

BYLAWS  
OF  
J. ARTHUR DOSHER MEMORIAL HOSPITAL  
A PUBLIC TOWNSHIP HOSPITAL

REVISED AND ACCEPTED  
December 2, 2019  
Previous Revision July 10, 2017

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**PREAMBLE**

J. Arthur Doshier Memorial Hospital is a nonprofit public township Hospital created pursuant to the Article 2 of Chapter 131 of the North Carolina General Statutes. It is established for the purpose of maintaining and operating a general Hospital to serve the citizens of Smithville Township, Brunswick County, North Carolina, and surrounding areas. It has permanent facilities that provide a broad range of medical and educational services to promote the general health of the community. In fulfilling its mission, the Hospital endeavors at all times to comply with applicable state and federal laws, rules and regulations. The Board of Trustees exercises its governance responsibilities through delegation of all hospital operations to the Chief Executive Officer and other personnel; and to the Medical Staff for oversight of the Medical Staff and Allied Health Professionals in accordance with the Medical Staff Bylaws. The Chief Executive Officer and Medical Staff provide the Board with periodic reports and information so Trustees can fulfill their fiduciary responsibilities to ensure patients are receiving safe, quality care and hospital operations meet regulatory standards and provide for future growth and service to the residents of Smithville Township and surrounding areas.

**ARTICLE I.**

**THE BOARD OF TRUSTEES**

Section 1. Membership. The Board of Trustees acts as the governing body of the J. Arthur Doshier Memorial Hospital and shall consist of seven (7) Hospital Trustee members elected in accordance with Article 2 of Chapter 131 of the North Carolina Statutes.

Section 2. Term of Members. The regular term of office of the members of the J. Arthur Doshier Memorial Hospital Board of Trustees shall be for a period of six years.

A member of the Board shall serve until a successor has been elected and qualified as provided by Article 2 of Chapter 131 of the North Carolina Statutes and other applicable law.

Section 3. Vacancies. In the event of a vacancy on the Board of Trustees occasioned by death, resignation, incapacity to serve, or otherwise, the remaining members of the Board of Trustees shall continue to act and shall report the vacancy to the Brunswick County Board of Commissioners. Such vacancy shall be filled by the Board of Commissioners of Brunswick County, North Carolina, pursuant to NC General Statutes §131-12.

Section 4. Conflict of Interest. A member of the Board of Trustees, by direction of the Executive Committee, will generally not be allowed to participate in meeting discussions, vote or otherwise exercise decision-making authority if the Board member has a conflict of interest. Examples of conflicts of interest, not all inclusive, are as follows:

4a. A significant financial contract, financial relationship or other transaction benefiting a Board member, an associated company or venture of a Board member or a relative or close associate of a Board member.

4.b. The Board member has any other interest which potentially conflicts with the interests of the Hospital or which could compromise the Board member's ability to make a decision in the Hospital's best interests.

In addition to the foregoing conflicts of interest, there are certain conflicts of interest which are so pervasive and problematic as to render the Board member unfit to exercise any decision-making authority with respect to the Hospital operations or to hold the office of Board member. This would be the case if the Board member sought simultaneously to serve as a Board member and as an employee of the Hospital (defined as someone receiving a W-2 from the Hospital.). To rectify this situation, a Board member or prospective Board member would have to resign his/her position as employee before serving on the Board or running for a position as Board member. The

same would hold true if the Board member had an "immediate family member", as defined below, who was employed by the Hospital. In such event, the immediate family member would have to resign his/her position before the Board member or prospective Board member could serve on the Board or run for a position as Board member.

Section 5. Misconduct. A member of the Board of Trustees shall at all times adhere to the Hospital's policies and shall not engage in any unethical, illegal, dishonest, disruptive, or other improper conduct. In the event a member of the Board of Trustees engages in any unethical, illegal, dishonest, disruptive or other improper conduct, the Board of Trustees reserves the right to impose sanctions or take any other action or actions authorized by law to address the issue. This shall include, but not be limited to, private censure, public censure, exclusion from Board meetings or other decision-making functions, and, in an extreme case, application to the Courts for removal of the Board member.

