

BYLAWS

OF THE

BOARD OF DIRECTORS
CHAMPAIGN COUNTY NURSING HOME

CHAMPAIGN COUNTY, ILLINOIS

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INTRODUCTION

The County of Champaign operates a nursing and rehabilitation facility known as Champaign County Nursing Home, hereinafter referred to as “The Home”, located at 500 South Bartell Road, Urbana, Illinois. The County operates and maintains The Home in accordance with Illinois law as it pertains to county nursing homes (see the Illinois Counties Code, 55 ILCS 5/1 - 1001 *et seq.*, and the Nursing Home Care Act, 210 ILCS 45/1-101 *et seq.*). The County of Champaign has elected to carry out its responsibilities for The Home through an Board of Directors. With these Bylaws, the County of Champaign establishes a formal governance process that the Board of Directors is to follow.

**ARTICLE I
NAME AND PURPOSES**

The name of the nursing and rehabilitation facility is the Champaign County Nursing Home. The principal purpose of The Home is to offer skilled nursing, rehabilitation, long-term dementia care, and adult day care.

**ARTICLE II
GOVERNING AUTHORITY**

Except as set forth in these Bylaws, the authority and ultimate responsibility for the operation of The Home shall rest with the Champaign County Board. Nothing in these Bylaws shall be interpreted to the contrary.

**ARTICLE III
OPERATING AUTHORITY**

Section I. POWERS

Except as otherwise provided by the Champaign County Board, these Bylaws, or applicable law, the activities and affairs of The Home shall be conducted and all powers shall be exercised by or under the direction of the Board of Directors and its members. It shall be the goal of the Board of Directors to govern The Home according to all applicable laws and regulations and in such a manner that the Home will retain its mission to provide compassionate long-term, rehabilitative and memory services, and operate as an economically viable and competitive entity.

Section 2. NUMBER AND QUALIFICATION

The Board of Directors shall consist of seven (7) persons. Board members shall be Champaign County residents or individuals who maintain full-time employment in Champaign County who possess the ability to participate effectively in the discharge of the Board of Directors' responsibilities. The Board of Directors shall have at least one (1) member who has expertise in each of the following areas: health care, finance/banking, accounting, social services, personnel, and marketing/sales. At least two (2) Board Members shall be members of the Champaign County Board.

Section 3. SELECTION AND APPOINTMENT

The members of the Board of Directors shall be appointed by the Champaign County Board Chair, with the advise and consent of the Champaign County Board in February 2008 and thereafter in November of each year for terms ending in November of that year, except for the filling of vacancies as provided in Section 5 and 6 below.

Section 4. TERM

Each Board member shall hold office for a term of two (2) years. Each Board member, including a Board member appointed to fill a vacancy, shall hold office until expiration of the term for which appointed and until a successor has been appointed and qualified. Board members may be re-appointed to successive terms, provided no Board member may serve for more than three (3) consecutive two (2) year terms without being off the Board of Directors at least one (1) year.

Section 5. RESIGNATION

Any Board Member may resign at any time, either by oral tender of resignation at any meeting of the Board of Directors or by giving written notice thereof to the Chair of the Champaign County Board. Such resignation shall take effect at the time specified therefore and, unless otherwise specified with respect thereto, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. REMOVAL

A Board Member may be removed, with or without cause, by action of at least fourteen members of the Champaign County Board at the meeting at which such action is being considered.

Section 7. VACANCIES

Any vacancy occurring on the Board of Directors shall be filled by the Champaign County Board Chair, with the advice and consent of the Champaign County Board. A Board member appointed to fill a vacancy occurring on the Board of Directors shall serve for the unexpired term of his or her predecessor in the office.

ARTICLE IV
MEETINGS OF THE BOARD OF DIRECTORS

Section 1. PLACE OF MEETING

All meetings of the Board of Directors shall be held at The Home or at such other place as may be designated for that purpose from time to time by the Chair of the Board of Directors.

Section 2. ORGANIZATIONAL MEETINGS

As soon as reasonably practicable, and within thirty (30) days after the initial appointment of Board of Director members in February 2008, the Board shall meet for the purpose of organizing the Board of Directors, for the election of officers, and for the transaction of such other business as may come before the Board of Directors. Thereafter, the Board of Directors shall meet in December of every year, commencing in 2008, for the purpose of organizing the Board of Directors, for the election of officers, and for the transaction of such other business as may come before the Board of Directors.

Section 3. REGULAR MEETINGS

Regular meetings of the Board of Directors shall be held monthly at the Home at such time and place as the Board of Directors may fix by resolution from time to time.

