



The MetroHealth System

Board of Trustees

Friday, June 7, 2024

11:30am - 1:00pm

Virtual Only via Zoom

Governance Committee

Special Meeting

The MetroHealth System Board of Trustees

GOVERNANCE COMMITTEE

DATE: Friday, June 7, 2024
TIME: 11:30am – 1:00pm
PLACE: <https://us02web.zoom.us/j/81280074093>

AGENDA

- I. Approval of Minutes**
Minutes of the April 24, 2024 meeting of the Governance Committee
- II. Information Items**
 - A. Trustee Appointments – A. Steed**
 - B. Overview of the current System Compliance Process - C. Briddell**
 - C. Review updated System Policy EC-04- Reporting Concerns- I.Chappell**
 - D. Review Proposed Board Policies- I.Chappell**
 - 1. Board Expenses & Reimbursement Policy**
 - 2. CEO Expense Reimbursement Policy**
 - 3. Management Duty to Disclose Policy**
- III. Recommendation/Resolution Approvals- I. Chappell**
 - A. Resolution to Adopt Policy BOT-8 on Board Expenses & Reimbursement**
 - B. Resolution to Adopt Policy BOT-9 on CEO Expense Reimbursement**
 - C. Resolution to Adopt Policy BOT-10 on Management Duty to Disclose**

The MetroHealth System Board of Trustees

GOVERNANCE COMMITTEE MEETING

Wednesday, April 24, 2024

1:30-3:00 pm

MetroHealth Brooklyn Heights Campus Room B-102 and via Zoom

Meeting Minutes

Committee Members: Inajo Davis Chappell-R, John Moss-I

Other Trustees: John Corlett-I, Maureen Dee-I, Sharon Dumas-I, Nancy Mendez-I, John Moss-I, E. Harry Walker, M.D.-I

Staff: Airica Steed-I, Laura McBride-I, Sarah Partington-I, Tamiyka Rose-I, Dalph Watson-I

Ms. Chappell called the meeting to order at 1:36 pm, in accordance with Section 339.02(K) of the Ohio Revised Code.

(The minutes are written in a format conforming to the printed meeting agenda for the convenience of correlation, recognizing that some of the items were discussed out of sequence.)

I. Approval of Minutes

The minutes of the January 24, 2024, Governance Committee Meeting were unanimously approved as submitted.

II. Information Items

A. Trustee Appointments & Transitions

1. New Board Member Update and Welcome – A. Steed

Dr. Steed welcomed Sharon Dumas, Ron Dziedzicki and Nancy Mendez to the Board of Trustees and expressed appreciation for their added wealth of expertise and talent to the Board. To summarize their expertise, Ms. Dumas has more than 40 years of experience in the private and public sectors in fiscal management. Mr. Dziedzicki is a retired veteran with the United States Army and the United States Air Force. In addition, Mr. Dziedzicki is a fellow nurse and has held several leadership positions at the University Hospitals of Cleveland, including Senior Vice President, Chief Nursing Officer, and Chief Operating Officer. Lastly, Ms. Mendez holds the position of President and CEO at Starting Point and has extensive experience in public health, healthcare disparities, and philanthropy. Dr. Steed informed the committee that

The MetroHealth System Board of Trustees

Trustees Mr. Hurwitz and Mr. Hairston have submitted their resignation letters to the County Executive and will no longer be members of the Board after May 1, 2024.

2. Recognition of Departing Board Members – I. Chappell

Ms. Chappell expressed her gratitude to Trustees J.B. Silvers and Vanessa Whiting for their longstanding commitment and service to The MetroHealth System and The MetroHealth System Board of Trustees. Ms. Chappell announced that Ms. Rose is working with Board Chair Dr. Walker to organize a recognition luncheon in the upcoming future for the departing board members, along with a signed resolution from the County in acknowledgement and thanks for their service.

3. Orientation for New Board Members – I. Chappell

The committee was informed that the orientation for the new Board members will occur on April 30, including an overview of the Board's composition, the laws of Ohio Revised Code Chapter 339, and a brief overview of the system's finances.

B. Committee Assignments / Officer Election – I. Chappell

Ms. Chappell referred to the updated committee assignments list, which was included in the meeting material. There have been revisions to the committee assignments, which are outlined as follows: Sharon Dumas was added to the Facilities & Planning Committee and the Finance Committee, Maureen Dee will serve as the chair of the Health Equity & Diversity Committee, and John Moss was added to the Executive Committee. An election will be held at the full Board meeting, as John Moss is nominated as Vice Chair due to Vanessa Whiting's departure. Each Board member was asked to serve on at least two committees. Further details will be provided at the orientation for Mr. Dziedzicki and Ms. Mendez on April 30th.

