b, Article XI of the Oregon Constitution. Revenues to be raised will be used for providing medical care, dental care and emergency medical services to the residents of Morrow County. The estimated tax impact within the county-wide district is \$.63 per thousand dollars of value, based on current valuations; this is an estimate only based on the best information available from the County Assessor at the time of the estimate.

- YES
 NO

DIRECTORS

4 YEAR TERM, ZONE 1

VOTE FOR ONE

12/07/94
11:09 AM
CLPRINT

MORROW COUNTY CLERK
ELEC# 47 1994 GENERAL ELECTION
ELEC DT 11/08/94
TYPE REGULAR ELECTION RESULTS - MEASURES

PAGE 21
VT0861
VT08-06

MEASURE 210 MORROW COUNTY HEALTH DISTRICT
PRECINCT VOTES %

1 PREC #1	YES	99	54.7%
	NO	82	45.3%
2 PREC #2	YES	178	42.7%
	NO	239	57.3%
3 PREC #3	YES	23	88.5%
	NO	3	11.5%
4 PREC #4	YES	161	54.6%
	NO	134	45.4%
5 PREC #5	YES	193	43.3%
	NO	253	56.7%
6 PREC #6	YES	149	44.5%
	NO	186	55.5%
7 PREC #7	YES	145	58.7%
	NO	102	41.3%
8 PREC #8	YES	154	66.7%
	NO	77	33.3%
9 PREC #9	YES	170	65.6%
	NO	89	34.4%
10 PREC #10	YES	136	72.0%
	NO	53	28.0%
11 PREC #11	YES	119	61.7%
	NO	74	38.3%
TOTAL	YES	1,527	54.2%
	NO	1,292	45.8%

I CERTIFY THAT THE VOTES RECORDED ON THIS ABSTRACT
CORRECTLY SUMMARIZE THE TALLY OF VOTES CAST AT THE
ELECTION INDICATED.

SIGNATURE OF COUNTY CLERK

DATE OF ABSTRACT

Promise of Excellence



Compassion

Being motivated with a desire to assist patients and staff with empathy and kindness and committed to going the extra mile to ensure patients and staff feel comfortable and welcomed.



Respect

Recognizing and valuing the dignity and uniqueness of everyone. Respect creates a work environment based on teamwork, encouragement, trust, concern, honesty, and responsive communication among all employees and our patients.



Integrity

Encompassing honesty and consistently adhering to the principles of professionalism and accountability with our patients, fellow employees, and community partners. Integrity is at the heart of everything we do.



Excellence

Creating standards of performance that surpass ordinary expectations. We want to make this the place where patients want to come, our providers want to practice, and people want to work!





CODE OF CONDUCT

The District's code of conduct outlines the behavior expected from all members of the District's workforce. Generally speaking, this includes employees, volunteers, students, and contractors performing significant services for the District.

The District is committed to providing exceptional healthcare in compliance with all federal, state, and local laws and regulations. The Code of Conduct does not cover every situation a workforce member may encounter. Instead, it should be used in conjunction with the District's Promise of Excellence to guide decision making in line with the District's values.

Integrity **Compassion**
Quality **Respect**
Teamwork **Financial Responsibility**

Compliance Officer

Julie Baker
541-676-2935
julieb@moco hd.org

Anonymous Compliance Hotline

www.lighthouse-services.com/moco hd
833-960-0005

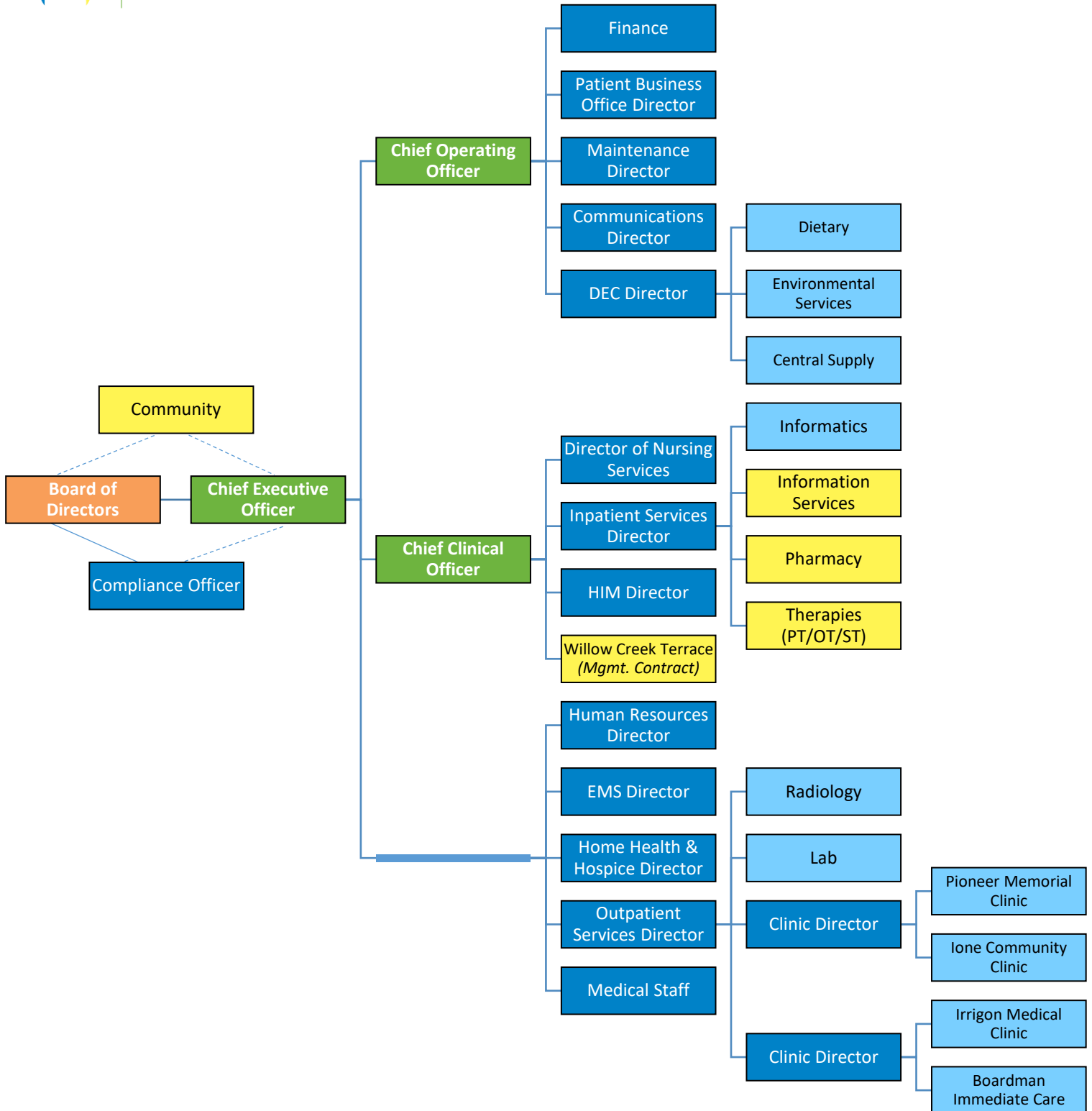
(Email, fax, and mobile app reporting also available.)

The District will not tolerate retaliation for reporting compliance concerns and will maintain the confidentiality and anonymity of reports within the limits of the law and the District's ability to investigate.

1. **When in doubt, seek guidance.** All workforce members have the right to seek guidance regarding compliance issues.
2. **Follow all laws and policies.** It is important to comply with all applicable laws and regulations and to follow the District's policies, accessed here: morrowcountyhealthdistrict.policystat.com
The District periodically assigns training on important topics, accessed here: moco hd.training.reliaslearning.com
3. **See something? Say something.** Workforce members are expected to report suspected misconduct.
4. **Treat others with respect.** The District is committed to providing a safe and respectful environment and will not tolerate harassment, discrimination, or violence in the workplace.
5. **Stay safe.** Workforce members must comply with all safety regulations and initiatives. Any accident or injury sustained on the job must be reported immediately. Safety concerns should be brought to management or the Safety Committee.
6. **Keep it confidential.** Use patient information ONLY when necessary to perform job functions. Take care to follow the District's privacy and security policies.
7. **Document accurately.** Workforce members are responsible for the accuracy of all documents and records that they create or modify. Falsifying and/or damaging records will not be tolerated.
8. **Bill only for services rendered.** The District only permits billing for services that have actually been rendered and are supported by evidence.
9. **Avoid gifts and gratuities.** Do not provide anything of value to another entity in exchange for business or referrals. Unless approved in advance, do not accept gifts or gratuities from patients, vendors, or salespersons.
10. **No conflicts of interest.** A conflict of interest occurs when personal interests could interfere with the ability to make a fair, objective decision on behalf of the District. Avoid relationships and activities that create, or even appear to create, a conflict of interest.



**MORROW COUNTY
HEALTH DISTRICT**
Excellence in Healthcare



PUBLIC RECORDS OVERVIEW

Morrow County Health District is a public body, which means we are required to follow Oregon's public records laws. The purpose of these laws is to ensure an open and transparent government.

There are two main areas of public records law:

RETENTION tells us which information we need to retain, in what format, and for how long

ACCESS tells us who can access which information

So, what is a public record?

Any information that:

- We prepare, own, use, or retain;
- Relates to our activities, transactions, or functions; and
- Is necessary to satisfy fiscal, legal, administrative or historical policies, requirements, or needs

In short: all of our records.

This includes all records pertaining to MCHD business in any format (paper, electronic, recording, e-mail, text, etc.) whether or not they were created from a personal device (for example, text messages on your personal phone).

This means we have to **retain** all of our records according to public records law, but it does not mean that the public has **access** to all of our records. There are over 500 exemptions to disclosure, including records containing protected health information.

As employees of a public body, we all must be mindful of how we create and maintain records. **It is important to understand that records which you generate (e-mails, documents, etc.) may eventually be read by the public.**

Tips for creating and handling public records:



Requests for public records should be directed to administration



When you are generating public records (unique or original documents, e-mails, social media posts, training materials, forms, etc.) be aware that you are responsible for ensuring the records contain appropriate content and are stored/retained as required



Do not delete, shred, or otherwise destroy public records without express permission from management



Do not conduct business from a personal e-mail account



Do not conduct business by text message



Be aware that if you respond to social media postings in your official capacity, you are generating public records

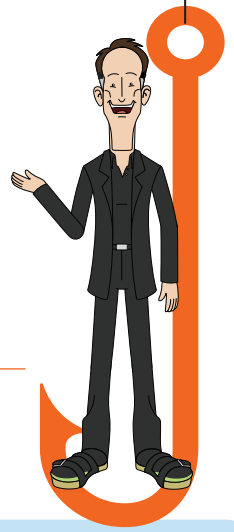


If you have questions or concerns about public records, ask your friendly compliance officer



BE A HERO!

Use the Phish Alert Button



You receive an email asking you to take an action. Sounds suspicious, right? But don't worry. You can be a hero by taking the correct action—and giving your IT department the information they need to defend your organization against the effects of malicious email attacks. It's easy. Thanks to the **Phish Alert Button**, or **PAB** for short.

How do I know what to report?

You should only report messages you suspect are malicious, like **phishing** or **spear phishing** emails. Reporting annoying messages, like **spam**, to IT will waste their time and resources.

Spam is unsolicited and unwanted email, typically sent to try to sell you something. While it is often annoying and misleading, it is rarely malicious.

Simply delete it!

Phishing messages are bulk emails, typically appearing to be from a reputable source, that ask you to take a specific action that can cause damage to you or your organization. These messages are malicious.

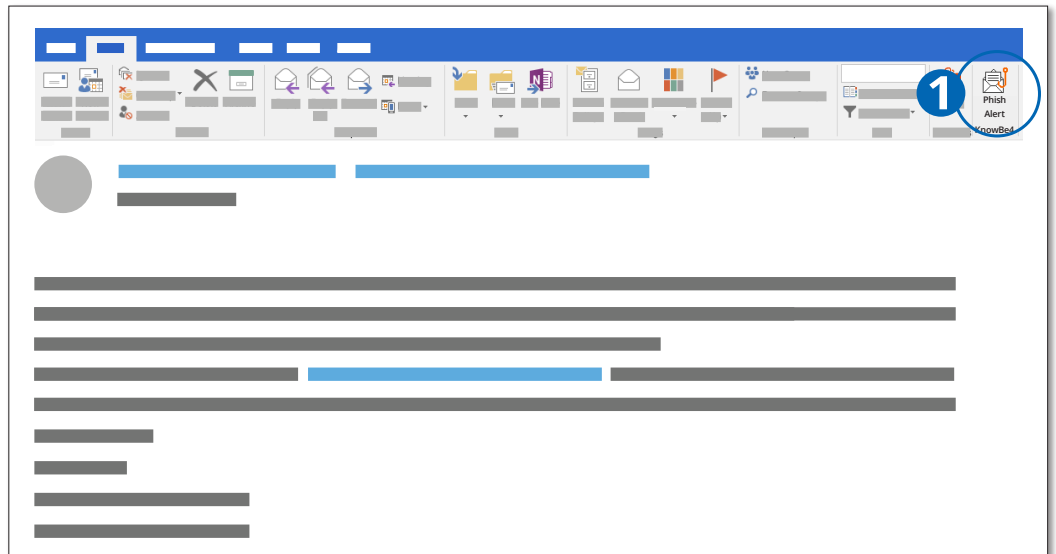
Report it with the PAB!

Spear phishing emails are targeted attacks on a person or organization, occurring after detailed research in order to make them seem especially real. These messages are extremely malicious and can lead to very damaging consequences.

Where do I find the PAB in Outlook?

While viewing your email:

1 You can find the Phish Alert Button in the Outlook ribbon at the top of your screen. Locate the envelope icon with the orange "fish hook."

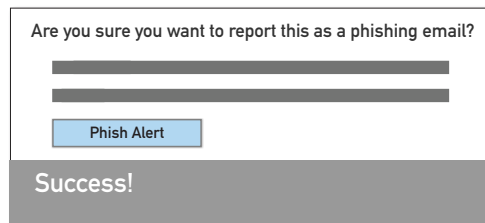


Report:

Report suspected phishing emails by clicking the Phish Alert in the ribbon.

Confirm:

Once you click to report, the pop-up will prompt you to confirm your action. Once confirmed, the suspicious email will be immediately forwarded to your IT team.



Stop. Look. Think. Report!

Remember, you are the last line of defense against email based criminal activity. Never click on a link or open an attachment in any unexpected or unsolicited email. If you are uncertain, follow your organization's security policy—or ask your IT team for advice.



Origination 03/2023
Last Approved 03/2023
Last Revised 03/2023
Next Review 03/2025

Owner **Samantha Van Laer: Chief Clinical Officer**
Policy Area **Compliance**
References **District-wide**

Conflicts of Interest

Scope

This policy applies to Morrow County Health District and its directors, officers, and employees, as well as those acting for or on behalf of the District (collectively, "Covered Persons").

Purpose

Covered Persons are responsible for making decisions in the District's best interests, independent of any outside influences. Covered Persons must be able to perform their duties and exercise judgment on behalf of the District without being negatively affected by conflicts of interest or the appearance of conflicts of interest. The purpose of this policy is to prevent and eliminate potential damage to the District from both the appearance of and actual conflicts of interest.

Definitions

Conflict of interest: A conflict of interest occurs when a personal or outside (non-District) interest conflicts with, or appears to conflict with, what is in the best interest of the District.

A conflict of interest can take many forms. For example, it could be having a financial interest in the District's supplier or competitor, having a personal relationship with someone that could inappropriately affect your judgment or decision-making when you are performing responsibilities for the District, or seeking personal benefit from a transaction at the District's expense.

Judgment or decision-making could be inappropriately influenced when an outside interest:

- Affects your ability to make decisions based on what is best for the District.
- Affects your impartiality (e.g., in choosing between two suppliers or two potential employees).
- Introduces personal or non-business issues into what should be a business decision.

If an outside interest is substantial enough to affect your judgment or in any way interfere with your duty

to act in the best interest of the District, you have a conflict.

Even if you are certain that your judgment will not in any way be affected by an outside interest, if others might reasonably think your judgment could be affected, then the appearance of a conflict exists.

Examples of a potential conflicts of interest include, but are not limited to:

- **Ownership interests or outside employment or affiliations with other businesses:** Owning a substantial interest in, or serving as an employee, officer, director or partner, or otherwise being affiliated with any entity that does or seeks to do business or enter into transactions with the District. Examples include, but are not limited to having invested in or acting as an officer, director, partner, or employee of a supplier or vendor that provides goods or services to the District or accepting money or benefits of any kind as compensation or payment for advice or services provided to a customer, supplier, or anyone else doing business with the District.
- **Business arrangements with the District:** Participating in a joint venture, partnership, or other business arrangement with the District.
- **Outside employment or activities with a competitor:** Owning a substantial interest or serving as a director of a competitor of the District, including marketing of products or services in competition with the District's current or potential business activities, or otherwise engaging in competition with the District.
- **Immediate family members or close friends in the industry:** An immediate family member or close friend in the industry is a competitor or supplier of the District or is employed by one or seeks employment or project work with the District.
- **Misappropriation of corporate opportunities:** Taking personal advantage of opportunities that properly belong to the District, such as purchasing, selling, or leasing real estate or other facilities that you know or have reason to know the District may be interested in or may need in the future.
- **Excessive business courtesies:** Accepting or providing business courtesies that are excessive or inappropriate can be viewed as attempts to influence the performance of duties and, in some cases, could create a conflict of interest. Please refer to the District's policy on gifts for detailed information.
- **Public service and charitable activities:** If an organization a Covered Person is involved with seeks to do business with the District, such as a charity that is contemplating buying the District's products or retaining the District's services, it may create the appearance of a conflict of interest. Contributions of District time and financial resources to a charity can also create potential conflict.

Corporate opportunity: A corporate opportunity is a potential business transaction that a Covered Person discovers through the use of District resources, technology, information, or their position with the District.

Substantial interest: A substantial interest is an economic interest that could, or might reasonably be thought to, influence someone's judgment or action.

Immediate family: Immediate family members include a Covered Person's spouse and children (as well as their spouses); father, mother, and siblings of the Covered Person; and any family members living in the same household as the Covered Person.

Policy

Any conflict of interest, including any interest, obligation, or relationship that could potentially be, or appear to be, in conflict with the interests of the District, including those of immediate family members, must be disclosed to the District immediately so it can be managed appropriately. Conflicts of interest can often be managed so as to eliminate the risk of damage to the District, but only if they are promptly disclosed.

Failure to disclose an actual, apparent, or possible conflict of interest is a violation of the District's code of conduct. Covered Persons who fail to promptly disclose actual or potential conflicts of interest will be subject to discipline up to and including potential termination of employment.

Procedure

All Covered Persons are responsible for:

- Acting in a manner that is in the best interests of the District at all times and that reassures our customers, suppliers, and employees of the integrity of the District and its procedures.
- Disclosing any activities, interests, or associations where personal interests could potentially conflict, or reasonably appear to conflict, with the interests of the District. If you are in doubt about whether a conflict exists, you should always err on the side of disclosure.
- Advancing the legitimate interests of the District and not advancing any personal interests at the expense of the District.
- Not taking for personal gain any opportunity that may be discovered through the use of District resources, information, or position.
- Not engaging in any activity in competition with the District or in any activity that could advance, or that reasonably could be expected to advance, the interests of a competitor.
- Reporting suspected or potential violations of this policy by others to the Executive Team and Compliance Officer.
- Self-reporting any suspected or actual conflicts of interest in which they themselves may be personally involved to the Executive Team and Compliance Officer.
- Cooperating fully with any District investigation of a potential conflict of interest, providing truthful information.
- Not entering into a transaction or engaging in an activity that may give rise to a conflict of interest or take advantage of a corporate opportunity without the prior written approval of the Executive Team.

All managers/supervisors are responsible for:

- Maintaining an open-door policy. Every manager who receives a conflict of interest disclosure is required to treat it with discretion, and to treat the employee who raised the potential conflict with respect without any type of retaliation for having done so in good faith.
- Reporting all disclosures received to the Executive Team and Compliance Officer.
- Maintaining strict confidentiality about potential conflict of interest issues raised to them and

sharing information on a need-to-know basis in order to properly investigate and remediate the matter.

- Leading by example and demonstrating a culture that values speaking up and compliance risk reduction.
- Ensuring their staff members are informed about this *Conflicts of Interest* policy.
- Promptly reporting any potential conflict of interest issues they become aware of.
- Supporting all employees who are involved in or otherwise assisting with an investigation of a potential conflict of interest and protecting their confidentiality.

The Compliance Officer is responsible for:

- Providing training and support to Covered Persons to prevent conflicts of interest.
- Assisting Covered Persons in determining whether a conflict actually exists and assisting the District in deciding on an appropriate solution to eliminate or control the conflict.
- Ensuring that confidentiality is maintained to the fullest extent possible for all information connected to any such conflict of interest disclosure.
- Providing regular reports of conflicts of interest to the Executive Team as appropriate.
- Ensuring the District maintains a record of all conflict of interest disclosures.

The Executive Team is responsible for:

- Ensuring conflicts of interest are managed so as to limit any potential damage to the District. Should an Executive Team member have a conflict of interest, the Executive must remove themselves from the review process and abstain from the Executive Team's decision.
- Ensuring that confidentiality is maintained to the fullest extent possible for all information connected to any such conflict of interest disclosure.
- Ensuring appropriate disciplinary action is taken against Covered Persons who fail to properly disclose potential, apparent, or actual conflicts of interest.

Additional Information

This policy reinforces and supplements information contained in District's *Code of Conduct* and to *Responding to Allegations of Misconduct* policies. This policy is also supplemented by the District's policy on gifts.

Sources

Society of Corporate Compliance and Ethics (SCCE)

www.compliancecosmos.org

Health Care Compliance Association (HCCA)

www.hcca-info.org

Attachments

Conflicts of Interest Disclosure Form

Attachments

[Conflicts of Interest Disclosure Form.pdf](#)

Approval Signatures

Step Description	Approver	Date
Executive Committee	Patti Allstott: Director, Human Resources	03/2023
Executive Committee	Janis Beardsley: Chief Nursing Officer	03/2023
Executive Committee	Emily Roberts: Chief Executive Officer	03/2023
Executive Committee	Michael Lieuallen: Chief Financial Officer	03/2023
Executive Committee	Nicole Mahoney: Chief Operating Officer	03/2023
	Samantha Van Laer: Compliance Officer	03/2023



Conflicts of Interest Disclosure Form

A potential or actual conflict of interest exists when commitments and obligations are likely to be compromised by an individual's other material interests, or relationships (especially economic), particularly if those interests or commitments are not disclosed.

This *Conflict of Interest Disclosure Form* should indicate whether you have an economic interest in, or acts as a director or officer of, any outside entity whose financial interests would reasonably appear to conflict with the best interest of the District. You should also disclose any personal, business, or volunteer affiliations that may give rise to a real or apparent conflict of interest.

Name: _____

Position: _____

Please describe the below any relationships, transactions, positions you hold (volunteer or otherwise), or circumstances that you believe could contribute to a conflict of interest (attach additional pages as needed):

_____ I have no conflicts of interest to report.

_____ I have the following conflict(s) of interest to report.

1. _____
2. _____
3. _____
4. _____
5. _____

I attest that I have reviewed Morrow County Health District's *Conflicts of Interest* policy and that the above information is true and complete to the best of my knowledge.

Signature: _____

Date: _____



**MORROW COUNTY
HEALTH DISTRICT**
Excellence in Healthcare



AGREEMENT

Between

**MORROW COUNTY HEALTH
DISTRICT**

&

**MORROW COUNTY HEALTH
DISTRICT LOCAL UNION**

2479-1

**AMERICAN FEDERATION OF
STATE, COUNTY & MUNICIPAL
EMPLOYEES
AFSCME, AFL-CIO**

July 1, 2022 – June 30, 2024

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PREAMBLE

This Agreement is entered into by the Morrow County Health District, hereinafter referred to as the District, and AFSCME Local 2479-1, a local of the American Federation of State, County and Municipal Employees Council 75, AFL-CIO, hereinafter referred to as the Union, for the purpose of prescribing the rates of pay, hours of work, benefits and other terms and conditions of employment for all employees in the bargaining unit hereafter described. Except as otherwise required by ORS 243, terms and conditions not specifically covered by this Agreement are retained among the exclusive rights and prerogatives of the District.

ARTICLE 1 RECOGNITION

Section 1. Recognition Agreement:

The District recognizes the Union as the sole and exclusive bargaining agent for all employees assigned to any of the classifications listed in Appendix A hereof, excluding part-time employees working less than twenty (20) hours per week.

Section 2. Definitions:

A. Regularly Scheduled Part-time:

A part-time employee covered by this Agreement shall be an employee who is employed on a regularly scheduled basis, for an average of twenty (20) hours or more per week but less than full-time. The four (4) most recent calendar months shall be used to establish the average.

B. Temporary:

Temporary employees are defined as those employees holding jobs of limited duration (not more than four months) arising out of special projects, abnormal workloads, emergencies or as replacement for a regular employee who is on paid or non-paid leave. Should the circumstance requiring the temporary employee continue past four months in a position covered by this Agreement, the issue will be discussed with the Department Head, Administration and a representative of the Union.

C. Probationary Employee:

Shall mean any employee serving the four-month (4) probation period applicable to all new employees. Notwithstanding the provisions of Article 12, Section 1, Discipline, such an employee may be discharged without the right to appeal such action.

D. Occasional Part-time

Employees who are scheduled to work on an as needed basis of not more than 20 hours per week are considered to have Occasional Part-time status. Hours may vary according to unforeseen

circumstances. Termination may result if the employee is unavailable for work or has not worked in a six-month period. This employee classification is not eligible for employer-paid benefits. This classification is not covered under this Agreement.

E. Seniority:

For all instances in which employee seniority (or years of service) must be applied in this Agreement, an employee's seniority shall be determined by the following:

1. For service prior to July 1, 1985, all months in which the employee has worked ten (10) days or more since his or her most recent date of hire shall be counted.
2. Commencing July 1, 1985, all hours worked in any position that is covered by the bargaining unit since the employee's most recent date of hire shall be counted. Hours shall be converted to months on the basis of 173.3-hours-equals-one-month. Vacation time, sick leave, the period of a temporary disability that is covered by Workers Compensation, and military and education leave shall be counted as time worked for purposes of determining seniority.

