

RESOLUTION NO. HA2022-01

A RESOLUTION OF THE CLINTON HOSPITAL AUTHORITY RECONSTITUTING THE CLINTON REGIONAL HOSPITAL GOVERNING BOARD AND APPOINTING GOVERNING BOARD MEMBERS

WHEREAS, the Lease Agreement with Clinton HMA, LLC (Alliance) for the operation of Clinton Regional Hospital terminates on December 31, 2022, and there is a need to provide for day-to-day governance of this vital healthcare facility; and

WHEREAS, the Trustees of the Clinton Hospital Authority, (hereinafter collectively called "The Authority") via Resolution No. 7 approved on April 3, 1973, constituted a management (governing) board for the Clinton Regional Hospital (hereinafter referred to as the "Hospital") in order to provide for the successful and stable operation of the Hospital,

WHEREAS, said Resolution No. 7 provides a suitable framework for the reconstitution of the Hospital Governing Board at this time via this Resolution, subject to further future amendments.

NOW THEREFORE, BE IT RESOLVED BY THE TRUSTEES OF THE CLINTON HOSPITAL AUTHORITY:

SECTION 1. ESTABLISHMENT OF BOARD.

There hereby is established the Clinton Regional Hospital Governing Board, (hereinafter referred to as the "Hospital Governing Board") for the performance of the duties and with the powers hereinafter set forth. Said Hospital Governing Board shall be composed of five (5) appointed members. A quorum of the Hospital Governing Board shall consist of at least three (3) members *to conduct any action on behalf of said Board.*

SECTION 2. QUALIFICATIONS

2.1 Appointment Qualifications:

Each of the members of said Hospital Governing Board shall possess the following qualifications:

- a. ***Adult citizenship of the United States of America;*** and
- b. Residence in the City of Clinton, Oklahoma, throughout the term of membership; with the exception of one (1) member from outside the corporate limits when deemed to be in the best interests of the hospital.

2.2 Limitation on Board Members:

No member of the Hospital Governing Board shall be eligible, without the prior written consent of the Authority:

- a. To enter into any contract with the Hospital Governing Board, or The Authority relating in any manner related to the Hospital.
- b. To profit in any manner, directly or indirectly, by reason of membership on the Hospital Governing Board; or
- c. To be eligible for employment by the Hospital Governing Board or The Authority within one (1) year after expiration of the term for which such member was appointed

SECTION 3 TERM, APPOINTMENT AND REMOVAL

3.1 Term

- a. Except as provided in (b) of this subsection, each member of the Hospital Board shall serve a term of five (5) years and until his successor respectively shall have been appointed and accepted the appointment: provided, that a member of the Hospital Governing Board may, in the discretion of The Authority, be appointed to succeed himself for consecutive terms.
- b. The respective terms of the persons constituting the Hospital Governing Board, as the initial members thereof, who shall serve until a successor respectively shall have been appointed and accepted the appointment shall be as follows (each of whose terms shall date from the date of this Resolution and extend to the end of the respective periods set forth below):

NAME	Term Expires
1. _____	2023
2. _____	2024
3. _____	2025
4. _____	2026
5. _____	2027

3.2 Appointment: The Authority shall appoint all members of the Hospital Governing Board as vacancies shall occur. In the event of a vacancy caused by other than expiration of a member’s term, the appointment shall be for the remainder of the unexpired term of the Hospital Governing Board member being replaced.

3.3 Removal: Any member of the Hospital Governing Board may be removed by The Authority for cause which shall include, but not be limited to, repeated failure to attend the meeting of the Hospital Governing Board or failure to abide by the provisions of this Resolution as herein provided, or in the event The Authority should deem itself to be insecure by reason of the financial condition of the Hospital.

SECTION 4. PERSONNEL

4.1 Chief Executive Officer (CEO)

a. If it is determined that a CEO is necessary, the Hospital Governing Board shall have exclusive authority to employ a Chief Executive Officer (CEO) for the Hospital and, subject to approval of The Authority, to fix the amount of compensation therefore. The CEO shall be selected with reference to the executive and CEO qualifications of the individual or firm. If the CEO is an individual, he/she need not be a resident of the City of Clinton, Oklahoma, or the State of Oklahoma at the time of his/her employment. The terms of the employment of the CEO shall provide for termination of his/her employment by the Governing Board at any time, subject to the approval of The Authority.

b. The administration of the hospital, and all of its departments and operating and maintenance employees, and the carrying out of policies, rules and regulations established by the Hospital Governing Board shall be vested in the CEO. Subject to the determination of the Hospital Governing Board, on recommendation of the CEO, of the categories, number and salaries to be paid to employees, the CEO shall have full power of employment, termination of employment and direction of such employees in the performance of their duties without interference by the Hospital Governing Board or any member thereof. The CEO shall be responsible and accountable for all property of the Clinton Regional Hospital.

c. The Hospital Governing Board, from time to time, may prescribe additional duties of the CEO.

d. Neither the Hospital CEO, the Hospital Governing Board, nor any other employee of the Hospital may appoint or employ any person related to any member of the Hospital Governing Board, the CEO, or to himself, or in the case of plural authority to one of its members by blood or marriage, within the third degree to any position in the Hospital without the prior approval of The Authority.

e. In the event it is determined that a CEO is necessary the Board may engage an entity (Corporation, Company, etc.) to occupy the position of CEO.

