

**NORTHERN MICHIGAN REGIONAL ENTITY  
ADMINISTRATIVE MANUAL**

**PROCEDURE NAME:** CONFLICT OF INTEREST PROCEDURE FOR SUBSTANCE USE DISORDER (SUD) SERVICES  
**CHAPTER:** TWO - GOVERNANCE  
**PROCEDURE #:** 02-02-003-S  
**EFFECTIVE DATE:** January 1, 2014

**PURPOSE**

It shall be the policy of Northern Michigan Regional Entity (the "Entity") to provide a means for any Member of its Substance Use Disorder (SUD) Policy Oversight Board (the "Board") to identify and report to the Board any direct or indirect Financial Interest and any actual or potential Conflict of Interest and, based on that information, to permit the Board to review such Financial Interests and Conflicts of Interest and provide a process for the Board to follow when managing Conflicts of Interest, all in accordance with applicable law.

**APPLICATION**

This procedure applies to the Members of the Northern Michigan Regional Entity (NMRE) Substance Use Disorder (SUD) Policy Oversight Board.

**PROCEDURES**

**1. Duty to Disclose**

Each Covered Person has a duty to disclose to the Board the existence of a Financial Interest and all related material facts.

**2. Disclosure of Financial Interests**

Each Covered Person shall submit in writing to the Board's Chairman an Annual Financial Interest Disclosure Statement (Attachment A) listing all relevant Financial Interests and affirming compliance with the Conflict of Interest Policy. Each Covered Person shall update his or her Annual Financial Disclosure Statement each year on the date designated by the Board for updating, and promptly when any new Financial Interests or potential Conflicts of Interest arise. The Chairman and Vice Chairman of the Board and the Chief Executive Officer of the Northern Michigan Regional Entity shall review and become familiar with all submitted Financial Interest Disclosure Statements and updates in order to guide his or her conduct regarding the disclosed information.

The Board may request that a Covered Person(s) appear before the Board or submit written information to supplement or to answer questions regarding information disclosed on the Annual Financial Interest Disclosure Statement.

At each meeting of the Board, each Covered Person shall acknowledge to the Board any potential Conflict of Interest relating to any agenda item for the meeting. The Board shall determine how to proceed relating to the matter.

**3. Addressing Financial Interests and Conflicts of Interest**

A Board member who has disclosed a Financial Interest or Conflict of Interest may participate in discussion of a matter in which there is a potential Conflict of Interest only as approved by the Board,

and shall recuse himself or herself from voting on the approval, disapproval, or recommendation of the expenditure of funds for the transaction, arrangement, proceeding, or other matter in which he or she has a Financial Interest.

**4. Policy Enforcement**

- a) If the Board has reasonable cause to believe that a Covered Person has failed to disclose actual or potential Financial Interests or Conflicts of interest, the Board shall inform the involved Covered Person of the basis for such belief, and afford the Covered Person an opportunity to explain the alleged failure to disclose.
- b) If, after hearing the Covered Person’s response and after making such further investigation as may be required, the Board determines that the Covered Person has, in fact, failed to disclose an actual or potential Financial Interest or Conflict of Interest, the Board shall take appropriate corrective action.

**5. Records of Proceedings**

The minutes of the Board shall include all pertinent information, including any discussion of, and decisions regarding, a Conflict of Interest.

**6. Annual Financial Interest Disclosure Statement**

- a) Annually, on a date to be determined by the Board, each Covered Person shall complete, sign, and date a Financial Interest Disclosure Statement (Attachment A).
- b) Each Covered person will update the information on the Financial Interest Disclosure Statement promptly should a new Financial Interest arise, by completing a New Financial Interest Disclosure Statement

**LEGAL AUTHORITIES**

This Policy is based on the following legal authorities:

- Mental Health Code, 1974 PA 258m MCL 300.1001 to 300.2016
- 1978 PA 566, MCL 15.181 to 15.185 (incompatible public offices)
- 1968 PA 317, MCL 15.321 to 15.330 (contracts of public servants with public entities).

REVISED:

REVIEWED: November 26, 2014

*Signed copy is on file with NMRE*

\_\_\_\_\_  
Dave Schneider  
Northern Michigan Regional Entity Chief Executive Officer

\_\_\_\_\_  
Date

NORTHERN MICHIGAN REGIONAL ENTITY  
SUBSTANCE USE DISORDER POLICY OVERSIGHT BOARD (“BOARD”)

FINANCIAL INTEREST DISCLOSURE STATEMENT

**DEFINITIONS**

**Covered Person.** A Covered Person means a Member of the Northern Michigan Regional Entity Substance Use Disorder (SUD) Policy Oversight Board (the “Board”).

**Conflict of Interest.** A Conflict of Interest arises when a Covered Person participates or proposes to participate in the approval, disapproval, or recommendation of a transaction, arrangement, proceeding, or other matter coming before the Board, except for consideration and decision making regarding the PA 2 fund budget, in which the Covered Person, the Covered Person’s Family Member, or an organization in which the Covered Person is serving as an officer, director, trustee, or employee has a Financial Interest.

**Family Member.** A Family Member means a spouse, parent, children (natural or adopted), sibling (whole- or half-blood), father-in-law, mother-in-law, grandchildren, great grandchildren, and spouses of siblings, children, grandchildren, great grandchildren, and all step family members, wherever they reside and any person(s) sharing the same living quarters in an intimate, personal relationship that could affect business decisions of the Covered Person in a manner that conflicts with this Policy.

**Financial Interest.** A Covered Person has a Financial Interest if he or she has, directly or indirectly, actually or potentially, through a business, investment, or through a Family Member:

- a) an actual or potential ownership, control, or investment interest in, or serves in a governance or management capacity for, an entity involved in a transaction, arrangement, proceeding, or other matter coming before the Board for its approval or recommendation; except for consideration and decision making regarding the PA 2 fund budget; or
- b) an actual or potential compensation arrangement with any entity or individual involved in a transaction, arrangement, proceeding, or other matter coming before the Board for its approval or recommendation, except for consideration and decision making regarding PA 2 fund budget.

**AFFIRMATION OF CONFLICT OF INTEREST POLICY**

By my signature below, I agree that I:

Have received a copy of the Northern Michigan Regional Entity Conflict of Interest for Substance Use Disorder (SUD) Services Policy;

Have read and understand the Northern Michigan Regional Entity Conflict of Interest for Substance Use Disorder (SUD) Services Policy;

Understand that I am a Covered Person under the Northern Michigan Regional Entity Conflict of Interest for Substance Use Disorder (SUD) Services Policy;

Agree to Comply with the Northern Michigan Regional Entity Conflict of Interest for Substance Use Disorder (SUD) Services Policy;

Have disclosed below all Financial Interests which I may have; and

Will update the information I have provided on this Statement in the event that the information changes and/or a new Financial Interest arises.

**DISCLOSURE OF FINANCIAL INTERESTS**

By my signature below, I certify that I or one of my Family Members has the Financial Interest(s) described below. (Please add additional pages, if necessary.)

I understand that the Board may request further information about the Financial Interest(s) described below, and that I agree to cooperate with providing such information. If I have not disclosed any information below, it is because I am not aware that I or any of my Family Members has a Financial Interest.

**Please return this form, signed and dated, to the Board Chairman.**

**DISCLOSURE #1:**

**Name and Contact Information for Individual with Financial Interest:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Individual's Relationship to You:**

**Self**

**Other, specify:**

\_\_\_\_\_

**Description of Financial Interest:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

