



MORONGO BASIN HEALTHCARE DISTRICT

6530 La Contenta Road, Suite 100, Yucca Valley CA 92284 | 760.820.9229

The attached bylaws for the HI-Desert Memorial Health Care District dba Morongo Basin Healthcare District were reviewed and adopted at the regular meeting of the Board of Directors on September 21, 2017 as certified by the following signatures.

Marge Doyle, President

Joe Sullivan, Secretary

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- ADOPTED: 1979
 - REVISED: JULY 22, 1981
 - REVISED: APRIL 12, 1983
 - ADDENDUM (Fair Hearing Plan): MAY 10, 1983
 - REVISED: DECEMBER 10, 1985
 - REVISED: MARCH 4, 1987
 - REVISED: APRIL 12, 1989
 - REVISED: JUNE 13, 1990
 - REVISED: MARCH 14, 1994
 - REVISED: JUNE 20, 1995
 - REVISED: JUNE 18, 1996
 - REVISED: October 14, 1997
 - REVISED: DECEMBER 14, 1999
 - REVISED: DECEMBER 12, 2000
 - REVISED: May 22, 2004
 - REVISED: August 10, 2004
 - REVISED: July 11, 2006
 - REVISED: November 14, 2006
 - REVISED: May 8, 2007
 - REVISED: July 8, 2008
 - REVISED: October 14, 2008
 - REVISED: September 8, 2009
 - REVISED: July 13, 2010
 - REVISED: April 12, 2011
 - REVISED: October 8, 2013
 - REVISED: December 10, 2013
 - REVISED: September 9, 2015 (Post Affiliation)
 - REVISED: October 20, 2015
 - REVISED: February 10, 2016
 - REVISED: September 21, 2017

HI-DESERT MEMORIAL HEALTH CARE DISTRICT
dba Morongo Basin Healthcare District
BYLAWS

ARTICLE I
SCOPE AND PURPOSE

Section 1. Nature of District: Hi-Desert Memorial Health Care District dba Morongo Basin Healthcare District (the "**District**") is a district organized under the Local Health Care District Law of the State of California, California Health and Safety Code Sections 32000 and following.

Section 2. Bylaws: These bylaws are intended for the regulation of Hi-Desert Memorial Healthcare District DBA: Morongo Basin Health Care District and such other health care facilities, as the District may hereafter operate, and shall be regarded as rules and regulations of the District adopted pursuant to the Local Health Care District Law.

Section 3. Purposes: The jurisdiction, powers and purposes of the District, its Board of Directors ("Board") and its officers and agents shall be as now or hereafter provided by the provisions of The Local Health Care District Law and shall be examined and re-evaluated at least every two (2) years and revised as necessary. Subject thereto, the purposes of the District shall include, but not necessarily be limited to the following:

- (a) Within the limits of community and district resources, to promote healthcare resources to the community, regardless of sex, race, creed, religion, color, ancestry or national origin and any other legally protected class.
- (b) To coordinate the services of the District with community agencies or health care facilities providing specialized care.
- (c) To conduct educational and research activities essential to the attainment of its purposes.
- (d) To do any and all other legal acts and things necessary to carry out the provisions of The Local Health Care District Law.

Section 4. Dissolution: Any proposal for dissolution of the District shall be subject to confirmation of the voters in the District in accordance with California Government Laws.

Section 5. Profit or Gain: There shall be no contemplation of profit or pecuniary gain, and no distribution of profits to any individual, under any guise whatsoever, nor any distribution of assets or surpluses to any individual on the dissolution of the District.

Section 6. Disposition of Surplus: Should the operation of the District result in a surplus of revenue over expenses during any particular period, such surplus may be used

and dealt with by the Directors for improvements in the District's facilities; for the care of the sick, injured or disabled; promotion of community health; or for other purposes not inconsistent with The Local Health Care District Law, or these Bylaws.

ARTICLE II **OFFICES**

The principal office of the District is hereby fixed and located at 6650 La Contenta Road, Yucca Valley, CA 92284. Branch or subordinate offices may be established by the Board at any time or place.

