Subject:         Bylaws of the Board of Directors for the Washtenaw Community Health Organization

Action Requested:   Approval

Background:
The Bylaws of the Board of Directors were approved in 2000. In 2010, the Urban Cooperation Act (UCA) which established the Washtenaw Community Health Organization (WHCO) was renewed and revised. In addition to changes needed to bring the Bylaws into conformity with the new UCA, a number of opportunities for language improvement and updates to reflect regulatory changes were identified and have been addressed in the proposed revision.

- Included language from the Mental Health Code (MHC) indicating Board responsibility for the provision of services.
- Included language from the MHC regarding the Board responsibility to the community as a community mental health provider.
- Removed the language for the UMHS to provide money for physical health services.
- Clarified language given to appointing parties the authority to appoint Board members when vacancies occur.
- Inserted language from the MHC which describes the function of the Executive Director.
- Inserted language which requires the Executive Director to appoint a Medical Director.
- Inserted language from the MHC indicating the terms and conditions of the Executive Director.
- Amended the quorum requirement from 9 to 7 in accordance with the UCA renewal.
- Changed the membership of the Executive Committee to include the officers and two other Board members.
- Provided for the Executive Committee to act on behalf of the Board and for actions to be reported to the full Board at its next meeting.
- Inserted language to establish the Budget/Finance Committee as a standing committee with specific responsibilities.
- Inserted language to allow non-Board members to serve on committees.
- Removed Washtenaw County as the fiscal agent for the WCHO.
- Inserted language from the MHC stating the responsibilities of the Board to ensure compliance with disclosure of conflicts of interest.
• Inserted language from the UCA regarding the powers of indemnification.

• Updated language for nondiscrimination that complies with Federal and State laws and reflects the policies of the University of Michigan and Washtenaw County.

The Hospitals and Health Centers Executive Board approved these revisions at the March 28, 2011 board meeting.

I recommend that the Regents ratify the revised Bylaws for the Board of Directors of the WCHO as described.

Respectfully submitted,

[Signature]

Ora Hirsch Pescovitz, M.D.
Executive Vice President for Medical Affairs and Chief Executive Officer, UMHS

April, 2011
Washtenaw Community Health Organization

Bylaws

ARTICLE I          PURPOSE

Section I.1    The Washtenaw Community Health Organization was created by an inter-local public agency agreement according to the Urban Cooperation Act of 1967. The creating entities are the County of Washtenaw (County) a Michigan Municipal Corporation and the Regents of the University of Michigan and its University of Michigan Health System (UMHS), a Michigan Constitutional Corporation.

Section I.2    The purpose of the Organization is to establish an integrated health care delivery system to provide mental health, substance abuse and primary specialty health care and health education to Medicaid, low income and indigent consumers as defined by the Mental Health Code and Medicaid eligibility guidelines.

ARTICLE II          DUTIES AND RESPONSIBILITIES

Section II.1    The Board shall perform all functions expressly granted to it by the creating entities, its contracts and the Urban Cooperation Act (MCLA 124.501 et seq.) including, but not limited to:

   a. Enter into contracts;
   b. Apply for, receive, and administer grants, gifts, bequests, or assistance funds;
   c. Approve the Organization’s annual budget;
   d. Employ, engage, compensate, transfer or discharge personnel of the Organization as necessary;
   e. Construct, acquire, manage, own, use, operate, maintain, lease or sell real or personal property.
   f. Dispose, divide or distribute any property acquired through the execution of the interlocal agreement;
   g. Obtain insurance coverage for the Organization;
   h. Manage all mental health and substance abuse funds provided to the Organization either directly or via contract;
   i. Review and evaluate quality, effectiveness, and efficiency of services being provided by the CMHSP.
   j. Ensure accountability to the community
   i. Manage the primary and specialty medical care dollars that come to the University of Michigan Hospital and Health Centers (UMHHC) from M-CARE, for Medicaid consumers in Washtenaw County, and such other programs as determined by the entities;
   j.k. Create and approve policies and procedures for the Organization.
Section II.2 The Board shall not have the authority to bind, commit or encumber funds of the creating parties.

Section II.3 The creating parties reserve to themselves the powers delineated below:

a. Approve, prior to any changes taking effect, changes to the Board membership, Articles of Incorporation or bylaws of the Organization;

b. Receive and advise the Organization, in advance of implementation, on the Organization’s needs assessment, annual plan, budget and external requests for funds;

c. Review and advise the Organization on executive director candidates prior to appointment of an executive director by the Board.

ARTICLE III APPPOINTMENT AND MEMBERSHIP PROVISIONS

Section III.1 Six persons shall be appointed to the Board of Directors by the Washtenaw County Board of Commissioners, and six persons shall be appointed by the Regents of The University of Michigan, in accordance with the Urban Cooperation Act. Such members shall serve at the will of the entity that appoints them.

