BYLAWS OF
THE
VIRGINIA COMMONWEALTH UNIVERSITY HEALTH SYSTEM AUTHORITY

ARTICLE I

STATUTORY CREATION

The Medical College of Virginia Hospitals Authority was created and established effective July 1, 1996, by the Medical College of Virginia Hospitals Authority Act, Chapters 905 and 1046 of the Acts of Assembly of 1996, amending and adding to the Code of Virginia Sections 23-50.16:1 through 23-50.16:35 and Section 51.1-126.2, thereby creating the Authority as a public body corporate, political subdivision, and instrumentality of the Commonwealth of Virginia (the “Commonwealth”). Effective July 1, 2000, the name of the Authority became the Virginia Commonwealth University Health System Authority ("Health System Authority"). Effective that same date, the size of the Board of Directors of the Health System Authority increased from sixteen (16) to twenty-one (21) members, the additional members to be physician-faculty members of Virginia Commonwealth University (the "University") with hospital privileges at the Medical College of Virginia Hospitals at all times while serving on the Board of Directors. Also on July 1, 2000, a selection process for joint appointment of the Vice-President for Health Sciences of the University as the Chief Executive Officer of the Health System Authority by the respective boards of the University and the Health System Authority was established. Effective October 1, 2016, Sections 23-50.16.1 through 23-50.16.35 of the Virginia Code were repealed and replaced with 23.1-2400 through 23.1-2428 of the Virginia Code (the “Act”). The Act did not materially change the powers, duties, or purpose of the Health System Authority as they existed prior to the Act. By act of the General Assembly approved March 27, 2023, the Act was amended at Section 23.1-2403 to reflect that the Chief Executive Officer of the Health System Authority “may,” but shall not be required to be, the same individual who holds the title of Vice-President for Health Sciences of the University. Effective July 1, 2026, the General Assembly further amended Sections 23.1-2402 and 23.1-2403 (i) decreasing the size of the Board of Directors from twenty-one (21) to sixteen (16) members, (ii) increasing the term of each Director from three (3) to four (4) years, (iii) requiring that Board of Directors have an independent Chair and Vice Chair elected biennially, (iv) bifurcating the Chief Executive Officer position from the Senior Vice- President for Health Sciences of the University, and (v) making changes to the selection and removal process involving the Chief Executive Officer position.

ARTICLE II

OFFICES

The principal office of the Health System Authority shall be located in the City of Richmond. The Health System Authority may have other offices at such locations as the Board of Directors deems appropriate.

ARTICLE III

MISSION, RIGHTS AND POWERS

Sections 23.1-2404 and 23.1-2406 of the Act grant to the Health System Authority all the powers necessary or convenient to carry out the purposes and provisions set forth in the Act. The Health System Authority is authorized to exercise the powers conferred in furtherance of its corporate and public purposes, including the operation of teaching hospitals and other health care facilities, the support of medical education and medical research, and the provision of high quality patient care and specialized health care services, as set forth (1) in the Act, (2) in these Bylaws ("Bylaws"), or (3) in any other subsequent statutes applicable to the Health System Authority, provided that no provision of these Bylaws shall be in conflict with the Act.

ARTICLE IV

BOARD OF DIRECTORS

Section 4.1. Powers and Responsibilities. The Health System Authority shall be governed by a Board of Directors (the "Board"). The Board shall manage the business and affairs of the Health System Authority.

Section 4.2. Appointment. In accordance with the Act, the Board shall consist of sixteen (16) Directors as follows:

(i) One (1) non-legislative citizen Director shall be appointed by the Rector of the University from the Board of Visitors of the University (the "Board of Visitors"), such individual shall be a member of the Board of Visitors at all times while serving on the Board;

(ii) Five (5) non-legislative citizen Directors, of whom one (1) shall be a physician-faculty member, shall be appointed by the Governor of the Commonwealth;

(iii) Four (4) Directors, of whom one (1) shall be a physician-faculty member, shall be appointed by the Speaker of the House of Delegates of the Commonwealth;

(iv) Three (3) Directors, of whom one (1) shall be a physician-faculty member, shall be appointed by the Senate Committee on Rules of the Commonwealth;

(v) The Senior Vice-President for Health Sciences of the University, or the individual who holds such other title as subsequently may be established by the Board of Visitors of the University for the chief academic and administrative officer for the Health Sciences Schools of the University, shall serve as an *ex officio* voting member of the Board;

(vi) The Chief Executive Officer of the Health System Authority shall serve as an *ex officio* voting member of the Board; and,

(vii) The President of the University shall serve as an *ex officio* non-voting member of the Board.