Section 6. Nepotism. To ensure effective operation, all Board members will adhere to the Hospital's Nepotism Policy, which addresses the potential for favoritism toward an "immediate family member" on the basis of the familial relationship. For the purpose of this policy, "immediate family member" includes spouse, domestic partner, mother, father, mother-in-law, father-in-law, grandmother or grandfather, grandchild, son, son-in-law, daughter, daughter-in-law, stepson, stepdaughter, brother or sister, stepparents or any other relative living in the immediate household of the Board member. Under the Hospital's Nepotism Policy, no immediate family member of a Board member shall be considered for or allowed to engage in any employment or engagement by the Hospital, whether in any regular full-time, part-time, or PRN capacity. It is the responsibility of the Board Member to disclose at any given time, of a familial relationship meeting the criteria defined above. Nothing in this policy shall be construed to allow discrimination that is otherwise prohibited by law.

**ARTICLE II**  
**MEETINGS**

Section 1. Regular Meetings. The J. Arthur Doshier Memorial Hospital Board of Trustees shall hold monthly meetings as determined by the Board and as required by Article 2, Chapter 131 of the North Carolina General Statutes. Non-voting attendees may include, CEO, CFO, CNO/COO, Chief of Staff and others at the discretion of the Board. The Chief of Staff, at the discretion of the Board, may attend and participate in a Closed Session to present credentialing, peer review or other confidential or protected matters, such those involving the medical staff and patient care.

Section 2. Special Meetings. Special meetings of the Board of Trustees may be called at any time by the Chairperson of the Board of Trustees, and/or called at the request of four (4) members of the Board of Trustees. Notice of special meetings shall be given in the manner as prescribed by North Carolina law for the meeting of public bodies.

Section 3. Annual Retreat Meeting. The Board of Trustees and physician leaders may hold an annual strategic planning retreat within the first three months of the calendar year, or at such other time as the Board determines. The purpose of the retreat will be to update the Hospital's long range plans to include reviewing demographic data and financial, operational and industry trends and to conduct such other business as the Board deems advisable.

Section 4. Notice of Meetings. Two (2) days written notice of meetings shall be given to members of the Board of Trustees by the Secretary, or by the Hospital CEO or other Hospital personnel at the Secretary's direction, which notice may be sent by United States Mail, or by Email, or hand delivered, advising of the time and place of the meeting, using the address of each Board Member as shown by the records of the Board. If the nature of any meeting is an emergency, telephone notification shall be sufficient and the two-day requirement of written notice waived. It shall be the duty of each member of the Board to keep the Secretary advised of

his/her current contact information to which notices shall be sent.

Section 5. Quorum. At all meetings of the Board of Trustees, four (4) members shall constitute a quorum for the transaction of business, and the act of the majority of the members present at the meeting at which there is a quorum shall constitute the action of the Board of Trustees unless a greater majority is required by applicable laws of the State of North Carolina.

Section 6. Minutes. Adequate written minutes shall be kept, recording the acts and proceedings at the meetings of the Hospital Board of Trustees. Such minutes shall be prepared by the Secretary and approved by the Officer presiding at the meeting.

Section 7. Attendance. The J. Arthur Doshier Memorial Hospital Board of Trustees members should endeavor to attend all Board meetings unless excused by the Chairperson, who shall act with due regard for the Board Member's personal circumstances. Attendance should be in person, unless there are circumstances which warrant participation by phone, Skype or other technology, provided such attendance is in accordance with applicable law.

Section 8. Meeting Procedure. Unless otherwise stated in these Bylaws, meetings of the Board of Trustees and their Committees shall be conducted in accordance with the Robert's Rules of Order.

Section 9. Education. Board Members are strongly encouraged to attend at least one (1) educational meeting in a calendar year. Expenses for such meeting will be paid for by the Hospital. The North Carolina Hospital Association offers three opportunities each year which are beneficial towards education.

