

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

08/15/2024

Preamble

Northern Lakes Community Mental Health Authority (NLCMHA) was established under Public Act 258 of 1974 as amended (Michigan Mental Health Code), and the 2003 and 2023 NLCMHA Enabling Agreements, respectively, as adopted by the member counties of Crawford, Grand Traverse, Leelanau, Missaukee, Roscommon, and Wexford.

NLCMHA provides a comprehensive array of mental health, substance use disorders (SUD), and/or intellectual/developmental (IDD) services and supports in its member counties under the auspices of the NLCMHA Board of Directors (“NLCMHA Board”). It is the intent of the NLCMHA Board to assess and determine the mental health needs of the residents of the member counties and identify public and nonpublic services necessary to meet those needs as required under MCL 330.1226(1)(a).

It is further the intent of the NLCMHA Board to ensure that the following minimum types and scopes of mental health services are provided to all age groups in the member counties:

- Emergency intervention services.
- Prevention services.
- Outpatient services.
- Aftercare services.
- Day program and activity services.
- Public information services.
- Inpatient services.
- Community/caregiver services.

(R 330.2005 – R 330.2011; R 330.2013 – R 330.2014).

Therefore, the following Governance Policies are adopted to govern the structure and operation of the NLCMHA Board, in order to properly perform the duties and responsibilities required by the Michigan Mental Health Code and the administrative rules governing community mental health services.

SECTION 1 GOVERNANCE PROCESS

1. Board Job Description

- 1.0.1 The NLCMHA Board derives its authority and powers and is created pursuant to the Mental Health Code, MCL 330.1212, and shall fulfill its responsibilities and duties as provided by the Mental Health Code.
- 1.0.2 The NLCMHA Board shall appoint and employ a Chief Executive Officer (CEO) in accordance with the Mental Health Code who shall meet the standards of training and experience established by the Department of Health and Human Services. The CEO shall serve at the pleasure of the NLCMHA Board pursuant to a formal employment agreement based on professional qualifications and ability to perform according to approved job specifications.

1.1 Board Member Code of Conduct

The NLCMHA 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.

- 1.1.1 Members are expected to exercise their duties and responsibilities with integrity, collegiality, and care.
- 1.1.2 Members must make attendance at all Board meetings a high priority.
- 1.1.3 Members must be prepared to discuss the issues and business on the agenda and have read all background material relevant to those topics.
- 1.1.4 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 the informed consent of an authorized party. Members must comply with the continuity regulations of the Michigan Mental Health Code, the Administrative Rule, and all other applicable laws and regulations.
- 1.1.5 Members are expected to cooperate with and respect the opinions of fellow Board members, and leave personal prejudices out of all Board discussions, as well as support actions of the Board even when the Board member personally did not support the action taken.
- 1.1.6 Members must place the interests of NLCMHA above personal interests.
- 1.1.7 Members will represent NLCMHA in a positive and supportive manner at all times and in all places.
- 1.1.8 Members are expected to show respect and courteous conduct in all Board and committee meetings.
- 1.1.9 Members shall refrain from intruding on administrative issues that are the responsibility of management, except to perform the duties and responsibilities of the Board in accordance with the Michigan Mental Health Code.
- 1.1.10 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:
 - 1.1.10.1 If the issues involve a Member other than the Board Chairperson, the issues should be directed to the Board Chairperson.
 - 1.1.10.2 If the concern involves the Board Chairperson, the issue should be directed to the Vice Chairperson.
 - 1.1.10.3 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.
- 1.1.11 If all attempts at an internal resolution of the concern have failed, then the Board Chairperson under 10.1 or the Board Vice Chairperson under 10.2 shall refer the matter to the applicable County Board of Commissioners Chairperson for resolution under MCL 330.1224 of the Michigan Mental Health Code.
- 1.1.12 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.

1.2 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 NLCMHA Board shall, at the commencement of each new calendar year, conduct a needs assessment to determine the mental health needs of the residents of member counties and identify public and non-public services necessary to meet those needs. The Annual Workplan may include educational events, study sessions, stakeholder meetings, and presentations by experts in

relevant fields that are designed to provide Board members with the greatest possible insight into community needs, management planning, and budgeting. The Annual Workplan established by the Board shall make provisions:

- 1.2.1 For a determination of the Board’s priorities for activities and programs during the calendar year;
- 1.2.2 For a tentative schedule of programs, joint meetings, and study sessions; and
- 1.1.3 For periodic review of monitoring data concerning progress in achieving the goals and objectives established by the Board.