Section 4.3. Term of Office. All appointments shall be for terms of four (4) years each, except appointments to fill unexpired vacancies which shall be made for the remainder of the unexpired terms. No person shall be eligible to serve more than two (2) consecutive full four (4) year terms as an appointed member; however, after: (*i*) the expiration of the remainder of a term to which a member is appointed to fill a vacancy; or (*ii*) one (1) year following the expiration of a second full four (4) year term, two (2) additional four (4) year terms may be served by a member if so appointed. The terms of members serving by virtue of their office shall expire automatically upon termination of their holding such office. All appointed members shall continue to hold office until the earlier of: (*a*) the lack of confirmation or rejection of their appointment by the General Assembly; (*b*) their resignation or removal from office; or (*c*) the expiration of their term in office, provided that members whose terms have expired shall continue to hold office until their successors have been appointed.

Section 4.4 Qualifications; Confirmation. The Director appointed by the Rector of the University shall be a member of the Board of Visitors at all times while serving on the Board. The Governor, the Speaker of the House of Delegates, and the Senate Committee on Rules shall appoint faculty physicians after consideration of the names from lists submitted by the faculty physicians of the School of Medicine of the University through the Senior Vice-President of Health Sciences of the University, or the individual who holds such other title as subsequently may be established by the board of visitors of the University for the chief academic and administrative officer for the Health Sciences of the University. The list shall contain not less than two (2) names for each expired or unexpired vacancy that occurs. All appointed Directors other than the member appointed by the Rector shall have demonstrated experience or expertise in business, commercial real estate, finance, health system management, or legal affairs. All appointments are subject to confirmation by the General Assembly.. In the event a Director is not confirmed which results in a termination, no such termination shall affect the validity of an action taken by such Director prior to such termination.

Section 4.5. Resignation and Removal. Any Director may resign at any time by giving written notice to the Chair or to the Secretary of the Health System Authority. The resignation shall take effect on the date such notice is received or on any later date specified in the notice. Any Director may be removed for malfeasance, misfeasance, incompetence, or gross neglect of duty by the individual or entity that appointed him or, if such appointing individual no longer holds the office creating the right of appointment, by the current holder of that office for any of those same reasons.

<u>Section 4.6. Vacancies</u>. Vacancies in the ex officio positions on the Board, as listed in Section 4.2 above, due to death, removal, resignation, termination of employment with the University or the Health System Authority in the specified capacity, or for any other reason, shall be filled by the individual who succeeds to the respective office including any individual appointed on an interim basis. Vacancies in the positions of the thirteen (13) remaining Directors due to death, removal, resignation, or for any other reason, shall be filled by the party or parties initially responsible for filling that position and shall be made for the remainder of the unexpired terms.

<u>Section 4.7. Meetings of Directors</u>. The Board of Directors shall meet at least four (4) times each year and may hold such special meetings as it deems appropriate. The date, time, and place of such meetings shall be established by the Chair. In addition to its regular meetings, the Board may meet jointly with the Board of Visitors of the University. Special meetings may be called at any time by the Chair or any five (5) Directors, or held otherwise as the Board deems appropriate. All special meetings of the Board shall be held at such place as the individual(s) calling the meeting shall designate.

<u>Section 4.8. Notice</u>. Written notice of the time and place of any meeting of the Board shall be delivered to each Director personally or by mail/email not less than five (5) days nor more than thirty (30) days before the date of the meeting. In the case of a special meeting, or when required by law or these Bylaws, the notice may also state the purpose for which the meeting is called, but such notice shall not restrict the rights of the Board to take any action. Any Director may waive notice of any meeting before, at, or after the meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of the meeting, except for a Director who attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

<u>Section 4.9. Quorum and Proxy Voting</u>. A majority of the Board shall constitute a quorum for meetings, and the Board may act by a majority of those voting members present at any meeting. With the exception of the President of the University, who serves as a non-voting Director, each Director shall be entitled to one (1) vote on any matter before the Board (to include its Committees) and no Director may vote or act by proxy at any meeting of the Board. The Director appointed by the Rector of the Board of Visitors and the *ex officio* members shall not vote on matters that would require them to breach their fiduciary duties to the University or to the Health System Authority as provided in Section 23.1-2402(E) of the Act.