**ARTICLE III.**

**OFFICERS**

Section 1. Officers. The Officers of the J. Arthur Doshier Memorial Hospital Board of Trustees shall be:

Chairperson  
Vice Chairperson  
Secretary

Section 2. Eligibility. The Officers of the Board of Trustees shall be members of the Hospital Board of Trustees.

Section 3. Elections and Term. All Officers shall be elected by the Board of Trustees at their regular meeting in December of each year and each Officer shall serve until the regular meeting in December of the year following election or until his/her successor shall have been elected and qualified. The Executive Committee shall serve as the Nominating Committee for the presentation of a new slate of Officers at the December meeting and for recommending a replacement for any Officer who resigns.

Section 4. Vacancies. A vacancy in an office shall be filled for the unexpired term as a recommendation from the Board of Trustees to the Brunswick County Commissioners and subject to approval by the Commissioners.

Section 5. Chairperson. The Chairperson of the Board of Trustees shall preside at all meetings of the Board, shall appoint all members of Committees in consultation with the CEO and shall be an Ex-Officio member of each Committee of the Board.

Section 6. Vice Chairperson. The Vice Chairperson shall attend all meetings of the Board of Trustees, shall act as Chairperson in the absence of the Chairperson and, when so acting, shall have the power and authority of the

Chairperson.

Section 7. Secretary. The Secretary shall attend all meetings of the Board of Trustees, shall call roll at each meeting, sign documents as required to this position, and shall act as Chairperson in the absence of the Chairperson and Vice Chairperson, and when so acting, shall have the power and authority of the Chairperson. The Secretary will ensure and oversee the preparation and recording of the minutes of all proceedings of the Board in a book to be kept for that purpose (which preparation and recording may be delegated to a staff person); shall perform like duties, when expressly required, for any Committees created by these Bylaws or created by the Board pursuant to these Bylaws and shall give, or cause to be given, notice of all meetings of the Board, in accordance with these Bylaws.

#### **ARTICLE IV** **COMMITTEES**

Section 1. Appointment to Committees. The Chairperson of the Board of Trustees shall appoint Board members to individual committees including the Chairs of those Committees.

Section 2. Executive Committee. There shall be an Executive Committee composed of Chairperson of the Board, as Chairperson, the Vice Chairperson, and the Secretary, with the Hospital CEO serving as an ex-officio member. The Committee will meet as needed.

Two (2) members of the Executive Committee shall constitute a quorum for the transaction of business at the meetings of the Committee and the act of the majority of the members of any meeting at which there is a quorum shall constitute the action of the Committee. The Executive Committee shall have the power and authority to act for the Board of Trustees upon emergency matters during the interval between meetings to the extent consistent with applicable law. All actions of the Executive Committee shall be reported at the next regular meeting of the Board of Trustees and, if required by law, such actions will be presented to the Board of Trustees for ratification.



The Executive Committee will be responsible for establishing and monitoring compensation and benefits for the Chief Executive Officer and other senior executives. The Committee will receive update of proposed adjustments to compensation and benefits for the defined senior executives as applicable.

Section 3. Finance Committee. The Finance Committee shall consist of a member of the Executive Committee and two (2) members of the Board of Trustees who shall be appointed by the Chairperson. The Finance Committee shall be responsible for the management of all funds of the Hospital and the general overall supervision of the financial affairs of the Hospital. It shall ensure that a budget is prepared and submitted to the J. Arthur Doshier Memorial Hospital Board of Trustees prior to the end of the fiscal year. It shall be the duty of the Financial Committee to examine periodic financial reports and; to require an audit by an independent firm of the funds and accounts of the Hospital at least annually. It is recommended the Finance Committee meet quarterly.

