

**Northern Lakes Community Mental Health Authority
Board Governance Policies**

8/19/2021

Our Vision

A community of informed, caring people living and working together.

Our Mission

To improve the overall health, wellness and quality of life of our individuals, families and communities that we serve.

Our Organizational Values

We shall carry out our responsibilities consistent with our Values: 1) In treating all people with compassion, dignity, respect. 2) In respecting diversity and individuality. 3) In visionary public leadership, local decision-making, and accountability for our actions and decisions.

Preamble

When the Northern Lakes Community Mental Health Authority organization was being formed, John Carver's model of Policy Governance™ was chosen to be the means through which the board of directors would govern and achieve what it determined to be the purpose of the agency. Policy Governance™ recognizes that boards exist to own the organization on behalf of some identifiable ownership to which the board is answerable. The power of boards of directors is as a group, a corporate entity, entrusted by the owners with the authority to lead the organization. The essence of Policy Governance™ model is that a board has its maximum positive impact when it gives most of its attention to determining and expressing the goals and values of the Northern Lakes Community Mental Health Authority agency on behalf of its owners. The role of the board is not to manage the agency. The primary motivation for the governance style chosen is to permit the Board of Directors to concentrate its limited time where it can make the most impact. The Board of Directors for Northern Lakes Community Mental Health Authority developed policies to achieve its ends and to monitor the implementation of its policies. Policy is defined as the value or perspective that underlies its action. Board policies are the product of the board and broad guiding statements which reflect the board's philosophy, values or principles. The Northern Lakes Community Mental Health Board's policies are four types: Ends, Executive Limitations, Governance Process/Ownership Linkage, and Board/Chief Executive Officer Linkage.

SECTION 1 ENDS

1.0 Consumer and Community Ends

We are committed to the guiding principles of Culture of Gentleness and Recovery. We are committed to the Person Centered planning process and the development of an individual Plan of Service within the context of available funding and services. We are committed to be a strong and effective partner in Michigan to improve the overall health, wellness and quality of life of the individuals, families, and communities we serve. We believe the systems of care and support we create and manage must serve and provide encouragement, support and opportunities that promote growth and create desired and positive outcomes for all persons served. We are committed to the elimination of stigma in cooperation with welcoming communities, and must meet owner expectations. As a manager and a provider of public health services utilizing federal, state, local funding sources and other reimbursements we hold ourselves accountable and are held accountable. Our responsibility is not to simply serve, but to ensure eligible persons with severe

mental illnesses (including those with co-occurring conditions), children with serious emotional disturbances, persons with intellectual/developmental disabilities and persons with substance use disorders have satisfying, hopeful, and contributing lives that are consistent with their hopes and dreams.

We believe active consumer involvement is critical to Ends accomplishment and in ensuring consumers served achieve the following Ends consistent with individual choice and self-determination.

Consumer Ends:

- 1.0.1 Meaningful and satisfying community experiences, work (income generation) and/or volunteering, and/or success in an educational or vocational setting
- 1.0.2 Meaningful relationships within an ever expanding circle of support.
- 1.0.3 Children and families have rewarding family relationships
- 1.0.4 A safe living environment of their choice and with whom they want (adults) as identified through the Person Centered Planning process and reflected in the Individual Plan of Service within available resources and services.
- 1.0.5 Community membership, inclusion and participation
- 1.0.6 A reduction in psychiatric symptoms (as applicable)
- 1.0.7 An enhanced overall quality of life
- 1.0.8 Sobriety (as applicable)
- 1.0.9 Integration of behavioral health and physical health services

There are multiple community stakeholders that impact and/or are impacted by what we do and we place a high priority on working cooperatively with them toward the accomplishment of our Vision, Mission, and Ends. Key stakeholders include, but are not limited to, consumers, consumer parents, families, and/or guardians; health care providers; schools; law enforcement; the spiritual community; and local, state, and federal elected officials. To promote Ends accomplishment we need skilled providers and constructive relationships with organizations who provide funds including the MDHHS, managed care organizations, health insurance providers, etc.

Community Ends:

We are committed to the following Community Ends.

1.0.10 Our respective communities and key stakeholders accept and treat consumers with the same respect and dignity that should be afforded to any member of the community.

1.0.11 Community Stakeholders are given opportunities to know and demonstrate support of the Northern Lakes Community Mental Health Authority Ends.

Accomplishment of these Ends will be promoted by having services grounded on accessible and culturally competent services, evidenced-based practices, consumer choice, a commitment to recovery and reintegration, resilience, empowerment, and independence. A cornerstone is our commitment to excellence in person/family centered planning and services. We will utilize the most objective data available and a variety of methods to measure the degree of achievement of our Ends and will do so consistent with the MDHHS Quality Improvement Performance Indicators (measures) and satisfaction surveys, third party perspectives regarding our performance, and other locally adopted measures.

SECTION 2 EXECUTIVE LIMITATIONS

2.0 Global Executive Limitations

The Chief Executive Officer shall not cause or allow any practice, activity, decision, or organizational circumstance which is either unlawful, imprudent or in violation of commonly accepted business and professional ethics.

2.1 Consumer Services

The CEO shall not knowingly permit the delivery of services in a manner that violates the dignity, privacy, legal rights or safety of consumers.

In managing the services provided by the Authority, the CEO shall not:

- 2.1.1 Knowingly permit the solicitation of personal information from consumers for which there is no legal or clinical necessity;
- 2.1.2 Knowingly fail to comply with laws and regulations designed to safeguard the privacy and security of confidential information;
- 2.1.3 Knowingly permit professional services to be rendered without appropriate informed consent;
- 2.1.4 Knowingly fail to implement a fair system in which the grievances of consumers may be heard and resolved.
- 2.1.5 When licensed as a substance use disorder provider fail to be in compliance with the Administrative Rules for Substance Abuse Services Programs in Michigan.

2.2 Treatment of Employed Workforce Members

- 2.2.1 The CEO shall refrain from activity detrimental to the values of integrity, dignity, respect, diversity of opinion and tolerance of non-disruptive dissent in the workplace.
- 2.2.2 The CEO shall not fail to manage the human resources of the Authority according to written personnel policies that are commensurate in scope, detail and clarity with the size and diverse functions of the Authority's employed Workforce.
- 2.2.3 The CEO shall not fail to promulgate reasonable policies for the timely resolution of human resource issues raised by employed members of the Workforce, provided, however, that except as otherwise specifically permitted under a collective bargaining agreement, the CEO shall not enter into any agreement or approve any policy permitting an employed member of the Workforce to pursue a work-related grievance before the Board.
- 2.2.4 With respect to the compensation of employed members of the Workforce, the CEO shall not jeopardize the fiscal integrity of the Authority or knowingly commit any violation of employment laws or regulations.