ARTICLE III **DIRECTORS**

Section 1. Numbers and Qualifications: The Board shall consist of five (5) members, each of whom shall be a registered voter residing in the District.

Section 2. Election and Term: A Director shall be elected for a term of four (4) years or until his or her successor is elected or appointed by the Board and has been qualified. The terms of Directors shall be staggered such that two seats are filled in one district election and three seats are filled in the following district election. The election of Directors shall be consolidated with the statewide general election and shall be held in each even-numbered year.

Section 3. Attendance: All Directors shall notify the Board President or designee prior to any regular meeting if they do not plan to attend the meeting. In the event a Director fails to do so, then that absence shall be deemed unexcused. If any Director is absent from three consecutive regular meetings or from three or more of any five meetings of the Board, the Board may by resolution declare that a vacancy exists on the Board and that Director's term shall expire upon its adoption. For the purpose of this Section, regular meetings shall include regular meetings of all standing committees. In the absence of a Board member at a regular scheduled meeting, phone conferences may be permissible subject to prior approval by the Board President. The Board member must provide advance information as to location and phone number for the conferencing.

The Board member must allow public participation from the phone location. The meeting agenda must be visibly posted at the phone conferencing location.

Section 4. Duties Powers and Responsibilities: Generally, the Board shall have and exercise all the duties and responsibilities of a healthcare District as set forth in The Local

Health Care District Law Chapter 2, Article 2, Sections 32121-32138. More precisely, the Board shall have the following duties and responsibilities:

- (a) To control and be responsible for the management of all operations and affairs of the District.
- (b) To make and enforce all rules and regulations necessary for the administration, government, protection and maintenance of the facilities or program under District jurisdiction.
- (c) To appoint a CEO, define the qualifications, duties and responsibilities of such appointee and evaluate performance at least annually.
- (d) To approve or disapprove all constitutions, bylaws and regulations, including amendments thereto, of all related subordinate organizations.
- (e) To establish policies for the operation of this District and its healthcare facilities.
- (f) To designate by resolution persons who shall have authority to sign checks drawn on the funds of the District.
- (g) To monitor and establish policies regarding agreements with independent contractors, including physicians and paramedical personnel.
- (h) To regularly monitor the quality and appropriateness of services being provided, to provide for resources and support systems for the quality assurance functions and risk management functions related to District related functions.
- (i) To do any and all other acts and things necessary to carry out the provisions of these Bylaws or of The Local Health Care District Law.

Section 5. Compensation: The Board is entitled to stipends as compensation for Directors attending regular Board meetings, special Board meetings, and Board committee meetings. The maximum number of meetings compensated per month shall not exceed five for members. In addition, each member of the Board shall be allowed his or her actual necessary traveling and incidental expenses incurred in the performance of official business of the District as approved by the Board.

Section 6. Vacancies: Any vacancy upon the Board shall be filled by election as described in Article 3.2 "Election and Term or by appointment by the remaining members of the Board if the vacancy occurs during an unexpired term. Any person appointed to fill such vacancy shall hold office for such term and under such conditions as specified by California Government Code Section 1780.

Section 7. Conflict of Interest: In accordance with the Fair Political Practice Act (Government Code Section 81000 et seq.), the Board of Directors shall adopt a Conflict of Interest Code which shall be reviewed and updated biennially in accordance with Government Code Section 87306.5. The Board of Directors shall also comply with the Conflict of Interest provisions relating to contracts set forth in Government Code section 1090 et seq.

Section 8. Ethics Training: The Board of Directors shall enroll in ethics education upon first being elected to office, and biannually in odd number of years thereafter as prescribed in AB 1234.

ARTICLE IV

MEETINGS OF DIRECTORS

Section 1. Regular Meetings: Regular meetings of the Board shall be scheduled no less than once a month on a date convenient to the Board. The Board may change the day of the month of such regular meetings as dictated by holiday schedules or changing circumstances and in accordance with Section 54954 of the California Government Code. Board Meeting Agendas shall be posted as required by law.

