

**BYLAWS**  
**of the**  
**SOUTH DAKOTA ASSOCIATION OF HEALTHCARE ORGANIZATIONS**

**ARTICLE I**

**Name**

This Association shall be known as the SOUTH DAKOTA ASSOCIATION OF HEALTHCARE ORGANIZATIONS. It shall be referred to in these Bylaws as the Association.

**ARTICLE II**

**Vision, Mission, and Philosophy**

Section 1. **Vision.** The South Dakota Association of Healthcare Organizations envisions a continuum of health care services allowing residents and communities of South Dakota to reach their highest potential for health.

Section 2. **Mission.** To support our members and provide a unified voice in sustaining and enhancing community-focused health services in South Dakota.

Section 3. **Philosophy.**

- SDAHO's members are its primary customers.
- SDAHO represents the unified voice of its members.
- Advocacy, information, education, and networking are SDAHO's premier member services.
- Advocacy is SDAHO's primary service to its members.

**ARTICLE III**

**Membership**

Section 1. **Types of Membership.** The following types of membership shall be available:

a. **Type 1a Institutional Membership.** Type 1a institutional membership shall be available to organizations to which the State of South Dakota has issued a license to operate as a hospital or critical access hospital. Each Type 1a institutional member shall be entitled to two voting representatives.

b. **Type 1b Institutional Membership.** Type 1b institutional membership shall be available to organizations to which the State of South Dakota has issued a license to operate as a specialized hospital. Each Type 1b institutional member shall be entitled to two voting representatives.

c. **Type 1c Institutional Membership.** Type 1c institutional membership shall be available to Veterans Administration hospitals within South Dakota. Each Type 1c institutional member shall be entitled to two voting representatives.

d. **Type 1d Institutional Membership.** Type 1d institutional membership shall be available to Public Health Service hospitals within South Dakota. Each Type 1d institutional member shall be entitled to one voting representative.

e. **Type 1e Institutional Membership.** Type 1e institutional membership shall be available to South Dakota State Hospitals. Each Type 1e institutional member shall be entitled to one voting representative.

f. **Type 1f Institutional Membership.** Type 1f institutional membership shall be available to United States military hospitals located within South Dakota. Each Type 1f institutional member shall be entitled to one voting representative.

g. **Type 1g Institutional Membership.** Type 1g institutional membership shall be available to nursing facilities located within South Dakota, licensed as a nursing facility by the State of South Dakota, and not owned or governed by a Type 1a or Type 1b institutional member. Each Type 1g institutional member shall be entitled to two voting representatives.

h. **Type 1h Institutional Membership.** Type 1h institutional membership shall be available to home health agencies providing services within South Dakota, certified for participation in Medicare or licensed (if such licensure is required by State law) by the State of South Dakota, and not owned or governed by a Type 1a, Type 1b, or Type 1g institutional member. Each Type 1h institutional member shall be entitled to one voting representative.

i. **Type 1i Institutional Membership.** Type 1i institutional membership shall be available to hospices located within South Dakota, certified for participation in Medicare or licensed (if such licensure is required by State law) by the State of South Dakota, and not owned or governed by a Type 1a, Type 1b, or Type 1g institutional member. Each Type 1i institutional member shall be entitled to one voting representative.

j. **Type 1j Institutional Membership.** Type 1j institutional membership shall be available to assisted living centers located within South Dakota, licensed as an assisted living center by the State of South Dakota, and not owned or governed by a Type 1a, Type 1b, or Type 1g institutional member. Each Type 1j institutional member shall be entitled to one voting representative.

k. **Type II Institutional Membership.** Type II institutional membership shall include freestanding substance abuse facilities licensed by the State of South Dakota. Each Type II institutional member shall be entitled to one voting representative.

l. **Type III Institutional Membership.** Type III institutional membership shall be Avera Health, Regional Health, and Sanford Health. The chief executive officers of these organizations shall serve as the representatives to any body created within the Association to consider issues related to health systems. Each Type III institutional member shall be entitled to no voting representatives.

m. **Associate Membership.** Associate members shall include the following:

- 1) Dispensaries, clinics and similar institutions organized for the diagnosis and treatment of the sick but not rendering inpatient bed care.
- 2) Such other organizations and/or individuals interested in the objectives of the Association as may be authorized by the Board of Trustees of the Association.

