



CONFLICT OF INTEREST AND ETHICAL CONDUCT POLICY

Effective Date: December 14, 2023

PURPOSE

The purpose of this Conflict of Interest and Ethical Conduct Policy (“Policy”) is to:

- Summarize in a single document a code of ethics and acceptable conduct which will apply equally to all SDCP Directors, Committee Members, and Employees, regardless of individual position or employment duties and responsibilities;
- Emphasize that each Director, Committee Member, and Employee occupies a position of public trust which demands the highest moral and ethical standard of conduct; and
- Ensure that members of the public are provided with efficient, productive, and high-quality services in a courteous impartial manner. Such services should be equally available, with no special advantage given any member of the public beyond that available to all others.

Policies and regulations governing the conduct of SDCP Directors, Committee Members, and Employees appear in the California Government Code, regulations of the Fair Political Practices Commission, other SDCP policies, and the SDCP Employee Handbook. Committee Members, and Employees shall familiarize themselves with the pertinent sections of these documents and consult them as necessary for information and guidance. This Policy is not intended to supersede State law. If there is a conflict between the provisions of this Policy and controlling State law, Directors, Committee Members, and Employees must comply with the more stringent policy or law.

This Policy applies to SDCP Directors, Committee Members, and Employees, as defined below.

POLICY

Definitions

1. *Director* means a member of the SDCP Board of Directors.
2. *Committee Member* means a member of the Community Advisory Committee or member of any other committee, board, or commission appointed by the SDCP Board of Directors.

3. *Employee* means any employee of SDCP, whether exempt or non-exempt, full-time or part-time.
4. *Gift, Gratuity, Favor, or Entertainment* means any payment, loan, opportunity, service, accommodation, use of facility or any other benefit provided to a Director, Committee Member, or Employee that confers a personal benefit for which the Director, Committee Member, or Employee does not provide compensation or other consideration, of equal or greater value.
5. *Immediate Family* means a spouse or registered domestic partner, son, daughter (son and daughter include: step, foster or adopted), mother, father (mother and father include: step-father, step-mother, father-in-law, mother-in-law), brother, sister (brother and sister include: step, foster or adopted), aunt, uncle, niece, nephew, grandfather, grandmother, granddaughter and grandson.
6. *Nominal Value* means a monetary value of \$50 or less.

Responsibility of Ethical Conduct

1. It is the responsibility of all Directors, Committee Members, and Employees to engage in ethical behavior and practices.
2. Every Director, Committee Member, and Employee is responsible for both the actual and perceived conflict of interest that may arise as a result of the Director's, Committee Member's, or Employee's actions and it is the Director's, Committee Member's, or Employee's responsibility to reduce or eliminate to the extent possible such actual and perceived conflicts of interest.

Responsibility of Public Services

1. All Directors, Committee Members, and Employees are bound to uphold the Constitution of the United States and the Constitution of the State of California, and to abide by the laws and regulations of the nation, State, and SDCP.
2. All Directors, Committee Members, and Employees are bound to observe in their official acts, the highest standards of integrity and to discharge faithfully the duties of their position, recognizing that the lives, safety, health and welfare of the general public must be their primary concern. Their conduct in both their official and private affairs should be above reproach to assure that their public position is not used nor perceived as being used for personal gain.
3. The conduct of all Directors, Committee Members, and Employees shall be such as to provide the best public service to each member of the public and the community as a whole. The conduct of all Directors, Committee Members, and Employees shall be consistent with the goals and values of SDCP.

General Rule Regarding Conflict of Interest

Directors, Committee Members, and Employees shall not engage in any business or transaction, and shall not have a financial or other personal interest, direct or indirect, which is incompatible with the proper discharge of their official duties or would tend to impair their independence, judgment, or action in the performance of such duties. This prohibition shall be interpreted in a manner consistent with the requirements of the California Government Code, regulations of the Fair Political Practices Commission, and common law conflicts of interest under California law.

