

MEMORIAL HOSPITAL BOARD OF TRUSTEES

DUTIES AND RESPOSIBILITIES

Detailed descriptions of the duties of Board and Committee members are shown on the attached documents:

1. Memorial Hospital Board of Trustees Responsibilities, Job Description, Functions of the Board, and Duties of the Trustees
2. Memorial Hospital Board of Trustees Committee Organization
3. Memorial Hospital Bylaws

MEETINGS:

<u>Body</u>	<u>Frequency per Year</u>	<u>Length</u>
Board of Trustees (Regular)	12 annually	2.5 hours
Board of Trustees (Special)	as needed (avg. 2-3)	2 hours
Audit Committee	as needed (avg. 4)	1 hour
Budget Committee	as needed (avg. 4)	1.5 hours
Executive Committee	as needed (avg. 1-2)	1.5 hours
Finance Committee	12 annually	2 hours
Fund Development Committee	as needed (avg. 4)	1.5 hours
Human Resources Committee	as needed (avg 3)	2 hours
Human Services Contract Administration	as needed (avg. 2)	1.5 hours
Strategic Planning Committee	as needed (avg. 4)	2 hours

TIME COMMITMENT:

Each Board member spends approximately 50 hours per year in attending meetings of the Board and its various committees. In addition, the Chairman of the Board spends approximately 50 additional hours per year on hospital business.

MEMORIAL HOSPITAL BOARD OF TRUSTEES

RESPONSIBILITIES AND POWERS

As stated in Colorado Springs City Ordinance #1856 of September 22, 1949, the Board of Trustees of Memorial Hospital is responsible for the supervision of the management of the Hospital and, subject to the general supervision and control of the City Council and City Manager, is to exercise complete control over the operation, expenditures, personnel and employee matters, betterments, improvements, repairs, equipment, fiscal and other policies of the Hospital. The Board is empowered and authorized to do all things, consistent with both the City's Code of Ethics and the City Charter, for the operation, maintenance and development of Memorial Hospital, except for legislative matters that must come before the City Council.

JOB DESCRIPTION

The Board of Trustees is appointed by the City Council and is ultimately responsible for the quality of care rendered to its patients by both its medical and professional staffs, for its financial soundness and success, and for strategically planning its future. The Board shall hire the executive Director and approve the plans and budgets by which the Executive Director and approve the plans and budgets by which the Executive Director will accomplish the quality, financial and strategic goals of the Board.

FUNCTION OF THE BOARD

- Establish and maintain the mission statement.
- Act as trustee for the assets (including its investments) of the Hospital.
- Select and advise the Executive Director and evaluate the Executive Director's performance by *pre-established criteria*.
- Plan and establish the Executive Director's compensation.
- Grant physician staff and clinical privileges by *pre-established criteria*.
- Identify the health needs of the community and establish the Hospital's role in meeting those needs.
- Review and approve the Hospital's Quality Assurance Program.
- Insure that quality medical care is provided.
- Establish programs and services of the Hospital, periodically review and evaluate their effectiveness.
- Keep City Council informed of important activities/trends occurring at the Hospital.
- Establish an appropriate orientation program for new Trustees.
- By vote of the Board [all **individual** Board members are **powerless**], implement, through the Executive Director, strategic initiatives, policies, and acts permitted under those approved policies.

DUTIES OF THE TRUSTEES

- Prepare for and attend Board and committee meetings.
- Participate in Board and committee discussions.
- Maintain confidentiality regarding Hospital information.
- Advise the Executive Director.
- Develop working knowledge of Hospital operations.
- Attend at least two education programs per year.
- Avoid/disclose possible conflicts of interest.

**MEMORIAL HOSPITAL
BOARD OF TRUSTEES**

COMMITTEE ORGANIZATION

NAMES OF COMMITTEE: **AUDIT**

AUTHORITY: **Bylaws Article IV, Section 6**

DUTIES:

The Chair of the Hospital Board hereby declares Audit Committee to be established as a Special Committee under Article IV, Section 6 of the Bylaws. The purpose of the Audit Committee is to engage the independent auditors to perform the 1999 fiscal year audit of the Hospital, to review the internal control letter and the comfort letters provided to the Hospital by the auditors, and to review any/all internal audits performed at the Hospital, whether by the City Auditor or internal audits commissioned by this Committee.

COMPOSITION/MEETINGS

The Audit Committee shall consist of at least two (2) members of the Hospital Board and one (1) citizen member. The Committee shall meet whenever a (financial) audit report is going to be presented to the Hospital and prior to its presentation to the Hospital Board, at least annually to engage the independent auditor and at least annually to receive the report of the independent auditor. Pursuant to Article IV, Section 6 of the Bylaws, the activities of the Audit Committee shall terminate upon the convening of the next annual meeting of the Hospital Board (September 2000).