Organizations and individuals associated with organizations for which institutional membership is available, but which are not institutional members, are not eligible for associate membership. Associate members shall have no vote.

n. **Honorary Membership.** Honorary membership may be extended to persons of distinction nominated by the Board of Trustees and approved by a majority vote of the Institutional representatives. Honorary members shall pay no dues and shall have no vote.

**Section 2. Application for Membership.** Application for membership shall be made in writing to the President, who shall refer the application to the Board of Trustees. The applicant shall become a member upon approval of a majority of the Board of Trustees and upon payment of the appropriate dues. The Board of Trustees reserves the right to deny an applicant membership in the Association if the Board finds membership would not support, contribute to, or perpetuate the Association's Vision, Mission, or Values, or be otherwise injurious to efficient and orderly operation of the Association.

**Section 3. Resignation of Members.** A member not in default in payment of dues and against whom no complaint or charge is pending, may, at any time, file its resignation in writing with the President, and it shall become effective as of the date it was filed. Such Institutions shall forfeit all dues previously paid.

**Section 4. Censure, Suspension and Expulsion of Members.** The Board of Trustees may, under procedures adopted by the Board, suspend or expel any member for cause after providing such member an opportunity for a hearing on the grounds thereof. Any member suspended or expelled may be reinstated by the affirmative vote of a majority of the members of the Board of Trustees.

**Section 5. Reinstatement of Members having Resigned in Good Standing.** Organizations which were previously members of the Association and which resigned under the provisions of Section 3 above, may be reinstated by the President.

**Section 6. Conditions for Membership.** As a condition of new and continued institutional membership, institutional members shall participate in the Association's data programs as identified by the Board of Trustees.

## **ARTICLE IV**

### **Finances and Dues**

**Section 1. Fiscal Year.** The fiscal year of the Association shall be from January 1 through December 31.

**Section 2. Dues.** Dues of each type of membership shall be determined by the Board of Trustees. With respect to Type III members, dues shall be limited to the expenses budgeted for this section. The Association may arrange with the American Hospital Association, LeadingAge, and the National Association for Home Care & Hospice for a system of joint dues, such arrangement to include all details relating to collection and division thereof. Institutions, organizations, or individuals which have not been members in the previous year and which are elected to membership, shall pay dues prorated by month for the year in which they are so elected.

**Section 3. Dues Payment and Default.** All dues shall be payable January 1 of each year. In the event any member has not paid its dues by February 1, such dues shall be deemed delinquent, and the President shall notify such member of its delinquency by first class mail, enclosing a copy of this section. If dues are not paid

by March 1, all privileges may be suspended as of that date, upon the vote of the Board of Trustees, until all arrears are paid in full.

## *ARTICLE V*

### **Meetings and Voting**

Section 1. **Annual Meeting.** There shall be an Annual Convention of the Association, which shall constitute the Annual Meeting of the Association. The time and place of such convention shall be established by the Board of Trustees each year, with the President to give written notice by first class mail or email to the membership at least 30 days before the date thereof.

Section 2. **Special Meeting.** Special meetings shall be called by the Chairperson only upon the request of the Board of Trustees or the written request of 30 voting representatives, such request to state the purpose of such special meetings. Written notice by first class mail or email shall be sent to the members by the President at least 15 days prior to such special meetings, such notice to specify the purpose of the special meetings. At such special meetings, the only business to be transacted shall be that specified in the request for special meeting.

Section 3. **Voting.** Voting at all meetings shall be by the voting representative duly designated by the chief executive officers of the institutional members described in Article III above.

Section 4. **Quorum.** A quorum for the conduct of business shall be declared when a majority of institutional members is represented.