C. Board Educational Opportunities – A. Steed

The committee was informed of several upcoming educational conferences available through our associations:

1. The Ohio Hospital Association's Annual Conference is June 10-12 in Columbus, Ohio,
2. The Essential Hospital Association's Annual Conference is June 19-21 in San Diego, CA,
3. The Governance Institute has two leadership conferences scheduled. One in Colorado Springs on September 8th - 11th, and in Las Colinas Irving, Texas, October 16-18th.

Dr. Steed and Ms. Rose are working together to establish educational opportunities and strongly encouraged participation if interested in participating in any of the above-mentioned conferences. Ms. Rose has coordinated a tour of the main campus

The MetroHealth System Board of Trustees

scheduled in May to provide an opportunity for current and new Board members to learn more about the need for Campus Transformation.

D. Board Policies

1. Update on Board Policies – I. Chappell, T. Rose, L. McBride

Ms. Chappell asked Ms. McBride to create a chart of potential Board Governance policies from the Governance Institute and the American Hospital Association. Ms. McBride directed the committee's attention to the Board Governance Policies chart included in the meeting materials, which provides a snapshot of recommended policies held at the board-level from the Governance Institute and the American Hospital Association. Ms. McBride explained that system policies are typically reviewed by the policy committee and approved by the relevant executive without board approval. However, board policies or changes require board approval. Historically, the board has adopted policy revisions through resolutions, and since 2020, there's been a move towards creating visible board-level policies. Ms. McBride highlighted significant overlap in the recommended policies, particularly concerning competencies, nepotism, and whistleblower policies. These are already established at the system level, adhering to industry-standard best practices. Any changes to these would follow the system's amendment process. For instance, there was a complaint about towels left on the floor, highlighting the need for consistent monitoring of whistleblower policies at the system level. This leads to a broader discussion with the board about their responsibility and oversight of such matters.

2. Status of and Process for Certain Policies (Whistleblower, Nepotism/Conflict of Interest) – S. Partington, L. McBride, D. Watson

Ms. Chappell requested an update on the status and process of the System's Whistleblower, Nepotism, and Conflict of Interest policies. The nepotism policy was updated during the annual review in February. Human Resources Talent Acquisition Specialists ask applicants to disclose any family members working at MetroHealth, and potential conflicts are raised and investigated by Ethics & Compliance. Ms. Chappell raised a question regarding the conflict of interest and nepotism policies, and if the policy committee can revisit them. In addition, Ms. Chappell asked Ms. Rose to conduct research on how employees can report their concerns of mismanagement and compare it to the approaches of other organizations. The current system policy, EC-04- Reporting Concerns, should have deterrent language that holds employees accountable for filing baseless complaints which should be validated and substantiated before escalation. Ms. Chappell suggested that another meeting should be held to discuss issues raised by Dr. Steed in executive session.

III. Recommendation/Resolutions Approval

None

The MetroHealth System Board of Trustees

There being no further business to bring before the Board, and the meeting was adjourned at 2:56 pm.

THE METROHEALTH SYSTEM

Inajo Chappell
Chairperson, Governance Committee

The MetroHealth System Board of Trustees

Trustee Terms

BY TERM ENDING

Trustee	Initial Appointment	Term Ending
Maureen Dee	October 14, 2014	March 5, 2024
E. Harry Walker	September 28, 2021	March 4, 2025
Michael Summers	May 14, 2024	March 1, 2026
John Corlett	July 5, 2022	March 31, 2026
Inajo Chappell	March 10, 2021	March 9, 2027
Ronald Dziedzicki	April 13, 2024	March 6, 2028
John Moss	March 3, 2010	March 6, 2028
Nancy Mendez	April 13, 2024	March 5, 2029
Sharon Dumas	March 26, 2024	March 5, 2029

SUMMARY OF REQUIREMENTS FOR TRUSTEES – O.R.C. § 339.02

- ✓ All Trustees must be electors and representative of the area served by the hospital
- ✓ No more than two Trustees may be electors from outside Cuyahoga County (but must still be in the area served by the hospital)
- ✓ No more than two Trustees may be physicians and none of the physicians may be employed by the hospital
- ✓ No Trustee may have any relationship with MetroHealth that is prohibited by the Ohio Ethics law

County Council of Cuyahoga County, Ohio

Resolution No. R2024-0161

Sponsored by: County Executive Ronayne	A Resolution confirming the County Executive’s appointment of Michael Summers to serve on The MetroHealth System Board of Trustees for an unexpired term ending 3/1/2026; and declaring the necessity that this Resolution become immediately effective.
Co-sponsored by: Councilmembers Miller, Sweeney, Turner, Gallagher and Conwell	

WHEREAS, Ohio Revised Code Chapter 339 provides for the organization and operation of a county hospital; and

WHEREAS, Ohio Revised Code Section 339.02 provides for the creation of county hospital trustees and the means by which appointments are made; and

WHEREAS, Ohio Revised Code Section 339.02 further provides that such appointments to the board of trustees shall be for a six-year term; and