**MEMORIAL HOSPITAL
BOARD OF TRUSTEES**

COMMITTEE ORGANIZATION

NAME OF COMMITTEE:

BUDGET

AUTHORITY:

Bylaws Article IV, Section 6

DUTIES:

The Chair of the Hospital Board hereby declares the Budget Committee to be Established as a special Committee under Article IV, Section 6 of the Bylaws for The purpose of participating in the preparation and detailed to and as a condition precedent to its preparation and review by the Finance Committee of the Hospital as in summary. The Budget Committee shall review the budget by department(s) as well as in summary. The Budget Committee shall advise the Hospital Board on the amount to be budgeted for Trustee education (travel and conference fees) and new Trustee orientation programs.

COMPOSITION/MEETINGS:

The Budget Committee shall consist of a Chair, at least two (2) members of the Hospital Board, and one (1) citizen member. The Budget Committee shall meet at least quarterly and prior to the initial submission and periodic review of the budget by the Finance Committee. Pursuant to Article IV, Section 6 of the Bylaws, the activities of the Budget Committee shall terminate upon convening of the next annual meeting of the Hospital Board.

**MEMORIAL HOSPITAL
BOARD OF TRUSTEES**

COMMITTEE ORGANIZATION

NAME OF COMMITTEE: **EXECUTIVE**

AUTHORITY: **Bylaws Article IV, Section 2**

DUTIES:

The Executive Committee shall have power to transact all regular business of the Hospital during the interim between meetings of the Hospital Board.

COMPOSITION/MEETINGS:

The Executive Committee shall consist of the Chair of the Hospital Board, Vice-Chair, Secretary and other members of the Hospital Board as appointed by the Chair. The Executive Committee shall meet on an “as needed” basis.

**MEMORIAL HOSPITAL
BOARD OF TRUSTEES**

COMMITTEE ORGANIZATION

NAME OF COMMITTEE: FINANCE

AUTHORITY: Bylaws Article IV, Sections 4

DUTIES:

1. Recommend to the Hospital Board corporate policies which will assist the Finance Committee in performing its responsibilities.
2. Participate in the preparation and periodic review of the annual operating budget of the Hospital and present and operating budget to the Hospital Board for review, approval and submission to City Council and to such other regulatory bodies as required by statute.
3. Evaluate and approve monthly financial statements of the Hospital.
4. Evaluate and advise the Hospital Board in all financial matters of the Hospital.

COMPOSTION/MEETINGS:

The Finance Committee shall consist of a Chair and at least two (2) members of the Hospital Board, appointed by the Chair of the Hospital Board following the annual election of officers of the Hospital Board. The Finance Committee shall meet at least quarterly.

**MEMORIAL HOSPITAL
BOARD OF TRUSTEES**

COMMITTEE ORGANIZATION

NAME OF COMMITTEE: **FUNDS DEVELOPMENT**

AUTHORITY: **Bylaws Article IV, Section 6**

DUTIES

The Chair of the Hospital Board hereby declares the Funds Development Committee to be established as a Special Committee under Article IV, Section 6 of the Bylaws. The purpose of the Funds Development Committee is to identify and explore all possible sources of funds, including but not limited to endowments, to assist the Hospital in achieving its mission.

COMPOSITION/MEETINGS:

The Funds Development Committee shall consist of at least two (2) members of the Hospital Board and at least one (1) citizen member. The Committee shall meet on an "as needed" basis, but at least once annually. Pursuant to Article IV, Section 6 of the Bylaws, the activities of the Funds Development Committee shall terminate upon the convening the next annual meeting of the Hospital Board (September 2000).

**MEMORIAL HOSPITAL
BOARD OF TRUSTEES**

COMMITTEE ORGANIZATION

NAME OF COMMITTEE: **HUMAN RESOURCES**

AUTHORITY: **Bylaws Article IV, Section 5**

DUTIES:

1. Regular review of all major Hospital personnel policies and procedures to assure equity and reasonableness.
2. Recommend annually, for consideration by the Board of Trustees, the percentage change, if any, in the average wage range of all Memorial Hospital positions.
3. Recommend annually, for consideration by the Board of Trustees, changes, if any, in Memorial Hospital employee benefits.
4. Following a performance evaluation by the Board of Trustees, recommend annually, for consideration by the Board of Trustees, the Executive Director's compensation for the following year based on the compensation range for comparable Chief Executive Officer positions.
5. Recommend annually, for consideration by the Board of Trustees, the target operating margin for the Employee Performance Incentive Program.

COMPOSITION/MEETINGS:

The Human Resources Committee shall consist of a Chair and at least two (2) members of the Hospital Board, appointed by the Chair of the Hospital Board following the annual election of the officers of the Hospital Board. The Human Resources Committee shall meet at least annually.

