

BYLAWS

COASTAL HEALTH & WELLNESS GOVERNING BOARD

ADOPTED: May 1985
REVISIONS APPROVED:

These policies were approved, as revised, by the Coastal Health & Wellness Governing Board at a regular meeting on Amended: May 1986; Amended: May 1988; Amended: Dec., 1988; Amended: Sep., 1995; Amended: Apr., 1996; Amended: Sep., 1996; Amended: Sep. 1998; Amended: July 1999; Amended: Oct. 1999; Amended: Apr. 2000; Amended: Sep. 2000; Amended: Oct. 2001; Amended Aug. 2003; Amended: October 2005, Amended: May, 2008; Amended Jan., 2012; Amended: Oct.,2015; Amended Dec., 2016; Amended May 28, 2020, Amended June 30, 2022

CONTENTS

DEFINITIONS 3

PURPOSE 4

GENERAL DESCRIPTION 4

VISION, MISSION & STATUTORY FUNCTIONS 5

SPECIFIC DUTIES OF BOARD 5

GOVERNING BOARD OPERATIONAL PROCEDURES 7

 Membership 7

 Election of Membership 8

 Terms of Membership 8

 Removal of Membership 9

 Resignation and Vacancies 9

 Officers 9

 Responsibilities of the Officers 10

 Committees 10

 Meetings 11

 Minutes 13

 Persons Appearing Before the Board 13

 Adoption of Health Service Policies 13

 Change in Board Bylaws 14

 Authority to Act 14

CONFLICTS OF INTEREST AND CONFIDENTIALITY 14

PROHIBITION AGAINST POLITICAL ACTIVITIES AND LIMITATIONS
ON LOBBYING 15

AUTHORITY DELEGATED TO EXECUTIVE
DIRECTOR 15

DEFINITIONS:

Business Operations – Are those essential internal functions necessary to effectively and efficiently manage a business. Such functions include, but are not limited to, human resources, purchasing, risk management, financial management, billing, material management, information technology, etc.

Policy – Written policy adopted by the Governing Board provides controlling authority and/or broad guidance to the executive managers of Coastal Health & Wellness who are directly responsible for developing business procedures that direct employee activities and job expectations.

Policy development - Refers to the process leading to the Governing Board adopting written expectations for Coastal Health & Wellness to accomplish goals and measurable objectives. The process of developing policies with controlling authority over Coastal Health & Wellness' jurisdiction will involve: (1) the use of inclusive stakeholder feedback (e.g., advisory or ad-hoc committees); and/or (2) a formal public hearing at a Governing Board meeting.

Budgeted Revenue/Fees – Fees that Coastal Health & Wellness anticipates collecting. These collected fees are included in the original Governing Board approved budget.

Unbudgeted/Revenue/Fees- In the event Coastal Health & Wellness collects funds in excess of budgeted revenue, the excess funds must be brought to the Governing Board for approval of recommended appropriations.

PURPOSE

The purpose of the Bylaws is to outline the operational rules of Coastal Health & Wellness' Governing Board ("Governing Board"/"Board"), to include the responsibilities of the Board, controlling authority, function, composition of members, responsibilities of members and officers, meeting procedures, conflicts of interest and confidentiality, and responsibilities of the Executive Director.

GENERAL DESCRIPTION

Coastal Health & Wellness is a federally qualified health center ("FQHC") grantee of the U.S. Department of Health and Human Services ("HHS") as codified under Section 330 of P.L. 94-63 Title V ("Section 330"), and is operated under the direction of the Coastal Health & Wellness Governing Board, which is established to provide broad policy direction and general community-based governance and guidance to the activities of Coastal Health & Wellness' programs as required of Section 330 funded FQHCs, to assure availability of health services to any and all individuals in need. By Governing Board decisions and actions, operational policies are adopted. These adopted policies provide authority and/or guidance to the duties, functions and internal business operations of Coastal Health & Wellness.

