CRAWFORD HOSPITAL DISTRICT

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ORDINANCE 98-1

AN ORDINANCE ADOPTING BYLAWS OF
CRAWFORD HOSPITAL DISTRICT

BE IT ORDAINED BY THE TRUSTEES
OF CRAWFORD HOSPITAL DISTRICT:

That the Bylaws of Crawford Hospital District ("Hospital District") shall be as follows:

BYLAWS

ARTICLE I
Nature and Powers of the Hospital District

SECTION I.

The Hospital District shall constitute a municipal corporation and body politic separate and apart from any other municipality, the State of Illinois, or any other public or governmental powers and shall have all powers incidental, necessary, convenient, or desirable to carry out such express powers, including the following:

A. To establish and maintain a hospital and related healthcare facilities within its Hospital District limits and to construct, acquire, develop, expand, extend, and improve any such hospital or related healthcare facility.

B. To approve the provision of any service and to approve any contract or other arrangement not prohibited by a hospital licensed under the Hospital Licensing Act, incorporated under the General Not-For-Profit Corporation Act, and exempt from taxation under paragraph (3) of subsection (c) of Section 501 of the Internal Revenue Code.

C. To acquire land in fee simple, rights in land and easements upon, over, or across land and leasehold interests in land and tangible personal property used or useful for the location, establishment, maintenance, development, expansion, extension, or improvement of any such hospital or healthcare facility. Such acquisition may be by dedication, purchase, gift, agreement, lease, use, or adverse possession or by condemnation.

D. To operate, maintain, and manage Crawford Memorial Hospital, 1000 North Allen Street, Robinson, Illinois and related healthcare facilities, and to make and enter into contracts for the use, operation, or management of and to provide rules and regulations for the operation, management or use of such hospital or healthcare facility.

E. To fix, charge, and collect reasonable fees and compensation for the use or occupancy of such hospital or any part thereof, or any healthcare facility and for nursing care, medicine, attendance, or other services furnished by such hospital or healthcare facility according to the rules and regulation prescribed by the Trustees from time to time.

F. To borrow money and to issue bonds, notes, certificates, or other evidence of indebtedness for the purpose of accomplishing any of its corporate purposes, subject to compliance with any condition

or limitation set forth in these Bylaws, the "Hospital District Law", the Health Facilities Planning Act or otherwise provided by the Constitution of the State of Illinois.

G. To employ or enter into contracts for the employment of any person, firm, or corporation and for professional services necessary or desirable for the accomplishment of the corporate objectives of the Hospital District or the proper administration, management, protection, or control of its property.

H. To maintain such hospital or related healthcare facilities for the benefit of the inhabitants of the area comprising the Hospital District who are sick, injured, or maimed regardless of race, creed, color, national origin, religion, sex, handicap, age, or other legally protected characteristic and to adopt such reasonable rules and regulations subject to state and federal regulations as may be necessary to render the use of the hospital to the greatest benefit to the greatest number; to exclude from the use of the hospital all persons who willfully disregard any of the rules and regulations so established, to extend the privileges and use of the hospital to persons residing outside the area of the Hospital District upon such terms and conditions as the Trustees prescribe by its rules and regulations.

I. To secure its property and to exercise policy powers in respect thereto or in respect to the enforcement of any rule or regulation provided by the ordinances of the Hospital District.

J. The powers and duties, rights and limitations, and obligations set forth and expressed in these Bylaws shall be subject and subservient to the Hospital District Law of the State of Illinois, as it now exists or hereafter may be amended. If any part of these Bylaws shall be in conflict with any law of the State of Illinois, either contained in the Hospital District Law or otherwise, the law of the State of Illinois shall control and these Bylaws shall be considered to have been amended thereby in like manner as if amended by the action of the Trustees.

K. The Trustees may authorize the establishment of Auxiliary and associate organizations to assist in the fulfillment of the purposes of the Hospital District. Each such organization shall establish its Bylaws and rules and regulations and make amendments thereto which shall be subject to the Trustees' approval and which shall not be inconsistent with these Bylaws or other rules and regulations of the Trustees. Such Auxiliary and associate organizations shall review and revise their own Bylaws and rules and regulations as needed, but not less than once every five years.

L. The Hospital District shall indemnify any present or former Trustee or officer engaged in Hospital District business. Such indemnity shall be for expenses and costs actually and necessarily incurred by the Trustee in connection with the defense or settlement of any pending or threatened action, suit, or proceeding to which is made a part by reason of being or having been such official, except in matters as to which the Trustee shall be finally adjudged to be liable of willful misconduct amounting to bad faith.

M. Trustees and Officers' Liability Insurance shall be purchased by the Hospital District for the Trustees. The Hospital District shall pay from its general assets any deductible expense not covered by insurance on behalf of any officer or trustee who incurs liability, which is not fully insured, provided that such expense shall not be reimbursed if the liability is not covered under the exclusions to the policy of Trustees and Officers' Insurance which is purchased.

N. To provide education and training for hospital personnel and the Trustees as, in the opinion of the Trustees, may be justified by the facilities, personnel, funds, or other requirements that are or can be made available.

O. To maintain one level of quality patient care at the optimally achievable level through an organized Quality Assurance & Performance Improvement Program.

P. Ensure that an effective compliance program exists and information on compliance with applicable laws comes to the Board's attention in a timely manner.

Q. To improve the standards of healthcare in the community by managing, operating, or participating in, so far as hospital policy, circumstances, and available funds may warrant, any activity designed to promote the general health of the community.

R. To establish other non-profit corporate structures under the ownership, direction, and control of the Hospital District as allowed by the Hospital District Law and the laws of the State of Illinois if such structures are reasonable and necessary to accomplish the mission of the Hospital District.

S. The Trustees shall be responsible for the establishment of the Medical Staff as well as overseeing the functions/activities of the Medical Staff. The Bylaws and the Rules and Regulations of the Medical Staff shall, after initial approval by the Board, be reviewed and resubmitted in conjunction with the Medical Staff review. The Medical Staff shall govern itself via officers and committee structures according to their Bylaws. All amendments to the Medical Staff Bylaws and the Rules and Regulations must be presented to the Trustees for approval.

T. To levy and collect a general tax on all of the taxable property within the corporate limits of the Hospital District for purposes of paying the cost of operating and maintaining the hospital or any hospital facility of the Hospital District, and any other corporate expenses of the Hospital District.

SECTION 2.

The mission of the Hospital District is to provide and continuously improve high quality and cost-effective health care services.

ARTICLE II
Location of Office

SECTION 1.

The official office of Crawford Hospital District shall be the Chief Executive Officer's office at Crawford Memorial Hospital, 1000 North Allen Street, Robinson, IL.

ARTICLE III
Governing Board

SECTION 1: Trustees

The Hospital District shall be governed by a Board of nine (9) Trustees appointed by the County Board of Crawford County, Illinois. Such appointments shall be made without regard to race, creed, color, religion, sex, national origin, handicap, age, or other legally protected characteristic. The

Trustees shall possess and exercise all the legislative and executive powers of the Hospital District. Trustees shall serve staggered three (3) year terms or until a successor has been appointed and qualified, except any whose appointment is made to fill a vacancy, in which case such Trustee shall serve for the remaining term of the position vacated. The Trustees shall have charge, control, and management of the property, affairs, and funds of the Hospital District and shall have the power and authority to do and perform all acts and functions not inconsistent with these Bylaws and the Hospital District Law of the State of Illinois.

SECTION 2: Qualifications

A qualified person shall include persons who, with a commitment to health care, possess a willingness to serve and who represent a variety of skills and interests. No person shall be eligible to become or remain a Trustee of Hospital District who is not a bona fide resident of the territory within the Hospital District. Should any Trustee cease to reside within the territory of the Hospital District, his office shall be deemed vacated and shall be filled according to law. No person shall be eligible to become or remain a Trustee of the Hospital District who is an officer or employee of any municipality of the State of Illinois or the United States of America, or of any other public agency, excepting, however, that membership on any previously existing hospital board shall not preclude any person from serving as a Trustee of said Hospital District.

No person shall be eligible to become or remain a Trustee of the Hospital District who has a continuing financial or professional interest in the Hospital District. Annually, Trustees shall complete a Statement of Economic Interests and submit it to the Crawford County Clerk. Trustees shall not have undisclosed conflicts of interest with the Hospital District or related healthcare facilities. Trustees can make an exception on fully disclosed activities of a one-time or minor nature under certain circumstances. In these cases, Trustees with disclosed conflicts of interest must refrain from voting on the item of business relating to the conflict. The minutes of the meeting shall reflect the disclosure and subsequent abstention by the disclosing Trustee. All other conflicts of interest must be reported to the Crawford County Board for a final determination in accordance with the Hospital District Law.

The qualifications of individuals to serve on the Board of Trustees shall be determined in accordance with 50 ILCS 105/3.2 to prevent fraudulent and corrupt practices in the making or accepting of official appointments and contracts by public officers.

It is the recommendation of the Crawford Memorial Hospital Board that the Board consist of at least one (1) and not more than two (2) physician representatives.

SECTION 3: Compensation

Trustees, as such, shall not receive any salary or compensation for the performance of their services as Trustees. However, nothing herein contained shall be construed to preclude any Trustee or committee member from receiving reimbursement for actual out-of-pocket expenses incurred in the performance of duly authorized business for the Hospital District.

SECTION 4: Duties and Responsibilities of the Board

The Trustees acting as a whole shall:

A. As an organized governing body, or designated persons so functioning, be responsible for establishing policy, maintaining quality patient care, and providing for institutional management and planning.

B. Provide resources and support for performance improvement, risk management, safety, infection control, compliance, and any other program(s) to improve the quality of patient care.

C. Receive, review, and take appropriate action concerning Quality Assurance & Performance Improvement (QAPI) Reports from the Chief Executive Officer making certain the Hospital's QAPI Plan is being implemented properly and that the quality of care is maintained at the optimally achievable level. Any involvement of individual Trustees in questions concerning patient care or physician care of an individual patient shall be handled according to the Chain of Command.

D. In collaboration with Administration, Medical Staff, Nursing, and other departments/services, participate in organizational planning. Annually review and approve operating, cash flow, and capital expenditure budgets for the ensuing year, long-range plans and budgets and revisions thereof, and such other plans and budgets as may from time to time be requested.

Within the first quarter of the fiscal year, adopt an appropriate ordinance appropriating such sums of money as are deemed necessary to pay the costs of operating and maintaining the hospital facilities located within the corporate limits of the Hospital District and under the jurisdiction thereof and other expenses of the Hospital District and specifying the purpose of each appropriation made. After the adoption of the appropriation ordinance and on or before the first Tuesday in December of each year, the Trustees shall ascertain the total amount of the appropriations legally made which are to be provided for from the tax levy that year. Then, by ordinance specifying in detail the purposes for which such appropriations have been made and the amounts appropriated for such purposes, the Trustees shall levy not to exceed the total amount so ascertained upon all the property subject to taxation within the Hospital District as the same is assessed and equalized for state and county purposes for the current year. A certified copy of such ordinance shall be filed on or before the last Tuesday in December with the Crawford County Clerk.

E. Receive recommendations from the Medical Staff and make the final decision in regards to all appointments to the Medical Staff of the Hospital and on assignments of responsibilities within the Medical Staff, including delineation and scope of privileges, reappointments and reductions, extensions, suspensions or terminations of privileges. When the Trustees do not concur with the Medical Staff's recommendations, there must be a review of the recommendations by the Joint Conference Committee within 14 days before the Trustees reach a final decision.

F. Make the final decisions upon recommendations from the Medical Staff as to the types and extent of professional work permitted to be done by each member of the Staff.

G. Forward all applications for appointment to the Medical Staff in writing to the Chief Executive Officer of Crawford Memorial Hospital. The applications shall contain full information concerning the applicant's education, health, licensure, practice, previous hospital experience, and

any unfavorable history with regard to licensure and hospital privileges. Ensure all members of the Medical Staff including Allied Health Professionals maintain liability coverage of a minimum of $1 Million/$3 Million.

H. Administer all initial appointments and modifications of appointments which shall be for a period of six (6) months. Monitor renewal of professional appointments which shall be for a period not to exceed two (2) six (6)-month periods. Administer reappointments to any category of the staff which shall be for a period of two (2) years. When an appointment is not to be renewed or when privileges have been or are proposed to be reduced, altered, suspended, or terminated, the practitioner shall be entitled to the procedure rights handled in a manner to afford Crawford Memorial Hospital maximum immunity pursuant to HCQI. Such hearings shall be conducted under procedures adopted by Trustees so as to ensure due process and to afford full opportunity for the presentation of all pertinent information.

I. Make the final decision upon recommendations from the Medical Staff in regards to the adoption of amendments to, or repeal of, rule and regulations governing the Medical Staff.

J. Review reports from the Chief Executive Officer concerning the Hospital Safety Program to include safety rules and regulations, policies and procedures pertaining to safety within the Hospital and on its grounds, including an education program for employees, and incident reporting system, and a regular risk management program.

K. Review the Chief Executive Officer's performance against stated objectives in Annual Management Plan annually or more frequently, if necessary.

L. Review the attendance records of each Trustee at regular scheduled monthly Board Meetings. Trustees are allowed no more than three (3) unexcused absences per fiscal year. Upon obtaining three unexcused absences, the Chairperson of the Board shall follow the guidelines of the Board Policy regarding meeting attendance.

M. Periodically attend continuing education seminars to stay abreast of the changing healthcare environment. New Trustees will be given a thorough orientation starting within one (1) month of their appointment to the Board.

N. Annually conduct a Trustee self-evaluation in writing to identify specific areas of improvement which would enhance overall Trustee performance.

O. Review and revise Bylaws and Board Policies and Procedures as warranted, but not to exceed three (3) years.

P. Devote such time to the duties of the Trustee as the faithful discharge thereof may require and shall serve without compensation. However, this shall not be construed to preclude any Trustee or Committee Trustee from receiving reimbursement for actual out-of-pocket expenses incurred in the performance of duly authorized business for the Hospital District.

SECTION 5: Emeritus Trustees

Trustee Emeritus are former members of the Trustees of the Hospital District who, because of their continuing support and involvement over the years, are honored through appointment to an emeritus position. To qualify as a Trustee Emeritus, individuals must have served as a Trustee of the

Hospital District for a minimum of ten (10) years, retired from their position as Trustee while in good standing , and be appointed by unanimous vote of the Trustees. Trustee Emeritus shall have no assigned duties or responsibilities nor will they be allowed a vote on matters that come before the Trustees, Committees of the Trustees, or the proceedings of the Trustees.