1.3 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
Crawford County	2

Meeting Times. Board meeting times shall be established at the time the Annual Calendar is completed. Board meetings will be held in one location except during the months of November through March.

1.4 Board Chair Functions

The Chair ensures compliance with the Board Governance Policies, including, but not limited to, the Board Member Code of Conduct.

Powers of the Chair

The Chair:

- 1.4.1 Limits consideration of issues to those properly before the Board and within the scope of its authority as set forth in Board Governance Policies;
- 1.4.2 Ensures that Board deliberation is fair, open, thorough, timely, orderly, and on task;
- 1.4.3 Exercises the procedural authority accorded the position of Chair by Roberts Rules of Order;
- 1.4.4 Subject to the Bylaws, names, and charges ad hoc committees as more particularly provided in the Governance Policy on Board committees;
- 1.4.5 When and to the extent authorized by the Board to do so, serves as a spokesperson for the Board to the media and the public concerning the positions taken on issues by the Board as a whole; and
- 1.4.6 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:

- 1.4.7 To preclude Board consideration of a decision to employ or terminate a CEO;
- 1.4.8 To unilaterally amend or modify a Board Governance Policy;
- 1.4.9 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.
- 1.4.10 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.

1.5 Governance Committees

The Board Chair shall appoint members to the Board's Standing Committees, Ad hoc committees, special committees, and task forces with the approval of the Board, 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 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.

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.

Community Engagement and Services Committee. The Community Engagement and Services Committee is charged with:

- 1.5.17 Assessing community needs;
- 1.5.18 Developing a strategic plan to address assessed needs, priority populations, service design, goals and activities, infrastructure, and evaluation;
- 1.5.19 Reviewing and recommending new program proposals and related contracts.

Finance Committee. The Finance Committee is charged with:

- 1.5.20 Assuring sound financial management of the Authority's resources, including, but not limited to, review of monthly financial reports;
- 1.5.21 Review periodically operating cash flows, liquidity position, and performance against budget and projections.
- 1.5.22 Reviewing, recommending for approval, and monitoring the Authority's budget and rate schedules; Recommending fiscal policy(ies) and procedures.
- 1.5.23 Reviewing investments
- 1.5.24 Monitor contracts to ensure budgetary and financial compliance.
- 1.5.25 Review and make recommendations to the Board regarding the establishment and termination of banking and similar relationships.
- 1.5.26 Monitor internal control processes.
- 1.5.27 Review NLCMH investments, including investment objectives, strategy, reporting, and performance, and monitor execution against investment policy with Board approval.

Personnel Committee. The Personnel Committee is charged with:

- 1.5.28 Assuring Authority's compliance with federal and state laws and rules relating to employment;
- 1.5.29 Establishing parameters and policies for staff salaries and benefits;
- 1.5.30 Monitoring Authority's compliance with staff development goals and activities;
- 1.5.31 Recommending personnel policies and procedures;
- 1.5.32 Review and monitor staffing needs and morale.

Policy Committee. The Policy Committee is charged with developing and maintaining all policies and procedures, except for fiscal and personnel policies and procedures.

Executive Committee. The Executive Committee shall be composed of the Board Chair, Vice-Chair, and Secretary. Actions taken by the Executive Committee shall be reported to the Board at the next regularly scheduled Board meeting.

The Executive Committee is charged with:

- 1.5.33 Developing a proposed agenda for meetings of the Board;
- 1.5.34 Facilitating communication between Board Members and staff;
- 1.5.35 Proposing goals and objectives.
- 1.5.36 Minutes will be taken at all meetings and shared with the Board.

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. An Audit Committee is established Ad Hoc Committee.

Ad hoc Audit Committee. The Audit Committee is charged with:

- 1.5.36 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.
- 1.5.37 Receiving and reviewing copies of the annual Management Representation Letter(s).
- 1.5.38 Ensuring that results of the Annual Audit and Management Letter are reviewed with the Independent Auditor by the Board.
- 1.5.39 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
- 1.5.40 Ensuring that outside audits are conducted in a timely manner.

