

BYLAWS BOARD OF DIRECTORS
MAVERICK COUNTY HOSPITAL DISTRICT

ARTICLE I-MEMBERSHIP

1.1 Membership

Membership in the Board of Directors shall be composed of five (5) members elected by the vote of the people in accordance with the law establishing the Maverick County Hospital District (the "District") and governing the Hospital District Charter.

1.2 Qualifications

Each member of the Board of Directors shall meet the qualification requirements specified in the law as specified by statute:

- A. To qualify for election to the Board of Directors, a person must be:
 - 1. a resident of the District;
 - 2. a qualified voter.

- B. A person may not serve on the Board of Directors if the person is:
 - 1. a party to a contract with the District to perform services for the District for compensation;
 - 2. an employee of the District; or
 - 3. a convicted felon

ARTICLE II-HOSPITAL DISTRICT PURPOSES

2.1 Hospital District Purposes

VISION STATEMENT: To promote the improvement of health and quality of life of the people of Maverick County.

MISSION STATEMENT: To promote communication and collaboration among the local medical community, county, city, state, and federal health authorities; Foster a better understanding of health needs and problems; Promote public and personal health through mutual assistance and cooperation between the participating institutions; and Carry out support activities for health programs to the mission of the Maverick County Hospital District, the Maverick County Hospital District Strategic Plan, and the planning process overall.

- 2.1.1 To undertake any measure consistent with Section 9, Article IX, Texas Constitution, that the Board of Directors determines is necessary to provide necessary medical care to the indigent/needly inhabitants of the District. Access to care shall be provided to persons without regard to race, creed, color, gender, national origin, or ability to pay.
- 2.1.2 To provide necessary resources and public health care to best serve the needs of the District indigent/needly residents; to improve the standards of health care in the community; to encourage education and training of employees and appointees; and to maintain the access to quality care that is achievable commensurate with resources available.
- 2.1.3 To carry on such educational activities related to rendering indigent/needly care to the sick and injured or to the promotion of health as may be justified by facilities, personnel, funds, or other requirements that are, or can be made, available.
- 2.1.4 To provide long range strategic planning, annual review and approval of the operating and capital budget, and ensure that policies are in place for the efficient operation of the Hospital District.

ARTICLE III- TRUSTEES

3.1 Governance

Unless otherwise provided herein, the Hospital District shall be under the authority of the Board of Directors who shall have the power to manage and control the Hospital District. The business and affairs of the Hospital District shall be managed under the direction of the Chief Executive Officer with recommendations made by the Board of Directors. The Board of Directors and CEO shall approve appropriate policy, rules and regulations for the Medical Staff, and rules and regulations for any auxiliary or associate organization or for any other similar organization, if such organizations exist.

3.2 Conflict of Interest

Members of the Board of Directors shall not have any undisclosed conflicts of interest with the Hospital District. Full disclosure shall be made of the ownership and control of the Hospital District and of any health care delivery organizations that are corporately and functionally related to the Hospital District. Each Director/Trustee shall sign a statement by which he or she agrees to be bound by any policy or policies on conflict of interest, which the Hospital District may from time to time adopt. A Director/Trustee shall absent himself/herself from the discussion and abstain from voting on any issue in which, or in the outcome of which, such Trustee has an interest other than as a fiduciary of the Hospital District. Nothing in this paragraph shall prevent the remaining Directors/Trustees from voting on any such issue, contract, or recommendation.

3.3 Vacancies

Vacancies of the Board of Directors shall be filled by appointment for the unexpired term by a majority vote of the remaining Directors/Trustees. In accordance to Special District Local Laws Code Title 3 Health Subtitle A. Hospital Districts Chapter 1118. Maverick County Hospital District Sub Chapter A. General Provisions Section 9, Article IX, Texas Constitution Sec. 1118.054

3.4 Resignation or Removal of Director/Trustee

A Director/Trustee may resign at any time by tendering his/her resignation, in writing, to the Board of Directors. The resignation shall be contingent on formal acceptance and, shall take effect on the date of the receipt or at any later date specified in it.

