

Standing rules of the CMS board of directors as of Nov. 17, 2017

a. CMS BOARD OF DIRECTORS: MEMBER DUTIES AND RESPONSIBILITIES

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## Executive Summary

CMS Board of Directors members are the fiduciaries who steer the organization toward a sustainable future by adopting sound, ethical, and legal governance and financial policies, as well as making sure the organization has adequate resources to advance its mission. The board of directors, as the result of sweeping governance and communication reforms in 2015, has sole authority to set the organization's purpose, values, vision, goals and strategic direction, in addition to authority to create and abolish committees and employ personnel including but not limited to the Chief Executive Officer and General Counsel. Board members are required to adhere to Standards of Conduct and a conflict of interest policy established by the board of directors.

1. **Composition:** The Board of Directors ("Board" or "Board of Directors") shall consist of the President, President-elect, Immediate Past President (ex-officio officers), one Director from each District of CMS and one Director from each authorized CMS Section. The President, President-elect and Immediate Past President have the right to vote on all matters that come before the Board.
  
2. **Duties and Powers:**
  - a. The Board shall oversee and manage CMS and have charge over its property and financial affairs, and shall perform such other duties as set forth in the Colorado Revised Nonprofit Corporations Act and as provided in these Bylaws and CMS's Articles of Incorporation.
  - b. The Board has the authority to establish or modify CMS policy and shall implement CMS policies except in those situations in which the overriding interests of CMS require immediate action inconsistent with but not reasonably foreseen by such policies.
  - c. The Board shall have the authority to create and abolish committees.
  - d. To accomplish the oversight and management functions assigned to it, the Board shall employ personnel and accepted organizational techniques, including but not limited to:
    - i. Executive Staff. The Board shall direct Administrative Staff, through the Chief Executive Officer, in accomplishing the activities, goals and objectives of the Colorado Medical Society.
    - ii. Chief Executive Officer. The Chief Executive Officer is directly responsible to the Colorado Medical Society Board of Directors. The Chief Executive Officer has the responsibility and authority to administer the business operations of the Colorado Medical Society and related or affiliated organizations and to coordinate the activities and functions of the Colorado Medical Society and all affiliated organizations. The Chief Executive Officer shall see that an annual audit is conducted by an approved certified public accountant, whose report shall be submitted to the Board of Directors. The Chief Executive Officer and other appropriate staff shall be bonded at the expense of CMS in such a manner as the Board of Directors may require. The Board shall annually provide a

- performance review to the Chief Executive Officer.
- iii. General Counsel. The Colorado Medical Society, through the action of the Board, shall retain or employ an attorney who is admitted to practice law in the state of Colorado, for such term or indefinite period of time as the Board considers wise, to represent and to advise the Colorado Medical Society on legal affairs.
  - iv. Council and Committee Activities. The Board shall transmit to the member Councils and Committees policy actions; to determine Colorado Medical Society policy and so inform the membership, Councils and Committees; reports or recommendations for action from Councils, Committees or the membership shall be transmitted to the Board.
3. **Director Appointment Process:** Each District and Section may appoint one of its members to serve on the CMS Board in accordance with the procedures set forth in such District's or Section's bylaws or internal policies, and based upon certain required Director competencies established and periodically reviewed by the CMS Board or a committee thereof. No person may be nominated for or elected to the office of Director unless the person is a member of one of the Component Societies in the applicable District or Section or an at-large member from that District and a CMS member in good standing.
  4. **Terms of Office:** Except for Directors appointed by Sections and District IV (Medical Student Component), each Director shall serve for three-year terms, provided that the terms shall be adjusted and arranged so that as nearly as possible one-third shall expire every year. Directors may serve up to two three-year terms of full continuous service. Directors appointed by Sections shall serve one-year terms and may serve up to six terms of full continuous service, depending on the Section's Bylaws. Directors appointed by District IV (Medical Student Component) shall serve for six-month terms and may serve up to two six-month terms of full continuous service.
  5. **Director Removal:** A Director may be removed from office at any time with or without cause by the affirmative vote of two-thirds of the entire Board of Directors (excluding the Director in question) or by the Section or District that appointed such Director.
  6. **Vacancies:** Whenever a vacancy occurs on the Board of Directors (other than an Ex Officio Director vacancy) by reason of death, resignation, incapacity, removal or otherwise, such vacancy shall be filled by Section or District that appointed the Director who caused such vacancy.
  7. **Chair of the Board:** The President shall serve as Chair of the Board.
  8. **Board Meetings:** The CMS Board of Directors meets six times per year; one meeting is held in conjunction with the Annual Meeting.
  9. **Board Agenda and Materials:** The Board of Directors agenda and packet shall concurrently be sent two weeks in advance to the board of directors and all component

society executives. This requirement is hereafter referred to as the “two-week requirement.” In order for the Board to vote on an issue presented to the Board after the two-week requirement, the Board must vote to suspend the two-week requirement before any discussion or vote on the issue may be held. If the vote on suspension of the two-week requirement fails, the issue may be placed on the agenda of the next board meeting.