WHEREAS, pursuant to Ohio Revised Code 339.02(F)(1), the County Executive has sought and received approval from both the probate judge of the county senior in point of service and the judge of the court of common pleas of the county senior in point of service; and

WHEREAS, the Cuyahoga County Charter Section 6.04, entitled Special Boards and Commissions, states that “[w]hen general law or any agreement with another public agency or court order provides for appointment of members of a special board or commission or other agency by the board of county commissioners, such appointment shall be made by the County Executive, subject to confirmation by the Council,” and

WHEREAS, the County Executive has nominated Michael Summers (replacing Robert Hurwitz) to serve on The MetroHealth System Board of Trustees for an unexpired term ending 3/1/2026; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. That the Cuyahoga County Council hereby confirms the County Executive's appointment of Michael Summers (replacing Robert Hurwitz) to serve on The MetroHealth System Board of Trustees for an unexpired term ending 3/1/2026.

SECTION 2. It is necessary that this Resolution become immediately effective for the usual daily operation of the County; the preservation of public peace, health, or safety in the County; and any additional reasons set forth in the preamble. Pursuant to Cuyahoga County Charter Section 3.10(5), provided that this resolution receives the affirmative vote of a majority of members of Council, this Resolution shall become immediately effective.

SECTION 3. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of the Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

On a motion by Ms. Turner, seconded by Mr. Miller, the foregoing Resolution was duly adopted.

Yeas: Simon, Kelly, Miller, Sweeney, Gallagher, Conwell, Turner, Stephens and Jones

Nays: None



County Council President

05/16/2024

Date



Clerk of Council

05/15/2024

Date

First Reading/Referred to Committee: April 23, 2024
Committee(s) Assigned: Human Resources, Appointments & Equity

Additional Sponsorship Requested on the Floor: April 23, 2024

Additional Sponsorship Requested in Committee: April 30, 2024

Journal CC054
May 14, 2024



MetroHealth
Devoted to Hope, Health, and Humanity

Governance Committee

June 7, 2024, 11:30-1:00 pm

Overview of the Ethics and Compliance investigation and exit interview processes.

Current Ethics and Compliance Investigation process.



Current Exit Interview process for “key individuals.”

“Exit Interviews May Be the Last Chance for Discovering Misconduct, Getting Feedback.” – Report on Medicare Compliance

Key Individuals

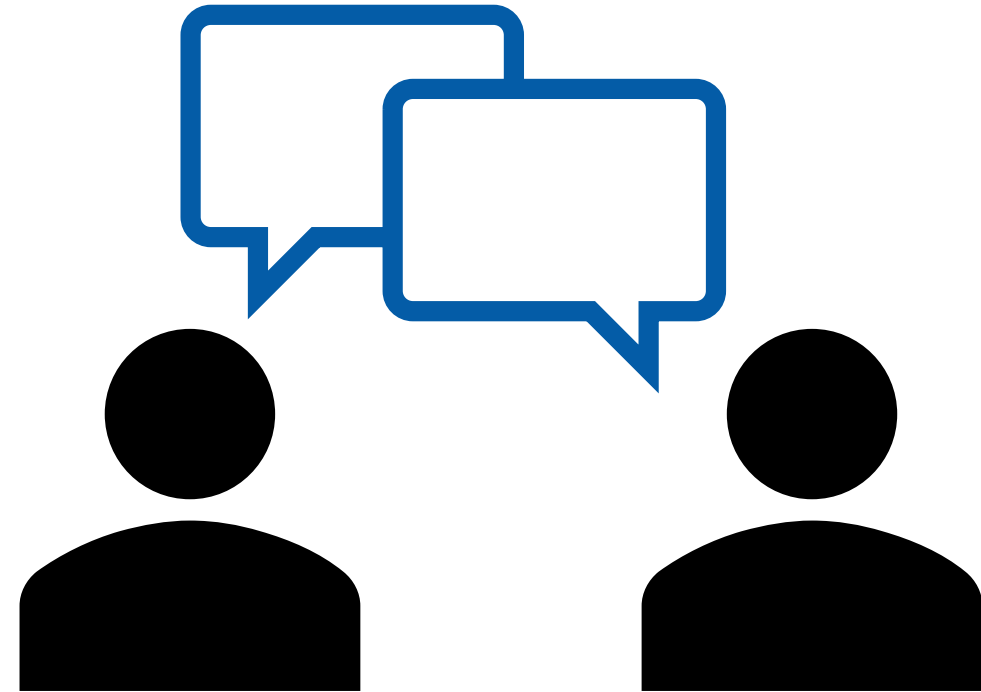
- Designated levels of Management (Directors or above)
- Physician Leadership
- Management and employees of key departments and areas (i.e., Revenue Cycle, Finance, HR, IA, Legal, etc.)