Directors/Trustees are subject to removal pursuant to Article 5, Section 24 of the Texas Constitution and Chapter 87 of Title 3, Commissioner and County Officers Act of Texas.

3.5 Compensation of Directors/Trustees and Committee Members

Directors/Trustees and committee members shall receive no compensation for any services rendered in their capacities as Directors/Trustees or committee members. However, Directors/Trustees and committee members are entitled to reimbursement for any necessary expenses incurred by them in the performance of the duties of their respective offices. In accordance to Special District Local Laws Code Title 3 Health Subtitle A. Hospital Districts Chapter 1118. Maverick County Hospital District Sub Chapter A. General Provisions Section 9, Article IX, Texas Constitution Sec. 1118.056

3.6 Board of Directors Responsibilities

- 3.6.1 Make decisions regarding the quality of indigent/needly service to be provided.
- 3.6.2 Review with the Administrator/CEO the short range and long range plans for the Hospital District. Such plans shall be reviewed and revised as needed by the Board Strategic Planning Committee, at least annually.
- 3.6.3 Encourage appropriate in-service education programs for the Hospital District employees for the purpose of improving employee performance.
- 3.6.4 Review the quality management programs on an ongoing basis.
- 3.6.5 Require to develop a mechanism to monitor that the Indigent Program IS in compliance with federal and state laws, regulations, and pertinent District's policies and procedures.

3.6.7 Ensure that a system is in place to maintain all books, records, accounts, notices, minutes and other matters of the Hospital District and make these items available for public inspection at reasonable times.

3.6.8 Adopt rules for the efficient operation of the Hospital District.

3.6.9 Require an annual independent financial audit of the books and records of the Hospital District and file a copy of the audit with the Comptroller of Public Accounts, Public Library and the District.

3.6.10 Prepare and approve a budget showing:

- (i) the proposed expenditures and disbursements;
- (ii) the estimated receipts and collections for the next fiscal year; and
- (iii) the amount of taxes required to be levied and collected during the next fiscal year to meet the proposed budget.

3.6.11 Designate a depository bank.

3.6.12 Ensure that operational and management policies and procedures are reviewed and revised at least every 3 years.

3.6.13 Provide for institutional planning and require the Administration, other Departments/services, and all other appropriate advisors to participate in the planning process.

3.7 Term of Office

An elected Director shall serve for a four (4) year term. In every case, a Director shall serve until a successor has been elected and qualified for the office, and in every case a Director shall be eligible for re-election.

3.8 Orientation for New Directors/Trustees

All newly elected members of the Board of Directors must participate in an orientation program. One part of this program shall inform the new members of their responsibilities as members of the Board of Directors, including their responsibility for the quality of care provided by the Hospital District.

3.9 Continuing Education

Continuing education programs shall periodically be made available to all members of the Board of Directors to satisfy continuing education requirements.

ARTICLE IV - MEETINGS

4.1 Regular Meetings

The Board of Directors shall hold a regular meeting on an established date each month, with notice, within the laws of the Hospital District and in compliance with the laws of the State of Texas Open Meetings Act 1967 and Government Code Chapter 551.

4.2 Special Meetings

Special meetings may be called by the Chairperson or may be called at the written requests of two (2) members of the Board of Directors. Notice of special meetings shall be given to each member of the Board of Directors at least three (3) days before the date of such special meeting (72 hours). This notice shall have stated in it the business to be discussed for which the special meeting has been called and other business, other than the stated, shall not be transacted at such meeting in accordance with the laws of the State of Texas Open Meetings Act 1967 and Government Code Chapter 551.

4.3 Emergency Meetings

Emergency meetings may be called by the Chairperson or may be called at the written request of two (2) members of the Board of Directors. Notice of such emergency meeting shall be given to each member of the Board of Directors at least two (2) hours before such meeting is to convene, to be in compliance with the Texas Open Meetings Act. This notice shall have stated the nature of why the emergency exists.

4.4 Quorum

A majority of the membership of the Board of Directors constitutes a quorum for the transaction of business, and a concurrence of a majority of the Directors voting is sufficient in any matter relating to the business of the District. After a quorum has been established at a Board of Directors meeting, the subsequent withdrawal of Directors from the meeting so as to reduce the number of Directors present to fewer than the number of required for a quorum shall not affect the validity of any action taken prior to the loss of quorum.