**MEMORIAL HOSPITAL
BOARD OF TRUSTEES**

COMMITTEE ORGANIZATION

NAME OF COMMITTEE: HUMAN SERVICES CONTRACT ADMINISTRATION

AUTHORITY: Bylaws Article IV, Section 6

DUTIES:

The Chair of the Hospital Board hereby declares the Human Services Contract Administration Committee to be established as a Special Committee under Article IV, Section 6 of the Bylaws, for the purpose of administering the health care related functions and contractual services of the City of Colorado Springs assumed by the Hospital in 1998. The Committee is to review all requests for funding and evaluate the historical and likely outcomes in recommending the types and amounts of contract awards to the Hospital Board. The Hospital Board shall have the sole authority to finalize such awards/contracts.

COMPOSITION/MEETINGS:

The Human Services Contract Administration Committee shall consist of a Chair and at least two (2) members of the Hospital Board and one (1) citizen member. The Committee shall meet at least annually. Pursuant to Article IV, Section 6 of the Bylaws, the activities of the Human Services Contract Administration Committee shall terminate upon the convening of the next annual meeting of the Hospital board (2000 September).

**MEMORIAL HOSPITAL
BOARD OF TRUSTEES**

COMMITTEE ORGANIZATION

NAME OF COMMITTEE: **STRATEGIC PLANNING**

AUTHORITY: **Bylaws Article IV, Section 1**

DUTIES:

While the Bylaws direct the establishment of a Standing Committee for Strategic Planning, unlike other Standing Committees, the Bylaws do not describe its composition, powers or duties. Article II, Section 2.B describes the duties of the Executive Director and in subsection (6) thereof states, "Maintain a Strategic Plan to be reviewed by the Hospital Board on an annual basis."

Therefore, the Chair of the Hospital Board hereby relies on his authority established in Article IV, Section 6 (Special Committees) to set out the duties of the Strategic Planning Committee as if it were a special Committee. Those duties shall be to annually review and update the Strategic Plan of the Hospital in conjunction with the Executive Director and present it to the Hospital Board approval.

COMPOSITION/MEETINGS

The Strategic Planning Committee shall consist of a Chair and at least two (2) members of the Board of the Hospital, appointed by the Chair of the Hospital Board following the annual election of officers of the Hospital Board. The Strategic Planning Committee shall meet at least annually.

ORDINANCE NO. 00-146

AN ORDINANCE AMENDING SECTION 102 (B) (BOARD OF TRUSTEES) OF ARTICLE 2 (MEMORIAL HOSPITAL) OF CHAPTER 10 (PUBLIC HEALTH AND SANITATION) OF THE CODE OF THE CITY OF COLORADO SPRINGS 1980, AS AMENDED, PERTAINING TO THE MEMORIAL HOSPITAL BOARD OF TRUSTEES

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. That Section 102 (B) (Board of Trustees) of Article 2 (Memorial Hospital) of Chapter 10 (Public Health and Sanitation) of the Code of the City of Colorado Springs 1980, as amended, is hereby amended to read as follows.

10-2-102” BOARD OF TRUSTEES:

* * *

B. **BOARD MEMBERS**

- 1.** The **REGULAR** members of the Board of Trustees of Memorial Hospital shall be appointed by the City Council for terms of three (3) years. **REGULAR BOARD OF TRUSTEE MEMBERS MAY, AT COUNCIL’S DISCRETION, SERVE UP TO THREE (3) CONSECUTIVE 3-YEAR TERMS.** The Council shall by ordinance determine the number of members of the Board which shall not exceed fifteen (15) **REGULAR MEMBERS** and may provide for the qualifications of said members. (Ord. 3131, adopted April 6, 1965, by vote of the electors of the City)
- 2.** **IN ITS DISCRETION, CITY COUNCIL MAY ALSO APPOINT EX OFFICIO MEMBERS TO THE BOARD OF TRUSTEES, INCLUDING THE MEMORIAL HOSPITAL CHIEF OF THE MEDICAL STAFF. EX OFFICIO MEMBERS MAY PARTICIPATE IN DISCUSSION OF MATTERS BEFORE THE BOARD, BUT SHALL NOT**

VOTE UPON ANY MATTER BEFORE THE BOARD, SHALL NOT TAKE PLACE OF AN ABSENT REGULAR MEMBER OF THE BOARD AND SHALL NOT BE COUNTED TOWARD A QUORUM OR THE NUMBER OF REGULAR MEMBERS. WITH THE EXCEPTION OF THE CHIEF OF THE MEDICAL STAFF, EX OFFICIO MEMBERS SHALL NOT ATTEND CLOSED LEGAL SESSIONS OF THE BOARD.

- 3. IN ITS DISCRETION, CITY COUNCIL MAY REMOVE ANY REGULAR OR EX OFFICIO BOARD MEMBER AT ANY TIME.**

Section 2. This ordinance shall be in full force and effect from and after its passage and publication as provided but the Chapter.