2.3 Compensation of the Employed Workforce

The CEO shall not:

- 2.3.1 Directly or by implication, promise any member or prospective member of the Workforce any direct or indirect compensation that is not reduced to writing and signed by the CEO or included in a collective bargaining agreement.
- 2.3.2 Offer to any current or prospective employee any status other than employment at will or modified at will according to the Discipline Review Policy (DRP) unless the employee in question is or on hiring will be covered by a collective bargaining agreement.
- 2.3.3 Offer or promise any member or prospective member of the Workforce compensation exceeding the fair market value of the services or that would constitute an illegal inducement under federal and state laws and regulations.
- 2.3.4 Financially obligate the Authority under any contract of employment or collective bargaining agreement over a longer period of time than is justified by the exercise of sound business judgment.
- 2.3.5 Without the prior express approval of the Board of Directors, permit the creation of any unfunded pension liability or modify or alter a pension plan in a manner that excludes a full-time employed member of the workforce from participation in a pension plan.
- 2.3.6 Modify his or her own wages without the approval of the Board.

2.4 Financial Management

The CEO shall not by omission or commission render the Authority insolvent or permit the expenditure of funds except in accordance with and in furtherance of the Board Governance Policies. Authority finances shall be managed in accordance with applicable laws, regulations, contract obligations and sound financial practices. Budgets prepared under the direction of the CEO shall be predicated upon an annual assessment of need and shall be consistent with a multi-year strategic plan approved by the Board. In managing the financial affairs of the Board, the CEO shall honor priorities formally adopted by the Board:

- 2.4.1 Clinical and administrative services;
- 2.4.2 Internal service fund; and
- 2.4.3 Existing unfunded liabilities.

With respect to the preparation of budgets the CEO shall not:

- 2.4.4 Fail to include a projection of revenues and expenses based on the most current and accurate data available;
- 2.4.5 Fail to identify and distinguish capital and operating expenditures;
- 2.4.6 Fail to project or account for cash flow; or
- 2.4.7 Fail to disclose assumptions upon which the budget is predicated.

With respect to the operations of the Authority, the CEO shall not:

- 2.4.8 Receive, process or disburse funds except in accordance with standards and controls satisfactory to the Authority's outside auditor and comply with generally accepted governmental accounting principles;
- 2.4.9 Take any action or fail to advise the Board of any event or projected event that the CEO, in the exercise of sound business judgment, believes will result in liabilities exceeding assets or the need to use internal service fund resources;
- 2.4.10 Provide less for Board prerogatives during the year than is set forth in the Costs of Governance Policy;
- 2.4.11 Conduct inter-fund shifting;
- 2.4.12 Absent good cause communicated to the Board, fail to settle payroll and other financial obligations of the Board when due;

- 2.4.13 Fail to timely and accurately file documents or make disclosures required by federal or state laws or regulations or contract obligations;
- 2.4.14 Allow records to be retained in violation of the Record Retention & Disposal Policy according to state and federal laws;
- 2.4.15 Fail to instruct the Board selected auditor to provide the copy of the audit to the Board at the same time as made available to the CEO;
- 2.4.16 Commit the Authority to any unbudgeted financial obligation or series of obligations with a value in excess of \$15,000 for any purpose other than the provision of direct consumer services;
- 2.4.17 Enter into contracts or other binding obligation that is inconsistent with governance policies;
- 2.4.18 Enter into contracts without sufficient assurance that the contractor is qualified and eligible to furnish the goods and services covered by the contract.
- 2.4.19 Acquire, encumber or dispose of real property [Does not apply to leaseholds to be used as housing for individual consumers];
- 2.4.20 Fail to exercise reasonable diligence in the collection of delinquent financial or contractual obligations to the Authority; or
- 2.4.21 Fail to place cash in interest-bearing accounts in accordance with P.A. 196 of 1997 as amended.
- 2.4.22 Fail to report dollar amounts on the Administrative Consent Agenda when identifying expense contracts exceeding \$15,000.
- 2.4.23 Fail to continually seek out and/or be open to securing opportunities/avenues for revenue enhancements that fits our mission.

2.5 Asset Protection

The Chief Executive Officer shall not permit any tangible or intangible asset in which the Authority has a financial or other interest to suffer waste, exposure to unacceptable risk or other improper diminution in value. By way of example and not limitation, the CEO shall not:

- 2.5.1 Fail to insure against property and casualty losses to at least replacement value and against liability losses in an amount that is commercially reasonable in view of the risk;
- 2.5.2 Fail to acquire and maintain a fidelity bond protecting the Authority against theft, conversion or embezzlement of Authority assets by employed Workforce members with access to funds of the Authority;
- 2.5.3 Fail to take reasonable steps to reduce the risk of theft of Authority assets;
- 2.5.4 Fail to take reasonable steps to protect the condition of Authority property through appropriate maintenance;
- 2.5.5 Fail to engage in risk management designed to minimize exposure to claims and damages;
- 2.5.6 In the selection of providers and vendors, fail to comply with applicable federal and state laws and regulations and sound business practice respecting procurement of goods and services; or
- 2.5.7 Endanger the Authority's public image or credibility in ways that would hinder the accomplishment of its mission.

2.6 Community Resources

The provision of services to people with a mental illness, people with an intellectual and developmental disability, or people with a substance use disorder, and veterans is not the exclusive responsibility of the Authority. The Board deems collaboration and cooperation with other public and private entities serving the same population to be critical to seamless service delivery. By example and not by way of limitation, the CEO shall not:

- 2.6.1 Fail to leverage relevant community resources to assist in accomplishing the Board's Ends Policies.
- 2.6.2 Fail to take appropriate advantage of collaboration, partnerships and innovative relationships with relevant public and private entities.

2.7 Continuity of Executive Functions

- 2.7.1 The CEO shall not fail to provide by policy for the continuity of executive functions in the event of the death, disability or planned or unplanned unavailability of the CEO.
- 2.7.2 No less than annually communicate with the board chairperson one member of the Executive Team who will serve as Interim CEO. In addition, if said member is unavailable the CEO will no less than annually communicate with the board chairperson a second member of the Executive Team who will serve as Interim CEO.

