

CODE OF ETHICS IDAHO COUNTIES RISK MANAGEMENT PROGRAM

This Code of Ethics represents a policy statement of the Board of Trustees concerning requirements and expectations of ethical behavior in all actions undertaken by the Program in the course of its business activities. ICRMP is a public entity formed by virtue of a joint powers agreement, and as such ICRMP is governed by statutes and principles of law that require accountability to its members and compliance with standards of public agency behavior.

I. Applicability

This Code of Ethics applies to all officers, employees, and trustees of the Idaho Counties Risk Management Program, Underwriters (ICRMP). Independent contractors engaged by the Program are likewise expected to conduct themselves in ways not inconsistent with the obligations imposed upon ICRMP by law. Violations of this Code or other policies are subject to disciplinary action, up to and including termination or may be subject to civil or criminal penalties that may be applicable. Independent contractors acting in an unethical manner, in dealings with ICRMP or otherwise, shall be subject to termination of their contractual relationship with the Program. Officers, employees and trustees are expected to understand and comply with the policies set forth in this Code of Ethics. It is the responsibility of those subject to the Code of Ethics to familiarize themselves with its contents and to confirm its applicability to their conduct when called upon to do so. In order to conserve words, trustees, employees and independent contractors in the service of the Program will be referred to as Officials throughout this Code of Ethics.

This Code of Ethics cannot anticipate every possible situation or cover every topic in detail. The central concept of the Code is to confirm the Program's commitment to the principles of ethical and lawful business conduct, and all of the Program's business decisions should be evaluated in this light and in light of the Program's status as a public agency. The endeavors of the Program must be conducted in accordance with the ethical standards established by law, avoiding any activity or transaction which would be in contravention of legal requirements. It is vitally important for all to remember that the Program's success depends in large measure upon Member confidence in the Program's integrity and principled conduct.

II. Legal Framework of Ethical Standards

Provisions of Idaho law provide the framework for ethical standards to guide the conduct of those associated with the program. Copies of relevant statutory provisions are attached to this policy and labeled as Attachment A. Among the directly applicable provisions of law are the following:

Idaho Code Title 18, chapter 13, Bribery and Corruption
Idaho Code, Title 59, chapter 2, Prohibitions against Contracts with Officers
Idaho Code Title 59, chapter 7, Ethics in Government

In applying the established legal standards, Officials of the Program should recognize that the public trust lies at the root of all actions taken by the Program and those in its employ.

III. Conflicts of Interest

Officials owe a duty of loyalty and a duty of care to the Program along with a duty to avoid conflicts of interest in every practical way. A conflict of interest exists when an Official's private interests or the interests the individual Program Member for whom the Official serves conflict with or interfere in any way with the interests of the Program. A conflict of interest may arise when Officials take actions or have personal interests that are incompatible with interests of the Program or the Program's Members or when personal interests make it difficult for Officials to perform their work objectively and effectively. A basic principle to be observed is that an Official's position should not be used to realize a personal gain or advantage or to advantage the Member with whom an Official might be associated. Officials are expected to exercise prudent judgment in the interpretation of this policy and be alert to any situation that might be subject to question – even if it does not constitute potential illegality.

Potential conflicts of interest, prohibited unless prior approval by the Board of Trustees is evidenced in the records of Board proceedings, include the following:

- The direct or indirect acceptance or receipt of a commission, fee, expense payment, gift, or other pecuniary benefit, from any source other than the Program on account of, in connection with, or in any way related to any person or firm with whom the Program has existing or potential business contracts or investment interests, excepting from such prohibition (i) any article of nominal value ordinarily given for sales promotion, (ii) occasional and reasonable business meals, entertainment, or gifts of common business courtesy, any of which shall be consistent with local custom for public officials, or (iii) a gift of a personal nature from a personal friend or relative unrelated to your service to the Program;
- The ownership or acquisition, either directly or indirectly, of a material interest in any outside concern which does business with the Program or in any real or personal property which the Program is purchasing, leasing, or selling;
- The holding of an office in or the direct or indirect ownership of a material interest in any competitor of, or contractor with, the Program;
- The participation in or purchase of an interest in, either directly or indirectly, any entity, agency or service provider offering any services, tangible or intangible personal property to the Program, including securities, warrants or similar intangible properties;

It is recognized that each member of the Board of Trustees is an elected official of a Member entity. Thus, in any specific contribution-setting or claims-response activities for their Member entity Board members are faced with a potential conflict between the interests of the ICRMP Program and those of the respective public entity they were elected to serve as a public official. In such Member-specific instances, Board members will expressly declare the existence of any conflict and in appropriate circumstances recuse themselves and refrain from participating in Board deliberations concerning their specific Member entity unless expressly invited to participate by other members of the Board. Any exception to such a conflict of interest by Board members will be noted in the minutes of the Board meeting at which it occurs. No such consultation in matters where a conflict of interest has been declared by an Official shall occur in executive session.

