



MICHIGAN VETERANS FACILITY AUTHORITY

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PURPOSE

The Michigan Veterans Facility Authority (MVFA) expects the members of the Board of Directors to conduct the business of MVFA in a legal and ethical manner, observing the highest standards of integrity and business ethics. The MVFA Code of Conduct, Conflict of Interest, Confidentiality policy outlines these expectations and provides the protocol for managing conflicts of interest.

SCOPE

This policy applies to all persons serving as Board members of the Michigan Veterans' Facility Authority.

DEFINITIONS

Financial interest – A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- An ownership or investment interest in any entity with which MVFA/MVH has a transaction or arrangement,
- A compensation arrangement with MVFA/MVH or with any entity or individual with which MVFA/MVH has a transaction or arrangement, or
- A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which MVFA/MVH is negotiating a transaction or arrangement.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board or Executive Committee decides that a conflict of interest exists, in accordance with this policy.

Immediate family member – An immediate family member is defined as an MVFA Board member's grandparent, parent, parent-in-law, stepparent, sibling, spouse/partner, child, or stepchild.

Nonfinancial interest – A person has a nonfinancial interest if the person has a relationship that might influence his or her participation or vote in an action by the Board:

- The person's relationship as an unpaid volunteer, officer, or director of an organization that may be affected, directly or indirectly, by action to be taken, or not taken, by MVFA, or



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- b. The person's personal, political, religious, friendship, or personal relationships which may be affected by an action to be taken, or not taken, by MVFA.

STANDARDS

1. Article 4, section 10 of the Michigan Constitution of 1963, Legislators and State Officers, Government Contracts, Conflict of Interest.
2. Standards of Conduct for Public Officers and Employees Act ("State Ethics Act"), MCL 15.341 et seq.
3. Michigan Incompatible Public Offices Act, MCL 15.181 et seq.
4. Conflict of Interest Act, MCL 15.301 et seq.
5. Michigan Contracts of Public Servants with Public Entities Statute, MCL 15.321 et seq.
6. Health Insurance Portability and Accountability Act, 45 CFR parts 160, 162, and 164

GUIDELINES

MVFA Board members agree to safeguard all confidential, privileged, and personal information which relates to the members and/or employees at the Michigan Veterans Homes (MVH).

1. Board members will not access member or employee information unless they have a *"need to know"* to perform Board responsibilities.
2. Board members will not disclose information regarding MVH members and/or employees to any person or entity, other than as necessary to perform their responsibilities and as permitted under HIPAA and other applicable laws.
3. Upon cessation of the Board member's tenure on the MVFA Board of Director, the board member agrees to continue to maintain the confidentiality of any information learned during his or her service to the Board.



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When acting as Board members of MVFA, these individuals should act solely for the benefit of the organization. Each Board member will operate under the following Code of Conduct and will:

1. Comply with this MVFA Code of Conduct, Conflict of Interest, Confidentiality policy as well as applicable Michigan and federal law.
2. Disclose any pecuniary, contractual, business, employment or personal interest that the Board member may have in a contract, grant, loan, or regulatory matter before the Board, refrain from participating in any discussion, directly or indirectly, with other Board members regarding the pending item, and abstain from voting on any motion or resolution relating to the matter. A Board member who is, or whose immediate family member is, a director, officer, direct or indirect shareholder, or employee of an entity that is to be awarded a contract, grant, or loan by the Board, or is the subject of a regulatory action before the Board, is hereby deemed to have an interest that warrants disclosure and must abstain from participation in discussion or voting on the contract, grant, loan, or regulatory matter. Such disclosure shall be made a part of the public record of the Board's official action.
3. Use state resources, property, and funds under the Board member's official care and control judiciously and solely in accordance with prescribed constitutional, statutory, and regulatory procedures and not for personal gain or benefit.
4. Refrain from all of the following:
 - a. Divulging to unauthorized person confidential information acquired in the course of the Board member's service on the Board in advance of the time prescribed for its authorized release to the public.
 - b. Representing his or her personal opinion as that of the Board or the MVFA.
 - c. Soliciting or accepting a gift or loan of money, goods, services, or other thing of value for the benefit of a person or organization, other than the State, which could reasonably be expected to influence the manner in which the Board member performs official duties.
 - d. Engaging in a business transaction in which the Board member may profit from his or her official position or authority or benefit financially from confidential information which the Board member has obtained or may obtain by reason of that position or



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- e. Rendering services for a private or public interest when that service is incompatible or in conflict with the discharge of the Board member's official duties.
- f. Participating in the negotiation or execution of contracts, making of loans, granting of subsidies, fixing of rates, issuance of permits or certificates, or other regulation or supervision relating to a business entity in which the Board member or the Board member's immediate family has a financial or nonfinancial interest except for interests in a publicly traded company which constitutes less than two percent of the issued and outstanding stock of such company.