2.8 Communication and Support to the Board

The CEO shall not withhold information or data that the CEO knows, or in the exercise of sound business judgment should know, is necessary for the Board to make informed decisions and to properly carry out its obligations properly. By way of example and not by way of limitation, the CEO shall not:

- 2.8.1 Fail to submit monitoring data required by the Board in a timely, accurate and understandable fashion directly addressing provisions of Board Governance Policies being monitored.
- 2.8.2 Fail to advise the Board of anticipated adverse media coverage, threatened or pending lawsuits, material changes in federal and state laws or regulation, material changes in the terms of MDHHS and NLCMHA provider contracts and material changes in assumptions upon which existing Board Governance Policies are predicated.
- 2.8.3 Fail to advise the Board if, in the opinion of the CEO or the Compliance Officer, the Board is not in compliance with Board Governance Policies or is in violation of laws and regulations applicable to the governing body of a governmental entity constituted as an authority under the Michigan Mental Health Code.
- 2.8.4 Fail to advise the Board if, in the opinion of the CEO, the Authority is or may become noncompliant with a Board Governance Policy.
- 2.8.5 Fail to advise the Board if, in the opinion of the CEO or the Compliance Officer, a compliance violation has been substantiated and the violation, if and when disclosed to regulators or law enforcement, may subject the Authority to criminal, civil or administrative liability or sanction.
- 2.8.6 Fail to advise the Board Chairperson if one or more members of the Board engages in conduct that is or may be detrimental to the working relationship of the Board and the CEO.
- 2.8.7 Fail to present information and data to the Board in clear and concise format that identifies the relevance of the information to discrete Board obligations such as monitoring and decision preparation.
- 2.8.8 Fail to deal with the Board as a single unified whole by communicating with individual Board members outside of established formal channels. [A request by an individual Board member to the CEO for facts or data is not subject to this prohibition.].
- 2.8.9 Fail to provide a mechanism for official Board, officer or committee communications.
- 2.8.10 Fail to supply for the consent agenda all items delegated to the CEO that are subject to Board Approval.

2.8.11 Fail to maintain official minutes of Board committees and meetings.

2.9 Investments

2.9.1 The CEO shall not fail to invest available cash using the following objectives: Safety – Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. Diversification – The investments will be diversified by security type and institution in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. Liquidity – The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Return on Investment – The investment portfolio shall be designed with the objective of obtaining a rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

2.9.2 The CEO shall not invest outside the authority authorized by Act 20 of 1943, as amended which limits investments to:

- U.S. Government Treasury Bills, notes, bonds, and other direct obligations of the United States, no limit.
- U.S. Government or Federal agency obligation repurchase agreements when backed by the full faith and credit of the U.S. government, no limit.
- Certificates of deposit, savings accounts, deposit accounts, or depository receipts of federally insured banks, insured savings and loan associations or credit unions insured by the National Credit Union Administration that are eligible to be depository of surplus money belonging to the State. Limits:
 - Not more than 25% of the combined capital and surplus of any bank.
 - Not more than the insured amount (\$250,000) for certificates of deposit.
 - Commercial paper rated at time of purchase within the two highest classifications established by not less than two standard rating services. Maturity cannot be more than 270 days after purchase.
 - Banker's acceptance of United States banks.
 - Mutual funds composed of investments, which are legal for direct investments by local units of government in Michigan.
 - Financial institution pooled investments.

2.9.3 The CEO shall not fail to, no less than annually, assess the status and security of the defined benefit pension. The CEO shall not fail to inform the Board annually as to status and if additional funds will be needed to achieve 100% funding.

2.9.4 The CEO shall not fail to periodically analyze the financial status and performance of our deposit bank to ensure investment safety and investment performance.

2.9.5 The CEO will not designate a bank for cash deposits and check issuing which does not have a branch office in both Traverse City and Cadillac for deposits, have interest on account balances, and less than 6% as it's Tier 1 Assets to Risk Bearing Asset ratio.

2.10 Administrative Cost

The CEO shall not by omission or commission incur administrative costs, in its directly provided or contracted services, that makes Northern Lakes Community Mental Health Authority a negative outlier compared to other like CMHSPs or would significantly restrict funds to support services and supports. This shall include not:

- 2.10.1 Entering into contracts that have administrative cost greater than 9% without having written explanation to support.
- 2.10.2 Exceeding 9% or if known the average administrative cost for comparable CMHSPs, in its direct operations, in size, scope, and responsibilities.

SECTION 3 GOVERNANCE PROCESS/OWNERSHIP LINKAGE

3.0 Global Governance Process/Ownership Linkage

The purpose of the Board, on behalf of Northern Lakes Community Mental Health Authority, is to assure that the Authority (a) achieves appropriate results for appropriate persons at an appropriate cost, and (b) avoids unacceptable actions and situations.

3.1 Board Job Description

The Board acts as the informed agent of the public and is responsible for assuring the appropriate organizational performance. Accordingly, the Board has direct responsibility to create:

The link between the Public and the Organization; and Board Governance Policies that address the broadest levels of all organizational decisions and situations, including:

- 3.1.1 Ends: Organizational products, impacts, benefits, outcomes, eligible recipients, and their relative worth
- 3.1.2 Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
- 3.1.3 Governance Process: Specification of how the Board conceives, carries out and monitors its own task.
- 3.1.4 Board-Chief Executive Officer Linkage: How power is delegated and its proper use monitored; the Chief Executive Officer role, authority and accountability.
- 3.1.5 Assurance of successful Chief Executive Officer performance.

3.2 Governance Style

The Board's responsibilities are defined by and derive from the fiduciary role of the Authority as an essential link in the continuum of public and private entities and agencies that serve the mentally ill, intellectually/developmentally disabled and substance use disorder populations residing in the Authority's service area. The Board's proper sphere of activity lies in:

- 3.2.1 Establishing broad policy for conducting of the affairs of the Authority; and
- 3.2.2 Engaging in strategic planning, promoting community and intergovernmental relations; and
- 3.2.3 Ensuring that governance decisions are made only after open, full and fair consideration of the views of diverse stakeholders.