Section 3. New Positions:

If the District establishes a new position which it believes is excluded from the bargaining unit under ORS 243.650 or reclassifies an existing bargaining unit position so as to exclude it from the bargaining unit, it shall notify the Union in writing within thirty (30) days following the action as to whether or not it believes the classification to be within the bargaining unit. The Union must notify the employer in writing within thirty (30) days from receipt of the notification if it disagrees about the inclusion or exclusion of the classification in the bargaining unit or the matter becomes closed. If notice of the disagreement is received within the thirty (30) days of above notification, the parties shall meet within thirty (30) days of above notification, or later if mutually agreed to, to discuss the matter. If agreement is not reached within thirty (30) days, the Union may submit the matter to mutually agreed-upon Arbitrator. The District may at its discretion fill the position or leave it vacant while the above procedure is being observed. In the event that it is found that any employees are inappropriately classed they shall be integrated into the bargaining unit without loss of pay or other benefits.

ARTICLE 2 UNION ACCOMMODATION

Section 1: Fair Share:

A. The District agrees to deduct the uniformly required Union membership dues and other authorized fees or assessments once each month from the pay of those employees who have authorized such deductions in writing. Except as provided in the following, an amount equal to the cost of representation (fair share) as certified in writing by the Union to the District, not, however, to exceed the amount of the uniformly required dues will be deducted from the pay of all employees in the bargaining unit who have not provided the District with such authorization.

B. The provisions of Part A hereof shall not apply if an employee objects in writing to the Union based on personal or religious reasons. The Union will provide the District with a copy of any such letter within ten (10) working days of its receipt. In such instances, the employee shall authorize a deduction from his/her pay which is in lieu of and equivalent to the fair share amount. Such payroll deduction shall be in addition to any previously established deduction and shall be for the United Fund or other mutually satisfactory charitable organization as agreed to between the employee and the Union.

C. For the purposes of calculating months to determine the beginning or end of the payroll deductions called for in Parts A or B of this section, dues or like amounts shall be deducted for any calendar month during which the employee works ten (10) working days or more.

D. The Union will indemnify, defend and hold the District harmless against any claims made and against any suit instituted against the District as a result of any District action taken pursuant to the provisions of this Article. The Union and the District each agree to reimburse any monies paid or not paid in error within thirty (30) days of notification of such error.

E. A list of members/fair share shall be given to the Union monthly, the list is to include name, Social Security number and amount of dues/fair share.

Section 2: Break Room and Bulletin Board:

The District agrees to continue to furnish and maintain a suitable bulletin board at all District locations to be used by the Union. Such bulletin board shall be the repository of all Union information upon District premises, and all items so posted shall bear the name, title and signature of the Union official authorizing such posting. The District agrees to furnish and maintain a Rest Break Room and an area with lockers (at the hospital) for the use of employees in the bargaining unit.

Section 3: Visits by Union Representative:

A Union business representative may visit the District, provided that visits in such capacity shall be strictly confined to non-patient care areas of the District, and provided further that there is no interference with normal work activities of employees. The District administration shall be notified of any such visit at the time of entry to the District facilities.

Section 4: Reports:

Once a month, the employer will provide the following information by electronic report(s);

- A. Notify the Union of all new hires in the bargaining unit. Such notification shall include the employee's name, home mailing address, position for which they were hired, home phone number and date of birth.
- B. Provide the Union notice of non-retiree terminations of employment effective date: resignation, layoffs, or termination.

Section 5: New Employee Orientation:

A Union representative will be allowed up to Thirty (30) minutes during the new employee orientation to make a presentation to represented employees.

Section 6: Union Business Leave:

- A. Brown Bag Lunches: The Employer will support brown bag lunches by the Union by providing space for such lunches, subject to room availability, and by directing supervisors to be flexible with employees' scheduled lunch breaks to allow employee attendance, as work needs allow. Employees may attend such lunches during their non-worktime.
- B. Time Off for Union Activities: Union-designated employees may be allowed time off without pay to attend union-sponsored meetings, training sessions, conferences, and conventions. The employees' time off will not interfere with the operating needs of the employer. The employees may use vacation leave instead of leave without pay.
- C. Temporary Employment with the Union: Upon request of the Union, the Employer may grant leave with pay for temporary employment with the Union, not to exceed a maximum of seven (7) days. The Union will give the Employer at least thirty (30) calendar day's prior notice, unless otherwise agreed. The Union will reimburse the Employer for the "fully burdened costs of the positions" the Employer incurs as a result of placing the employee on leave with pay during the period of absence. The Union will reimburse the Employer each month for the previous month, upon receipt of an itemized summary of the costs to be charged to the union. For purposes of this provision, "fully burdened costs of the positions" means the cost of wages, benefits, workers' compensation insurance, and other administrative costs not to exceed 5% of the employee's totalsalary.

Section 7: Negotiating Team:

Negotiating times will be scheduled by mutual agreement between the Union and management. Up to three bargaining unit members will be released from work without loss of compensation or vacation time to serve on the negotiating committee for bargaining. The members of the team must be declared 30 days in advance for scheduling purposes or as other otherwise agreed.

ARTICLE 3 MANAGEMENT RIGHTS

Section 1. General Rights:

The District retains all the customary, usual, and exclusive rights, decision-making, prerogatives, functions, and authority connected with or in any way incident to its responsibility to manage the affairs of the District or any department or function thereof. The rights of employees in the bargaining unit and the Union are limited to those specifically set forth in this Agreement, and the Hospital retains all prerogatives, functions, and rights not specifically limited by the terms of this Agreement. The District shall have no obligation to bargain with the Union with respect to any such subjects or the exercise of its discretion and decision-making with regard thereto, any subjects

covered by the terms of this Agreement and closed to further bargaining for the term hereof, and any subject which was or might have been raised in the course of collective bargaining.

Section 2. Specific Rights:

Without limitation, but by way of illustration, the exclusive prerogatives, functions and rights of the District shall include the following:

A. To direct and supervise all operation, functions and policies of the departments in which the employees in the bargaining unit are employed; and operations, functions and policies in the remainder of the District as they may affect employees in the bargaining unit.

B. To close, liquidate or combine any department, office, branch, operation or facility, service, or combination thereof, or to relocate, reorganize, or combine the work of departments, division, offices, branches, operations of facilities for budgetary or any other reasons.

C. To determine the need for a reduction or an increase in the work force and the implementation of any decision with regard thereto.

D. To establish, review and implement standards for hiring, classification, promotion, quality or work, safety, materials, equipment, dress, cleanliness, grooming, personal conduct, uniforms, appearance, methods and procedures.

E. To implement new and to review or discard, wholly or in part, old methods, procedures, materials, equipment, facilities and standards.

F. To assign and distribute work, to direct overtime work and to lay off personnel or reduce the work force in the event patient load requires such action.

G. To contract or sub-contract, including reassignment to non-bargaining unit District personnel, provided that with regard to any contracting or subcontracting out of work currently performed by employees in the bargaining unit that will result in the layoff of one or more current employees, the District will afford the Union the opportunity to meet and discuss alternatives to such layoff before the layoff becomes effective.

H. To designate and to assign all work duties and overlapping duties as the needs of the District and patient care require.

I. To introduce new duties and to review or add job classifications and duties within the unit.

J. To determine promotional opportunities and the need for and the qualifications of new employees, transfers, and promotions.

K. To discipline, suspend, demote or discharge an employee, subject only to the specific limitations imposed herein.

□

L. To determine the need for additional education courses, training programs, on-the- job training and cross-training, and to assign employees to such duties for periods to be determined by the District.

The exercise of any management prerogative, function or right which is not specifically modified by this Agreement is not subject to the grievance procedure, to arbitration, or as set forth above, to bargaining during the term of this Agreement, as long as none of those prerogatives, functions or rights violate the Public Employees Bargaining Act (PECBA).

ARTICLE 4 STRIKES AND LOCKOUTS

Section 1. No Strike:

As long as this Agreement remains in force, the Union or its members as individuals or as a group will not participate in any strike, work stoppage, slow-down or other restriction of work against the District. Violation of this Article shall fulfill just-cause requirements for disciplinary action under the provisions of Article 12 hereof.

Section 2. Union Obligation:

In the event of a strike, work stoppage, slow-down, picketing or other restriction of work in any form, either on the basis of individual choice or collective employee conduct during the life and duration of this Agreement, the Union will immediately, upon notification from the District, attempt to secure an immediate and orderly return to work.

Section 3. No Lockout:

There will be no lockout of employees in the unit by the District as a consequence of any dispute relating to the provisions of this Agreement.

ARTICLE 5 NON-DISCRIMINATION

The District and the Union jointly recognize that they are required by law not to discriminate against any person by reason of Union membership, or the absence thereof, the service as an officer or agent of the Union, age, race, religion, color, sex, national origin or ancestry, political affiliation or the presence of a physical or sensory handicap. Inasmuch as there are other means of redress available to any claim of discrimination relative to the above or related items, the parties agree that an alleged violation of the above shall not be considered as a violation of the terms of this Agreement.

ARTICLE 6 HOURS AND OVERTIME

Section 1. Work Schedule:

A. Posting:

The work week shall be consistent with the operating requirements of the District and recognizing the necessity for continuous service throughout the week, as determined by the District. Work schedules shall be as determined by the District based on the needs of patient care. The work shift shall consist of eight (8), ten (10) or twelve (12) hours per day or less. As it applies to the LPN's, CMA's, and CNA's working in the hospital, the monthly work schedules showing the employee's regularly scheduled shift, workdays and hours shall be posted at least fourteen (14) days prior to the start of the new schedule. Except for situations determined in the judgment of the District to be emergencies, changes in work schedules shall be posted at least seven (7) days prior to the effective date of any change. In case of emergencies or other conditions outside the control of the District, work schedules may be modified at the option of the District. In such cases, a reasonable attempt will be made to notify each employee affected as soon as practicable.

B. Overtime

- I. In the event overtime may be required, such as when additional duties are assigned temporarily in order to provide appropriate coverage, employees are encouraged to discuss with their respective supervisor whether overtime would be appropriate.
- II. Overtime for any hours after 12 ½ hours worked, per shift worked. This only applies to LPN's, CNA's and CMA's working at the hospital. However it is agreed that for all others, overtime for time worked after 40 hours in a week, will be credited at the rate of pay for which the time was actually worked (such as ambulance).
- III. Any need for overtime, will be discussed between the employee and his/her Department Head. The Department Head must approve any overtime for the department.
- IV. Housekeeping will be allowed to flex their schedule to work one week of 48 hours and one week of 32 hours. Overtime will be paid in excess of the eight (8) hours scheduled for each day.

C. Shift Trades & Changes:

Shift trades may be requested on the established District form. The shift trade request must also specify a reciprocal trade to take place within the same pay period. When a shift trade occurs, the employee not working the shift is not eligible to take vacation time for that shift. There will be no shift trades that result in overtime. There will be no employee requested shift changes to the current schedule that result in overtime.

D. Flex Time:

At the initiation of an employee or the District and only with the voluntary agreement of the other party, an alternative to the regularly scheduled day or work week may be worked. A flexed schedule may change the starting and/or ending time of one or more work days and may change the number of hours worked in a day or on several days. A flexed schedule shall not, however, change the total number of hours worked in the FLSA bi-weekly work period. Notwithstanding the requirements of Section A of this Article and of ORS 279.340, and as specifically allowed by ORS 279.342(5)(b), a flexed work schedule shall not result in the payment of overtime.

E. Work Period:

Each employee's 14-day FLSA pay period shall be annotated on his/her work schedule.

Section 2. Rest Periods:

All employees work schedules shall provide for a 15-minute rest period, measured from when the employee leaves the job to the time when the employee returns, during each one-half 8-hour or 10-hour shift. Rest periods shall be scheduled at or as near to as possible the middle of each one-half 8-hour or 10-hour shift or one-third of a 12 hour shift in which, three 15-minute rest periods shall be taken.

Section 3. Meal Periods:

All employees who are scheduled to work more than five (5) consecutive hours on a particular day shall be granted a minimum one-half (1/2) hour uncompensated meal period on that work shift unless the individual employee voluntarily agrees to waive the meal period. When any member of the nursing staff is not allowed to leave the building for a meal period they will be paid their regular wage for a 30 minute meal period. If they are able to leave the facility, they must clock out when they do so.

Section 4. Overtime Distribution:

Concerns about how overtime is distributed among the bargaining unit members will be discussed as they arise.

Section 5. Call In:

Employees called in due to an emergency or for other reasons shall be paid a minimum of two (2) hours pay at the applicable rate.

When an employee is called in for an activity that does not require him/her to work all of the above-specified two-hour minimum, the District shall have the right to assign alternative activities for the remainder of the two-hour period.

Section 6. Shift Premium:

LPNs, CNAs and CMAs shall receive a shift premium of \$1.20 per hour for all hours of any shift which ends between 8:00 p.m. and 2:00 a.m., and \$1.50 per hour for any shift which ends after 2:00 and before 8:00 a.m. Shift premiums shall only apply to overtime work of greater than 4 hours which is a continuation of the employee’s regular shift. Shift premium will not apply to paid leave time.

Section 7. Reporting Time:

Any employee who presents for work as scheduled and finds that their regular work duties are not available due to an ill provider , low census, or other unforeseen circumstances will be assigned work by the Department Head for one-half of the shift they were scheduled to work. The Department Head may also assign additional work hours as he/she deems fit. If no additional work is available and if approved by the Department Head, the employee may leave and use vacation time to make up the remainder of the shift.

Section 8. Per Diem:

Reimbursement for authorized mileage, meals and lodging shall be as outlined in Morrow County Health District Policy. (Policy Stat ID: 3262048)

ARTICLE 7 VACATION TIME

Section 1: Accrual

Upon completion of four months of their initial probationary service period as defined in Article 1, Section 2-C, an employee shall be credited with 0.088462 vacation hours for each hour worked.

Employee Years	Hours Accrued For Each Hour Worked	Approximate Annual Hours	Approximate Annual Eight (8) Hour Days
4 months to 5 years	0.088462	184	23
5 years to 10 years	.100000	208	26
10 years to 20 years	.119231	248	31
20 or more years	.138462	288	36

Section 2: Vacation Time

- A. Only those non-overtime hours that the employee is paid for shall count as hours-worked for purposes of vacation credit excluding call-time hours. The exception to this is holiday overtime hours worked.

- B. Vacation shall accrue to a maximum of 320 hours, after which all additional accumulated vacation shall be paid out per pay period.
- C. Employees shall use 72 hours of vacation per year in full day increments. Partial days will not count towards the 72 hours. For purposes of accrual and use of vacation, a fiscal year shall be defined as July 1st to the following year 30th of June.
- D. Probationary employees will not be paid their accumulate vacation if employment ceases prior to completion of their initial four (4) month probationary period.
- E. If scheduled vacation is cancelled by the District in the last quarter, the vacation can be rescheduled in the next quarter and will not be subtracted from the bank.

Section 3: Vacation Time Donation

In the event of a specific need, such as an urgent hardship or a family emergency, an employee may request a donation of vacation time from other employees within the District. In order to ensure that the process for vacation time donation is equitable, and to promote the responsible use of each employee’s vacation time, the following process will be followed for all vacation time donation requests.

- A. In order to request a vacation time donation, an employee must have no more than two weeks worth of vacation time accrued in his or her account.
- B. An employee must first speak with the Human Resources Director to request that a vacation time donation notice be posted.
- C. A notice of the vacation time request will be E-Mailed to each employee of MCHD
- D. The names of employees donating time will not be posted publicly or released to the beneficiary.
- E. Any employee desiring to donate time must do so in writing and submit the request to the H.R. Director. Employees may send an email or other written and signed request to the H.R. Director.
- F. Employees with less than 80 hours in their personal vacation bank will be ineligible to donate vacation time.
- G. Only one vacation time request may be posted for each unique qualifying event. Exceptions based on unforeseen circumstances can be made for each qualifying event.
- H. Employees may not donate more than 16 hours of vacation time per request.

The value of vacation time is based on the salary of the individual that earned the vacation time. Because all vacation time donations must retain their original value, the actual hours of vacation time received through a donation will be adjusted to reflect the value of the vacation time in relation to the salary of the donation recipient.

Section 4. Vacation Time Request:

Employees shall be permitted to request any accrued vacation as either a split or single period of time for a maximum of two (2) weeks unless otherwise approved. Whenever possible, consistent

with the District’s judgment as to the needs and requirements for vacation relief, employees may schedule their vacation. The District shall have the final determination of long-term vacation use based on operational considerations. An employee shall normally notify the District in writing of his/her rescheduling request no later than thirty (30) days prior to the start of the requested vacation. The District shall approve or deny such requests.

When conflicting vacation requests are received, vacation shall be scheduled on a first-request-received-has-priority basis for up to twelve (12) months prior to the first day of the requested vacation period. All long-term vacation time taken shall be treated as hours worked for purposes of computing overtime pursuant to Article 6, Section 1-B of this Agreement.

Section 5. Holidays:

Employees that are not required to work the holiday shall have the choice of using vacation for that day, or not using vacation for the day.

New Year’s Day	Labor Day
Martin Luther King Day	Veterans Day
President’s Day	Thanksgiving
Memorial Day	Friday After Thanksgiving
Independence Day	Christmas Day

Employees who work on the above-designated days shall be paid one and one-half (1 1/2) times their regular hourly rate according to the weighted average method for such work and may also take vacation for that day. No vacation used for above holidays by employees working will count toward overtime.

Holidays which fall during the initial probationary period of full-time employees who are not assigned to a patient care activity shall not result in a reduction in regular pay for the employee. All such days shall, however, be deducted from the employee’s initial grant of vacation time upon completion of the probationary period or if the employee fails to complete the probationary period, the time paid for but not worked shall be deducted from the employee’s final pay.

ARTICLE 9 SICK LEAVE BANK

Section 1. Accrual:

Employees shall be credited with .0462 hours of sick leave for each regularly scheduled hour worked to a maximum of 960 hours (120 days)

Section 2. Utilization of Sick Leave Bank:

Employees who have completed the initial probationary period of employment may use their Sick Leave Bank in the following manner:

Sick Leave Use:

- A. Unlimited use of accrued sick leave for any self-sickness, medical or medically-related appointments: doctor, dentist, vision, diagnostic testing, physical therapy, alternative medicine including licensed naturopath, chiropractor and acupuncturist, mental health appointments with a state licensed clinician. Employees are expected to schedule such appointments so as to minimize time lost from work; on non-work days when possible or at a time of day when least amount of work will be missed (a few hours to ½ day whenever possible).
- B. A total of eighty (80) hours of sick leave per fiscal year may be used for Family Member's Illnesses & injuries, and Serious Medical Conditions as defined by the Oregon Family Leave Act (OFLA) & the Family Medical Leave Act (FMLA) pending a doctor's certification, in addition to appointments related to those conditions.
- C. Once 80 hours of sick leave has been used for family members, additional time can be taken from the employee's Vacation bank. When no Vacation Time is available for use, the employee may use Sick Leave for the same family members for the same qualifying reasons.
- D. Certification of as Serious Medical condition must be completed and signed by the physician and turned into the Human Resources (HR) office. Employees need to contact the HR office for each period of leave longer than 3 days so that appropriate OFLA/FMLA determinations can be made.

Family Members:

- A. Covered family members include your spouse, same-gender domestic partner, biological child, adopted child, stepchild, foster child, same-gender domestic partner's child, parent, grandparent, grandchild, and any individual with whom an employee has or has had an in loco parentis* relationship.

*"In loco parentis" means in the place of a parent – that is, people with day to day responsibilities to care for or financially support a child, or who had such a responsibility for the employee when

the employee was a child.

Planned Sick Leave Events:

- A. For planned surgeries, maternity leave and any other periods of leave known in advance, employees are required to give at least 30 days notice to their Department Head and the HR office whenever possible by completing a blue NOTICE OF INTENDED OFLA/FLMA LEAVE.

Emergencies:

- A. Notification of emergencies should be given to the employee's Department Head at the earlier possible time. The Department Head will notify the HR office.

Section 3. Bereavement Leave:

Bereavement leave will be in accordance with Oregon Family Medical Leave standards.

Section 4. Termination:

All sick leave benefits shall terminate and/or be forfeited upon termination of employment for any reason.

Section 5. Limitations:

No employee shall be entitled to sick leave pay while absent from duty due to the following causes:

- A. Sickness or disability sustained while on leave of absence without pay.
- B. Inability to properly perform required duties because of intoxication.
- C. Injury or illness for which the employee is eligible for industrial insurance benefits from an employer other than the District, except to the extent that sick leave may be used to supplement workers compensation to equal the employee's regular take home pay.

Section 6. Medical Evaluation:

Any employee returning to employment following an absence for medical reasons, whether sick leave was paid or not, as well as any employee who, while in the continuous employ of the District becomes unable to perform a significant portion of the duties of the position to which he/she is assigned, may, as a condition of returning to work or continued employment, be required to submit to an independent medical examination or evaluation to be conducted at the expense of the District.

If the employee so desires, such examination and/or evaluation shall be conducted by a physician who specializes in the specific area of concern of inquiry involved and shall be conducted outside the District.

The District will reimburse the employee for necessary travel at the current IRS rate per mile and for all reasonable costs for lodging and meals.

The District will not terminate any employee as a result of the evaluation as long as:

- A. Suitable alternative work for which the employee is qualified can be located.
- B. There is a likelihood of improvement in the employee's condition to the degree that employment with the District would be possible. In such cases, the employee may be placed upon a non-paid leave of absence.

Section 7. Return to Work:

Employees must have physician release to return to work after 4 (four) or more consecutive sick leave days.

ARTICLE 10 PAID LEAVE

Section 1. Court Leave:

All employees shall be granted leave with full pay, computed on the basis of eight (8) hours pay at the employee's regular straight-time hourly rate, any time they are required to report for jury duty or jury service. An eligible employee shall endorse any jury fee (excluding mileage and meal allowances) to the District as a condition to the receipt of jury pay. If an employee is excused or dismissed from jury duty or service prior to noon, he/she shall promptly report for work. Any employee required to appear in court as a witness, provided they are not a party in interest, shall also be subject to the above provision, provided that any employee appearing on behalf of an action against the District or on behalf of the Union shall receive such time off but shall not be compensated therefore.

Section 2. Military Leave:

Military leave shall be with or without pay as provided by applicable state or federal statute.

ARTICLE 11 LAYOFF AND RECALL

Section 1. Layoff:

In the event of a layoff of employees, selection of employees to be retained will be in accordance with the seniority within the affected job classification(s), provided that all part-time employees covered by this Agreement and working within such classification, regardless of seniority status, shall be laid off before full-time employees are subject to layoff, so long as the senior full-time employee(s) possess qualifications, aptitude and ability to perform the work equal to those of the employee(s) to be laid off.

Only in the event of a layoff shall employees have bumping rights. An employee displaced from his/her job by reason of a layoff shall be entitled to bump or displace an employee in an equal or lower job classification, provided the displacing employee has greater District seniority and possesses qualifications, aptitude and ability to perform the work equal to the employee he/she displaces.

In the event the Union considers the District's above determination as to relative qualifications, aptitudes and abilities to have been arbitrary or in bad faith, it may submit that question as a grievance for handling in accordance with the grievance procedure, commencing at Step Two thereof.

Section 2. Recall:

In the event a layoff has occurred, employees will be recalled by classification in the reverse order of layoff. An employee who is laid off will remain on the laid-off list and be eligible for recall for twelve (12) Months. The District shall notify a laid-off employee of a position opening(s) by certified letter, return receipt requested, at his/her address of record as maintained in the employee's personnel file. It shall be the employee's responsibility to insure that his/her current address is on file at the time the layoff occurs. Notification of any change of address following the date of layoff shall be in writing by certified mail to the District Administration. The laid-off employee shall personally notify the District Administration within seven (7) days or send by certified mail a letter of intent postmarked no later than seven (7) days from the date of receipt of such notification, indicating his/her acceptance or rejection of the position and have an additional fourteen (14) days the reform in which to begin active employment. If the employee cannot be reached at his/her address of record (return of certified letter), fails to respond within the allotted time or if he/she rejects any position offered to him or her, he/she shall forfeit all reemployment rights.

Employees who wish to waive reemployment rights may do so by written notification to the District.

Employees returning from layoff shall have previously accrued sick leave and seniority reinstated.

ARTICLE 12 EMPLOYEE RIGHTS

Section 1. Discipline:

A. Disciplinary action shall include the following:

1. Verbal Warning
2. Written reprimand.
3. Suspension.
4. Discharge.

Disciplinary action may be imposed upon any employee, in a progressive manner in the sequence specified above, or as may otherwise be deemed appropriate, for failing to fulfill his/her responsibilities as an employee. Conduct which tends to undermine confidence in the quality of

patient care provided by the District, or which is a hindrance to the effective performance of the District's functions, shall be considered just cause for disciplinary action. Such just cause may also include misconduct, inefficiency, incompetence, failure to follow job-related instructions, inability or unwillingness to work with certain classifications of patients, the willful giving of false, malicious or confidential information concerning the District, patients, or staff, or the withholding of information when making application for employment, or willful violation of District or departmental rules. Any disciplinary action imposed upon an employee shall be protested only as a grievance pursuant to Article 13 of this Agreement. All such grievances shall be filed at Step Two as the first step, within the time limit (10 days) allowed at that step. If the department head or other supervisor has reason to discipline an employee, he/she shall make reasonable efforts to impose such discipline in a manner that will not embarrass or humiliate the employee before other employees or the public.

B. All employees shall be afforded the opportunity to have a Union Steward present at any disciplinary investigation or disciplinary meeting. Any Disciplinary Action taken on an employee under the classifications in the bargaining unit will have an emailed copy sent to the Local Union President and Council Representative by a union steward.

C. All employees, except probationary, covered by this Agreement shall be discharged only for just cause. The protest of the discharge of any employee shall be made only through the grievance procedure set forth in Article 13.

Section 2. Filing of Job Openings:

Whenever there is a job opening (which is covered by this agreement) to be filled, notice of such opening will be posted on the work area bulletin board for a period of one (1) week to provide employees the opportunity to bid by written application on that job. The District may advertise the position simultaneously with the posting. Where in the supervisor's judgment relative qualifications, aptitude and ability to perform the work are equal between two or more applicants for the posted opening, the employee with the most District service shall be offered the position. In the event the Union considers the supervisor's selection to have been arbitrary or in bad faith, it may submit that question as a grievance for handling in accordance with the grievance procedure, commencing as Step Two thereof.

Section 3. Change in Job Assignment:

Any employee who is promoted or assigned to a new job classification shall serve a four-month probationary assignment in such new classification. The probationary period may be extended up to an additional 4 months by the supervisor if he or she feels the employee has not received enough experience or training and needs additional time to orient to the position. During the initial four-month period, and only during this first four months, the employee may be returned to his/her previous position without recourse to the grievance procedure or any other claim of a violation hereof. For benefit purposes, an employee who has transferred to a new position and has not completed probation in their prior position will be given credit for time worked in a benefit eligible position from the most recent hire date.