Section 3. Council deems it appropriate that this ordinance be published by title and summary prepared by the City Clerk and that this ordinance be available for and acquisition in the Office of the City Clerk.

Introduced, read, passed on first reading and ordered published this 26th day of September, 2000.

Mayor

ATTEST:

City Clerk

Finally passed, adopted this 10th day of October, 2000

Mayor

ATTEST:

City Clerk

I HEREBY CERTIFY, that the foregoing ordinance entitled “ **AN ORDINANCE AMENDED SECTION 102(B) (BOARD OF TRUSTEES) OF ARTICLE 2 (MEMORIAL HOSPITAL) OF CHAPTER 10 (PUBLIC HEALTH AND SANITATION) OF THE CCODE OF THE CITY OF COLORADO SPRINGS 1980, AS AMENDED, PERTAINING TO THE MEMORIAL HOSPITAL BOARD OF TRUSTEES**”

was introduced and read at a regular meeting of the City Council of the City of Colorado Springs, held on September 26, 2000, that said ordinance was finally passed at a regular meeting of the City Council of said City, held on the 10th day of October ,2000, and that the same was published by summary, in accordance with Section 3-80 of Article III of the said Charter, in the Daily Transcripts, a newspaper published and in general circulation in said City, at lest ten days before its passage.

IN WITNESS WHREOF, I have hereunto set my hand and affixed the seal of the City, this 10th day of October, 2000.

City Clerk

Memorial Hospital

BYLAWS OF MEMORIAL HOSPITAL

TABLE OF CONTENTS
BYLAWS OF MEMORIAL HOSPITAL
Colorado Springs, Colorado

Page	Document Name
I-1.....	ARTICLE I: PREAMBLE
II-1.....	ARTICLE II: HOSPITAL BOARD OF TRUSTEES
III-1.....	ARTICLE III: OFFICERS
IV-1.....	ARTICLE IV: COMMITTEES
V-1.....	ARTICLE V: THE EXECUTIVE DIRECTOR
VI-1.....	ARTICLE VI: MEDICAL, DENTAL AND PODIATRIC STAFF
VII-1.....	ARTICLE VII: AUXILIARY ORGANIZATIONS
VIII-1.....	ARTICLE VIII: AMENDMENTS
IX-1.....	ARTICLE IX: RULES AND REGULATIONS
X-1.....	ARTICLE X: ADOPTION

BYLAWS OF MEMORIAL HOSPITAL

ARTICLE I: PREAMBLE

Memorial Hospital shall be operated as a full service acute general hospital and shall have as its purpose the responsibility of providing quality care to the members of the community.

BYLAWS OF MEMORIAL HOSPITAL

ARTICLE II: HOSPITAL BOARD OF TRUSTEES

1. Section 1: Composition

- A. The Board of Trustees of Memorial Hospital hereinafter referred to as "Hospital Board", shall consist of not less than five (5) nor more than fifteen (15) voting members who shall constitute a broad representation of the local community. The Chief of Staff shall serve as an ex officio, non-voting member of the Hospital Board. The Hospital Auxiliary shall be represented on the Board by a voting member. The Auxiliary shall submit the names of three past presidents to the City Council, who shall select one of the names submitted for appointment to the Board. Each Auxiliary appointment shall be for a three year term. Each regular member of the Hospital Board shall be appointed by the City Council of the City of Colorado Springs, and shall be appointed for a term of three (3) years, except as provided above. Members appointed to the Hospital Board shall have knowledge beneficial to the governance of the Hospital as well as interest in and willingness to take an active part in governing the operations and encouraging the development of Memorial Hospital. Appointments will be staggered, insofar as possible, to allow for the termination of appointment of approximately one-third of the membership during the month of September of each calendar year. No member of the Hospital Board shall be appointed to serve more than three consecutive three (3) year terms. Those members appointed to a vacancy, the duration of which is longer than one and one-half (1 ½) years, may be reappointed to no more than one additional three (3) year term. The appointment of a member of the Hospital Board by the City Council shall become effective upon the date of such action by the City Council or at such other date as may be stipulated in the resolution appointing said member.
- B. Any member may resign from the Hospital Board at any time by giving written notice to the Chair or Secretary of the Hospital Board, and the acceptance of such resignation shall not be necessary to make it effective.
- C. Members of the Hospital Board may be recommended for removal from the Hospital Board by majority vote of the Hospital Board. All such recommendations for removal will be made in writing to the City Council and will include all causes for recommended action.