The Board governs, but does not manage, the affairs of the Authority. The Board delegates to the CEO the exclusive responsibility for the effective management of the affairs of the Authority. In carrying out its mission, the Board accords the highest value to vision, leadership, consensus and a proactive approach. Therefore:

- 3.2.4 The Board cultivates a sense of group responsibility. The Board, not the CEO, is responsible for excellence in governance.
- 3.2.5 The Board initiates policy, and does not merely react to management initiatives.
- 3.2.6 The Board uses the expertise of individual members to enhance the ability of the Board as a governing body, but does not use such individual expertise as a substitute for the collective judgment, wisdom and values of the group.
- 3.2.7 The Board governs the Authority through the adoption of Board Governance Policies reflecting the Board's values and perspectives.
- 3.2.8 The Board's focus is the adoption and realization of Board Governance Policies in the political and financial environment in which the Authority operates. The Board does not focus on management of the Authority. The Board acknowledges management is the proper sphere of the CEO.
- 3.2.9 The Board and its members shall exercise that degree of discipline necessary to attain excellence in governance. This principle applies to attendance, preparation for meetings, adherence to Board Governance Policies, respect for roles and procedures, observance of common courtesy, and development of governance skills.
- 3.2.10 The Board allows itself to address a specific topic or issue only after determining:
 - Whether a topic or issue is properly one for Board consideration; whether the topic or issue addressed by existing Board Governance Policies; and if so, whether the Board wishes to modify existing Board Governance Policies.
- 3.2.11 The Board takes responsibility for the Authority's organizational performance by:
 - 3.2.11.1 Enumerating those powers reserved by the Board to the Board because they are deemed to be necessary for effective governance;
 - 3.2.11.2 Adopting Board Governance Policies setting forth in clear language any limitations or constraints placed on the CEO's management of the affairs of the Authority;
 - 3.2.11.3 Adopting Ends policies specifying desired outcomes for the Authority as an organization and for the Board and for management as constituent parts of the organization;
 - 3.2.11.4 Holding the CEO accountable for achieving Board Ends policies; and
 - 3.2.11.5 Creating an effective system for monitoring and measuring the effectiveness of the Board. The Northern Lakes Community Mental Health Authority Board of Directors believes in excellence in board governance. It believes that through self-evaluation it can determine if it has functioned the way it said it would and that this process will promote the continued improvement of board leadership. This will be accomplished through continued board means policy monitoring, meeting evaluation, individual board member self-evaluation and Board self-evaluation. The individual and Board evaluations shall be completed each October and reviewed at the November Board meeting. The Board may also periodically engage an independent consultant. Based on the evaluation results the Board may develop a governance improvement plan.

3.3 Board Member Code of Conduct

The board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as board members. Conflict of interest is addressed in the Board By-laws and this policy.

- 3.3.1 Members must have loyalty to the ownership, unconflicted by loyalties to staff, other organizations, and any personal interest as a consumer.

- 3.3.2 Members must avoid conflict of interest with respect to their fiduciary responsibility.
- 3.3.3 Board members may not attempt to exercise individual authority over the organization.
 - 3.3.3.1 Members' interaction with the Chief Executive Officer or with staff must recognize the lack of authority vested in individuals except when explicitly board authorized.
 - 3.3.3.2 Members' interaction with public, press or other entities must recognize the same limitation and the inability of any board member to speak for the board except to repeat explicitly stated board decisions.
- 3.3.4 Members will respect the confidentiality appropriate to issues of a sensitive nature. Members must not disclose identifiable information (with or without names) about Northern Lakes Community Mental Health Authority consumers, regardless of where this information was obtained from, without informed consent of an authorized party. Members must comply with the confidentiality regulations of the Michigan Mental Health Code and the Administrative Rules.
- 3.3.5 Members will be properly prepared for board deliberation.
- 3.3.6 If a member has a concern with another member with regard to this Code of Conduct. The issue should be directed in the following manner.
 - 3.3.6.1 If the issues involves a member other than the Board Chairperson, the issues should be directed to the Board Chairperson.
 - 3.3.6.2 If the concern involves the Board Chairperson, the issue should be directed to the Vice Chairperson.
 - 3.3.6.3 If the concern involves both the Board Chairperson and the Vice Chairperson, the member should select two other members and direct the issue to them for review of the concern.
- 3.3.7 If all attempts at an internal resolution of the concern has failed, then the Board Chairperson under 6.1 or the Board Vice Chairperson under 6.2 shall refer the manner to the applicable County Board of Commissioners Chairperson for resolution under Section 1224 of the Michigan Mental Health Code.
- 3.3.8 All Board members shall review this policy during their initial orientation and shall sign the NLCMH Code of Conduct Declaration. This shall be repeated no less than annually.

Attachment: Board Member Code of Conduct Declaration

3.4 Annual Workplan

To promote excellence in governance and to provide the CEO with timely policy guidance upon which to predicate management planning and budgeting, the Board shall, at the commencement of each new calendar year, establish a one-year cycle of activities ("Annual Workplan") focused on the review and possible amendment of Board Governance Policies. The Annual Workplan may include educational events, study sessions, stakeholder meetings, presentations by experts in relevant fields and other enriching activities that are designed to provide Board members with the greatest possible insight into Board governance policy options. The Annual Workplan established by the Board shall make provisions:

- 3.4.1 For a determination of the Board's priorities for activities and programs during the calendar year;
- 3.4.2 For a tentative schedule of programs, joint meetings and study sessions; and
- 3.4.3 For periodic review of monitoring data concerning progress in achieving the Board Governance Policies.

3.5 Meeting Agendas and Schedules

Meeting Agendas. Meetings of the Board shall be conducted in accordance with Roberts Rules of Order and pursuant to a formal Agenda approved by the Board at the commencement of each meeting. The formal Agenda shall consist of the following elements which correspond with appropriate governance policy number:

Roll Call Confirmation of a Quorum Pledge of Allegiance Appoint Timekeeper Consideration of Agenda Conflict of Interest Declaration

Ownership Linkage

- A. Citizen Comment
- B. Ownership Communication

Chief Executive Officer's Report

Northern Michigan Regional Entity Report

Assurance of Organizational Performance

- A. Receipt of CEO Monitoring Report
- B. New Operational Worries
- C. Monthly Monitoring Assignment

Board Means Self-Assessment

- A. Receipt of Board Monitoring Report
- B. Monthly Monitoring Assignment

Governance Policies Discussion and Assessment

- A. Ends
- B. Executive Limitations
- C. Governance Process/Ownership Linkages
- D. Board CEO Linkage

Ownership Linkage

- A. Citizen Comment

Announcements/Board Members Reports

Meeting Evaluation

Next Meeting Agenda

Adjournment

Consent Agendas shall be handled as expeditiously as possible.