Section 4. Personnel Files:

Each employee shall have the right to inspect his/her personnel file upon reasonable advance notice. The District shall not introduce material into the personnel file that is of a substantially evaluative nature without providing a copy of such material to the employee. The employee shall have the right to submit a statement explaining his/her side of the story to any personnel file entry that he/she disagrees with. The employee shall have any disciplinary materials/documents removed from their Personnel file three (3) years after completion of last disciplinary resolution, upon request, if there has been no further disciplinary action.

Section 5. Employee Resignations:

As a condition of eligibility for a favorable reference for employment, an employee must have provided the District with at least fourteen (14) days written advance notice of resignation. For purposes of post-employment inquiries, any employee who has not provided such advance notice shall be included among those employees who were terminated not in good standing.

Section 6. Step Advancement:

Each employee shall serve four (4) months at Starting Step to qualify for advancement to Step 1 and serve twelve (12) months to qualify for advancement to each successive step on the wage schedule attached hereto with the exception of which are based on longevity. All such step advancements shall be subject to satisfactory performance; however, no employee shall be denied a step increase unless he/she was advised with written confirmation at least three (3) months prior to the date the increase was due to those areas where performance deficiencies exist and has failed to adequately correct the specified deficiencies thereafter. Denial of step increase shall not be for arbitrary or capricious reasons and shall be subject to the grievance procedure if the employee feels that such denial was arbitrary or capricious.

Section 7. Pay Periods:

Pay shall be bi-weekly and shall normally be available on the first Friday following the end of the bi-weekly pay period.

Section 8: Vacation and Benefit Accrual

The years of service used to calculate an employee's vacation time accrual rate will not change if a union member employed by the District assumes a different position within the organization, either voluntarily or involuntarily. Likewise, an employee who changes positions within the District will retain any accrued vacation time and sick leave. The employee must be working in a benefit eligible position in order to qualify for both vacation time and sick leave.

ARTICLE 13 SETTLEMENT OF DISPUTES

Section 1. Grievance and Arbitration Procedure:

Any dispute which may arise between the parties concerning the application, meaning or interpretation of this Agreement is defined as a grievance and shall be settled in the following manner:

Step One:

The affected employee or employee representative shall communicate the grievance verbally or in writing to the employee's most immediate supervisor not within the bargaining unit within fifteen (15) days of the occurrence of the grievance or employee's demonstrated first knowledge of same. The supervisor shall have ten (10) days in which to respond to the grievance.

Step Two:

If the grievance is not resolved at Step One, it shall within ten (10) days of the supervisor's response or within thirty-five (35) days of its occurrence or the employee's demonstrated first knowledge of same, if such is earlier, the grievance shall be submitted to the District Administrator. Such presentation shall be reduced to writing and shall specify the specific District action or lack of action which is the cause of the grievance, the specific article or articles and sections or paragraphs thereof alleged to have been violated and the remedy sought. The District Administrator will have fifteen (15) days in which to make a response in writing to the grievance.

Step Three:

If the grievance remains unresolved after completion of action at Step Two hereof, either party shall, within fifteen (15) days of the written response of the District under Step Two, have the right to have the matter submitted to final and binding arbitration by providing written notice to the other party of its intent to do so. The parties shall first attempt to select an arbitrator who is mutually acceptable. If within ten (10) days from the request for arbitration the parties are unable to agree upon an arbitrator, the Oregon State Conciliation Service shall be requested to submit a list of five (5) names. Both the District and the Union shall have the right to strike two (2) names from the list. The party requesting arbitration shall strike the first name and the other party shall then strike one name. The process shall be repeated and the remaining person shall be the arbitrator. The designated arbitrator shall set a time and place for hearing which is agreeable to both parties. The arbitrator shall be required to determine which of the parties prevailed in the grievance and shall bill all fees and expenses to the party that did not prevail. If several issues are in dispute, the arbitrator may determine which party prevailed on the various portions of the case and apportion fees and expenses accordingly. Each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim recording of the proceedings, it may cause such a record to be made, provided it pays for the record and makes a copy available without charge to the arbitrator. If the other party desires a copy, both parties shall jointly share the cost of the transcript and all copies. The arbitrator shall have authority to consider only a claim based upon a specific provision of this Agreement and shall have no authority to add to, modify or detract from this Agreement. Any decision of the arbitrator within the scope of this Agreement shall be final and binding upon the parties.

Section 2. Time Periods:

The time periods specified in the Article may be extended or modified only by mutual written consent. Failure by the Union to comply with a specified time period shall constitute acceptance of the District's position in the matter. Failure by the District to comply with a specified time period shall constitute a rejection of the grievance at that step, thereby automatically moving the grievance to the next step.

Section 3. Processing of Grievance:

Employee will be paid for time spent during regular working hours meeting with District officials for the purpose of processing grievances or resolving contract administration issues, but will not be paid for meeting time that falls outside regular working hours. Time off with pay for the purpose of investigating or preparing grievances for arbitration or other third-party hearings will not be allowed. Time off without loss of pay will however be allowed when the District requires an employee to attend an arbitration or third-party hearing.

Section 4. Determination of Merit:

The provisions of this Article shall not be interpreted to require that the Union process any grievance through the grievance or arbitration procedure which it believes lacks sufficient merit.

ARTICLE 14 NON-PAID LEAVE

Section 1. Child Care Leave:

Leave for child care shall be provided for by applicable Oregon and federal laws. Any issue concerning such leave may be addressed as a grievance through Steps One and Two of the grievance procedure, but shall be pursued to Step Three or otherwise serve as the basis for a claim of violation of this Agreement.

Section 2. Education Leave:

Leave may be granted to employees who propose to take course work to attend seminars or conferences that would improve their value to the District for up to two (2) successive semesters for an employee with at least one (1) year of continuous service.

Section 3. Medical Disability Leave:

An employee with more than one (1) year of continuous service who has exhausted all available paid disability leave and vacation shall be eligible for up to a 6-month leave of absence if he/she can provide a doctor's certificate as to disability and further certification to the effect that he/she will be sufficiently recovered at the conclusion of the leave period to return to work.

Section 4. Workers Compensation:

In the event of an on-the-job accident (Worker's Compensation covered) with the District, the

employee shall be considered to be on a non-paid leave for the period of the temporary disability and shall be eligible for immediate reinstatement at the same classification and at the same rate of pay as he/she had at the time of the accident. This section shall not be construed so as to prevent the District from requiring such an employee to return to work in a limited duty capacity at an earlier date when such is approved by the Worker's Compensation carrier.

Section 5. Leave Requests:

Non-paid leave will normally be requested in writing not less than thirty (30) days in advance. Any employee who is on leave shall, as a condition of eligibility to return to work, provide written or personal notification to the District Administrator thirty (30) days prior to the date of the termination of the leave or their intent to return to work.

ARTICLE 15 SAVINGS CLAUSE

Should any Article, Section or portion of this Agreement be held unlawful and unenforceable by any court of competent jurisdiction, or any administrative agency having jurisdiction over the subject matter, such decision shall apply only to the specific Article, Section or portion thereof, directly specified in the decision. Upon the issuance of any such decision, the parties agree to meet and confer at the request of either the Union or the District regarding a successor for such invalidated Article, Section or portion thereof. All other portions of this Agreement and the Agreement as a whole shall continue without interruption for the term thereof.

ARTICLE 16 ADDITIONAL BENEFITS

Section 1: Medical, Vision and Dental Insurance

Effective through, June 30, 2020 the District will provide physical exams and basic lab work, at no charge, to employees covered by this Agreement and their spouses. Employees may contact the Pioneer Memorial Hospital laboratory or one of the District's clinics to receive a current list of covered lab work.

The maximum District contribution towards the cost of medical, vision and dental coverage will be:

- \$2,714.03 effective January 1, 2022 to December 31, 2022

The remaining two years of the contract will have the insurance cap increased each year between 10 and 15 percent depending on the amount of the increase in premiums.

Section 2. Life Insurance

The District shall continue to provide regular part-time & full-time employees with at least \$25,000 term life insurance policy with partial dependent coverage, which shall include accidental death and dismemberment. Such employees shall also be provided coverage under a long-term disability plan which provides at least 60% of monthly income to a maximum of \$1,200 per month after a 6-month

qualification period. Employees can refer to the current life insurance handbook for specific details.

Section 3. Part-Time Employees and New Employees:

Regular part-time employees shall receive a prorated contribution towards the cost of the fringe benefits specified in this Article. The pro-rate shall be based upon the relationship of the part-time employee's hours worked in comparison to a 40 hour work week. Eligibility for insurance coverage shall commence upon the sixty (60th) day following hire and will begin on the first (1st) day of the following month.

Section 4. Retirement:

The District provides a Section 401(a) retirement plan, in which a percentage of base pay is deposited quarterly into an investment account for each eligible employee. All regular part-time or full-time employees who have completed their initial probation by the last day of the quarter and are still employed as regular part-time or full-time on the last day of the quarter are eligible for participation. The District contribution to that plan shall be a minimum of five (5) percent, which may be increased by one percent (1%) per hundred thousand dollars of excess revenue according to Audited annual financial statements, to a maximum of 6 %.

The rate will be effective on January 1, 2018. The rate plan will be recalculated based on the Audited financials each January thereafter. Base pay shall include all regular hours worked and all benefit eligible hours used during the quarter, including PTO and sick leave. Overtime and call time/call back are excluded. The employee shall have the right to make additional contributions from his/her own pay to a Section 457 Deferred Compensation plan or other Tax Sheltered Annuity offered by the District, to the maximum extent allowed by law.

Section 5: Air Ambulance Membership

The District will provide annual coverage for all benefit eligible employees and any household members as per the Air Ambulance Company's policies.

Section 6. Tri-County Ambulance Membership.

The District will provide annual coverage for all benefit-eligible employees and their eligible dependent family members covered by this Agreement.

ARTICLE 17 COMPENSATION

Section 1. Wages:

A. Employees shall be compensated in accordance with Appendix A, attached hereto and made a part of the Agreement. Appendix A will be changed to reflect the COLA increases effective July 1 of each year of this Agreement. The new wage scale will be effective the first full pay period following

contract ratification. Employees shall be placed in the appropriate step based on their length of service in their position.

B. Effective upon signing of agreement employees shall be given a COLA increase of 3 % to 4.5%, based on the Bureau of Labor Statistics website, CPI-W All Items, 12 month % change as extracted during April of each year. That increase shall be effective July 1 of each year of this Agreement, beginning July 1, 2022.

Both the Union and management will utilize the Bureau of Labor Statistics website, CPI-W All Items, 12 month % change for determining each year's COLA increase.

C. All salary changes will be implemented in the pay period that includes July 1.

Section 2. Movement on Schedule:

Employees shall be eligible for a step increase in accordance with Article 12, Section 6.

Section 3. Initial Placement:

Newly hired employees shall normally be placed at the start step of the salary schedule. Additional steps may be granted for prior experience or qualifications.

Section 4. On-Call/Standby:

Employees required to be on-call shall be compensated for all hours on such status at the following rates:

7/1/22	\$5.50
7/1/23	\$6.00
7/1/24	\$6.50

Plus an additional \$1.00 per hour on District recognized Holidays.

Section 5. Longevity

Longevity steps begin at step 5.

Part-time EMT's shall be compensated at the level on Appendix A equivalent to 1/2 of their total years of service to the District.

Section 6. Merit Bonus Committee

In considering whether to award a bonus, administration will consider, but is not limited to, the following factors:

- Significant added duties outside of the employee’s usual scope of duties over one pay period of time.
- Taking on a substantial, complex, or sensitive project, which requires significant time, organization and work in addition to the person’s regular duties.
- Assuming lead or supervisor duties over a *significant period of time.
- Performing significant additional duties as a result of vacancies in the department over a *prolonged period of time.

*A prolonged or significant period of time is determined based on the specific circumstances. For example, assuming supervision of additional employees presents more of a burden than assuming administrative duties such as scheduling and as such a shorter time period may be considered “prolonged” or “significant.”

There are typically two types of bonuses which may be awarded:

- An hourly increase, the amount of which is based on the type of work performed.
- A one-time bonus, typically awarded for project-based work, the amount of which is based on the type of work performed and the length of time involved.

ARTICLE 18 DURATION

This Agreement shall become effective on the day of signing and shall remain in full force and effective through June 30, 2020³. The parties agree to commence negotiations by January 31st of the year in which this Agreement expires. This Agreement shall be binding upon the parties and shall be binding upon any successor by assignment, merger, consolidation, transfer or otherwise of either party.

The parties recognize that the District is supported in part by funding from tax sources. Therefore, in the event a tax or expenditure limitation is adopted which negatively affects the revenue available to the District, or in the event the District fails to gain voter approval of a levy sufficient to support existing levels of service and also provide for additional expenditures to fund the wage increases provided for here.in, the District may, by written notification, reopen negotiations as to wages and fringe benefits provided for herein. In the event such option to reopen is exercised, all other provisions contained herein shall be unaffected thereby and the wage rates and fringe benefit levels in effect upon the date the notice to reopen was sent and shall remain in effect until a successor is agreed to.

Dated this 1st day of July 2022.

AMERICAN FEDERATION OF STATE,
COUNTY AND MUNICIPAL EMPLOYEES, MORROW COUNTY HEALTH DISTRICT
LOCAL 2479-1 AFL-CIO, AFFILIATED
WITH AFSCME COUNCIL NO. 75



AFSCME Council 75 Representative



MCHD Board Chairperson



Local 2479-1 Bargaining Team Member



7/26/22

MCHD Bargaining Team Member



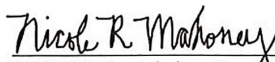
Local 2479-1 Bargaining Team Member



MCHD Bargaining Team Member



Local 2479-1 Bargaining Team Member



MCHD Bargaining Team Member

APPENDIX A												
Union Wages Effective July 1, 2022 through June 30, 2023							Includes 4.5% COLA					
		4 mos	1.4 yrs	2.4 yrs	3.4 yrs	5.4 yrs	7.4yrs	10.4 yrs	15.4 yrs	20.4 yrs	25.4 yrs	30.4 yrs
	START	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11
Housekeeper I	\$ 14.88	\$ 15.35	\$ 15.73	\$ 16.18	\$ 16.62	\$ 17.22	\$ 17.69	\$ 18.27	\$ 18.79	\$ 19.35	\$ 19.94	\$ 20.52
Housekeeper II	\$ 16.52	\$ 16.97	\$ 17.43	\$ 17.90	\$ 18.38	\$ 19.38	\$ 20.43	\$ 22.09	\$ 22.42	\$ 22.76	\$ 23.10	\$ 23.45
Laundry Aide	\$ 14.88	\$ 15.35										
Cook	\$ 17.24	\$ 17.71	\$ 18.18	\$ 18.67	\$ 19.19	\$ 20.23	\$ 21.34	\$ 23.12	\$ 23.46	\$ 23.81	\$ 24.17	\$ 24.53
Cook's Helper	\$ 14.51	\$ 14.84										
Dishwasher	\$ 13.17	\$ 13.56										
Clerk I	\$ 14.27	\$ 14.67										
Clerk II	\$ 16.25	\$ 16.69										
Clerk II w/Interp Cert	\$ 18.15	\$ 18.60	\$ 19.06	\$ 19.44	\$ 19.86	\$ 20.40	\$ 20.95	\$ 21.52	\$ 22.09	\$ 22.71	\$ 23.33	\$ 23.97
Clerk III	\$ 19.12	\$ 19.63	\$ 20.11	\$ 20.62	\$ 21.14	\$ 21.66	\$ 22.31	\$ 22.83	\$ 23.52	\$ 24.23	\$ 24.96	\$ 25.70
Clerk III w/Interp Cert	\$ 20.89	\$ 21.40	\$ 21.89	\$ 22.39	\$ 22.91	\$ 23.44	\$ 24.09	\$ 24.76	\$ 25.45	\$ 26.16	\$ 26.89	\$ 27.65
Clerk IV	\$ 23.01	\$ 23.59	\$ 24.18	\$ 24.78	\$ 25.41	\$ 26.04	\$ 26.82	\$ 27.61	\$ 28.45	\$ 29.30	\$ 30.18	\$ 31.10
Clerk IV w/Interp Cert	\$ 24.78	\$ 25.37	\$ 25.95	\$ 26.56	\$ 27.18	\$ 27.81	\$ 28.60	\$ 29.38	\$ 30.22	\$ 31.08	\$ 31.96	\$ 32.87
Clerk V	\$ 29.69	\$ 30.44	\$ 31.20	\$ 31.99	\$ 32.79	\$ 33.61	\$ 34.62	\$ 35.65	\$ 36.73	\$ 37.82	\$ 38.96	\$ 40.13
Transcriptionist	\$ 18.29	\$ 18.64	\$ 18.88	\$ 19.35	\$ 19.73	\$ 20.32	\$ 20.93	\$ 21.53	\$ 22.21	\$ 22.87	\$ 23.55	\$ 24.30
Info Tech Specialist	\$ 24.60	\$ 25.21	\$ 25.84	\$ 26.49	\$ 27.15	\$ 27.83	\$ 28.67	\$ 29.54	\$ 30.43	\$ 31.34	\$ 32.28	\$ 33.24
Maintenance I	\$ 22.75	\$ 23.32	\$ 23.91	\$ 24.50	\$ 25.11	\$ 25.73	\$ 26.51	\$ 27.31	\$ 28.12	\$ 28.96	\$ 29.84	\$ 30.73
Maintenance II	\$ 24.87	\$ 25.33	\$ 25.76	\$ 26.21	\$ 26.65	\$ 27.44	\$ 28.26	\$ 29.12	\$ 30.00	\$ 30.90	\$ 31.81	\$ 32.75
Med Assist Trainee	\$ 18.57	\$ 19.05										
Med Assist I Non-Cert	\$ 19.15	\$ 19.73	\$ 20.29	\$ 20.93	\$ 21.52	\$ 22.20	\$ 22.85	\$ 23.52	\$ 24.27	\$ 24.98	\$ 25.72	\$ 26.48
Med Assist I W/Cert	\$ 20.15	\$ 20.73	\$ 21.29	\$ 21.93	\$ 22.52	\$ 23.20	\$ 23.85	\$ 24.52	\$ 25.27	\$ 25.98	\$ 26.72	\$ 27.48
Med Assist w/ltd xray	\$ 21.52	\$ 22.10	\$ 22.65	\$ 23.31	\$ 23.88	\$ 24.57	\$ 25.21	\$ 25.88	\$ 26.64	\$ 27.35	\$ 28.08	\$ 28.84
Lab Assist Trainee	\$ 18.57	\$ 19.05										
Lab Assistant	\$ 19.15	\$ 19.73	\$ 20.29	\$ 20.93	\$ 21.52	\$ 22.20	\$ 22.85	\$ 23.52	\$ 24.27	\$ 24.98	\$ 25.72	\$ 26.48
Phlebotomist	\$ 16.36	\$ 17.10	\$ 17.52	\$ 17.96	\$ 18.41	\$ 18.87	\$ 19.44	\$ 20.02	\$ 20.62	\$ 21.24	\$ 21.88	\$ 22.53
CNA I	\$ 17.36	\$ 17.78	\$ 18.19	\$ 18.58	\$ 19.07	\$ 19.64	\$ 20.23	\$ 20.85	\$ 21.45	\$ 22.08	\$ 22.75	\$ 23.43
CNA II	\$ 18.00	\$ 18.49	\$ 18.99	\$ 19.50	\$ 20.02	\$ 21.12	\$ 22.28	\$ 24.13	\$ 24.49	\$ 24.86	\$ 25.23	\$ 25.61
CNA I+Med Aide/RA	\$ 20.36	\$ 20.78	\$ 21.19	\$ 21.58	\$ 22.07	\$ 22.64	\$ 23.23	\$ 23.85	\$ 24.45	\$ 25.08	\$ 25.75	\$ 26.43
CNA II+Med Aide	\$ 21.00	\$ 21.49	\$ 21.99	\$ 22.50	\$ 23.02	\$ 24.12	\$ 25.28	\$ 27.13	\$ 27.49	\$ 27.86	\$ 28.23	\$ 28.61
Home Health Aide	\$ 19.96	\$ 20.42	\$ 20.89	\$ 21.37	\$ 21.87	\$ 22.90	\$ 23.99	\$ 25.74	\$ 26.08	\$ 26.43	\$ 26.78	\$ 27.14

Central Supply	\$ 19.82	\$ 20.29	\$ 20.70	\$ 21.15	\$ 21.58	\$ 22.25	\$ 22.90	\$ 23.58	\$ 24.31	\$ 25.03	\$ 25.78	\$ 26.55
LPN	\$ 26.04	\$ 26.54	\$ 26.96	\$ 28.02	\$ 29.04	\$ 31.09	\$ 32.95	\$ 34.29	\$ 34.80	\$ 35.33	\$ 35.86	\$ 36.39
Basic EMT - FT	\$ 22.09	\$ 22.68	\$ 23.22	\$ 23.81	\$ 24.39	\$ 25.00	\$ 25.76	\$ 26.53	\$ 27.33	\$ 28.16	\$ 28.99	\$ 29.87
Basic EMS Lead - FT	\$ 24.09	\$ 24.68	\$ 25.22	\$ 25.81	\$ 26.39	\$ 27.00	\$ 27.76	\$ 28.53	\$ 29.33	\$ 30.16	\$ 30.99	\$ 31.87
Inter. EMT - FT	\$ 25.41	\$ 26.05	\$ 26.71	\$ 27.38	\$ 28.05	\$ 28.76	\$ 29.62	\$ 30.52	\$ 31.44	\$ 32.36	\$ 33.35	\$ 34.34
Call = \$5.50/hr effective 7/1/22									1/1/2022			
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Collective Bargaining Agreement Amendment

This amendment is entered into by Morrow County Health District (District) and AFSCME Local 2479-1 (Union) for the purpose of amending the Collective Bargaining Agreement covering July 1, 2022 – June 30, 2024.

Union and District agree to amend Section D. Flex Time to read:

At the request of either an employee or the District, but only with the voluntary agreement of the other party, an alternative to the regularly scheduled day or work week may be worked. A flexed schedule may change the starting and/or ending time of one or more work days and may change the number of hours worked in a day or on several days. A flexed schedule shall not, however, change the total number of hours worked in the FLSA bi-weekly work period. Notwithstanding the requirements of Sections A and B of this Article and of ORS 653.268, and as specifically allowed by ORS 653.269, a flexed work schedule shall not result in the payment of overtime except for hours worked over 80 in the FLSA bi-weekly work period. An employee who flexes their schedule must identify this on their time sheet.



Emily Roberts, CEO
Morrow County Health District

2/16/23

Date



Darren Holden, Council 75 Representative
Oregon AFSCME Council 75

3/7/23

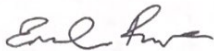
Date

Collective Bargaining Agreement Amendment

This amendment is entered into by Morrow County Health District (District) and AFSCME Local 2479-1 (Union) for the purpose of amending the Collective Bargaining Agreement covering July 1, 2022 – June 30, 2024.

Union and District agree to amend Section 6. Shift Premium to read:

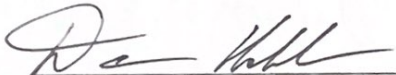
LPNs, CNAs and CMAs shall receive a shift premium of \$2.00 per hour for any hours worked between 7:00 p.m. and 7:00 a.m. Shift premium will not apply to paid leave time.



Emily Roberts, CEO
Morrow County Health District

5/31/23

Date



Darren Holden, Council 75 Representative
Oregon AFSCME Council 75

6/6/23

Date

MANAGEMENT AGREEMENT
FOR THE
WILLOW CREEK TERRACE ASSISTED LIVING FACILITY
BY AND BETWEEN
MORROW COUNTY HEALTH DISTRICT
AND
WILLOW CREEK VALLEY ASSISTED LIVING CORPORATION

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***“WILLOW CREEK TERRACE”* MANAGEMENT AGREEMENT**

This agreement (the “Agreement”) is entered into this 1 of October, 2018 by and between Willow Creek Valley Assisted Living Facility Corp. (the “Owner”) and Morrow County Health District (the “Agent”). This Agreement relates to activities to be performed, responsibilities to be accepted and authority to be exercised with respect to ***WILLOW CREEK TERRACE*** Assisted Living Facility, located in Morrow County, Oregon. In consideration of the terms, conditions and covenants hereinafter set forth, the Owner and the Agent mutually agree as follows:

SECTION 1. DEFINITIONS

For the purposes of this Agreement, the terms below have the following definitions unless context otherwise specifies or clearly requires:

- 1.1 ***“WILLOW CREEK TERRACE”*** means the assisted living facility developed by the Owner and constructed on property in Morrow County, Oregon.
- 1.2 ***“Rental Agreement”*** means the form of the residential lease between the Owner and a Resident under the terms of which the Resident is entitled to occupy a dwelling unit in the ***WILLOW CREEK TERRACE***.
- 1.3 ***“Rent,”*** means the amount of money a resident or other tenant or licensee is obligated to pay the Owner under the terms of a Rental Agreement or other agreement for occupying or using space in the ***WILLOW CREEK TERRACE***.
- 1.4 ***“Resident”*** means a person occupying a dwelling unit in the ***WILLOW CREEK TERRACE*** under a Rental Agreement or any other tenant or licensee using or occupying spaces in the ***WILLOW CREEK TERRACE***.
- 1.5 ***“Lender”*** means USDA-Rural Housing Service and their successors or assigns.

SECTION 2. APPOINTMENT OF THE AGENT

The Owner hereby appoints the Agent as the management agent of the ***WILLOW CREEK TERRACE***, and the Agent hereby accepts such appointment.

Except otherwise provided in this Agreement, the Agent has the exclusive right to manage the ***WILLOW CREEK TERRACE*** in accordance with the provisions of this Agreement.

SECTION 3. REGULATION BY THE LENDER

The Agent understands that the Owner is receiving loans from the Lender and must comply with all provisions of the loan documents. In performance of its duties, hereunder, the Agent agrees

to comply with all relevant provisions of the loan documents. In the event of a conflict between the Agreement and the loan documents, the loan documents control.

SECTION 4. COMMUNICATION WITH THE OWNER AND THE LENDER

The Agent agrees to keep itself informed of the Lender's policies and requirements and, notwithstanding the authority given to the Agent in this Agreement, to confer fully with the Owner and the Lender with respect to the Agent's performance of its duties.

SECTION 5. MEETINGS WITH THE OWNER AND THE AGENT

The Agent agrees to cause its officer or supervisory employee to attend meetings with the Owner when requested to do so by the Owner or the Lender. The Owner agrees to provide the Agent with reasonable notice of such meetings (minimum of 10 days).

SECTION 6. EMPLOYEES AND CONTRACTORS

6.1 On-Site Manager. The Agent shall hire or retain in the Agent's name an on-site manager for the *WILLOW CREEK TERRACE*, who shall be responsible to and report directly to the Agent.