Acceptance of Favors, Gifts, and Gratuities

1. All Directors, Committee Members, and Employees should be mindful as to not accept a Gift, Gratuity, Favor, or Entertainment from any person or business entity other than SDCP, which would create an appearance of influencing him or her in the discharge of his or her duties.
2. The following are not considered a Gift, Gratuity, Favor, or Entertainment solely for purposes of this Policy:
 - a. Personalized plaques, trophies, souvenirs or mementos of Nominal Value associated with a given event or given to an employee from a professional organization where the person holds or held a position in the organization;
 - b. Edible or perishable items provided to an SDCP department/division/program;
 - c. Discounts, rebates or concessions available to the public in general or to all SDCP employees;
 - d. Passes and tickets that provide admission to facilities, goods, services, or other benefits that are not used by the employee and are not given by the employee to another person;
 - e. Passes and tickets to attend fundraisers for campaign committees or other candidates or organizations exempt from taxation under section 501(c)(3) of the Internal Revenue Code;
 - f. Free admission and refreshments provided an employee at an event in which he/she gives a speech, participates in a panel or seminar or other similar service, as well as, travel payments (transportation, lodging (the day immediately preceding, day of, and day immediately following speech panel, seminar or similar service)) associated with such an event; and
 - g. Passes, tickets or other items or activities provided to SDCP and used by SDCP for agency business and reported by SDCP on FPPC Forms 801 or

802.

3. A Gift, Gratuity, Favor, or Entertainment, the receipt of which is prohibited by this section, shall be returned to the donor when feasible. If no return is feasible, the gift or gratuity shall be donated to a public charity (non-profit, tax exempt 501(c)(3) organization), SDCP, or other governmental agency within 30 days of receipt.
4. If there is a conflict between the Gift, Gratuity, Favor, or Entertainment provisions of this Policy and those in controlling State law, Directors, Committee Members, and Employees subject to State law must comply with those rules.
5. Nothing in this Policy shall exempt any Director, Committee Member, or Employee from complying with applicable provisions of State law or other SDCP policies including, but not limited to, responsibility for completion and filing of a Statement of Economic Interests (Form 700).
6. In questionable situations, Directors should seek guidance from the General Counsel. Committee Members should seek guidance from the committee's staff liaison, who will coordinate with the General Counsel. Employees should seek guidance from their supervisor or the Human Resources Department. In the instance where the supervisor or Human Resources Department is uncertain, the General Counsel may be contacted as well.

Collateral or Outside Employment by Employees

1. Notification and Departmental Approval
 - a. Employees who are engaged in any collateral or outside business activity or employment shall provide written notice to their Department Director or other appropriate appointing authority. Such notice may be in the form contained in Attachment 1 below, or in a separate writing containing the same information. Persons contemplating such business activity or employment shall obtain departmental approval before accepting such employment.
2. General Prohibition
 - a. Employees shall not engage in any collateral employment or business activity which is incompatible or in conflict with the duties, functions, or responsibilities of SDCP, their department, or their employment decision.
 - b. Activities which may constitute a conflict include: use of SDCP time, facilities, equipment and supplies, or the use of a badge, uniform, prestige or influence of SDCP or employment for private gain or advantage. An Employee shall not engage in any collateral business activity or employment, which, by its nature, hours or physical demands, would impair the required quality or quantity of the Employee's work with SDCP, impair

the Employee's independence of judgment or action in the performance of official duties, reduce the effectiveness or efficiency of the Employee's department, reflect discredit on SDCP, or tend to increase the SDCP's payments for sick leave, worker's compensation benefits, long term disability, or other leave benefits.

Use of SDCP Position or Resources for Personal or Outside Gain

1. Directors, Committee Members, and Employees shall not use, for private gain or advantage, their SDCP time or SDCP's facilities, equipment or supplies.
2. Directors, Committee Members, and Employees shall not use or attempt to use their positions to secure unwarranted privileges or exemptions for themselves or others.
3. Directors, Committee Members, and Employees shall not use their position, title or status to influence, or attempt to influence, SDCP's review or approval of an SDCP contract, grant, or other decision for the Director, Committee Member, or Employee in his or her capacity as a private individual, self-employed consultant or to facilitate work, grant funds, or other benefits for a collateral employer or other financial interest.
4. Directors, Committee Members, and Employees shall not review or approve, or influence or attempt to influence in any manner, an SDCP contract, grant, or decision relating to their work done as a private individual, self-employed consultant or by their collateral employer, regardless of whether the work or proposal submitted was done by the Director, Committee Member, or Employee or other staff of their collateral employer or other financial interest.
5. Employees in supervisory positions shall not assign to a subordinate any work (1) resulting from the supervisor's collateral employment or other financial interest; or (2) requiring SDCP's review or approval or other SDCP-provided service.