<u>Section 4.10. Compensation and Expenses</u>. In accordance with Virginia law regarding compensation and expenses for members of State boards and commissions, Directors shall be entitled to compensation and payment of reasonable and necessary expenses incurred while engaged in the performance of their duties.

<u>Section 4.11. Participation by Electronic Means</u>. Meetings of the Board of Directors, or any Committee of the Board, may be conducted through telephonic or video means as provided by Board policy and in accordance with the Freedom of Information Act, Code of Virginia Section 2.2- 3708.3, or similar provisions of any successor law.

ARTICLE V

OFFICERS AND AGENTS

Section 5.1. Number, Appointment, and Qualification of Officers. In accordance with Section 23.1-2402(G), the Board of Directors shall elect biennially a Chair and a Vice Chair from among its members who have served on the Board for at least two years. Neither the President of the University nor any other employee of the University, employee of the Authority, member of the board of visitors of the University, or legislative member is eligible to serve as the chairman of the board. The Board of Directors shall also elect a Secretary, Treasurer, and such Assistant Secretaries and Assistant Treasurers as the Board may authorize for terms determined by the Board, each of whom may or may not be a member of the Board. Officers shall be elected by the Board and shall serve until their successors are elected unless otherwise provided. The same person may serve as both Secretary and Treasurer.

Section 5.2. Resignation and Removal. Any officer may resign at any time, subject to any rights or obligations under any existing contracts between the officer and the Health System Authority, by giving written notice to the Chair or to the Secretary of the Health System Authority. An officer's resignation shall take effect at the time specified in the notice and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective. The Board may remove an officer from office at any time, with or without cause.

Section 5.3. Vacancies. The Board may fill a vacancy in any office, however occurring, for the unexpired portion of the term.

Section 5.4. Authority and Duties of Officers. The officers of the Health System Authority shall have the authority and shall exercise the powers and perform the duties specified below and as may be additionally specified by the Chair or the Board except that in any event, the officers shall exercise such powers and perform such duties as may be required by law.

Chair. The Chair shall be elected biennially from among the Directors. The Chair shall preside at all meetings of the Board and the Executive Committee, and, as such, shall have the power, subject to the requirements of these Bylaws, to modify the order of business. The Chair shall act as spokesperson or representative of the Board and shall perform such additional duties as may be directed by statute or by the Board. The Chair shall be a voting member of all committees of the Board and shall be counted as a member in determining the presence of a quorum. The Chair shall work closely with the other members of the Board and the Chief Executive Officer of the Health System Authority in developing the agenda for Board meetings and submitting reports and other communications to the Board. The Chair shall further work to help facilitate *(i)* communication and collaboration between the Health System Authority and the University and *(ii)* coordination on strategic initiatives.

Vice Chair. The Vice Chair shall be elected biennially from among the Directors, shall preside at all meetings of the Board and the Executive Committee in the absence of the Chair or in his/her inability to act.

Secretary. The Secretary shall, with the assistance of any Assistant Secretaries, (*i*) report directly to the Board and provide staff support to the Board as requested; (*ii*) keep the minutes of the proceedings of the Board and Committees of the Board; (*iii*) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; and (*iv*) perform such other duties as usually pertain to this office. The Secretary shall have such administrative support as he/she deems necessary, subject to approval by the Board, including the Board's election of one or more Assistant Secretaries, who may be authorized to act in the Secretary's absence.

Treasurer. Acting with the Audit and Compliance Committee and the Finance Committee, the Treasurer shall ensure that a true and accurate accounting of the financial transactions of the Health System Authority is made, that reports of such transactions are presented to the Board as the Board may require, and shall perform all other duties incident to the office of the Treasurer as may from time to time be assigned by the Board. Any and all duties of the Treasurer may be aided through the Board's election of one or more Assistant Treasurers, who may be authorized to act in the Treasurer's absence.

Assistant Secretaries and Assistant Treasurers. Any Assistant Secretaries and Assistant Treasurers elected by the Board shall perform such duties as shall be assigned to them by the Secretary or the Treasurer respectively, or by the Chair of the Board, and may, if authorized by the Board, perform any of the duties of the Secretary or the Treasurer, respectively.

Agents. The Board may provide for the appointment, employment, term, compensation, and removal of agents of the Authority, including engineers, consultants, lawyers, and accountants, as the board deems appropriate. Such agents may be employees of the University.