The Agent shall hire or retain in the Owner's name all other on-site personnel and other personnel necessary to perform its duties under this Agreement fully and efficiently.

6.2 Equal Opportunity. The Agent shall operate as an equal opportunity employer in conformity with all applicable employment laws and regulations. The Agent shall not discriminate in employment or in offering or contracting for goods or services or occupancy on the basis of sex, race, color, religion, sexual orientation, political ideology, physical handicap or national origin. The Agent shall require that all agreements between the Agent and persons and entities with whom the Agent contracts for services contain nondiscrimination requirements that are consistent with this Agreement.

SECTION 7. SERVICES OF THE AGENT

7.1 The Agent, in consultation with the Owner and subject to the Owner's reasonable approval, shall:

a. be responsible in complying with the rules and interpretive guidelines for Assisted Living Facilities as set forth in Chapter 411, Division 054 Oregon Administrative Rules, as well as the Oregon Health Division Food Sanitation Rules, OAR 333-150 through 175. The compliance to these rules and regulations will be monitored by the State of Oregon survey process. Repeated infractions of these rules would be cause for Owner to cancel the management contract with the Agent;

b. develop and furnish the Owner with budgets for maintenance and operating expenses accompanied by documentation, including but not limited to a staffing plan and bids, contracts or comparables for all items reasonably requested by the Owner or the Lender;

c. develop and establish such policies and procedures as are necessary to carry out the Agent's responsibilities under this Agreement for the effective and efficient operation of the **WILLOW CREEK TERRACE** and to ensure compliance with applicable legal requirements, including but not limited to Senior and Disable Services Division requirements for SDSA reimbursements to the Owner. Such policies and procedures shall provide the guidelines for on-site staff in the day-to-day operation of the **WILLOW CREEK TERRACE** and shall include but not be limited to all aspects of marketing (e.g., sales practices, mailing list management, referral contract, and fair housing practices), administration (e.g., Resident application and move-in procedures, landlord-tenant requirements and relations, Rental Agreements, bookkeeping, and Resident charges), personnel (e.g., housekeeping, laundry, maintenance, food service, and ancillary services), property management (e.g., maintenance, rehabilitation, preventive maintenance, and general repairs);

d. maintain a system for bookkeeping, established under Section 7.1.f, including payroll, accounts payable, accounts receivable, general ledger, and petty cash, which system shall be capable of generating timely information regarding cash flow, as well as information necessary for the Owner's financial reports required under this Agreement, adequate information for audits, and all information that might reasonably be required by the Lender;

7.2 Maintenance and Repairs. In accordance with contracts developed by the Agent and approved by the Owner, the Agent shall cause the general building interior and grounds of the **WILLOW CREEK TERRACE** to be maintained, rehabilitated, and repaired to keep the **WILLOW CREEK TERRACE** a first-class assisted-living facility. The Agent, in consultation with and at the Owner's direction, shall cause the structural aspects of the building; appurtenances; capital equipment; electrical, heating, plumbing, air conditioning and ventilating systems; and all other mechanical equipment to be maintained in good working order and/or replace as necessary. The Agent shall promptly report mechanical, structural, electrical, plumbing, heating, ventilating or air conditioning problems to the Owner.

7.3 Preventive Maintenance. The Agent shall promptly develop written procedures and schedules for maintaining and repairing the **WILLOW CREEK TERRACE** and shall cause the buildings, appurtenances, and equipment of the **WILLOW CREEK TERRACE** to be maintained and repaired in accordance with those written procedures and schedules. The preventive maintenance schedule shall include but shall not be limited to periodic inspections of the entire premises, Resident occupancy and termination check lists, inventory control, common area maintenance, equipment monitoring, seasonal monitoring of exterior maintenance and landscaping, and a schedule for routine painting and replacement of building components. With respect to preventive maintenance not

included in the maintenance schedule developed under this section, the Agent shall notify the Owner of the need for such preventive maintenance to be completed. The Agent in consultation with the Owner shall also evaluate annually the need for redecorating and renovation. To the extent the Owner determines that renovation and/or redecorating is necessary or desirable, the Agent shall prepare a budget and schedule to complete such redecorating and/or renovation. Such budget and schedule is subject to the Owner's approval.

- 7.4 Property Insurance. The Agent shall cause to be placed in force all insurance required and such other insurance as the Owner may from time to time require. The Agent shall promptly investigate any accident or claim for damage relating to the ownership, use, operation and maintenance of the *WILLOW CREEK TERRACE*, including but not limited to any personal injury on the premises and any damage or destruction of the *WILLOW CREEK TERRACE* and the estimated cost of repair, and shall cooperate with and make any and all reports required by any provider of insurance in connection therewith.
- 7.5 Hiring. In compliance with rates of compensation, including benefits, the Agent shall have the authority to recruit, evaluate, retain, pay, supervise and discharge all administrative and maintenance personnel.
- 7.6 Notice of Authority. In addition to its authority to manage the premises as specified herein, the Agent is authorized by the Owner to accept service of process and to receive and give receipt for notices and demands.
- 7.7 Service Requests of Residents. The Agent shall at all times respond promptly, courteously, and professionally to Resident needs and requests. Residents' requests shall be received, considered and documented systematically in writing indicating the date and time a request was received and the nature of the request, the action taken, the date and time of the action taken and all other pertinent details. This Resident request log shall be provided to the Owner on request.
- The Agent shall provide for receiving and responding to emergency calls from Residents 24 hours a day, seven days a week, including holidays.
- 7.8 Review of Operations. The Agent shall permit the Lender and insurance providers to conduct on-site evaluations of the performance of any and all management services the Agent has agreed to provide under this Agreement. An authorized representative of the Agent shall be available for consultation during on-site evaluations. If the Lender note any deficiencies, the Agent shall correct such deficiencies within 30 days of notice of the deficiencies or, if such deficiencies cannot be cured within 30 days, as soon thereafter as reasonably possible, but in any event within the time required by the Lender for cure.
- 7.9 Collections and Delinquencies. The Agent shall collect and deposit in the account established under Section 9 all Gross Collections.

- 7.10 Payments and Expenses. From the funds collected and deposited in the account established under Section 9, the Agent shall cause to be disbursed regularly, punctually and in accordance with this Agreement, the following:
- a. all of the real estate tax and insurance premium escrow payments required of the Owner, which payments are deemed to be part of the operating expenses of the **WILLOW CREEK TERRACE**;
 - b. all payments of principal and interest required to be made to the Lender;
 - c. all remaining operating expenses of the **WILLOW CREEK TERRACE**, including administrative, operational, maintenance and utility expenses and vendor payables;
 - d. all amounts required to be deposited with the Lender or their designated depository; and;
 - e. all compensation payable to the Agent;
- 7.11 Governmental Orders. The Agent shall cause the **WILLOW CREEK TERRACE** and its operations to comply with all applicable legal requirements, including but not limited to licensing regulations and fire codes, and shall obtain and maintain in force all approvals and permits necessary for operations.
- 7.12 Utility Service, Contracts and Purchases. In accordance with the rules of the Lender and insurer, the Agent shall develop, enter into, and monitor compliance with contracts for pharmacy services, garbage and trash removal, extermination, snow removal and other necessary services. The Agent shall secure such equipment, tools, appliances, materials and supplies as are necessary to maintain and repair the **WILLOW CREEK TERRACE** in accordance with this Agreement. Payment for costs associated with these activities and purchases will be included in the **WILLOW CREEK TERRACE** operating budget.
- 7.13 Records and Reports.
- a. The Agents shall promptly establish and maintain a comprehensive system records, books and accounts acceptable to the Owner. All records, books and accounts shall be subject to examination at reasonable hours by any authorized representative of the Owner, the Lender or the provider of insurance;
 - b. With respect to each fiscal year, upon the Owner's request or if required by one or more Lender, the Agent shall cooperate with the Owner to have an annual financial report prepared by an independent Certified Public Accountant ("CPA") acceptable to the Lender and the Owner, as applicable, based upon the preparer's examination of the books and records of the Owner and the Agent. The report shall be prepared in accordance with the Owner's and/or the Lender's requirements, as applicable, and shall be certified by the

CPA. Compensation for the CPA's services shall be considered an operating expense of the **WILLOW CREEK TERRACE**;

c. The Agent shall prepare an income statement that compares actual and budgeted income and expenses monthly and for the year to date and shall submit each statement to the Owner and, if required by the **WILLOW CREEK TERRACE** loan documents, to the Lender within 25 days after the end of each month.

d. The Agent shall execute all file forms, reports and returns required by law in connection with the employment of personnel, including unemployment insurance, workers' compensation insurance, disability benefits, social security and other similar insurance, benefits and taxes now in effect or hereafter imposed;

7.14 Operating Budget. Before the beginning of each new fiscal year for the **WILLOW CREEK TERRACE**, the Agent shall prepare and submit to the Owner and the Lender an operating budget in such form as may be prescribed by the Lender and/or Owner, setting forth an itemized statement of the anticipated receipts and disbursements for the **WILLOW CREEK TERRACE**. The Agent and Owner acknowledge that the operating budget for the first year will not be based on actual **WILLOW CREEK TERRACE** operations. Therefore, greater deviations may exist between the first year's budget and the first year's actual receipts and disbursements than is likely to occur between budgets and actual receipts and disbursements in later years.

Amendments to the operating budget shall be adopted and approved in the same manner as the annual budget.

7.15 Services to Residents. The Agent shall be responsible for the effective and efficient provisions of resident services, including the maintenance of safe and clean common areas and grounds; weekly housekeeping and laundry service; periodic window washing, carpet cleaning and drapery cleaning; provisions of three meals a day, seven days a week; a 24-hour security and emergency call system; scheduled transportation; recreational facilities and activities; centrally located mail distribution; and other contracted services as specified in the Resident's negotiated service plan or other applicable agreements.

Recognizing the contribution that quality makes to the successful long-term marketing of the **WILLOW CREEK TERRACE**, the Agent shall provide service of consistently high quality, acceptable to the Resident and Owner. The Agent shall implement a quality control program, which program shall include a mechanism for Residents to comment on the management of the **WILLOW CREEK TERRACE**.

SECTION 8. LIABILITY OF AGENT

Acts of the Agent within the scope of the Agent's duties under this Agreement shall be done as agent of the Owner, and all obligations or expenses incurred in accordance with this Agreement shall be for the account of and on behalf of the Owner. Any payments to be made by the Agent hereunder shall be made out of such sums as are available to the Operating Receipts and

Expenses Account established under Section 9. The Agents shall not make any advance to, or for the account of, the Owner or to pay any sum, except from the funds held or provided as aforesaid. The Owner shall in no way be liable for acts or expenditures outside the scope of the Agent's duties under this Agreement, and the Agent shall indemnify, defend, and hold harmless the Owner with respect to such acts or expenditures.

SECTION 9. BANK ACCOUNTS

- 9.1 Operating Receipts and Expenses Account. The Agent shall establish and maintain, in a bank whose deposits are insured by the Federal Deposit Insurance Corporation ("FDIC") and which is approved by the Owner, a separate account as the Agent of the Owner for the deposit of moneys of the Owner, with authority to draw thereon for any payments to be made by the Agent to discharge any liabilities or obligations incurred in accordance with this Agreement. This account shall be carried in the name of and designated of record as "Operating Receipts and Expense Account." The Agent shall also establish such other special bank accounts as may be required by the Lender. Any and all interest that may accrue on deposits contained in any accounts established in accordance with this paragraph shall be used to discharge any liabilities or obligations of the Owner in the same manner as the Agent uses other moneys of the Owner.
- 9.2 Security Deposit Account. The Agent shall collect, deposit and disburse Resident's security deposits in accordance with applicable law. Residents' security deposits shall be deposited by the Agent in an interest-bearing account, separate from all other accounts and funds, with a bank or other financial institution whose deposits are insured by the FDIC. This account shall be carried in the name and be designated of record as "Security Deposit Account." The Agent shall cause the amount of the Security Deposit Account to equal or exceed at all times the aggregate of all outstanding obligations by the owner with respect to security deposits. Interest on any amounts in the Security Deposit Account shall be the property of the Owner unless applicable laws provide otherwise.

SECTION 10. STAFF FACILITIES AT *WILLOW CREEK TERRACE* SITE

The Owner shall furnish the *WILLOW CREEK TERRACE* Manager with on-site office space reasonably adequate to enable the Agent to carry out its duties.

SECTION 11. COMPENSATION OF AGENT

The management fee payable to the Agent shall be \$4553.34 per month for calendar year 2018 and indexed annually on January 1 to the Seattle CPI for following years. In the event Seattle CPI is negative the management fee will hold at the prior year's fee amount. As of October 2018, if facility vacancies drop to 4 or more for longer than 3 months the fee will be reduced by 50% until the vacancy level is less than 4 for 3 consecutive months. If the Owner is unable to pay the Agent the monthly management fee in full from operational funds, the Owner is required to use any other available funds as soon as possible to pay the monthly management fee in full. This includes any and all funds not restricted by a donor, grantor, or lender.

SECTION 12. NONDISCRIMINATION

In the performance of its obligations under this Agreement, the Agent shall comply with applicable fair housing laws and shall not discriminate in providing housing on the basis of race, age, color, sex, religion, sexual orientation, political ideology, national origin or physical handicap.

SECTION 13. EXPIRATION AND TERMINATION

- 13.1 Expiration. Upon the execution of this Agreement by both parties and the Lender, this Agreement shall be in effect from the date first written above until and including the date of expiration, unless the Agreement is terminated earlier as provided herein.
- 13.2 Termination by Mutual Consent. This Agreement may be terminated by the mutual written consent of the Owner and the Agent only with prior written consent of the Lender. The Owner and the Agent shall submit the written request to terminate this Agreement to the Lender at least 60 days before the date specified for termination.
- 13.3 Termination for Cause. If the Owner or the Agent fails to perform any of its material duties hereunder, the Owner or the Agent shall notify the other party by delivering to the other party written notice to remedy such default. If such default is not remedied within 60 days from the date of notice, the other party may seek arbitration of the dispute.

Except as otherwise provided in this Agreement, this Agreement may not be terminated or suspended, in whole or in part, by the Owner, and the Agent shall at all times remain the exclusive management agent of the *WILLOW CREEK TERRACE* unless and until an arbitrator has determined that the Agent has repeatedly failed to perform material obligations under this Agreement and cannot or will not cure such breaches.

- 13.4 Termination by the Lender. The Lender shall have the right to terminate or modify this Agreement to the extent provided in and in accordance with applicable loan documents or commitment letters.
- 13.5 Accounting Upon Termination. Within 60 days after termination of this Agreement, the Owner and the Agent shall account to each other with respect to all matters outstanding as of the date of termination. The Owner shall furnish the Agent security against any outstanding obligations or liabilities the Agent may have incurred hereunder, and the Agent shall turn over to the Owner all records, documents or other instruments, waiting lists and any and all other files and papers in its possession pertaining to the Agent's performance under this Agreement.

SECTION 14. ASSIGNMENTS

This Agreement shall insure to the benefit of and constitute a binding obligation upon the Owner and the Agent, and their respective successors and assigns, but the Agent cannot assign this

Agreement or any of its duties hereunder without the prior written consent of the Owner and the Lender. The Agent hereby consents to any assignment of this Agreement to the Lender.

SECTION 15. AMENDMENT

This Agreement constitutes the entire agreement between the Owner and the Agent, and no amendment or modification hereto shall be valid and enforceable except by supplemental agreement executed in writing and approved by the Owner, and the Agent.

SECTION 16. EXECUTION OF COUNTERPARTS

For the convenience of the parties, this Agreement may be executed in counterpart copies, each for which is deemed to constitute a single document.

SECTION 17. MISCELLANEOUS

Wherever used in this Agreement, the singular number includes the plural, the plural includes the singular, and the use of gender applies to all genders. The captions and the headings of the sections of this Agreement are for convenience only and are not to be used to interpret or define the provisions hereof.

SECTION 18. WAIVER

No waiver of a breach of any of the agreements or provisions contained in this Agreement shall be construed to be a waiver of any subsequent breach of the same or of any other provisions of this Agreement. Any waiver of a provision of this Agreement must be in writing and signed by the Agent and the Owner.

SECTION 19. SEVERABILITY

If any clause, sentence, section, paragraph, provision or part of this Agreement is judged to be invalid or unenforceable, such adjudication shall not affect or invalidate the remainder of this Agreement, it being understood and agreed that such invalid or unenforceable clause, sentence, paragraph, provision or part is and shall be severable from the remainder of this Agreement.

SECTION 20. RATIFICATION

Actions of the Agent taken before the effective date of the Agreement and not inconsistent with this Agreement are hereby ratified and approved.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

This agreement supersedes all others.

OWNER:

Robin Bradford

DATE:

3/14/19

USDA:

DATE:

AGENT:

Robert Hamer, CEO, FACETS

DATE:

3/18/19

**AMENDMENT TO
WILLOW CREEK TERRACE MANAGEMENT AGREEMENT**

This document hereby amends the Management Agreement dated October 1, 2018, between Willow Creek Valley Assisted Living Facility Corp "Owner" and Morrow County Health District "Agent". The following language will be added to the existing language in Section 11 only and does not alter any other section:

SECTION 11. COMPENSATION OF AGENT

Effective January 1, 2022, in the event Seattle CPI is greater than 3% in any current or future year for the life of this Agreement, the Agent's annual management fee increase will not exceed 3%.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of this 3rd day of February, 2022.

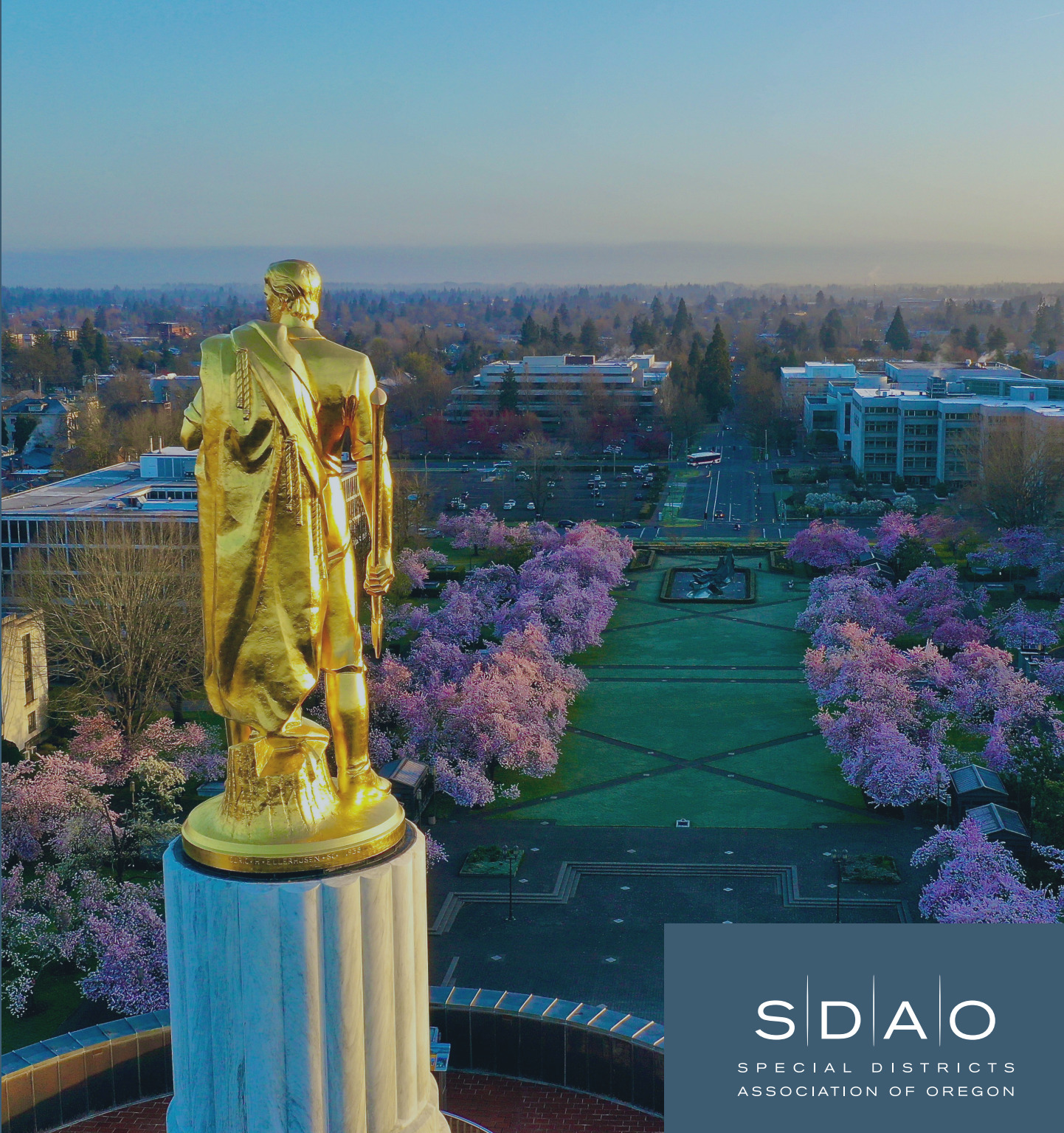
OWNER:

Robin Canaday
By: Chairperson

AGENT:

Emily Roberts
Emily Roberts, MCHD CEO

Special District Board Member Handbook



SDAO
SPECIAL DISTRICTS
ASSOCIATION OF OREGON



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An Elected Officials Guide *To Governing A Special District*

Foreword

The Special Districts Association of Oregon (SDAO) was formed in 1979 to give special districts a stronger and united voice at the Oregon Legislature. As with similar associations that support cities, counties, schools, and local government, SDAO provides advocacy with state administrative agencies and other units of government, training, information resources, and other support programs. SDAO has grown its membership to over 900 local government members.

The association is governed by a twelve-member board of directors that exercises general supervision over the affairs of the organization. The Board's governance and formulation of policies are exercised in accordance with the association's bylaws. The annual business meeting of SDAO members, held in conjunction with the February annual conference, gives members an opportunity to elect, for two-year terms, their association's board of directors.

SDAO has become increasingly important as the membership has grown and the operation of special districts has become more complex. It has become an effective lobbying and educational organization that strives to serve the needs of its members.



Chapter 1: *Learning More About Special Districts*

What are special districts?

Special districts are a form of local government. They are created by their constituents to meet specific service needs for their communities. Most perform a single function such as water delivery, fire protection, wastewater or cemetery maintenance, to name a few. Some, like county service districts, provide multiple services.

What kinds of special districts are out there?

- 9-1-1 Communications
- Airport
- Cemetery Maintenance
- County Service
- Diking
- Domestic Water Supply
- Drainage
- Emergency Communication
- Fire Protection
- Geothermal Heating
- Health
- Heritage
- Highway Lighting
- Irrigation
- Library
- Mass Transit
- Metropolitan Service
- Park and Recreation
- People’s Utility
- Ports
- Predator Control
- Radio and Data
- Road Assessment
- Sand Removal
- Sanitary
- Soil and Water Conservation
- Special Road
- Transportation
- Vector Control
- Water Control
- Water Improvement
- Weather Modification
- Weed Control

How are special districts funded?

Special districts are funded either through property tax revenues, fees charged to customers for services, or a combination of the two.

Chapter 2: What You Should Know as a Special District Board Member

Power and Authority of Special Districts

Unlike cities, special districts have only the powers that are expressly provided for or necessarily implied in the Oregon Revised Statutes (ORS). These authorities can be found generally in ORS 198, and within the principal act that governs the various types of districts. A listing of the principal statute for each type of district can be found in ORS 198.010 through ORS 198.210.

Each type of special district has its own statute and requirements for board members. Some districts refer to board members as commissioners or directors. Most types of districts require by law that board members are electors, or at least own property within the boundary of the district. The number of board members varies, as does the length of their terms. For specific requirements, districts should refer to the Oregon Revised Statute that governs their type of district.

Implied powers are acts necessary to carry out the expressed powers granted by the statutes. For example, being authorized to provide drinking water implies the authority to purchase chemicals, operate a filtration plant and other actions necessary to carry out the expressed powers of the district. When a district decides to expand its role or responsibilities it should seek legal advice to ensure that actions taken by the district are within the scope of powers authorized by the statutes.

There are several types of power in addition to expressed and implied powers:

- Intramural and Extramural Powers: Powers, which can be exercised within or outside of district boundaries. For example: owning property.
- Governmental and Proprietary Powers: Powers exercised in the district's governmental capacity (e.g. policy making) or powers exercised like a business (e.g. operating a marina or selling water).
- Legislative or Administrative Powers: The power to adopt policy as opposed to the power to implement policy. For example: adopting a budget is legislative; spending the money is administrative.
- Quasi-Judicial Power: The power to adjudicate. Requires a decision based on the law and the evidence presented at a hearing. Requires due process. For example: appeal of termination by an employee.

Delegation of Power

- A district can delegate some types of power. Delegation is governed by the Constitution and statutes.
- Powers can be delegated vertically (e.g. down to a staff person, consultant, or committee) or horizontally (over to another government agency).
- Legislative power cannot be delegated; only administrative or quasi-judicial power can be delegated. Only the board can exercise legislative power.
- Administrative power can be performed either by the board or delegated to staff, consultants, or committees. If funds permit, most administrative power should be delegated to trained or experienced staff or professionals. This is particularly true with complicated administrative duties like hiring, firing, and contracting.



- Board members should use caution in exercising administrative power because of the potential of liability, workers' compensation issues, staff morale issues, and other considerations.
- All delegations of power should be clear and in writing (e.g. a job description, employment contract, personnel manual, resolution, etc.)
- Being a board member on a special district board entails a commitment to being actively involved in setting the direction of the district and, most importantly, serving the best interests of the community and district constituents.

Chapter 3: *The Board as an Organization*

Any board exists as an organizational entity, with its own unique organizational culture, norms, values, and operating style. There are attributes or characteristics that are consistently present in boards that operate in a highly effective way. Effective boards become known as effective because they operate in an organizational environment of trust, honesty and openness. These boards exhibit, as a team, the following characteristics:

- All board members are perceived to be equally legitimate – no matter how different or difficult an individual may be.
- The board strives to maintain a “no secrets, no surprises” operating norm.
- The board recognizes and accepts that conflicts and differences are inevitable, not necessarily “bad,” and must be faced and analyzed.
- The effective board tends to immediately turn to solutions rather than playing the “gotcha” game.
- The effective board treats all community members with dignity and respect, even in the face of criticism and opposition.
- The effective board exhibits creative thinking, knows how to handle failure as well as success, encourages risk taking and creates a climate of support for excellence.
- The effective board assumes collective responsibility for the conduct, behavior and effectiveness of the board.

Commitment and Responsibilities

As a board member for a special district, you have committed to serve the best interests of the community, provide services that are essential to the community and represent the people who placed you in office.