D. Members of the Hospital Board will be required to execute a Conflict of Interest Statement.

2. Section 2: Authority

A. Duties and fiduciary responsibilities of the Hospital Board are as follows:

- (1) The Hospital Board generally shall be empowered and authorized to do all things not in conflict with the City Charter or the Ordinances of the City of Colorado Springs for the operation, maintenance and development of Memorial Hospital.
- (2) It shall, upon recommendation of the Finance Committee, review the annual operating budget and capital expenditures, evaluate and approve financial statements and all financial matters of the hospital.
- (3) It shall exercise control over the operation, expenditures, personnel and employee matters, betterments, improvements, repairs, equipment, fiscal and other policies of the Hospital.
- (4) The Hospital Board shall advise the City Manager and City Council of the amount of financial support from the City, if any, deemed necessary for the Hospital for each ensuing fiscal year.
- (5) The Hospital Board shall review its own performance and fulfillment of its fiduciary responsibilities on an annual basis.
- (6) To provide representation for the Hospital Board on the Organization Performance Improvement Council (OPIC), which functions to review, prioritize, and make recommendations regarding performance improvement activities throughout the organization.

B. The Hospital Board shall select and appoint a competent and experienced Executive Director who shall be a direct representative in the management of the Hospital. The Hospital Board shall, through the Executive Director, provide for the following:

- (1) Review of these Bylaws, the Bylaws of the Medical Staff and all auxiliary organizations by the Executive Committee of the Board on an annual basis.
- (2) Development of plans for the extended care of patients and other long-term services. This shall include arrangements for provision of services by outside resources.

- (3) The education and training of Hospital personnel consistent with the needs of the Hospital.
 - (4) Review and act upon the reports of authorized agencies.
 - (5) Provide appropriate representation on the Organizational Performance Improvement Council (OPIC), which functions to review, prioritize, and make recommendations regarding performance improvement activities throughout the organization.
 - (6) Maintain a Strategic Plan to be reviewed by the Hospital Board on an annual basis.
- C. Upon the recommendation and advice of the Medical Staff of Memorial Hospital, the Hospital Board shall appoint members of the Medical Staff and grant such privileges as may in their judgements be warranted by the experience and training of the applicant.

3. Section 3: Regular and Special Meetings of the Hospital Board

- A. Meetings of the Hospital Board shall be regular and special.
- B. The annual meeting of the Hospital Board shall be held in September of each year for the purpose of electing officers and for the transaction of such other business that may come before the meeting.
- C. The regular meetings of the Hospital Board shall normally be held at least monthly at the Hospital or at such other locations as determined by the Hospital Board.
- D. Special meetings of the Hospital Board may be called by, or at the direction of, the Chair of the Hospital Board, and shall be called upon the written request of any three members of the Hospital Board, or upon the request of the Executive Director. Sufficient notice of any special meeting shall be made by written notice mailed to each member of the Hospital Board at least five (5) days before the date of such special meeting. However, if a majority of the members of the Hospital Board waive the requirement for a written notice, a special meeting may be held at a time agreeable to a majority of the members of the Hospital Board.
- E. Members of the Hospital Board or any committee established by the Hospital Board may participate in a meeting of the Hospital Board or a committee by means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

- F. Unless otherwise provided in these Bylaws, no binding action may be taken by the Hospital Board except at a regular or special meeting; provided, however, that any action taken by the Hospital which requires Hospital Board approval shall be valid if ratified by the Hospital Board at a subsequent regular or special meeting, or in the alternative, if ratified by a majority of the members of the Hospital Board by means of a telephonic poll.
- G. All members of the Hospital Board shall attend meetings regularly. The failure of any Hospital Board member to meet the attendance requirements consistent with the policies of the City Council may result in removal of that member from the Hospital Board.
- H. The presence of a majority of the membership of the Hospital Board at any of its meetings shall constitute a quorum. No action except to adjourn can be taken at any meeting at which less than a quorum is present.

BYLAWS OF MEMORIAL HOSPITAL

ARTICLE III: OFFICERS

1. Section 1: Officers, Election, Term. The officers of the Hospital Board shall be a Chair, Vice-Chair, and Secretary and such other officers as may be determined by the Hospital Board, all of whom shall be elected by the Hospital Board at the annual meeting of the Hospital Board each year and shall hold office for a period of one (1) year or until their successors have been elected.
2. Section 2: Chair; Duties. The Chair shall be a member of the Hospital Board and shall call and preside at all meetings of the Hospital Board, the Executive Committee, and the Joint Conference Committee. The Chair may sign with the Secretary or with any proper officer of the Hospital authorized by the Hospital Board any deeds, mortgages, bonds, contracts, or other instruments which the Hospital Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Hospital Board or by these Bylaws or by statute to some other officer or agent of the Hospital. The Chair shall perform the duties and have the powers which are ordinarily incident to this office, and others which the Hospital Board shall from time to time specifically designate. The Chair shall be an ex officio member with vote of all standing and special committees of the Hospital Board.
3. Section 3: Vice-Chair; Duties. The Vice-Chair, who shall be a member of the Hospital Board, shall act as Chair in the absence of the Chair and when so acting shall have all the power and authority of the Chair. The Vice-Chair shall have such other powers and perform such other duties that from time to time might be prescribed for the Vice-Chair by the Hospital Board or the Bylaws.
4. Section 4: Secretary; Duties. The Secretary, who shall be a member of the Hospital Board, shall issue notices of all regular and special meetings on order from the Chair; shall receive and attend to all correspondence of the Hospital Board; shall have custody of all documents belonging to the Hospital Board; shall cause accurate minutes to be kept of all meetings of the Hospital Board; and shall perform such other duties as usually pertain to this office.
5. Section 5: Resignation; Removal; Officers. Any officer may resign at any time by giving written notice to the Chair or Secretary of the Board and unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective. Any officer may be removed by the Hospital Board whenever, in its judgment, the best interests of the Hospital would be served thereby. If the removal of a member as an officer of the Hospital Board also includes the recommendation for removal from the Hospital Board, such