The Board shall meet twice a month when standing committees are suspended to allow all members of the Board to receive and process information usually managed by standing committees. However, the Board, at its discretion, may cancel one of the two meetings in any given month. The agenda at the second meeting may include reports and discussion for the suspended committees of Finance, Governance and Executive Performance and Compensation.

Section 2. Special Meetings: A special meeting of the Board may be called by the Board President or at the written request of a majority of Directors, and notice of the holding of such meeting shall be delivered personally or by electronic communication to each member of the Board and shall be received at least twenty-four (24) hours before the meeting. Written notice may be dispensed with in the case of Directors who are actually present at the meeting when it convenes or who, at or prior to the time of the meeting, files a written waiver of notice with the clerk or Secretary of the Board. Public notice shall be given as required by law, except for emergency meetings held in compliance with California Government Code Section 54956.5. This notice shall state the time and place of the special meeting and the business for which the special meeting has been called, and no business other than that stated in the notice shall be transacted at such special meeting.

Section 3. Quorum: A majority of the members of the Board, in person or by telephone, in accordance with Section 3, shall constitute a quorum for the transaction of business at any duly convened meeting of the Board.

Section 4. Adjournment A quorum of the Board may adjourn any Directors' meeting to meet again at a stated day and hour, provided, however, that in the absence of a quorum, a majority of the Directors present at any Directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

Section 5. Public Meetings: All meetings of the Board, whether regular, special or adjourned shall be open to the public, except for closed or executive sessions authorized by law. Members of the public may address the Board on matters of interest to the public, provided that such matters are within the subject matter jurisdiction of the Board, and provided further that no action shall be taken by the Board on any item arising out of such speeches unless the matter already appears on the agenda for that meeting. The Board may adopt reasonable regulations which limit the total amount of time allotted for and the time for each individual speaker.

Section 6. Minutes: The Secretary of the Board shall cause to be kept at the principal office of the District, a book of minutes of all Board meetings and committees, showing the meeting time and place, whether regular or special, and if special, how authorized, the notice given, the names of Directors present, and a statement of the vote of the Directors on all motions and resolutions.

Section 7. Voting Rights: Directors shall have one (1) vote each at meetings of the Board. There shall be no voting by proxy.

ARTICLE V **OFFICERS**

Section 1. Officers: The officers of the Board shall be Board President, Vice President, Secretary and Treasurer. Officers shall serve in a respective office on a rotating basis such that all members of the Board shall, whenever possible, serve in each officer position during their term of office. Board members accepting nomination and election as officers of the Board shall be cognizant of additional time demands incumbent upon the position being nominated. In particular, nominees to the office of Board President shall be expected to be available for significant additional time demands in support of functions of the District.

Section 2. Election of Officers: The officers of the Board shall be chosen by the Board at the first regular meeting of each January, and each officer shall hold office one (1) year, effective

immediately upon board approval, and until his or her successor shall be elected and qualified, or until he or she is otherwise disqualified to serve. However, subject to re-nomination and reelection by the Board, an Officer may serve in that same office for no more than two (2) consecutive years.

Section 3. Nomination of Officers: The President of the Board shall, as the first order of business of the regular meeting of each January, initiate the nomination of officers by temporarily bestowing chairmanship of the meeting to the Clerk of the Board for purposes of receiving the nomination recommendations and holding the election of officers. Upon the completion of the election of officers, the current and sitting President shall immediately resume chairmanship of the meeting. Elected officers assume responsibilities effective immediately upon board approval following their election as an officer.

Section 4. Board President: The Board shall elect one of their members to serve as Board President. If at any time the Board President shall be unable to serve, the Vice President shall serve in his or her place. If the Vice President shall also be unable to serve, the Board may appoint another member of the Board to do so, and such person shall be vested temporarily with all the authority and responsibilities of the office of Board President. The Board President or members of the Board acting as such:

- (a) Shall preside over all meetings of the Board and establish the agenda of each meeting.
- (b) Shall sign as Board President, on behalf of the District, all instruments in writing which he or she has been specifically authorized by the Board to sign.
- (c) Shall have, subject to the advice and control of the Board, general responsibility for oversight of the affairs of the District during his or her term of office.