One of the most significant responsibilities as a board member is to understand that the board is a team and you need to work together as such. Understanding the dynamics of your group as well as the individual perspectives and opinions of the other board members that you sit with will help to strengthen the district and provide the grounds for maintaining a clear vision of the future, a unity of purpose and a cohesive board. Additionally, the board typically has the specific responsibilities that coincide with their overall role as board members. Overall, your role as a board member is to make and approve district policies, set the direction of the district, make decisions, establish strategic goals and objectives, and be an advocate for special districts.

District board members have no individual powers separate from the powers of the board, and have no authority to act individually without delegation of authority from the board. If a board member acts without authority from the board, the individual can be exposed to personal and district liability. It is the responsibility and right of board members to participate in board meetings and vote on district issues as part of the board.

District Administration and Staff Direction

Individual board members have no individual authority to direct district staff or administrative activities without delegation of that authority from the board. Generally, the board is the policy making body, while staff, to the extent that funds exist, implements policy and administer the district. If a district has no staff, individual board members can assume administrative functions, but only with the authorization of the board. It is a good idea to make sure any delegation of powers to a board member is in writing, in case a public objection is raised, or in case of a potential lawsuit.

Accountability

Special districts are accountable to the voters and customers who use their services. Every special district must submit annual financial reports to the Secretary of State Audits Division and also must follow state laws pertaining to public meetings, record keeping, ethics, public contracting, budgeting, and elections.

Bonding

A district board shall require a bond or irrevocable letter of credit of any board member or employee of the district who is charged with possession and control of district funds and properties. The board shall fix the amount of the bond and the premium shall be paid from district funds. The letter of credit must be issued by a commercial bank (ORS 198.220). All board members or employees can be bonded for a minimal additional charge to the cost (premium) of bonding only one board member. It is practical and beneficial to take the necessary steps to bond all board members and the district manager.

Compensation & Expenses

ORS 198.190 allows districts to pay board members up to \$50 per day as compensation for serving as a board member. Such compensation does not constitute the holding of a lucrative office. Districts need to withhold the appropriate taxes for any compensation given to a board member and report this compensation on quarterly payroll tax returns. W2s should also be issued at the end of the year. Districts may also reimburse board members for reasonable expenses incurred in performing official duties.

Liability & Exposure

The Oregon Tort Claims Act (ORS 30.260 to 30.300) governs district tort liability and provides for the defense and indemnity of public officials and limits damages. Under the act, damage awards against districts or their officers, employees or agents are limited.

Further, districts and their officers, employees and agents are immune from tort liability for injuries covered by workers' compensation, claims regarding assessment or collection of taxes, and claims based on performance or failure to perform a discretionary function.

A district must provide indemnification for any tort claims, groundless or otherwise, occurring in the performance of duty, with the exception that indemnity is not required for malfeasance or wanton or willful neglect of duty. Unless investigation demonstrates that a claim arose out of the official's or employee's malfeasance or willful or wanton neglect, the district must provide counsel to defend the claim. For this reason, it is critical for the district to immediately notify the district's insurer of any claims.

Special Districts Insurance Services (SDIS) and other insurers provide "pre-loss legal" services designed to assist districts before the claim is filed. If there is a potential claim, districts should contact their insurer and seek assistance, as normally the insurer will defend the district if a claim is filed. If your district is insured with SDIS, contact SDAO at 800-285-5461 for pre-loss legal services.

If sued, do the following:

- Immediately provide the document to the district's counsel, insurance agent and insurer.
- Do not discuss the matter publicly. Executive sessions may be called to discuss pending or threatened litigation with district counsel.
- Preserve attorney-client privilege.
- Gather and preserve all related documents.
- Don't panic.

Office Holding

There are several constitutional and statutory limitations and requirements governing election to public office. Some restrictions apply before election and some during the term of office. The election of board members shall be conducted as provided by the district's organic act and ORS Chapter 255.

Eligibility for Office

Each district will have in its principal act the criteria for eligibility for office in that district. In most districts, board members must be residents and/or electors of the district. In some districts, board members must own property within the district. In addition, board members may be ineligible if they have been convicted of a felony, adjudged mentally incapacitated, convicted of making bribes, threats or unlawful rewards, or advocating the overthrow of the government.

Oath of Office

Each newly elected or appointed board member shall take an oath of office at a board meeting prior to assuming the duties of the position.

Maintenance of Eligibility

Board members must maintain their eligibility throughout their term of office. For example, if residency is an eligibility requirement, a board member who moves out of the district during the term of office will lose his or her position.

Employees as Board Members

The practice of allowing employees to serve as board members is allowed by default. However, ORS 198.115 provides that a district may adopt an ordinance prohibiting employees from serving as board members. Such ordinance must take effect at least one year prior to the next regular district election.

Dual Office Holding

In Oregon, volunteer public officials are encouraged to hold as many unpaid public offices as they wish. For example, a person may be on the school board and the fire district board at the same time. Such dual office holding is not a conflict of interest. The only limitation is that a public official cannot hold two lucrative offices (i.e. the same person could not hold the position of sheriff and district attorney).

Resignation of Office

The holder of a public office may resign the office effective at a future date that is prior to the expiration of the term of the office. A resignation is binding unless withdrawn in writing by the end of the third business day after the resignation is made.

Except where an election is required by law, the appointing authority required by law to fill a vacancy may begin the process to fill the vacancy and may select a successor prior to the effective date of the resignation.

Filling Vacancies on a Board

When a vacancy occurs on a district board between elections, the vacancy shall be filled by appointment by a majority of the remaining board members. If there is not a majority of the board available or if a majority of the board cannot agree on filling the vacancy, the county commissioners will fill the position.

An example would be if a recall election is held and a quorum of the board (e.g. three members out of five) is not available, the vacancies are filled by the board of county commissioners. In yet another example, if four members are present but cannot get a majority of three to vote to fill a position, then the decision would go to the board of county commissioners. A person filling a vacancy will serve until June 30th following the next regular district election at which board members are elected, which is May in odd numbered years. The successor elected at the next regular election serves for the remainder of the unexpired term, if any.

POLITICAL ACTIVITIES

Generally, ORS 260.432 states that a public employee (includes any public official, paid or unpaid, who is not elected) may not, while on the job during working hours, promote or oppose election petitions, candidates or ballot measures. Additionally, no person (including elected officials) may require a public employee (at any time) to do so.

Elected officials may:

- Advocate a political position - they are not considered a “public employee” for the purposes of ORS 260.432 OR ORS 260.432(4)(a).
- Vote with the other elected officials of a governing body (such as a school board, city council, or county commission) to support or oppose a ballot measure, and publicly discuss such a vote – but must not use the public employee staff time to assist in this.
- Perform campaign activity at any time, but must take caution not to involve any public employee’s work time to do so.

Notices

Public employers are required to post a notice that advises employees of the rights and duties they have regarding campaigning. The text of this notice is set forth in ORS 260.432(3).

Campaigning

Public employees have the right to express personal political views. They may wear political buttons or clothing at work as long as it does not violate the district’s policy. The district can prevent campaign buttons and stickers from being affixed to any district equipment or facilities.

The Federal Hatch Act is applicable to any state or local government employee who is funded by federal resources. The Hatch Act is even more restrictive on an employee’s political campaigning rights.

Use of Public Funds to Influence Ballot Measures

Public funds may not be used for campaigning. Public officials who authorize such expenditures are personally liable to taxpayers for their return (ORS 294.100(2)). However, public funds may be used to inform the public regarding measures.

Chapter 4: Board Meetings

What is a public meeting?

A meeting is a convening of a quorum of the governing body of a public body for the purpose of deciding or deliberating upon a public issue. Without a quorum, the meeting is not a public meeting and the open meetings law does not apply:

- If less than a quorum of a board meets and discusses a public issue, it is not a public meeting.
- If a quorum of the board meets for a reason other than deliberation or decision on a public issue (e.g. a party, a seminar, a reception, etc.) it is not a public meeting.
- If a quorum meets for a reason other than deliberation or decision on a public issue, but then engages in such discussion, the meeting becomes a public meeting and would be unlawful unless proper notice had been given.

An advisory body, subcommittee, task force, or other official group that has authority to make recommendations to a public body on policy or administration is also required to comply with public meetings law.

A staff meeting is not covered under Public Meetings Law because it does not require a quorum, and because staff simply makes recommendations to the board which is the policy making body. If, however, a staff meeting includes enough board members as to constitute a quorum, then it must be open to the public.

Public Meetings Law is not a “public participation law.” The right of the public to attend meetings does not include the right to participate by giving testimony or comment. However, the public must be allowed to give comment on employment of a public officer or the standards to be used in hiring a chief executive officer.

In Oregon, it takes a majority of the entire membership of the board to adopt a motion, resolution or ordinance or take any other action. A majority of a quorum is insufficient. This means that three affirmative votes on a five-person board are required to pass a motion, even if there is a quorum.

Adopting Rules of Procedure

There are not specific statutory requirements governing the parliamentary procedures of a district. Boards can adopt model rules such as Roberts Rules of Order or draft their own rules of procedure. It is recommended that districts not adopt any model rule in its entirety, as most are designed for boards of legislative bodies much different than a special district board. A district should adopt their own.

Forms of Action

Districts usually take action by the use of ordinances, resolutions, and motions.

- **Ordinances** are generally used to adopt law or policy that applies to the residents of the district. They are subject to the statutory process found in ORS 198.510 to 198.600. The process must be followed strictly or the ordinance may be found to be invalid. Ordinances are subject to the initiative and referendum laws.
- **Resolutions** are used to express policy or opinion of the board or to approve an action such as a contract or major expenditure of funds. A resolution should not be used for adoption of law or policy that applies to the residents of the district. A resolution may be used for the adoption of internal regulations such as personnel rules.

- **Motions** are a way to place a matter before the board for consideration. It is a procedural device rather than a written document. Motions should not be used to adopt or approve a matter that will create policy or have major effect beyond the meeting itself.

PUBLIC NOTICE

- The law requires that public notice be given of the time and place of meetings. This includes regular, special, and emergency meetings and workshops, and also includes meetings of subcommittees and advisory committees established by the governing body.
- Notices must be reasonably calculated to give actual notice to interested persons, including news media that have requested notice.
- The same notice must be given if a meeting is to only include an executive session. Any notice of an executive session must also include the specific statutory provision authorizing the executive session. If a regular, special, or emergency meeting is to be held which will include an executive session, the notice of executive session should be included in the notice along with the statutory authority. (See section on Executive Sessions for statutory authority.)
- Notice must include a list of the principal subjects anticipated to be considered at the meeting. The agenda does not need to go into detail about subjects scheduled for discussion, but should be sufficiently descriptive so that interested persons will have an accurate picture of the anticipated agenda topics.
- The law does not require that every proposed item of business be described in the notice, but rather a reasonable effort to inform the public of the nature of the more important issues to be considered. Additional subjects may be considered at the meeting, even though not included in the notice.
- Paid advertising, such as in a local newspaper, is not required. Posting the meeting notice in a prominent location on the district's website and use of social media are appropriate means of providing public notice.

Regularly Scheduled Meetings

Notices may be issued to:

- Wire Service: Associated Press and United Press International.
- Local Media Representatives: If the meeting involves a local matter then the notice should be sent to local media.
- Mailing Lists: Districts maintaining mailing lists of persons or groups for notice of public meetings should send notice to the persons on the list.
- Interested Persons: If a district is aware of persons interested in receiving notice of a meeting, these persons should be notified.
- Notice Boards: Some smaller communities have a designated area or bulletin board for posting notices. Governing bodies may want to post notices of meetings in such areas.
- District website and/or District social media page.

Special Meetings

Special meetings require at least 24 hours' notice. Such notice should include a press release or telephone call to media, particularly media that has requested prior notice. Special meeting notice should also include telephone, letter, or fax notice to other interested parties.

Emergency Meetings

Emergency meetings may be held on less than 24 hours' notice. An actual emergency must exist, and the minutes must describe the emergency, which justifies less than 24 hours' notice. Notice of an emergency meeting must be "appropriate to the circumstances," which should at least include a reasonable attempt to contact the media and other known interested persons.

- An actual emergency on one item does not permit consideration of other items at the emergency meeting.
- Work schedule conflicts or inconvenience of board members is not a justification for an emergency meeting.

Executive Sessions

Districts may have executive sessions (meetings closed to the public) under specific circumstances that are authorized by the statutes.

Executive sessions may be held for the following purposes:

- Employment of public officers, employees and agents
- Discipline of public officers and employees
- Performance evaluations of public officers and employees
- Labor negotiator consultations
- Labor negotiations
- Real property transactions
- Consideration of exempt public records
- Consultation with legal counsel regarding litigation
- Public Investments

No executive session may be held for the purpose of taking final action or decision, only a preliminary decision can be made. Executive sessions may be called during a regular meeting, special or emergency meeting for which proper notice has been given, or a noticed executive session can be held without being part of another meeting.

The media cannot be excluded from an executive session, except when the purpose is to do labor negotiations. Media representatives in attendance at an executive session must be instructed not to report or disclose matters discussed. If not instructed, the media may disclose the executive session discussion. The presiding officer of the board may prohibit the media from recording an executive session. Compliance of the media to the rules is based primarily on cooperation, not on the imposition of any penalties.

Districts are encouraged to consult with legal counsel before calling an executive session to ensure that the notice, procedures and subject comply with state law. The Oregon Government Ethics Commission may consider complaints against public officials for violation of executive session laws, and may impose penalties on elected officials.

Notice of Ordinances: If an ordinance is to be considered, ORS 198.540 requires that the meeting agenda be published between 4 and 10 days before the meeting and that it be posted in three places 10 days before the meeting.

Meeting Locations

The governing body is responsible to assure that there is adequate room for public attendance. Unexpected overflow crowds need not be accommodated, but reasonable efforts should be made to allow unexpected crowds to attend.

- Meetings must be held within the geographic boundaries of the district, at the district's administrative headquarters, or at any other nearest practical location. Emergency meetings and training sessions are not subject to those alternative requirements.
- Public meetings may be held in private places, such as restaurants or residences, as long as adequate notice of the location is given so that interested persons may attend and accommodations can be made for public attendance.
- Meetings may not be held where discrimination on the basis of race, creed, color, sex, age, national origin, or disability is practiced.
- Public meetings must be held in places accessible to individuals with mobility and other impairments, and a good faith effort to provide needed interpreters for hearing-impaired persons needs to be made. A hearing-impaired person requesting an interpreter must give the governing body at least 48 hours' notice.
- Public meetings must be accessible by remote access to the public when reasonably possible.

Control of Meetings

The presiding officer has the inherent authority to keep order and impose reasonable restrictions necessary for the orderly and efficient conduct of a meeting. Unless the board decides otherwise, the presiding officer may regulate or disallow public input, may limit public input to relevant points, and may establish time limits for such input. Persons who fail to comply with such reasonable regulations or who otherwise disturb the meeting may be asked to leave, and upon failure to do so, may be treated as a trespasser.

- Members of the public cannot be prohibited from unobtrusively recording public meetings.
- Smoking is banned at public meetings at meeting places that are rented, leased, or owned by the district. If appropriate, the presiding officer should remind attendees that smoking is prohibited in public meetings.

Voting

All official actions by governing bodies must be taken by public vote of the governing body, and the results of such vote, including how each board member voted on each issue, must be covered in the minutes. Secret ballots are prohibited. Failure to record a vote is not grounds to reverse that decision without a showing of intentional manipulation of the voting.

Minutes & Record Keeping

Written minutes must be taken of all meetings. Minutes need not be verbatim transcripts, nor are tape recordings required. Minutes, in whatever form, must give a true reflection of matters discussed at the meeting and the views of the participants. Governing bodies must prepare minutes and have them available to the public within a reasonable time after the meeting. Minutes must be made available to the public if requested even if not formally approved by the board and finalized. Such minutes, if provided, may be watermarked or otherwise labeled as "draft" minutes.

Any tape recordings or written minutes of public board meetings or executive sessions shall be retained by the district until such time as their disposal is authorized by rule or specific authorization of the State Archivist pursuant to ORS 192.105. It is required that minutes be retained permanently per the Secretary of State Archive Division retention schedule. Minutes of executive sessions are not public records.

Written minutes must include:

- Members present
- Motions, proposals, resolutions, orders, ordinances, and measures proposed and their disposition
- Results of all votes taken
- The substance of any discussion of any matter
- A reference to any document discussed at the meeting

Chapter 5: *Ethics Laws*

Elected and appointed officials have an obligation to conduct business in an ethical manner and make decisions that are in the best interest of their constituents. As a board member for a special district, it is imperative that you keep the public's interest in mind and avoid any situations where your self-interests are put first. Building the public's confidence and trust by demonstrating your ability to recognize potential ethics problems and then removing yourself from that situation is a key factor to your success as a board member.

The Oregon Ethics Commission (OGEC) is charged with regulating the activities of public officials in three primary areas: financial disclosure, prohibition against the use of office for financial gain, and conflicts of interest. Additionally, the OGEC enforces public meetings laws under (ORS 192.610 to 192.690).

Prohibition Against the Use of Office for Financial Gain

ORS 244.040 states that "No public official shall use or attempt to use official position or office to obtain financial gain or avoidance of financial detriment that would not otherwise be available but for the public official's holding of the official position or office..." This provision is the basis for violations relating to use of public equipment (such as cell phones and vehicles) and accepting offers for discounted rates from merchants and service providers. The prohibition does not include acceptance of official salary, reimbursement of expenses, honoraria and unsolicited awards for professional achievement.

Conflicts of interest

Oregon Government Ethics Law identifies and defines two types of conflicts of interest: An actual conflict of interest and a potential conflict of interest. A public official is met with a conflict of interest when participating in official action which could or would result in a financial benefit or detriment to the public official, a relative of the public official or a business with which either is associated.

A public official is met with an **actual** conflict of interest when the public official participates in action that **would** affect the financial interest of the official, the official's relative or a business with which the official or a relative of the official is associated. The public official must announce the nature of the conflict and not discuss or take any official action on the issue.

A public official is met with a **potential** conflict of interest when the public official participates in action that **could** affect the financial interest of the official, a relative of that official or a business with which the official or the relative of that official is associated. The public official must announce the nature of the conflict and may discuss and take official action on the issue.

At each session or meeting at which the issue is addressed, the official must make the same public disclosure. However, the official is required to make that announcement only once at each meeting, even if the issue involves a series of votes.

Gifts

When Oregon Government Ethics Law uses the word “gift” it has the meaning in ORS 244.020(6)(a):

“Gift” means something of economic value given to a public official, a candidate, or a relative or member of the household of the public official or candidate. In other words, a “gift” is something of economic value that is offered to:

- A public official or candidate or to relatives or members of the household of a public official or candidate without cost or at a discount or as forgiven debt and the same offer is not made or available to the general public who are not public officials or candidates.
- If the source of the offer of a gift to a public official has a legislative or administrative interest in the decisions or votes of the public official, the public official can only accept gifts from that source when the aggregate value of gifts from that source does not exceed \$50 in a calendar year.

For more information on gifts, obtain a copy of “A Guide for Public Officials” from the Oregon Ethics Commission’s website.

Advisory Opinions and Staff Opinions

To assist public officials in avoiding ethics violations, the OGEC lists both staff opinions and advisory opinions on its website. A staff opinion is an informal opinion that addresses only the application of Oregon Ethics Law or Lobbying Regulation Law to the facts stated in the request. Any relevant information, which was not included by the requester of this opinion in the stated facts, could completely change the outcome of this opinion. Other laws or requirements may also apply. The opinion does not exempt a public official from liability under the applicable law for any action or transaction carried out in accordance with the opinion. The opinion is the personal assessment of the executive director of the Oregon Government Ethics Commission.

When in doubt regarding specific activity, you may almost always find an existing opinion related to the topic at hand. If not, you may request an opinion from the OGEC or contact the SDAO Pre-Loss Department.

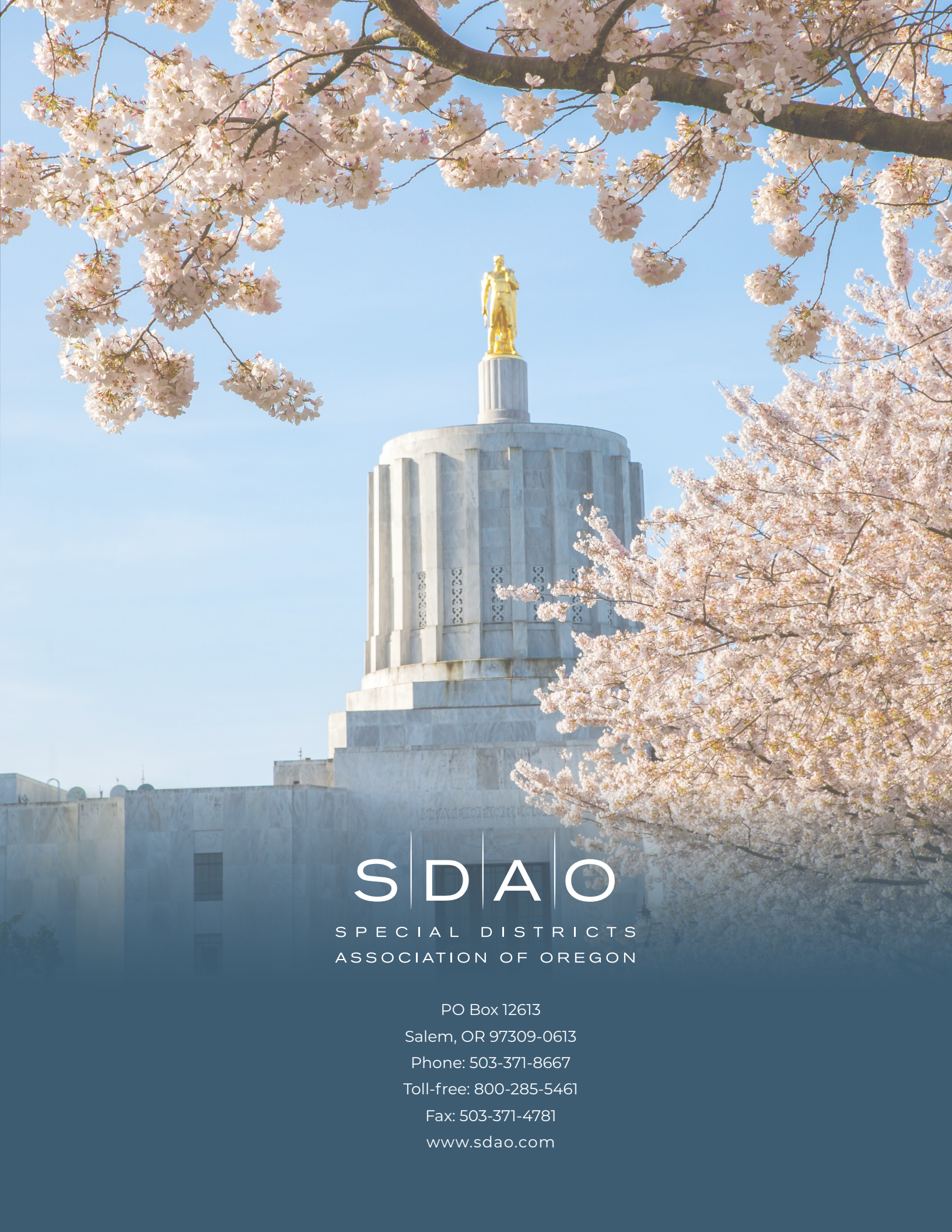


Reference Materials

- Attorney General's Public Meetings and Records Manual: Department of Justice
- Oregon Attorney General's Public Contracting Manual: Department of Justice
- A Guide for Public Officials: Oregon Ethics Commission Website
- Local Budget Law: Oregon Department of Revenue
- Special District Elections: Secretary of State Elections Division
- Restrictions on Political Campaigning by Public Employees: Secretary of State Elections Division

State Agency Resources

Board of Accountancy	(503) 378-4181
Bureau of Labor and Industries	(971) 673-0761
Construction Contractor's Board	(503) 378-4621
Department of Administrative Services	(503) 378-2349
Department of Justice	(503) 378-4400
Department of Revenue (Finance & Taxation)	(503) 378-4988
Oregon Government Ethics Commission	(503) 378-5105
Oregon Occupational Safety and Health Division	(503) 378-3272
Secretary of State Archives Division	(503) 373-0701
Secretary of State Audits Division	(503) 986-2255
Secretary of State Elections Division	(503) 986-1518
State Treasury	(503) 378-4000
Workers' Compensation Division	(503) 947-7810



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OREGON GOVERNMENT ETHICS LAW

A GUIDE FOR PUBLIC OFFICIALS



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Web address: www.oregon.gov/ogec



DISCLAIMER

This guide has been approved by the Oregon Government Ethics Commission pursuant to ORS 244.320. ORS 244.320 requires this publication to explain in understandable terms the requirements of Oregon Government Ethics law and the Oregon Government Ethics Commission's interpretation of those requirements. Toward that end, statutes and rules have been summarized and paraphrased in this guide. The discussion in this guide should not be used as a substitute for a review of the specific statutes and rules.

There may be other laws or regulations not within the jurisdiction of the Commission that apply to actions or transactions described in this guide.

A penalty may not be imposed under ORS Chapter 244 for any good faith action taken in reliance on the advice in this guide. "In reliance on" the advice in this guide means that the fact circumstances of the action taken are the same fact circumstances that serve as the basis for advice in this guide.

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INTRODUCTION

In 1974, voters approved a statewide ballot measure to create the Oregon Government Ethics Commission (Commission). The measure established laws that are contained in Chapter 244 of the Oregon Revised Statutes (ORS).

When the Commission was established, it was given jurisdiction to implement and enforce the provisions in ORS Chapter 244 related to the conduct of public officials. In addition, the Commission has jurisdiction for ORS 171.725 to 171.785 and 171.992, related to lobbying regulations, and ORS 192.660 and 192.685, the executive session provisions of Oregon Public Meetings law.

This Guide for Public Officials includes a discussion of some provisions that may also apply to lobbying activities. This is especially true when a lobbying activity involves paying the expenses for meals, lodging, travel, entertainment or other financial benefits of a legislative or executive official. Under specific circumstances, ORS Chapter 244 allows the payment of such expenses, but the public official may have a reporting requirement under ORS Chapter 244 and the source of the payment may be required to register as a lobbyist or report the expenditure. The Commission publishes a guide for lobbyists and clients or employers of lobbyists regulated under provisions in ORS Chapter 171. If you have questions regarding registering as a lobbyist, lobbying activity or reports for lobbying expenditures, please refer to our Guide to Lobbying in Oregon, which is available on our website.