ARTICLE VI

COMMITTEES OF THE BOARD

Section 6.1. Executive Committee. The Board shall have an Executive Committee which shall possess and may exercise in intervals between meetings of the Board all such powers of the Board as can be delegated, including, but not limited to, monitoring organizational planning and strategic initiatives, and approving contracts. The Executive Committee shall consist of the Chair, Vice Chair, Secretary (if a Director of the Board), and Treasurer of the Board (if a Director of the Board), the Chairs of all committees set forth in this Article VI (each a "Standing Committee" and collectively the "Standing Committees"), the Chief Executive Officer of the Health System Authority, one of the physician-faculty members of the Board serving pursuant to Section 4.2 (*ii*), (*iii*) or (*iv*) of these Bylaws if a physician-faculty member is not otherwise a member by virtue of office or appointment as Chair of a Standing Committee (the "Physician-Faculty Member"), the President of the University (without voting privileges), and the Senior Vice-President for Health Sciences of the University the individual who holds such other title as subsequently may be established by the Board of Visitors of the University for the chief academic and administrative officer for the Health Sciences Schools of the University. The Chair of the Executive Committee shall be the Chair of the Board.

<u>Section 6.2. Finance Committee</u>. The Finance Committee shall consist of a minimum of four (4) Directors with voting privileges, of whom two such Directors shall serve as Chair and Vice Chair. In addition, a minimum of two (2) physician faculty members who are not Directors shall be appointed to the Finance Committee without voting privileges. The Finance Committee shall have general supervision over the finances of the Health System Authority, to include *(i)* reviewing and approving operating budgets and capital expenditures, *(ii)* evaluating deviations from approved budgets, *(iii)* reviewing and recommending long-range financial plans, and *(iv)* ensuring that any related policies and procedures are followed. The Finance Committee shall further have general supervision over the investment and debt portfolios of the Health System Authority, including monitoring and evaluating management of investments, as well as the debt structure of the Health System, including capital financing plans and covenants. In addition to any supplemental responsibilities that the Board may from time to time assign to the Finance Committee, the Committee shall also be responsible for financial oversight, insurance coverage, and financial monitoring. The Finance Committee may retain external advisors to assist with and support the activities of the Committee.

<u>Section 6.3. Audit and Compliance Committee</u>. The Audit and Compliance Committee shall consist of a minimum of four (4) Directors with voting privileges, of whom two such Directors shall serve as Chair and Vice Chair. In addition, a minimum of two (2) faculty physicians who are not Directors shall be appointed to the Audit and Compliance Committee without voting privileges. The Audit and Compliance Committee shall review the adequacy of accounting and administrative controls of the Health System Authority and its affiliated entities and oversee the internal and external audit functions and the corporate compliance function. In addition to any supplemental responsibilities that the Board may from time to time assign the Audit and Compliance Committee, the Committee shall: (*i*) arrange for an annual audit of the financial statements of the Health System Authority and its affiliated entities, review the results of each annual audit, and thereafter submit a report of the annual audit to the Board; and (*ii*) direct that an annual report of compliance activities be prepared and presented to the Committee, review the annual compliance report, and thereafter submit a summary and assessment of the compliance report to the Board. The Audit and Compliance Committee may retain external advisors to assist with and support the activities of the Committee.

<u>Section 6.4. Quality, Safety, and Service Committee</u>. The Quality, Safety, and Service Committee shall consist of a minimum of four (4) Directors with voting privileges, of whom two such Directors shall serve as Chair and Vice Chair. In addition, a minimum of two (2) faculty physicians who are not Directors shall be appointed to the Quality, Safety, and Service Committee without voting privileges. The Chief of the Medical Staff, the Vice-President for Patient Care Services, and the Directors of Risk Management, Administrative Services and Support Services of the Health System Authority shall attend all Committee meetings unless otherwise directed by the Committee. The Quality, Safety, and Service Committee shall monitor and evaluate the Health System Authority's quality of care and shall review and report at least quarterly to the Board on the effectiveness of procedures and programs within the Health System Authority related to quality assurance, utilization review, medical staff credentialing, risk management, and the safety program. In addition to any supplemental responsibilities that the Board may from time to time assign to the Quality, Safety and Service Committee, and in accordance with guidelines approved by the Board, the Committee shall *(i)* receive reports on the credentialing of members of the medical staff of the Health System Authority, *(ii)* review recommended appointments to the medical staff, and *(iii)* make recommendations to the Board for the approval of appointments and reappointments to the medical staff. The Quality, Safety and Service Committee may retain external advisors to assist with and support the activities of the Committee.