Section 4. Building and Grounds (Plant and Equipment) Committee. The Building and Grounds Committee shall, consist of three (3) members of the Board of Trustees who shall be appointed by the Chairperson of the Board. It shall be the duty of the Building and Grounds Committee to examine annually the physical condition of the Hospital and all owned off campus properties and report their findings to the Board and provide recommendations for plant-related capital expenditures to the Finance Committee for inclusion in the forthcoming budget. Additionally, the Committee will monitor any Hospital construction, additions, and alterations to the facility on an ongoing basis and make recommendations to the Hospital CEO or the Board on improvements that are needed. It is recommended the Building and Grounds Committee meet quarterly.

Section 5. Joint Conference Committee. The Joint Conference Committee shall consist of three (3) members of the Board of Trustees: the Chief of Staff, Vice Chief of Staff and the Hospital CEO. It is recommended the Joint

Conference Committee meet semi-annually or as needed. The Committee serves to maintain open and collegial communications between the Medical Staff and the Board of Trustees, and address such matters as may arise from time to time concerning the relationship between the Hospital and the Medical Staff; and to provide a forum for discussion and consideration of future growth or change in the Hospital Organization; and for discussion of observations that arise in the operation of the Hospital. The Medical Staff Chief of Staff and a Trustee Member shall alternate as Chair for this committee.

Section 6. Improving Organizational Performance Committee. The Improving Organizational Performance Committee may consist of the Chairperson of the Board of Trustees, and two (2) rotating members of the Board of Trustees, the Hospital CEO, the Hospital CNO/COO and the Chief of the Medical Staff and the Chief Medical Officer. This committee may discuss, review, provide feedback on efforts to enhance organizational performance and establish organizational performance improvement teams as necessary. This will also include educational or other initiatives to continuously improve on organizational performance and quality.

Section 7. Ad Hoc Committees. The Chairperson of the Board of Trustees, with the approval of the Board, shall appoint from time to time, AdHoc committees to perform tasks of limited duration as may be determined by the Board of Trustees. AdHoc committees may be composed of individuals from the Hospital Staff, Medical Staff, the Board or the community as the need may be determined by the Board. The AdHoc committees so appointed shall have such powers and duties, consistent with these Bylaws, as may be determined by the Board.

Section 8. Bylaws Committee. The Chairperson of the Board may appoint Board members to serve on the Bylaws Committee. This Committee will include the Chair of the Board, two Board members, and the CEO. This Committee will meet annually and as necessary in order to determine any revisions necessary to the Bylaws and the Board Policy Manual. Any changes to the Bylaws and the Board Policy Manual will be reviewed

by hospital legal representation and voted on by the Board of Trustees.

**ARTICLE V.**  
**ADMINISTRATION**

Section 1. Duties of the CEO.

(A) Selection and General Duties: The Board of Trustees shall select and employ a competent Hospital CEO, who shall be qualified through appropriately defined education and experience to manage the Hospital. Only one individual may be designated as the CEO. The CEO is responsible for the operation of the Hospital according to the authority conferred by the Board. In general, this shall include responsibility for overseeing and managing all Hospital operations and ensuring that the Hospital adopts, implements and monitors policies which result in the provision of quality healthcare in a safe and effective manner and complies with applicable state and federal law. Among other things, the CEO, in conjunction with the medical staff and senior leadership, are responsible and accountable for ensuring the following:

- The Hospital is in compliance with all applicable federal and state laws and the Hospital's policies and procedures regarding the health and safety of its patients;
- The Hospital is licensed in accordance with all applicable federal, state and local laws;
- The Hospital is designated and certified as a critical access hospital (CAH) in accordance with 42 CFR485.606; and, 485.608, 485.627(a), 485.606
- The personnel working in the Hospital, including members of the medical staff are properly licensed, certified, registered or otherwise meet all applicable federal, state and local laws, and are selected in accordance with established criteria that includes aspects of individual character, competence, training, experience and judgment.