Section 4. SPECIAL MEETINGS

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chair or by any three (3) Board members with written notice as specified by the requirements of the Illinois Open Meetings Act, 5 ILCS 120/1 *et seq.*

Section 5. NOTICE OF MEETINGS

Notice of all meetings of the Board of Directors shall comply with the requirements set forth in the Illinois Open Meetings Act, 5 ILCS 120/1 *et seq.* Notice of the time and place of all meetings shall be sent to the Board of Directors members by first-class mail, addressed to each Board of Directors member at the address maintained by the Champaign County Board Office, at least seven (7) days in advance of all regular meetings, and at least two (2) days in advance of all special meetings. The notice shall contain an agenda which complies with the requirements of the Illinois Open Meetings Act.

Section 6. QUORUM

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 7. MINUTES

Minutes of all meetings of the Board of Directors shall be kept and approved by the Board of Directors in compliance with the requirements of the Illinois Open Meetings Act. All minutes shall be copied to the Champaign County Board Chair within seven (7) days of their approval by the Board of Directors.

ARTICLE V
OFFICERS

Section 1. OFFICERS

The officers of the Board of Directors shall be a Chair, a Vice-Chair, and a Secretary.

Section 2. ELECTION OF OFFICERS

The officers of the Board of Directors shall be elected bi-annually, in December of each even-numbered year, by the Board of Directors at its organizational meeting for a term of two years or until he or she shall resign or shall be removed, or otherwise disqualified to serve, or his or her successor shall be appointed and qualified. Officers shall be limited to two (2) consecutive two (2) year terms in the same office.

Section 3. REMOVAL OF OFFICERS

Any officer may be removed either with or without cause by a majority of the Board of Directors members then in office at any regular or special meeting of the Board of Directors. Should a vacancy occur in any office as a result of death, resignation, removal, disqualification or any other cause, the Board of Directors will elect a Director to the vacant office at its next meeting or as soon as practicable thereafter.

Section 4. CHAIR

The Chair shall preside at all meetings of the Board, serve as an *ex-officio* member of all standing committees, and report annually to the Board of Directors and to the Champaign County Board on the current state of The Home and plans for the future. The Chair shall be empowered to call special meetings of the Board of Directors as set forth herein, and shall discharge all other duties as may be required by these Bylaws and from time to time as may be assigned by the Board of Directors and the Champaign County Board.

Section 5. VICE CHAIR

In the absence or disability of the Chair, the Vice Chair shall perform all the duties of the Chair and when so acting shall have all the powers of and be subject to all the restrictions upon the Chair. The Vice Chair shall also perform any other duties as may be assigned by the Board of Directors and the Champaign County Board.

Section 6. SECRETARY

The Secretary shall be responsible for keeping minutes at all meetings of the Board in accordance with the requirements of the Illinois Open Meetings Act, 5 ILCS 120/1 *et seq.* The Secretary shall also perform any other duties as may be assigned by the Board of Directors and the Champaign County Board.

Section 7. ADMINISTRATOR

The Administrator, in accordance with Champaign County Personnel policy, shall have the general overall supervision of The Home affairs and shall act as the duly authorized representative of the Champaign County Board in all matters in which the Champaign County Board has not formally designated some other person to act. The Administrator shall have the right to appoint such subordinate administrative individuals as he/she deems necessary or desirable to ensure the efficient conduct of the business and operations of The Home.

Section 8. OPERATING OFFICER

The Operating Officer shall be designated by the Board of Directors upon the recommendation of the Administrator. The Operating Officer shall report to and be responsible to the Administrator and shall perform the duties associated with the day-to-day administration of the facilities and shall serve as the Assistant Administrator of the Home. In the absence of the Administrator, the Operating Officer shall perform the duties of the Administrator. If no Operating Officer has been designated, the Administrator shall act as the Operating Officer as hereinafter defined.

**ARTICLE VI
COMMITTEES**

Section 1. COMMITTEES GENERALLY

Except as otherwise provided by these Bylaws, the Board of Directors may, by resolution or resolutions passed by a majority of the Board of Directors members, appoint standing or special Committees for any purpose and, if such Committees are comprised solely of Board of Directors members, delegate to such Committees any of the powers and authority of the Board of Directors, except the power and authority to adopt, amend, or repeal these Bylaws, or such other powers as may be prohibited by law or by these Bylaws. Such Committees shall have power to act only in intervals between meetings of the Board of Directors and shall at all times be subject to the control of the Board of Directors. The Board of Directors, or if the Board of Directors does not act, the Committees, shall establish rules and regulations for meetings and shall meet at such times as are deemed necessary, provided the provisions of Section 5, 6, and 7 of Article IV (*Meetings of the Board of Directors*) shall apply to Committee meetings. Committees shall keep regular minutes of their meetings in conformance with the requirements of the Illinois Open Meetings Act, 5 ILCS 120/1 *et seq.* Committees shall also provide notice of their meetings and agendas pursuant to the requirements of the Illinois Open Meetings Act, 5 ILCS 120/1 *et seq.* Any Committee not appointed pursuant to the provisions of the first sentence of this Section or composed of persons, one or more of whom are not Board of Directors members, may act solely in an advisory capacity to the Board of Directors. Except as otherwise provided in these Bylaws, the Chair shall appoint Committee Members and designate the chair of the Committee.