Location and Frequency. Regular Board meetings shall be held on a monthly basis as provided in the following Table:

| Location | Number of Meetings per Calendar Year |
|-----------------------|---|
| Grand Traverse County | 4 |
| Wexford County | 3 |
| Leelanau County | 1 |
| Roscommon County | 2 , but not in winter |
| Crawford County | 2 |

Meeting Times. Committee of the Whole and Board meeting times shall be established at the time the Annual Calendar is completed.

Committee of the Whole and Board meetings will be held in one location except during the months of November through March. For the months of November through March the meetings may be conducted using interactive video conferencing. Will follow video conference etiquette.

3.6 Board Chair Functions

The Chair ensures the integrity of the Board's governance process as the Board carries out its governance obligations.

Powers of the Chair. The Chair:

- 3.6.1 Proposes Agendas for meetings of the Board;
- 3.6.2 Limits consideration of issues to those properly before the Board and within the scope of its authority as set forth in Board Governance Policies;
- 3.6.3 Ensures that Board deliberation is fair, open, thorough, timely, orderly, and on task;
- 3.6.4 Exercises the procedural authority accorded the position of Chair by Roberts Rules of Order;
- 3.6.5 Subject to the Bylaws, names and charges ad hoc committees as more particularly provided in the Governance Policy on Board committees;
- 3.6.6 When and to the extent authorized by the Board to do so, serves as spokesperson for the Board to the media and the public concerning the positions taken on issues by the Board as a whole; and
- 3.6.7 Rules on requests from members to attend outside conferences and meetings.

Limits on the Powers of the Chair. The Chair shall not exercise the powers granted to the Chair hereunder for any of the following purposes:

- 3.6.8 To preclude Board consideration of a decision to employ or terminate a CEO;
- 3.6.9 To unilaterally amend or modify a Board Governance Policy;
- 3.6.10 To supervise or direct the CEO with the exception of the power to grant a leave of absence provided the Board is notified of granting the request within eight hours of being granted.
- 3.6.11 To publicly represent a personal position on an issue as that of the Authority.

Delegation of the Powers of the Chair. Subject to the provisions of the Bylaws, the Chair may delegate the powers of the Chair to one or more Board members, provided that the Chair remains accountable for the exercise of any powers so delegated.

3.7 Governance Committees

This Policy shall not apply to committees appointed by the CEO.

Subject to Board bylaws, the Chair of the Board shall have exclusive authority to determine the size, membership, duration, authority and jurisdiction and charge of all Board committees, all of which information shall be recorded in Board minutes. No Board committee shall have or exercise authority or jurisdiction exceeding that granted at the time of its creation without further action by the Chair of the Board, and no Board committee may exercise authority or jurisdiction inconsistent with Board Governance Policies.

Standing Committees. The Board shall have only those standing committees established herein. The membership and chair shall serve at the pleasure of the Board Chair. Membership on standing committees, other than the Recipient Rights Advisory Committee, or other Board created advisory committees, is limited to members of the Board.

Committee of the Whole. The Committee of the Whole is charged with:

- 3.7.1 Receipt and consideration of monitoring reports and data;
- 3.7.2 Consideration of the need for new or amended Governance Policies and formulating substantive recommendations to the Board concerning same;
- 3.7.3 Formulation of recommendations to the Board Chair for items to be included on the Board Consent Agenda;
- 3.7.4 Hosting joint activities with the governing bodies of other public and private entities;
- 3.7.5 Provision of a forum for the presentation of the views and concerns of stakeholders in the mental health system;
- 3.7.6 Provision of a forum for Board development programs not included as part of the Annual Work Plan; and
- 3.7.7 Provision of a forum for the consideration of legislative, political, and regulatory changes on the delivery of mental health services
- 3.7.8 The Committee of the Whole shall serve as the CEO Compensation Committee.

Nominating & Leadership Development Committee. The Nominating and Leadership Development Committee is charged with:

- 3.7.9 Assisting the counties as needed in identifying potential board members. Screening shall be completed not later than 60 days before the terms opens up;
- 3.7.10 Planning Board training and education; and
- 3.7.11 Assuring ongoing orientation regarding the Board Governance Policies.

Recipient Rights Advisory Committee. The Board shall appoint a Recipient Rights Advisory Committee, which shall have and exercise those powers granted to such committees by the Michigan Mental Health Code. The Recipient Rights Advisory Committee shall hold its meetings in accordance with the Michigan Open Meetings Act. See also Policy 3.07A Recipient Rights Advisory Committee.

Recipient Rights Appeals Committee. The Board designates the Recipient Rights Advisory Committee as the Recipient Rights Appeals Committee, which shall have and exercise those powers granted to such committees by the Michigan Mental Health Code. Recipient Rights Appeals Committee meetings are confidential, privileged, and separate from the Recipient Rights Advisory Committee and are not subject to the Michigan Open Meetings Act. See also 3.7B Recipient Rights Appeals Committee.

Audit Committee. The Audit Committee is charged with:

- 3.7.12 Presenting a selection of at least two independent outside auditors at least once every five years. Ensure that lead auditor Rotation will occur if the present auditor is one of the firms selected.
- 3.7.13 Receiving and reviewing copies of the annual Management Representation Letter(s).
- 3.7.14 Ensuring that results of the Annual Audit and Management Letter are reviewed with the Independent Auditor by the Committee of the Whole.
- 3.7.15 Ensuring that the scope of an outside audit is sufficient to meet the legal obligations of the Authority and the responsibilities of the Board with respect to CMHSP financial matters; and
- 3.7.16 Ensuring that outside audits are conducted in a timely manner;

Ad Hoc committees shall be appointed only to the extent and only for so long as necessary to assist the Board in carrying out its governance responsibilities.

The Board Chair may from time to time appoint ad hoc committees. Membership in an ad hoc committee is not limited to members of the Board. Where the membership of an ad hoc committee includes individuals that are not members of the Board, the minutes of the committee shall separately show the votes of each committee member.

A Board ad hoc committee whose work product includes recommendations later adopted in whole or in part by the Board shall not thereafter be charged with monitoring the recommendations as adopted and implemented.