ORS 192.660 lists the specific criteria a governing body must use when convening an executive session. Under this statutory authority, executive sessions are limited to discussion of specific matters. This guide does not discuss that portion of the Oregon Public Meetings law, but there is a detailed discussion of executive sessions, as set out in ORS 192.660, in the Attorney General's Public Records and Meetings Manual, available on-line at <https://www.doj.state.or.us/oregon-department-of-justice/public-records/attorney-generals-public-records-and-meetings-manual/>

This guide will discuss how the provisions in ORS Chapter 244 apply to public officials and will summarize Commission procedures. It should be used in conjunction with applicable statutes and rules, but should not be used as a substitute for a review of the statutes and rules. It is intended to be a useful discussion, in understandable terms, of topics and issues that are often the focus of inquiries the Commission receives from public officials and citizens.

You will find links to ORS Chapter 244, ORS Chapter 171.725 to 171.785 and 171.992, ORS 192.660 and ORS 192.685, relevant Oregon Administrative Rules (OAR), and other publications referenced in this guide on the Commission's website at <https://www.oregon.gov/ogec/Pages/default.aspx>. Questions or comments may be submitted to the Commission by email at ogec.mail@oregon.gov, by telephone to 503-378-5105, or by fax to 503-373-1456.

JURISDICTION

The jurisdiction of the Oregon Government Ethics Commission is limited to provisions in ORS Chapter 244, ORS 171.725 to 171.785 and 171.992, and ORS 192.660 and 192.685. Other Oregon statutes may also regulate the activities of elected officials and public employees. Some examples are:



- The Elections Division of the Secretary of State's Office regulates campaign finance and campaign activities.
- Federal, state, or local law enforcement has jurisdiction over alleged criminal activity.
- The Oregon Bureau of Labor and Industries investigates cases involving employment-related sexual harassment or discrimination on the basis of race, religion, disability or gender.
- The initial enforcement of the Public Records law lies with County District Attorneys and the Department of Justice.
- Enforcement of the Oregon Public Meetings law lies with the Oregon Circuit Courts, except that the Commission also has jurisdiction over the execution session provisions in ORS 192.660 and 192.685.

There are occasions when a public official engages in conduct that may be viewed as "unethical," but that conduct may not be governed by Oregon Government Ethics law. The following are some examples of conduct by public officials that may not be within the authority of the Commission to address:

An elected official making promises or claims that are not acted upon.

Public officials mismanaging or exercising poor judgment when administering public money.

Public officials being rude or unmannerly.

A person's private behavior unrelated to their actions as a public official.

While the conduct described above may not be addressed in Oregon Government Ethics law, other statutes and public agency policies may prohibit or redress the behavior. Please contact the Commission staff if you need further clarification regarding how the Oregon Government Ethics law may apply to circumstances you may encounter.

PUBLIC OFFICIAL: AN OVERVIEW

The provisions in Oregon Government Ethics law restrict some choices, decisions or actions of a public official. The restrictions placed on public officials are different than those placed on private citizens because service in a public office is a public trust and the provisions in ORS Chapter 244 were enacted to provide one safeguard for that trust.

Public officials must know that they are held personally responsible for complying with the provisions in Oregon Government Ethics law. This means that each public official must make a personal judgment in deciding such matters as the use of official position for financial gain, what gifts are appropriate to accept, when to disclose the nature of conflicts of interest, and the employment of relatives or household members. If a public official fails to comply with the operative statutes, a violation cannot be dismissed by placing the blame on the public official's government employer or the governing body represented by the public official.

One provision, which is the cornerstone of Oregon Government Ethics law, prohibits public officials from using or attempting to use their official positions or offices to obtain a financial benefit for themselves, relatives or businesses with which they are associated if that financial benefit or opportunity for financial gain would not otherwise be available but for the position or office held.

Oregon Government Ethics law limits and restricts public officials and their relatives as to gifts they may solicit or accept. Under specific circumstances, public officials may accept certain gifts. This guide will discuss those provisions. Public officials are allowed to receive salary and reimbursed expenses from their own government agencies.

Another provision that frequently applies to public officials when engaged in official actions is the requirement to disclose the nature of conflicts of interest. This guide will discuss the definition of a conflict of interest, the distinction between actual and potential conflicts of interest, and describe how a public official must disclose and dispose of a conflict of interest.

For some public officials who are elected to offices or hold other select positions, there is a requirement to file an Annual Verified Statement of Economic Interest. This guide will discuss that filing requirement.

It is important for both public officials and members of the general public served by public officials to know that the provisions in Oregon Government Ethics law apply to the actions and conduct of individual public officials and not to the actions of state and local governing bodies or government agencies. Each individual public official is personally responsible for complying with provisions in ORS Chapter 244. Before taking official action, making a decision, participating in an event, or accepting a gift that may raise potential ethics law violations, each public official must make a personal judgment. The Commission staff is available to discuss the issues and offer guidance in making such judgments.

The statutes and rules discussed or illustrated in this guide do not and cannot address every set of circumstances a public official may encounter. Since compliance is the personal responsibility of each public official, public officials need to familiarize themselves with the wide variety of resources that offer information or training on the provisions in Oregon Government Ethics law.

In addition to the statutes in ORS Chapter 244 and the Oregon Administrative Rules (OAR) in Chapter 199, see <https://www.oregon.gov/ogec/Pages/default.aspx>, the Commission's website, which offers information, training and links to this guide, ORS Chapter 244 and OAR Chapter 199. The Commission offers a variety of free training resources and many government agencies also offer internal training to their employees or the agencies may request training from the Commission's trainers. There are a number of membership organizations, such as The League of Oregon Cities, Association of Oregon Counties, Oregon School Boards Association and the Special Districts Association of Oregon, that provide training to public officials. It is imperative for government agencies or organizations that employ or represent public officials to ensure their public officials receive training in Oregon Government Ethics law. Those that fail to provide this training do a disservice to the public officials who they employ or who represent them.



A PUBLIC OFFICIAL

Are you a public official?

“Public official” is defined in ORS 244.020 as the First Partner and any person who, when an alleged violation of ORS Chapter 244 occurs, is serving the State of Oregon or any of its political subdivisions or any other public body as defined in ORS 174.109 as an elected official, appointed official, employee or agent, irrespective of whether the person is compensated for the services.

There are approximately 200,000 public officials in Oregon. You are a public official if you are:

- The First Partner, defined as the spouse, domestic partner or an individual who primarily has a personal relationship with the Governor.
- Elected or appointed to an office or position with a state, county, regional, or city government.
- Elected or appointed to an office or position with a special district.
- An employee of a state, county, city, intergovernmental agency or special district.
- An unpaid volunteer for a state, county, regional, city, intergovernmental agency, or special district.
- An agent of the State of Oregon or any of its political subdivisions.

The Commission has adopted, by rule, additional language used to clarify the use of “agent” in the definition of “public official.” The following clarification is in OAR 199-005-0035(7):

As defined in ORS 244.020(15), a public official includes the First Person and anyone serving the State of Oregon or any of its political subdivisions or any other public body in any of the listed capacities, including as an “agent.” An “agent” means any individual performing governmental functions. Governmental functions are services provided on behalf of the government as distinguished from services provided to the government. This may include private contractors and volunteers, depending on the circumstances. This term shall be interpreted to be consistent with Attorney General Opinion No. 8214 (1990).

If I am a volunteer, does that make me a public official?

The Commission recognizes that there are those who volunteer to work without compensation for many state and local government agencies, boards, commissions and special districts. Volunteers may be elected, appointed or selected by the government agency or public body to hold a position or office or to provide services. Among the public officials who volunteer, there are elected or appointed members of state boards or commissions, city councils, planning commissions, fire district boards, school district boards, and many others. There are also many who apply and are selected to perform duties for a government agency, board or commission without compensation, such as firefighters, reserve law enforcement officers, and parks or recreation staff members.

If the position for which you have volunteered serves the State of Oregon or any of its political subdivisions or any other public body, irrespective of whether you are compensated, you are a public official.

How are relatives and household members of public officials affected by Oregon Government Ethics law?

Public officials must always comply with state law when participating in official actions that could result in personal financial benefits and also when participating in official actions that could result in financial benefits for a relative or household member. Public officials should also know there may be limits and restrictions on gifts their relatives or household members may accept when offered.

There are provisions in ORS Chapter 244 that restrict or prohibit a public official from using or attempting to use official actions of the position held to benefit a relative or household member, limit the value of financial benefits accepted by a relative or household member of the public official, or require the public official to disclose the nature of a conflict of interest when a relative may receive a financial benefit. There are provisions that place restrictions on a public official regarding the employment or supervision of a relative or household member. These provisions are discussed more comprehensively in the use of position or office section starting on page 17, the gifts section starting on page 26, the conflicts of interest section starting on page 11, and the nepotism section starting on page 35.

Who is a relative?

Public officials need to know how Oregon Government Ethics law defines a “relative.” In everyday conversation the term “relative” is applied to a spectrum of individuals with “family ties” broader than those defined as relatives in ORS 244.020(16). When a provision in ORS Chapter 244 refers to “relative,” it means one of the following:

- The spouse, parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of the public official or candidate;
- The parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of

- the spouse of the public official or candidate;
- Any Individual for whom the public official or candidate has a legal support obligation
- Any Individual for whom the public official provides benefits arising from the public official's public employment
- Any Individual from whom the public official or candidate receives benefits arising from the individual's employment.

For purposes of the last two bulleted items, examples of benefits may include, but is not limited to, elements of an official compensation package such as insurance, tuition or retirement benefits.

Who is a “member of the household”?

Public officials need to know how Oregon Government Ethics law defines “member of the household” because there are provisions in ORS Chapter 244 that prohibit a public official from using or attempting to use their official position to financially benefit a member of their household.

A “member of the household” is any person who resides with the public official or candidate. [ORS 244.020] This definition includes any individual who resides in the same dwelling as the public official, regardless of whether that individual pays rent or not, and regardless of whether that individual is a relative or not.

What is a business with which a person is associated?

There are provisions in ORS Chapter 244 that restrict or prohibit a public official from using their position to benefit a business with which the public official or the public official's relative or household member is associated. Other provisions also require the public official to disclose the nature of a conflict of interest when their official actions would or could financially impact a business with which the official or their relative is associated.

As with the definition of relative, public officials need to know how Oregon Government Ethics law defines what a “business” is and how it defines a “business with which the person is associated.” The same sound judgment a public official exercises when participating in actions that could result in a financial benefit to the public official or a relative of the public official should be used when participating in actions that could result in a financial impact to a business with which the public official or the official's relative is associated.

ORS 244.020(2) provides the definition of a “**business**” for the purposes of the application of Oregon Government Ethics law. A “business” is a self-employed individual and any legal entity that has been formed for the purpose of producing economic gain.

- Excluded from this definition are income-producing corporations that are not-for-profit and tax exempt under section 501(c) of the Internal Revenue Code, if a public

official or a relative is associated only as a member, as a member of the board of directors, or in another unpaid position.

Example: An elected County Commissioner is a member of a credit union that operates without profit and is tax exempt under section 501(c) of the Internal Revenue Code. Because the public official is associated with the credit union only as a member, the credit union is not considered a “business” under the definition in Oregon Government Ethics law.

Example: The son of an elected city councilor is a teller employed by a credit union that operates without profit and is tax exempt under section 501(c) of the Internal Revenue Code. Because the public official’s relative is a paid employee of the credit union, the city councilor’s association with the credit union does not meet the exclusion above, and the credit union would be considered a “business” under the definition in Oregon Government Ethics law.

- Also excluded from the definition of business are entities, such as state and local governments or special districts, which are not formed for the purpose of producing income.

Example: An advisory board for the Department of Education awards grants to county, city or other local government entities. The advisory board’s members include public officials who are employed by a city police department and by a local fire district. These public officials would not have conflicts of interest when awarding grants to the city or to the fire district, because these government entities do not meet the statutory definition of a “business.”

Once a public official determines that an entity qualifies as a “business,” the public official must also determine if it is a “business with which the person is associated.” In accordance with ORS 244.020(3), a business is a “**business with which the person is associated**” for a public official or the relative or household member of the public official in any of the following circumstances:

- When a person, or their relative is a director, officer, owner, employee or agent of a private business or a closely held corporation.

Example: The Eugene City Recorder is a public official and her daughter is the president and owner of a private landscaping business. That business would be “a business with which the City Recorder’s relative is associated.”

- When a person or their relative currently holds, or held during the preceding calendar year, stock, stock options, an equity interest or debt instrument worth \$1,000 or more in a **private business or closely held corporation**.

Example: The Mayor of Seaside’s brother currently holds an equity interest of more than \$1,000 in a private business owned by a college friend. This would be a “business with which the Mayor’s relative is associated.”

- When a person or their relative currently owns, or has owned during the preceding calendar year, stock, stock options, an equity interest, or debt instruments of \$100,000 or more in a **publicly held corporation**.

Example: The procurement officer for the City of Portland recently inherited stock worth \$110,000 in Nike, which is a publicly held corporation. Nike is a “business with which the procurement officer is associated.”

- When a person or their relative is a director or officer of a **publicly held corporation**.

Example: A Planning Commissioner for Washington County is the son of a member of the Board of Directors for Intel, a publicly held corporation. Intel is a “business with which the Planning Commissioner’s relative is associated.”

- When a public official is required by ORS 244.050 to file an Annual Verified Statement of Economic Interest and the business is required to be listed as a source of household income, per ORS 244.060.

Example: A Bend city councilor is required to file an Annual Verified Statement of Economic Interest (SEI). A member of the city councilor’s household, not a relative, is a paid employee of a private business. The private business which employs the household member would be a “business with which the city councilor is associated” if it provides 10% or more of the councilor’s annual household income.



CONFLICTS OF INTEREST

How does a public official know when they are met with a conflict of interest and, if met with one, what must they do?

Oregon Government Ethics law identifies and defines two types of conflicts of interest. An **actual conflict of interest** is defined in ORS 244.020(1) and a **potential conflict of interest** is defined in ORS 244.020(13). In brief, a public official is met with a conflict of interest when participating in official action which would or could result in a financial benefit or detriment to the public official, a relative of the public official or a business with which either is associated.



The difference between an actual conflict of interest and a potential conflict of interest is determined by the words “**would**” and “**could**.” A public official is met with an **actual** conflict of interest when the public official participates in an official action, decision, or recommendation that **would** affect the financial interest of the official, their relative, or a business with which they or their relative is associated. A public official is met with a **potential** conflict of interest when the public official participates in an official action, decision, or recommendation that **could** affect the financial interest of the official, their relative, or a business with which they or their relative is associated. The following hypothetical circumstances are offered to illustrate the difference between actual and potential conflicts of interest and what is not a conflict of interest:

- **POTENTIAL CONFLICT OF INTEREST:** A school district has decided to construct a new elementary school and the school board is at the stage of developing criteria for the construction bid process. A recently elected school board member’s son owns a construction company in town. The school board member would be met with a potential conflict of interest when participating in official actions to develop the bid criteria, because the official actions she takes **could** financially impact her son’s construction company, a business with which her relative is associated.
- **ACTUAL CONFLICT OF INTEREST:** A school district is soliciting bids for the construction of a new elementary school. The bid deadline was last week and the district Superintendent has notified the school board that there are four qualified bids and the school board will be awarding the bid to one of the four bidders at their upcoming meeting. One of the qualified bids was submitted by the construction company owned by a school board member’s son. The school board member would be met with an actual conflict of interest when awarding this bid because the effect of her decision **would** have a financial impact (either positive or negative) on her son’s construction company, a business with which her relative is associated.

- **NO CONFLICT OF INTEREST:** A school district is soliciting bids for the construction of a new elementary school. One of the qualified bids was submitted by a construction company owned by a board member's best friend but neither the board member nor any relative are associated with the construction company. The school board member would **not** be met with a conflict of interest when awarding this bid because the effect of her official decision **would not or could not** have a financial impact on herself, a relative, or a business with which she or her relative is associated.

What if I am met with a conflict of interest?

A public official must announce or disclose the nature of a conflict of interest. The way the disclosure is made depends on the position held. The following public officials must use the methods described below:

Legislative Assembly:

Members must announce the nature of the conflict of interest in a manner pursuant to the rules of the house in which they serve. The Oregon Attorney General has determined that only the Legislative Assembly may investigate and sanction its members for violations of conflict of interest disclosure rules in ORS 244.120. [49 Op. Atty. Gen. 167 (1999) issued on February 24, 1999]

Judges:

Judges must remove themselves from cases giving rise to the conflict of interest or advise the parties of the nature of the conflict of interest. [ORS 244.120(1)(b)]

Public Employees:

Public officials who are hired as public employees, agents, or who volunteer with their public bodies must provide **written notice** to the person who appointed or employed them (their "appointing authority"). The notice must describe the nature of the conflict of interest with which they are met and request that their appointing authority dispose of the conflict. This written disclosure to the appointing authority satisfies the requirements of ORS 244.120 for the employee. The appointing authority must then designate an alternate person to handle the matter or direct the public official in how to dispose of the matter. [ORS 244.120(1)(c)]

Example of Disclosure and Disposal: A County employee's job includes issuing building permits. An application concerns property owned by the employee's stepfather. The employee would be met with a conflict of interest and would need to make a written disclosure of his conflict to his appointing authority, in this case his department supervisor, and ask that the supervisor dispose of the conflict. Once the employee makes the written disclosure, he has complied with the conflict of interest statute. Upon receipt of a written disclosure from an employee, the supervisor must respond by either delegating an alternative person to handle the matter or directing the public official in how to dispose of the matter. **Note:** If the supervisor directs the public official to dispose of the conflict by handling his

relative's permit the same as any other permit, the supervisor could be asking an employee to take official actions that may violate the prohibited use of position statute, ORS 244.040(1). See page 17.

Elected Officials or Appointed Members of Boards and Commissions:

Elected officials (other than legislators) and those appointed to Boards and Commissions must publicly announce the nature of the conflict of interest before participating in any allowable official action on the issue giving rise to the conflict of interest. [ORS 244.120(2)(a) and ORS 244.120(2)(b)] The announcement must be made in a public meeting, or if no public meeting is available, by other means reasonably determined to notify members of the public of the public official's disclosure. For elected officials who do not hold regular public meetings, such as a Sheriff, District Attorney, or the Secretary of State, other means of compliance could be through a press release or by posting the disclosure on the public body's website.

- **Potential Conflict of Interest:** Following the public announcement of the nature of a potential conflict of interest, elected officials (other than legislators) and those appointed to Boards and Commissions, may participate in official action on the issue that gave rise to the conflict of interest.

Example: A city has decided to solicit bids to develop a new computer system and the city councilors are developing criteria for the bid process. A city councilor's brother works for an IT firm in town. The councilor would be met with a **potential** conflict of interest when participating in official actions to develop the bid criteria, because the official actions she takes **could** financially impact her brother's employer, a business with which her relative is associated. The councilor should publicly disclose the nature of her conflict of interest at the council meeting when the development of bid criteria comes up for consideration. Following the public disclosure, she may continue to participate in discussions and votes on the issue.

- **Actual Conflict of Interest:** Following the public announcement of the nature of an actual conflict of interest, the public official must ordinarily refrain from further participation in official action on the issue that gives rise to the conflict of interest. [ORS 244.120(2)(b)(A)]

Example: The city council is meeting to award a bid for a new IT project. Qualified bidders include a company that employs a city councilor's brother. The city councilor has an **actual** conflict of interest because the effect of her decision **would** have a financial affect, whether positive or negative, on a business with which her brother is associated. The city councilor must publicly announce the nature of her conflict of interest at the meeting and then refrain from any discussion or vote on the matter.

Exception: If a public official is met with an actual conflict of interest and the public official's vote is necessary to meet the minimum number of votes required for official action, the public official may vote. The public official must make the required announcement of their conflict of interest and refrain from any discussion or debate, but may participate in the vote required for official action by the governing body. [ORS 244.120(2)(b)(B)]

Example: In the scenario above, the city councilor would be met with an actual conflict of interest. The city council has 5 members and it takes 3 votes for board action. At the time of this meeting, one seat is vacant, another member is absent, and the member with the actual conflict is present, but conflicted, leaving the city council without the requisite 3 votes to take action. In this instance, following her public disclosure, the conflicted city councilor must refrain from any discussion or debate on the issue, but she may vote in order for the council to take action. Alternatively, the council may choose to delay the vote until a later meeting when more city councilors are present.

The following circumstances may exempt a public official from the requirement to make a public announcement or give a written notice describing the nature of a conflict of interest:

- If the conflict of interest arises from a membership or interest held in a particular business, industry, occupation or other class **and** that membership is a prerequisite for holding the public official position. [ORS 244.020(13)(a)]

Example: The Oregon Medical Board requires that one Board member must be a practicing physician, any official action taken by the physician board member that affects all physicians to the same degree would be exempt from the conflict of interest requirements. The physician Board member need not disclose a conflict of interest and may participate in taking official action on the issue.

- If the financial impact of the official action would impact the public official, their relative, or a business with which they or their relative is associated, to the same degree as other members of an identifiable group or "class." The Commission has the authority to identify a group or class and determine the minimum size of that "class." [ORS 244.020(13)(b) and ORS 244.290(3)(a)] The number of persons affected **to the same degree** as the public official will help to determine whether this exception applies.

Only the Commission may determine whether a "class" exemption exists. A written request must be made to the Commission to make that determination in advance. If a public official determines that a "class" exception applies in their situation, without benefit of Commission advice, the Commission may later determine that a "class" exception does not apply to the situation, and could find a violation.

Example: A city council is considering a change to the local transient lodging tax collected and remitted to the city by hotels and motels. One of the city councilors owns a motel. The effect of official actions taken by the city councilor concerning this tax would impact all motel owners within the city. The Commission may determine that the city councilor is part of an identifiable group or “class” of 200 city motel/hotel owners, who would be affected to the same degree and thus exempt from the conflict of interest disclosure and participation restrictions.

Example: A city council is considering a change to the local transient lodging tax collected and remitted to the city by motels. One of the city councilors is a motel owner. The effect of official actions taken by the city councilor concerning this tax would impact all motel owners within the city. The Commission declined to find that the class exemption applies due to the size of the “class” because there are only 3 motels in the city, 2 of which are owned by the councilor. The class exemption would not apply in these circumstances and the councilor must comply with the conflict of interest disclosure and participation restrictions.

Example: A city council is considering a proposal to construct a by-pass route around the city’s business district. The city’s business district includes many businesses and restaurants, including a coffee shop owned by one of the city councilors and a drive-thru espresso stand owned by another resident. The effect of the by-pass would not affect all business owners in the city to the same degree. The class exemption would not apply in these circumstances and the councilor who owns the coffee shop must comply with the conflict of interest disclosure and participation restrictions.

- If the conflict of interest arises from a directorship on the board of, or membership in, a nonprofit corporation that is tax-exempt under 501(c) of the Internal Revenue Code. [ORS 244.020(13)(c)]

Example: A city councilor is also a board member of the local YMCA, a tax-exempt 501(c) organization. The decision, as a city councilor, to award a grant to that YMCA would be exempt from the conflict of interest disclosure and participation restrictions. [ORS 244.020(13)(c)]

How is the public announcement or written disclosure of the nature of a conflict of interest recorded?

- The public body served by the public official is required to record the disclosure of the nature of the conflict of interest in the public body’s official records (e.g. personnel file, meeting minutes, audio/video recording). It is to the public official’s benefit to ensure their conflict disclosure is recorded in their public body’s records. [ORS 244.130(1)]

Is a public official required to make an announcement of the nature of a conflict of interest each time the issue giving rise to the conflict of interest is discussed or acted upon?

Each time a public official is met with a conflict of interest, the nature of the conflict must be disclosed.

- For example, an elected member of the city council when met with a conflict of interest would have to make the public announcement one time, but only one time, **in each meeting** of the city council when the matter was raised. If the matter giving rise to the conflict of interest is raised at another meeting, the disclosure must be made again at that meeting.
- Public officials who are employees would need to submit separate written notices on each occasion when a conflict of interest arises. As an example, an employee in a city planning department would have to give a separate written notice before each occasion when they needed to take an official action involving property owned by a relative. [ORS 244.120(3)]

If a public official failed to announce the nature of a conflict of interest and participated in official action, is the official action voided?

- **No.** Any official action that is taken may not be voided by any court solely by reason of the failure of the public official to disclose an actual or potential conflict of interest. [ORS 244.130(2)] Even though the action may not be voided, the public official could face potential personal liability for the violation.



USE OF POSITION OR OFFICE

What are the provisions of law that prohibit a public official from using the position or office held for financial gain or avoidance of financial detriment?

ORS 244.040(1) prohibits every public official from using or attempting to use the position held as a public official to obtain a financial benefit, if the opportunity for the financial benefit would not otherwise be available but for the position held by the public official. The prohibited financial benefit can be either an opportunity for personal financial gain or an opportunity to avoid incurring a personal expense.



Not only is a public official prohibited from using the position as a public official to receive personal financial benefits, but the public official is prohibited from using or attempting to use their position as a public official to obtain financial benefits for a relative or a member of the public official's household. Also prohibited is using or attempting to use the public official's position to obtain financial benefits for a business with which the public official, a relative, or a member of the public official's household is associated.

There are a variety of actions that a public official may take or participate in that could constitute the prohibited use or attempted use of the public official's position. The use of a position could be voting in a public meeting, placing a signature on a government agency's document, making a recommendation, making a purchase with government agency funds, or using a government agency's time or resources (computers, vehicles, machinery) to obtain a personal financial benefit or avoid a personal cost.

The following examples are offered to illustrate what may constitute prohibited use or attempted use of office or position. Please note that this is not an exhaustive list:

- The mayor of a city signs a contract obligating the city to pay for janitorial services provided by a business owned by the mayor's relative.
- An executive director of an agency is ordering 10 new laptops for the agency, which qualifies for a bulk purchase discount of \$150 per laptop. He adds 2 laptops for his family to the agency's order to personally take advantage of the discount, and then reimburses the agency for the discounted cost of his personal laptops.
- A city billing clerk alters water use records so that the amount billed to the clerk's parents will be less than the actual amount due.
- A volunteer firefighter borrows the fire district's power washer to prepare the exterior of the volunteer's personal residence for painting.
- A county public works employee stores a motor home that is owned by the employee's parents in a county building used for storing heavy equipment.
- An employee of a state agency has a private business and uses the agency's computer to conduct the activities of the private business.

- A county commissioner uses the county's pickup truck to haul his own personal boat to and from his vacation home.
- A school district superintendent hires her sister's consulting business to provide an in-service training to teachers in her district.
- A teacher solicits her students' parents to hire her for paid tutoring services.

NOTE: While these examples are offered to illustrate the use of a public official's position prohibited by ORS 244.040(1), the examples illustrate occasions where a public official may also be met with a conflict of interest as defined in ORS 244.020(1) and (13). The provisions in ORS 244.040 apply regardless of whether a public official has properly disclosed a conflict of interest. [ORS 244.040(7)]. For further information, refer to the detailed discussion of conflicts of interest starting on page 11.