Questions regarding culture of ethics

- What has the individual witnessed, been asked to do, previously reported, etc.
- Feedback on Ethics and Compliance training and communications

Allegations of misconduct

- HR matters are referred to HR
- Ethics and Compliance matters are recorded in MEL



Questions?

SYSTEM POLICY

EC-04 – Reporting Concerns

Owner: Ethics and Compliance Department

Key Points

- This policy applies to The MetroHealth System (MHS) Workforce Members.¹
- This policy outlines the expectations and procedures for Workforce Members to timely report potential violations of the legal or compliance aspects of the MHS Code of Conduct, and potential or actual violations of policies, procedures, laws or regulations applicable to MHS (Reported Concerns). Examples of Reported Concerns include potential fraud and abuse, privacy issues, violations of Ohio Ethics laws, billing concerns, and conflicts of interest.
- For patient safety or patient care concerns, Workforce Members file reports through the Safety Event Reporting (SER) System.

Policy

1. Duty to Report. Workforce Members promptly report concerns to assist MHS in identifying and resolving potential or suspected wrongdoing involving MHS or its Workforce Members. MHS also encourages patients, visitors, vendors, community members, and others to report concerns.
2. Reporting Concerns. Workforce Members report concerns in a variety of ways, including to:
 - 2.1. A supervisor or member of management;
 - 2.1.1. Supervisors or members of management who receive a Reported Concern forward the report as needed to the appropriate department within MHS.
 - 2.1.2. When a Workforce Member is uncomfortable reporting directly, supervisors may report concerns on their behalf, though direct information from the Workforce Member may be necessary for appropriate investigation.
 - 2.2. The Ethics and Compliance Department (EC);
 - 2.3. The Legal Department;
 - 2.4. The Human Resources Department (HR);
 - 2.5. Internal Audit;
 - 2.6. The Quality Institute;
 - 2.7. The Department of Public Safety;
 - 2.8. The MetroHealth Ethics Line (MEL); or
 - 2.9. The Safety Event Reporting System.
3. Open Door Policy. MHS maintains an “open-door policy” at all levels of management to encourage Workforce Members to report concerns directly through their chain of command.
4. The Chain of Command. MHS encourages Workforce Members to report concerns first with their supervisor or department leader.
 - 4.1. If this is uncomfortable or inappropriate, Workforce Members may report to any of the departments indicated in section 2.

EC-04 – Reporting Concerns

Owner: Ethics and Compliance Department

Effective Date: Not Set

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Paper copy may not be current; refer to electronic version for official policy

- 4.2. For issues that involve personnel matters such as payroll, workplace civility and disciplinary issues, MHS encourages employees to contact HR to resolve such issues.
5. Anonymous Reports. Individuals may report concerns anonymously to MEL. MEL is open for anyone, including patients, to report a compliance concern; however, patients are encouraged to raise concerns with their care team or the Patient Relations team. Reported Concerns received via MEL are assigned to the appropriate administrative department to investigate (see section 2).
 - 5.1. Individuals can access MEL in the following ways:
 - 5.1.1. Phone: (216-778-1660),
 - 5.1.2. Webpage (www.metrohealth.org/compliance), and/or
 - 5.1.3. Text (216-600-1456).
 - 5.2. MEL does not track or record phone calls.
 - 5.3. MEL is staffed by a third-party vendor at all times. Individuals calling MEL speak with a third-party hotline specialist who collects information about the individual's compliance concerns. The third-party hotline specialist explains the features of MEL (for example, anonymous reporting, feedback options) that enable the reporter to respond to questions from the investigator or receive updates about the investigation. For additional information see [MEL Reference Guide](#).
6. Confidentiality. MHS reviews and investigates all Reported Concerns in a manner that protects the confidentiality or anonymity of the individuals who report the concerns, to the extent allowed by the nature of the investigation.
7. No Retaliation. MHS prohibits retaliation against Workforce Members who report suspected wrongdoing in good faith. MHS investigates all reports of retaliation against Workforce Members. See [HR-80: Non-Retaliation](#).
8. False Reports. MHS investigates and addresses any Workforce Member who knowingly reports false or baseless concerns. Workforce Members who knowingly submit false or baseless concerns will be subject to discipline, up to and including termination.

End Notes

- ¹ Workforce Member: Employees, providers, volunteers, trainees, and other persons whose conduct, in the performance of work for MHS, is under the direct control of such entity, whether or not they are paid by MHS.
- ² EC Review means a factual and/or legal investigation into an EC Report.

Dates

Initiated: January 2019, Reviewed/Revised November 2020, November 2021, January 2024

Approved

Sarah Partington - Senior Compliance Officer and Operations Director
MHS Policy Committee

BOT-08 – Board of Trustees Expenses and Reimbursement

Key Points

- This policy applies to The MetroHealth System (MHS) Board of Trustees and Board staff (collectively Board Representatives).
- MHS recognizes the value in engaging Board Representatives in supporting and promoting MHS's mission and operations, and in providing education and training related opportunities for Board Representatives.
- This policy establishes the guidelines and process for Board expenses and the reimbursement thereof.