In general, the Governing Board will:

- Establish and monitor Coastal Health & Wellness' plan to measurably improve health services to its patients.
- Annually review and, as necessary, modify all existing policies and fee schedules pertinent to Coastal Health & Wellness.
- Consider adopting new policies based on changes in existing state and federal policies when there is an option on whether to adopt said policies. Some new and revised policies may be state or federally mandated and shall not allow for the implementation of the policy to be optional. State and/or federally mandated policies will be communicated to the Governing Board but will not require Governing Board action to become effective.
- Review and, as necessary, act on any new health services activities and associated fee schedules proposed by clinic staff.
- Review and, as necessary, act on any proposed changes in the level of health services (e.g., hours of operation, expanded services, new services, and/or a decrease in services) currently provided by Coastal Health & Wellness.
- Review and, as necessary, act on health service issues raised by Governing Board members, especially those of which are politically sensitive, have a potential fiscal impact on Coastal Health & Wellness patients, or which may have a perceived adverse impact on Coastal Health & Wellness.
- Review and approve the annual operational budget for Coastal Health & Wellness in a manner consistent with those of which are set forth by the "*Specific Duties of Board*" section of these Bylaws (see Page 5).

VISION, MISSION, & STATUTORY FUNCTIONS:

The Governing Board will adopt policies that are consistent with the vision and mission of Coastal Health & Wellness, and protect the values of FQHCs as outlined in Section 330 of P.L. 94-63 Title V.

Vision

“Healthy people in healthy communities with local access to health care.”

Mission

“Provide access to high quality primary care to any and all individuals in need.”

Values

1. We believe in the inherent dignity of and have respect for all people.
2. We believe that we must work together with mutual trust to provide quality care.
3. We believe our clinics should provide comfort, through courtesy and hospitality.
4. We believe that honest, unbiased communication is the basis for understanding.
5. We respect the diversity of the cultures that we serve.
6. We believe that people have free will, the ability to understand and select among choices.
7. We believe that wellness is the responsibility of the individual, the health care system, and the community.
8. We believe that we must work efficiently to conserve our resources.
9. We believe in educating patients, family, staff and community.
10. We believe that each individual’s opinions are valuable.
11. We believe that each individual’s actions contribute to the quality of care.

SPECIFIC DUTIES OF THE BOARD:

The Governing Board shall provide the required community-based governance and oversight of Coastal Health & Wellness, consistent with the Bylaws of the Galveston County United Board of Health, which has delegated to the Governing Board the specific authorities and responsibilities over Coastal Health & Wellness, as set forth below. Per this delegation, the Governing Board shall have specific responsibility to:

- Act as supervisor to the Executive Director, which includes the responsibility for the selection, annual evaluation of performance, and, if necessary, dismissal of this position.
 - The Executive Director also serves in the capacity as the Chief Executive Officer for the Galveston County Health District (see the *Co-Applicant Agreement and Shared Services Agreement Between the Coastal Health & Wellness Governing Board and the Galveston County Health District’s United Board of Health*).
- Form a finance committee to review monthly financial reports of the appropriate budgets, and to subsequently recommend appropriate actions at Governing Board meetings.

Coastal Health & Wellness Governing Board Bylaws

- Approve the annual operating plan, operating budget, and capital budget for Coastal Health & Wellness.
- Periodically review and approve other financial policies including billing and collection activities, a fee schedule for services, the sliding fee scale discount program, and patient eligibility services including criteria for partial payment schedules.
- Review and approve unbudgeted expenditures (i.e. unexpected expenditures that are not already accounted for in the planned budget process) and recommend allocations of unexpected increase in revenues (i.e. unbudgeted funds not tied to a specific use). Once the appropriate budgets are approved, the Governing Board will review any unbudgeted revenue for appropriate allocation. In the event Coastal Health & Wellness sees a need for using unbudgeted expenditures, review and, as applicable, approve use of any dollars in the restricted reserve.
- Perform an annual self-assessment of the effectiveness, efficiency and compliance with all requirements imposed upon Coastal Health & Wellness (as set forth in Section 330 of the *Public Health Service Act*) as a group, as well as its effectiveness in meeting the expectations of the Board.
- Adopt a Strategic Health Plan (“Plan”) every five years to include priorities, goals, and objectives that Coastal Health & Wellness will be expected to accomplish. The Plan will be developed in an inclusive participatory process involving public feedback and comment. The Plan will also identify key health partners who contribute to the goals and objectives in coordination with Coastal Health & Wellness.
- Review and approve an annual report analyzing the progress of Coastal Health & Wellness in accomplishing the goals and objectives set forth by the Plan.
- Evaluate Coastal Health & Wellness’ achievements at least annually and utilize the knowledge gained thereby to revise the clinic’s goals, objectives, operational plan and budget as necessary and appropriate, including providing advice regarding the establishment of linkages with other health care providers and/or health care programs.
- Review and approve emergency/disaster plans and procedures on an annual basis.
- Review and approve any proposed single item purchased in excess of \$10,000.00 or greater which has not been budgeted.
- Review and approve any proposed single purchase with a bid of \$50,000.00 or greater.
- Review, periodically update, and adopt Coastal Health & Wellness’ operational policies on an annual basis.
- Annually evaluate Coastal Health & Wellness activities including service utilization patterns, productivity, patient satisfaction, and achievement of project objectives, and develop a process for hearing and resolving patient grievances.
- Assure that Coastal Health & Wellness is operated in compliance with applicable federal, state and local laws and regulations, including those regarding professional practice of all health care providers.
- Develop, adopt and periodically update the Coastal Health & Wellness’ health care policies including scope and availability of services, location and hours of services, patient confidentiality and notice of privacy practices, and quality-of-care audit procedures.