PROCEDURES

Any contract, grant, or loan that is approved by the Board, and which is entered into or awarded to an entity that has a Board member or an immediate family member of a Board member who is a direct or indirect shareholder, member, director, officer, or employee of the entity, is prohibited under applicable conflict of interest law, unless all of the following occur:

1. Except as otherwise provided in Section 3(3) of the Public Servant Act, MCL15.323(3), the affected Board member abstains from participating in any discussion or vote on the contract, grant or loan;
2. The affected Board member promptly discloses the pecuniary, contractual, business, employment or personal interest in the contract, grant, or loan as may be required, and in the manner provided, by the statutory requirements set forth above. Any such disclosure shall simultaneously be made to the MVH Executive Director; and
3. The disclosures, affidavit, and actions required by Section 3 of the Public Servant Act, MCL 15.323, if applicable, are made and fulfilled with any required disclosure and/or affidavit being simultaneously delivered to the Compliance Officer.

IMPLEMENTATION

1. The MVFA policy on Code of Conduct, Conflict of Interest, Confidentiality will be distributed annually to members of the Board of Directors of MVFA.
2. **Duty to Disclose** – In connection with any actual or possible conflict of interest, an interested person must disclose the existence of any financial interest and be given the opportunity to disclose all material facts to the Board or Executive Committee.



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Disclosures of any potential conflicts of interest by Board members will be forwarded to the Executive Committee for review.

3. A Board member who is unsure whether his or her ownership, or similar interest in, or receipt of a benefit from a company, or whether such company does or is likely to do business with MVFA, shall present the matter to the Executive Committee of MVFA, who shall advise the individual after receiving any information the individual wishes to present, and whose determination about disclosure shall be final.
4. **Disclosure of nonfinancial interests** – Board members shall disclose nonfinancial interests generally in their annual certification and statement, and specifically as individual interests arise. Nonfinancial interests are expected and shall not be reviewed unless a Board member (including the affected member) requests that the interest be reviewed under this Policy.
5. **Recusal of Self** – Any board member may recuse himself or herself at any time from involvement in any decision or discussion in which the member believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.
6. A transaction between MVFA and any entity affected by a conflict of interest of any MVFA Board member shall not be void, but shall be valid if the following requirements are met:
 - a. The transaction is fair and reasonable to MVFA, as determined by the Board of Directors or an appropriately empowered committee thereof, when approved or ratified;
 - b. The material facts of the conflict of interest are disclosed to the Board or committee;
 - c. The transaction is discussed and voted upon by the Board or committee outside the presence of the affected individual;
 - d. The transaction is approved or ratified by a majority of the Board or committee sufficient for the purpose, although the affected individual, while excluded from the discussion and vote, may be counted as contributing to a quorum; and
 - e. The minutes of the Board or committee reflect compliance with items (a) through (d) of this section.



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7. Any MVFA Board member who violates any provision of this policy, including failure to disclose a potential or real conflict of interest, is subject to being removed from the Board in accordance with current MVFA Bylaws.
8. The Executive Committee shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking such other actions as are necessary for effective oversight.

ATTACHMENT

MVFA Board Member's Annual Conflict of Interest Statement and Certification of Agreement with Code of Conduct, Conflict of Interest, Confidentiality Policy

Michigan Veterans Facility Authority Code of Conduct, Conflict of Interest, Confidentiality Policy

This policy, "MVFA-GEN 007 – Code of Conduct, Conflict of Interest, Confidentiality", was adopted by the MVFA Board of Directors on March 18, 2025, at a scheduled MVFA Board Meeting with a quorum present. This policy will be reviewed annually by the MVFA Board of Directors.

POLICY EFFECTIVE DATE: March 18, 2025

DATE	2026	2027	2028	2029	2030	2031
Reviewed						



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MVFA Board Member Annual Conflict of Interest Statement and

Certification of Agreement with MVFA-GEN 007 – Code of Conduct, Conflict of Interest, Confidentiality Policy

1. Name: _____ Date: _____
2. Are you a member in Good Standing? [Yes](#) [No](#)
3. What organization or other membership affiliation(s) do you represent? _____

4. Position:
Are you a voting Board Member? [Yes](#) [No](#)
Are you an Officer? [Yes](#) [No](#) If yes, which Officer position do you hold: _____
5. I affirm the following:

I have received a copy of the MVFA-GEN 007 - Code of Conduct, Conflict of Interest, Confidentiality Policy. I have read and understand the policy. I agree to comply with the policy.

6. Disclosures:

Do you have a past, current, or potential financial interest, including a compensation arrangement, as defined in the MVFA Code of Conduct, Conflict of Interest, Confidentiality Policy, with MVFA, MVH, or an entity with which MVFA/MVH has a transaction or arrangement? [Yes](#) [No](#)

- i. If yes, please attach a statement detailing the financial interest(s)
- ii. If yes, has the financial interest been disclosed, as provided in the MVFA Code of Conduct, Conflict of Interest, Confidentiality Policy? [Yes](#) [No](#)

Date: _____

Signature of board member

Date of Review by Executive Committee: _____