

TABLED

CHEROKEE COUNCIL HOUSE
CHEROKEE, QUALLA BOUNDARY (NC)

Date: FEB 04 2016

ORDINANCE NO. 117 (2016)

TITLE: Cherokee Indian Hospital Authority

Board of Governors 2016

WHEREAS, in 2002, the Tribal Council of the Eastern Band of Cherokee Indians adopted Chapter 130B of the Cherokee Code and created the Cherokee Indian Hospital Authority (“CIHA”), as a component unit of the Eastern Band of Cherokee Indians.

WHEREAS, the best practices for “corporate governance” of entities such as CIHA have evolved and improved since 2002;

WHEREAS, allowing members of governing boards of entities such as CIHA to “self-perpetuate” promotes insularity;

WHEREAS, term limits for members of governing boards of entities such as CIHA are advisable to promote the introduction of fresh thinking, expertise, and perspective.

WHEREAS, the combination of allowing members of governing boards of entities such as CIHA to “self-perpetuate” and the lack of term limits for members of such governing boards can lead to a less active, informed and independent oversight of the entity’s business affairs and senior management.

WHEREAS, there have been numerous concerns expressed about the oversight of management by the current board from elected officials and community members and there is a sense that management of CIHA is not fully or fairly responsive to the concerns by the Tribe.

NOW THEREFORE BE IT ORDAINED by the Tribal Council of the Eastern Band of Cherokee Indians assembled, at which a quorum is present, that the Cherokee Code be amended as follows:

Sec. 130B-3. - Governing board; generally.

(a) The CIHA Governing Board shall be composed of persons who have clearly demonstrated their commitment to the delivery or administration of health care

through business or career successes. There shall be nine voting members, and two nonvoting members.

- (b) The Principal Chief shall appoint eight members of the Governing Board, subject to approval by the Tribal Council. Except for the initially appointed Board members, in selecting a nominee to fill a vacancy or renew the expiring term of a Board member, the Principal Chief shall ~~select from a panel of two or more potential nominees recommended by the current Governing Board~~ nominate members of the Governing Board for confirmation by the Tribal Council pursuant to CC Sec. 130B-3(k). Nominees to the Governing Board shall be selected on the basis of their experience and ability to contribute significantly to quality health care delivery. At least one member of the Board shall be a physician; at least one member of the Board shall be a dentist; at least one member of the Board shall be an attorney; at least one member of the Board shall have extensive experience in health services administration; at least one member of the Board shall be an auditor or certified public accountant; and at least three members of the Board shall be patient community representatives. To the greatest extent feasible, the Board members shall be enrolled members of the Eastern Band representing a variety of communities, whenever an enrolled member is the most qualified candidate for the position.
- (c) The ~~Executive Director~~ Secretary of the Tribal Public Health and Medical Division Human Services shall serve as a voting member of the Governing Board by reason of his/her employment position and shall perform such duties without additional compensation as a part of his/her job duties. The Chief Executive Officer and Clinical Services Director of the Cherokee Indian Hospital shall serve as non-voting members of the Governing Board by reason of their employment positions and shall perform such duties without additional compensation as a part of their job duties.
- (d) Members of the Board may hold other positions of employment with the Eastern Band and may engage in business; provided, however, that such outside activities do not interfere with the Board member's duties to the CIHA.
- (e) Each member of the Governing Board shall serve a term of four years, except as provided below. Nothing in this chapter shall be construed to preclude a member of the Governing Board from serving successive terms. Except for ex officio members, members of the Governing Board shall be limited to 4 consecutive terms. Board members shall be subject to removal for good cause, including but not limited to misconduct or neglect of duty, by the Tribal Council. There shall be a six-month probationary period for each new appointee to be reviewed by the Tribal Council, during which time the appointee may be removed with or without cause.
- (f) The initial appointed members of the Board shall serve terms of one, two, three, and four years, respectively, to provide for continuity and rotating succession on the Board. The Principal Chief shall state the term of each appointee nominated, subject to approval by the Tribal Council. After the initial terms expire, all Board members shall serve terms of four years, so that two Board members shall be

reappointed or replaced each year. All terms shall run to September 30 of the expiring year.

- (g) The members of the Board who serve based on their employment positions shall continue in office until they resign or are removed from those employment positions, or are removed ~~for cause~~ from the Board by the Tribal Council.
- (h) ~~Each new~~ ~~No~~ member of the Governing Board shall be finally selected until he has completed ~~complete~~ a background investigation conducted by the ~~Eastern Band~~ Tribe.
- (i) Before assuming office, each member of the Governing Board shall take the oath of office administered to Tribal officers.
- (j) A member of the Governing Board may resign at any time by providing the Principal Chief and the Tribal Council with written notice of his or her intention to resign on a date certain. The resignation shall become effective on the date stated and need not be accepted by the Principal Chief or Tribal Council to be effective.
- (k) The Principal Chief shall nominate a person to fill a vacancy in the Board within 30 days after the date on which the vacancy becomes effective. The Principal Chief shall then submit the nominee's resume to the Tribal Council for their approval. Action by the Tribal Council shall occur within 30 days after receipt of the nomination from the Principal Chief.
- (l) Except for those members of the Governing Board who serve based on their employment positions, Board members shall be compensated for their services in an amount approved by the Tribal Council. Members of the Board shall not be considered employees of the Tribe for purposes of the Tribal Personnel Policy. Board Members shall be reimbursed from CIHA funds for all reasonable and approved out-of-pocket expenses incurred while acting on behalf of the CIHA.
- (m) Upon termination from office, each Board member, employee and agent of CIHA shall turn over to his or her successor or to the Chairperson, in a timely fashion and in good order, all monies, books, records, minutes, documents contracts or other property of CIHA in his or her custody. If such property is not turned over or is damaged or missing, the Board may charge each Board member and any employee or agent a reasonable replacement fee.

(Ord. No. 410, 9-26-2002)

BE IT FINALLY ORDAINED that all portions of ordinances inconsistent with this ordinance are rescinded, and that this ordinance shall become effective upon ratification by the Principal Chief.

Submitted by Principal Chief Patrick Lambert.