Coastal Health & Wellness Governing Board Bylaws

- Elect officers (see *Governing Board Operational Procedures*).
- Annually contract, in concert with the Galveston County United Board of Health, with an outside auditor to perform a single agency audit, and officially adopt the annual audit report.
- Approve the annual Section 330 grant application and project and plan any applications for subsequent grants under Section 330, and any changes to Coastal Health & Wellness' scope of service in conformance with the project.
- Exercise all other authorities and responsibilities required by Section 330 and implement regulations and policies to be vested in a Section 330 compliant manner.
- Attend to any matters the Governing Board determines are in the best interest of, and are within the purposes and objectives of, Coastal Health & Wellness.

Other than as agreed upon with the Galveston County United Board of Health, no other party may be granted approval or vetoing rights regarding any of the aforementioned authorities.

GOVERNING BOARD OPERATIONAL PROCEDURES

1. Membership:

The membership of the Governing Board will consist of no less than nine (9) and no more than fifteen (15) persons collectively representing the community at large and accurately reflecting the ethnic and socioeconomic distribution of the region's population. A majority of the membership will be comprised of persons served by Coastal Health & Wellness, as described below.

- At a minimum, a majority of the Governing Board members shall be individuals who utilize Coastal Health & Wellness as their principal source of primary care and who, as a group, represent the individuals being served by Coastal Health & Wellness in terms of demographic factors such as race, ethnicity, gender and economic status ("consumer representatives"). To be considered a consumer representative, the individual must be a current, registered patient of Coastal Health & Wellness and must have accessed Coastal Health & Wellness in the past twenty-four (24) months to receive at least one or more in-scope services that generated a health center visit. A legal guardian of a dependent child or adult consumer, or a legal sponsor of an immigrant consumer, may also be considered a consumer representative for purposes of fulfilling the composition requirements set forth in this Section. Consumer representatives may be nominated by the United Board of Health or the Governing Board, in accordance with Paragraph Two (2) of this section.
- The remaining Governing Board members will be representatives of the community served by Coastal Health & Wellness, and shall be selected for their expertise in health care delivery, community affairs, local government, finance and banking, legal affairs, trade unions, and other commercial and industrial concerns, or social service agencies within the community ("non-consumer representatives"). To the extent possible, non-consumer representatives should live or work in Galveston County. No more than one-half of the non-consumer representatives shall derive more than ten percent (10%) of their annual income from the health care industry.

Coastal Health & Wellness Governing Board Bylaws

Non-consumer representatives may be nominated by the United Board of Health or the Governing Board, in accordance with Paragraph Two (2) of this section.

Ex-Officio Member:

- The Chairperson of the Department of Family Medicine of The University of Texas Medical Branch, or designee, will be ex-officio, non-voting member of the Governing Board.
- The Executive Director of Coastal Health & Wellness shall serve as ex-officio, non-voting member.

Chairman Emeritus:

- A Governing Board member who is appointed by the Board and has the right, but not the obligation to attend and participate in all meetings of the Coastal Health & Wellness Governing Board, will be chairman emeritus, a non-voting member of the Governing Board.
- The right to receive all notices of Governing Board and Governing Board committee meetings and a copy of all materials provided to any Board member concurrently with the provision of the same to any Board member and in the same manner as provided to such Board member.