Section 6.5. Evaluation and Compensation Committee. The Evaluation and Compensation Committee shall consist of a minimum of four (4) Directors with voting privileges, of whom two such Directors shall serve as Chair and Vice Chair. The Evaluation and Compensation Committee shall establish goals, objectives and metrics related to the performance of the Chief Executive Officer and such other officers and employees of the Health System Authority as the Evaluation and Compensation Committee may deem appropriate. The Evaluation and Compensation Committee shall evaluate the performance of the Chief Executive Officer and other officers and employees as measured by the established goals, objectives, and metrics and shall report on such evaluations to the Board with recommendations as to compensation for the individuals who have been evaluated. The Evaluation and Compensation Committee may retain external advisors to assist with both the development of relevant evaluation goals, objectives and metrics, and the measurement of performance, to provide compensation benchmarks and related analysis, and to otherwise support the activities of the Committee.

Section 6.6. Governance Committee. The Governance Committee shall consist of a minimum of four (4) Directors with voting privileges, of whom two such Directors shall serve as Chair and Vice Chair. The Governance Committee shall assist the Board in carrying out its responsibilities relating to corporate governance matters. Duties of the Governance Committee shall be set forth in the Governance Committee Charter as approved by the Board and amended from time to time, or as otherwise directed by the Board. As provided in its Charter, the Governance Committee shall serve as the Nominating Committee for the Board, including the nominating of individuals to fill vacancies that may occur in positions prior to the expiration of designated terms of office. The Governance Committee may retain external advisors to assist with and support the activities of the Committee.

Section 6.7. Other Standing Committees and Special Committees. By one or more resolutions, the Board may create other Standing Committees or additional committees not set forth herein ("Special Committees") and prescribe their duties and powers. Members of the Medical Staff of VCU Medical Center and/or Health System Authority health professionals shall be invited as appropriate to attend meetings of Standing Committees and Special Committees. Furthermore, it shall be the practice of the Board to invite all Directors to all Standing or Special Committee meetings regardless of whether the Director is an official member of such Committee. Notwithstanding the foregoing, at the direction of the Board Chair and in consultation with the Health System Authority's Chief Legal Officer, three or more Directors may meet as a workgroup to discuss any topic related to the Board, including, without limitation, the orientation of newly appointed Directors. Other than discussing topics related to the Board, the only actions permitted by such a workgroup are to convene and adjourn the discussion, enter a closed session to discuss a lawfully exempt topic (if appropriate), develop related recommendations, and otherwise ensure that the workgroup complies with applicable law.

Section 6.8. Committee Membership. With the exception of the Executive Committee whose members serve *ex officio,* all Standing Committee members, including the Physician-Faculty Member of the Executive Committee, and the Chair and Vice Chair of each Standing Committee shall be appointed by the Board for a term of one (1) year. After surveying Board members for their areas of interest, the Governance Committee, shall propose a slate of Standing Committee members, Chairs, and Vice Chairs to the Board for consideration. Each Standing Committee shall consist of: (*i*) a minimum of four (4) Directors with voting privileges; (*ii*) any faculty physicians and attendees designated in these Bylaws; and (*iii*) any individuals designated by the Board in connection with joint ventures and other affiliated transactions; all persons appointed pursuant to (*ii*) and (*iii*) of this provision shall serve on the Committee without a vote. In addition to the appointment of a minimum of four (4) Directors for each Standing Committee, the Chair of the Board shall be an *ex officio* member of all Standing Committees, shall be counted for purposes of a quorum, and shall have the power to vote. In the absence of the Chair of a Standing Committee, the Vice Chair shall preside at the Committee meeting. In the event both the Chair and Vice Chair of a Committee are absent or unable to act, the Chair of the Board shall serve as Chair of the Committee. The Chair of the Board may appoint the members of any Special Committee or may request that the Governance Committee propose such members for approval by the Board, provided that the Board at all times reserves the power to appoint Special Committee members directly.