Section 5. **Rules of Order.** Roberts Rules of Order, Revised, shall be the parliamentary authority on all questions not settled by the Bylaws or rules of the Association.

## *ARTICLE VI*

### **Districts**

Section 1. **Establishment of Districts.** The Association shall be made up of districts, the boundaries of such districts to be established by the Board of Trustees. Such boundaries may be changed from time to time at the discretion of the Board of Trustees. Districts shall be under the jurisdiction of the Board of Trustees and shall not be considered autonomous.

Section 2. **Dues, Assessments and Funds of Districts.** Districts may not collect dues, levy assessments, dispense or maintain funds except by authority of the Board of Trustees.

Section 3. **District Meetings.**

- a. **Meetings.** Each district shall hold at least two meetings in a calendar year.
- b. **Annual Meeting.** The first district meeting after the Annual Convention of the Association shall be the District Annual Meeting.

c. **Notice.** Notice of district meetings shall be in writing, sent by first class mail to district members at least 10 days prior to said meetings.

d. **Quorum.** Duly designated representatives representing a majority of member institutions shall constitute a quorum for the conduct of district meetings.

**Section 4. District Officers.** Each district at its annual meeting shall elect the following officers.

a. **District Chairperson.** The District Chairperson shall call district meetings, supervise program arrangements for and preside at such meetings. In addition thereto, he/she or his/her designate may attend Association Board meetings for the purpose of liaison with his/her district without vote.

b. **District Vice Chairperson.** The District Vice Chairperson shall assist the District Chairperson in performance of his/her duties, and in the absence of the District Chairperson shall perform the duties of the District Chairperson.

c. **District Secretary.** The District Secretary shall record the proceedings of all district meetings and forward a copy thereof to the Association President for distribution to the district membership.

d. **Member of Association Nominating Committee.** In addition to the district officers, each district shall elect one member of the Association Nominating Committee.

## *ARTICLE VII*

### **Board of Trustees and Officers**

**Section 1. Powers.** The Board of Trustees shall be the governing body of the Association, shall between meetings of the membership manage the affairs of the Association, shall arrange for an annual audit of the Treasurer's books of account, shall do and perform all acts required by these Bylaws, and shall perform all acts and functions necessary and not inconsistent with these Bylaws. Meetings of the Board of Trustees shall be open to duly designated voting representatives of Institutional members.

**Section 2. Membership.** The Board of Trustees shall consist of the Chairperson of the Board of Trustees, the Chairperson-Elect of the Board of Trustees, the Immediate Past-Chairperson of the Board of Trustees, the Secretary-Treasurer of the Association, seven members elected at large, the delegate to the American Hospital Association, the delegate to LeadingAge, and an ex-officio member from the South Dakota State Medical Association Executive Commission. Additionally, the President of the Association shall be an ex-officio member, without vote, of the Board of Trustees, and may be excused from Executive Sessions. No individual shall serve concurrently in more than one of the preceding enumerated positions. The elected individuals must be persons engaged in policy-making, administration, or delivery of health care by an institutional member. A Board member, who ceases to be engaged in such activities of an institutional member, shall resign his or her Board of Trustees position. Serving solely in the role of a consultant shall not be considered engaged. The ex-officio member from the South Dakota State Medical Association Executive Commission shall have no vote and will be excused from Executive Sessions of the Board of Trustees.

**Section 3. Terms of Office of At-Large and Governing Board Trustees.** The term of office for At-Large Trustees and the Governing Board Trustee shall be three years. A Trustee who, after his/her first term, is not nominated to the office of Secretary-Treasurer is eligible for election to a second three-year term. Thereafter

the Trustee shall be eligible for election after the passage of one year from the completion of his/her term of office.