Other qualifications

- No voting member of the Governing Board shall be an employee of Coastal Health & Wellness, the Galveston County Health District, the United Board of Health, or a spouse, child, parent, brother, or sister, by blood, marriage, or adoption, of a member within the aforementioned groups.
- In no event shall Board members appointed by any third-party constitute a majority of the entire Governing Board or a majority of the non-consumer representatives, nor shall any third-party preclude the selection of Governing Board members not appointed by such third-party.

Each person elected will signify in writing to the Governing Board that he/she will accept appointment, will agree to attend all regular meetings, and, that if he/she has three (3) consecutive unexcused absences, he/she will be removed from membership, consistent with Paragraph Four (4) of this section.

2. Election of Membership:

All voting members of the Governing Board are elected by a majority of the seated Governing Board members, upon consideration of a slate of recommended nominees presented to the Governing Board. Either the Governing Board or the United Board of Health may recommend one or more qualified nominees for each vacancy to be included on the slate of recommended nominees presented to the Governing Board.

3. Terms of Membership:

Beginning in June 2020, five (5) current Board members shall be nominated and voted on by the Board to serve for a period of one (1) year, and all remaining members shall be nominated and voted on by the Board to serve for a period of two (2) years. Thereafter, all new or renewed appointments shall be for a period of two (2) years, commencing in the month of June. Members desiring to serve a subsequent term shall again be subjected to the nomination and approval process. Should a Board member be replaced during any other month of the year, the individual replacing the Board member shall serve the duration of the departed member's term.

4. Removal of Membership:

Any Governing Board member may be removed from office by a majority vote of the remaining Governing Board members present and voting at any regular meeting, or at any special meeting called for such purpose, at which a quorum exists, for neglect of duty, malfeasance, conduct detrimental to the interests of Coastal Health & Wellness, conviction of a felony, debarment or suspension from participation in federal health care programs, or whenever it is determined that the best interest of Coastal Health & Wellness would be served by such removal. Any allegation shall be presented in writing, by mail, to the Governing Board member in question at least ten (10) days in advance of the meeting. The allegation shall be noted on the agenda of the meeting. The Governing Board member in question shall be entitled to appear before and be heard at said meeting. In addition, any member who misses three (3) consecutive meetings without being excused by action of the Governing Board shall automatically be removed from office. The Chair shall declare when a vacancy exists, and the vacant seat will be filled as soon as possible.

In no event shall any third-party require the removal of any current Board members not appointed by such party.

5. Removal of Membership:

Any Governing Board member may be removed from office by a majority vote of the remaining Governing Board members present and voting at any regular meeting, or at any special meeting called for such purpose, at which a quorum exists, for neglect of duty, malfeasance, conduct detrimental to the interests of Coastal Health & Wellness, conviction of a felony, debarment or suspension from participation in federal health care programs, or whenever it is determined that the best interest of Coastal Health & Wellness would be served by such removal. Any allegation shall be presented in writing, by mail, to the Governing Board member in question at least ten (10) days in advance of the meeting. The allegation shall be noted on the agenda of the meeting. The Governing Board member in question shall be entitled to appear before and be heard at said meeting. In addition, any member who misses three (3) consecutive meetings without being excused by action of the Governing Board shall automatically be removed from office. The Chair shall declare when a vacancy exists, and the vacant seat will be filled as soon as possible.

In no event shall any third-party require the removal of any current Board members not appointed by such party.

6. Resignation and Vacancies:

A Governing Board member may resign at any time by giving written notice to the Chairperson or to the Secretary-Treasurer.

When a vacancy occurs, the Board will present a slate of nominations according to procedures outlined in Paragraph Two (2) (above). The new Governing Board member shall be elected by a majority vote of the remaining Governing Board members present and voting at any regular meeting, or at any special meeting called for such purpose, at which a quorum exists, and shall complete the unexpired term of the seat filled.

7. Officers:

There will be elected by majority vote of the membership immediately following adoption of these Bylaws and annually thereafter at the first meeting of the Governing Board for each calendar year, at which a quorum is present, a Chairperson, a Vice-Chairperson and a Secretary-Treasurer. All officers shall be voting members of the Governing Board. In the absence of the Chairperson, the Vice-Chairperson will act; in the absence of the Vice-Chairperson, the Secretary-Treasurer will act; and in the absence of all three officers, a presiding officer will be named for that meeting by a majority of the remaining voting members present.

- Each officer shall serve for a term of one (1) year or until his or her successor is elected and qualified, and there shall be no limit to the number of terms an officer may be re-elected to the same position.
- Any officer, upon a two-thirds consenting majority of the voting membership, can be removed from office. Removal from the Governing Board will automatically

constitute removal from any office held by such member.