SECTION 6: Removal of Board Trustees

The Board of Trustees has the power to remove Trustees who fail to perform the expected duties of a Board Trustee. The Chairperson of the Board shall recommend to the full Board either at a regular meeting or a special meeting the removal of a trustee in violation of Board policy. A recommendation for removal from the Board may be made because of:

1. negligence of Board duties and responsibilities
2. failure to attend Board meetings regularly
3. acting in any manner detrimental to the Hospital District
4. no longer a resident of the territory of the Hospital District
5. unwilling or unable to act
6. guilty of misconduct or malfeasance in office

If a Trustee is disqualified, guilty of misconduct or malfeasance in office, or unwilling or unable to act, the Crawford County Board shall notify the Trustee of that fact in writing and it shall be the duty of the Trustee to show cause why he should not be removed. Any such Trustee shall be given a hearing by the Circuit Court and, after such hearing, if the Circuit Court finds such a charge should be sustained, it shall remove the Trustee so charged from office and a vacancy shall thereupon exist for the unexpired term of such office.

ARTICLE IV
MEETINGS OF THE BOARD OF TRUSTEES

SECTION 1: Annual Meeting

The Annual Meeting of the Trustees of Hospital District for the election of officers and for the transaction of such other business as shall come before it shall be held at such hour and in such place in the City of Robinson, Illinois as may be designated in the notice of said meeting hereinafter provided for on the third Wednesday in the month of December in each year, if such day be not a legal holiday, and if a legal holiday, then on the next succeeding day which is not a legal holiday.

SECTION 2: Regular Meetings

There shall be regular meetings of the Trustees of Hospital District at 1000 North Allen Street, Robinson, Illinois on the third Wednesday of each month in each year, if said date be not a legal holiday, and if legal holiday, then on the next succeeding day which is not a legal holiday. In the event of conflicts, the Board may schedule Regular Meetings other than the third Wednesday. The Trustees can vote to cancel a monthly meeting as long as no more than 3 monthly meetings are canceled in a year. The Annual Meeting shall satisfy the monthly meeting requirement for the month of December.

SECTION 3: Special Meetings

Special Meetings of the Trustees of the Hospital District may be held at such place in the County of Crawford, Illinois as may be designated in the notice hereinafter provided for at any time upon call of the Chairperson, or any three (3) other members of the Trustees.

SECTION 4: Notice of the Meeting

A. Notice of the Annual Meeting of the Trustees shall be given by the Secretary of the Trustees or designee to all members of the Trustees by placing said notices in the United States mail, or transmitted via email or other electronic communication at least ten (10) days before the time of said meeting. Said notices shall contain the statements that officers will be elected at said meeting and shall designate the time and place of said meeting.

B. Notice of Regular Meetings of the Trustees shall be given by public notice of the schedule of regular meetings at the beginning of each calendar year and shall state the regular dates, times, and places of such meetings. If there is a change in the regular meeting dates, at least ten (10) days' notice of such change will be given by publication in a newspaper of general circulation in the area of Hospital District. Notice of such change shall also be posted at Crawford Memorial Hospital and supplied to the news media which have filed an annual request for notice.

C. Notice of Special Meetings of the Trustees of the Hospital District shall be given by the Secretary of the Trustees or designee by placing such notices in the United States Mail prepaid, or transmitted via email or other electronic communication at least forty-eight (48) hours prior to the time set for said meeting. Said notices shall state the time and place of the Special Meeting, whether it was called by the Chairperson of the Trustees or by three (3) other members, and the general nature of the business to be transacted at said meeting.

D. Attendance of a Trustee at any meeting shall constitute a waiver of notice of such meeting except where a Trustee attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 5: Quorum

A majority of the entire Board of Trustees, at any duly called Annual, Regular, or Special meeting of the Trustees shall constitute a quorum for the transaction of business and a majority of the quorum present may adjourn from time to time.

SECTION 6: Procedure

A. At all meetings of the Trustees of the Hospital District, the Chairperson, or in the Chairperson's absence, the Vice Chairperson, shall preside. The Secretary, or in the Secretary's absence, a person appointed by the presiding officer, shall cause a record of the proceedings to be entered in the minutes book of the Trustees.

B. Action of the Trustees of the Hospital District of a legislative character shall be in the form of an ordinance and after adoption shall be filed with the Secretary of the Trustees and shall be made a matter of public record in the office of the Hospital District. Other action of the Trustees may be by resolution, motion, or in other appropriate form and executive or ministerial duties may be

delegated to one or more Trustees or to an authorized officer, employee, agent, attorney, or other representative of the Hospital District. The enacting clause of any ordinance shall be substantially as follows: "Be it ordained by the Trustees of Crawford Hospital District."

C. The Chief of the Medical Staff shall serve as the principal elected official of the Medical Staff and will represent the Medical Staff at the monthly Hospital District Trustees Meetings and report to them each month on the results of the Medical Staff Committees, functions, and activities. This person shall serve as a liaison between the Trustees and the Medical Staff. In this role, they are responsible for voicing the Medical Staff's concerns with respect to items brought before the Trustees at regularly scheduled meetings.

ARTICLE V
OFFICERS

SECTION 1: Enumeration

The officers of the Hospital District shall consist of a Chairperson, a Vice Chairperson, a Secretary, and a Treasurer. The Chairperson, Vice Chairperson, Treasurer, and Secretary shall be Trustees.

SECTION 2: Election and Terms

All officers elected at the Annual Meeting of the Trustees shall, subject to removal powers hereinafter set out, hold office for a term of two years. Elections are held at the next Annual Meeting of the Trustees and until their successors are appointed and qualify.

SECTION 3: Removal

Officers who are Trustees automatically cease to be officers, whether or not membership is a requirement for such office, upon removal from the Trustees under any of the provisions of the Hospital District Law. Any officer may be removed from office with or without cause and at any time, by the affirmative vote of a majority of all the Trustees.

SECTION 4: Vacancies

In the event of any vacancy in any office from whatever cause, the Trustees, by the affirmative vote of a majority of the Trustees present at any Regular or Special Meeting at which there is a quorum, may fill the vacant office for the unexpired term, provided that such action may not be taken at a Special Meeting unless such action is set out in the notice of said Special Meeting.

SECTION 5: Powers and Duties

A. Chairperson: The Chairperson shall be the Executive Officer of the Hospital District. The Chairperson shall see that all resolutions, motions, and orders of the Trustees are carried into effect; shall perform all such duties as may from time to time be assigned by the Trustees; shall exercise active supervision over the affairs of the Hospital District; and shall have all powers vested in the Chairperson of the Trustees of the Hospital District Bylaws. The Chairperson shall execute all contracts and agreements authorized by the Trustees. The Chairperson shall

execute all instruments required to be under the seal of the Hospital District when authorized and directed to do so by the Trustees. The Chairperson will not vote unless to break a tie.

B. Vice Chairperson: The Vice Chairperson shall act as Chairperson in the absence of the Chairperson, and when so acting, shall have the powers and authority of the Chairperson.

C. Secretary: The Secretary or designee shall record the minutes of all meetings and proceedings of the Trustees in a book or books provided for that purpose. The Secretary shall attend to the giving of all notices provided by the Bylaws. The Secretary shall have custody of the seal of the Hospital District and shall affix the same attested by signature, to all instruments required to be under the seal of the Hospital District. The Secretary shall, in general, perform such other duties as may be from time to time prescribed by the Trustees or the Chairperson and are incident to the office of Secretary of the Hospital District under the laws of the State of Illinois.

D. Treasurer: The Treasurer shall take reasonable and prudent measures to protect the assets of the Hospital District. Whenever required by the Chairperson or by a majority of the Trustees, the Treasurer or designee shall render regular or special reports of acts as Treasurer and shall annually at the first meeting of the Trustees in each new fiscal year render a report of acts as Treasurer during the fiscal year last passed.

E.

ARTICLE VI
SIGNATURES, ENDORSEMENTS, ETC.

SECTION 1: Signatures

In accordance with Board policy, checks and vouchers of the Hospital District shall be signed by persons authorized by resolution of the Trustees. All bonds or notes shall be signed by the Chairperson and Secretary of the Trustees.

SECTION 2: Endorsements

Checks, drafts, notes, and other negotiable instruments payable to the Hospital District or to its order may be endorsed for collection or deposit by an officer or any person authorized by the Trustees.

SECTION 3: Surety Bonds

All officers and employees authorized to receive or retain the custody of money or to sign vouchers, checks, warrants, bonds, or other evidence of indebtedness binding upon Hospital District shall furnish a surety bond for the faithful performance of their duties and the faithful accounting for all monies that may come into their hands, said bonds to be in an amount to be fixed by and in a form to be approved by the Trustees. The cost and premiums of said bonds are to be paid by the Hospital District.

ARTICLE VII
RECORDS OF THE HOSPITAL DISTRICT

The Secretary or designee shall procure and provide for the proper and safe keeping of appropriate records, books, and files in which shall be recorded and preserved all actions taken by the Trustees on behalf of the Hospital District, together with duly approved and attested copies of all ordinances and resolutions passed by the Trustees, all reports required by law, these Bylaws, or other actions of the Trustees or officers of the Hospital District to be filed with the Secretary. The Treasurer shall procure proper books or other records of account in which he shall keep a true and accurate account of all receipts and disbursements of the Hospital District. All such records shall be available for inspection at any reasonable time by any officer or employee of the United States or of the State of Illinois authorized to make such inspection, and by any member of the Trustees. Any other person may, on application to the officer charged with keeping such records, examine them at a time and under conditions convenient for said officer in keeping of said records.

ARTICLE VIII
COMMITTEES OF THE TRUSTEES OF CRAWFORD HOSPITAL DISTRICT

SECTION 1:

Committees of the Trustees of Hospital District shall be standing or special. Members of the committees shall be appointed by the Chairperson unless otherwise specified. Standing committees shall be an Executive Committee, a Finance Committee, a Buildings and Grounds Committee, and Quality/Safety Committee. The Joint Conference Committee and such other special Committees as the Trustees may authorize shall meet as needed.

SECTION 2:

The Executive Committee shall consist of the Chairperson, Vice Chairperson, the Treasurer, and the Secretary. The Chairperson of the Trustees shall only vote in the case of a tie vote.
The Executive Committee shall have power to transact all regular business of the hospital during the interim between the meetings of the Trustees provided any action taken shall not conflict with the policies and as directed by the Trustees, and that it shall refer all matters of major importance to the Trustees. The Committee will also ensure compliance with State and Federal regulations and other regulating entities. The minutes of the Executive Committee meetings shall be presented to the Trustees at the next regularly scheduled meeting. Acceptance of these minutes shall constitute ratification of the Executive Committee's actions.

SECTION 3:

The Finance Committee shall consist of the Treasurer as Chairperson and three (3) other members of the Trustees. It shall cause to be prepared and submit to the Trustees an annual operating and capital budget and shall prepare an Appropriation Ordinance during the first quarter of each fiscal year and shall prepare and submit to the Trustees for adoption an annual Tax Levy Ordinance on or before the first Tuesday in December of each year. A certified copy of such Ordinance is to be filed with the Crawford County Clerk on or before the last Tuesday in December. It shall be the further duty of the Finance Committee to examine the monthly financial reports and perform such other duties as may be referred to it by the Trustees.

SECTION 4:

The Buildings and Grounds Committee shall have general responsibility for the physical plant of the hospital as to additions, alterations, repairs, and maintenance. This committee shall have the authority to act on the recommendations of the appropriate accrediting and inspecting agencies in order to maintain the health, safety, and well-being of the Hospital District's patients, visitors, and employees. The actions of this committee must be reported to the Trustees at their next regularly scheduled meeting for ratification.

SECTION 5 :

The Quality / Safety Committee shall ensure the health system has a culture of quality and utilizes a plan to improve quality and patient safety as well as employee safety.

SECTION 6:

Special committees may be appointed by the Chairperson 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 action of the Trustees. Upon completion of the task for which appointed, such special committee shall stand discharged. On any committee that deliberates issues affecting the discharge of Medical Staff responsibilities, there shall be Medical Staff representation.

The Joint Conference Committee shall consist of the four (4) members of the Executive Committee Board Trustees (Chairperson, Vice Chairperson, Treasurer, and the Secretary) and four (4) members of the Active Medical Staff consisting of the Chief of Staff, Vice Chief of Staff, and two (2) additional members selected by the Chief of Staff respectively. The Committee shall meet as required in order to maintain an effective mechanism for communication between members of the governing body, the Administration, and the Medical Staff. A written record of the proceedings and recommendations of the Committee shall be provided to the Trustees and the Medical Staff. The Chairpersonship of this committee shall be held by the Chairperson of the Trustees who shall only vote in the case of a tie vote. The Joint Conference Committee shall conduct itself as a forum for the discussion of matters of Hospital policy and practice on matters of a medico-administrative nature requiring agreement among the Trustees, Staff, and Administration.

SECTION 7 :

A member of any committee of the Trustees may resign at any time by tendering his or her resignation in writing to the Chairperson of the Trustees. Resignation as a Trustee shall also constitute resignation as a member of any committee of the Trustees. The Trustees may, by a majority vote, remove any member from a committee of the Trustees. Members shall continue to serve on committees until a successor is appointed unless involuntarily removed.

SECTION 8:

A committee may not: (1) adopt a plan for the distribution of the assets of the Hospital District, or for dissolution; (2) approve any act required to be approved by the Board of Trustees; (3) fill vacancies on the Board of Trustees or on any of its committees; (4) elect, appoint, or remove any officer or Trustee or member of any committee; (5) adopt, amend, or repeal the Bylaws or the Articles of Incorporation; (6) adopt a plan of merger or adopt a plan of consolidation, or authorize the sale, lease, exchange, or mortgage of all or substantially all the property or assets of the Hospital District; or (7) amend, alter, repeal, or take action inconsistent with any resolution or action of the Board of Trustees when the resolution or action of the Board of Trustees provides by its terms that it shall not be amended, altered, or repealed by action of a committee.