3.7A Recipient Rights Advisory Committee

The Recipient Rights Advisory Committee, defined by the Michigan Mental Health Code as “a committee of a community mental health program services board” (sec. 330.110c) is a committee of the Northern Lakes Community Mental Health Authority, appointed by the Board of the Authority in accordance with section 757 of the Michigan Mental Health Code. The Recipient Rights Advisory Committee shall hold its meetings in accordance with the Michigan Open Meetings Act, and shall act in accordance with the policies and by-laws of the Northern Lakes Community Mental Health Board Authority. Meetings shall be held according to the latest edition of Robert’s Rules of Order, Newly Revised. annual list of meetings shall be presented to the Northern Lakes Community Mental Health Authority Board of Directors and be made available to individuals upon request. Northern Lakes Community Mental Health Authority Board policies and by-laws supersede Robert’s Rules of Order. A simple majority of the members must be present in person or by other visual electronic means to conduct a meeting”.

FUNCTIONS:

The Recipient Rights Advisory Committee (RRAC) is granted the authority, in accordance with sections 755, 757, and 774 of the Michigan Mental Health Code, to carry out the following functions:

- 3.7A.1 Meet at least semiannually or as necessary to carry out its responsibilities.
- 3.7A.2 Maintain a current list of members’ names to be made available to individuals upon request.
- 3.7A.3 Maintain a current list of categories represented to be made available to individuals upon request.

- 3.7A.4 Keep the NLCMH Board of Directors informed of RRAC membership needs.
- 3.7A.5 Protect the Office of Recipient Rights from pressures that could interfere with the impartial, even-handed, and thorough performance of its functions.
- 3.7A.6 Recommend candidates for Recipient Rights Director to the Chief Executive Officer, and consult with the Chief Executive Officer regarding any proposed dismissal of the Recipient Rights Director.
- 3.7A.7 Serve in an advisory capacity to the Chief Executive Officer and the Recipient Rights Director.
- 3.7A.8 Review and provide comments on the report submitted by the Chief Executive Officer to the Northern Lakes Community Mental Health Authority under section 755.
- 3.7A.9 Review the process for funding the office of recipient's rights and make recommendations concerning resources.
- 3.7A.10 Receive education and training in recipient's rights policies and procedures.
- 3.7A.11 As designated by the Northern Lakes Community Mental Health Authority, serve as the Appeals Committee for a recipient's appeal under section 784.

MEMBERSHIP CRITERIA: In accordance with section 757 of the Michigan Mental Health Code, membership of the committee shall be broadly based so as to best represent the varied perspectives of the community mental health services program's geographic area. At least 1/3 of the membership shall be primary consumers or family members, and of that 1/3, at least 1/2 shall be primary consumers.

- 3.7A.12 For the purpose of consistency with the Michigan Mental Health Code, RRAC shall consist of a minimum of 7 members and a maximum of 9 members as the Board determines: at least 2 of which are primary consumers (currently receiving or have previously received services provided by or under contract with Northern Lakes Community Mental Health Authority), at least 1 of which is a family member of a consumer, 2 of which are Northern Lakes Community Mental Health Authority Board members
- 3.7A.13 With the intent of best representing the varied perspectives of the Northern Lakes Community Mental Health Authority's geographic area, of the 5 to 7 non-board members appointed to the committee, at least: member shall reside in Wexford/Missaukee counties, one member shall reside in Grand Traverse/Leelanau counties, AND one member shall reside in Roscommon/Crawford Counties. If a member or potential member cannot be identified from this area, others may be considered who are willing to serve from anywhere in the six counties.
- 3.7A.14 None of the members shall be employed by the Michigan Department of Health and Human Services \ (DHHS), Northern Lakes Community Mental Health Authority, another community mental health services program, or a provider under contract with DHHS.

APPOINTMENTS: Board members appointed to RRAC shall be appointed for 1-year terms by the Chairperson of the Northern Lakes Community Mental Health Authority, with appointments occurring each year at the May Board meeting. The Chairperson of the Board shall appoint one of the Board members as the Chairperson of RRAC. Non-board members appointed to RRAC shall be appointed for 3-year staggering terms. Committee members may reapply for multiple terms. The appointment process for non-board members shall occur as follows:

- 3.7A.15 Board approved RRAC applications can be obtained at any time by verbal or written request to the NLCMH Executive Office or the Office of Recipient Rights.
- 3.7A.16 If there is a vacant seat on the committee, either because a member's term will/has expired or due to a member's resignation or dismissal, the Northern Lakes Community Mental Health Authority will assure, via the Chief Executive Officer, that the vacancy is advertised in a timely and public manner.
- 3.7A.17 All applications shall be turned in to the Executive Office. At the end of the posting period, the Executive Office shall forward all applications to the Chairperson of the Northern Lakes Community Mental Health Authority Nominating & Leadership Development Committee.
- 3.7A.18 At the end of the posting period, the NLD Committee shall review all applications received and interview eligible applicants in a meeting or meetings held in accordance with the Open Meetings Act. The NLD Committee will provide a recommendation of candidates to the Northern Lakes Community Mental Health Authority for consideration of appointment to RRAC. Candidates will be invited to attend the Board meeting and will be recognized by and given an opportunity to address the Board prior to the Board's decision for appointment.

MEMBER EXPECTATIONS

- 3.7A.19 Members are expected to attend all committee meetings or give notice in advance if an absence is unavoidable.
- 3.7A.20 Three consecutive absences without notice will be considered resignation.
- 3.7A.21 Members are expected to read all materials sent in advance of meetings and to be actively engaged in discussions at meetings.
- 3.7A.22 Committee members will be paid per diem and mileage reimbursement in accordance with Board policy and procedure.

3.7B Recipient Rights Appeals Committee

The Northern Lakes Community Mental Health Authority Board of Directors has designated the Recipient Rights Advisory Committee as its Recipient Rights Appeals Committee consistent with the Mental Health Code (PA 258 of 1974, MCL 330.1774). The Northern Lakes Community Mental Health Authority Office of Recipient Rights shall provide education and training in recipient rights policies and procedures to the Appeals Committee. The Appeals Committee may request consultation and technical assistance from the Michigan Department of Community Health Office of Recipient Rights. A simple majority of the members must be present in person or by other visual electronic means to conduct a meeting".