Section 6.9. Quorum/Voting. A majority of any Standing Committee or Special Committee or workgroup created pursuant to Section 6.7 herein shall constitute a quorum and may act by a majority of those present at any meeting. However, in the discretion of the Chair of any Committee except the Executive Committee, if appropriate for the issues to be decided by the Committee, a quorum may be called if the Chair and two (2) other voting members are present. If a Committee Chair relies upon this Section to call a quorum, the decision to do so shall be stated in the Committee minutes. In addition, if a Committee meets pursuant to this provision and votes to recommend any action to the Board, the recommendation to the Board shall include notice that the Committee met in accordance with Section 6.9 of the Bylaws and shall state the number of the Committee members present and voting.

Section 6.10. Delegation to Committee. The delegation of authority to any Committee shall not operate to relieve the Board or any member of the Board from any responsibility imposed by law. Except as set forth in Section 6.1 with respect to delegated duties of the Executive Committee, each Committee of the Board shall function to provide recommendations to the Board for consideration and action as the Board may deem appropriate. Rules governing procedures for meetings of any Board Committee shall be as established by the Board, or in the absence thereof, by the Committee itself.

ARTICLE VII

CHIEF EXECUTIVE OFFICER AND ADMINISTRATIVE STAFF

Section 7.1. Chief Executive Officer: Appointment, Powers, and Responsibilities. The Health System Authority shall be under the immediate supervision and direction of a Chief Executive Officer, subject to the policies and direction established by the Board, and the Chief Executive Officer shall report to and be accountable to the Health System Authority Board. Pursuant to 23.1-2403(A), the Chief Executive Officer may not also serve as the Senior Vice-President for Health Sciences of the University, or such other title as subsequently may be established by the Board of Visitors of the University for the chief academic and administrative officer for the Health Sciences Campus of the University. The selection and removal of the Chief Executive Officer, as well as the conditions of appointment, including salary, shall be made jointly by the Board and the Board of Visitors of the University at a joint meeting of the Board and the Board of Visitors of the University upon a vote of a majority of the members of each board, present and voting at the aforementioned joint meeting, acting separately in accordance with applicable provisions of law. In the event that a majority of each board does not agree upon the selection, removal, or conditions of appointment, including salary, of the Chief Executive Officer, the provisions of Section 23.1-2403(B-D) of the Code of Virginia shall be followed. The Chief Executive Officer shall, subject to the direction and supervision of the Board: (*i*) have general and active control of the Health System Authority's affairs and business; (*ii*) have general and active supervision of its officers, administrators, agents, and employees; (*iii*) ensure that all orders, policies and resolutions of the Board are carried into effect; and (*iv*) perform all other duties incident to the office of Chief Executive Officer or as may from time to time be assigned to him/her by the Board, including without limitation the approval and execution of contracts.

Section 7.2. Chief Executive Officer: Qualifications. The Chief Executive Officer shall be a person who, in the judgment of the Board, has the combination of education, experience, professional standards, and demonstrated leadership ability to fulfill successfully the responsibility of the position and to command the confidence and respect of the Board, the Medical Staff of VCU Medical Center and other hospitals and ambulatory surgery centers, personnel, and the community.

Section 7.3. Chief Executive Officer: Staff Relationships. The Chief Executive Officer shall maintain a relationship with the Medical Staff of VCU Medical Center and other hospitals and ambulatory surgery centers so to ensure adequate responsibility, accountability and communication between the Medical Staff(s) and the Chief Executive Officer. The Chief Executive Officer shall facilitate advice and input from members of both the medical and administrative staffs as needed for the Board to fulfill its responsibilities.

Section 7.4. Cooperation of Administrative Staff with the University. The Chief Executive Officer and other administrative staff of the Health System Authority are authorized to cooperate with and assist all appropriate University officers and employees in promoting the shared missions of the Health System Authority and the University, including support of medical education and medical research, without the need of specific authorization, but in all cases subject to further specific direction as may be provided by the Board from time to time.

ARTICLE VIII

MEDICAL AND DENTAL STAFF

Section 8.1. Organization. The Board shall authorize the full-time faculty of the clinical departments of the University's School of Medicine and School of Dentistry to organize the medical and dental staff of the Health System Authority's facilities (the "Medical Staff"), to provide medical and dental services at the Health System Authority's hospitals and outpatient surgical facilities (the "Hospitals"), and to discharge those duties and responsibilities delegated to the Medical Staff by the Board. Medical staff and clinical privileges shall be awarded only to health care providers who meet the qualifications for membership and privileges as set forth in the Medical Staff Bylaws of VCU Medical Center.