**Section 4. Chairperson.** To be eligible to hold the office of Chairperson, an individual must be eligible to be elected to the Board of Trustees. The Chairperson shall preside at all meetings of the Association and the Board of Trustees, and shall conduct the same in accord with the rules adopted, and shall perform all other duties placed upon him/her by these Bylaws, and shall perform such other duties as may be incidental and customary to the position of Chairperson. The position of Chairperson shall be assumed by the Chairperson-Elect at the conclusion of the annual meeting next following the annual meeting at which he/she is elected, and the Chairperson's term of office shall be until the conclusion of the following annual meeting. At the annual meeting concluding his/her term, the Chairperson shall make a written report of his/her term of office.

**Section 5. Chairperson-Elect.** The Chairperson-Elect shall assist the Chairperson in the performance of his/her duties, and, in the absence of the Chairperson, shall perform the duties of Chairperson. At the conclusion of the annual meeting next following the annual meeting at which he/she is elected, the Chairperson-Elect shall assume the office of Chairperson.

**Section 6. Secretary-Treasurer.** The Secretary-Treasurer shall assist the Chairperson and Chairperson-Elect in the performance of their duties. He/she shall oversee the Association budgetary process periodically; report to the Board and membership on the financial status of the Association; and shall be responsible for the minutes of all official meetings of the membership of the Association. The term of office of the Secretary-Treasurer shall be one year.

**Section 7. Election of Officers.** The Chairperson-Elect, the Secretary-Treasurer, and At-Large Trustees shall be elected at the annual meeting of the Association, and their terms shall commence at the conclusion of such meeting.

**Section 8. President.** The Board of Trustees may employ a President, who shall be in charge of the office of the Association, shall serve as the Association legislative representative and shall have such powers and perform such duties as may be assigned to him/her by these Bylaws or the Board of Trustees. The President shall serve at the pleasure of the Board of Trustees and shall be responsible to the Board of Trustees through the Chairperson. He/she shall be an ex-officio member of the Board of Trustees, without vote; and ex-officio member, without vote, on all councils, committees, and districts of the Association. The President and other employees may be selected from outside the membership of the Association. At the annual meetings, the President shall present a written report covering the preceding year.

**Section 9. Delegates to American Hospital Association and LeadingAge.** The delegate or delegates and alternate or alternates to the American Hospital Association and LeadingAge, in accordance with the Bylaws of the respective Associations, shall be elected at the annual meeting preceding the conclusion of the term of office of such delegate(s) and alternate(s).

**Section 10. Ex-Officio Member of the South Dakota State Medical Association.** The ex-officio member of the South Dakota State Medical Association shall be a member of the South Dakota State Medical Association Executive Commission. Appointment to the Association Board of Trustees will be contingent upon the appointment of a member of the Association Board of Trustees to the South Dakota State Medical Association Executive Commission. The ex-officio member shall not participate in Executive Sessions of the Board of Trustees and shall not have a vote.

**Section 11. Vacancies.** Vacancies occurring between annual meetings on the Board or in any office or delegate or alternate position, excluding Chairperson and Immediate Past Chairperson, may be filled by

appointment of the Board of Trustees until the next regularly scheduled meeting of the membership, at which time there shall be an election to fill such vacancy for the remainder of the uncompleted term. In the event a vacancy occurs in the office of Chairperson, that office will, upon the Board of Trustees declaring it to be vacant, be filled by the Chairperson-Elect. In the event a vacancy occurs in the position of Immediate Past Chairperson, the Board of Trustees may, at its option, appoint a successor.

## ***ARTICLE VIII***

### **Councils**

Section 1. **Purpose of Councils.** The Association shall use councils for the purpose of study, promotion of professional practices and ethics, development of plans, and encouragement of cooperation between the Association and various related groups.

Section 2. **Appointment of Councils and Council Members.** The Board of Trustees shall determine the number, type, and membership of each council and shall appoint, upon nomination of the Chairperson, the members of each council, to serve for one year and to serve until after the next annual meeting. The members of the councils shall be appointed from the membership of the Association.