Section III.2 Each party shall appoint and maintain the appointment to the Board of at least one primary consumer (an individual who has received or is receiving services from that party or services from the private sector equivalent to those offered by the parties) and one secondary consumer (the family member of an individual receiving services from one of the parties to this agreement). A vacancy shall be filled for an unexpired term by the same appointing entity making the original appointment in the same manner as the original appointment.

Section III.3 The initial appointment of the twelve Board members shall be for staggered terms with four members appointed for one year terms, four members appointed for two year terms and four members appointed for three year terms. Each party shall appoint two members for each of the said initial terms. All subsequent appointments shall be for three year terms commencing on April 1 of each year.

Section III.4 Board members shall be paid a per diem at a rate of $25 per meeting for a maximum of two meetings a month and shall be reimbursed for necessary travel expenses for each meeting attended. The mileage expense fixed by the county Board of Commissioners shall be the mileage reimbursement rate.

Section III.5 A Board member may be removed from the Board by the appointing party at any time. Non-attendance by a board member at three regular Board meetings consecutively or four or more meetings throughout the calendar year without just cause will result in removal from the Board. Replacement for a Board member will be made by the same appointing entity making the original appointment the party who appointed the member.
ARTICLE IV OFFICERS

Section IV.1 The officers of the Board shall be a Chair, a Vice-Chair, a Secretary and a Treasurer. The officers shall be elected by a majority vote of the total members of the Board at the first meeting of the Board. Subsequent election of officers shall occur on an annual basis. Nominations for such positions shall be received from the floor and the election shall thereafter be held. The officers shall take office upon election.

Section IV.2 After the initial year of operation, a Board member must have served not less than one year on the Board before being eligible for election as Chair. The officers elected under these provisions may be reelected for consecutive terms.

Section IV.3 Terms of Office – The officers shall be elected to serve for one year or until their successors are elected, whichever is later, and their term of office shall begin at the time of the election.

Section IV.4 The Board Chair shall preside over Board meetings and is authorized to sign documents.

Section IV.5 The Vice-Chair will carry out the duties of the Chair in the event the Chair is absent and/or unable to carry out his/her duties and responsibilities. The Vice-Chair will also perform such duties as may be designated by the Chair.

Section IV.6 The Secretary will ensure that minutes of the meetings are taken, maintained and distributed to all Board members. The Secretary shall review the Board minutes each month before they are included in the Board packet and sign off on the minutes after they are approved by the Board.

Section IV.7 The Treasurer shall be responsible for the review of the finances of the Organization and the presentation of the monthly revenue and expenditure reports of the Organization. The Treasurer shall meet with the Finance Officer of the Organization to periodically review budget detail and finance policy and procedure. The Treasurer shall also participate in the Organization’s annual audit.

Section IV.8 In the absence of both the Chair and the Vice-Chair the Board meeting will be conducted by the Secretary; and in the absence of the all three, the meeting shall be conducted by the Treasurer.

ARTICLE V EXECUTIVE DIRECTOR

Section V.1 The Board shall appoint an Executive Director to conduct the daily activities of the Organization. The Executive Director of the Organization is directly responsible to the Board for
implementing policies and procedures adopted by the Board, and other duties as directed by the Board. The Executive Director shall function as the chief executive and administrative officer of the program and shall execute and administer the program in accordance with the approved annual plan and operating budget, the general policy guidelines established by the Board, the applicable governmental procedures and policies, and the provisions of the Mental Health Code. The Executive Director has the authority and responsibility for supervising all employees. The Executive Director shall serve as an ex-officio member of the Board and its committees.

Section V.2 The Executive Director shall appoint a medical director who is a psychiatrist. The medical director shall advise the Executive Director on medical policy and treatment issues.

Section V.3 The terms and conditions of the Executive Director’s employment including tenure of service, shall be as mutually agreed to by the board and the Executive Director and shall be specified in a written contract.

ARTICLE VI MEETINGS

Section VI.1 The Board shall meet monthly. The annual meeting for election of officers shall occur at the first full Board meeting in April of each year. The annual plan and budget shall occur in September. The Board may meet more frequently as needed. The Board shall establish a regular schedule and agenda for each meeting of the Board and for Board committees. Board members may participate by phone in meetings called and convened in compliance with the Open Meetings Act.

Section VI.2 Executive Committee (moved to Committees Article VII)

Section VI.3 Quorum – The Board shall not take action except at a properly convened meeting in compliance with the Open Meetings Act, at which a quorum is present. A quorum is defined as nine seven members. Action is to be taken by the affirmative vote of at least nine of the majority of the Board members participating in the meeting appointed and serving; unless a 2/3 majority vote is required by statute. Each Board member shall have one vote and proxy voting is not permitted.