(B) Specific Authority and Duties of CEO: In addition to the general authority set forth in sub-section (A) hereof, the authority and duties of the Hospital CEO shall include:

1. Responsibility for carrying out all duties, directives and policies established by the Board of Trustees to include the execution of all contracts, documents and written instruments of every kind and character in the name of the Hospital.

2. The formulation and development of effective plans for both present and future uses of services and facilities of the Board inclusive of plans for future growth and development and improved means of delivery of quality patient care to patients at health facilities operated by the Board.

3. Implementation of an annual Management Plan and Budget for the upcoming fiscal year upon approval by the Board of Trustees.

4. Supervision of all business affairs, such as records of financial transactions, collection of accounts, and purchase and issuance of supplies and to insure that all funds are collected and expended to the best possible advantage.

5. Selection, employment, compensation, control and discharge of all employees of the J. Arthur Doshier Memorial Hospital.

6. Promulgation and enforcement of all rules and regulations for the proper conduct of the Hospital made by and under the authority of the Board; to formulate, establish and enforce such additional procedures, rules and regulations in all departments as may be necessary to provide for the proper admission, care, safety and discharge of patients.

7. To see that all physical properties are kept in good state of repair and operating condition.

8. To cooperate with the Medical Staff and to secure like cooperation on the part of all those concerned with the rendering of professional services to the end that the best possible care may be rendered to all patients.

9. To submit regularly to the Hospital Board or its authorized committees' periodic reports showing the professional service and financial activities of the Hospital and to prepare and submit such special reports as may be required by the Board.

10. To act as a member ex-officio of every committee of the Hospital Board.

11. The Hospital CEO will designate competent and qualified individuals to act in his/her absence.

**ARTICLE VI**  
**THE MEDICAL STAFF**

The Hospital shall have an organized medical staff that operates under bylaws approved by the Board and which is responsible for the quality of medical care provided to patients of the Hospital. The Board must determine, in accordance with State law, which categories of practitioners are eligible candidates for appointment to the medical staff, which must include doctors of medicine or osteopathy, but may also include other categories of non-physician practitioners. The Board has the responsibility to appoint the individual practitioners to the medical staff and grant clinical privileges after considering medical staff recommendations, and in accordance with established medical staff criteria and state and federal laws and regulations.

The Board must ensure that the medical staff has bylaws that comply with state and federal law, including the and the requirements of the federal Conditions of Participation. The Board decides whether or not to approve medical staff bylaws submitted by the medical staff. The medical staff bylaws and any revisions must be approved by the Board before they are considered effective. The Board must ensure that the medical staff is accountable to the Board for the quality of care provided to patients by the medical staff and that all such care is provided in accordance with the scope of the privileges granted and is in accordance with State law.

The criteria for selection of both new medical staff members and selection of current medical staff member for continued membership must be based on:

- Individual character
- Individual training
- Individual experience
- Individual judgement

Under no circumstances is medical staff membership or clinical privileges dependent solely upon certification, fellowship, or membership in a specialty body or society.

**ARTICLE VII**  
**DOSHER FOUNDATION**

Section 1. The J. Arthur Doshier Memorial Hospital Foundation. The J. Arthur Doshier Memorial Hospital Foundation is a non-profit corporation associated with J. Arthur Doshier Memorial Hospital. The Foundation, created with the consent and approval of the Board of Trustees of the Hospital, is dedicated to fundraising, promoting the Hospital in the community and to establishment of a long term endowment fund for the Hospital. The Foundations bylaws are on file with the Hospital. Up to two members of the Hospital Board of Trustees may be members of the Board of the Foundation and the CEO and CFO of the Hospital will serve as ex-officio members of the Foundation Board. All appointed members of the Foundation will be approved by the Hospital Board of Trustees upon recommendation of the Board of the Foundation.