ARTICLE IX
ADMINISTRATION

SECTION 1:

The Trustees shall select and employ a competent, experienced Chief Executive Officer who shall be its direct executive representative in the management of the hospital and related health care facilities. This Chief Executive Officer shall be given the necessary authority and held responsible for the administration of the hospital and related healthcare facilities in all their activities and departments, subject only to such policies as may be adopted and such orders as may be issued by the Trustees or by any of its committees to which the Trustees have delegated power for such action. The CEO shall act as the "duly authorized representative" of the Trustees in all matters in which the Trustees have not formally designated some other person for that specific purpose.

SECTION 2:

The authority and duties of the Chief Executive Officer shall include the responsibility to:

A. Carry out all policies and procedures as established by the Trustees.

B. Provide an orientation program for new Trustees and continuing Trustee education programs for all Trustees based, at least in part, on identified needs.

C. Report to the Trustees and to the Medical Staff on the overall activities of the Hospital to include Hospital Quality Assurance & Performance Improvement, Risk Management, and Safety Programs to include an Incident Reporting System as well as appropriate federal, state, and local developments that affect the operation of the hospital.

D. Provide the Hospital's Quality Assurance & Performance Improvement Committee with adequate support and personnel reasonably required to carry out their Quality Assurance & Performance Improvement Activities.

E. Organize the functions of the hospital, delegating duties and establishing formal means of accountability on the part of subordinates.

F. Establish, review, and where appropriate, adjust changes within the framework of policies established by the Trustees.

G. Negotiate and finalize professional, consultant, and service contracts in accordance with Trustee policies for submission to the Trustees for approval.

H. Establish such hospital service areas as necessary.

I. Implement policies and procedures of Internal Control for the hospital.

J. Select, employ, evaluate, control, and discharge employees. Maintain competent employees through criteria-based performance appraisals. Ensure all employees are competent in age-appropriate care, assessment, and treatment plans. Develop and maintain personnel policies and practice for the hospital.

K. Maintain physical properties in a good state of repair and good operating condition.

L. Supervise business affairs to ensure that funds are collected and expended to the best possible advantage.

M. Direct the preparation of annual operating, capital, and cash flow budgets, strategic management plan, long range facilities plan and revise same with participation from the Medical Staff, Nursing Department, other departments, and appropriate advisors.

N. Recommend adequate hospital insurance coverage and direct effective Safety and Risk Management Programs.

O. Support Medical Staff and Hospital Staff to ensure professional services are rendered to all patients consistent with CMH's Quality Assessment Performance Improvement (QAPI) plan.

P. Prepare and submit reports as may be required including those attesting to the level of care.

Q. Attend meetings of the Trustees and committees thereof. Serve as liaison officer and convey all communications between Ovation Healthcare, the Trustees, the Medical Staff, and Hospital Employees.

R. Ensure that the hospital complies with the requirements of authorized planning, regulatory, and accreditation agencies, including the accrediting bodies; review and act promptly upon the report of such agencies.

S. Designate in writing other individuals, by name or position, who are, in order of succession, authorized to act during any period of absence from the hospital.

T. Assist community volunteers or organizations who are not affiliated with Crawford Hospital District with policies, management, and services when called upon.

U. Perform any other duty within the express or implicit terms of his duties hereunder that may be necessary for the best interest of the hospital.

V. Subject to the approval of the Trustees, the Chief Executive Officer shall be given the authority to negotiate, enter into, modify, and terminate all contracts.

ARTICLE X
ADOPTION & AMENDMENTS OF BYLAWS

A. The Trustee Bylaws shall be adopted by a majority of the entire Board of Trustees.

B. Amendments to the Bylaws shall be made by a majority of the entire Board of Trustees.

BOARD OF TRUSTEES BYLAWS

Reviewed/
Revised: July 1992
April 1995
April 1998
Dec. 2005
Oct. 2012
April 2013
Feb. 2016
Nov. 2017
April 2019
September 2023
July 2026

Crawford Memorial Hospital

Board Policies and Procedures

Title/Description:	Board Policies		
Page:	1 of 2		
Effective Date:		Last Review Date:	7/2026
Review Due:	2029	Last Revision Date:	7/2026
Applies to:	CMH Board of Trustees	Approved by:	CMH Board

1.1 Purpose

The Board, as the Crawford Memorial Hospital (CMH) governing body, is entrusted with the authority to establish policy for the governance of CMH. Board policy establishes the parameters and guidelines for Board Trustees, committees, management, and staff.

The purposes of our policies are to:

- Inform everyone of board intent, goals, and aspirations
- Prevent confusion among Board Trustees, staff, and the public
- Promote consistency of board action
- Eliminate the need for instant (crisis) policy making
- Reduce criticism of the Board and management
- Improve public relations
- Clarify Board Trustee, Chief Executive Officer, and staff roles
- Give management a clear direction from the Board

1.2 Management policies are not Board policies

The CMH Board distinguishes between Board policies and management policies. Board policies establish the broad parameters within which Board, management, and staff will operate. Management policies developed and implemented by the Chief Executive Officer outline the specifics of how the organization and staff will operate within Board policy.

Personnel policies are an example of management policy developed by the Chief Executive Officer. The Chief Executive Officer develops the personnel policies appropriate for staff. The Chief Executive Officer then informs the Board that personnel policies are in place and provides Board Trustees with access to the Personnel Policy Handbook. The Board is not directly involved with developing personnel policies other than to ensure that the Chief Executive Officer has carried out that project.

Once the Board officially adopts a new Board policy, that policy is the standard for dealing with the subject matter covered by the policy. If an issue comes before the Board that is not in line with existing policy, the issue is out of order and will be considered only in terms of policy change.

1.3 Policy requires a majority vote of the Board

All policy decisions will be made by majority vote of the Board and only at Board Meetings. Before adopting any policy, all Board Trustees will receive a copy of the proposed policy in advance of the meeting at which the vote is to be taken.

1.4 Source of policies

Policies may be recommended to the Board by committees of the Board, individual Board Trustees, or the Chief Executive Officer. All proposed policies will be researched to ensure that they are in compliance with applicable laws and regulations, and do not contradict previously established policies or Bylaws of CMH. If approved by the Board, policies will be written, coded, dated at time of approval, and included in all copies of the Board Policy Manual.

1.5 Considerations for all policies

All policies proposed to the Board should meet the following criteria. Is the proposed policy:

- Really necessary for good operation of CMH?
- Consistent with our mission statement?
- Within the scope of Board authority?
- Consistent with local, state, and federal law?
- Compatible with other policies of this Board?
- Practical?
- Broad enough to cover the subject completely?
- Enforceable?

1.6 Accountability for carrying out policies

The Chief Executive Officer will be accountable to the Board for carrying out CMH policies, and ensuring that all policies are effectively communicated to the employees.

1.7 Distribution of policy manual

A copy of the Board Policy Manual will at all times be available in the CMH Administrative Office for review and inspection by Board Trustees.

1.8 Amendment or suspension of policy

All Board policies will be reviewed by the Board or a committee of the Board for accuracy and appropriateness, and recommendations will be made to the Board for amendment, addition, or elimination. These Board Policies and Procedures shall be reviewed and revised as warranted, and shall be reviewed at least every three (3) years. Except as otherwise provided by law, any policy of the Board may be suspended, repealed, amended, or waived by a majority vote of the Board only at Board Meetings.

Title/Description:	**Corporate Structure and Board Organization**		
Page:	1 of 17		
Effective Date:		Last Review Date:	7/2026
Review Due:	2029	Last Revision Date:	7/2026
Applies to:	CMH Board of Trustees	Approved by:	Board of Trustees

2.1 Establishment of the Organization

Crawford Memorial Hospital (CMH) has dual status as an Illinois Hospital District organized under the Hospital District Law and a non-profit entity under the laws of this state. The Board of Trustees is established as the authority to operate CMH in accordance with Bylaws and Board Policies.

CMH business will be conducted in accordance with the federal, state, and local laws and regulations, the corporation's Articles of Incorporation, Bylaws of the Corporation, Board Policies, and generally accepted business practices that will accomplish the CMH mission.

2.2 Authority of the Board of Trustees

CMH is governed by a Board of nine (9) Trustees appointed by the County Board of Crawford County, Illinois. The Trustees, as a group, shall possess and exercise all the legislative and executive powers of the District. Each Trustees of the CMH Board, together with other Trustees of the Board, is legally and morally responsible for all activities of CMH. All Trustees of the Board share in a joint and collective authority which exists and can only be exercised when the group is in session.

2.3 Board Trustee Commitment

Service as a Board Trustee of CMH involves a very special commitment. To meet that commitment, Board Trustees are expected to:

- Ensure adherence to CMH's mission.
- Attend and actively participate in all of the Board's meetings, and notify the Chief Executive Officer, Board Chairperson, or the Executive Assistant of anticipated absence.
- Review minutes and results of the missed meeting when absent from a meeting.
- Have not more than three (3) unexcused absences per fiscal year.
- Do their homework to be prepared to participate fully in Board and Committee meetings.
- Serve actively on at least one committee.
- Act only with the full Board, not individually, unless authorized to do so by the full Board.
- Speak for the full Board only when the full Board sanctions doing so.

2.4 Board Delegation of Policy Interpretation to Staff and Public

The Board delegates to the Chief Executive Officer responsibility for policy interpretation to the staff and public for rule making, issuance of procedural directives, and guides not specifically covered or detailed in the Board Policy Manual. Such interpretations, rules, and directives have the force of the full Board regulations unless and until superseded by Board action.

2.5 Board Trustee Rights

Trustees of the CMH Board are granted certain specific rights. All Board Trustees have the right to:

- Receive notice of Board meetings and the agenda.
- Attend and participate in Board meetings.
- Examine CMH's books, records, meeting minutes, financial statements, and contracts.
- Place items on the Board Meeting agenda at the appropriate time.

2.6 Duty of Board Trustees not to Compete

A Board Trustee may not use their position on the CMH Board to prevent CMH from competing with the Board Trustee's business. It is expected that Board Trustees, even after they complete Board service, will not use trade secrets, client lists, or other confidential information acquired by virtue of being a Trustee of the Board.

2.7 Soliciting or Receiving Gifts

Trustees of the CMH Board must never offer, give, solicit, or receive any form of bribe or kickback through their connection to CMH. Board Trustees must never solicit a personal gift of any kind from anyone who does business with CMH. This restriction applies to both actual and proposed business transactions involving CMH.

2.8 Board Trustee Conflicts of Interest

Board Trustees have a duty to subordinate personal interests to the welfare of CMH and those we serve. Conflicting interests can be financial, personal relationships, status, or power.

Board Trustees and employees are prohibited from receiving gifts, fees, loans, or favors from suppliers, contractors, consultants, or financial agencies which obligate or induce the Board Trustee or employee to compromise responsibilities to negotiate, inspect or audit, purchase, or award contracts, with the best interest of CMH in mind.

Board Trustees and employees are prohibited from knowingly disclosing information about CMH to those who do not have a need to know or whose interest may be adverse to CMH, either inside or outside CMH. Nor may Board Trustees or employees in any way use such information to the detriment of CMH.

Board Trustees or employees may not have a significant financial interest in any property which CMH purchases, or a direct or indirect interest in a supplier, contractor, consultant, or other entity with which CMH does business.

Since it is not possible to write a policy that covers all potential conflicts, Board Trustees and employees are expected to be alert for and avoid situations which might be construed as conflicts of interest.

Any possible conflict of interest on the part of any Board Trustee should be disclosed to the other Board Trustees and made a matter of record, either through an annual procedure or when the interest becomes a matter of Board action. The Board shall consider any disclosed potential conflict of interest to determine if it represents an actual conflict of interest.

Any Board Trustee having a conflict of interest or possible conflict of interest should not vote or use their personal influence on the matter, and should not be counted as part of a quorum for the meeting. The minutes of the meeting should reflect that a disclosure was made and the abstention from voting.

These restrictions should not be construed as preventing the Board Trustee from briefly stating their position in the matter, nor from answering pertinent questions of other Board Trustees, since his or her knowledge could be of assistance to the deliberations.

Trustees of the CMH Board shall not have a continuing financial or personal interest in CMH. All Trustees shall annually complete a statement of economic interests and conflict of interest statement and submit it to the Crawford County Clerk as required by CMH's Bylaws. New Trustees will review and sign the conflict of interest statement during orientation. Trustees shall not have undisclosed conflicts of interest with the hospital or related healthcare facilities. The Trustees can make an exception on fully disclosed activities of a one-time or minor nature under certain circumstances. In these cases, Trustees with disclosed conflicts of interest must refrain from voting on the item of business relating to the conflict. All other conflicts of interest must be reported to the Crawford County Board for a final determination in accordance with the Hospital District Law. It is the recommendation of the Crawford County Board that the Board consist of one (1) and not more than two (2) physician representatives.

2.9 Conflict of Interest Statement

The CMH Board will annually complete the conflict-of-interest statement provided by the Crawford County Clerk's office.

2.10 Legal Obligations and Requirements of Board Trustees

The CMH Board is both responsible for and liable for CMH. The CMH Board and the law require every Board Trustee to follow the rule of the reasonably prudent person and the principle of good faith.

The rule of the reasonably prudent person means that the Board will not:

- Mismanage CMH by deviating from fundamental management principles, such as planning carefully for the future of CMH, regularly reviewing the financial status of CMH, and monitoring compliance with Board policies.
- Fail to govern by utilizing all control systems to govern CMH.
- Be involved in self-dealing that provides personal gain to Board Trustees.

The principle of good faith means that the Board Trustees will:

- Attend all Board and Committee meetings to be a part of Board actions.
- Read and understand CMH policies and Bylaws.
- Pay attention to corporate affairs and keep informed about organization activities.
- Ensure that CMH is in compliance with legal requirements.
- Avoid self-dealing.

All CMH Board Trustees will be expected to recognize and accept their legal position as governing agents of CMH. A Board Trustee of CMH occupies the role of a fiduciary with regard to those served. A fiduciary is a person who holds something in trust for another. If CMH Board Trustees violate their trust or fiduciary duty, they may be subject to legal consequences. The duties and responsibilities of Board Trustees attach automatically when Board Trustees accept the office.