Policy

1. MHS generally incurs costs and expenses associated with the functioning of the Board of Trustees (Board), including, but not limited to, software support, technology hardware, attendance at educational conferences, and Board Representatives' support MHS philanthropy and operations (Board Expenses).
2. The Board's Governance Committee shall establish an annual budget for Board Expenses. This amount shall be reviewed and approved by the President and Chief Executive Officer (CEO) and included in MHS's annual budget. In the event the budget is not approved by the CEO, such budget shall only be included in MHS's annual budget upon approval by the Board.
 - 2.1. The Board Expense budget need not include any expenses for attorneys or other legal representatives, which are instead otherwise accounted for by MHS' budget.
3. Board Procurement
 - 3.1. MHS procures goods and services for the Board in accordance with MHS policies.
 - 3.1.1. In addition to the signature authorities provided for in MHS policies and any CEO delegations, the Board Chair or his/her designee also has signature authority for goods and services retained by or on behalf of the Board.
 - 3.2. The Board Manager/Liaison may approve any Board Expense that falls within the Board's annual budget. Board Expenses in excess of the Board's annual budget must be approved by:
 - (a) the Board; or
 - (b) the Chair of the Board and the CEO.
4. Board Representative Expense Reimbursement
 - 4.1. MHS reimburses Board Representatives for reasonable and necessary expenses incurred in connection with approved travel or business-related activities on behalf of the organization and in accordance with this policy (Individual Expenses).
 - 4.2. When Board Representatives incur Individual Expenses, they:
 - 4.2.1. Verify that the expense is allowable within the parameters set forth in this policy prior to incurring the expense.
 - 4.2.2. Make every effort to be good stewards of MHS resources.
 - 4.2.3. Submit expense reports within 60 days of expense occurrence.
 - 4.2.4. Maintain expense supporting documentation.

- 4.3. Board Representatives are not permitted to receive reimbursement for Non-MHS Employees/Board Representatives accompanying them, such as a family member or spouse, unless there is a bona fide business reason for that person's attendance.
- 4.4. Board Representatives seek reimbursement for Individual Expenses in accordance with MHS Policy FI-03.
 - 4.4.1. The approval required by Section 2.3 of Policy FI-03 is provided by the Chair of the Board or the CEO.

References

Endnotes

BOT-09 – CEO Expense Reimbursement

Key Points

- This policy applies to The MetroHealth System (MHS) President and Chief Executive Officer (CEO).
- Periodic CEO attendance at off-site conferences, meetings, and related activities is necessary in fulfilling MHS' mission.
- It is the MHS Board of Trustees' policy to facilitate participation in these activities by reimbursing reasonable expenditures consistent with best ethical, financial, and legal practices and regulations – and consistent with MHS' commitment to proper stewardship of MHS resources.
- This policy establishes the guidelines and process for CEO expense reimbursement.

Policy

1. From time to time, the CEO shall need to attend educational events and other off-site meetings. MHS facilitates attendance at such events for the CEO in accordance with this policy.
2. CEO business expenses (CEO Expenses) must:
 - 2.1. Be for the benefit of MHS;
 - 2.2. Be modest, appropriate, and reasonable; and
 - 2.3. Follow the guidelines of MHS Policy FI-03.
3. The CEO shall establish an annual CEO Expenses budget. This amount shall be reviewed and approved by the Board and included in MHS' annual budget.

4. Approval

- 4.1. The approval required by Section 2.3 of Policy FI-03 shall be as set forth in this Section 4.
- 4.2. CEO Expenses are *de facto* approved if the CEO Expenses:
 - 4.2.1. Meet the criteria of Section 2; and
 - 4.2.2. Fall within the approved CEO Expenses budget.
- 4.3. Any other CEO Expenses must be approved in advance by the CFO, Board Chair and/or Vice-Chair.
- 4.4. Notwithstanding the foregoing, all expenses associated with international travel must be approved in advance by the Board Chair and/or Board Vice Chair.

5. Reporting

- 5.1. In order to ensure accountability and transparency, CEO Expenses and such expenses incurred by Executives¹ are reported to the Board and/or Chair of the Human Resources and Compensation Committee bi-annually.

References

[MHS Policy FI-03](#)

Endnotes

¹Executives are those MHS employees defined in Policy BOT-06.

BOT-09 – CEO Expense Reimbursement

Owner: Board of Trustees

Effective Date: XXXXXXXX

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Paper copy may not be current; refer to electronic version for official policy

BOT-10 – Management Duty to Disclose

Key Points

- This policy applies to The MetroHealth System (MHS) Workforce Members.
- This policy establishes the expectations and process for the Chief Executive Officer (CEO) and senior leadership to report to the Board the practices, activities, and decisions of MHS to ensure that they are lawful, prudent, and in compliance with commonly accepted business and professional ethics.