4.5 Discussion: Voting

4.5.1 Each member of the Board of Directors shall be qualified to originate and take part in the discussion of any subject that may properly come before any meeting of the Board of Directors. Each member of the Board of Directors, except ex officio members, shall be qualified to vote on any subject and to hold any office to which he/she may be elected or appointed.

4.5.2 No business of the Board of Directors requiring Board action shall be undertaken unless a quorum has first been established. The concurrence of three (3)

present and voting Directors/Trustees shall be required for the adoption of any action item, except when two (2) of the Directors/Trustees have declared their conflict of interest, then the majority of the remaining three (3) voting Directors/Trustees shall be sufficient for action items.

4.5.3 Voting by proxy shall not be permitted .

4.6 Agenda

The agenda at any meeting of the Board of Directors and its committees shall conform to this format and contain the reminders.

1. Place, date, time, type of meeting
2. Establish quorum
3. Call to order
4. Visitor recognition
5. Approval of prior minutes
6. Old business requiring board action
7. New business requiring board action
8. Emergency supplement
9. Committee reports
10. Administrator's docket
11. Chairperson's docket
12. Executive Session
13. Adjournment

The agenda for regular, special, and emergency meetings of the Board of Directors shall be coordinated through the Chairperson and CEO. Requests for items to be placed on the agenda should be made in writing and delivered to the Chairperson or District Office no later than 4 days prior to regular meeting of the Board. Agenda items for special meetings shall be requested in writing and delivered to the Chairperson or District Office no later than four (4) days prior to the meeting. Requests for emergency meeting agenda items shall be made in writing and delivered to the Chairperson or District Office not less than two (2) hours prior to the meeting. All visitors wishing to address the Board must sign in prior to the start of the meeting and be allowed three (3) minutes to make their presentation.

This agenda shall be generated in accordance with Robert Rules of Order and the Attorney General's Open Meetings Act

4.7 Attendance

Directors/Trustees are expected to attend Board of Directors and assigned committee meetings. From time to time, Board Members may be requested to attend educational meetings. An Attendance Record report will be included in the monthly board packet

4.8 Minutes

Each meeting shall be tape recorded and a written record kept of all Board meetings, committee proceedings, attendance, and actions shall be maintained. A written record shall also be maintained relating to Director/Trustee orientation and continuing education. That recording will be kept in the office of the Administrator/CEO. The Administrator/CEO shall be responsible for seeing that both are accomplished in accordance with Robert Rules of Order and the Attorney General's Open Meetings Act

4.9 Procedure

"Robert's Rules of Order" (except as it pertains to quorum in Section 4.4 of these bylaws) shall govern parliamentary procedures of the Board of Directors and its committees.

ARTICLE V - OFFICERS

5.1 Officers

The officers of the Hospital District Board of Directors shall be the Chairperson, Vice Chairperson, and the Secretary/Treasurer, and such other officers as the Directors/Trustees shall deem advisable. One (1) person may hold more than one office. The Chairperson, Vice-Chairperson, and the Secretary/Treasurer shall be elected by a majority vote of the Directors/Trustees from the membership of the Board of Directors. The officers shall hold office until their successors are appointed or elected and qualified except in the event of their earlier death, resignation, or removal.

5.2 Resignation or Removal of Officers

An officer may resign at any time by tendering his/her resignation, in writing, to the Chairperson. The resignation shall take effect on the date of receipt or upon formal acceptance or on a specified date if designated herein. Any officer can be removed at any time with cause by the affirmative vote of a majority of the Board of Directors.

5.3 Vacancies of Board Officers

A vacancy of an officer position shall be filled by a qualified appointment for the unexpired term by a majority vote, not unanimous of the Directors/Trustees.

5.4 Chairperson

The Chairperson shall call and preside at all meetings of the Board of Directors. He/she shall appoint the members of all committees, if any, in accordance with the Bylaws and shall be an "ex-officio" member of all committees. He/she shall have such other duties and responsibilities as delegated by these Bylaws and by the Board of

Directors from time to time. He/she shall notify Vice-Chairperson and Executive Director of absence and/or unavailability.