There is a certain amount of liability involved with being a Board Trustee, so the Board will annually discuss the liability issue to be certain that the Board is adequately insured. Trustees' liability insurance shall be purchased by the Hospital District's Trustees. CMH shall pay from its general assets any deductible expense not covered by insurance on behalf of any officer or Trustee who incurs liability that is not fully insured, provided that such expense shall not be reimbursed if the liability is not covered under the exclusion to the policy of Trustees' insurance that is purchased.

Within the first quarter of the fiscal year, adopt an appropriation ordinance appropriating such sums of money as are deemed necessary to pay the costs of operating and maintaining the hospital facilities located within the corporate limits of the Hospital District and under the jurisdiction thereof and other expenses of the Hospital District and specifying the purpose of each appropriation made. After the adoption of the appropriate ordinance and on or before the first Tuesday in December of each year, the Trustees shall ascertain the total amount of the appropriations legally made which are to be provided for from the tax levy that year. Then, by ordinance specifying in detail the purposes for which such appropriations have been made and the amounts appropriated for such purposes, the Trustees shall levy not to exceed the total amount so ascertained upon all the property subject to taxation within the Hospital District as the same is assessed and equalized for state and county purposes for the current year. A certified copy of such ordinance shall be filed on or before the last Tuesday in December with the Crawford County Clerk.

2.11 Ethical Obligations of Board Trustees

The Board will approve a code of ethics for Board Trustees. All Board Trustees will be given a copy of the code of ethics and will be expected to sign and adhere to the provisions of that code.

Because the conduct of the Board has a direct impact on public and constituent perceptions about CMH, Board Trustees will maintain their credibility by adhering to all legal and policy requirements.

Board Trustees will be active and encourage all other Board Trustees to be active by attending meetings, studying, questioning, voting on all issues, monitoring progress, and maintaining active committees.

Board Trustees will not condone conflicts of interest on the Board. A generally accepted rule of thumb is that a Board Trustee or their family may not receive any gain (tangible or intangible) through their connection with the CMH Board.

Board Trustees will vote against proposed actions if they feel there is insufficient information on which to base an opinion. Minutes of each meeting should be carefully maintained and all votes properly recorded.

Board Trustees will adopt formally by motion any rules, regulations, policies, and budgets.

Board Trustees will keep policy and procedure manuals up-to-date for ready reference and have rules and regulations available and posted for staff and constituents.

Board Trustees will review fiscal records and controls at regular intervals. Board Trustees will ensure that standard budget forms and annual report forms are prepared and filed as required by law.

Any Board Trustee who believes that a fellow Board Trustee has acted unethically within the provisions of 2.11 or otherwise should seek resolution by discussing the concerns with the colleague if such discussion is likely to be productive and does not violate any individual's right to privacy. If this discussion or other informal attempts to address the concerns fails to resolve the problems, the Board Trustee should bring the concern to the attention of the Board Chairperson. If the concern relates to the Board Chairperson, the issue should be brought to the attention of the Board Vice Chairperson.

Any Board Trustee may file an ethics complaint. Board Trustees should not file or encourage the filing of ethics complaints that are frivolous and are intended to harm the respondent rather than to protect CMH.

The Board Chairperson or Board Vice Chairperson may choose to address the concern individually with the Trustee in question or refer the concern to the Executive Committee.

Board Trustees shall cooperate in ethics investigations, proceeding, and resulting requirements. In doing so, they should make reasonable efforts to resolve any issues as confidentially as possible. Failure by any Board Trustee to cooperate in an ethics investigation is itself an ethics violation.

2.12 The CMH Board Code of Ethics Pledge

As a Trustee of the CMH Board, I will…

- listen carefully to my fellow Trustees and those served by CMH.
- respect the opinion of other Board Trustees.
- respect and support the majority decisions of the Board.
- recognize that all authority is vested in the Board when it meets in legal session and not with individual Board Trustees.
- keep well-informed of developments that are relevant to issues that may come before the Board.
- participate actively in Board meetings and actions.
- call to the attention of the Board any issues that I believe will have an adverse effect on CMH or on those we serve.
- attempt to interpret the needs of constituents to CMH and interpret the action of CMH to its constituents.
- recognize that the Board Trustee's job is to ensure that CMH is well managed, not to manage CMH.
- vote to hire the best possible Chief Executive Officer to manage CMH.
- represent all constituents of CMH and not a particular geographic area or special interest group.
- consider myself a "Trustee" of CMH and do my best to ensure that CMH is well maintained, financially secure, growing, and always operating in the best interest of its constituents.
- always work to learn more about the Board Trustee's job and how to do it better.
- declare any conflict of interest between my personal life and my position on the CMH Board, and avoid voting on issues that are or appear to be a conflict of interest.

As a Trustee of the CMH Board, I will not…

- be critical outside of the Board meeting of other Board Trustees or their opinions.
- use CMH or any part of CMH for my personal advantage or the personal advantage of my friends or relatives.
- discuss the confidential proceedings of the Board outside the Board meeting.
- promise prior to a meeting how I will vote on any issue in the meeting.
- interfere with duties of the Chief Executive Officer or undermine the Executive's authority.

2.13 Political and Legislative Activity

Trustees of the CMH Board must never make political contributions on behalf of CMH. If a Board Trustee takes an active part in the political process, it must be done at the Board Trustee's personal expense. CMH will not reimburse anyone for a political contribution.

Board Trustees must not make any direct or indirect political contribution in cash, property, or service on behalf of CMH.

To ensure that CMH supports legislative issues which further the basic interests of those we serve, and oppose legislative issues detrimental to our mission, the following guidelines are established:

- CMH shall be nonpartisan in political matters but shall support or oppose federal, state, or local legislative issues as the Board determines necessary and advisable. CMH will not directly endorse any candidate or party.
- Employees or Board Trustees shall not engage, directly or indirectly, in partisan activities as representatives of CMH, and CMH funds will not be used for that purpose.
- Board Trustees and employees are free, as individuals, to participate in political activity as long as they do not utilize CMH funds, CMH time, or the CMH identity.
- Board Trustees and management of CMH should be aware that, because of their position, they should exercise discretion at all times to not convey the impression that CMH is endorsing a political candidate.

2.14 The CMH Board Trustee Confidentiality Agreement

As a requirement for service on the CMH Board, all Board Trustees will be required to read and sign the following confidentiality agreement.

As a Trustee of the CMH Board, I acknowledge the importance of confidentiality with respect to the affairs of CMH. In light of this acknowledgment, I agree to keep confidential, during and after service on the Board, all confidential information acquired pertaining to CMH and any related activities in the course of holding a Trustee position on the Board.

I particularly recognize the sensitivity of information regarding capital decisions, real estate purchases, employments, contract terms, decisions regarding closures, mergers, and other strategic plans that may have impact on CMH's competitive position relative to other organizations.

I agree that this confidentiality agreement includes, but is not limited to:

- *information pertaining to performance of CMH employees or staff including evaluation data, compensation, and grievances.*
- *issues related to the Board's legal, moral, and regulatory responsibility for the oversight of statistical data.*
- *risk management information and litigation information, and reviews of attitudes and opinions from those who work at CMH.*
- *current HIPAA guidelines.*

I understand that it is the Board Chairperson's responsibility to address infractions of confidentiality by individual Board Trustees and to take action to remedy the problem. I also understand that if infractions of confidentiality by individual Board Trustees continue, it is the expectation that the Board Chairperson will ask for the resignation of the individual Board Trustee who has violated this confidentiality agreement; and if that resignation is not forthcoming, to initiate a Board vote to remove the same Trustee at the next regularly scheduled Board meeting.

I agree to resign from the Board if requested by a majority vote of the Board Trustees for any confidentiality infraction.

_____ _____

Board Trustee Signature Date

2.15 Annual Meeting of the Board

The annual meeting of the Trustees of CMH for the election of officers and for the transaction of such other business as shall come before it shall be held at such hour and in such a place in the City of Robinson, Illinois as may be designated in the notice of said meeting hereinafter provided for on the third Wednesday in the month of December in each year, if such day be not a legal holiday, and if a legal holiday, then on the next day that is not a legal holiday.

2.16 Board Planning

To ensure that planning is based on the needs and preferences of current and potential constituents, CMH Board and Management will annually conduct a realistic assessment of CMH service capabilities and analysis of trends likely to impact the future of CMH. CMH Board and Management will then annually develop an organizational plan that is based on identified needs and preferences of current and potential constituents and appraisal of CMH service capabilities.

2.17 Maintenance of CMH Documents

All major CMH organizational documents, such as the articles of incorporation, real estate titles, building blueprints, and any other historical or archived documents will be held in the Administration Office by the Chief Executive Officer.

2.18 Qualifications of Board Trustees

A qualified person shall include persons who, with a commitment to health care, possess a willingness to serve and who represent a variety of skills and interests. No person shall be eligible to become or remain a Trustee of CMH who is not a bona fide resident of the territory within the Hospital District. Should any Trustee cease to reside within the territory of the Hospital District, the office shall be deemed vacated and shall be filled according to law. No person shall be eligible to become or remain a Trustee of CMH who is an officer or employee of any governing district of the State of Illinois or the United States of America or of any other public agency, excepting however, that membership on any previously existing hospital board shall not preclude any person from serving as a Trustee of said CMH. The Board Chairperson will remind Board Trustees to submit Board candidate recommendations for use at nomination time.

No person shall be eligible to become or remain a Trustee of CMH who has a continuing financial or professional interest in CMH. Annually, Trustees shall complete a Statement of Economic Interests and submit it to the Crawford County Clerk. Trustees shall not have undisclosed conflicts of interest with CMH or related healthcare facilities. The Trustees can make an exception on fully disclosed activities of a one-time or minor nature under certain circumstances. In these cases, Trustees with disclosed conflicts of interest must refrain from voting on the item of business relating to the conflict. The minutes of the meeting shall reflect the disclosure and subsequent abstention by the disclosing Trustee. All other conflicts of interest must be reported to the Crawford County Board for a final determination in accordance with the Hospital District Law.

It is the recommendation of the Crawford County Board that the Board of Trustees consist of one (1) and not more than two (2) physician representatives.

The qualification of individuals to serve on the Board of Trustees shall be determined in accordance with 50 ILCS 105/3 and 50 ILCS 105/3.2 to prevent fraudulent and corrupt practices in the making or accepting of official appointments and contracts by public officers.

2.19 Vacancies on the Board

When vacancies occur on the Board other than normal expiration of terms, the CMH Board will appoint a qualified replacement. The appointed Board Trustee may fill the position only until the expiration of the term of the person they replace. The appointed Board Trustee may be eligible to be nominated for election at the next regular election if the Board Trustee meets all requirements to be a Trustee of the Board.

If a Trustee is disqualified, guilty of misconduct or malfeasance in office, or unwilling or unable to act, the Crawford County Board shall notify the Trustee of that fact in writing and it shall be the duty of the Trustee to show cause why they should not be removed. Any such Trustee shall be given a hearing by the circuit court, and after such hearing, if the circuit court finds such a charge should be sustained, it shall remove the Trustee so charged from office, and a vacancy shall thereupon exist for the unexpired term of such office.

2.20 Removal of Board Trustees

The Board of Trustees has the power to remove Trustees who fail to perform the expected duties of a Board Trustee. The Chairman of the Board shall recommend to the full Board either at a regular meeting or a special meeting the removal of a Trustee in violation of Board Policy. A recommendation for removal from the Board may be made because of:

1. negligence of Board duties and responsibilities
2. failure to attend Board meetings regularly as set forth in Section 2.21 below
3. illegal activity as a Trustee of the Board
4. acting in any manner detrimental to CMH
5. no longer a resident of the territory of the Hospital District
6. unwilling or unable to act
7. guilty of misconduct or malfeasance in office

If a Trustee is disqualified, guilty of misconduct or malfeasance in office, or unwilling or unable to act, the Crawford County Board shall notify the Trustee of that fact in writing, and it shall be the duty of the Trustee to show cause why they should not be removed.

2.21 Meeting Attendance Requirement

It is the policy of CMH Board that Board Trustees must attend meetings to maintain governance continuity, to be fully informed about the issues on which they will vote, and to meet their responsibility to contribute to the decisions the Board is required to make.

If a Board Trustee will be absent from all or part of any meeting, the Board Trustee is expected to contact the Board Chairperson, the Chief Executive Officer, or the Executive Assistant as soon as the need to be absent is known. Trustees will have no more than three (3) unexcused absences per year.

2.22 Compensation of Board Trustees

Trustees shall not receive any salary or compensation for the performance of the services as Trustees. However, nothing herein contained shall be construed to preclude any Trustee or committee Trustee from receiving reimbursement for actual out of pocket expenses incurred in the performance of duly authorized business for CMH.

2.23 Board Trustee Travel

Board Authorization

Authorized corporate travel is defined as travel in connection with the business of CMH which has been directed and approved in accordance with CMH Reimbursement Policy prior to the departure date. All requests for corporate travel by Board Trustees will include the purpose of the trip, dates of meetings (if any), anticipated expenses, date of departure, and date of return.

Travel Expenses

Airline travel will be reimbursed for coach class only. Discounted airfares should be sought whenever advance notice of travel allows.

Claimed expenses for lodging, travel, car rental, and miscellaneous expenses must be documented by original receipts. Unless specifically authorized by the Board of Trustees, no expenses are authorized or will be reimbursed by CMH for expenses of friends, relatives, or families accompanying a Board Trustee on CMH business, nor for any non-related business travel or extension of stay beyond completion of the intended CMH business.

At the completion of authorized travel, an expense report will be submitted to the CMH Accounting Office. The report will list by date and place all reimbursable expenses claimed, and will be accompanied by the required receipts and invoices. Expenses charged to CMH must be listed on the expense report and accompanied by original receipts.

Car Rental by Board Trustees

When traveling for CMH, Board Trustees are encouraged to utilize hotel shuttle services, airport buses, or taxi cabs for transportation when available and competitively priced rather than renting a car.

When it is necessary to rent a car, a mid-sized automobile is the authorized vehicle unless medical or other special circumstances dictate a larger or more expensive vehicle.

Making Travel Arrangements

CMH executive assistant will assist in making travel arrangements for Board Trustees on CMH business. Board Trustees canceling travel reservation or creating a "no show" situation for any reservations because of personal preference will be charged any cancellation fees and room charges.

2.24 Reimbursement of Expenses

Board Trustees may be reimbursed only for out-of-pocket expenses actually incurred. Claimed expenses must be documented by original receipts. No expenses will be reimbursed for friends or relatives accompanying a Board Trustee on CMH business. No expenses will be reimbursed for non-business-related travel or extension of stay beyond completion of the business for CMH.

