

Board of Directors Code of Ethics

Article I. Duty of Good Faith and Loyalty.

A Board Member has a duty of good faith and loyalty to MAHC.

1. A Board Member owes allegiance to MAHC and must act in the best interests of MAHC while acting in his or her official capacity.
2. A Board Member should be diligent to ensure that MAHC's interests are pursued during all meetings of the Board of Directors.
3. A Board Member may not use his or her position for personal profit, gain or other personal advantage over MAHC members.
4. A Board Member is accountable to MAHC members for his or her official actions and can be held personally liable for fraud or breach of fiduciary duty in the conduct of the Board's affairs.
5. A Board Member who exercises honest and reasoned judgment and acts reasonably and in good faith for the best interests of the Board will not be held liable for violation of his or her fiduciary obligation to the Board.
6. A Board Member should not discuss personal business during any meeting of the Board of Directors to advance his or her personal interests while in official session at the expense of the Board.
7. A Board Member should not make personal attacks on other Board Members, MAHC staff or MAHC members while performing official duties. Disagreements should be directed to the disagreement, not the person who raises an opposing point of view.
8. A Board Member may not accept commissions or rebates that belong to the Board for his or her personal gain.
9. A Board Member shall conduct his or her private life in a manner that befits the dignity of a Board Member.

Article II. Duty to Use Care, Skill and Diligence.

A Board Member has a duty to use care, skill and diligence when carrying out official acts.

1. A Board Member is required to act honestly and in good faith, in a manner he or she reasonably believes is in the best interests of the Board of Directors, and with the care that an ordinarily prudent person would exercise under similar circumstances.
2. A Board Member should use his or her best efforts to keep apprised of legislation or regulation that may affect the Board.
3. A Board Member should seek the advice of experts when making decisions on behalf of MAHC's members in areas of competence in which the Board has not been trained.
4. A Board Member must serve the interests of all MAHC members impartially and without bias.
5. A Board Member must advocate that MAHC comply with applicable laws, codes, contracts and agreements to which MAHC is bound.
6. A Board Member is expected to make a diligent effort to become trained and skilled in good governance practices.
7. A Board Member is expected to obtain a working knowledge of laws that regulate MAHC.
8. A Board Member is entitled to rely upon information and reports presented by Officers or other Board Members whom the Director reasonably believes to be reliable and competent.
9. A Board Member is entitled to rely upon legal opinions, financial statements, and other information relating to matters that the Director reasonably believes to be within the expertise of the person preparing the information.

Article III. Duty to Act Within the Boundaries of Authority.

A Board Member has a duty to act within the boundaries of his or her authority.

1. The authority of the Board of Directors is defined in the Charter and By-Laws of MAHC. The Corporate Charter received from the State of Michigan defines the business that the Corporation can conduct. Its By-Laws describe how MAHC will be operated.
2. The Board is obligated to comply with the By-Laws of MAHC.
3. A Board Member's authority is limited to those acts that are transacted during the course of a duly called meeting of the Board of Directors with a quorum present.
4. A Board Member may not act in an official capacity except in the context of a meeting of the Board of Directors unless specifically empowered to act by a majority of Directors present and voting in the affirmative at a duly called meeting.
5. A Board Member serving in official capacity may not violate government laws that regulate the operations of MAHC.

Article IV. Duty to Disclose Conflicts of Interest.

A Board Member has a duty to disclose every personal conflict of interest to the Board.

1. A Board Member is required to make a prompt and full disclosure of any material personal interest, either direct or indirect, he or she may have in a transaction to which MAHC is a party.
2. A Board Member shall not vote on or participate in discussions or deliberations on matters when a conflict is deemed to exist other than to present factual information or to respond to questions presented.
3. A Board Member who has disclosed a conflict should request that the disclosure be recorded in the official minutes of the meeting.
4. A Board Member shall assure that the minutes properly record his or her abstention on any votes on any matter for which a conflict may exist.
5. A Board Member may vote on an issue that benefits MAHC if the issue is one that is decided for the general good of MAHC and MAHC members.

Article V. Duty of Confidentiality.

A Board Member may not divulge or profit from the confidential information learned while performing official duties.

1. A Board Member may not divulge or otherwise use for personal gain any personal information learned during the performance of official duties as a Board Member.
2. A Board Member must hold confidential all matters involving MAHC members until such time as there has been general disclosure of that information.
3. A Board Member must not reveal confidential bidding information from contractors or provide unauthorized information to bidders about the review of bids.
4. A Board Member does not have the authority to peruse files that contain private information about individual MAHC members.

Article VI. Duty to Act Within the By-Laws.

A Board Member has a duty to participate in the operation of MAHC only as authorized by the By-laws or by the full Board of Directors.

1. A Board Member's primary obligation is to participate in the governance and policymaking process of MAHC and not its operations.
2. A Board Member should not interfere with the enforcement of policies except during a meeting of the Board of Directors.
3. An individual Board Member is not empowered to provide day-to-day work instruction to staff unless clearly authorized to do so during a meeting of the Board of Directors.
4. An individual Board Member does not have authority to waive compliance with any policy of the entire Board of Directors.

Disclosure Statement

I have reviewed the MAHC Board of Directors Code of Ethics and agree to be bound by its provisions for the duration of my appointed or elected term.

Name

Signature

Title

Date