4.2 PROFESSIONAL MEDICAL STAFF AND PROFESSIONAL EMPLOYEES

The Hospital Governing Board shall have exclusive right and power to make appointments to the professional medical staff, and to employ, supervise and fix the compensation of auditors, hospital consultants, architects, and engineers employed in connection with the operation of the Hospital. The General Counsel of The Authority shall also be the attorney for the Hospital Governing Board.

4.3 MEDICAL STAFF, ETC

The medical staff, through the CEO, shall be made responsible for the clinical and scientific organization of the Hospital. The medical staff shall be subject to direction of

the conference committee and composed of a designee of the Hospital Governing Board, the CEO and the executive committee of the medical staff.

4.4 BONDS

The CEO shall furnish a fidelity bond in such amount and in such terms as shall be prescribed by The Authority and the surety shall be approved by The Authority. The Authority may require bond of any other employee or person connected with the Hospital, such bond, or bonds to be in amounts and terms prescribed by The Authority.

SECTION 5. FINANCIAL DUTIES.

5.1 BUDGET

The Hospital Governing Board shall prepare and submit to the Secretary of Trustees of The Authority, not later than thirty (30) days prior to the commencement of each fiscal year of The Authority, ten (10) copies of an annual budget for controlling the expenditures of the fund for the Hospital. Prior to the beginning of each fiscal year, The Authority agrees to establish an annual budget, and the Hospital Governing Board shall control all expenditures in accordance therewith. The Authority, from time to time upon request of the Hospital Governing Board, may supplement or amend items contained in the annual budget.

5.2 ACCOUNTING SYSTEM AND AUDITS

The Hospital Governing Board shall establish and enforce the maintenance of an adequate accounting system and periodical audits by Certified Public Accountants selected by The Authority which shall currently reflect the financial operations of the Hospital and, in all events, shall comply with all covenants of The Authority in connection with any indebtedness relating to the Hospital.

5.3 FEES AND CHARGES

The Hospital Governing Board, subject to the approval of The Authority, shall establish and enforce a uniform schedule of fees and charges to be made for the facilities provided by the Hospital. The fees and charges shall be in such amounts that the aggregate thereof shall comply with all covenants of The Authority in relation to any indebtedness incurred in connection with the Hospital and all money collected on account of the operation of the Hospital shall be deposited in funds and accounts in accordance with the terms of such indebtedness.

5.4 EXPENDITURES

Expenditures from the above-described Special Account shall be made by check of the CEO countersigned on such terms and in such manner as the Hospital Governing Board with the approval of The Authority shall prescribe. Expenditures shall be made solely for purposes previously authorized by the budget; Provided, that the Hospital Governing Board may authorize the CEO to expend limited amounts for emergencies

or minor administrative demands under such regulation as it shall establish. Timely payments shall be made of all sums required to comply with the covenants of The Authority in relation to its indebtedness and The Authority shall be notified in writing immediately of such payments.

5.5 CONTRACT AND EXPENDITURE OF PROCEEDS OF INDEBTEDNESS

Contracts for expenditure of proceeds of indebtedness for construction, installations, repairs, replacements, equipment, and supplies for the hospital shall be made by The Authority. The negotiating of or advertising for and entering into any said contract shall not be included within the duties or responsibilities of the Hospital Governing Board, but The Authority may, from time to time consult with and seek the advice of the Hospital Governing Board on any such matter.

SECTION 6. OPERATION OF HOSPITAL

The Hospital Governing Board shall have the duty of actual direction of the operation of the Hospital for and on behalf of The Authority, including, but not limited to the following:

- a. Determination and maintenance of the policies of the Hospital in relation to community needs.
- b. Providing for the maintenance of the equipment and facilities consistent with community needs for patients of the hospital.
- c. Maintenance of professional standards in relation to admission and care of patients.
- d. Coordination of professional interests with administrative, financial and community needs.
- e. Providing of all reasonable protection of patients in pursuance of the moral and legal responsibility of a hospital to its patients.

In satisfaction of these duties, the Board may utilize the expertise and advice of the CEO, or assign specific duties to the CEO for execution.

SECTION 7. REPORTS

The Hospital Governing Board shall make monthly reports to The Authority in relation to the operation and financial affairs of the Hospital in such detail and form as may reasonably be prescribed by The Authority, and a complete annual report and audit shall be made not later than sixty (60) days following the close of each fiscal year. The Hospital Governing Board shall appear at any meeting of The Authority upon request of the Chairman of Trustees of The Authority upon request of the Chairman of Trustees of The Authority communicated or delivered to the Hospital Governing Board not less than (1) day prior thereto.

SECTION 8 ORGANIZATION AND MEETINGS OF GOVERNING BOARDS

8.1 Organization

The Hospital Governing Board may determine its own method of organization, its officers and their duties and method of functioning, subject to the approval of The Authority

8.2 Meetings

The Hospital Governing Board shall meet in regular, special and/or emergency meetings in full compliance with the Oklahoma Open Meeting Act. It shall meet regularly not less than once each month.

Failure of any member of the Hospital Governing Board to attend at least seventy-five per cent (75%) of regularly scheduled meetings in any fiscal year without just cause shall result in automatic removal from membership, or in the event any member of the Hospital Governing Board fails to attend three (3) consecutive regularly scheduled meetings without cause shall result in the automatic removal from membership, in each instance, unless The Authority shall otherwise determine

Adopted this _____ day of _____, 2022

David D. Berrong
Chairman

ATTEST: (SEAL)

Amy E. Jones
Secretary