Some expenses can be deemed unreasonable and unnecessary or extravagant. Such charges will be deemed personal and not reimbursable without compelling cause and at the discretion of the Board. Reimbursement of authorized out-of-pocket expenses will be according to the same reimbursement policy applied to CMH employees.

2.25 Board Legal Counsel

Only the Board Chairperson or the CEO may contact legal counsel on behalf of the Board. Legal counsel may be requested to attend Board meetings by the Board Chairperson or the CEO. Costs billed to CMH associated with individual Board Trustees contacting legal counsel, auditors, or other professional consultant without specific authority from the Board of Trustees will be billed to the Board Trustee making the unauthorized contact.

2.26 Board Correspondence

Correspondence from the Board will be approved by the Board or its Chairperson. Except for reports which are legally required to be sent out over the secretary's or treasurer's name, all correspondence from the Board will be over the Chairperson's name. All correspondence from the Board will be prepared by the office of the CEO as directed by the Board. Use of CMH letterhead will be limited to official agency business only.

No material or information disclosed in closed executive sessions of the Board, as defined in the Open Meetings Act, will be released to any unauthorized person unless and until a determination has been made by the Board that the material or information no longer requires confidential treatment and the material or information is available for public inspection.

2.27 Affiliations

It is important that CMH affiliate with other organizations such as state and national associations. Therefore, the Board will include expenses for membership fees in the annual budget. The Board will annually review all affiliations and assess the cost-effectiveness of each before the expense is included in the annual budget.

2.28 Public Communications

Individual Board Trustees may not speak to the public or the media on behalf of the Board unless authorized to do so.

When speaking about CMH or about Board action(s), Board Trustees should be careful to define when their remarks represent personal opinion and when their remarks represent official Board position. Board Trustees must be aware that they are always seen as Board Trustees even when they designate comments as personal.

It is the CMH Board's policy to encourage release of information to the public regarding programs, Board activities, and consumer concerns. Those communications will:

- maintain integrity in dealing with the public and the news media. The CEO or designee is the official spokesperson and shall provide the news media with a formal channel of communication.
- use the various news media for the promotion of CMH programs and raise the community consciousness regarding CMH services.
- communicate always in an accurate and honest way consistent with other related Board policies.

2.29 Authority of Board Trustees

Board Trustees have authority only when acting as a body in annual, regular, or special meetings of the Board. The CMH Board will follow Illinois Open Meetings Act guidelines. The Board will not be bound in any way by any statement or action by any individual Board Trustee except when such statement or action is in pursuance of an adopted Board resolution or special instructions by the Board or under specified delegation of responsibility.

2.30 Board Trustee Term

It is important to ensure a constant flow of fresh perspectives and new ideas to the Board. It is also important to maintain a significant number of experienced Board Trustees. To do that, the following term limits will apply:

- CMH Board Trustees will be appointed to three-year terms.
- Board Trustees will serve staggered three-year terms with a third of the Board terms expiring each year.

2.31 Board Trustee Orientation and Development

The CMH Board believes that professional development for Board Trustees is vital to good governance of CMH. Therefore, new Board Trustees will be given, starting within 30 days of appointment, a thorough orientation about CMH, Board operations, Finance, Board ethics, responsibility, liability, and policies.

2.32 Board Trustee Orientation

The following will be the guide for orientation of all new Board Trustees:

I. Mission/Values of CMH

II. Term of Office

A. Board Meeting Schedule
B. Board/Committee Structure
C. Expectation of Attendance
D. Appointments/Removal
E. Term

III. Responsibilities may Include:

A. Board Trustee Job Description
B. Board Bylaws
C. Board Officers and Responsibilities
D. Election of Officers
E. Meetings of the Board (regular and special)
F. Quorum
G. Conduct of Meetings
H. Conflicts of Interest
I. Code of Ethics
J. Liability Insurance
K. Expectations of Chief Executive Officer
L. Attendance at Conferences
M. Expense Vouchers
N. Strategic Plan
O. Board Goals

IV. Organizational Overview

A. Organizational Chart
B. Annual Reports
C. Area Served
D. Financial Audits
E. Management Contract
F. Monthly Financial Reports
G. Relationship to Other Organizations

V. Board Policies/Bylaws

VI. Current Strategies and Objectives

A. Planning
B. Strategic Plan

2.33 Board Self-Evaluation

The CMH Board will annually conduct a written self-evaluation of the Board's performance for the past year. The evaluation will include, but no be limited to:

- Quality of meetings
- Committee performance
- Progress on the long-range plan
- Fiscal monitoring
- Cohesiveness of the Board team
- Quality of the relationship with the Chief Executive Officer
- Exercise of vision on behalf of the organization
- Level of participation in Board activities by all Board Trustees
- Community/Trustee relations

It will be the responsibility of the Board Chairperson to initiate the Board self-evaluation. Evaluations will be distributed and completed annually. At the following Board meeting, the Board Chairperson will present a review of identified needs for education and improvement.

2.34 Board Trustees as Advocates for CMH

Board Trustees are advocates for CMH programs and services and are expected to take an active role in promoting CMH. The Chief Executive Officer will bring opportunities for Board Trustee advocacy to the Board.

2.35 Measuring Patient Satisfaction

The CMH Board recognizes the importance of getting feedback from those we serve. Therefore, the Board will authorize the ongoing use of patient satisfaction surveys. Surveys may be completed through a variety of methods such as focus groups and written surveys. Results of the constituent satisfaction surveys will be reported at least annually to the CMH Board. Information gathered will be used to develop CMH process improvement projects, annual strategic goals, and strategic plan.

2.36 Requests for Corporation Information for CMH

From time to time, the public and/or Trustees will request information or records from CMH. To protect CMH and those we serve, information will be released only under the following conditions:

- All requests for information, other than routine public information, about CMH will be channeled to the CEO for a decision about releasing that information. If there is a question about the appropriateness of releasing any information, the CEO will seek advice from the Board of Trustees or from outside legal counsel.

- Information about personnel matters will not be released.
- Information discussed in Executive Session of the Board will only be released upon approval of the full Board.
- Proprietary information that could have an adverse effect on CMH finances will not be released.
- Matters considered confidential under state and/or federal law will not be released.
- Information about legal matters that might have an adverse effect on CMH will not be released.

2.37 Board Trustee Management of Staff and Public Concerns

It is the policy of the CMH Board that when a Board Trustee is contacted by a person who has a concern or complaint about CMH or persons within CMH, the Board Trustee will follow these procedures:

- Individual Board Trustees have no power or authority to speak or act for the full Board.
- Listen to the person's concern.
- Express a desire to reach a satisfactory solution.
- Explain that the Board and Management have established a process for handling concerns, which starts with the person most immediately responsible. Suggest that the concern be discussed with the person immediately responsible. Refer complaints other than staff complaints to the CEO or designee. If the complaint is from a staff member, refer staff to the problem-solving procedures. The Human Resources Problem-Solving policy can be found here: https://powerdms.com/link/CMH/document/?id=2180848
- Assure the person that the CEO will be informed of the concern.
- Ask the person to report back to you about the progress or resolution of the concern, if desired.
- Inform the CEO of the complaint or concern.

2.38 Guidelines for Processing Public Complaints

From time to time, situations may occur that create legitimate complaints on the part of the public or constituents relative to CMH. Complaints must be aired so that all sides of the issue may be heard and a rational procedure/solution found.

The Hospital Complaints and Grievances policy can be found here:
https://powerdms.com/link/CMH/document/?id=2021423

2.39 Annual Report

It is the responsibility of the CEO to assemble and distribute the CMH Annual Progress Report. The Annual Report may contain:

- Report from CEO
- Highlights of the year
- Information regarding type, quantity, and cost of services

Target dates for Annual Report publication shall be three to four months after the close of the fiscal year.

2.40 Board Trustee Responsibilities for CMH Policy

Board Trustees are responsible for determining CMH policy in Human Resources, Planning, Finance, Community Relations, and Organizational Operations.

Human Resources – Board Trustees have three key responsibilities in this area:
- Board Trusteeship, which includes recruiting new Board Trustees (guidelines to be determined by full Board), recognizing and nurturing existing Board Trustees, and providing existing Board Trustees with opportunities to grow and develop as leaders.
- CEO Oversight, which includes hiring, terminating, disciplining, ongoing evaluation, and procedures relating to the CEO's employment.
- Personnel policies, which ensure that the CEO has complete and up-to-date policies in place for the management of the staff.

Planning – Board Trustees have three key responsibilities in this area:
- Establishing and reviewing CMH's mission/philosophy, goals.
- Planning which services/programs CMH provides.
- Evaluating CMH services/programs and operations on a regular basis.

Finance – Board Trustees have four key responsibilities in this area:
- Ensuring financial accountability of CMH.
- Overseeing an ongoing process of budget development, approval, and review.
- Raising funds and/or ensuring that adequate funds are available to support CMH's policies and programs.
- Overseeing properties of CMH.

Community Relations – Board Trustees have three key responsibilities in this area:
- Ensuring that CMH's programs and services appropriately address the needs of those we serve.
- Advocating for CMH's services/programs, which includes an awareness that Board Trustees are always emissaries of CMH in the community.
- Cooperative action, which includes determining occasions when CMH could/should take part in coalitions, joint operations, etc.

Organizational Operations – Board Trustees have four key responsibilities in this area:
- Ensuring that CMH's management systems are adequate and appropriate.
- Ensuring that the Board's operations are adequate and appropriate, which includes writing policies for conduct of meetings and operation of Board business.
- Ensuring that organizational and legal structures are adequate and appropriate.
- Ensuring that CMH and its Board Trustees meet all applicable legal and regulatory requirements.

2.41 Performance Expectation for Board Trustees

In performing duties as a Trustee of the CMH Board, every Trustee is expected to:
- Demonstrate a strong belief and commitment to CMH's mission.

- Devote the necessary time to prepare for and participate in Board and Committee meetings.
- Exhibit high ethical standards and integrity in all Board actions.
- Be an enthusiastic advocate for CMH.
- Take responsibility and accountability for CMH and all decisions made by the Board.
- Spend the time necessary to learn how to do the job, and maintain an ongoing schedule of in-service to learn how to do the job better.
- Demonstrate willingness to work as a team member with other Board Trustees and the CEO.

Title/Description:	**Chief Executive Officer Responsibilities and Function**		
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Effective Date:		Last Review Date:	7/2026
Review Due:	2029	Last Revision Date:	7/2026
Applies to:	CMH Board of Trustees	Approved by:	Board of Trustees

3.1 The CEO's Role in the Organization

In the conduct of ongoing business of Crawford Memorial Hospital (CMH), the CEO is responsible for all business operations, including management of the assets of CMH; the hiring, training, promotion, discipline, and termination of employees; and for establishing and maintaining the business organization and structure to efficiently conduct the management functions of CMH.

The CEO plans for and administers a program providing for patient services in accordance with CMH's stated purpose and in such a manner that optimum results are achieved in relation to the resources of the agency, and that operates under the general direction of CMH's Board of Trustees.

3.2 The CEO's Communication/Counsel to the Board

The CEO will provide information and counsel to the Board. Accordingly, the CEO will:

- Make the Board aware of special events, relevant trends, material external and internal changes, and the assumptions upon which any Board policy has previously been established;
- Submit required monitoring data in a timely, accurate, and understandable fashion, directly addressing provisions of the Board policies being monitored;
- Marshal as many staff and external points of view, issues, and options as needed so that fully informed Board choices are possible; and
- Present information in a form that is understandable and of reasonable length.

3.3 Delegation to the Chief Executive Officer

The Board's job is approving policies. Implementation of policy shall be designated to the CEO. All Board authority delegated to staff is delegated through the CEO.

The CEO is authorized to establish all further policies, make all decisions, take all actions, and develop all activities which are true to the Board's policies. The Board will respect the CEO's choices so long as the delegation continues. This does not prevent the Board from obtaining information about activities in the delegated areas.

No individual Board Trustee or Officer has any authority over the CEO. Information may be requested by such parties if reasonable.

Acting with the authority granted above, the CEO may not perform, allow, or cause to be performed any act that is unlawful, insufficient to meet commonly accepted business and professional ethics for the "prudent person" test, in violation of funding source requirements or regulatory bodies, or that is contrary to explicit Board constraints on executive authority.

Should a situation arise wherein the CEO deems it unwise to comply with a Board policy, they will inform the Board of Trustees. This act of informing the Board is simply to guarantee that no violation may be intentionally kept from the Board. It is not for the purpose of receiving approval. Board response at that time does not exempt the CEO from subsequent Board judgment of their action.

3.4 Areas of Responsibility Delegated to the CEO

In the area of Human Resources, the CEO communicates with both the Board and the staff of CMH, but has ultimate responsibility to the Board.

For the Board of Trustees, the CEO:

- Develops and recommends to the Board of Trustees specific, written, long- and short-range plans for the development of CMH's patient care programs and services.
- Maintains appropriate relations with the Board and various Board Committees, and keeps them informed.
- Interprets national and local trends in healthcare service in which CMH is engaged by maintaining involvement in the professional field as a whole.
- Assists with orientation and training programs for the Board.

For the Crawford Memorial Hospital staff, the CEO:

- Supervises and directs key staff in the performance of their duties.
- Evaluates the performance of key staff.
- Provides overall control of and direction for the personnel of CMH, including active participation in or approval of personnel actions.
- Manages volunteer staff activities.

In the area of Planning, the CEO:

- Evaluates the patient care services being provided by CMH in relation to specified goals and standards and recommends modifications where appropriate.
- Recommends new patient care service programs and patient care diagnostic or evaluative technology to the Board.

In the area of Finance, the CEO:

- Delegates the preparation of CMH's annual operating and capital budgets, and is accountable for control of these resources once approved.
- Directs all financial operations of CMH.

In the area of Public Relations, the CEO:

- Interprets the roles and responsibilities of CMH to the community by assisting the Board, through direct involvement and through public relations programs, including personal contact, descriptive program literature, and the media.

In the area of Interagency Relations, the CEO:

- Maintains appropriate relations with its medical staff as well as other professional and service groups in the community.
- Maintains appropriate relations with federal, state, and local government units.
- Maintains appropriate relations with other agencies in similar fields of service.