10. **Board Member Requirements:** Directors are required to understand and sign two forms as follows: Standards of Conduct and Conflict of Interest.
11. **Time Commitment:** Directors can expect to spend 30 hours per year participating in six board meetings (plus travel time, if applicable): 12-18 hours per year on meeting preparation (two to three hours before each meeting to read and analyze the 15-20 page Board Memo Update and the 100-125 page board agenda package); six hours per year reporting back to the component society or section that appointed him or her; and 12-18 hours per year participating in between-meeting discussions via e-mail, the Board’s private online project management and collaboration forum (Basecamp), or on the phone. Directors are also expected to participate on one or more board committees based on need, a two-day board strategic planning retreat as needed, and to attend the CMS Annual Meeting in September.
12. **Travel Reimbursement:** Directors will be reimbursed for in-state mileage to attend board meetings over 50 miles round trip (beyond 25-mile radius) of CMS. This means no mileage will be paid for the first 50 miles; e.g., if a board member travels 200 miles round trip, reimbursement will be for 150 miles. With prior approval from the CMS President or executive office, a board member traveling more than 150 miles one way may choose to fly and be reimbursed. He or she may also be reimbursed one night’s lodging along with dinner and breakfast when CMS business or related circumstances prevent return travel the same day. Air travel reimbursement is limited to coach and board members are encouraged to work with CMS staff to obtain the lowest published airfare and hotel rates. No member of the Board of Directors may be reimbursed for attending any meeting of the whole Society. Approved mileage will be reimbursed up to federally approved reimbursement level, as the yearly CMS budget will permit.
13. **Indemnification of Directors:** CMS shall indemnify, to the maximum extent permitted by law, any person who is or was a Director, against any claim, liability or expense arising against or incurred by such person made a party to a proceeding because such person is or was a Director, or because such person is or was serving another entity as a director, officer, partner, employee, fiduciary or agent, or member of any committee at CMS’s request.
14. **Insurance:** CMS may purchase and maintain insurance on behalf of a person who is or was a Director, or who, while a Director, is or was serving at the request of CMS as a Director of

another nonprofit corporation, or of an employee benefit plan, against liability asserted against or incurred by the person in that capacity or arising from the person's status as a Director.

15. **Indemnification Limits:** The indemnification obligations of CMS shall not exceed insurance proceeds received by CMS relating to such matter.

- b. **Standing rules for guest participation at CMS Board of Directors meetings**

- Executive Summary**

- This Standing Rule for attendance and participation by CMS members who are not board members and component society executives is designed so that they can exercise their privilege to attend as a welcome guest and provide the Board of Directors input at designated times during the agenda.

1. **Attendance Policy:** Any CMS member and component society executive may attend any Board of Directors meeting in person or by teleconference, with the exception of Executive sessions.
        2. **Addressing the Board of Directors:** Members who do not serve on the board and/or component society executives who choose to address the board of directors shall notify the CEO or the President in advance of the Board of Directors meeting to specify the agenda item or items that will be addressed.

- Component society executives should speak on behalf of their Board of Directors or on behalf of their president. *Note:* It is important that component society executives have the privilege to address the board. There may be times when their board member is absent or there simply was not time to convey last-minute information from their board or their president to their board representative.

- For each agenda item of the Board of Directors, following discussion by the board but before the board votes on an action item, or before the board concludes discussion on an agenda item that is not an action item, the Chair will ask qualified guests who have provided advance notice of their desire to address the Board of Directors to the CEO or the President to address the Board of Directors whether they are in attendance or participating through teleconference.

- Qualified guests who wish to provide input to the board will be asked to summarize their input in three minutes or less unless approval is sought and permitted by the President in advance of the meeting for a presentation that exceeds the three-minute limit.

3. **Access to Board Materials by Members:** Any CMS member may have access to the board agenda, board packet, minutes or other items by contacting the Dianna Fetter, CMS

Director of Professional Services, at [dianna\\_fetter@cms.org](mailto:dianna_fetter@cms.org). County medical society executives receive the board packet on the same day that the packet is provided to the CMS board of directors.