Section 2. NOMINATING COMMITTEE

The Nominating Committee shall consist of no more than three (3) persons appointed by the Chair of the Board of Directors. This Committee shall have the responsibility of maintaining a roster of qualified persons for recommendation to the Champaign County Board to serve as Board members. In the absence of a Nominating Committee, the Board of Directors shall have the responsibility of maintaining a roster of qualified persons for recommendation to the Champaign County Board to serve

as Board members. This roster and these recommendations do not supersede the authority of the Champaign County Board chair to solicit nominations for the Board, nor the authority of the Champaign County Board to advise and consent to any final appointments to the Board of Directors.

Section 3. TERM OF OFFICE

The Chair, and each member of any Board of Directors committee, shall serve until the next annual election of the Board of Directors, and until his or her successor is appointed, or until such committee is sooner terminated, or until he or she is removed, resigns, ceases to be a member of the Board of Directors, or otherwise ceases to qualify as a Chair or member of the Board of Directors, as the case may be, of the Board of Directors.

Section 4. VACANCIES

Vacancies on any Committee may be filled for the unexpired portion of the term in the same manner as provided in the case of original appointment.

Section 5. EXPENDITURES

Any expenditure of The Home funds by a Committee shall require prior approval of the Board of Directors.

ARTICLE VII
QUALITY OF NURSING & RELATED SERVICES

Section 1. BOARD OF DIRECTORS' RESPONSIBILITIES

The Board of Directors shall require: (a) that the Nursing Staff prepare and maintain adequate and accurate medical records for all residents, and (b) that the person responsible for each basic and supplemental medical service shall cause written policies and procedures to be developed and maintained and that such policies be approved by the Board of Directors. The Board of Directors shall further require, after considering the recommendations of the Nursing Staff, the conduct of specific review and evaluation activities to assess, preserve, insure, and improve the overall quality and efficiency of resident care at The Home and to assure the provision of a single standard of care for residents with the same diagnosis, which assurance is provided by holding The Home staff accountable for its delegated responsibilities in areas of utilization review, and quality assurance. The Board of Directors shall provide whatever administrative assistance is reasonably necessary to support and facilitate the implementation and the ongoing operation of these review and evaluation activities.

Section 2. ACCOUNTABILITY TO THE BOARD OF DIRECTORS

The Home staff shall conduct and be accountable to the Board of Directors for conducting activities that contribute to the preservation and improvement of the quality and efficiency of resident care provided in The Home and operating The Home on a break-even or sustainable basis. Without limiting the generality of the foregoing, these activities shall include:

- a) The conduct of periodic meetings at regular intervals to review and evaluate the quality of resident care and the correction of identified problems;

- b) Ongoing monitoring of resident care practices through the defined functions of the Nursing Staff, other professional services and The Home administration;
- c) Review of utilization of The Home's medical resources to provide for their allocation to meet the needs of the residents;
- d) Such other measures as the Board of Directors may, after considering the advice of the Nursing Staff, other professional services and The Home administration, deem necessary for the preservation and improvement of the quality and efficiency of resident care; and
- e) Periodic review of the capital and operating budgets versus actual revenue and expenditures, and review of the economic viability of all of the above activities.

Section 3. DOCUMENTATION

The Board of Directors shall require, receive, consider and act upon the findings and recommendations emanating from the activities required by Section 2 of this Article. All such findings and recommendations shall be in writing, assigned by the persons responsible for conducting the review activities and supported and accompanied by appropriate documentation upon which the Board of Directors can take informed action.

**ARTICLE VIII
ADJUNCT ORGANIZATIONS**

From time to time The Home may establish adjunct organizations, including advisory bodies, foundations, and auxiliaries. Each such group shall establish its own Bylaws and rules and regulations and present them to the Board of Directors for approval, and all amendments thereto shall also be subject to the approval of the Board of Directors. The Bylaws of the Board of Directors shall prevail and govern over the documents and actions of such adjunct and subordinate groups.