- An officer may resign at any time by giving written notice to the Chairperson or the Secretary-Treasurer.
- Upon the death, resignation, or removal of an officer of the Governing Board, an interim replacement will be elected from the current voting membership by a majority vote of the members of the Governing Board present and voting at any regular meeting, or at any special meeting called for such purpose, at which a quorum exists, in order to serve out the unexpired term of that officer.

8. Responsibilities of the Officers:

The Chairperson (or the Vice-Chairperson, in the Chairperson's absence) shall:

- Conduct meeting business in accordance with Robert's Rules of Order.
- Review and sign official correspondences, including minutes, of the Governing Board, any document or instrument requiring the signature of an officer (unless expressly delegated by the Governing Board to another officer or agent), and the annual Section 330 grant application.
- Be responsible for naming the members of any Governing Board committee.
- Perform such other duties as may be required of him or her by the Governing Board.

Under no circumstances shall an ex-officio member hold any officer position.

The Secretary-Treasurer shall:

- Keep and oversee an accurate record of the proceedings of all meetings of the Governing Board, and present such record to the Governing Board for approval and adoption.
- Give or cause to be given all notices in accordance with these Bylaws or as required by law.
- Function as Chairperson of the Finance Committee.
- Perform all duties customary of the office and such other duties as may be required of him or her by the Governing Board.

9. Committees:

Each standing committee shall have at least two (2) Governing Board members and a majority of each committee shall be comprised of members of the Governing Board. Each committee shall meet upon the call of the committee chairperson, or upon the call of the Chairperson of the Governing Board, which call shall indicate the date, time and place of such meeting. Unless otherwise specified, each committee shall make a report to the Governing Board at the Governing Board's regular meeting held subsequent to the meeting of the committee. Only the Executive Committee is authorized to act for the full Board when reasonable and necessary during the interim periods between meetings of the Governing Board; the recommendations of all other committees shall be subject to review and approval of the Governing Board prior to any action being taken.

- Executive Committee: The Chairperson, Vice-Chairperson, and Secretary-

Treasurer will comprise the Executive Committee of the Board. The Executive Committee has the power to act for the Governing Board during the interim periods between meetings, consistent with established Board policies, under the direction of the full Board, and subject to ratification by the full Governing Board at its next meeting. In no event shall any Governing Board members appointed by any third-party constitute a majority of the Executive Committee.

- Finance Committee: The Finance Committee shall be responsible for monitoring and making recommendations regarding the financial status and viability of Coastal Health & Wellness, including fiscal planning, budgeting, financial management policy development, and financial performance; reviewing financial statements and recommending action to the Governing Board; reporting on the annual independent financial audit process (with the final annual audit report to be presented to the Governing Board); and working with any financial consultants and auditors.
- Quality Assurance/Risk Management Committee: The Quality Assurance/Risk Management Committee shall be responsible for monitoring and making recommendations to the Governing Board regarding the provision of health care services by Coastal Health & Wellness, including accessibility, utilization patterns, productivity and patient satisfaction, environment of care, infection control, patient safety initiatives and making recommendations regarding Coastal Health & Wellness' quality assurance/quality improvement program of the clinic. In addition to Board member representatives, the Committee shall include appropriate staff clinicians and the Medical Director.
- Additional Standing or Temporary Committees: The Governing Board may designate and appoint standing or temporary committees in addition to those prescribed herein, each of which shall consist of two or more Board members. The activities of temporary committees shall be limited to those necessary to accomplish the specific task for which it was created and shall have no power to act for the Governing Board. Upon completion of the task for which appointed, such temporary committee shall be disbanded.

10. Meetings:

Subject to a good cause exception, the regular meeting of the Governing Board shall generally be held on the last Thursday of each month at a Governing Board determined time best suited to maintain a quorum to conduct business. All members will be notified of the time of the meeting at least seventy-two (72) hours prior to the meeting.

- Texas Open Meetings Act - All meetings of the Coastal Health & Wellness Governing Board members shall conform to the rules and requirements set forth in the Texas Open Meetings Act.
- Robert's Rule of Order – Meetings of the Governing Board shall be conducted under the latest version of Robert's Rules of Order, unless otherwise specified in these Bylaws.