5.5 Vice Chairperson

In the absence of the Chairperson, or in the event of that individual's resignation, inability to or refusal to act, the Vice Chairperson shall perform the duties of the Chairperson, and in so doing, shall have all the powers of the Chairperson. The Vice Chairperson shall perform such other duties as, from time to time, shall be assigned by the Chairperson.

5.6 Secretary/Treasurer

The Secretary/Treasurer shall act as the Secretary of the Board of Directors and shall cause to be prepared an agenda for all meetings of the Board of Directors. He/she shall act as custodian of all records and reports of the Board of Directors and shall be responsible for the keeping and reporting of adequate records of all transactions, except Financial transactions. He/she shall be responsible for effecting, preparing, and maintaining the minutes of all meetings of the Board of Directors.

ARTICLE VI-COMMITTEES

6.1 Standing and Special Committees

The Chairperson may authorize any standing or special committees, as he/she deems necessary, consistent with these Bylaws. The Chairperson shall appoint the members of all of the committees and shall fill any vacancies on the committees. Committees will be composed of members of the Board of Directors and the committee members will select

the committee chairperson from the members of the committee. Each committee will consist of two (2) or more members. Standing committees shall be: a Finance Committee, Budget Committee, a Building and Grounds Committee, a Medical Committee, a Bylaws Committee, an Education Committee, a Strategic Planning Committee, and such other Standing Committees as the Chairperson may authorize.

6.2 The Finance Committee

The Finance Committee shall consist of the Secretary/Treasurer as Chairperson and one other member of the Board of Directors. It shall be responsible for the management of all the endowment and trust funds of the Hospital District. It shall ensure that all endowment and trust funds are deposited with a responsible trust company or comparable agency for investment, that it receives prompt reports of such investments, that income, after deductions of legitimate expenses, is paid into the proper fund of the Hospital District, and that both principal and income are used in accordance with the terms of the trust. It shall be the further duty of the Finance

Committee to examine the monthly financial reports and to require an explanation from the Administrator for any material variation from the budget.

6.3 Building and Grounds Committee

The Building and Grounds Committee shall have general responsibility for the physical maintenance of the Hospital District as well as for additions, alterations, and repairs.

6.4 The Medical Committee

The Medical Committee shall consist of two (2) members of the Board of Directors. The responsibility of this Committee is to:

6.4.1 Ensure that every patient is under the care of an approved physician.

6.4.2 Ensure that proper procedures are in place to employ physicians.

6.5 Special Committees

The Chairperson may appoint special committees with the acceptance of the appointee for such special tasks as circumstances warrant. Such special committees shall limit their activities to the accomplishment of the task for which created and appointed and shall have no power to act except such as is specifically conferred by the Board of Directors. Upon completion of the task for which appointed such special committee shall stand discharged.

6.6 Term of Office

Each member of a committee shall continue in office on that committee until the next annual meeting of the Board of Directors and until a successor is appointed unless the committee to which the Trustee belongs is sooner terminated by the Board of Directors or unless he/she dies, resigns, or is removed as a committee member.

6.7 Committee Meetings

Meetings of any committee may be called by the Chairperson of such committee by giving notice of such meeting, setting forth its time and place. Unless otherwise provided in these Bylaws, a majority of the members of any committee shall constitute a quorum for the transaction of business and concurrence of a majority of the entire committee shall be sufficient in all matters of business to enable the committee to act. After a quorum has been established at a committee meeting, the subsequent withdrawal of committee members from the meeting as to reduce the number of committee members present to fewer than the number required for a quorum shall not affect the validity of any action taken at the meeting. Each committee shall keep

minutes of its meetings and report to the Board of Directors as necessary with recommendations.

6.8 Resignation or Removal of Committee Members

A member of any committee may resign at any time by tendering his or her resignation, in writing, to the Chairperson. Resignation as a Trustee shall also constitute resignation as a member of any committee. The Chairperson may remove a committee member at any time, with the concurrence of a majority of the Board Members.