Use of Confidential Information

1. Directors, Committee Members, and Employees shall not use confidential information acquired by, or available to, them in the course of their position or employment with SDCP for speculation or personal gain.
2. Directors, Committee Members, and Employees shall not disclose confidential information, which may include, but not be limited to, confidential market-sensitive energy information, personnel information, or customer information, acquired by or available to them in the course of their position or employment with SDCP except in the performance of their duties as required by law.

SDCP Contracts

Directors, Committee Members, and Employees shall not be financially interested in any contract made by them in their official capacity, or by any body or board of which they are members. This includes, but is not limited to, Directors, Committee Members, and Employees exercising or attempting to exercise any discretionary powers or participating in any way with respect to any contract or sale to which SDCP or any department thereof is a party and in which such Directors, Committee Members, and Employees are knowingly directly or indirectly financially interested.

Personal Investments

Directors, Committee Members, and Employees shall endeavor not to make personal investments in enterprises which they have reason to believe may be involved in decisions or recommendations to be made by them, or under their supervision, or which will otherwise create conflict between their private interests and the public interest. If, however, a Director, Committee Member, or Employee has a financial interest in matters or enterprises coming before them, or before the department in which they are employed, they shall disqualify themselves from any participation therein.

Discussion of Future Employment

Directors, Committee Members, and Employees shall not make, participate in making, or use their official position to influence any SDCP decision related to a prospective employer.

Communication Limitations with Former Employees

Employees shall not communicate with former SDCP Employees regarding any project, issue or matter in which that former Employee rendered a decision or gave approval or disapproval, made recommendations, gave advice, or had any other substantial involvement or participation for a period of one year from the former Employee's final date of active employment.

Equal Employment

Directors, Committee Members, and Employees shall not, in the performance of their service responsibilities, discriminate against any person on the basis of race, religion, color, creed, age, marital status, national origin or ancestry, pregnancy, sex, sexual orientation, gender identity, gender expression, physical or mental disability, veteran status, genetic information, medical condition, and any other category protected by federal, state, or local laws, and they shall cooperate in achieving the equal employment opportunity and affirmative action goals and objectives of the SDCP.

Reporting of Fraud, Waste or Abuse

1. Directors, Committee Members, and Employees are strongly encouraged to disclose, to the extent not expressly prohibited by law, improper governmental activities within their knowledge. Directors, Committee Members, and departmental managers are encouraged to contact the Chief Executive Officer or, if appropriate, the General Counsel. Employees are encouraged to contact a departmental manager or Human Resources Department to report this information.
2. No Director, Committee Member, or Employee shall directly or indirectly use or attempt to use their authority or influence for the purpose of intimidating, threatening, coercing, commanding, or influencing any other Director, Committee Member, or Employee with the intent of interfering with that Director, Committee Member, or Employee's duty to disclose such improper activity.

Favoritism / Nepotism

1. Directors, Committee Members, and supervisory or management Employees shall not participate in the appointment or recommend the appointment of any member of their Immediate Family, or any other person with whom the Director or Employee has a close personal or private business relationship, to a position of any department, office, bureau or division over which they have administrative control.
2. Directors, Committee Members, and supervisory or management Employees shall not participate in the appointment or recommend the appointment of a member of their Immediate Family, or any other person with whom the Director, Committee Member, or Employee has a close personal or business relationship, to another supervisory or management position of SDCP.
3. This Policy permits Immediate Family members and close personal friends of Directors, Committee Members, or supervisory or management Employees to be appointed as Employees in any department provided such Directors, Committee Members, and supervisory or management Employees make no recommendation nor otherwise attempt no recommendation nor otherwise attempt to influence such appointments.
4. No supervisory or management Employee shall:
 - a. directly supervise any Immediate Family member or person with whom the supervisor has a close personal relationship;
 - b. influence the approval of any Employee rewards for any Immediate Family member or person with whom the supervisor has a close personal or business relationship;
 - c. interfere with any performance evaluation or disciplinary proceeding for any Immediate Family member or person with whom the supervisor has a close personal or business relationship; or
 - d. recommend or attempt to influence any contractor or business which has a business relationship with SDCP to employ a member of his or her Immediate Family or any other person with whom the Employee has a close

personal or business relationship.