Policy

1. The CEO and the Senior Leadership Team² have an obligation to report to the Board or a committee thereof, on a timely and sufficient basis, information and analysis relevant to Board members' decision-making and oversight responsibilities.
2. The CEO, Chief Financial Officer, and Chief Legal Officer shall be available to the Board at each of its regular meetings, and at meetings of its Executive and other Committees, as requested.
3. Management reports shall include, but not be limited to, the following:
 - 3.1. Financial performance of MHS, including any actual or anticipated threats to MHS assets;
 - 3.2. Relevant trends in the market or regulatory environment in which MHS conducts its operations;
 - 3.3. Changes in the assumptions upon which any Board policy has been established;
 - 3.4. Actual or anticipated legal action against MHS or adverse media coverage;
 - 3.5. Actual or anticipated non-compliance with any policy of the Board; and
 - 3.6. Opinions from a variety of employees, external points of view, and options to permit the Board to make informed choices.
4. The CEO and the Senior Leadership Team shall have an affirmative duty to regularly advise the Board on corporate matters, including but not limited to the following:
 - 4.1. Submit monitoring data required by the Board in a timely, accurate, and understandable fashion.
 - 4.2. Make the Board aware of relevant trends, anticipated adverse media coverage, and material external and internal changes involving MHS, particularly changes in the assumptions upon which any Board policy has previously been established.
 - 4.3. Present information in appropriate and efficient manner and assure that the information and advice to the Board has no significant gaps in timeliness, completeness, or accuracy.
 - 4.4. Provide mechanisms for official Board communications.
 - 4.5. Engage with the Board as a whole except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.
 - 4.6. Report in a timely manner an actual or anticipated noncompliance with any policy of the Board.
 - 4.7. Present or have presented to the Board a diversity of policy-related opinion and perspective from the Senior Leadership Team and the medical and nursing staff.

5. All management reports to the Board shall be timely, complete, accurate, and shall be presented in a clear and concise manner.
6. The Chief Legal Officer shall be actively involved in advising the Board on matters pertaining to the Board members' decision-making and oversight responsibilities. The CEO and Senior Leadership Team should recognize and fulfill an obligation to disclose to the Chief Legal Officer information and analysis relevant to the ability of the Chief Legal Officer to advise the Board on its oversight responsibilities, particularly as they relate to legal compliance matters.

References

Endnotes

¹ Workforce Member: Employees, providers, volunteers, trainees, and other persons whose conduct, in the performance of work for MHS, is under the direct control of such entity, whether or not they are paid by MHS.

²The Senior Leadership Team includes all MHS employees who report directly or via a dotted line to the CEO.

RECOMMENDATION FOR THE APPROVAL OF A POLICY RELATIVE TO BOARD OF TRUSTEES EXPENSES AND REIMBURSEMENT

Recommendation

The Chief Executive Officer (CEO) recommends that the Board of Trustees approve a new policy relative to Board of Trustees Expenses and Reimbursement.

Background

In accordance with Chapter 339 of the Ohio Revised Code and general governance principles, the Board of Trustees can and has created a policy that establishes the guidelines and process for Board expenses and the reimbursement thereof, in compliance with commonly accepted business and professional ethics.

The proposed policy seeks to recognize and clarify the value of establishing an annual budget for Board Expenses associated with the functioning of the Board while appropriately adhering to the Board's fiduciary duty.

Approval of Board of Trustees Expenses and Reimbursement

RESOLUTION XXXXX

WHEREAS, the Board of Trustees of The MetroHealth System has been presented a recommendation for the approval of a policy relative to Board of Trustee Expenses and Reimbursement; and

WHEREAS, the Board's Governance Committee has reviewed this recommendation and now recommends its approval.

NOW, THEREFORE, BE IT RESOLVED, the Board of Trustees of The MetroHealth System hereby approves of the policy attached hereto relative to Board of Trustees Expenses and Reimbursement, Board Policy BOT-08.

AYES:

NAYS:

ABSENT:

ABSTAINED:

DATE:

BOT-08 – Board of Trustees Expenses and Reimbursement

Key Points

- This policy applies to The MetroHealth System (MHS) Board of Trustees and Board staff (collectively Board Representatives).
- MHS recognizes the value in engaging Board Representatives in supporting and promoting MHS's mission and operations, and in providing education and training related opportunities for Board Representatives.
- This policy establishes the guidelines and process for Board expenses and the reimbursement thereof.

