

## Valleywise Health Administrative Policy & Procedure

**Effective Date:** 08/23

**Reviewed Dates:** 00/00

**Revision Dates:** 00/00

**Policy #:** 99305 G

**Policy Title:** Board Member Conflict of Interest and Gift Policy

**Scope:**  **District Governance (G)**  
 **System-Wide (S)**  
 **Division (D)**  
 **Multi-Division (MD)**  
 **Department (T)**  
 **Multi-Department (MT)**  
 **FQHC (F)**

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### **Purpose:**

The purpose of this policy is to provide guidance to District Board Members in order to avoid actions that might result in, or create the appearance of:

- Using public office or employment for private gain;
- Giving preferential treatment to any organization or person;
- Impairing independence or impartiality of action; and
- Adversely affecting the confidence of the public in the integrity of Valleywise Health governance.

### **Definitions:**

Gift: Any payment, distribution, expenditure, advance, deposit or donation of money, any intangible personal property or any kind of tangible personal or real property as defined in A.R.S. Section 41-1231, as may be amended.

Maricopa County Special Health Care District (District): A political subdivision of the State of Arizona empowered to operate a health system pursuant to A.R.S. Section 48-5501 *et seq.* that is dba Valleywise Health.

Maricopa County Special Health Care District Board of Directors (Board): The governing body of Maricopa County Special Health Care District.

Nominal Value: Less than twenty-five dollars.

Relative: A spouse, child, child's child, parent, grandparent, brother or sister of the whole or half blood and their spouses and the parent, brother, sister or child of a spouse, as defined in A.R.S. Section 38-502, as may be amended.

Vendor: Any person or entity either under contract with Valleywise Health to provide goods or services or subject to a competitive solicitation for the award of a contract with Valleywise Health to provide goods or services.

**Policy:**

**CONFLICT OF INTEREST**

Arizona conflict of interest laws are set forth in A.R.S. §38-501 through §38-511. Under these laws, any public officer (a term that includes the District Board of Directors) who has, or whose relative has, a substantial interest in any contract, sale, purchase, service or decision regarding Valleywise Health, must formally declare the existence of the interest by filing a disclosure statement with the Clerk of the Board and agree to refrain from acting upon that interest in any capacity or manner in the matter. The Clerk shall maintain such disclosure in the official records of the District. The Board member declaring a conflict shall refrain from participating in any manner in the contract, sale, purchase, service or decision.

A substantial interest means a pecuniary (money) or proprietary (ownership) interest by which a person will gain or lose something as contrasted to general sympathy, feeling or bias. A substantial interest does not include a number of interests that the conflict of interest statutes define as "remote interests." These remote interests are allowed and include categories such as being a non-salaried officer of a nonprofit corporation that has a contract with Valleywise Health; being a member of a nonprofit marketing association involved with Valleywise Health; or owning less than three percent of a shares of a corporation under contract with Valleywise Health. The entire list of "remote interests" is set forth at ARS §38-502(10) <http://www.azleg.state.az.us/ars/>. If a matter falls under the definition of a "remote interest" a Board member may remain involved in Valleywise Health discussions and action regarding the matter.

If a Board member has any questions regarding a possible conflict, the Board member may consult with Board Counsel and the Chief Compliance Officer to address any possible conflict of interest question.

**GIFT POLICY**

**A. Solicitation:** Board members shall not solicit any Gift from any Vendor.

**B. Exception for Charitable Contributions:** Solicitation and acceptance of charitable contributions to the Valleywise Health Foundation (hereinafter referred to as the Foundation) are governed in accordance with the Foundation's policies and procedures. Board members may solicit donations on behalf of the Foundation and the Arizona Burn Foundation.

**C. Gifts:** District Board members may accept Gifts of Nominal Value; however, District Board members may not accept any Gift in the form of cash or cash equivalents (including gift cards or gift certificates) from Vendors. The total value of Nominal Value Gifts accepted in any 12-month period from a single individual or entity may not exceed \$250. Occasionally, Vendors will send a small amount of cash or a gift card in the mail to a Board member. If it is impractical to return such gifts, they should be donated to the Foundation.

**D. Promotional Items:** Promotional items such as coffee mugs, pens and tchotchkes, may be accepted from a Vendor on an occasional basis if such items are of Nominal Value.

**E. Meals, Travel and Entertainment Expenses:**

1. Board members may accept a meal of Nominal Value from a Vendor during business meetings. Board members may attend Vendor paid social events in order to further develop business relationships where the cost or fair market value of the event does not exceed \$50 per person per event; however, Board members may not attend sporting events or accept payment or reimbursement of any travel related expenses, including overnight lodging, from Vendors. Board Members, however, may accept an invitation from the Foundation or the Arizona Burn Foundation to attend Foundation or Arizona Burn Foundation sponsored events, including travel and reimbursement to attend such events.
2. Board members may not accept payment or reimbursement of travel related expenses, including overnight lodging, associated with site visits or other travel related to reviewing and evaluating a Vendor's products.

**References:**

Arizona Revised Statutes 38-501 - 38-511  
Form #44239 Valleywise Health Conflict of Interest Form

**Valleywise Health Policy & Procedure - Approval Sheet**  
**(Before submitting, fill out COMPLETELY.)**

**POLICY RESPONSIBLE PARTY:** Melanie Talbot, Chief Governance Officer and Clerk of the Board

**DEVELOPMENT TEAM(S):** Board Counsel, Clerk's Office

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**e-Signers:** Melanie Talbot, Chief Governance Officer and Clerk of the Board

**Place an X on the right side of applicable description:**

**New - X**

**Retire -**

**Reviewed -**

**Revised with Minor Changes -**

**Revised with Major Changes -**

**Please list revisions made below:** (Other than grammatical changes or name and date changes)

**Reviewed and Approved by in Addition to Responsible Party and E-Signer(s):**

<b>Committee:</b>	<b>00/00</b>
<b>Committee:</b>	<b>00/00</b>
<b>Reviewed for HR:</b>	<b>00/00</b>
<b>Reviewed for EPIC:</b>	<b>00/00</b>
<b>Other: Maricopa County Special Health Care District Board of Directors</b>	<b>08/23</b>