There are some additional prohibitions on how current and even former public officials use their offices or positions.

- ORS 244.040(3) prohibits a public official from, directly or indirectly, soliciting or accepting the promise of future employment based on the understanding that the offer is influenced by the public official's vote, official action or judgment.
- Public officials often have access to or manage information that is confidential and not available to members of the general public. ORS 244.040(4) specifically prohibits public officials from using or attempting to use confidential information gained because of the position held to further their own personal gain.
- ORS 244.040(5) prohibits a **former** public official from attempting to use confidential information for **any** person's financial gain if that confidential information was obtained while holding the position as a public official, from which access to the confidential information was obtained.
- ORS 244.040(6) also has a single provision to address circumstances created when public officials, who are members of the governing body of a public body, own or are associated with a specific type of business. The type of business is one that may occasionally send a representative of the business to appear before the governing body on behalf of a client for a fee. Public officials who are members of governing bodies and who own or are employed by businesses, such as a law, engineering, or architectural firm, may encounter circumstances in which this provision may apply.

Example: A member of a city council is an architect. A client developer of the architect's firm has a proposed subdivision to be approved by the city council. The architect/councilor may not appear before the city council on behalf of the client developer. Another person from the architect's firm may represent the client developer before the city council, but not the architect/councilor.

Aside from ORS 244.040, are there other prohibitions on public officials using their positions to avoid a personal financial detriment?

Yes. ORS 244.049 prohibits a holder of public office or candidates for public office from using public moneys or moneys received from a third party to make payments in connection with a non-disclosure agreement relating to workplace harassment if the alleged harassment occurred when the holder of public office or candidate was acting in that capacity. This prohibition applies to a person holding, or a candidate for, any elected state, county, district, city office or position.

Are there any circumstances in which a public official may use their position to accept financial benefits that would not otherwise be available but for holding the position as a public official?

Yes. ORS 244.040(2) provides a list of financial benefits that would not otherwise be available to public officials but for holding the position as a public official. The following financial benefits are not prohibited and may be accepted by a public official, and some may also be accepted by a public official's relative or member of the public official's household:

Not Prohibited:

- **Official Compensation:** Public officials may accept any financial benefit that is identified by the public body they serve as part of the “official compensation package” of the public official. If the public body identifies such benefits as salary, health insurance or various paid allowances in the employment agreement or contract of a public official, those financial benefits are part of the “official compensation package.” [ORS 244.040(2)(a)]



OAR 199-005-0035(3) provides a definition of “official compensation package”:
An “official compensation package” means the wages and other benefits provided to the public official. To be part of the public official's “official compensation package”, the wages and benefits must have been specifically approved by the public body in a formal manner, such as through a union contract, an employment contract, or other adopted personnel policies that apply generally to employees or other public officials. “Official compensation package” also includes the direct payment of a public official's expenses by the public body, in accordance with the public body's policies.

- **Reimbursement of Expenses:** A public official may accept payments from the public official's public body as reimbursement for expenses the public official has personally paid while conducting the public body's business. [ORS 244.040(2)(c)]



The “reimbursement of expenses” means the payment by a public body to a public official serving that public body, of expenses incurred in the conduct of official duties on behalf of the public body. Any such repayment must comply with any applicable laws and policies governing the eligibility of such repayment. [OAR 199-005-0035(4)]

If the payment of a public official’s personal expenses does not meet this definition, it may be a financial benefit prohibited or restricted by other provisions in ORS Chapter 244. There are occasions when someone will refer to the payment of a public official’s expenses by a person or entity other than the public official’s public body as a reimbursement of expenses. That is not the reimbursement of expenses as used in ORS 244.040(2)(c) and defined in OAR 199-005-0035(4).

- **Honoraria:** Most public officials are allowed to accept honoraria by ORS 244.040(2)(b) as defined in ORS 244.020(8). A public official must know how an honorarium is defined because there are many occasions when someone will offer them a financial benefit and call it an honorarium, but it does not meet the definition of honorarium in ORS 244.020(8).



For a payment to be defined as an honorarium, it must be made for a service, like a speech or other service rendered in connection with an event, for which no price is set and for which the public official required no fixed amount to be paid in return for providing the service. A payment or something of economic value given to a public official in exchange for services provided by the public official is an honorarium when the setting of the price has been prevented by custom or propriety.

A public official may not receive an honorarium when performing a service in the course of their duties as a public official. A public official may not accept honoraria if the value exceeds \$50, unless the honoraria is received for services performed in relation to the private profession, occupation, avocation, or expertise of the public official or candidate. [ORS 244.042(3)(a) and (b)].

Public officials must be sure, when they are offered a payment or something of economic value and it is referred to as an honorarium, that it does meet the definition in ORS 244.020(8). If it does not meet this definition, it may be a financial benefit prohibited or restricted by other provisions in ORS Chapter 244.

NOTE: The Governor, First Partner, Secretary of State, State Treasurer, Attorney General, and Commissioner of the Bureau of Labor and Industries are explicitly prohibited by ORS 244.042(4) from soliciting or receiving an honorarium, money or any other consideration for **any** speaking engagement or presentation.

- Awards for Professional Achievement: Public officials may accept an award, if the public official has not solicited the award, and the award is offered to recognize a professional achievement of the public official. [ORS 244.040(2)(d)]



Awards for professional achievement should not be confused with awards of appreciation, allowed by ORS 244.020(7)(b)(C), an honorarium allowed by ORS 244.040(2)(b), or gifts that are allowed or restricted by other provisions in ORS Chapter 244.

Awards for professional achievement are best illustrated by awards that denote national or international recognition of a public official's achievement, such as receipt of the Nobel Prize. These awards may also be offered by public or private organizations in the state that are meant to recognize a public official for a distinguished career, such as Oregon's Teacher of the Year award made by the Oregon Department of Education which includes a monetary prize and travel funds. Professional achievements recognized may be identified as a single accomplishment or an accomplishment achieved during a period of time, such as a calendar year or a public official's career upon retirement.

- Contributions to Legal Expense Trust Fund: There are provisions in ORS 244.209 that allow public officials to establish legal expense trust funds that are approved by the Commission. ORS 244.040(2)(h) allows a public official who has established this trust fund to solicit, accept and be the trustee for contributions to the established fund. This is discussed in a separate section of the Guide p.41.



- Certain Gifts: Public officials may accept some gifts without limitation on the quantity or aggregate value of gifts. Acceptance of these gifts does not constitute a prohibited use of office. See allowable gifts, page 33. [ORS 244.040(2)(e) to (g)]



PRIVATE EMPLOYMENT OF PUBLIC OFFICIAL

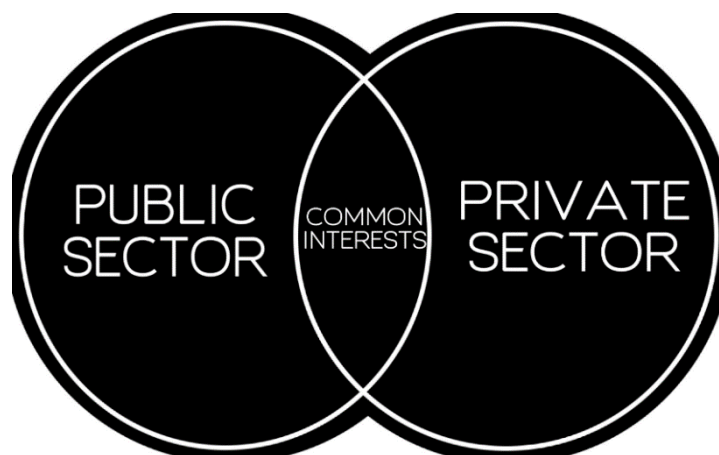
Does Oregon Government Ethics law prohibit a public official from owning a private business or working for a private employer while continuing employment with or holding a position with a public body?

No. As mentioned earlier, many public officials are volunteers, meaning there is little or no compensation for the public position. Other public officials may receive compensation from their public bodies, but still choose to seek additional sources of income. Some work for a private business and others establish a private business of their own. **NOTE: This guide does not address other statutes or agency policies that may limit private employment for public officials.**

In general, public officials may obtain employment with a private employer or engage in private income producing activity of their own, but they must keep a separation between their public positions and their outside employment or private business interests. The Commission has created the following guidelines for public officials to follow in order to avoid violating Oregon Government Ethics law when engaged in private employment or a personally owned business.

GUIDELINES FOR OUTSIDE EMPLOYMENT OF PUBLIC OFFICIALS

1. Public officials must not use their public position to create the opportunity for additional personal income.
2. Public officials may not use a government agency's supplies, facilities, equipment, employees, records or any other public resources to engage in their private employment or business interests.
3. Public officials are not to engage in private business interests or other employment activities on their government agency's time.
4. Confidential information gained as a public official is not to be used to obtain a financial benefit for the public official, a relative or member of the public official's household or a business with which any are associated.



EMPLOYMENT OF FORMER PUBLIC OFFICIALS

What are the restrictions on employment after I resign, retire or leave my public official position?

- ORS 244.040(1) prohibits public officials from using their official positions or offices to create a new employment opportunity; otherwise, most former public officials may enter the private work force with few restrictions.
- ORS 244.040(5) prohibits a former public official from using or attempting to use confidential information for the personal gain of any person if the confidential information was obtained while holding the position as a public official.
- Oregon Government Ethics law restricts the subsequent employment of certain public officials. The restrictions apply to positions listed below:

ORS 244.045(1) State Agencies:

Director of the Department of Consumer and Business Services
Administrator of the Division of Financial Regulation
Administrator of the Oregon Liquor Control Commission
Director of the Oregon State Lottery
Public Utility Commissioner

1. One year restriction on accepting employment from or gaining financial benefits from a private employer in the activity, occupation or industry that was regulated by the agency for which the public official was the Director, Administrator or Commissioner.
2. Two year restriction on lobbying, appearing as a representative before the agency, or otherwise attempting to influence the agency for which the public official was the Director, Administrator or Commissioner.
3. Two year restriction on disclosing confidential information gained as the Director, Administrator or Commissioner for the agency.

ORS 244.045(2) Department of Justice:

Deputy Attorney Generals
Assistant Attorney Generals

Two year restriction from lobbying or appearing before an agency that they represented while employed by the Department of Justice.

ORS 244.045(3) Office of the Treasurer:

State Treasurer
Deputy State Treasurer

1. One year restriction from accepting employment from or being retained by a private entity with which there was negotiation or contract awarding \$25,000 in a single year by the office of the State Treasurer or Oregon Investment Council.
2. One year restriction from accepting employment from or being retained by a private entity with which there was investment of \$50,000 in one year by the office of the State Treasurer or Oregon Investment Council.
3. One year restriction from being a lobbyist for an investment institution, manager or consultant, or from representing an investment institution, manager, or consultant, before the office of State Treasurer or Oregon Investment Council.

ORS 244.045(4) Public Officials who invested public funds:

1. Two year restriction from being a lobbyist or appearing before the agency, board or commission for which public funds were invested.
2. Two year restriction from influencing or trying to influence the agency, board or commission.
3. Two year restriction from disclosing confidential information gained through employment.

ORS 244.045(5) Department of State Police:

Member of State Police who has been designated by law and was responsible for supervising, directing or administering programs related to Native American tribal gaming or the Oregon State Lottery

1. One year restriction from accepting employment from or gaining financial benefit related to gaming from the Lottery or a Native American Tribe.
2. One year restriction from gaining financial benefit from a private employer who sells gaming equipment or services.
3. One year restriction from trying to influence the Department of State Police or from disclosing confidential information.

Exceptions include subsequent employment with the state police, appointment as an Oregon State Lottery Commissioner, Tribal Gaming Commissioner or lottery game retailer, or personal gaming activities.

ORS 244.045(6) Legislative Assembly
Representative
Senator

A person who has been a member of the Legislative Assembly, may not, within one year after ceasing to be a member of the Legislative Assembly, receive money or other consideration for lobbying as defined in ORS 171.725.

How would Oregon Government Ethics law apply when a former public official is employed by a business that has a contract with the public body previously represented by the former public official?



In addition to the restrictions on specific positions identified above, the restriction in ORS 244.047 applies to all former public officials. After a public official ceases serving a public body or being employed in a position as a public official, that public official may not have a direct beneficial financial interest in a public contract for two years after the date the contract was authorized by the person acting in their capacity as a public official.

Whether a public official authorizes a contract individually as an employee of a public body, or participated in the authorization of a contract in their official capacity as a member of a board, commission, council, bureau, committee or other governing body, the person is restricted from financially benefiting from that public contract for two years after the date of authorization. [ORS 244.047]

“Authorized by” is defined in OAR 199-005-0035(6) as follows:

As used in ORS 244.047, a public contract is “authorized by” a public official if the public official performed a significant role in the selection of a contractor or the execution of the contract. A significant role can include recommending approval or signing of the contract, including serving on a selection committee or team, or having the final authorizing authority for the contract.

GIFTS

Oregon Government Ethics law establishes restrictions on the value of gifts that can be accepted by a public official. If the source of a gift to a public official has a legislative or administrative interest in the decisions or votes of the public official, the public official can only accept gifts from that source when the aggregate value of gifts from that source does not exceed \$50 in a calendar year. [ORS 244.025].



The following framework of conditions applies when public officials, their relatives, or members of their households are offered gifts. To decide if a gift, or “something of value,” can be accepted with or without restrictions, the public official must analyze the offer and the source of the offer. As will be apparent in the following discussion, the burden of any decision on accepting a gift rests solely with the individual public official.

What counts as a “gift”?

When Oregon Government Ethics law uses the word “gift” it has the meaning in ORS 244.020(7)(a):

“Gift” means something of economic value given to a public official, a candidate or a relative or member of the household of the public official or candidate:

(A) Without valuable consideration of equivalent value, including the full or partial forgiveness of indebtedness, which is not extended to others who are not public officials or candidates or the relatives or members of the household of public officials or candidates on the same terms and conditions; or

(B) For valuable consideration less than that required from others who are not public officials or candidates.

In other words, a “gift” is something of economic value that is offered to:

- A public official or candidate or to relatives or members of the household of a public official or candidate,
- Without cost or at a discount or as a forgiven debt, and,
- The offer is not made or available to members of the general public who are not public officials, candidates, or their relatives or household members on the same terms and conditions.

Example: At a conference exclusively for city and county officials, a public official buys a raffle ticket and wins a big screen television. The television is a gift because the value of the television exceeds the cost of the raffle ticket and the opportunity to enter the raffle and win the television was not available to members of the general public on the same terms and conditions.

Example: Outside of a grocery store, a public official buys a raffle ticket from a local scout troop and wins a big screen television. The television is not a gift because, although the value of the television exceeds the cost of the raffle ticket, the opportunity to enter the raffle and win the television was available to members of the general public on the same terms and conditions.

Once a public official or candidate has determined that an offer is a gift, because it is something of economic value that is not offered to members of the general public who are not public officials or candidates on the same terms and conditions, the public official or candidate must then determine if the value of the gift, combined with any other gifts from the same source during the calendar year, exceeds \$50. If so, the public official must then determine if the source of the gift has a legislative or administrative interest.

Any discussion of gifts must begin with the reminder that if the source of a gift to a public official or candidate **does not** have a legislative or administrative interest in the decisions or votes of the public official or candidate if elected, the public official or candidate can accept unlimited gifts from that source. [ORS 244.040(2)(f)]

What is a “Legislative or Administrative Interest”?



Whether there is a legislative or administrative interest is pivotal to any decision a public official or a candidate, if elected, makes on accepting gifts. It will mean the difference between being allowed to accept gifts without limits, accepting gifts with an annual limit of \$50 on the aggregate value, or accepting gifts which are specified exceptions under ORS 244.020(7).

The definition of a legislative or administrative interest is set forth in ORS 244.020(10):

“‘Legislative or administrative interest’ means an economic interest, distinct from that of the general public, in:

(a) Any matter subject to the decision or vote of the public official acting in the public official’s capacity as a public official; or

(b) Any matter that would be subject to the decision or vote of the candidate who, if elected, would be acting in the capacity of a public official.”

When analyzing a set of circumstances and applying “legislative or administrative interest,” there are several factors to consider:

Source: The Commission adopted a rule that identifies the source of a gift as the person or entity that makes the ultimate and final payment of the gift’s expense. OAR 199-005-0030 places two burdens on a public official who accepts gifts. The public official must know the identity of the source and, if applicable, avoid exceeding the limit on the aggregate value of gifts accepted from that source. [OAR 199-005-0030(2)]

Distinct from that of the general public:

With regard to gifts, this phrase refers to a distinct economic interest held by the source of a gift. That economic interest is in the financial gain or loss that could result from any votes cast or decisions made by a public official. If the source of a gift would realize a financial gain or detriment from matters subject to the vote or decision of a public official, that source has an economic interest in that public official. That economic interest is “distinct from that of the general public” if the potential financial gain or detriment is distinct from the financial impact that would be realized by members of the general public from the matters subject to votes or decisions of that same public official.



There are decisions or votes that have an economic impact on single individuals or individuals from specific businesses or groups that are distinct from the economic impact on members of the general public. On the other hand, there are many votes or decisions made by public officials that have the same general economic impact on individuals, businesses, organizations and members of the general public. Some examples of decisions or votes that would likely have an economic impact on members of the general public would be those that change water usage rates for residential users, fees for pet licenses, or fines for parking violations.

To illustrate, private contractors have an economic interest in any public official who has the authority to decide or vote to award them contracts. The economic interest of these contractors is distinct from the economic interest held by members of the general public in those decisions or votes.

To further illustrate, real estate developers have an economic interest in any public official who has the authority to decide or vote to approve their land use applications or building permits. The economic interest of these developers is distinct from the economic interest held by members of the general public in those decisions or votes.

Vote: This has the common meaning of to vote as an elected member of a

governing body of a public body or as an appointed member of a committee, commission or board appointed by a governing body, Oregon Legislative Assembly, or the Office of the Governor.

Decision: A public official makes a decision when the public official exercises the authority given to the public official to commit the public body to a particular course of action. [OAR 199-005-0003(2)].



Whether to accept or reject the offer of a gift must be made individually by each public official. There will be some public officials who may accept unlimited gifts from a source and other public officials within the same public body that would have restrictions on gifts have the same authority, responsibilities or duties. Some may vote and make decisions, others may do one but not the other, and many will not vote or make decisions. This means that when gifts are offered to two or more public officials, one public official may be allowed to accept the gift without limits, and another public official may not be able to accept the gift at all, or may only be able to accept it with limits as to value or with other restrictions.

Example: A cellular service provider offers a discounted cell-phone plan for first responders. The discounted plan is available only to first responders who work for state or local governments. Because the discounted cell-phone plan is not available to members of the general public on the same terms and conditions, it is a gift subject to the restrictions and limitations in ORS 244.025. First responders who are in positions to make official decisions for their agencies that could financially affect the cellular service provider, such as Fire Chiefs or board members, could not accept the discounted cell-phone plan since the discount totals more than \$50 in a calendar year; however, first responders who are not in positions to make official decisions for their agencies that could financially affect the cellular service provider could accept the discounted cell-phone plan.

What obligations are placed on the giver of a gift?

Sources who offer gifts or other financial benefits to public officials must also be aware of the provisions in ORS Chapter 244. While the specific gift of paid expenses may be allowed by ORS 244.020(7)(b)(F), ORS 244.100(1) requires the source of this gift, if over \$50, to notify the public official in writing of the aggregate value of the paid expenses. There is also a notice requirement in ORS 244.100(2) for the source of an honorarium when the value exceeds \$15. Lobbyists, clients or employers of lobbyists, and others who provide gifts or financial benefits to public officials should also familiarize themselves with the provisions in ORS 171.725 through ORS 171.992 and Divisions 5 and 10 of Chapter 199 in the Oregon Administrative Rules. The Commission has published a “Guide to Lobbying in Oregon” that provides a summary of these regulations and rules.

What gifts may a public official accept regardless of value?

While gifts from a source with a legislative or administrative interest in the decisions or

votes of a public official may only be accepted up to the \$50 limit, there are some gifts that are excluded from the definition of a “gift,” when offered under specific conditions or when prerequisites are met. If the offer of a gift is excluded from the definition of a “gift,” the offer may be accepted by a public official, regardless of value.

The value of gifts that are allowed as exclusions does not have to be included when calculating the aggregate value of gifts received from that source in one calendar year. [ORS 244.020(7)(b)] Although some gifts are allowed by these exclusions, it should be remembered that a source may have a notice requirement or there may be reporting requirements for the public official or the source. If you are a public official accepting gifts or a source offering gifts, it is important that you become familiar with the requirements that may apply to you.

ORS 244.020(7)(b) provides a description of the **GIFTS THAT ARE ALLOWED** as exclusions to the definition of a “gift.” **NOTE:** Not all of these exclusions apply to gifts offered to candidates. These exclusions include:

- Campaign contributions as defined in ORS 260.005. [ORS 244.020(7)(b)(A)]
- Contributions to a legal expense trust fund established under ORS 244.209. [ORS 244.020(7)(b)(G)]
- Gifts from relatives or members of the household of public officials or candidates. [ORS 244.020(7)(b)(B)]
- Anything of economic value received by a public official or candidate, their relatives or members of their household when:

The receiving is part of the usual and customary practice of the person’s business, employment, or volunteer position with any non-profit or for-profit entity; [ORS 244.020(7)(b)(O)(i)] **and**

The receiving bears no relationship to the person’s holding the official position or public office. [ORS 244.020(7)(b)(O)(ii)]

- Unsolicited gifts with a resale value of less than \$25 and in the form of items similar to a token, plaque, trophy and desk or wall mementos. [ORS 244.020(7)(b)(C); OAR199-005-0010]
- Publications, subscriptions or other informational material related to the public official’s duties. [ORS 244.020(7)(b)(D)]
- Waivers or discounts for registration fees or materials related to continuing education or to satisfy a professional licensing requirement for a public official or candidate. [ORS 244.020(7)(b)(J)]

- Entertainment for a public official or candidate and their relatives or members of their households when the entertainment is incidental to the main purpose of the event. [ORS 244.020(7)(b)(M); OAR 199-005-0001; OAR 199-005-0025]
- Entertainment for a public official, a relative of the public official or a member of the public official's household when the public official is acting in an official capacity and representing a government agency for a ceremonial purpose. [ORS 244.020(7)(b)(N); OAR 199-005-0025(2)]
- Cost of admission or food and beverage consumed by the public official, a relative of the public official, a member of the public official's household or staff when they are accompanying the public official, who is representing a government agency, at a reception, meal or meeting held by an organization. [ORS 244.020(7)(b)(E); OAR 199-005-0015; OAR 199-005-0001]
- Food or beverage consumed by a public official or candidate at a reception where the food and beverage is an incidental part of the reception and there was no admission charged. [ORS 244.020(7)(b)(L); OAR 199-005-0001(3)]
- When public officials travel together inside the state to an event bearing a relationship to the office held and the public official appears in an official capacity, a public official may accept the travel related expenses paid by the accompanying public official. [ORS 244.020(7)(b)(K)]
- Payment of reasonable expenses if a public official is scheduled to speak, make a presentation, participate on a panel or represent a government agency at a convention, conference, fact-finding trip or other meeting. The paid expenses for this exception can only be accepted from another government agency, Native American Tribe, an organization to which a public body pays membership dues, or not-for-profit organizations that are tax exempt under 501(c)(3). [ORS 244.020(7)(b)(F); OAR 199-005-0020; OAR 199-005-0001]
- Payment of reasonable food, lodging or travel expenses for a public official, an accompanying relative, member of household, or staff, may be accepted when the public official is representing their government agency at one of the following: [ORS 244.020(7)(b)(H); OAR 199-005-0020; OAR 199-005-0001]
 - Officially sanctioned trade promotion or fact-finding mission; [ORS 244.020(7)(b)(H)(i)] **or**
 - Officially designated negotiation or economic development activity when receipt has been approved in advance. [ORS 244.020(7)(b)(H)(ii)]

[NOTE: Who may officially sanction and officially designate these events, and how to do so, is addressed in OAR 199-005-0020(3)(b).]

- Payment to a public school employee of reasonable expenses for accompanying students on an educational trip. [ORS 244.020(7)(b)(P)]
- Food and beverage when acting in an official capacity in the following circumstances: [ORS 244.020(7)(b)(I)]
 - In association with a financial transaction or business agreement between a government agency and another public body or a private entity, including such actions as a review, approval or execution of documents or closing a borrowing or investment transaction; [ORS 244.020(7)(b)(I)(i)]
 - When the office of the Treasurer is engaged in business related to proposed investment or borrowing; [ORS 244.020(7)(b)(I)(ii)]
 - When the office of the Treasurer is meeting with a governance, advisory or policy making body of an entity in which the Treasurer's office has invested money. [ORS 244.020(7)(b)(I)(iii)]

GIFTS AS AN EXCEPTION TO THE USE OF OFFICE PROHIBITION IN ORS 244.040

As covered in more detail in the discussion beginning on page 17, public officials are prohibited from using or attempting to use the position they hold to obtain a prohibited financial benefit. [ORS 244.040(1)] As covered in more detail in the discussion beginning on page 26, Oregon Government Ethics law does not prohibit public officials from accepting gifts, but it does place on each individual public official the personal responsibility to understand there are circumstances when the aggregate value of gifts may be restricted. [ORS 244.025] These provisions of Oregon Government Ethics law often converge and require analysis by public officials to determine whether the opportunity to obtain financial benefits represents the use of an official position prohibited by ORS 244.040(1) or a gift addressed with other provisions in ORS Chapter 244 [ORS 244.020(7), ORS 244.025 or ORS 244.040(2)(e),(f) and (g)].



ORS 244.040 was amended in 2007 to make the acceptance of gifts that comply with ORS 244.020(7) and ORS 244.025 exceptions to the prohibition on public officials' use or attempted use of an official position to gain financial benefits. [ORS 244.040(2)(e), (f) and (g)] If a public official, relative, or household member accepts a permissible gift or a financial benefit that qualifies as an exception to the definition of a gift, ORS 244.040(1) does **not** prohibit its acceptance. If a public official, relative, or household member accepts a gift that exceeds the restrictions or limitations set forth in ORS 244.025, then that gift would not qualify under the exceptions set forth in ORS 244.040(e), (f) and (g). Acceptance of that gift could constitute a violation of both ORS 244.025 and ORS 244.040(1).

When the Commission applies Oregon Government Ethics law to “something of economic value” offered to a public official that meets the definition of “gift,” it will first be analyzed to determine whether it is a violation of ORS 244.025. If the Commission determines that acceptance of the gift constitutes a violation of ORS 244.025 (unlawful acceptance of a gift), it will then determine if it also constitutes a violation of ORS 244.040(1) (prohibited use of office).