Section 5. Vice President: The Vice President, shall, in the event of death, absence or other inability of the Board President, exercise all the powers and perform all the duties herein given to the Board President. The Vice President shall have such other powers and perform such other duties as may be prescribed from time to time by the Board.

Section 6. Secretary: The Secretary shall keep, or cause to be kept, accurate and complete minutes of all meetings of the Board, call meetings on order of the Board President, attend to all correspondence of the Board and shall have such other powers and perform such other duties as may be prescribed from time to time by the Board.

Section 7. Treasurer: The Board shall elect a Treasurer from its membership, whose duty shall be to ascertain that all receipts are deposited and disbursements made in accordance with

these Bylaws, the directions of the Board and good practice. The Treasurer shall have such other powers and perform such other duties as may be prescribed from time to time by the Board. The District Chief Financial Officer will serve as the Assistant Treasurer to maintain the financial records of the District, and cause to prepare such financial reports as are required by the Board.

Section 8. Other Officers: The Board may create such other offices as the business of the District may require, and the holder of each such office shall hold office for such period, have such authority and perform such duties as are provided by these Bylaws or as the Board may from time to time determine. Such additional offices may be filled by members of the Board.

Section 9. Directors & Officers Insurance: The District shall provide Errors & Omissions insurance for the Board of Directors.

ARTICLE VI

COMMITTEES OF THE BOARD OF DIRECTORS

Section 1. Committees of the Board: Committees shall be established by resolution of the Board, shall continue in existence until discharged by the Board

Section 2. Ad Hoc Committees: The Board President, with the concurrence of the Board, may from time to time appoint one (1) or more members of the Board and other persons as necessary or appropriate, to constitute special committees for the investigation, study or review of specific topics/matters.

Section 3. Authority: No committee shall have any power or authority to commit the Board or the District in any manner at any time.

ARTICLE VII

CHIEF EXECUTIVE OFFICER (CEO)

The Board shall select and employ a CEO who, by virtue of education and experience, has demonstrated his or her qualifications to be the Chief Executive Officer “CEO” of the District subject to such policies as may be adopted and such orders as may be issued by the Board, or by any of its committees to which it has delegated power for such action, the authority and responsibility of the CEO shall include:

- (a) Carries out all policies established by the Board and advises on the formation and revision of those policies; delegates authority to ensure that appropriate values and culture support the District's long-term business goals and effective use of human resources.

- (b) Provides and maintains effective communications and relationships.
- (c) At direction of the Board, and in accordance with District policy, enters into certain contracts and agreements with independent contractors.
- (d) Informs and advises Directors regarding current trends, problems, and activities in healthcare to facilitate policy making.
- (e) Directs the development and preparation of short-term and long-term plans based upon broad District goals and growth objectives.
- (f) Ensures compliance with governmental laws and regulations governing healthcare delivery and the requirements of accrediting bodies by continually monitoring operations, programs and physical properties, and initiating changes where required.
- (g) Provides leadership, acts as a role model, and sets standards for performance in all areas of the organization; directs and supervises all system activities through administrative support staff.
- (h) Ensures that the highest quality of service is being rendered to patients and clients.
- (i) Represents the District on internal committees and external professional/civic service organizations. CEO meets with members of the community to promote good community relations.
- (j) Promotes healthcare services which are produced in a cost-effective manner; ensures the sound fiscal operation of the organization including the timely, accurate, and comprehensive development of an annual budget and its implementation; directs District operations to achieve budgeted results and develops successful business affiliations through contract negotiation and administration.
- (k) Performs other related duties as assigned or requested by the Board of Directors.
- (l) The CEO shall ensure that the Authorization Matrix in District Leadership Policy LD-208 is adhered to by all administrative members of the staff annually. There shall not be any separate employment agreements established for any employees unless approved by the Board of Directors and reviewed by legal counsel.