The Recipient Rights Appeals Committee shall do all of the following:

- 3.7B.1 Review appeals in accordance with Northern Lakes Community Mental Health Authority Policy 105.106 Complaint, Investigation, and Appeal.
- 3.7B.2 Ensure that any member who has a personal or professional relationship with an individual involved in an appeal shall abstain from participating in that appeal as a member of the committee.
- 3.7B.3 Ensure that Appeals Reviews, as well as all documentation resulting from Appeals Reviews, are confidential and shall not be open to public disclosure or inspection, except as allowed by law.

3.8 Costs of Governance

Because excellence in governance produces tangible financial benefits and is dependent on the Board's level of skill and support, the Authority shall commit financial resources to accomplish the following:

- 3.8.1 Introduction of new members to the mental health system;
- 3.8.2 Orientation of new members to Board Governance Policies and to the functions and responsibilities of the Board as a whole and of its individual members;
- 3.8.3 Orientation of new members to the Authority's management structures and functions;
- 3.8.4 Provision of opportunities for the education and training of Board members;
- 3.8.5 Utilization of outside resources to promote a culture of civility and genuine openness to and fair consideration of the views and values of stakeholders; and
- 3.8.6 Enabling participation on the Board through payment of per diem and reasonable expenses.

Prior Approval for Conferences. A member must obtain the prior approval of the Board Chair to attend conferences and meetings (other than Board or assigned committee meetings) as a condition of payment of per diem and reimbursement of expenses by the Authority. Subject to budget parameters, the Board Chair shall make a good faith effort to ensure equal access among members to conferences, meetings and activities.

Per Diem Rates. Board members are entitled to per diem for time associated with attendance at meetings of the Board, meetings of Board committees, and conferences and meetings for which a member has received the prior approval of the Board Chair. The per diem rate shall be reviewed annually by the Board. Changes in per diem approved by the Board shall become effective on the first day of the next succeeding fiscal year. Per diem rates paid to Board members shall not be less than the highest per diem rate paid to county commissioners among the Counties with authority to appoint members of the Board as of October 1 of each year unless modified by board action. Board members may request to waive their per diem and/or mileage by indicating on their expense voucher.

Per Diem Limitations. A Board member is entitled to the full per diem rate only when his or her time in meetings plus travel time equals or exceeds 4 hours in a single day. A Board member shall be entitled to partial per diem where meeting time plus travel time is less than 4 hours in a single day.

Transportation Expenses. The Authority shall reimburse Board members for reasonable transportation expenses incurred in the course and scope of Board-approved business. Where a member uses his or her own vehicle, the mileage eligible for reimbursement shall be the lesser of actual mileage or the round trip mileage to the member's home. The reimbursement shall be at the same rate per mile applicable to employed members of the Workforce. Board members are encouraged to car pool with staff and other Board members when possible.

Eligible Lodging Expenses. The Authority shall reimburse Board members for reasonable lodging expenses incurred in the course and scope of Board-approved business, but only if the claimed expense is eligible for reimbursement under the following criteria:

- 3.8.7 The site of the meeting exceeds 100 miles from the member's home; and
- 3.8.8 To attend, the Board member must leave home prior to 6:00 a.m.; or
- 3.8.9 Due to the event, the Board member cannot return to his or her home prior to 7:00 p.m.; or
- 3.8.10 The event is scheduled for multiple days.

Limitations on Reimbursement of Eligible Lodging Expenses. Reimbursement of an eligible lodging expense incurred by a Board member is limited to the following:

- 3.8.11 Where the event is a conference, reimbursement shall not exceed the conference room rate at the facility where the conference is held. In the event rooms are not available at the conference facility, the amount reimbursed shall not exceed the cost of a comparable room in a comparable facility. Proof of unavailability of rooms at the conference facility is required.
- 3.8.12 In all other cases, reimbursement shall not exceed the scheduled maximum allowable lodging expense applicable to Authority Employees.

Meal Expenses. Meal expenses are eligible for reimbursement, subject to the following limitations:

- 3.8.13 Reimbursement shall not exceed the scheduled maximum allowable meal expense applicable to employed members of the Workforce; and
- 3.8.14 Reimbursement for the expense does not constitute income to the Board member under federal tax laws and regulations.

Incidental Expenses. Incidental expenses for items such as office supplies and copying are reimbursable in the discretion of the Board Chair.

Reimbursement Procedure. Claims for reimbursement are subject to the approval of the Board Chair or, in his or her absence, to the approval of the CEO. A Board member seeking reimbursement shall complete and submit to the Board Chair or CEO an expense voucher in approved form setting forth each expense for which reimbursement is claimed. The voucher must clearly disclose the business nature of the claimed expenses and must be accompanied by receipts. Claimed expenses not verified by receipts are not reimbursable. Vouchers may be submitted on a monthly basis at the member's option. Expenses are not reimbursable if the claim therefore is not submitted by the earlier of 90 days after the expense is incurred or 5 days after the close of the fiscal year.

Budget Provisions for Cost of Governance. The CEO shall ensure that the budget annually includes line items for Board per diem and for Board development and expenses. The following amounts shall be budgeted.

| LINE ITEM | NUMBER OF UNITS |
|---------------------------------------|------------------------|
| | |
| Board Per Diem | 16 |
| Board Development and Expenses | 16 |

Discretionary Exceptions. The CEO, Board Chair or the full Board may, for good cause shown, make exceptions to this Policy provided, however, that the fact of the exception is disclosed to the full Board at its next regular meeting.

Board Member Recognition. Board members leaving the Board will be recognized for their term on the Board. A framed certificate of recognition identifying their term on the Board will be provided. The presentation will occur at the regular Board meeting one month prior to their leaving the Board or other arrangements will be made. Northern Lakes Community Mental Health Authority will also recognize former Board members through a plaque displayed at the administrative office.

3.9 CEO Compensation

In an effort to attract and retain excellence in executive leadership, the Board shall not fail to assure fair and reasonable compensation to the CEO. In considering total CEO compensation, the

Board shall not fail to assure that CEO benefit plans remain consistent with benefit plans granted to other employees with executive responsibilities within the organization. Accordingly:

- 3.9.1 The Board shall annually review all aspects of CEO compensation including but not limited to base pay, incentive plans, benefit plans, and prerequisites as outlined in CEO Employment Agreement.
- 3.9.2 Annual review of CEO compensation shall occur the month immediately following annual review of the organization/CEO performance (see policy 1-4-02), and the Board shall consider compensation adjustments in relation to CEO performance.
- 3.9.3 The Board shall utilize no less than three pieces of comparative data reflecting market trends for comparable positions prior to altering the CEO compensation arrangement.
- 3.9.4 Board members shall not fail to disclose any conflict of interest relative to CEO compensation.
- 3.9.5 The Board shall retain full authority for executive compensation decisions.