In the area of CMH's Organizational Operations, the CEO:

- Recommends policies to the Board and/or assists the Board in the formulation of policies for the effective and economical operation of CMH and its programs.
- Ensures implementation of the policies adopted by the Board.
- Has Chief Administrative responsibility for maintenance of facilities and regular reporting to various bodies.
- Carries chief responsibility to ensure that all legal obligations of CMH are met.

3.5 Monitoring the CEO's Performance

Monitoring the Chief Executive Officer performance is somewhat synonymous with monitoring organizational performance. The Board delegates management to the CEO and must have a process for ongoing monitoring of the CEO performance of the delegated duties. The purpose of monitoring is to determine the degree to which Board policies are being fulfilled.

The Board will monitor CEO performance by awareness of the CEO's job description, careful attention to all reports delivered to the Board, and through an annual written evaluation of the CEO's job performance.

3.6 Chief Executive Officer Performance Evaluation

It is the policy of CMH to annually evaluate the work performance of the CEO. The evaluation will be given at the Board meeting immediately prior to the anniversary month of the hiring of the CEO so that all Board Trustees participating in the evaluation process will have had as much time as possible to interact with and observe the executive's performance.

Compensation changes for the CEO will be determined after completion of the evaluation. Any increase in compensation will be effective beginning with the pay period in which the employment anniversary date falls.

Although the evaluation will be facilitated by the management company, the entire Board will participate in the evaluation process.

Next, the full Board meets without the CEO present to review the composite evaluation and performance objectives for the upcoming year.

Then the management company representative meets with the CEO to present the full Board's conclusions about the evaluation. Should the CEO be in serious disagreement with part or all of the evaluation, the right to respond to the full Board must be available. Such a response should lead to a dialogue in which the problem area can be resolved in a candid and professional way.

The final agreed-upon evaluation should be signed by the CEO, the Board Chairperson, and the management company. A copy of the evaluation is not kept in the personnel office. The original evaluation will be kept by the present management company.

3.7 Board/CEO Relationship

The Board of Trustees recognizes and maintains the following guidelines in the Board's relationship with the CEO:

- Good management is recognized as one of the key factors in the success of the organization. The Board reserves the authority to establish policies, approve plans and programs, and delegate authority to the CEO.
- The Board will approve policies and long-range plans and programs for CMH and delegate authority to the CEO to execute and carry out the policies, plans, and programs. The CEO will be responsible for hiring capable personnel within the limitations of Board policy and budget constraints, determining the appropriate compensation, training, supervising, disciplining, and terminating if necessary.
- Board Trustees will refrain from individually discussing management and personnel issues with CMH personnel other than the CEO. The Board, in consultation with the CEO, may confer with key personnel at regular or special meetings of the Board.
- Authority for management of CMH will be through the Board of Trustees to the CEO, then to other personnel. The Board will require full and timely information from the CEO concerning pertinent matters that relate to the management of CMH.
- The Board recognizes that efficient management of CMH can exist only through mutual understanding and cooperation between the Board and the CEO. The Board also recognizes that the CEO is accountable to the Board to show results, but the CEO cannot perform well and show good results if not given latitude to exercise independent judgment in executing Board policy. Therefore, the Board grants that latitude of judgment and discretion and expects full account of performance from the CEO.
- The Board recognizes its responsibility for a systematic annual evaluation of the CEO's performance. The evaluation will be for the purpose of improving the CEO's performance and to provide a basis for consideration of the CEO's salary for the next year.
- When applicable, the CEO's employment may be terminated for cause upon written notice to the CEO.

3.8 Board/Chief Executive Officer Responsibilities

To assist the Board and the CEO to work as a team, the following principles will guide them in determining responsibilities of each part of the team:

- Responsibility for determining general policy shall be entrusted to the Board. The CEO shall keep the Board informed regarding the progress of all important CMH programs.

- The Board represents the public in setting the goals and establishing the basic policies and long-range goals for CMH. It shall refrain from involvement in the Administrative functions except to monitor and evaluate.
- The Board shall transact official business with professional staff members and other program employees only through the CEO.
- The CEO shall be responsible for administering programs in accordance with Board policies and regulations.
- The CEO shall be responsible for the selection and assignment of CMH non-physician staff. This responsibility may be delegated by the CEO to other supervisory personnel.
- The CEO and staff shall prepare and submit for Board action an annual Budget and Organization Goals.
- The CEO shall provide the Board with data and information to enable the Board to make effective decisions.
- The CEO shall provide the Board with periodic reports as the Board feels are necessary to allow Board Trustees to make accurate decisions.

3.9 Chief Executive Officer Succession Policy

A policy for CEO succession must include two parts: the process the Board will follow to replace a retiring CEO, and a process to continue uninterrupted service in the event of sudden loss of the CEO.

RESIGNING OR RETIRING CEO: The process for replacing a resigning or retiring CEO will be as follows:

- The Board will determine the exact effective date of separation or retirement of the current CEO.
- The Board will determine a specific target date to bring on a new CEO. This target date will be flexible to allow the selected candidate some latitude in the beginning date.
- The Board will designate an interim CEO to serve for the time between the ending date of the current CEO and the beginning date of the new CEO. Board Trustees are not eligible to serve as the interim CEO.
- The Board will consider the need for any changes to the management structure before the search for a new CEO and will comply with contents of current management contract at the time of the search.
- The management company will begin as soon as possible to:
  - Update the job description for the CEO.
  - Develop a profile of the preferred candidate.
- The management company will seek approval of the full Board for all of the above.
- The management company will recommend no more than three nor less than two candidates for review.
- The Board will interview the final candidates and select the new CEO.

Title/Description:	**Board Meetings**		
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Effective Date:		Last Review Date:	7/2026
Review Due:	2029	Last Revision Date:	7/2026
Applies to:	CMH Board of Trustees	Approved by:	Board of Trustees

4.1 Conduct of Meetings

So that meetings may be conducted in the most orderly manner, discussion of agenda items will be limited to communications among Crawford Memorial Hospital (CMH) Board Trustees, between the Board and the CEO, and those that the Board and CEO request to make presentations.

4.2 Board Calendar

A calendar of agenda items will be established by the Board. The calendar will list agenda items that regularly require Board action during specific time frames each year, such as approval of the capital and operating budgets, tax levy ordinance, renewal of contracts, evaluation of the CEO, the Board Planning Retreat, and other standard annual events.

4.3 Regular Meetings

There shall be regular meetings of the Trustees of Crawford Hospital District at the office of the District at 1000 North Allen Street, Robinson, Illinois on the third Wednesday of each month in each year, if said date not be a legal holiday, and if legal holiday, then on the next succeeding day which is not a legal holiday. In the event of conflicts, the Board may schedule Regular Meetings other than the third Wednesday. The Annual Meeting shall satisfy the monthly meeting requirement for the month of December.

4.4 Annual Meeting

Annual Meetings of the Trustees of CMH for the election of officers and for the transaction of such other business as shall come before it shall be held at such hour and in such place in the City of Robinson, Illinois as may be designated in the notice of said meeting hereinafter provided for on the third Wednesday in the month of December in each year, if such day be not a legal holiday, and if a legal holiday, then on the next succeeding day that is not a legal holiday.

4.5 Special Meetings

Special Meetings of the Board should be called when the business to be addressed cannot wait until the next regularly scheduled meeting. A Special Meeting of the Board may be called by the Chairperson of the Board or by a petition of three other Board Trustees. A call for a Special

Meeting will state the business to be addressed by the Board at the Special Meeting. Every Trustee of the Board must be notified of the Special Meeting at least two days prior to the established meeting time.

4.6 Absence from Meetings

When a Board Trustee is absent from three regular meetings per calendar year, the Executive Assistant will report these absences to the Chairperson. The Chairperson will then address these absences with the Trustee. If necessary, the Chairperson will bring this back to the full Board for action. Excused absences may include but not be limited to illness, work conflict, or other reasons as determined by the Board Chairperson. Board Trustees will notify the Executive Assistant, CEO, or the Chairperson of planned absences. Trustees will have no more than three (3) unexcused absences in a fiscal year.

When the Trustee attends by video/telephone conferencing following the guidelines under Electronic Attendance/Voting by Trustee at Board Meetings 4.15, the trustee will be counted as present.

4.7 Open Board Meetings

It is the policy of the CMH Board to hold open Board meetings using the following guidelines:

- Comply with the Illinois Open Meetings Act.
- Give public notice of the schedule of regular meetings at the beginning of each calendar year and state the regular date, time, and place of such meetings. If there is a change in the regular meeting dates, at least ten (10) days' notice of such change will be given by publication in a newspaper of general circulation in the area of CMH. Notice of such change shall also be posted at CMH and supplied to the news media which have filed an annual request for such notice.
- Notice of meetings will be given to the local news media a minimum of 48 hours prior to the regularly scheduled meeting.
- Notice of any Special, Emergency, or rescheduled or reconvened meetings will be given to any news medium that has filed an annual request for such notice.
- Agendas and the location of the meeting will be posted at CMH at least 48 hours in advance of the meeting and provided to the guests at the beginning of the meeting.
- Guests may comment to the Board only when the Board Chairperson requests public comment.
- The Board may elect to go into Closed Executive Session when discussing the subjects allowed by the Open Meetings Act.
- Written minutes and a verbatim audio or video recording of all Closed Executive Sessions will be maintained. Written minutes will be maintained indefinitely. Audio and video recordings may be destroyed only if all of the following conditions are met:
    i. At least 18 months have passed since the closed meeting occurred.
    ii. Closed-session written meeting minutes have been approved.
    iii. A formal vote by the Trustees approving destruction of the specific recording(s).
    iv. There is no court order or pending litigation that requires preservation of the recording(s).

- Attendance at any meeting shall constitute a waiver of notice of such meeting except where a Trustee attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

4.8 Closed Executive Sessions

All regular meetings of the Board will be open (to Trustees, public) except as specified below. The Board will close its meetings only when it is to consider the subjects allowed by the Open Meetings Act.

To close a meeting, a motion must be made stating the specific reasons for closing the meeting and approved by a majority of a quorum present. Business conducted in the closed session must pertain directly to the stated purpose for closing the meeting as stated in the Open Meetings Act. No final action may be taken in the closed meeting. Final action will be preceded by a public recital of the nature of the matter being considered and other information that will inform the public of the business being conducted.

4.9 Meeting Agenda Packet

All matters to be considered by the Board at the meeting will be included on the agenda and in the Board packets delivered to Board Trustees at least four (4) days prior to the meeting. The Board may vote to waive this requirement.

Board Meeting agendas will be developed by the CEO and the Board Chairperson prior to distribution to other Board Trustees.

All Board Trustees will have an opportunity to request items to be placed on the agenda prior to the agenda being published and distributed.

The agenda may be amended after the meeting is convened only in cases where immediate action on the item is necessary, or when the item is for Board information, and only by a vote of a majority of the Board Trustees. A Board Trustee or the CEO may request changes to the agenda during the approval of agenda section of the monthly meeting agenda.

The CMH Board meeting agenda will approximate the following outline:

- Call to order by the Board Chairperson or other presiding officer and determination of a quorum
- Approval of agenda
- Public Forum
- Consideration, correction, and approval of minutes of the previous meeting
- Medical staff report
- Consideration and acceptance of the financial report
- Standing committee reports and recommendations for Board action

- Special committee/task force reports and recommendations for Board action
- CEO report
- Management company report
- Closed session
- Adjournment

4.10 Staff Attendance at Board Meetings

Since it is the policy of the CMH Board to hold our CEO accountable for all management of CMH, it is left to the CEO to invite any staff to the Board meeting that the CEO needs as a resource for issues the Board will consider during the meeting.

4.11 Open Board Meeting

Policy for Public Organizations

The CMH Board will comply with the Open Meetings Act. Regular meetings of the Board will be open to the public except on the occasions when the Board votes to close the session for the purposes defined by State law, and in the manner prescribed by State law.

However, those attending Board meetings, other than the Board and the Chief Officers, will be asked to sit away from the Board table in an area designated for visitors to the meeting. Visitors will also be asked to refrain from taking part in the Board's deliberations except upon request from the Board, and visitors will otherwise not disrupt the Board's work.

Board meetings open to the public view should not be confused with public meetings in which anyone is allowed to speak. The Board recognizes in all instances its right to control CMH Board meetings.

Visitors may use the Public Forum to address the Board. Or, visitors may ask for time on the Board agenda if the request is made to the CEO at least three (3) days in advance of the Board meeting. The CEO and the Board Chairperson will determine if the request to be on the agenda is honored and how much time will be allocated to the agenda item.

In the Closed Session, the Board may continue to do business according to the Open Meetings Act. The Board Chairperson will request visitors to leave prior to any closed session.

4.12 Electronic Recording of Board Meetings

The Executive Assistant or designee will record the meeting per the Open Meetings Act.

4.13 Public Forum 4.13

Each meeting agenda, except those for Special Meetings of the Board, will include an item that is allocated no more than 15 minutes and labeled "Public Forum". All persons others than Board Trustees wishing to speak during the Forum will, prior to the meeting, complete a written form listing

the speaker's name, issue to be addressed, and name of organization represented. The form will be handed to the Board Chairperson. Procedures for the Forum will follow the outline of the form on the following page.

Public Forum Request Form

The CMH Board welcomes you to this meeting. We conduct our meetings in strict compliance with the State Open Meetings Law. That law requires that our Board meetings be open for public observation, but it does not require that the public be allowed to participate in the meetings.

However, we value the ideas and insights of others. Therefore, it is the policy of this Board to allow 15 minutes of each meeting for a Public Forum. If you wish to speak to this Board during the Public Forum section of our agenda, please complete the form below and hand it to the Board Chairperson before the meeting. Only persons who have completed the form and given it to the Board Chairperson prior to the convening of the meeting will be allowed to speak.

When the Board reaches the Public Forum section of the agenda, the Board Chairperson will divide the 15-minute segment by the number of persons who have requested to speak to the Board to determine the amount of time allocated to each person. The Board Chairperson will then call on those people one at a time to stand and address the Board for no more than the allocated time.

Do not expect the Board to respond at this meeting to your questions or requests for information or requests for action. The Board will note your request and respond at a later, more appropriate time after Board Trustees have an opportunity to deliberate about the request.