Product Endorsement

1. Directors, Committee Members, and Employees, in their capacity as SDCP Directors, Committee Members, and Employees, shall not endorse a product or service or comment on that product or service if it is the intent of the solicitor of the endorsement, or of the vendor or manufacturer of that product or service, to use such comments for purposes of advertisement.
2. Directors, Committee Members, and Employees are not prohibited from responding to inquiries regarding the effectiveness of products or services used by SDCP unless the Director, Committee Member, or Employee is aware that it is the inquirer's intention to use those comments for purpose of advertisement.

Solicitation of Campaign Contributions from Employees

Directors, Committee Members, and Employees shall not, directly or indirectly, solicit a political contribution from an Employee of SDCP, with knowledge that the person from whom the contribution is solicited is an Employee of SDCP. This provision shall not prohibit a Director, Committee Member, or Employee from requesting political contributions from Employees if the solicitation is part of a solicitation made to a significant segment of the public which may include Employees of SDCP. This provision shall not prohibit a Director, Committee Member, or Employee from making a contribution.

Duty to Disclose

Employees shall immediately disclose the nature and extent of any interest, direct or indirect, which may conflict with their responsibility or duty, or which, because of their position, may influence a decision to the benefit of the organization in which they have an interest. Such disclosure shall be in the form of a memorandum to the Chief Executive Officer, transmitted via the employee's department head.

Duty to Cooperate

Employees shall cooperate fully with judicial bodies and courts, and with lawfully constituted investigative commissions, committees, bodies and juries; appear before them upon request; and answer all questions concerning their conduct in office or their performance of official duties or matters within their knowledge pertaining to the property, government or affairs of SDCP. Failure to do so shall be cause for appropriate disciplinary action, including possible dismissal from SDCP service.

RESPONSIBILITY AND PENALTIES

All SDCP Directors

1. Responsible for understanding and complying with this Policy at all times.
2. Any member of the Board of Directors found to be in violation of this Policy or who is found guilty or liable by any court of law, enforcement agency, administrative hearing officer, or public agency investigation, of violating California Government Code section 1090, the California Political Reform Act, or the regulations of the Fair Political Practices Commission, in relation to their service to SDCP, may be subject to censure by the Board of Directors, as well as removal from SDCP committees.

All SDCP Committee Members

1. Responsible for understanding and complying with this Policy at all times.
2. Any Committee Member found to be in violation of this Policy or who is found guilty or liable by any court of law, enforcement agency, administrative hearing officer, or public agency investigation, of violating California Government Code section 1090, the California Political Reform Act, or the regulations of the Fair Political Practices Commission, in relation to their service to SDCP, may be subject to censure, removal or other action deemed appropriate by the Board of Directors.
3. **All SDCP Employees**
 1. Responsible for understanding and complying with this Policy at all times.
 2. Employees engaging in outside employment or enterprise will provide written notice as required above and keep it up to date at all times. Such notice may be in the form contained in Attachment 1 below, or in a separate writing containing the same information. To the extent there is a change in the Employee's outside employment or enterprise, the Employee will immediately update the notice and resubmit it to their department.
 3. With regard to any Employee found to be in violation of this Policy or who is found guilty or liable by any court of law, enforcement agency, administrative hearing officer, or public agency investigation, of violating California Government Code section 1090, the California Political Reform Act, or the regulations of the Fair Political Practices Commission, in relation to their service to SDCP, such Employee may be subject to appropriate disciplinary action by the Chief Executive Officer or by an authorized designee; such disciplinary action may include, but not be limited to, termination of employment.

Supervisory or Management Employees

1. Monitor to ensure Employees' compliance with this Policy.
2. Take immediate administrative action when made aware of a potential violation of this Policy.

Human Resources Department

Assist with addressing questions raised by departments and working closely with

General Counsel to provide guidance in accordance with this Policy.