IV. Prohibiting Use of Program Property or Program Opportunities for Personal Gain

Officials may not use Program property or information or their position with the Program for personal gain or for gain by relatives, business associates or friends. If Officials discover a business opportunity through the use of Program property or information or because of their position with the Program, and if such opportunity is related, directly or indirectly to the Program's business or governance activities, then the Official must first present the business opportunity to the Program before pursuing it in an individual capacity. Each such potentially conflicting business opportunity that an Official might wish to pursue must be disclosed to the Executive Director or to counsel for the Board of Trustees. If the Program expressly waives its right to pursue any such business opportunity by Board action and grants the Official consent to pursue the business opportunity, Official may do so on such terms and conditions as the Board may specify and consistent with the other ethical guidelines established by this and other Program policies.

V. Integrity

Officials are required to act honestly and deal fairly and ethically in all of the Program's business relationships, whether with its Members, suppliers, competitors, or other Program personnel. This ethical standard goes beyond mere compliance with legal requirements. Officials must not take unfair advantage of anyone through manipulation, willful concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair or unethical practice.

VI. Compliance Required

Officials are obliged to comply fully with this policy and all applicable federal, state, and local laws, rules, and regulations that govern the Program's business. Because the laws that are applicable to the Program's business can be complex, and penalties for violations can be most significant, Officials should discuss any legal questions that they may have with the Executive Director or counsel for the Board of Trustees. If any Official becomes suspect or aware of a violation or potential violation of law or provision of this policy by any Program Official, it is the responsibility of such Official to report information about such violation in accordance with provisions of this policy.

The Program maintains a number of policies that are designed to assist Officials to comply with applicable provisions of law in the conduct of the Program's business. These include, for example, applicable policies on unlawful workplace harassment, equal employment opportunity, and confidentiality of certain public records.

VII. Bribery and Other Improper Payments

The Program must maintain high ethical and professional standards in dealings with public officials and with the private sector. Accordingly, Officials must not individually promise, offer or give money, gifts or favors to anyone, including any public official, agent, or employee of any government, political party or business entity, or any candidate of a political party, with the intent to induce favorable business treatment or to improperly affect business or government decisions. Likewise, Officials are not permitted to accept gifts or favors that are meant to persuade them to take any action on behalf of the Program that is favorable to the gift-giver. This prohibition does not restrict any official's individual, personal right to make lawful contributions of their own funds to any organization or political candidate they might wish, recognizing that any such private

conduct might result in consequences for ICRMP's interests. In addition, Officials must comply with the rules applicable to any public agency with which you are dealing. For purposes of this policy, a "gift or favor" shall not include a loan from a financial institution on customary terms, an article of nominal value ordinarily given for sales promotion or as common business courtesy, or occasional and reasonable business meals or entertainment consistent with local social and industry custom.

VIII. Full, Fair, Accurate, Timely and Understandable Disclosure

It is Program policy to make full, fair, accurate, timely, and understandable disclosure of public information in compliance with all applicable laws and regulations in all reports and documents that the Program files with, or submits to, applicable regulatory bodies and in all other public communications made by the Program. Information relating to individual claims and other confidential records must remain protected from disclosure as provided by law.

IX. Accounting and Auditing Matters

Complaints or expressions of concern regarding accounting, internal accounting controls, or auditing matters should be addressed to the Executive Director, any member of the Board of Trustees or to counsel to the Board of Trustees. Officials designated to receive such complaints must act to protect and sustain the integrity and accountability of Program operation in light of the nature the issues brought to their attention.

X. Obligation to Protect Program Assets

It is the obligation of every Official to protect the Program's tangible and intangible assets and assure their efficient and appropriate use. Theft, carelessness, neglect and waste have a direct impact on the Program's costs and effectiveness. All Program resources should be used in accordance with applicable Program policies and procedures. Creating and maintaining good will toward the Program and its mission is a primary responsibility of every ICRMP Official.

XI. Confidentiality and Privacy

ICRMP Officials have access to extensive files of information regarding Members, employees, and consultants. Much of this information must be maintained as confidential in order to comply with applicable laws and to protect the interests of Members. Members must be able to trust that ICRMP will treat Member-related information with care and not disclose it except as may be required or permitted by law. Applicable public record policies and statutes govern the use and disclosure of confidential Program information.