**ARTICLE VIII**  
**VOLUNTEER ORGANIZATION**

Section 1. J. Arthur Doshier Memorial Hospital Volunteer Organization. There is associated with the J. Arthur Doshier Memorial Hospital a non-profit, charitable organization known as J. Arthur Doshier Memorial Hospital Volunteers, which operates in close connection with the Hospital and which was created with the consent and approval of this Board of Trustees. Said Volunteers are subject to the same standards of behavior as the Board of Trustees, and their constitutions and Bylaws are on file and are in the custody of the Hospital CEO. Said Volunteers are dedicated to (1) Service in the Hospital; (2) Public relations; (3) Fundraising for the benefit of said Hospital.

**ARTICLE IX**  
**CHAPLAINS ASSOCIATION**

Section 1. J. Arthur Doshier Memorial Hospital Chaplains' Association. There is associated with the J. Arthur Doshier Memorial Hospital an organization known as J. Arthur Doshier Memorial Hospital Chaplains Association, which is

authorized by and created with the consent and approval of the Board of Trustees. This Association is subject to oversight by the Hospital Board and serves in a voluntary capacity.

## **ARTICLE X**

### **PROVISIONS OF GENERAL APPLICATION**

Section 1. Fiscal Year. The fiscal year of the J. Arthur Doshier Memorial Hospital shall begin October 1st of each year.

Section 2. Construction. These Bylaws are established through authority of Chapter 131 of the North Carolina General Statutes. Accordingly, these Bylaws are construed in harmony with said statutes. Nothing contained in these Bylaws shall be construed to be restrictive of any powers now or hereafter granted by law to the J. Arthur Doshier Memorial Hospital Board of Trustees. The invalidity of any portion hereof, or the whole in any circumstance shall not invalidate any other portion or the whole in any other circumstance.

## **ARTICLE XI**

### **AMENDMENTS**

These Bylaws may be amended at any properly called meeting of the Hospital Board of Trustees and shall require a vote of five (5) members of the Board, provided that the notice of such meeting shall describe or set forth the proposed amendment or amendments.

## **ARTICLE XII**

### **NONDISCRIMINATION STATEMENT**

This institution is an equal opportunity provider and employer.

In accordance with Federal civil rights law and the U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age,



marital status, family/parental status, income derived from public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's Target Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at: [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992.

Submit your completed form or letter to USDA by:

1. Mail: U.S. Department of Agriculture  
Office of the Assistant Secretary for Civil Rights  
1400 Independence Avenue, SW  
Washington, D.C. 20250-9410;
2. Fax: (202) 690-7442; or
3. Email: [program.intake@usda.gov](mailto:program.intake@usda.gov)

USDA is an equal opportunity provider, employer, and lender.

### **ARTICLE XIII** **EMERITUS TRUSTEE**

Trustees who have served with distinction for a minimum of at least two (2) terms, whose commitment to the Hospital remains strong, and cannot or should not be



expected to meet the same obligations as regular trustees, may be eligible for election to emeritus status.

The Executive Committee of the Board will consider potential candidates and present the nomination(s) along with supporting statements to the Board of Trustees for its approval. A simple majority vote of the trustees present at a meeting at which a quorum is present is sufficient to approve the honorary appointment to emeritus status.

Eligibility: In order to be considered for designation as a trustee emeritus, a person must be a current or former member of the Board who:

1. Has served the Board of Trustees with distinction.
2. Held an important leadership role, and made or continues to make significant contributions.
3. Has invested his or her name and reputation in the Hospital.
4. Is extremely loyal to the Hospital.

Scope:


1. Shall receive all written notices and information which are provided to the Board of Trustees, and have the opportunity to attend all meetings and gatherings.
2. Shall not be subject to any attendance requirements.
3. Shall not be counted in determining if a quorum is present.
4. Shall not hold office.
5. Shall not vote.
6. Emeritus status may be terminated for any reason by a majority vote of the Board of Trustees.

**ARTICLE XIV**

**ADOPTION**

These Bylaws shall become effective on

**December 2, 2019**



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CHAIRPERSON

Board of Trustees

J. Arthur Doshier Memorial Hospital



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SECRETARY

Board of Trustees

J. Arthur Doshier Memorial Hospital