The Board Chair shall appoint an ad hoc committee with the approval of the Board as needed. Membership in an ad hoc committee is not limited to members of the Board. Where the membership of an ad hoc committee includes individuals who 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.

1.5.A 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. The 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:

- 1.5A.1 Meet at least semiannually or as necessary to carry out its responsibilities.
- 1.5A.2 Maintain a current list of members' names to be made available to individuals upon request.
- 1.5A.3 Maintain a current list of categories represented to be made available to individuals upon request.
- 1.5A.4 Keep the NLCMHA Board of Directors informed of RRAC membership needs.
- 1.5A.5 Protect the Office of Recipient Rights from pressures that could interfere with the impartial, even handed, and thorough performance of its functions.
- 1.5A.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.
- 1.5A.7 Serve in an advisory capacity to the Chief Executive Officer and the Recipient Rights Director.
- 1.5A.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.
- 1.5A.9 Review the process for funding the office of recipient's rights and make recommendations concerning resources.
- 1.5A.10 Receive education and training in recipient's rights policies and procedures.
- 1.5A.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.

- 1.5A.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
- 1.5A.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: one 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.
- 1.5A.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:

- 1.5A.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.
- 1.5A.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.
- 1.5A.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 Executive Committee.
- 1.5A.18 At the end of the posting period, the Executive Committee shall review all applications received and interview eligible applicants in a meeting or meetings held in accordance with the Open Meetings Act. The Executive 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

- 1.5A.19 Members are expected to attend all committee meetings or give notice in advance if an absence is unavoidable.
- 1.5A.20 Three consecutive absences without notice will be considered resignation.
- 1.5A.21 Members are expected to read all materials sent in advance of meetings and to be actively engaged in discussions at meetings.
- 1.5A.22 Committee members will be paid per diem and mileage reimbursement in accordance with Board policy and procedure.

1.5B 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:

- 1.5B.1 Review appeals in accordance with Northern Lakes Community Mental Health Authority Policy.
- 1.5B.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.
- 1.5B.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.

1.6 Costs of Governance

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.

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 the 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 carpool 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:

- 1.6.1 The site of the meeting exceeds 100 miles from the member's home; and
- 1.6.2 To attend, the Board member must leave home prior to 6:00 a.m.; or
- 1.6.3 Due to the event, the Board member cannot return to his or her home prior to 7:00 p.m.; or
- 1.6.4 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:

- 1.6.5 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.
- 1.6.6 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:

- 1.6.7 Reimbursement shall not exceed the scheduled maximum allowable meal expense applicable to employed members of the Workforce; and
- 1.6.8 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 Finance Committee shall ensure that the budget annually includes line items for Board per diem and for Board development and expenses.

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 shall complete at least six months to be recognized when they leave 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.

1.7 Board Member Conflict of Interest

1.7.1 Any Board member who shall in any way be a contractor for purposes of remuneration from the Board or its contracting agencies will make full disclosure of such fact before discussion and will refrain from discussion of and voting on any Board decision relating to that relationship.

1.7.2 Board members are prohibited from serving as employees of the Authority.

SECTION 2 CHIEF EXECUTIVE OFFICER (CEO)

2.0 The CEO shall be appointed by the NLCMHA Board. The CEO shall be given the necessary authority and responsibility to operate all mental health services and carry out all policies as adopted by the NLCMHA Board or any of its committees to which it has delegated authority. The CEO shall represent the Board in all areas in which the Board has not formally designated some other person to act.

SECTION 3 AMENDMENT AND ADOPTION

3.0 Procedure

These Governance Policies may be amended through the following procedure:

3.0.1 In order for these Governance Policies to be amended, the Policy committee shall review and make recommendations to the Board at a regular meeting.

3.0.2 Recommendations for revisions to the Governance Policies shall be presented by the Policy Committee at a regular meeting of the NLCMHA Board. Board Members or the CEO may make additional recommendations regarding amendments to the Governance Policies for consideration by the Policy Committee.

3.0.3 A vote of at least ten (10) of the sixteen (16) member Board is required to amend these Governance Policies at any regular meeting of the Board, provided that written notice of the proposed amendment(s) shall be given to all Members not less than thirty (30) calendar days prior to such meeting.

Rvvd 8/15/24 SM