Coastal Health & Wellness Governing Board Bylaws

- **Quorum** – A majority of filled positions on the Governing Board shall constitute a quorum for the transaction of business. If a quorum is not present at a meeting, or a quorum is not present at the time business is to be transacted, a majority of the Governing Board members present may adjourn the meeting to another time and shall give absent Board members reasonable notice of the time and place of such adjourned meeting.
- **Location/time** – Meetings shall be held in the Galveston County Health District’s Boardroom unless proper action is taken by the Governing Board to hold the meeting elsewhere, at which point location and time of the meeting shall be publicly announced. Majority vote can change the time and place of regular meetings.
- **Special Meetings** – Special meetings may be called at any time by the Chairperson, or at the request of a majority of the Governing Board. The Coastal Health & Wellness Executive Director, or designee, prior to each meeting, shall notify all members. Any time the Governing Board needs to be called into special meeting by the Chairperson or a majority of Governing Board members, the Executive Director or designee will notify all members, at least seventy-two (72) hours prior to such meeting, of the time, date and purpose of the called meeting.
- **Waiver of Notice** – Notice of any meeting of the Governing Board need not be given to any Board member who submits a signed waiver of notice, either before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice.
- **Voting** – Except as otherwise provided by these Bylaws or as may be required by applicable law, all matters before the Governing Board shall be decided by an affirmative vote of the majority of the Board members present and voting at a meeting at which a quorum exists. Each Board member shall be entitled to one (1) vote.
- **Agenda** – At least seventy-two (72) hours before the scheduled time of the meetings, the agenda will be posted at the entrance of the Galveston County Health District’s Boardroom, as well as at the entrance of each clinic site. Finally, the agenda and relevant handouts will be posted for the public on the Coastal Health & Wellness website.
- **Executive Session** – The Governing Board may conduct all or any part of a meeting in Executive Session for such purposes as authorized by the Texas Open Meetings Act. The Chairperson of the Board may invite the Coastal Health & Wellness Executive Director and such other persons as he or she deems appropriate to attend an Executive Session. Public and staff shall be excluded from Executive Sessions except when invited to give testimony or advice, after which they will be excused.

11. Minutes:

The minutes of the Coastal Health & Wellness Governing Board shall be summary type minutes. Regular meetings shall be taped and filed until the minutes are approved. Tapes of meetings with items of special interest, to be determined by the Chairperson or the Executive Director, will be retained for a period of two (2) years. The minutes of the preceding meeting, including a record of attendance, will be distributed prior to, and approved at, the next regular monthly meeting and at that time, will be signed by the Secretary-Treasurer and Chairperson (or Vice- Chairperson, in absence of the Chairperson).

12. Persons Appearing Before the Board:

Persons wishing to appear before the Governing Board will have as their objective any of the following or combinations thereof: (1) to request information on Coastal Health & Wellness' affairs; (2) to comment on health service issues; and/or (3) to ask for specific action or change of policy. Under policies and procedures established by the Coastal Health & Wellness Executive Director, day-to-day citizen inquiries are addressed directly by clinic employees with issue-related job responsibilities. However, all shall be assured of their right to appear before the Governing Board if so desired. Members of the public that wish to address the Board about an item presented on the agenda shall be offered three minutes to do so. Individuals desiring to make a such a statement must notify the Board of their intention by writing their name on the sign-in sheet located at the Boardroom's main entrance.

A citizen desiring to make comment to the Board regarding a Coastal related matter which may not be included on that month's agenda shall submit a written request to the Executive Director by noon on the Thursday immediately preceding the Thursday of the Board meeting. A statement of the nature of the matter to be considered shall accompany the request. The Executive Director shall include the requested appearance on the agenda, and the person shall be heard if he or she appears.

13. Adoption of Health Service Policies (local rules & regulations):

The Coastal Health & Wellness Governing Board will adopt health service policies that govern health service activities, consistent with all federal, state and local laws, regulations and policies.

14. Change in Board Bylaws:

Changes or new additions to Governing Board Bylaws may be adopted by the Governing Board during Governing Board meetings, as specified below. The Governing Board Chairperson may appoint a Bylaw committee comprised of selected Governing Board members with the responsibilities of developing and evaluating revisions and submitting recommendations at a future Governing Board meeting for immediate adoption. Unless otherwise stated, upon Governing Board adoption, new Bylaws will become effective immediately.