3.10 Board Member Conflict of Interest

The Board of Directors believes that potential conflict of interest situations should be identified in advance and avoided consistent with this policy. The Board seeks to protect the organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a board member. Further it seeks to assure that board members who, by virtue of their position can influence decisions affecting the business, operations, ethical and/or competitive position of Northern Lakes Community Mental Health Authority, will perform their duties in an impartial manner free from any bias created by personal interests of any kind.

This policy clarifies the duties and obligations of board members in the context of potential conflicts of interest and, further, provides board members with a method for disclosing and resolving potential conflicts of interest. This policy supplements, but does not replace, any applicable federal or state laws governing conflicts of interest applicable to public institutions, along with nonprofit and charitable corporations.

Each board member shall avoid, to the extent possible, becoming involved in any financial or personal obligation, which might affect his/her judgment as to issues concerning Northern Lakes Community Mental Health Authority with outside individuals or entities. Each board member should carefully consider his/her own activities or those of his/her immediate family to make sure that no situation will create a potential conflict of interest with respect to transactions with Northern Lakes Community Mental Health Authority.

Members must refrain from arrangements which could result in personal benefit at the expense of Northern Lakes Community Mental Health Authority's interest, influence performance of Board duties, or result in improper gain or advantage by a third-party including, but not limited to:

- 3.10.1 Members are prohibited from receiving gifts, fees, loans, or favors from suppliers, contractors, consultants, of financial agencies, which obligate or induce the member to compromise board member responsibilities and are not in the best interest of Northern Lakes Community Mental Health Authority.
- 3.10.2 Members are prohibited from disclosing confidential consumer information and shall not disclose Northern Lakes Community Mental Health Authority information to any party or organization with whom he or she has a declared conflict of interest.
- 3.10.3 Members may not have a significant financial interest in any property Northern Lakes Community Mental Health Authority purchases, or a direct or indirect interest in a supplier, contractor, consultant, or other entity with which Northern Lakes Community Mental Health Authority does business.
- 3.10.4 Members may not use their board position to prevent Northern Lakes Community Mental Health Authority from competing with their business interest. It is expected that board members, even after they complete board service, will not use trade secrets,

consumer information, or other confidential information acquired by virtue of being a board member.

- 3.10.5 Members must not make political contributions on behalf of Northern Lakes Community Mental Health Authority. If a member takes an active part in the political process, it must be done at the member's personal expense.
- 3.10.6 Board members will not use their board position to obtain employment in the organization for themselves, family members, or close associates. Should a board member apply for employment, he or she must first resign from the board.
- 3.10.7 Board members will not obtain personal loans from the organization.

Consistent with Michigan Act 317 of 1968, as amended, board members are required to make full disclosure of any conflict of interest. Any possible conflicts of interest must be disclosed to the other board members and made a matter of record either through an annual disclosure or when the interest becomes a matter of board action. All board members shall be required to complete the attached "Conflicts of Interests" form when they become a board member and no less than annually.

Any board member having a conflict of interest or possible conflict of interest shall refrain from the discussions and voting, or use her/his personal influence on the matter, and he/she shall not be counted as part of a quorum from the board action item. The minutes of the meeting shall reflect that a disclosure was made, the abstention from voting and the quorum situation, due to the fact a member recused from voting on a matter or potential conflict of interest.

These restrictions shall not be construed as preventing the member from briefly stating his/her position in the matter, nor from answering pertinent questions of other board members, since his or her knowledge could be of assistance to the deliberations.

ATTACHMENT: [Board Member Conflict of Interest Declaration Form](#)

SECTION 4 BOARD/CHIEF EXECUTIVE OFFICER LINKAGE

4.0 Global Board/Chief Executive Officer Linkage

The Board's sole official connection to the operational organization, its achievements and conduct will be through a Chief Executive Officer.

4.1 Unity of Control

Only formally adopted motions and resolutions of the Board are binding on the CEO. Accordingly:

- 4.1.1 The CEO is subject to direction by the Board as a whole. Board officers, members and committees have no authority to direct the CEO in the absence of a formal and specific delegation of such authority by the full Board.
- 4.1.2 Board members and Committees may request information from or the assistance of the CEO concerning factual matters without Board authorization. However, the CEO may refuse such a request if, in the opinion of the CEO, fulfilling the request would require excessive staff time or would otherwise disrupt management of the affairs of the Authority.

4.2 Accountability

The employed Workforce is accountable to the CEO and the CEO is accountable to the Board. The employed Workforce is not directly accountable to the Board. Accordingly:

- 4.2.1 Neither the Board nor any member or committee thereof has authority to direct or supervise the activities of an employed member of the workforce.
- 4.2.2 The Board shall not participate, formally or informally, in the performance evaluation of any employed Workforce member except the CEO.
- 4.2.3 The Board's measure of the performance of the organization in realizing Board Governance Policies shall be the measure of the performance of the CEO.

4.3 Delegation of Management Powers to the Chief Executive Officer

For the purpose of instructing and guiding the CEO in the management of the Authority, the Board shall provide the CEO with Board Governance Policies prescribing the Authority's Ends and proscribing any unacceptable means to achieve those Ends.

To the extent the Board's Ends policies are ambiguous, the Board delegates to the CEO the power to resolve the ambiguity through reasonable interpretation. Accordingly:

- 4.3.1 The Board shall adopt Board Governance Policies establishing measurable outcomes. The CEO is accountable to the Board for achieving the outcomes established by the Board. Board Governance Policies establishing measurable outcomes shall be formally designated as Board Ends Policies.
- 4.3.2 The Board shall adopt Board Governance Policies limiting the discretion of the CEO in the choice of means to achieve outcomes established in Board Ends Policies. Board Governance Policies limiting the discretion of the CEO shall be formally designated as Board Executive Limitations Policies.
- 4.3.3 Provided that the CEO is managing the affairs of the Authority to the satisfaction of the Board and in compliance with applicable laws and regulation and within a reasonable interpretation of Board Ends Policies and Board Executive Limitations policies, the Board delegates to the CEO the power to manage the affairs of the Authority without interference from the Board.
- 4.3.4 Nothing herein shall be construed to limit the right of the Board to make changes in Board Ends Policies and Board Executive Limitations Policies.