recommendation must be forwarded in writing to the City Council in accordance with ARTICLE II, Section 1, paragraph C of these Bylaws.

BYLAWS OF MEMORIAL HOSPITAL

ARTICLE IV: COMMITTEES

1. Section 1: Committees; Powers

- A. Committees of the Hospital Board shall be standing and special. Standing Committees shall be an Executive Committee, a Strategic Planning Committee, a Finance Committee, a Human Resources Committee, and Audit Committee, a Budget Committee, and a Human Services Contract Committee and such other standing committees as the Hospital Board may authorize.
- B. The Chair and all members of each committee, except as specified for the Executive Committee, shall be appointed by the Chair of the Hospital Board following the annual meeting. Members of each committee shall hold office for one (1) year or until their successors are appointed. The Chair may fill any vacancies that occur on committees for the remainder of the year.
- C. Standing committees shall have power to act only as stated in these Bylaws or as conferred by the Hospital Board in specific matters.
- D. Those committee members appointed by the Chair of the Hospital Board may include persons in an advisory or consulting capacity who are not members of the Hospital Board. In all committees, however, the chair of the committee shall be a Hospital Board Trustee.
- E. Minutes shall be recorded for all committee meetings and filed with the Secretary of the Hospital Board for its review. The Hospital Board of Trustees must ratify the actions of all committees.

2. Section 2: Executive Committee; Composition; Powers; Duties. The Executive Committee of the Hospital Board shall consist of the Chair of the Hospital Board, who shall be Chair of the Executive Committee, Vice-Chair, Secretary and other members of the Hospital Board as appointed by the Chair. The Executive Committee shall have power to transact all regular business of the Hospital during the interim between meetings of the Hospital Board provided that any action that it may take shall not conflict with the policies and the expressed wishes of the Hospital Board, and it shall refer through the Chair all matters on which it has taken action to the Hospital Board for ratification at its next regular meeting. Any action taken by the Executive Committee shall have the full force and effect of the action by the entire Hospital Board unless, or until, the Hospital Board provides

otherwise. Should any matter of extreme urgency arise between regular meetings of the Hospital Board, it shall be the duty of the Executive Committee to request the Chair to call a special meeting of the Hospital Board.

3. Section 3: Quarterly Joint Conference of Hospital Board and Medical Staff. The Joint Conference shall include the officers of the Hospital Board, Executive Director and staff, the Chief of Staff, the Chief of Staff-Elect, and the Secretary of the Executive Committee of the Medical Staff with the Chair of the Hospital Board as Chair of the Joint Conference. The Joint Conference will be scheduled quarterly. The purpose of the Joint Conference is to discuss matters of a medico-administrative nature that need to be brought to its attention, and making such recommendations as it may deem in the best interest of the Hospital. The Joint Conference is not empowered to make final decisions in matters brought before it in the name of the Hospital Board or the Medical Staff; its purpose is one of communication between these two bodies. Interested members of the Hospital Board and of the Executive Committee of the Medical Staff are invited to all quarterly Joint Conferences.
4. Section 4: Finance Committee; Composition; Powers; Duties
 - A. The Finance Committee shall consist of a Chair and at least two (2) members of the Hospital Board, appointed by the Chair of the Hospital Board following the annual election of the officers of the Hospital Board. The Finance Committee shall meet at least quarterly and shall perform the following functions:
 - (1) Recommend to the Hospital Board corporate policies which will assist the Finance Committee in performing its responsibilities.
 - (2) Participate in the preparation and periodic review of the annual operating budget of the Hospital and present an operating budget to the Hospital Board for review, approval and submissions to the City Council and to such other regulatory bodies as required by statute.
 - (3) Evaluate and approve monthly financial statements of the Hospital.
 - (4) Evaluate and advise the Hospital Board in all financial matters of the Hospital.
 - B. The Executive Director shall be an ex officio member without vote of the Finance Committee.
5. Section 5: Human Resources Committee; Composition; Powers; Duties. The Human Resources Committee shall consist of a Chair and at least two (2) members of the Hospital Board, appointed by the Chair of the Hospital Board

following the annual election of the officers of the Hospital Board. The Human Resources Committee shall meet at least annually and will perform the following functions:

- A. Regular review of all major Hospital personnel policies and procedures to assure equity and reasonableness.
 - B. Recommend annually, for consideration by the Board of Trustees, the percentage change, if any, in the average wage range of all Memorial Hospital positions.
 - C. Recommend annually, for consideration by the Board of Trustees, changes, if any, in Memorial Hospital employee benefits.
 - D. Following a performance evaluation by the Board of Trustees, recommend annually, for consideration by the Board of Trustees, the Executive Director's compensation for the following year, based on the compensation range for comparable Chief Executive Officer positions, as instituted by the Board.
 - E. Recommend annually, for consideration by the Board of Trustees, the target operating margin and patient satisfaction goals for the Employee Performance Incentive Program.
6. Section 6: Strategic Planning Committee; Composition; Powers; Duties. The Strategic Planning Committee shall consist of a Chair and at least two members of the Hospital Board, appointed by the Chair of the Hospital board, following the annual election of officers of the Hospital Board. The Strategic Planning Committee shall meet at least annually and shall perform the following function
- Annually review and update the Strategic Plan of the Hospital, and after consultation with the Executive Director, present the Strategic Plan to the Hospital Board for approval.
7. Section 7: Audit Committee; Composition; Powers; Duties. The Audit Committee shall consist of a Chair and at least two members of the Hospital Board, appointed by the Chair of the Hospital Board, following the annual election of officers of the Hospital Board. The Audit Committee shall meet at least annually and shall perform the following functions.
- A. Engage the independent auditors to perform the annual audit of the Hospital;
 - B. Review the internal control letter and the comfort letters provided to the Hospital by the independent auditors;

- C. Review any and all internal audits performed at the Hospital, whether by the City auditor or the Hospital internal auditors; and
 - D. Initiate audits of various Hospital systems and procedures as directed by this committee or the Hospital Board.
8. Section 8: Budget Committee; Composition; Powers; Duties. The Budget Committee shall consist of a Chair and at least two members of the Hospital Board, appointed by the Chair of the Hospital Board, following the annual election of officers of the Hospital Board. The Budget Committee shall meet at least quarterly and prior to the initial submission and periodic review of the operating budget by the Financial Committee. The Budget Committee shall perform the following functions:
- A. Participate in the preparation and detailed periodic review of the annual operating budget prior to, and as a condition precedent to, its review by the Financial Committee of the Hospital Board;
 - B. Review the budget by departments as well as in summary; and
 - C. Recommend to the Hospital Board and amount to be budgeted for Trustee education (travel and conference fees) and for new Trustee orientation programs.
9. Section 9: Human Services Contract Administration Committee; Composition; Powers; Duties. The Human Services Contract Administration Committee shall consist of a Chair and at least two members of the Hospital Board, appointed by the Chair of the Hospital Board, following the annual election of officers of the Hospital Board. The Human Services Contract Administration Committee shall meet at least annually and shall perform the following functions:
- A. Administer the health care related functions and contractual services of the City of Colorado Springs assumed by the Hospital from the City in 1998; and
 - B. Review all requests for funding and evaluate historical and likely outcomes in recommending to the Hospital Board the types and amounts of rewards. The Hospital Board shall have the sole authority to finalize such awards.
10. Section 10: Special Committees; Powers. Special Committees shall be appointed by the Chair of the Hospital Board from time to time as occasion demands. These committees shall limit their activities to the purpose for which they are appointed and they shall have no power to act unless such is specifically conferred by action of the Hospital Board. All special committees shall have a date of termination of activities.

BYLAWS OF MEMORIAL HOSPITAL

ARTICLE V: THE EXECUTIVE DIRECTOR

The Hospital Board shall select and employ a competent and experienced Executive Director who shall be its direct representative in the management of the Hospital. The Executive Director shall be given the necessary authority and held responsible for the administration of the Hospital in all its departments, subject only to the policies enacted by the Hospital Board and to such orders as may be issued by the Hospital Board, or by any of its committees to which it has delegated power to act. More specifically, the authority and duties of the Executive Director shall include but are not limited to the following:

- A. To initiate programs that insure that adequate comprehensive institutional Planning takes place and to be sure that there is developed an orderly decision-making process within the Hospital. The Board of Trustees, the Executive Director and the Administrative Staff, the Medical Staff, the Nursing Service and others as appropriate participate in the planning process.
- B. To assure the development and implementation of a plan for delegating authority which assigns specific responsibilities to specific positions within the organizational structures, including those of a medico-administrative nature.
- C. To insure that the established mechanisms relating to the functions of the Medical Staff organization are carried out and to act as the official channel of contact between the Hospital Board and the Medical Staff organization. In the Medical Staff organization the Executive Director shall have the following specific powers.
 - (1) To grant temporary privileges to Medical, Dental and Podiatric Staff applicants with the approval of the Credentials Committee and to terminate such privileges whenever such actions is in the best interest of patient care or safety in the hospital or to prevent disruption of its operation.
 - (2) To summarily suspend all or any portion of the clinical privileges of a member of the Medical, Dental and Podiatric Staff whenever such action must be taken immediately in the best interest of patient care or safety in the Hospital or to prevent disruption of its operation.
- D. To appoint subordinate managers to positions of authority, provide for their continued development, and evaluate their performance.

- E. To develop a system for coordinating and integrating all resources available to the medical care institution in an effort to achieve the primary objectives of excellence in the provision of patient care.
- F. To establish evaluation programs for all aspects of organizations operation, including the quality of care provided.
- G. To insure the safeguarding and appropriate use of institutional resources (people, facilities, and finances).
- H. To attend all meetings of the Hospital Board and its committees.

The Executive Director shall be employed by the Hospital Board and after receiving and reviewing the recommendations of the Human Resources Committee, the Executive Director's compensation shall be determined by the Hospital Board annually in conjunction with the preparation of the annual Hospital budget.

BYLAWS OF MEMORIAL HOSPITAL

ARTICLE VI: MEDICAL, DENTAL AND PODIATRIC STAFF

1. Section 1: Organization. The physicians, dentists and podiatrists granted clinical privileges in the Hospital shall be organized into a Medical, Dental and Podiatric Staff under Medical, Dental, and Podiatric Staff Bylaws, Rules and Regulations. Proposed Bylaws, Rules and Regulations shall be recommended by the Medical, Dental and Podiatric Staff, shall be in conformity with the policies of the Hospital Board, and shall become effective upon approval by the Hospital Board.
2. Section 2: Quality of Medical Care and its Evaluation
 - A. The Hospital Board shall delegate to the Medical, Dental and Podiatric Staff such responsibility for providing appropriate professional care to the Hospital's patients as the Hospital Board in its discretion deems appropriate, provided that there is hereby delegated to the Medical, Dental and Podiatric Staff the responsibility of medical functions and it shall be responsible for the quality of the medical care rendered to patients in the Hospital.
 - B. The Medical, Dental and Podiatric Staff shall conduct a continuing review and appraisal of the quality of professional care rendered in the Hospital, and shall report such activities and their results to the Hospital Board.
 - C. The Medical, Dental and Podiatric Staff shall make recommendations to the Hospital Board concerning: (1) appointments, reappointments, and changes in staff status; (2) granting of clinical privileges; (3) disciplinary actions; (4) all matters relating to professional competency; and (5) such specific matters as may be referred to it by the Hospital Board.
 - D. The Hospital Board shall approve the Hospital's Performance Improvement Plan. The Organizational Improvement Council which has been established in the Performance Improvement Plan will annually evaluate the Performance Improvement Program based on the following criteria:
 - (1) Measurable improvements to meet established Hospital goals,
 - (2) Program comprehensiveness,
 - (3) Flexibility,
 - (4) Resource utilization,

- (5) Program continuity,
- (6) Interdepartmental collaboration.

E. The annual evaluation, along with recommendations to institute, alter, or delete any program components that are determined to be necessary, will be submitted to the Hospital Board and to the Medical Staff Executive Committee for consideration.

BYLAWS OF MEMORIAL HOSPITAL

ARTICLE VII; AUXILIARY ORGANIZATIONS

The Hospital Board may provide for the establishment of auxiliary organizations and special advisory boards. When established, such organizations shall develop and adopt Bylaws to delineate the purpose and function of the organization and establish a framework of self-regulation and a means of accountability to the Hospital Board. Such Bylaws shall be in conformity with the policy of the Hospital Board and shall become effective upon approval of the Hospital Board.

BYLAWS OF MEMORIAL HOSPITAL

ARTICLE VIII: AMENDMENTS

These Bylaws may be amended by a majority of the members present at the annual meeting or any regular or special meeting of the Hospital Board called for that purpose. Such proposed amendment shall be published in full in the calling of the meeting.

BYLAWS OF MEMORIAL HOSPITAL

ARTICLE IX: RULES AND REGULATIONS

The Hospital Board shall adopt such rules and regulations as may be necessary for the proper conduct of its work and the establishment of Hospital policy. Such rules and regulations shall be in conformity with the provisions of these Bylaws.

BYLAWS OF MEMORIAL HOSPITAL

ARTICLE X: ADOPTION

These Bylaws shall be adopted at any regular meeting of the Board of Trustees and shall become effective as of the date of their adoption.