Information systems activities of the Program are to be conducted in a secure environment to the extent allowed by public records statutes. Information systems are an essential core of all business and administrative processes of the Program. As such, the security, reliability, and integrity of the associated data, processes, and systems are of vital importance. Applicable Program policies set forth the guiding principles for ensuring such security, reliability, and integrity. ICRMP Officials must respect and adhere to such policies.

XII. Administration and Enforcement of this Policy

The Executive Director of ICRMP shall be primarily responsible for administration and enforcement of this policy. If the conduct of the Executive Director is called into question regarding compliance with this policy, contact should be made with any member of the Board of Trustees or counsel for the Board.

XIII. Reporting of Violations of this Ethics Policy

If any Official has knowledge or suspicion of a violation of this policy, s/he must immediately report it to one or more of the following:

- the Executive Director of ICRMP
- any ICRMP Board member
- counsel for the Board of Trustees

Any of the foregoing who has knowledge or suspicion of a violation of this policy, or who has received a report of suspected conduct that may violate this policy, shall notify the ICRMP Board of Trustees of any such alleged violation. If allegations focus on alleged misconduct by the Board, appropriate law enforcement officials should be contacted. Suspected violations of regulatory requirements or Program policies not involving alleged misconduct by a Program officer or Board member may be addressed by the foregoing designated Program Officials, consistent with the scope of authority of each. Suspected violations of this policy may be reported anonymously. The Program will not allow retaliation for reports made in good faith.

XIV. Disciplinary Action for Noncompliance

The Program intends to use every reasonable effort to prevent conduct not in compliance with this policy or applicable provisions of law. It will also strive to halt any such misconduct as soon as reasonably possible after its discovery. Program personnel who violate this ethics policy or other Program policies and procedures may be subject to disciplinary action up to and including termination. In appropriate circumstances, the Program may pursue civil remedies and/or seek criminal prosecution against alleged violators.

XV. Waivers of or Exceptions to the Policy

Waivers of or exceptions to this Code of Ethics for Officials must receive express approval by the ICRMP Board of Trustees. Any such waivers, along with the reason for such waiver, must be noted in the minutes of a Board meeting. Minor waivers of or exceptions to the Code of Ethics may be approved for employees or independent contractors by the Executive Director of ICRMP, and any such minor exceptions granted thereby shall be reported to the Board and reference shall be made to any such report in the minutes of the Board.

XVI. Acknowledgement by Officials

Officials will be required to complete a written acknowledgement upon first accepting a position with the Program, and periodically thereafter as changes might be made, confirming that service to the Program is contingent upon compliance with this code of ethics.

XVII. Distribution of the Policy

This Code shall be distributed with the personnel policy of the Program and shall be maintained on the computer network accessible to all employees. The Code of Ethics shall be made available on ICRMP's internet website – www.icrmp.org.

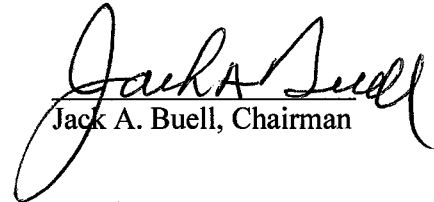
XVIII. No Rights to Continued Employment Created

This policy is a statement of fundamental principles and key policies and procedures that govern Ethical aspects of the Program's business. It is not intended to and does not in any way constitute an employment contract or an assurance of continued employment or otherwise create any related rights for Officials.

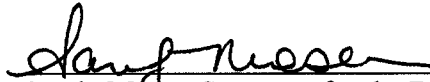
XIX. Modifications to this Policy

This Code of Ethics is subject to change and modification at any time by the Board of Trustees of ICRMP. Officials will be notified of any material changes to this policy as soon as practicable after any change is approved.

APPROVED by the ICRMP Board of Trustees on the 10 day of December, 2009.


Jack A. Buell, Chairman

Attest:


Sandy Moser, Secretary for the Board

ACKNOWLEDGEMENT OF RECEIPT OF ICRMP CODE OF ETHICS.

I, _____ acknowledge receipt of the ICRMP Code of Ethics, adopted on December 10, 2009. Please initial each statement below if it is true.

____ I understand that it is my responsibility to read and understand the contents of this Policy.

____ I understand that I am obligated to perform my duties of employment in conformance with the provisions of this Policy and any additional rules, regulations, policies or procedures imposed by the department in which I work whether or not I choose to read the Policy.

____ I understand that this Policy may be modified without prior notice to me.

____ I understand that should this Policy be modified that I will be provided with a copy of the modification.

DATED this _____ day of _____, 20____.

(Employee Signature)

I, Leona Kuwana, provided a copy of the ICRMP Code of Ethics, as adopted by the Board of Trustees on December 10, 2009 to _____, (Employee's Name) on the _____ day of _____, 20____.

(Leona Kuwana, Member Services Assistant)