
	General Policy			
	Chapter:	Board Operations and General Administration	Policy #	1-6-1
	Section:	Conflict of Interest	Revision #	4

- I. **PURPOSE:** To establish policy and procedures regarding conflict of interest.
- II. **APPLICATION:** All programs and services provided by or contracted by the West Michigan Community Mental Health Governing Body.
- III. **REQUIRED BY:** Michigan Administrative Code 330.2067; 24 CFR Part 85, Sec. 36.
- IV. **DEFINITIONS:** Not applicable.
- V. **POLICY:** It is the policy of West Michigan Community Mental Health that Governing Body members, employees and contractors shall not engage in any activity that represents or appears to represent a conflict of interest which could influence business decisions or consumer services.
- VI. **PROCEDURES:**
 1. CMH Governing Body members, employees or contractors shall not participate in the selection or in the award or administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when any of the following individuals or groups has a financial or other interest in the firm selected for an award:
 - a. Governing Body members, employees, or contractor,
 - b. Any member of his immediate family,
 - c. His or her partner, and/or
 - d. An organization which employs, or is about to employ, any of the above.
 - 1.1 Annually each Governing Body member shall sign a statement indicating that he/she will abstain from voting on any issue that has, or appears to have, a possible conflict of interest.
 - 1.2 The conflict-of-interest question shall be asked as a regular agenda item at all regular CMH Board of Directors meetings.
 2. CMH employees shall not engage in professional practice that represents a conflict of interest in accordance with the professional responsibilities of their staff position.
 3. Outside employment for employees of WMCMH will be addressed as follows: Employees will report any outside employment that has potential to be in direct conflict with the employee's position at WMCMH or is similar to their role at WMCMH (i.e.- independent counseling services, working at another agency that provide the same services as WMCMH). Employment that does not have a potential direct relationship with WMCMH services (such as greeting card stocker, retail store clerk) or the employee's role at WMCMH does not need to be reported.
 4. An employee's Senior Management Team member must approve secondary employment as outlined above. As long as terms of potential conflict are clear and conflicts are avoided, secondary employment is allowed.


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5. The appropriate SMT member will also educate the staff person to the information listed in 6.1 – 6.9 below.
6. The SMT member will be responsible for informing the Chief Executive Officer of all approvals.

Staff will complete the Request for Secondary Employment / Secondary Professional Practice Form (HR053) to seek approval.

The following guidelines will apply to any employee with secondary employment regardless of if a potential conflict exists. Employees engaged in outside or supplemental employment, including private practice, will:

- 6.1 Not use WMCMH facilities as a source of referrals for private customers or clients.
- 6.2 Not work for a secondary employer during the hours he/she is regularly scheduled to work for WMCMH.
- 6.3 Not use WMCMH as a reference or credential in advertising, soliciting customers or clients, or to obtain billing status from third party reimbursors. Additionally, will not represent themselves as WMCMH employees while working for a secondary employer.
- 6.4 Not use WMCMH supplies, facilities, staff, or equipment in conjunction with any outside or supplemental employment or private practice.
- 6.5 Maintain a clear separation of outside or supplemental employment from activities performed for WMCMH.
- 6.6 Not cause any conflict of interest or any possible appearance of conflict of interest or any impairment of the independent and impartial performance of employee's duties.
- 6.7 Recognize the right of WMCMH to change, at any time and with no advance notice, the scope of duties and the time during which said duties need to be performed to most effectively serve our consumers. Further, the employee understands that WMCMH expects the employee to accommodate these changes as a condition of his/her continued employment with the organization.
- 6.8 Recognize that WMCMH shall not be liable, either directly or indirectly, for any activities performed during outside or supplemental employment.
- 6.9 Maintain an updated form with Human Resources at least every 2 years.

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7. Contractors shall inform the Chief Executive Officer of West Michigan Community Mental Health in writing of any employees, principals, directors, or agents who have a business interest with a department, agency or office of Lake, Mason and/or Oceana Counties. If West Michigan Community Mental Health identifies a conflict of interest situation which gives or appears to give unfair advantage to the contractor, the Board of Directors may take action to terminate the contractual relationship. All written agreements with contractor shall have language which reflects the intent of the above.
8. The Governing Body members, employees or contractor will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.
9. Gifts/lunches by suppliers and / or drug reps are limited to \$25 to an individual. Items exceeding this amount must not be accepted.

VII. SUPPORTING DOCUMENTS:

Appendix 1-6-1A: Statement By Members of Board of Directors Concerning Possible Conflict of Interest Form

Refer to:

HR053 – Request for Approval for Secondary Employment or Secondary Professional Practice

VIII. POLICY/PROCEDURE REVIEW:

REV#	APPROVED BY	Policy/Procedure	DATE
			07/2011
			09/2015
			05/2019
1	SMT	Title changes	08/2020
2	SMT	Annual Review	12/2021
3	SMT	Procedure	11/2022
4	SMT	Procedure	01/2023
4	SMT	Annual Review	12/2023
4	SMT	Annual Review	12/2024
Board Approval Date: 03/19/1996			

IX. CHIEF EXECUTIVE OFFICER ENDORSEMENT:

I have reviewed and approved of policy #1-6-1 Revision # 4.

CEO: Lisa A. Williams

Approval Signature: _____

**WEST MICHIGAN COMMUNITY MENTAL HEALTH
STATEMENT OF MEMBERS OF BOARD OF DIRECTORS
CONCERNING POSSIBLE CONFLICT OF INTEREST**

This statement is made pursuant to West Michigan Community Mental Health Board of Directors policy that individual governing body members shall disclose to the Board of Directors any possible conflict of interest which may exist in connection with their interest in West Michigan Community Mental Health.

The following is a list of all entities personally known to me to be currently engaged in transactions with West Michigan Community Mental Health and in which I (or a member of my immediate family) have an interest in one or more of the following capacities: Director, Trustee, Officer, Owner, Partner or other significant capacity:

ENTITY:

CAPACITY:

In the event that any matter comes before the WMCMH Board of Directors, or any committee of which I am a member, which involves any entity in which I (or a member of my immediate family) have an interest I believe might be a conflicting interest, I will notify the Board of Directors or committee of the existence of such interest and will refrain from voting and from using my personal influence thereon. I will, of course, make available to other members of the governing body or committee any pertinent information in my possession with respect to such matter.

In addition, do any of these (an immediate family member, a business associate or I) own rental property in Lake, Mason or Oceana Counties (please circle):

Yes No

If Yes, I assure for the above mentioned properties that neither myself, an immediate family member, nor business associate, rent/lease to any persons whose rent/lease is paid through Housing and Urban Development funds that are received and managed by WMCMH.

Signature of Governing Body Member

DATED:_____

To be filed annually with the Chairperson of the WMCMH Board of Directors.