The following are examples to illustrate the Commission’s approach:

- The mayor of a town on the Oregon coast was a college roommate with Bob Smith, who now manages a company that owns many golf courses in Oregon and other states. One of the company’s golf courses is in the mayor’s town. The mayor and

Bob have remained friends ever since college. Recently, Bob invited the mayor to join him at the Masters' Tournament in Augusta, offering to fly him there on Bob's private jet, stay in Bob's condo, and host him at a private booth at the Tournament. The value of this trip exceeds \$50, and Bob has a legislative or administrative interest in the mayor's decisions as a public official, as one of Bob's golf courses is in the mayor's town. Since the value of the trip exceeds \$50, is not extended to others who are not public officials on the same terms and conditions, and is from a source with a legislative or administrative interest, it is a gift that the mayor cannot accept without violating ORS 244.025(1). It also does not qualify as an exception to ORS 244.040(1). [ORS 244.040(2)(e)]. Bob has been inviting his old college friend on this trip for at least 10 years, long before the friend was elected mayor recently. This and other evidence indicates that the mayor received this offer because he and Bob are friends, not because he is the town's mayor; therefore, the offer of this trip does not represent a financial gain that would not be available to the mayor but for his holding his public office. Thus, if the mayor accepted the gift of this trip, the mayor would violate ORS 244.025(1) (acceptance of an unlawful gift), but would not violate ORS 244.040(1) (prohibited use of office).

- A public works director for B City holds weekly breakfast meetings at a local diner. The public works director invites five main contractors in B City, all of whom do business with the city, to attend these meetings. The contractors take turns picking up the tab for the public works director's breakfast. Because the public works director has the authority to recommend the contractors for projects with the city, the contractors have economic interests distinct from that of the general public in the public works directors' decisions or recommendations. Over the course of a calendar year, each contractor pays for at least ten meals for the public works director, at a total aggregate cost exceeding \$50. These meals constitute unlawful gifts to the public works director, as their value exceeds \$50, they are not extended to others who are not public officials on the same terms and conditions, and they are from sources with distinct economic interests in the public works director's decisions or recommendations. The contractors would not pay for these meals if he were not the public works director. Thus, in addition to violating ORS 244.025(1), by accepting these meals the public works director also violates ORS 244.040(1).

The responsibility for judgments and decisions made in order to comply with the various provisions in Oregon Government Ethics law rests with the individual public official who faces the circumstances that require a judgment or decision. That is true of questions regarding gifts, use of an official position, announcing the nature of conflicts of interest and the many situations addressed in ORS Chapter 244.

NEPOTISM



Does Oregon Government Ethics law prevent two or more relatives from being employees of the same public body?

No. Public officials who are relatives can be employed by the same public body employer at the same time, or serve at the same time on the same governing body of a public body.

ORS Chapter 244 does, however, does address the issue of “nepotism.” The definitions of “member of household” and “relative” found in ORS Chapters 244.020(11) and 244.020(16) apply here: See page 7.

What are the provisions that address nepotism?

Public officials are restricted from participating in personnel actions taken by the public agency that would impact the *paid employment* of a relative or member of the public official’s household. If a public official has a relative or household member who has applied to be or serves as an *unpaid volunteer*, the public official may participate in any personnel action that involves the relative or member of the household.

Personnel actions addressed by this statute include:

- Appointing, employing or promoting a relative or member of the public official’s household; or
- Discharging, firing or demoting a relative or member of the public official’s household.

ORS 244.177(1)(a) provides that a public official may not appoint, employ or promote (or discharge, fire or demote) a relative or member of their household from a position with the public body that the public official serves or over which the public official exercises jurisdiction or control, unless the public official complies with the conflict of interest requirements of ORS Chapter 244. Even if the public official discloses a conflict of interest, a public official who takes such a personnel action for a relative or member of their household could still be found in violation of the use of office provisions of ORS 244.040(1).

Separately, ORS 244.177(1)(b) directs that a public official may not participate in any interview, discussion or debate regarding such personnel actions involving a relative or member of the public official’s household.

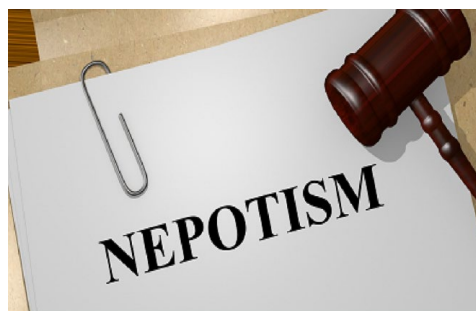
A public official who is assigned duties that include performing “ministerial acts” related

to any stage of a relative's employment is not prohibited from performing such acts. "Ministerial acts" would include mailing or filing forms or correspondence, taking and relaying messages, scheduling appointments or preparing documents and minutes for public meetings. A public official may serve as a reference or provide a recommendation for a relative who has applied for a position of employment, promotion, or is subject to any personnel action.

Exception: Public officials may not, however, participate in appointing a relative or member of the household to an unpaid position on the governing body of the public body that the public official serves or over which the public official exercises jurisdiction or control. [ORS 244.177(3)(a) and (b)]

Can public officials supervise their relatives or members of their households?

Nepotism also applies to supervision of relatives or members of the public official's household. ORS 244.179(1) prohibits public officials from directly supervising relatives or members of their household in paid positions. The public official may supervise an unpaid volunteer serving the public body, unless the volunteer position is as a member of a governing body of the public body. [ORS 244.179(3)]



Policy Exception: ORS 244.179(4) permits a public body to adopt policies that specify when a public official, acting in an official capacity for the public body, may directly supervise a relative or member of the public official's household in a paid position. OAR 199-005-0080 provides guidance to public bodies in developing such policies. Absent such a policy, a public official may not directly supervise a remunerated person who is a relative or member of the public official's household. [ORS 244.179(1)]

Direct supervision of a paid relative or household member includes official actions that would financially impact their relative or household member, such as:

- Conducting performance reviews
- Approving leave or vacation time
- Recommending or approving pay changes
- Assigning shifts
- Approving overtime
- Authorizing or approving reimbursements or travel expenses
- Authorizing worksite assignments or teleworking

Exception: Public officials who are elected members of the Oregon Legislative Assembly are not prohibited from participating in employment actions, including supervision of their relatives or household members on their personal staff [ORS 244.177(2)].

ANNUAL VERIFIED STATEMENT OF ECONOMIC INTEREST



There are approximately 5,500 Oregon public officials who must file an **Annual Verified Statement of Economic Interest (SEI)** with the Oregon Government Ethics Commission **by April 15** of each calendar year. The SEIs are now filed electronically through the Commission's Electronic Filing System (EFS).

ORS 244.050 identifies the public officials who are required to file SEIs. Please refer to that statute to see if your specific office or position requires you to file an SEI. In general, public officials who hold the following positions are required to file:

- State public officials who hold elected or appointed executive, legislative or judicial positions. This includes those who have been appointed to positions on certain boards or commissions.
- In counties, all elected officials, such as commissioners, assessors, surveyors, treasurers and sheriffs must file. Planning commission members and the county's principal administrator must also file.
- In cities, all elected officials, the city manager or principal administrator, municipal judges and planning commission members must file.
- Administrative and financial officers in school districts, education service districts and community college districts must file.
- Some members of the board of directors for certain special districts must file.
- Candidates for some elected public offices are also required to file.

The Commission staff has identified by jurisdiction the public officials whose position requires them to file the SEI. Each jurisdiction (city, county, executive department, board or commission, etc.) has a person (jurisdictional contact) who acts as the Commission's point of contact for that jurisdiction. [OAR 199-020-0005(1)]

The **jurisdictional contact (JC)** for each jurisdiction has an important role as a liaison between the Commission and the SEI filers in their jurisdiction. It is through the JC that the Commission obtains the current name, address and email address of each public official who is required to file. When there is a change in who holds a position through resignation, appointment or election, the JC periodically updates their jurisdictional records and beginning in January of each year the JC is asked to update and verify the required filers in the EFS system. Any necessary changes or updates in EFS are due by February 15. [OAR 199-020-0005(2)]

As with other provisions in Oregon Government Ethics law, it is each public official's personal responsibility to ensure they comply with the requirement to complete and submit the SEI by April 15. Those public officials who must file an SEI are well served if the JC for their jurisdiction ensures that the Commission has the correct name and email address of the public official. The JC should ensure that each SEI filer has been advised of the reporting requirements. Each filer should also receive information as to the procedures the jurisdiction follows to assist the filer in meeting the SEI filing requirement.

Again, the requirement to file the SEI is the personal responsibility of each public official. Each public official should comply and file timely, as the civil penalties for late filing are \$10 for each of the first 14 days after the filing deadline and \$50 for each day thereafter until the aggregate penalty reaches the maximum of \$5,000. [ORS 244.350(4)(c)]

SEI Filing

NOTE: Only public officials who hold a position that is required to file, and who hold that position on April 15 of the year the SEI is due, must file an SEI.

SEIs are filed online through the Commission's Electronic Filing System (EFS). Notifications and instructions for e-filing will be sent to SEI filers electronically via email addresses initially supplied in EFS by the JC and updated when necessary.

The following is a brief description of the information requested in the SEI electronic filing. The information needed to complete the filing pertains to the previous calendar year.

- Name, address and a brief description of each business in which a position as officer or director was held by the filer or household member. [ORS 244.060(1)]

Name, address and a brief description of each business through which the filer or household member did business. [ORS 244.060(2)]

Name, address, and brief **description** of the **sources** (*not amounts*) of income for the filer and household members that represent 10 percent or more of the annual household income. [ORS 244.060(3)]

Example: An SEI filer resides only with a spouse and their annual household income from the prior year is derived from the spouse's job at Walmart, the spouse's retirement, and the public official's salary as an employee at a public university. The respective "sources" would be: "Walmart", "Social Security" and "XX University"; respective "descriptions" would be "spouse's wages", "spouse's retirement" and "filer's salary".

- Ownership interests held by the filer or household members in real property, **except for their principal residence**, located within the geographic boundaries of the jurisdiction in which the filer holds the position or seeks to hold. [ORS 244.060(4)(a) and (b)] **NOTE: SEI filers who serve statewide and members of the Legislative**

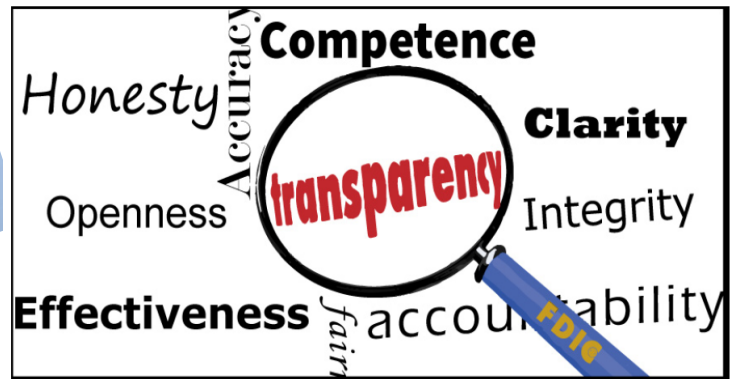
Assembly must report real property held within the entire state of Oregon. This applies to candidates for statewide office and the Legislative Assembly.

- Honoraria or other items allowed by ORS 244.042 that exceed \$15 in value given to the filer or household members. Include a description of the honoraria or item and the date and time of the event when the item was received. [ORS 244.060(7)] Remember that honorarium cannot exceed \$50. [ORS 244.042(3)(a)]
- Name of each lobbyist associated with any business with which the filer or household member is associated, unless the association is through stock held in publicly traded corporations. [ORS 244.090]
- If the public official received over \$50 from an entity when participating in a convention, fact-finding mission, trip, or other meeting as allowed by ORS 244.020(7)(b)(F), list the name and address of the entity that paid the expenses. Include the event date, aggregate expenses paid and the purpose for participation. [ORS 244.060(5) and ORS 244.100(1)] [Not required for candidates]
- If the public official received over \$50 from an entity when participating in a trade promotion, fact-finding mission, negotiations or economic development activities as allowed by ORS 244.020(7)(b)(H), list the name and address of the person that paid the expenses. Include the event date, aggregate expenses paid and nature of the event. [ORS 244.060(6)] [Not required for candidates]
 - **EXCEPTION:** Expenses paid by the public body to their own public officials need not be reported by the public official under ORS 244.060 [OAR 199-005-0035(4)].

The following is required if the information requested relates to an individual or business that has been doing, is doing or could reasonably be expected to do business with the filer's governmental jurisdiction, has a legislative or administrative interest in the filer's governmental jurisdiction, or over which the filer exercises any authority:

- Name, address and description of each source of income (taxable or not) that exceeds \$1,000 for the filer or a household member. [ORS 244.060(8)]
- Name of each person the filer or a household member owes or has owed \$1,000 or more in the previous calendar year. Include the date of the loan and the interest rate. Debts on retail contracts or with regulated financial institutions are excluded. [ORS 244.070(1)]
- Name, address and description of nature of each business in which filer or household member has beneficial interest over \$1,000 or investment held in stocks or securities over \$1,000. Exemptions include mutual funds, blind trusts, deposits in financial institutions, credit union shares and the cash value of life insurance policies. [ORS 244.070(2)]

- Name of each person from whom the filer received a fee of over \$1,000 for services, unless disclosure is prohibited by law or a professional code of ethics. [ORS 244.070(3)]



LEGAL EXPENSE TRUST FUND

The Oregon Government Ethics Commission can authorize a public official to establish a legal expense trust fund to be used to defray expenses incurred for a legal defense in any civil, criminal or other legal proceeding or investigation that relates to or arises from the course and scope of duties of the person as a public official. [ORS 244.205]

The provisions regarding the establishment of this fund are detailed in ORS 244.205 through ORS 244.221. If a public official is considering the need to establish a legal expense trust fund, these provisions should be reviewed. The Commission staff is available to provide guidance on the procedures. The following are some of the significant elements of a legal expense trust fund:

- A public official may only have one trust fund at any one time. [ORS 244.205(4)]
- The application to establish the fund must be submitted to the Commission for review and authorization. ORS 244.209 details what information and documents must accompany the application.
- The public official may act as the public official's fund trustee. [ORS 244.211(2)]
- Once authorized and established, any person may contribute to the fund. [ORS 244.213(1)]
- Contributions from a principal campaign committee are not allowed. [ORS 244.213(3)]
- Funds must be maintained in a single exclusive account [ORS 244.215].
- Quarterly reports of contributions and expenditures from the fund are required. [ORS 244.217]
- The fund may be terminated within six months after the legal proceeding for which the fund was established has been concluded. [ORS 244.219]
- When terminated, remaining funds must be returned to contributors on a pro rata basis. [ORS 244.221(1)]
- If the legal proceeding for which the fund was initiated resulted in any financial award or money judgment in favor of the public official, such moneys shall be distributed in the following order: outstanding legal expenses, to trust fund contributors on a pro rata basis, and to the public official or, if required by the trust agreement, to an organization exempt from taxation under section 501(c)(3) of the IRS Code. [ORS 244.221(2)]

Once established, can the public official solicit funds in order to pay for the cost of a legal defense?

Yes. An exception to the prohibited use of office provision explicitly allows a public official to solicit and accept funds for the official's legal expense trust fund. [ORS 244.040(2)(h)] Also, contributions to a legal expense trust fund are excluded from the definition of a "gift." [ORS 244.020(7)(b)(G)]

OREGON GOVERNMENT ETHICS COMMISSION

The Governor appoints all nine members of the Commission and each appointee is confirmed by the Senate. The commissioners are recommended as follows: [ORS 244.250]

- 2 Recommended by the Senate Democratic leadership
- 2 Recommended by the Senate Republican leadership
- 2 Recommended by the House Democratic leadership
- 2 Recommended by the House Republican leadership
- 1 Recommended by the Governor

The Commission members select a chairperson and vice chairperson annually. No more than three commissioners with the same political party affiliation may be appointed to the Commission to serve at the same time. The commissioners are limited to one four-year term, but if an appointee fills an unfinished term they can be reappointed to a subsequent four year term.

The Commission is administered by an executive director, who is selected by the Commission. Legal counsel is provided by the Oregon Department of Justice. Commission staff provide administration, training, guidance, issue written opinions and advice, and conduct investigations when complaints are filed with the Commission.

Training:

The Commission has designated training as one of its highest priorities. It has two staff positions to provide free training to public officials and lobbyists on the laws and regulations under its jurisdiction. Training is provided through presentations at training events, web-based training, informational links on the website, topical handouts and guidance offered when inquiries are received. Contact the Commission to obtain free training through our website at <https://www.oregon.gov/ogec/training/Pages/default.aspx>



Advice:



Questions regarding the Commission’s laws, regulations and procedures are a welcome daily occurrence. Timely and accurate answers are a primary objective of the staff. All members of the Commission staff are cross-trained in the laws and regulations under the Commission’s jurisdictions. Guidance and information is

provided either informally, over the telephone at 503-378-5105, by e-mail at ogec.mail@oregon.gov, or in the following written formal advice and opinions:

- **Staff Advice:** ORS 244.284 provides for informal staff advice, which may be offered in several forms, such as in person, by telephone, e-mail or letter. In a letter of advice, the proposed, hypothetical or actual facts are restated as presented in

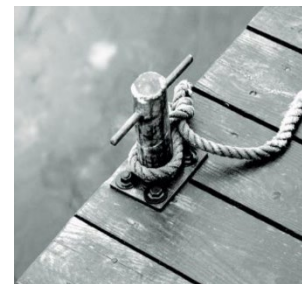
the request, along with the relevant statutes and administrative rules. The advice will discuss how the law applies to the questions asked or raised by the fact circumstances presented in the request.

- **Staff Advisory Opinion:** ORS 244.282 authorizes the executive director to issue a staff advisory opinion upon receipt of a written request. The Commission must respond to any request for a staff advisory opinion within 30 days, unless the executive director extends the deadline by an additional 30 days. The staff advisory opinion is issued in a letter that restates the proposed, hypothetical or actual facts presented in the written request and identifies the relevant statutes and administrative rules. The opinion will discuss how the law applies to the questions asked or raised by the fact circumstances presented in the request.
- **Commission Advisory Opinion:** ORS 244.280 authorizes the Commission to prepare and adopt by vote a Commission Advisory Opinion. Commission advisory opinions are reviewed by legal counsel before being adopted by the Commissioners. The opinion will identify the relevant statutes and administrative rules and will discuss how the law applies to the questions asked or raised by the fact circumstances provided in the request. The Commission must respond to any request for a Commission Advisory Opinion within 60 days, unless the Commission extends the deadline by an additional 60 days.

Public officials who request advice or formal opinions must describe the specific facts and circumstances that provide the basis for questions about how the Oregon Government Ethics law may apply. The facts and circumstances may be hypothetical or actual, but must be prospective, describing a proposed transaction or action, not one that has already occurred. If actual circumstances indicate that a violation may have already occurred, the staff cannot provide advice or an opinion because to do so could compromise the Commission's objectivity if a complaint were to be filed. As described below, whether a public official relied on Commission advice or opinions is relevant to sanctions, in the event a complaint is filed against the public official.

If a person requests, receives or relies on any of the advice or opinions authorized by ORS 244.280 through ORS 244.284, does that person have what is referred to as “safe harbor”?

There is no “safe harbor,” if the term is understood to mean that any person who relies on any advice or opinions offered by the Commission or the staff is protected from being a respondent to a complaint or from being found in violation of laws within the jurisdiction of the Commission.



There is, however, specific and conditional protection for any person who has requested and relied in good faith upon advice or an opinion from the Commission or its staff. The conditions and protection is as follows:

- The fact circumstances described in the request must not misrepresent, misstate or omit material facts.
- Reliance on the advice or opinion means that the action or transactions of the person were those described or suggested in the advice or opinion.
- The protection applies only during the penalty phase, after the Commission has determined that a violation has occurred. If there was reliance on staff advice or a Staff Advisory Opinion, the Commission may consider the reliance during the penalty phase. If reliance was on a Commission Advisory Opinion, the Commission may not impose a penalty.

The specific protections for the different forms of advice are as follows:

Staff Advice: If the Commission makes a finding that a public official violated provisions of law within its jurisdiction, and that public official acted in accordance with staff advice offered under the authority of ORS 244.284, the Commission may consider that information when sanctioning the violation. [ORS 244.284(2)] The Commission is not prevented from finding a violation, but the sanction imposed could be affected.

Staff Advisory Opinion: If the Commission determines that a public official violated provisions of law within its jurisdiction, and the public official acted in accordance with a staff advisory opinion under the authority of ORS 244.282, in sanctioning the violation, the Commission may consider whether the public official committed the violation when acting in reliance on the staff advisory opinion. [ORS 244.282(3)] The Commission is not prevented from finding a violation in these circumstances, but any sanction is limited to issuing a written letter of reprimand, explanation, or education, unless it finds that the person omitted or misstated material facts in the request for a staff advisory opinion.

Commission Advisory Opinion: The Commission may not impose a penalty on a person for any good faith action taken by the person while relying on a Commission Advisory Opinion, unless it is determined that the person who requested the opinion omitted or misstated material facts in the opinion request. [ORS 244.280(3)] For the Commission Advisory Opinion to be a factor in preventing the imposition of a penalty, it is important to understand that the circumstances described in the request must have been an accurate description of what occurred when the respondent committed the violation, and the actions of the respondent must have been those recommended or described in the Commission Advisory Opinion. The Commission is not prevented from finding a violation in these circumstances, but could be prevented from imposing a sanction.

Any person who has not requested advice or an opinion must be cautious when trying to apply advice or opinions offered to others. The advice and opinions given are based on and tailored to the specific fact circumstances presented in a request. Fact circumstances

vary from one situation to another and they vary from one public official to another. If a person reviews an opinion or advice issued to another for circumstances the person believes similar to those now met and relies on that advice, the person must ensure the similarity is sufficient for the application of law to be the same.

It is important to remember that the provisions of law apply to the individual actions of the person or public official. There are events or occasions when more than one public official may be present and participating in their official capacities. Depending on the circumstances and conditions for an event or transaction, the law may have a different application for one public official than for other public officials.

Published advice that the Commission has issued may be found at <https://www.oregon.gov/oqec/public-records/Pages/Advice-and-Opinions.aspx>



Compliance:

The Commission has a program manager who oversees the management and administration of the various reports that are filed with the Commission. There are approximately 1,000 lobbyists who must file or renew their lobbying registrations every two years. These lobbyists, and their clients or employers, must also file lobbying activity expense reports every quarter. Additionally, there are approximately 5,500 public officials who must file the Annual Verified Statement of Economic Interest each April 15. The program manager and Commission staff are available by telephone or e-mail to provide assistance and answer questions about registration and filing requirements and procedures.

Complaint Review Procedures:

Investigations are initiated through a complaint procedure. [ORS 244.260 and ORS 171.778] Any person may file a signed, written complaint alleging that there may have been a violation of Oregon Government Ethics law, Lobbying Regulation or the executive session provisions of Oregon Public Meetings law. The complaint must identify the public official believed to have violated the law, and must state the person's reason for believing that a violation may have occurred and include any evidence that supports that belief. The complaint must identify and be signed by the person filing it. Anonymous complaints are not accepted. The executive director reviews the complaint for jurisdiction and sufficiency. If additional information is needed, the complainant is asked to provide that information.

Complaints are filed online via the “Complaint Form” found on the Commission’s website homepage at <https://www.oregon.gov/ogec/public-records/Pages/Complaints.aspx>. All complaints must be signed, either through an e-signature if submitted through the online complaint system, or an inked signature if filed by paper. NOTE: The name of the complainant is furnished to the subject of a complaint.

If there is reason to believe that a violation of laws within the jurisdiction of the Commission may have been committed, a case will be initiated upon receipt of a complaint. The Commission may also initiate a case on its own complaint by motion and vote. Before approving such a motion, the public official against whom the action may be taken is notified and given an opportunity to appear before the Commission at the meeting when the matter is discussed or acted upon.

When a case is initiated, the public official against whom the allegations are made is referred to as the respondent. The respondent is notified of the complaint and provided with the information received in the complaint and the identity of the complainant. Whether based on a complaint or a motion by the Commission, the initial stage of the case is called the preliminary review phase. The time allowed for this phase is limited to 30 days (135 days for lobby cases) and ends when the executive director finalizes the preliminary review report.

A court may enjoin the Commission from continuing its inquiry during the preliminary review phase. Also, if a complaint is made against a candidate within 61 days of an election, the candidate may make a written request for a delay. [ORS 244.260(4)(a)]

During the preliminary review phase, the Commissioners and staff can make no public comment on the matter other than to acknowledge receipt of the complaint. It is maintained as a confidential matter until the Commission meets in executive session to consider whether to dismiss the complaint or find cause to conduct an investigation. Following the Commission’s consideration of the preliminary review report in executive session, the case file is subject to public disclosure.

If the Commission votes to dismiss the complaint, the matter is concluded and both the respondent and complainant are notified. If cause is found to investigate, then an investigatory phase begins. The investigatory phase is limited to 180 days. The investigatory phase may be suspended during a pending criminal investigation if the Commission determines that its own investigation cannot be adequately completed until the criminal investigation is complete, or if a court enjoins the Commission from investigation.

During the investigatory phase, Commission investigators will solicit information and documents from the complainant, respondent, and other witnesses and sources that are identified. Before the end of the 180 day investigatory period, an investigation report will be prepared. The investigation report is reviewed by the Commission’s legal counsel before being finalized by the executive director. The investigation report is presented to the Commission in the public session portion of its meeting. The Commission will then

consider the results of the investigation and generally will vote to either dismiss the complaint or make a preliminary finding that a violation of law was committed by the respondent. The preliminary finding of a violation is based on what the Commission considers to be a preponderance of evidence sufficient to support such a finding.

If a preliminary finding of violation is made, the respondent will be offered the opportunity to request a contested case hearing. At any time, either during the investigative phase or after a preliminary finding of violation is made, the respondent is encouraged to negotiate a settlement with the executive director, who represents the Commission in such negotiations. Most cases before the Commission are resolved through a negotiated settlement, with the terms of the agreement set forth in a Stipulated Final Order.

The Commission has a variety of sanctions available after making a finding that a violation occurred. Sanctions range from letters of education, reprimand, or explanation, to civil penalties and forfeitures. The maximum civil penalty that can be imposed for each violation of Oregon Government Ethics law is \$5,000, except for violations of ORS 244.045 (regulation of subsequent employment) where the maximum penalty is \$25,000 and for “willful” violations of ORS 244.040 (the “prohibited use of position or office” provision) where the maximum penalty is \$10,000. An additional civil penalty may be assessed equal to twice the financial gain that a respondent realized from a violation. Each violation of the executive session provisions in ORS 192.660 is subject to a maximum fine of \$1,000. Any monetary sanctions paid are deposited into the State of Oregon General Fund.

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