Policy

1. MHS generally incurs costs and expenses associated with the functioning of the Board of Trustees (Board), including, but not limited to, software support, technology hardware, attendance at educational conferences, and Board Representatives' support MHS philanthropy and operations (Board Expenses).
2. The Board's Governance Committee shall establish an annual budget for Board Expenses. This amount shall be reviewed and approved by the President and Chief Executive Officer (CEO) and included in MHS's annual budget. In the event the budget is not approved by the CEO, such budget shall only be included in MHS's annual budget upon approval by the Board.
 - 2.1. The Board Expense budget need not include any expenses for attorneys or other legal representatives, which are instead otherwise accounted for by MHS' budget.
3. Board Procurement
 - 3.1. MHS procures goods and services for the Board in accordance with MHS policies.
 - 3.1.1. In addition to the signature authorities provided for in MHS policies and any CEO delegations, the Board Chair or his/her designee also has signature authority for goods and services retained by or on behalf of the Board.
 - 3.2. The Board Manager/Liaison may approve any Board Expense that falls within the Board's annual budget. Board Expenses in excess of the Board's annual budget must be approved by:
 - (a) the Board; or
 - (b) the Chair of the Board and the CEO.
4. Board Representative Expense Reimbursement
 - 4.1. MHS reimburses Board Representatives for reasonable and necessary expenses incurred in connection with approved travel or business-related activities on behalf of the organization and in accordance with this policy (Individual Expenses).
 - 4.2. When Board Representatives incur Individual Expenses, they:
 - 4.2.1. Verify that the expense is allowable within the parameters set forth in this policy prior to incurring the expense.
 - 4.2.2. Make every effort to be good stewards of MHS resources.
 - 4.2.3. Submit expense reports within 60 days of expense occurrence.
 - 4.2.4. Maintain expense supporting documentation.

- 4.3. Board Representatives are not permitted to receive reimbursement for Non-MHS Employees/Board Representatives accompanying them, such as a family member or spouse, unless there is a bona fide business reason for that person's attendance.
- 4.4. Board Representatives seek reimbursement for Individual Expenses in accordance with MHS Policy FI-03.
 - 4.4.1. The approval required by Section 2.3 of Policy FI-03 is provided by the Chair of the Board or the CEO.

References

Endnotes

RECOMMENDATION FOR THE APPROVAL OF A POLICY RELATIVE TO CEO EXPENSES REIMBURSEMENT

Recommendation

The Board Chair recommends that the Board of Trustees approve a new policy relative to CEO Expense Reimbursement.

Background

In accordance with Chapter 339 of the Ohio Revised Code and general governance principles, the Board of Trustees can and has created a policy that establishes the guidelines and process for the President and Chief Executive Officer expense reimbursement in compliance with commonly accepted business and professional ethics.

The proposed policy seeks to clarify the scope of CEO business expenses, the necessary approval processes, and the appropriate reporting of expenses to ensure accountability adhering to the Board's fiduciary duty.

Approval of CEO Expense Reimbursement

RESOLUTION XXXXX

WHEREAS, the Board of Trustees of The MetroHealth System has been presented a recommendation for the approval of a policy relative to CEO Expense Reimbursement; and

WHEREAS, the Board's Governance Committee has reviewed this recommendation and now recommends its approval.

NOW, THEREFORE, BE IT RESOLVED, the Board of Trustees of The MetroHealth System hereby approves of the policy attached hereto relative to CEO Expense Reimbursement, Board Policy BOT-09.

AYES:

NAYS:

ABSENT:

ABSTAINED:

DATE:

BOT-09 – CEO Expense Reimbursement

Key Points

- This policy applies to The MetroHealth System (MHS) President and Chief Executive Officer (CEO).
- Periodic CEO attendance at off-site conferences, meetings, and related activities is necessary in fulfilling MHS' mission.
- It is the MHS Board of Trustees' policy to facilitate participation in these activities by reimbursing reasonable expenditures consistent with best ethical, financial, and legal practices and regulations – and consistent with MHS' commitment to proper stewardship of MHS resources.
- This policy establishes the guidelines and process for CEO expense reimbursement.

Policy

1. From time to time, the CEO shall need to attend educational events and other off-site meetings. MHS facilitates attendance at such events for the CEO in accordance with this policy.
2. CEO business expenses (CEO Expenses) must:
 - 2.1. Be for the benefit of MHS;
 - 2.2. Be modest, appropriate, and reasonable; and
 - 2.3. Follow the guidelines of MHS Policy FI-03.
3. The CEO shall establish an annual CEO Expenses budget. This amount shall be reviewed and approved by the Board and included in MHS' annual budget.

4. Approval

- 4.1. The approval required by Section 2.3 of Policy FI-03 shall be as set forth in this Section 4.
- 4.2. CEO Expenses are *de facto* approved if the CEO Expenses:
 - 4.2.1. Meet the criteria of Section 2; and
 - 4.2.2. Fall within the approved CEO Expenses budget.
- 4.3. Any other CEO Expenses must be approved in advance by the CFO, Board Chair and/or Vice-Chair.
- 4.4. Notwithstanding the foregoing, all expenses associated with international travel must be approved in advance by the Board Chair and/or Board Vice Chair.