Section 3. **Council Reports.** Each council shall, on or before such date as shall be fixed by the Board of Trustees, submit its written report covering its work for the previous year and its recommendation, if any. Each annual report shall be distributed promptly to the members of the Board of Trustees. No report, recommendation, or other action of any council shall be considered to be the action of the Association unless and until the same has been approved by the Board of Trustees. The Board of Trustees shall submit these reports to the membership.

Section 4. **Vacancies.** The Chairperson shall have the power to fill vacancies on all councils.

Section 5. **Quorum.** A majority of the members of any council shall constitute a quorum.

## ***ARTICLE IX***

### **Committees**

Section 1. **Nominating Committee.** The Nominating Committee shall consist of:

- a. One member elected from each district. Each member shall serve a three-year term.
- b. Four members of the Board of Trustees, one from each district, appointed by the Board annually.
- c. The Immediate Past Chairperson of the Board of Trustees who shall be the Chairperson of the Committee.

No person shall serve concurrently in more than one of the enumerated positions. The Nominating Committee shall meet at least 45 days prior to the meeting at which an election is scheduled and shall nominate at least one candidate for the following positions each year: Chairperson-Elect, Secretary-Treasurer, each Trustee position of which there is or will be a vacancy, and the Delegate(s) and Alternate(s) to the American Hospital Association and LeadingAge, when necessary. At least 30 days prior to the meeting at which an

election is scheduled, such committee shall send to the membership the slate of nominees being proposed. Such committee shall also from time to time nominate candidates to fill unexpired terms. Such nominations shall in no way preclude nominations from the floor.

Section 2. **Special Committees.** The Chairperson shall be empowered, at his/her discretion, to appoint such special or standing committees as may be necessary, for terms not exceeding one year, provided that such committees be approved by the Board of Trustees at their next regular meeting.

Section 3. **Vacancies.** The Chairperson shall have the power to fill vacancies on all committees except for the Nominating Committee where vacancies shall be filled through election by the appropriate district.

Section 4. **Quorum.** A majority of the members of any committee shall constitute a quorum.

## **ARTICLE X**

### **Sections**

Section 1. **Health Systems Section.** There is created a health systems section for the Association. The section shall meet to consider issues and policies affecting health systems.

a. Members of the section shall include the chief executive officers from the Type III institutional members and the President/CEO of the Association.

b. The Association President/CEO shall serve as the liaison between the section and the SDAHO Board of Trustees.

c. The section shall meet as necessary, but no less than one time per calendar year. The section may invite others to participate in its deliberations.

Section 2. **Meetings.** Meetings of the section shall be reported to and acted upon by the Board of Trustees as is necessary.

## **ARTICLE XI**

### **Indemnification**

Section 1. **Indemnification in Actions by Third Parties**

a. Pursuant to the provisions of the South Dakota Nonprofit Corporation Act, this Corporation shall indemnify members of its Board of Trustees, the officers of its Board of Trustees, and the officers of the Corporation, both past and present, in the event said individuals become a party or are threatened to be made a party to any threatened, pending, or completed action, suit or proceedings, whether civil, criminal, administrative, or investigative (other than an action by or in the right of this Corporation) by reason of the fact that such individual is a trustee or officer of this Corporation or serves or has served at the request of this Corporation as a director, officer, agent or committee member of this Corporation or any other corporation, partnership, joint venture, trust or other enterprise. This Corporation shall indemnify such individuals against expenses (including attorney's fees and expenses), judgements, fines, and amounts paid in settlement actually and reasonably incurred by such individuals in connection with such action, suit, or proceeding if such

individual acts in good faith and in a manner such individual believes to be in the best interests of this Corporation or the other enterprise upon which such individual was requested to serve by the Corporation. Indemnification will be made in accordance with the provisions set forth herein.

b. If such individual is successful in the merits or otherwise in the defense of any action or suit set forth in this Article, this Corporation shall indemnify such individual against all expenses (including attorney's fees and expenses), judgements, fines and amounts paid in settlements actually and reasonably incurred.

c. In all other situations, excluding criminal actions or proceedings, the Board of Trustees of the Corporation shall determine whether such individual acted in good faith and in a manner such individual reasonably believed to be in or not opposed to the best interests of this Corporation, and upon such a finding, this Corporation shall indemnify such individual against all expenses (including attorney's fees and expenses), judgements, fines, and amounts paid in settlements actually and reasonably incurred.

d. In criminal action or proceeding, the Board of Trustees of this Corporation must determine, in addition to the standards set forth in Subsection (c) above, that such individual had no reasonable cause to believe that the alleged or established criminal conduct was unlawful.