Section VI.4 Minutes - Minutes shall be maintained for all meetings of the Board. Such minutes shall include at least the following:

- The date of the meeting;
- The names of the members who attended;
- The topics discussed;
- The decisions reached and actions taken;
- The dates for implementation of recommendations; and
- The reports of the Executive Director and others.
ARTICLE VII COMMITTEES

Section VII.1 Executive Committee - The Board may utilize an Executive Committee to oversee WCHO activities and prepare material and recommendations for the Board between meetings. The Executive Committee shall consist of the elected officers of the Board, Chair(s) of all standing committees, and the Executive Director of the Organization as an ex officio member. The Board may use an Executive Committee consisting of the elected officers of the Board, the immediate past-Chair of the Board (as long as the individual remains a member of the Board), and two additional Board members designated by the Chair and approved by the Board; and the Executive Director of the Organization as an ex officio member without vote. The Chair of the Board shall preside over all Executive Committee meetings. The Executive Committee shall exercise such authority as may be allocated to it from time to time by the Board and shall have full authority to act on behalf of the Board on matters arising between meetings of the Board; provided that the Executive Committee may not amend the Bylaws of the Board or elect members to the Board. Any action by the Executive Committee shall require the affirmative vote of a majority of all members of the Executive Committee appointed and serving and must be reported and/or approved by the Board of Directors at its meeting immediately following such action.

Section VII.2 Budget/Finance Committee - The Budget/Finance Committee shall be composed of the Treasurer, and not less than three (3) other Board members. The Budget/Finance Committee shall be responsible for making recommendations to the Board of Directors concerning the budget, financial reports, audits, indebtedness and other finance related matters. The Treasurer shall serve as the chairperson of the Budget/Finance Committee.

Section VII.3 Other Committees - There shall be such other standing or special committees as may be authorized by resolution passed by a majority of the Board of Directors. Committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. Each shall elect a chairperson if one is not named by the Board of Directors. The chairperson of each committee must be a member of the Board of Directors, appointed by the Board at a properly convened meeting of the Board. Non Board members may be appointed to serve on a committee so long as the majority membership of the committee consists of members of the Board of Directors. Non Board members appointed to a committee must not be in violation of the conflict of interest prohibition of section 222 of the Mental Health Code. The powers conferred upon any committee shall be as determined by the Board of Directors.

ARTICLE VIII FISCAL MANAGEMENT

Section VIII.1 The Board of Directors shall assume the responsibility for all fiscal functions of the Organization.

Section VIII.2 Fiscal Agent - Washtenaw County will act as fiscal agent for the Organization.
Section VIII.3 Bank Accounts - The funds of the Organization shall be deposited in the name of the Washtenaw Community Health Organization and shall be subject to checks drawn as authorized by resolution of the Board of Directors.

Section VIII.4-3 Fiscal Year - The budget year shall be October 1 through September 30.

ARTICLE IX PARLIAMENTARY AUTHORITY

The rules contained in the current edition of Robert’s Rules of Order Newly Revised shall govern the Board in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the Board may adopt.

ARTICLE X CONFLICT OF INTEREST

The Board shall establish a conflict of interest policy assuring separation between member interests and action of the Board. An Individual shall not be appointed to or serve on the Board if he or she is in violation of the conflict of interest prohibition of section 222 of the Mental Health Code. The Board shall assure, annually, that all members comply with the disclosure of potential conflicts of interest and appropriate procedures are followed in accordance with the Mental Health Code.

ARTICLE XI INDEMNIFICATION

The members of the Board shall be indemnified to the extent allowed by law.

All the privileges and immunities from liability and exemptions from laws, ordinances, and rules that are applicable to county community mental health agencies or community mental health authorities and their board members, officers, and administrators, and appointing authorities are retained by the Organization and its board members, officers, agents, Director, employees and its appointing authorities (5.3.1 Interlocal Agreement WCHO renewal, 2010)

Proceedings Against members of the Board of Directors – To the extent authorized or permitted by law, and so far as is consistent with the Interlocal Public Agency Agreement and these Bylaws, the Organization shall have the power to indemnify any person who was or is party to, or is threatened to be made a party to, any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that the person is or was a Director, officer or agent of the Organization.
ARTICLE XII  NONDISCRIMINATION

The Organization shall not discriminate against any individual in hiring or promotion, election or appointment to office or directorship, on the basis of race, creed, color, religion, sexual orientation, age or national origin.

The Organization complies with all applicable federal and state laws regarding equal opportunity, affirmative action and nondiscrimination in public service.

The Organization is committed to equal opportunity for all persons and does not discriminate on the basis of race, color, national origin, age, marital status, gender, sexual orientation, gender identity or expression, disability, religious or political beliefs, height, weight, economic or veteran status in hiring or promotion, election or appointment to office or directorship, equal use of facilities in places made available to the public, and provision of goods or services.

ARTICLE XIII  DISSOLUTION/DISTRIBUTION OF ASSETS

In the event that this entity is dissolved then capital assets and liabilities shall be distributed proportionally according to the amounts contributed by the parties.

ARTICLE XIV  REVIEW AND AMENDMENT OF BYLAWS

Any part or all of these by-laws may be amended from time to time at any meeting of the Board of Directors, provided that notice of the meeting described the substance of the proposed amendment. Amendments to these by-laws shall be effective only when approved by an affirmative vote of at least nine (9) members of the Board of Directors and after approval by the creating entities.