Section 8.2. Governance. The Medical Staff shall be organized as a responsible administrative unit accountable to the Board. The Medical Staff shall propose Bylaws and rules and regulations setting forth: (*i*) its organization, including the appointment of committees and the selection of officers and department chairs; (*ii*) quality of care protocols; (*iii*) procedures and qualifications for appointment to the Medical Staff; (*iv*) procedures at the Hospitals and qualifications for the granting of clinical privileges; and *(v)* provisions for review of the Medical Staff's recommendations with respect to appointment, reappointment or termination of appointment to the Medical Staff and the granting or curtailment of clinical privileges. The Medical Staff Bylaws shall include a provision that the departmental organization of the Medical Staff shall parallel the departmental and, if applicable, the divisional organization of the University's Schools of Medicine and Dentistry; that the department chairs or chiefs of divisions within the Schools shall be the chairs of the corresponding departments within the Medical Staff and the Hospitals; and that the Medical Staff shall be organized within this framework. The Medical Staff Bylaws and rules and regulations shall become effective when approved by the Board.

Section 8.3. Medical Staff Membership. Each member of the Medical Staff shall have appropriate authority and responsibility for the care of his/her patients, subject to such limitations as are imposed by these Bylaws, the policies and procedures of the Hospitals and/or the Medical Staff Bylaws, rules, or regulations, and subject further to any limitations or conditions attached to the individual's Medical Staff appointment or clinical privileges.

Section 8.4. Medical Care and its Evaluation. The Board shall, in the exercise of its overall responsibility, delegate to the Medical Staff reasonable authority for seeking to ensure that appropriate professional care is rendered to patients at the Hospitals. The Medical Staff shall conduct an ongoing review and appraisal of the quality of professional care rendered at the Hospitals and shall report such activities and their results to the Board.

The Medical Staff's Executive Committee shall make recommendations to the Board concerning:

a. The structure of the Medical Staff;
b. Appointments, reappointments, and other changes in staff status;

c. The granting of clinical privileges;
d. The process used to review credentials and to delineate individual clinical privileges;
e. Disciplinary actions, including termination of Medical Staff membership, and the process for fair-hearing procedures;
f. Matters relating to professional competency of the Medical Staff;
g. Matters relating to the quality assessment and improvement activities of the Medical Staff;
h. Participation of the Medical Staff in organization performance-improvement activities;
i. Matters related to accreditation, regulatory, and/or compliance activities required by any external body having jurisdiction over the Medical Staff; and
j. Such other matters as may be referred to it by the Board.

ARTICLE IX

AUXILIARY ORGANIZATIONS

The establishment of auxiliary organizations, including any association of volunteers, of the Health System Authority shall require the approval of the Board or its Executive Committee. In addition, the Board shall approve any auxiliary organization's bylaws or changes to such bylaws. The Chief Executive Officer of the Health System Authority or his/her designee shall function as a liaison and coordinator with auxiliary organizations to ensure that their operations are consistent with and support the mission, goals, and activities of the Health System Authority. Auxiliary organizations shall provide such reports and information about their operations, activities, and financial condition as may be requested by the Board, the Chair, or the Chief Executive Officer of the Health System Authority, or their designee.

ARTICLE X

GENERAL PROVISIONS

Section 10.1. Conflict of Interest. In accordance with the Act, the provisions of the State and Local Government Conflict of Interests Act (Code of Virginia Sections 2.2-3100 *et seq.*) apply to the members of the Board. In addition, any member of the Board who has a direct or indirect interest in any contract or transaction with the Health System Authority shall disclose this interest to the Health System Authority in accordance with any policies adopted by the Board from time to time. This disclosure shall be set forth in the minutes of the Health System Authority, and a Director who has made such disclosure shall not participate on behalf of the Health System Authority in the discussion or authorization of any such contract or transaction as required by the Act and/or Board policies.

In accordance with the Act and/or Board policies, minutes of the Health System Authority shall reflect that any disclosure required by this Section was made, that the Director making the disclosure abstained from voting, and that a quorum was present despite such abstention. Each new member of the Board shall be specifically advised of this Section upon entering the duties of the office.