## **Section 2. Indemnification in Actions by or in the Right of this Corporation.**

a. This Corporation shall indemnify members of its Board of Trustees, the Officers of its Board of Trustees, and the Officers of the Corporation, both past and present, in the event such individual becomes a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding by or in the right of this Corporation by reason of the fact such individual is or was a trustee or officer of this Corporation. This Corporation shall indemnify such individual against expenses (including attorney's fees and expenses), judgements, fines and amounts paid in settlement actually and reasonably incurred by such individual in connection with such action, suit, or proceeding if such individual acted in good faith and in a manner such individual believed to be in the best interests of this Corporation or such enterprise upon which such individual was requested to serve by this Corporation. Indemnification shall be made in accordance with the provisions as set out in this Article.

b. If such individual is successful in the merits or otherwise in the defense of any action or suit as set forth in this Article, this Corporation shall indemnify such individual against all expenses (including attorney's fees and expenses), judgements, fines, and amounts paid in settlement actually and reasonably incurred.

c. In all instances where there is a judicial determination that such individual was negligent or liable for misconduct, this Corporation may only indemnify such individual to the extent that the court in which such action or suit was brought in view of all circumstances of the case, such individual is fairly and reasonably entitled to indemnify for such expenses which the court shall find proper, consistent with the terms of this Article.

## **Section 3. Terms of Indemnification.**

a. This Corporation shall advance payment for expenses incurred by an individual to be indemnified under this Article, in defending a civil, criminal, administrative, or investigative action, suit, or proceeding as provided in Section 1 and Section 2 of this Article, in advance of any final disposition of such action, suit, or proceeding, upon receipt of an undertaking by or on behalf of such individual to repay such amount unless it shall ultimately be determined that such individual is entitled to be indemnified by this Corporation. This Corporation shall only make such advancements consistent with the South Dakota Nonprofit Corporation Act.

b. This Corporation shall provide such individual with representation by counsel selected by this Corporation and shall provide separate counsel if there is a conflict of interest.

c. This Article shall be construed in accordance with the South Dakota Nonprofit Corporation Act as it may be amended from time to time.

d. This Corporation shall continue to indemnify members of its Board of Trustees and its officers in the future for any suits or threatened suits which are brought regarding claims arising when such trustees or officers were serving as trustees or officers of this Corporation or as a director, officer, agenda or committee member of any other corporation, partnership, joint venture, trust, or other enterprise at the request of the Corporation.

e. This Article shall in no way diminish any rights afforded by any contracts or policies of insurance provided by this Corporation which may, from time to time, be in effect.

## ***ARTICLE XII***

### **Amendments**

These Bylaws may be amended by the affirmative vote of two-thirds of the voting representatives of active institutional members present and voting at any regularly scheduled meeting or special meeting called for that purpose at which at least a majority of the institutional members are represented. A proposed amendment must be approved in writing by not less than five active institutional members of the Association and filed with the President at least 60 days prior to the meeting at which such amendment is to be considered. The President shall refer the proposed amendment to the council charged with Association planning and organization. The Council shall consider and properly formulate the proposed amendment. The Council shall also make any recommendations that it deems appropriate relative to the proposed amendment. The President shall send notices of such proposed amendment together with any recommendations of the Council by mail to each active institutional member of the Association not less than 10 days prior to the meeting at which the amendment is to be considered. The Council shall report the proposed amendment, with its recommendations relative thereto, to the meeting for action.

*REVISED: February 18, 2015*