ARTICLE VII - ADMINISTRATION

7.1 Chief Executive Officer

The Board may authorize the employment of persons necessary for the efficient operation of the district. The Board of Directors shall select and employ a competent and experienced Administrator/Chief Executive Officer who will be its direct executive representative in the management of the Hospital District. This CEO shall act as the Administrator and shall be held responsible for the administration of the Hospital District in all its activities and departments subject only to such policies as may be adopted, and such orders as may be issued, by the Board of Directors or by any of its committees to which it has delegated power for such action. He or she shall act as the "duly authorized representative" of the Board of Directors in all matters except those in which the Board of Directors has formally designated someone else to act. The Board of Directors shall also select and employ a competent and experienced Chief Operating Officer and Chief Financial Officer.

7.2 Authority and Duties
Refer to CEO Job Description.

7.3 Performance Review
Refer to CEO Job Description.

7.4 Minimum Qualifications
Refer to CEO Job Description.

7.5 Inspections
The Administrator/CEO shall allow inspection of the Hospital District by authorized representatives of the State Board of Health, State Board of Public Welfare or any other state agency created for a similar purpose in accordance with the legislation establishing the Hospital District.

ARTICLE VIII - GENERAL PROVISIONS

8.1 Duality of Interest

Any Director/Trustee, officer, employee, or committee member having an interest in a contract or other transaction presented to the Administrator/CEO for authorization, approval, or ratification shall give prompt, full, and frank disclosure of his interest to the Administrator/CEO prior to action by the Administrator/CEO on such contract of transaction.

8.2 Indemnification

The Hospital District shall indemnify any present or former appointee of the Board of Directors, Trustee/Director, officer, employee or agent engaged in Hospital District business through committee or other service to the extent and in the manner set forth in these Bylaws, (hereinafter, "Official Acts"). Such indemnity shall be for expenses and costs actually and necessarily incurred by him/her in connection with the defense or settlement of any pending or threatened action, suit or proceeding to which he or she is made a party by reason of his/her being or having been such official, except in relation to matters as to which he/she shall be finally adjudged to be liable of willful misconduct amounting to bad faith. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled under these Bylaws or any agreement, vote of the Board of Directors or insurance purchased by the Hospital District.

8.3 Waiver of Notice

Whenever any notice is required to be given under the provisions of the Maverick County Hospital District charter, or of these Bylaws, a waiver thereof, in writing, signed by the person entitled to such notice, whether before or after the time stated herein, shall be deemed equivalent to the giving of such notice where such waiver is permitted by State law. All such waivers shall be filed with the Hospital District records, or be made a part of the minutes of the relevant meeting.

8.4 Procedure

The Director and committees may adopt rules of procedure which shall not be inconsistent with the Special District Local Laws Code Title 3 Health Subtitle A. Hospital Districts Chapter 1118. Maverick County Hospital District Sub Chapter A. General Provisions Section 9, Article IX, Texas Constitution Sec. 1118.054; Open Meetings Act 1967 and Government Code Chapter 551 and these Bylaws.

ARTICLE IX - REVIEW AND REVISIONS OF BYLAWS

9.1 Review of Bylaws

The Board of Directors Bylaws shall be reviewed annually or as needed to ensure compliance with the federal, state and local regulations. Any and all necessary revisions to the Bylaws shall then be made within a reasonable time.

9.2 Adoption or Amendment of Bylaws

These Bylaws may be adopted or amended by the affirmative vote of a majority of the members of the Board of Directors, provided a full presentation of such Bylaws or such proposed amendment has been published in the notice calling the meeting, and provided the Bylaws or amendments are approved in writing by the Board of Directors.

REVISED, APPROVED AND ADOPTED BY THE BOARD OF DIRECTORS: 1/31/2018

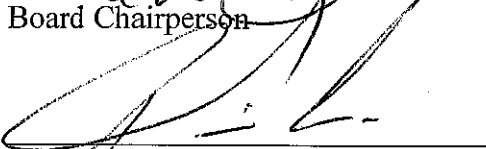
Maverick County Hospital District



Board Chairperson



Board Secretary/Treasurer



Vice Chairperson