At other times during this meeting, a Board Trustee may wish to ask for information from persons in the audience, but please refrain from comment unless the Board Chairperson directly asks you to comment. Board Trustees are always anxious to hear from constituents outside the meeting, but our meeting agenda is usually full and does not allow us time for a continuous Open Forum. Thanks for helping us conduct an open, orderly, and productive meeting.

Request to Speak to CMH Board During the Public Forum

This form must be completed and handed to the Board Chairperson before the start of the meeting if you wish to speak to the CMH Board during the Public Forum section of the meeting agenda. The Public Forum will be conducted according to the format explained above.

Your name:_____
Group/Organization you represent, if any:_____
Subject about which you will speak:_____

4.14 Voting

All Trustees of the CMH Board who are present when a question is presented for a vote will vote upon the question unless excused by the other Trustees present or unless disqualified by conflicts of interest. Results of the vote will be recorded.

Voting on all motions will be by voice unless requested otherwise by a Trustee of the Board, at the direction of the Chairperson, or required by these policies.

A Board Trustee who is present at a meeting of the Board at which action is taken on any corporate matter will be presumed to have concurred in the action taken unless the dissent of the Board Trustee is entered in the minutes of the meeting. Such dissent will be indicated by a simple "no" vote on the action.

A Board Trustee who is absent from a meeting of the Board at which action is taken will be presumed to have concurred in the action unless the Trustee files a written dissent with the Executive Assistant of the CEO within 48 hours after learning of the action.

4.15 Electronic Attendance/Voting by Trustee at Board Meetings

If a quorum of Board Trustees of the public body is physically present, and a majority of the Board Trustees consent to allow it, a Trustee may attend by video/telephone conference if the Trustee is prevented from attending due to personal illness, employment purposes or hospital business, or family or other emergency. The Trustee given approval to attend by video/telephone conferencing will be allowed to vote on matters presented.

The Trustee who requests to attend the Board meeting via conference must notify the recording secretary before the meeting to allow conferencing to be set up.

It will be the Trustee's responsibility to verify that they are in a secure location so as to maintain confidentiality of proceedings when going into closed session. It is also the Trustee's responsibility to make known they are ending the video/telephone conferencing call before doing so.

4.16 Quorum

A majority of the entire Board of Trustees attending any annual, regular, or special meeting will constitute a quorum for the purpose of conducting official Board business, and a majority of the quorum present may adjourn from time to time.

4.17 Disqualification for Voting

No Trustee of the CMH Board may vote on any matter in which the Board Trustee has a conflict of interest.

No Trustee of the CMH Board will have proprietary business dealings with CMH which directly or indirectly results in gain or profit to such Board Trustee unless they first file a sworn statement with the Chairperson of the Board of the intent to have such business dealings, and states therein the nature, type, and extent of the transaction and interest of the Board Trustee. Remaining Board Trustees must, by majority vote, give approval.

4.18 Minutes of the Board Meetings

Records of all actions of the Board will be set forth in the minutes of the meeting. Minutes will be kept on file as the official record of the CMH Board.

The office of the Secretary of the Board or designee will be custodian of the minutes. However, it is vital that all Trustees of the Board and the CEO be able to fully participate in the discussions and deliberations, so minutes will be recorded in writing during each meeting by the Executive Assistant to the CEO or designee.

Minutes of the meetings are a record of the actions of the Board, not a record of discussion. Minutes of the CMH Board meetings will include:

- The date, time, and place the meeting was called to order.
- The type of meeting – regular, special, or continued.
- The name of the presiding officer.
- The names of those Board Trustees present and the names of those Board Trustees absent from the meeting, noting excused absences of Trustees.
- The exact wording of all motions, whether passed or failed.
- Disposition of each motion made – passed or failed. (If the vote is by roll call, each Board Trustee's vote will be recorded by name. When a ballot vote is taken, the number voting for and number voting against will be recorded. No views, protests, or explanations from Board Trustees about the vote will be recorded in the minutes unless the full Board votes to allow such entries.)
- A summary of the discussion of all matters proposed, deliberated, or decided and a record of the votes taken.
- Notation of each committee report.
- Notation that financial reports were examined by the Board.
- Notation of time of adjournment of the meeting.

Committee reports or resolutions may be attached to the minutes if these items are important clarification for the minutes of the meeting. Minutes will be available for public inspection within seven (7) days of approval of the minutes.

4.19 Parliamentary Authority

Meetings of the CMH Board will be governed by the parliamentary rules as outlined in Robert's Rules of Order in all cases where current bylaws and current Board policies do not apply.

Crawford Memorial Hospital

Board Policies and Procedures

Title/Description:	**Organizational Finance**		
Page:	1 of 6		
Effective Date:		Last Review Date:	7 /2026
Review Due:	2029	Last Revision Date:	7/2026
Applies to:	CMH Board of Trustees	Approved by:	Board of Trustees

5.1 Fiscal Year

The Crawford Memorial Hospital (CMH) Fiscal Year shall be the first day of May to the last day of April.

5.2 Financial Management

Financial resources of CMH are the responsibility of the Board of Trustees. The Board will:

- Have a clear plan for acquisition of financial resources to pay for the programs and services provided by CMH.
- Provide guidelines for management and allocations of financial resources which will produce optimum benefit for those we serve.
- Monitor and evaluate the financial plans and guidelines of CMH to ensure the financial integrity of CMH.

5.3 Budgeting

An annual operating and capital budget will be prepared by the Chief Financial Officer (CFO) and presented to the Board for approval prior to the beginning of the next fiscal year. The budget will reflect the cost of carrying out the programs and services of CMH for the next fiscal year as well as the expected capital equipment acquisitions that will be made. This budget will also reflect the anticipated revenues of CMH.

The operating and capital budgets will be viewed by the Board as their financial plan for CMH, and approval of the budgets by the Board will be authority for the CFO to manage CMH's finances according to the plan without seeking further approval of the Board. However, the CFO will keep the Board well informed of the ongoing status of the financial plan and will not make expenditures outside of the budget plan without seeking Board approval to amend the budget. Amendments to the budget will be presented to the Board for approval for any of the following reasons:

- CMH enters into a contract that was not included in the approved budget.
- Management proposes a major expenditure that was not included in the approved budget.
- Significant unanticipated revenues are received or cost overruns occur.

5.4 Accounting

The accounting system used by CMH will utilize generally accepted accounting principles that are required and/or recommended by regulatory or lending agencies.

The accounting principles and procedures used by CMH will allow for adequate management of CMH's revenues and expenses and will provide adequate systems of monitoring by the Board of Trustees as well as outside auditors.

5.5 Financial Reports and Audits

Reports reflecting the financial condition of CMH will be presented to the Board monthly. These financial reports will include:

- At least quarterly status of expenditures on major capital projects.
- Monthly statement of cash flow.
- Monthly revenue and expense statement for the month and year-to-date with comparison to the budget.

An annual audit of CMH's finances will be conducted by an independent auditor appointed by the Board. The scope of those audits will be determined from time to time by the Board.

The Board will approve an accounting firm to do the audit, and the contract for audit will be formally reviewed at least once every three years.

The CEO will solicit bids for the audit from two or more qualified firms and will recommend to the Board a firm to perform the audit. The Board's selection will be based on consideration of cost, professional qualifications, reputation, and relevant experience.

5.6 Signing Checks

Authorized signatories for all general fund accounts must include two of the following: the CEO, the CFO, or a Board Trustee designated as a signatory by the Board.

The CEO may authorize the use of an automatic signature stamp for checks under $10,000. The signature stamp will contain the facsimile signatures of two authorized signatories. Checks equal to or greater than $10,000 require the signature of at least one authorized Trustee, with the following exceptions: checks for payment of utility expenses, payroll taxes and deductions, insurance premiums, loan payments, previously approved capital equipment, and contractual operating expenses. In addition, two (2) current management employees cannot sign the same check drawn on accounts of CMH.

It is the responsibility of the CEO to ensure that signatures can be gained from appropriate signatories so that payment can be made on obligations of CMH. It is also the responsibility of the CEO to ensure that adequate controls and safeguards have been established to ensure disbursement of funds only for proper purposes.

It is the responsibility of all check signers to ensure that there is adequate documentation, consistent with good internal controls, for valid payment of checks they sign.

5.7 Use of Credit Cards

The use of CMH credit cards by employees of CMH to pay for hospital expenses will not be allowed without preapproval. Special employees under management contract are not permitted use of CMH credit cards.

5.8 Purchase Orders

Staff purchases of supplies and materials will be made only with a properly authorized purchase order signed by the CEO or a member of the management staff authorized by the CEO to sign purchase orders.

5.9 Contracts

The CEO/CFO may approve service agreements and contracts as consistent with Finance policies. The CEO/CFO may also approve agreements which continue the same service level and cost from a prior contract. These agreements must be done within the approved budget line item spending limits.

All service agreements and service contracts shall be awarded on the basis of cost, experience, and references. No contracts may be written or awarded to employees or Board Trustees or their immediate family.

At a minimum, all contracts must contain the purpose, effective dates, authorized signatures, amount to be paid, how liability risks are covered or met, and services to be provided.

5.10 Investment Practices

All funds excluding operating balances held in checking accounts should be invested in accordance with the following guidelines:

Relevant Information:

CMH will comply with the Illinois Public Funds Investment Act (30 ILCS 235)

Key provisions of this act allow investments in the following:

- US Treasury bills, notes, and bonds (Direct US Treasuries)
- US Agency notes and bonds (Direct Agencies)
- FDIC Insured bank time deposits (savings, Certificates of Deposit)
- Short Term US Corporate notes with maturity less than 270 days at time of purchase. *This category cannot exceed 33% of all investments. Other restrictions apply. See the Illinois Public Funds Investment Act for details.
- Medium Term US Corporate notes with maturity more than 270 days but less than 3 years at time of purchase. *This category cannot exceed 33% of all investments. Other restrictions apply. See the Illinois Public Funds Investment Act for details.

- Money market funds if all underlying investments are included in the above categories.
- Repurchase agreements.

Investment policy:

Twenty percent (20%) of investments must be in investments that mature within 12 months. The 20% can be held either at local banks or with retail custodians or trust departments.

Eighty percent (80%) of investments can be invested to obtain the best yield for the least amount of risk. Maximum duration for any investment in this category at time of purchase:

US Treasuries -	10 years
US Agencies -	5 years
Corporate Bonds -	3 years (other restriction apply – see above)
CDs -	5 years
Money markets -	5 years average duration of underlying investments, reviewed annually
Repurchase agreements -	2 years

Other guidelines:

Collateral – investments made at any one financial institution that exceed the limits of Federal Deposit Insurance Corporation (FDIC) guarantees ($250,000.00 as of July 2026) must be secured against loss by the financial institution for the excess amount per fund. Acceptable collateral includes US Treasury Notes and Bonds and Direct US Agency issues, commonly called pledged securities.

NOTE: Pledged collateral requirements also apply to bank operating accounts.

All investments will be in interest bearing instruments, with the exception of US Treasury Bills. Other than US Treasury Bills, no zero coupon bond or derivative type offerings are allowed.

Invitations for bid on available funds will be made to local banks. The bank with the highest bid will receive the funds. Ideally, local banks can make up a majority of the 20% to be invested in one-year maturities.

The CEO and the CEO's designated officer may invest funds as per the above guidelines with one signature. The CEO and the CEO's designated officer may sign for inter-fund transfers that do not represent a disbursement, regardless of the amount.

The CEO or the CEO's designated officer will report to the Board a listing of maturities and investments of funds.

5.11 CEO Limitations

The CEO may not risk financial losses to CMH beyond those that may occur in the normal course of business. The CEO will:

- Ensure against embezzlement, casualty losses to full replacement value, and against liability losses (to Board Trustees, organization, or staff) no less than a prudent level.

- Ensure that all personnel with access to significant amounts of CMH money are appropriately bonded.
- Ensure that facilities and equipment are properly maintained.

- Limit exposure of CMH, the Board, or staff to claims of liability.
- Disburse funds only under controls sufficient to meet the Board-appointed auditor's standards.
- Ensure off-site backup of all computer and other financial records necessary for uninterrupted operation of CMH.

5.12 Spending Authorizations

The CEO may make expenditures consistent with the Board-approved operating and capital budgets without further Board approval. However, expenditures that are not within the Board-approved budget must be formally approved by the Board of Trustees.

A list of anticipated major capital expenditures should be included with the annual budget that is submitted to the Board for approval.

Unbudgeted emergency repairs to the physical plant or equipment that must be completed immediately and cannot be practically submitted to the Board for approval may be authorized by the CEO. The Board approval will be requested for the expenditures as soon as possible.

5.13 Delegation of Spending Authority

The Board of Trustees is recognized as the ultimate spending authority for CMH. To more efficiently conduct CMH business, the CEO may delegate various types of expenditures of CMH funds. Clear restrictions and controls will apply to all expense approval levels.

The employee or Board Trustee officially holding an authority to approve expenditures of funds is expected to personally exercise that specific authority. Allowing another person to use the authorized signature is not acceptable.

No employee shall approve a transaction which will result in personal gain or which is executed personally. Approval must be at the next highest level of authority.

Approval of travel and personal expenses will always be at the next highest level of authority for every employee. CEO expenses will be approved by the Board Chair and current management company. Board Trustee expenses will be approved by the CEO or the CFO. No employee shall approve a transaction in which a conflict of interest exists. If there is any doubt about the propriety of an expenditure, the employee should not approve the expenditure, but rather refer approval to a higher authority.

5.14 Insurance/Bonding Protection of CMH

The CEO will recommend to the Board all necessary bonding of staff members who handle CMH funds and recommend to the Board any appropriate insurance protection to protect the finances of CMH.

5.15 Charitable Donations by CMH

Charitable contributions will be made only with the approval of the Board of Trustees. These contributions will be made in accordance with State and Federal regulations.

5.16 Bad Debts Owed to CMH

The CEO/CFO may authorize the write-off of debts which are deemed to be uncollectable.

Delinquent accounts may be assigned for collection to either legal counsel or a collection agency or taken to small claims courts as the CEO/CFO deems appropriate. Collection efforts will continue even after write-off until actually collected or the attorney, collection agency, or small claims court deems further efforts will be futile or not cost-effective.

The CEO/CFO will ensure that summary reports of bad debt activities are presented to the Board of Trustees on a monthly basis.