ARTICLE VIII

RESERVATION OF AUTHORITY

No assignment, referral or other delegation of authority by the Board to the CEO, or anyone else by these Bylaws, contract, or other means shall preclude the Board from exercising the

authority required to meet its responsibilities for conducting the business of the District. The Board shall retain the right to rescind such delegation.

ARTICLE IX

EXECUTION OF INSTRUMENTS, DEPOSITS, AND FUNDS

Section 1. Execution of Instruments: The board of directors, except as otherwise provided in these bylaws, may by resolution authorize any officer or agent of the District to enter into any contract or execute and deliver any instrument in the name of and on behalf of the District and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the District by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 2. Checks and Notes: Except as otherwise specifically determined by resolution of the board of directors, or as otherwise required by law, checks, drafts, promissory notes, order for the payment of money, and other evidence of indebtedness of the District shall be signed according to the resolution or existing policy, and countersigned by the president of the Board of Directors of the District.

Section 3. Deposits: All funds of the District shall be deposited from time to time to the credit of the District in such banks, trust companies, or other depositories as the board of directors may select.

Section 4. Gifts: The board of directors may accept on behalf of the District any contribution, gift, bequest, or devise for the charitable or public purposes of this District.

ARTICLE X

DISTRICT FOUNDATION

There shall be an organization designated the Hi-Desert Memorial Health Care District Foundation, dba Morongo Basin Healthcare District Foundation, Inc., a California Nonprofit public benefit Corporation subordinate to the District Board of Directors. It shall be the purpose of this Corporation (1) to obtain, acquire, receive, accept and hold gifts, contributions, donations, bequests, grants and devises of money, property and assets of every legal kind and character for the use and benefit of the District; (2) to hold, manage, invest, deposit, lease, exchange and sell such money, property and assets for the use and

benefit of the District; (3) to pay and expend the monies of this corporation for the improvement, development, expansion, advancement and maintenance of the District and the property, buildings, structures, furnishings, fixtures, equipment and assets thereof; and (4) to encourage and solicit gifts, contributions, donations, grants, memorials and bequests and devises by Last Will and Testament for the uses and purposes of this Corporation and particularly for the use and benefit of the District.

The bylaws and other governing documents of the Foundation, and the adoption, amendment or repeal thereof shall not be effective until approved by the District Board.

ARTICLE XI

COMMUNITY HEALTH CENTERS

The name of the organization shall be the Hi-Desert Memorial Health Care District Community Health Center, herein known as the “CHC”. The CHC shall have a governing body which shall be known as the Community Health Center Governing Board (“CHC Board”) and is wholly owned by the Hi-Desert Memorial Health Care District (“District”), a public healthcare district organized and governed under the Local Health Care District Law of the State of California, California Health and Safety Code Sections 32000 (“District Law”) and following, and the Hi-Desert Memorial Health Care District Board of Directors (“District Board”), a publicly elected panel.

The CHC bylaws shall be adopted and may be amended by a majority vote of the CHC Board at any regular meeting. The CHC Board shall review the Bylaws annually. In the case of amendment, written notice of the amendment shall be submitted to each member at least seven (7) days prior to the meeting at which adoption is scheduled. Subsequent to CHC Board action, said amendments shall be approved by the District Board before becoming effective. Bylaws must adhere to the District policies and procedures, as well as continuing to satisfy the FQHC legislation requirements.

ARTICLE XII

SEAL

The Board shall have the power to adopt a form of corporate seal to alter it at pleasure. The Secretary shall affix the seal to all appropriate documents. The failure to affix the seal shall not, however, affect the validity of any instrument.

ARTICLE XIII
AMENDMENT AND REVIEW

These Bylaws may be altered, amended, repealed, added to or deleted, at any regular meeting of the Board of Directors, with the consent of a majority of the members. The Board of Directors will review these Bylaws at least biennially and alter them to conform to changes in the Health Care District law and any other applicable laws.

End