5. Reporting

- 5.1. In order to ensure accountability and transparency, CEO Expenses and such expenses incurred by Executives¹ are reported to the Board and/or Chair of the Human Resources and Compensation Committee bi-annually.

References

[MHS Policy FI-03](#)

Endnotes

¹Executives are those MHS employees defined in Policy BOT-06.

BOT-09 – CEO Expense Reimbursement

Owner: Board of Trustees

Effective Date: XXXXXXXX

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Paper copy may not be current; refer to electronic version for official policy

RECOMMENDATION FOR THE APPROVAL OF A POLICY RELATIVE TO MANAGEMENT DUTY TO DISCLOSE

Recommendation

The General Counsel recommends that the Board of Trustees approve a new policy relative to Management Duty to Disclose.

Background

In accordance with Chapter 339 of the Ohio Revised Code and general governance principles, the Board of Trustees can and has created a policy that establishes the expectations and process for the Chief Executive Officer (CEO) and senior leadership to report to the Board the practices, activities and decisions of the MetroHealth System to ensure that they are lawful, prudent, and in compliance with commonly accepted business and professional ethics.

The proposed policy seeks to clarify the obligation that the CEO, Chief Financial Officer and Chief Legal Officer report information in a timely and sufficient basis that would facilitate the Board's focus on governance while appropriately adhering to the Board's fiduciary duty.

Approval of Management Duty to Disclose Policy

RESOLUTION XXXXX

WHEREAS, the Board of Trustees of The MetroHealth System has been presented a recommendation for the approval of a policy relative to Management Duty to Disclose; and

WHEREAS, the Board's Governance Committee has reviewed this recommendation and now recommends its approval.

NOW, THEREFORE, BE IT RESOLVED, the Board of Trustees of The MetroHealth System hereby approves of the policy attached hereto relative to Management Duty to Disclose, Board Policy BOT-10.

AYES:

NAYS:

ABSENT:

ABSTAINED:

DATE:

BOT-10 – Management Duty to Disclose

Key Points

- This policy applies to The MetroHealth System (MHS) Workforce Members.
- This policy establishes the expectations and process for the Chief Executive Officer (CEO) and senior leadership to report to the Board the practices, activities, and decisions of MHS to ensure that they are lawful, prudent, and in compliance with commonly accepted business and professional ethics.

Policy

1. The CEO and the Senior Leadership Team² have an obligation to report to the Board or a committee thereof, on a timely and sufficient basis, information and analysis relevant to Board members' decision-making and oversight responsibilities.
2. The CEO, Chief Financial Officer, and Chief Legal Officer shall be available to the Board at each of its regular meetings, and at meetings of its Executive and other Committees, as requested.
3. Management reports shall include, but not be limited to, the following:
 - 3.1. Financial performance of MHS, including any actual or anticipated threats to MHS assets;
 - 3.2. Relevant trends in the market or regulatory environment in which MHS conducts its operations;
 - 3.3. Changes in the assumptions upon which any Board policy has been established;
 - 3.4. Actual or anticipated legal action against MHS or adverse media coverage;
 - 3.5. Actual or anticipated non-compliance with any policy of the Board; and
 - 3.6. Opinions from a variety of employees, external points of view, and options to permit the Board to make informed choices.
4. The CEO and the Senior Leadership Team shall have an affirmative duty to regularly advise the Board on corporate matters, including but not limited to the following:
 - 4.1. Submit monitoring data required by the Board in a timely, accurate, and understandable fashion.
 - 4.2. Make the Board aware of relevant trends, anticipated adverse media coverage, and material external and internal changes involving MHS, particularly changes in the assumptions upon which any Board policy has previously been established.
 - 4.3. Present information in appropriate and efficient manner and assure that the information and advice to the Board has no significant gaps in timeliness, completeness, or accuracy.
 - 4.4. Provide mechanisms for official Board communications.
 - 4.5. Engage with the Board as a whole except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.
 - 4.6. Report in a timely manner an actual or anticipated noncompliance with any policy of the Board.
 - 4.7. Present or have presented to the Board a diversity of policy-related opinion and perspective from the Senior Leadership Team and the medical and nursing staff.

5. All management reports to the Board shall be timely, complete, accurate, and shall be presented in a clear and concise manner.
6. The Chief Legal Officer shall be actively involved in advising the Board on matters pertaining to the Board members' decision-making and oversight responsibilities. The CEO and Senior Leadership Team should recognize and fulfill an obligation to disclose to the Chief Legal Officer information and analysis relevant to the ability of the Chief Legal Officer to advise the Board on its oversight responsibilities, particularly as they relate to legal compliance matters.

References

Endnotes

¹ Workforce Member: Employees, providers, volunteers, trainees, and other persons whose conduct, in the performance of work for MHS, is under the direct control of such entity, whether or not they are paid by MHS.

²The Senior Leadership Team includes all MHS employees who report directly or via a dotted line to the CEO.