5.17 Charity Care

It is the intention of CMH to provide charity care for those individuals who qualify. CMH will follow Illinois Hospital Association guidelines in the development of its charity policy. No patient requiring emergency medical care will be refused services. Evaluation and treatment of every patient will be based upon clinical judgment and sound medical policy, regardless of the financial status of the patie

Crawford Memorial Hospital

Board Policies and Procedures

Title/Description:	**Chain of Command**		
Page:	1 of 1		
Effective Date:		Last Review Date:	7/2026
Review Due:	2029	Last Revision Date:	7/2026
Applies to:	CMH Board of Trustees	Approved by:	Board of Trustees

6.1 Chain of Command

The Crawford Memorial Hospital (CMH) Board believes strongly in the chain of command:

Board of Trustees
CEO
Administration
Management
Staff

The Board is concerned about the needs and the success of the staff and will work through the chain of command to facilitate the success of all CMH staff.

The Board expects all staff to respect and follow the chain of command when registering complaints, making suggestions, and in any other way communicating with the Board about the business of the organization. Staff members who take complaints, requests, criticism, or other organization business directly to the Board or to individual Board Trustees without working through the CEO will be considered insubordinate and subject to disciplinary measures up to and including termination.

The Board expects all Board Trustees to respect and follow the chain of command when communicating with staff about the business of the organization. Board members will not take complaints, suggestions, requests, or demands to the staff except through the CEO. When a Board Trustee receives a complaint or suggestion from a staff member other than the CEO, the Board Trustee will remind the staff member of the Board's policy about following the chain of command. The Board Trustee will also report the staff communication to the CEO. In the event that there is a staff complaint about the actions or behavior of the CEO, a member of management or administration may bring this to the Board directly.

Crawford Memorial Hospital

Board Policies and Procedures

Title/Description:	**Board Officers**		
Page:	1 of 2		
Effective Date:		Last Review Date:	7/2026
Review Due:	2029	Last Revision Date:	7/2026
Applies to:	CMH Board of Trustees	Approved by:	Board of Trustees

7.1 Officers of the Board and Job Definitions

Officers of the Crawford Memorial Hospital (CMH) Board will consist of a Chairperson, Vice-Chairperson, Secretary, and Treasurer elected by a majority of the Board. The Chairperson, Vice-Chairperson, and Treasurer shall be Trustees of the Board.

The **Chairperson** of the Board will collaborate with the CEO to prepare Board meeting agendas, preside at Board meetings, appoint committees and committee chairpersons, sign official documents requiring signature, and may represent the Board in public and official capacities as instructed by the Board. The Chairperson will also:

- Chair the Executive Committee
- Make special assignments and appoint representatives to other organizations
- Act as liaison between the Board and the CEO
- Encourage the Board to do long-range planning
- Assist Board Trustees to build their Board skills
- Act to discipline Board Trustees who violate bylaws or Board policies
- Encourage all Board Trustees to participate in Board activities
- Ensure that all Board Trustees' views are represented in Board meetings

The **Vice-Chairperson** will preside at Board meetings in the absence of the Chairperson and assume the office of Chairperson when the Board determines that the Chairperson can no longer serve. The Vice-Chairperson will also:

- Serve on the Executive Committee
- Work with the Chairperson to be prepared to assume that office if necessary
- Manage special assignments as requested by the Board Chairperson

The **Secretary** will oversee the records of the Board, including timely notices for meetings, publishing the schedule of meetings each year, meeting minutes, the charter, and any historic documents. When required, the Secretary will also sign notes, contracts, and other official agreements on behalf of CMH and at the direction of the Board. The Secretary will also:

- Serve on the Executive Committee

The **Treasurer** will oversee but not manage the financial records of CMH and ensure that the Board regularly receives accurate reports of the financial condition of CMH. The Treasurer will also:

- Serve on the Executive Committee
- Chair the Finance Committee

7.2 Officer Election Process

Officers will be elected or reaffirmed immediately after reorganization of the Board when new or reelected Board Trustees are confirmed. The Board of Trustees will utilize the following procedures in electing its officers:

- The Chairperson will nominate a committee to submit a slate of officers.
- The Board will meet to elect its officers at the first meeting following the annual election of new Board Trustees, or, at the Chairperson's discretion, this election may be postponed for a period of up to 15 days.
- Only Board Trustees present for elections will be allowed to vote for officers. There will be no "absentee voting", or telecommunications voting for officers.
- Officer candidates must have consented to seek office before their name is placed in nomination.
- Nominations will be open for any eligible candidate who has given prior consent.
- Board Trustees will encourage candidates to disclose their interest in the office.

7.3 Terms of Office

Terms of all officers will be two years. Only properly elected or appointed Trustees of the Board may serve as officers of the Board. An officer may be elected no more than two (2) consecutive terms. All officers of the Board may stand for election for that same office again after at least one term of absence from that office.

7.4 Officer Authority

Officers of the Board are elected to be servant-leaders of the Board. All authority of the officers is delegated to them by the Board of Trustees. No officers will have any authority to speak or act on behalf of the Board other than that authority specifically granted in the CMH bylaws, in these Board policies and procedures, or by majority vote of the Board of Trustees.

7.5 Vacancies of Officer Positions

If a vacancy occurs in any office because of resignation, death, ineligibility to hold office, or formal removal of an officer by the Board, the Board will proceed to fill the vacancy at the earliest annual, regular, or special meeting at which there is a quorum. The vacancy will be filled for the remainder of the term.

If the vacancy occurs in the Chairperson's office, the Vice-Chairperson will assume the office as soon as the Board of Trustees declares the position vacant. The Vice-Chairperson will hold the office of Chairperson until the Board elects a new Chairperson. A vacancy is filled in the prescribed manner of election of officers in this policy.

7.6 Removal of Officers

The CMH Board has the right to remove any officer from that elected position by the same authority that elected the officers. Officers may be removed from office with or without cause. Procedure for removal of any officer from office will be a simple majority vote of the Board.

Crawford Memorial Hospital

Board Policies and Procedures

Title/Description:	**Committees of the Board**		
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Effective Date:		Last Review Date:	7/2026
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The Board may establish or abolish standing or special committees as necessary.

8.1 Committee Purpose

It will be the purpose of any committee appointed by the Crawford Memorial Hospital (CMH) Board to assist the Board of Trustees to govern more efficiently. Committees will be used to investigate, deliberate, and analyze special issues on behalf of the Board.

8.2 Committee Authority

Any committee established by the Board will have only the powers specifically delegated to it by the Board. Functions of each committee will be in writing or recorded in the minutes of the meeting at which the committee was established.

8.3 Committee Accountability

Committees are a subsidiary of the Board and will be expected to report their work to the full Board on a regular basis. Each committee will be expected to make recommendations to the Board for action – such recommendations to be made by a member of the committee in the form of a motion at a full Board meeting.

The CMH Board will regularly review the work performed by each committee and determine which committees will be reappointed and which committees will be abandoned as no longer necessary.

8.4 Appointment of Committees

The Chairperson of the Board will appoint the Chairperson of each committee and all committee members, taking into consideration the preference of the Board Trustees for committee assignment.

8.5 Ex Officio Committee Members

The Chairperson of the Board will be an ex-officio member of all committees but will only vote on the committee to which they are assigned. The CEO or the CEO's delegated representative will be a non-voting member of all committees and act as a resource to the committee.

8.6 Duties of Committee Members

Duties of the members of individual Board committees will vary, but certain basic committee member responsibilities remain the same for all committees. Those responsibilities include:

- Attend all meetings of the committee to which the Board Trustee is assigned.
- Prepare for committee meetings by studying the agenda and researching issues to be discussed at committee meetings.
- Actively participate in discussions at committee meetings.
- Follow through promptly on any assignments for the committee.
- Participate in preparing committee recommendations for the full Board's consideration.
- Support committee recommendations before the full Board.

8.7 Committee Meetings

The committee Chairperson will convene all meetings of the committee or a majority of the committee members may call a committee meeting. Meeting dates will be coordinated with the CEO to avoid conflict and to ensure completion of staff support and research for the committee.

Minutes will be kept of committee meetings. Committees will submit a written summary of committee actions and recommendations to the Board in the Board meeting packet for the meeting at which committee recommendations will be considered.

Crawford Memorial Hospital

Board Policies and Procedures

Title/Description: Compliance Oversight

Effective Date:	7/2026	Last Review Date:	New
Review Due:	2029	Last Revision Date:	New
Applies to:	CMH Board of Trustees	Approved by:	Board of Trustees

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9.1 The Board shall exercise reasonable oversight with respect to the implementation and effectiveness of the organization's compliance program. The Board will actively engage in compliance oversight and ensure that appropriate structures, processes, and resources are in place to promote a culture of compliance.

9.2 Responsibilities of the Board

A. Duty of Care and Oversight

The Board shall:

- Act in good faith and in the best interest of the organization.
- Exercise reasonable inquiry and diligence in overseeing compliance.
- Ensure that a compliance program is in place and functioning effectively.

B. Understanding the Compliance Program

Board members are responsible for:

- Understanding the fundamental elements of an effective compliance program.
- Receiving education and training on healthcare compliance risks, including fraud, waste, and abuse laws (e.g., Stark Law, Anti-Kickback Statute, False Claims Act).
- Staying informed about regulatory developments affecting the organization.

C. Approval and Support of Compliance Infrastructure

The Board shall:

- Approve the appointment of a qualified Compliance Officer.
- Ensure the Compliance Officer has sufficient authority, independence, and access to the Board, as well as adequate staffing and resources.
- Support an operational Compliance Committee

D. Direct Access to the Compliance Officer

The Board (or Executive Committee) shall:

- Meet regularly with the Compliance Officer, including executive sessions without management present.
- Ensure open lines of communication between the Compliance Officer and the Board.

- Encourage reporting of compliance concerns without fear of retaliation.

E. Regular Monitoring and Reporting

The Board shall:

- Receive regular reports from the Compliance Officer regarding:
  - Compliance Program Effectiveness
  - Identified risks and mitigation efforts
  - Audit and monitoring activities
  - Investigations and corrective actions
- Review dashboards or metrics that track compliance performance.

F. Oversight of Risk Assessment

The Board shall:

- Ensure that periodic compliance risk assessments are conducted.
- Review high-risk areas and ensure appropriate mitigation strategies are implemented.
- Confirm that the compliance work plan aligns with identified risks.

G. Response to Compliance Issues

The Board shall:

- Ensure that identified compliance issues are promptly investigated.
- Oversee corrective action plans and monitor their implementation.
- Ensure appropriate discipline is enforced for violations.
- Confirm that overpayments are reported and returned as required.

H. Culture of Compliance

The Board shall:

- Promote a culture of integrity and ethical conduct.
- Set a “tone at the top” that emphasizes compliance and accountability.
- Ensure that compliance is integrated into strategic and operational decision-making.

I. Evaluation of Compliance Program Effectiveness

The Board shall:

- Periodically evaluate the effectiveness of the compliance program.
- Ensure independent reviews or audits are conducted when appropriate.
- Use results to guide program improvements.

J. Documentation

The Board shall:

- Maintain documentation of compliance oversight activities in meeting minutes.
- Ensure records reflect active engagement in compliance matters.

9.3 Education and Training

Board Trustees shall:

- Participate in ongoing compliance education at least annually.

- Receive orientation on compliance responsibilities upon joining the Board.

Crawford Memorial Hospital

Board Policies and Procedures

Title/Description:	**Facilities**		
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Effective Date:		Last Review Date:	7/2026
Review Due:	2029	Last Revision Date:	7/2026
Applies to:	CMH Board of Trustees	Approved by:	Board of Trustees

10.1 Limited use of CMH Facilities by Outside Organizations

The Board recognizes the need by the community for adequate spaces for meetings and programs of various groups and organizations, and the responsibility of Crawford Memorial Hospital (CMH) as a good corporate citizen to help meet this need. Therefore, it is the policy of the CMH Board to allow limited use of CMH facilities by community organizations and groups.

10.2 Conflict of Usage

Individuals, groups, or organizations may be given permission to use CMH meeting rooms for indefinite or extended periods of time or on a regular schedule, such as a specific date or dates in each week or month. Such permission may be granted by the CEO.

Requests for the use of CMH facilities for other than CMH business will not be granted until it is clear that such use will in no way hinder the full use by CMH. A calendar of approved requests will be maintained to avoid scheduling conflicts.

10.3 Accountability for Proper and Safe Usage

Requests must be made in writing by one person, representing a group or organization, who will be obligated to CMH for the safe and proper use of CMH facilities.

Individuals belonging to a group whose request is approved will be required to comply with the security procedures that are established by CMH when using CMH facilities.

10.4 Eligibility of Users

A record will be maintained of each request received showing the name of the individual, group, or organization requesting use of CMH facilities, the date, and hours of use.

The Board, through the provisions of the policy, authorizes the use of CMH facilities as outlined below:

- Individuals may request the use of the facilities for and on behalf of a group or organization, but may not use any facilities for private use.

- CMH facilities will not be used by persons, groups, or organizations for purely commercial or social purposes, political party activities, or any private or public activity that will be considered controversial in the judgment of the CEO.

10.5 CMH Equipment

All items purchased belong to CMH and are to be used for CMH needs.

10.6 Gifts Acceptance

The CMH Board encourages gifts of materials, equipment, money, or gifts in kind. However, the Board also recognizes that all gifts may not be acceptable to CMH's needs or principles and may involve expenses beyond the value of the gift.

Therefore, before acceptance, all gifts must be approved by the CEO as appropriate for CMH needs and within the boundaries of the established mission and philosophy of this organization. If there is any question about the appropriateness of the gift, the CEO will bring the issue to the Board for resolution.

The CMH Board encourages those who give gifts to the organization to allow the most appropriate use of the gift to be determined by the Board, the CEO, and staff who will give serious consideration to the wishes of the donor. However, final decision of how a gift will be used always remains with the Board, CEO, and staff of CMH. If the donor cannot accept this regulation, the gift will not be accepted by CMH.

CMH will provide acknowledgment of receipt of all gifts accepted by the organization, but CMH will not be responsible for appraisal of the value of a gift for income tax or other purposes.

CMH Board of Trustees Policies and Procedures

Reviewed / Revised: 1992 July
1995 April
1998 April
2005 December
2008 April
2012 October
2013 April
2016 February
2017 October
2019 October
2023 September