**ARTICLE IX
INDEMNIFICATION**

The County of Champaign shall indemnify its Board of Directors members, officers, agents, employees, and appointees who are or were parties or who are threatened to be made parties to any proceeding against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding in accordance with and subject to the limitations prescribed by the Constitution of the State of Illinois of 1970, applicable State law, and the current Champaign County Indemnity Policy, as modified from time to time.

The County of Champaign shall also have the power to maintain/provide insurance on behalf of its Board of Directors members, officers, agents, employees, and appointees against any liability asserted against or incurred by them in their capacity as such Board of Directors member, officer, agent, employee, or appointee arising out of their status as such whether or not the County would have the power to indemnify against such liability.

ARTICLE X
GENERAL PROVISIONS

Section 1. EXECUTION OF CONTRACTS

The Board of Directors, except as in these Bylaws or otherwise provided, may authorize an officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of The Home, if the expenditure necessitated by such a contract has been approved by the County Board in the Nursing Home budget for the fiscal year in question, or specifically authorized by the County Board during the course of the fiscal year in question. Unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind The Home by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount. The execution of any contract is subject to, and bound by, current Champaign County Purchasing Policy. However, the Board of Directors does not have the power to negotiate or enter into collective bargaining agreements, which said power is reserved exclusively to the Champaign County Board.

Section 2. COMPENSATION OF OFFICERS AND BOARD MEMBERS

The members of the Board of Directors and the officers shall receive compensation consistent with the compensation received by County Board members in 2008. Thereafter, the compensation for the Board of Directors and officers shall be periodically reviewed and adjusted by the County Board as the County Board deems appropriate. The Administrator and Operating Officer shall be entitled to receive such compensation for services rendered as determined by the Board of Directors from time to time. In addition, Board of Directors members may be compensated for reasonable expenses incurred in the fulfillment of their responsibilities to The Home. Reasonable expenses shall be defined to include travel and expenses related to educational conferences for Board members, and long distance telephone calls and faxes made to obtain information related to the responsibilities of the Board. Reimbursement of such expenses shall be consistent with applicable County Board policies, including the County's Travel Policy.

Section 3. INSPECTION OF RECORDS

The records of The Home are subject to the requirements of the Illinois Freedom of Information Act, 5 ILCS 140/1 *et seq.* Consistent with the requirements of the Illinois Freedom of Information Act, 5 ILCS 140/1 *et seq.*, and Champaign County Board Resolution 5570, the books of account of The Home and minutes of the Board of Directors and its committees shall be maintained at the Home and available to the public.

Section 4. QUARTERLY REPORTS

The Board of Directors shall cause a quarterly report to be sent to the Champaign County Board no later than 90 days after the close of each fiscal quarter.

ARTICLE XI
POWERS OF THE CHAMPAIGN COUNTY BOARD

The following powers are reserved exclusively to the Champaign County Board, and any attempted exercise of any such powers by any entity other than the Champaign County Board shall not be valid or of any force or effect whatsoever:

1. To change the mission and purposes of The Home for which it was and is formed and exists,
2. To elect the members of the Board of Directors and to remove the same without cause,
3. To amend, alter, modify or repeal these Bylaws,
4. To merge, consolidate, or affiliate The Home with another corporation, organization or program,
5. To dissolve or terminate the existence of The Home and to determine the distribution of assets upon such termination or dissolution,
6. To require a certified audit of The Home at any time and to appoint the fiscal auditor.
7. These Bylaws, or any part thereof, may be amended, modified or repealed, or new Bylaws may be adopted by the vote or written assent of a majority of the Champaign County Board,
8. Annually, the Champaign County Board shall review the progress of the mission and purpose of The Home under the direction of the Board of Directors. The existence of the Board of Directors for The Home shall end on January 31, 2012, unless prior to that date the Champaign County Board shall reinstate these Bylaws providing for its continuation.

ARTICLE XII
ACTION REQUIRING APPROVAL BY THE CHAMPAIGN COUNTY BOARD

Actions initiated by the Board of Directors on the following matters can be authorized by and shall be effective only upon the prior written assent of a statutory majority of the Champaign County Board:

1. The acquisition, purchase, sale, lease, transfer or encumbrance of any real estate or of any substantial part of other assets of The Home,
2. Any increment or additions to the capital debt or the renegotiation, modification or other change the existing capital debt obligations of The Home,
3. Any borrowing not indicated in the capital or operating budgets of The Home, and
4. The adoption of the annual operating and capital budgets of The Home or any changes thereto.
5. The negotiation and adoption collective bargaining agreements.

ARTICLE XIII
AMENDMENTS AND REVIEW

These Bylaws, or any part thereof, may be amended, modified or repealed, or new Bylaws may be adopted by the vote or written assent of a majority of the Champaign County Board.