Coastal Health & Wellness Governing Board Bylaws

- Bylaws will be enacted upon the affirmative vote of three-fourths of the Governing Board members present at a regular meeting of the Governing Board at which a quorum exists, each member having received a copy at least ten (10) days prior to the meeting at which they will be considered.
- Bylaws may be amended, altered or repealed upon the petition of two-thirds of the voting membership of the Governing Board and affirmed by two-thirds of the voting membership present at the next regular meeting at which a quorum exists, provided however, that the members receive a copy, in writing, of the proposed amendments ten (10) days prior to the meeting at which the vote will be taken.
- In no event shall the alteration, amendment or repeal of these Bylaws, or the adoption of new Bylaws, require approval of any third party.

15. Authority to Act:

No individual Governing Board member shall act for the Governing Board except as may be specifically authorized by the Board. The Governing Board may, by a majority vote, authorize the Chairperson of the Board to act on its behalf during an emergency.

CONFLICTS OF INTEREST AND CONFIDENTIALITY

Each Board member has a fiduciary duty to Coastal Health & Wellness and must give it his/her loyalty. The Governing Board shall establish and adopt a written policy, consistent with Texas Local Government Code Chapter 171.001 et seq. that establishes procedures for: (i) disclosing and addressing conflicts of interest or the appearance of conflicts of interest by Governing Board members, officers, employees, consultants, and/or agents who provide services or furnish goods to the Coastal Health & Wellness; and (ii) maintaining the confidentiality of information obtained by a Governing Board member, officer, employee, consultant and/or agent by virtue of his or her position as such. Such standards shall also establish policies and procedures regarding nepotism, bribery, and the offer of gratuities.

No Board member shall participate in the selection, award or administration of any contract or other affiliation relating to operations conducted by Coastal Health & Wellness or for the furnishing of services or supplies to Coastal Health & Wellness, in which an immediate family member has a real or potential conflict of interest (financial or otherwise) or with whom he/she is negotiating or has any arrangement concerning employment, nor shall any Governing Board member divulge the subject or substance of such discussions, contracts or other affiliations to any person, institution, entity, company or other third-party under consideration. Notwithstanding the foregoing, such contract or affiliation may be approved or authorized by a majority of the disinterested Board members present at a meeting at which a quorum exists if the facts of any such interest by a Board member shall have been disclosed to the Board by the interested Board member prior to or at the meeting at which the contract or affiliation was approved or authorized and such interested Board member abstains from

voting in that regard, provided that the contract or affiliation is otherwise fully consistent with Coastal Health & Wellness' procurement policies.

PROHIBITION AGAINST POLITICAL ACTIVITIES AND LIMITATIONS ON LOBBYING

Coastal Health & Wellness, and any individual Board member acting on behalf of the Coastal Health & Wellness Governing Board, shall not participate, or intervene, in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office. No substantial part of the activities of Coastal Health & Wellness shall consist of carrying on propaganda, or otherwise attempting to influence legislation, except to the extent permitted by law for nonprofit, tax-exempt organizations.

AUTHORITY DELEGATED TO EXECUTIVE DIRECTOR (who may in turn delegate authority to appropriate District personnel):

The Coastal Health & Wellness Executive Director shall be an agent of the Governing Board and shall be directly accountable to the Board. Subject to the control of the Governing Board, the Executive Director shall have responsibility for the general care, supervision, and direction of Coastal Health & Wellness' affairs in furtherance of the policies and programs established by the Governing Board, consistent with these Bylaws. Specifically, the Executive Director shall:

- Approve all new and/or revised operational policies not previously approved by the Governing Board for immediate implementation. As necessary, these policies will then be brought to the Coastal Health & Wellness' Governing Board at the next meeting for ratification.
- Sign contracts that commit the agency to receive or disburse any funds (local, state, or federal; public, private, and/or nonprofit) for new and existing and continuing clinic program activities.
- Provide an executive report of Coastal Health & Wellness' activities, to include a summary of new and renewed contracts/services signed by the Executive Director and/or designee.
- With accountability to the Governing Board, independently execute, direct, organize, monitor, assign and dismiss Coastal Health & Wellness staff as necessary to implement Governing Board policies, to support Governing Board meetings, to carry out policy development activities, to assure compliance with all applicable laws, rules and regulations, and to provide services in accordance with their positions.
- Approve unbudgeted single item expenditures up to \$10,000.00 and subsequently report such approval in executive reports.