Section 10.2. Exercise of Power. The Health System Authority shall in all respects exercise its powers for the benefit of the inhabitants of the Commonwealth in accordance with the Act and to promote the health care missions of the University and the Health System Authority, including the operation of teaching hospitals and other health care facilities, the provision of health care services and the support of medical education and medical research, and to carry out its other corporate and public purposes. No part of the assets or net earnings of the Health System Authority shall inure to the benefit of, or be distributable to, any Director, employee or other private individual except that reasonable compensation may be paid for services rendered to or for the Health System Authority affecting one or more of its purposes, and benefits may be conferred, and payments or distributions made, that are in conformity with said purposes.

Section 10.3. Fiscal Year. The fiscal year of the Health System Authority shall begin on July 1st and end on June 30th of each year.

Section 10.4. Corporate Seal. The Board may, by resolution, adopt and alter as necessary an official seal in such form as it deems appropriate.

Section 10.5. Waiver of Notice. Whenever any notice required by law or these Bylaws must be given, a written waiver signed at any time by the person entitled to the notice shall be deemed equivalent to the giving of notice unless such waiver is prohibited by law. All such waivers shall be filed with the Health System Authority records or made part of the minutes of the relevant meeting. The attendance of a person at a meeting shall constitute waiver by such person of notice of the meeting except if such person attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 10.6. Construction of Terms and Headings. Words used in these Bylaws shall be read as the masculine or feminine gender and as the singular or plural, as the actual context requires. The captions or heading in these Bylaws are for convenience only and are not intended to limit or define the scope or effect of any provision.

Section 10.7. Account Books, Records and Minutes. The Health System Authority shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board and Board Committees.

Section 10.8. Contributions. As set forth in the Act, the Health System Authority has the power to accept, hold, and enjoy any gift, devise, or bequest to the Health System Authority or its predecessors. Such contributions are to be held for the uses and purposes designated by the donor, if any, or if not so designated, for the general purposes of the Health System Authority, whether given directly or indirectly. In addition, the Health System Authority may accept, execute and administer any trust or endowment fund in which it has or may have an interest under the terms of the instrument creating the trust or endowment fund.

Section 10.9. Organizational Assessment. As required by any accreditation, regulatory, or other external body having jurisdiction over the Health System Authority, or as it may from time to time determine is in the best interests of the Health System Authority or the Board, the Board shall review and assess the performance of the Health System Authority and/or any of its divisions, departments or affiliated organizations. This process may include an evaluation of how the activities of the Board relate to the Health System Authority's vision, mission, and values, and any other aspects of the Board's performance as it determines to be appropriate. Based on the findings of any organizational assessment conducted pursuant to this Section, the Board shall direct or develop appropriate plans for improvements.

Section 10.10. Severability. Any determination that any provision of these Bylaws is for any reason inapplicable, invalid, illegal, or otherwise ineffective shall not affect or invalidate any other provision of these Bylaws.

ARTICLE XI

INDEMNIFICATION OF DIRECTORS, OFFICERS, AND OTHERS

To the full extent permitted by law, the Health System Authority shall indemnify against liability, and advance reasonable expenses to, any individual who was, is, or is threatened to be named a defendant or respondent in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal, because the individual is or was a Director, or while a Director, is or was serving at the Health System Authority's request as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise. To the full extent permitted by law, the Health System Authority may (but shall not be required to) indemnify, and advance reasonable expenses to, an officer, employee, or agent of the Health System Authority who is not a Director to the same extent as if that person were a Director. Nothing herein waives the sovereign immunity of the Health System Authority, the University, or the Commonwealth.

ARTICLE XII

AMENDMENTS TO BYLAWS

These Bylaws may be amended or repealed and new Bylaws adopted by the Board, consistent with the provisions of the Act. The Governance Committee of the Board shall review these Bylaws at least biennially and either recommend changes or state that no changes are required, and the report and recommendations of the Governance Committee shall be submitted to the Board for information and/or approval of the Board or such other meeting of the Board as the Governance Committee deems appropriate. The Governance Committee of the Board may recommend interim changes for Board approval as necessary.

The foregoing Bylaws were adopted, as amended, at a meeting of the Board of Directors of the Virginia Commonwealth University Health System Authority on the 4th day of June 2026, to be effective on the 1st day of July 2026.

Adopted June 10, 1997
Amended September 12, 2000
Amended March 13, 2001
Amended September 11, 2001
Amended September 16, 2003
Amended December 13, 2005
Amended September 14, 2010
Amended March 13, 2012
Amended March 20, 2013
Amended September 9, 2013
Amended November 20, 2013
Amended March 18, 2014
Amended September 17, 2014
Amended September 14, 2016
Amended September 16, 2020
Amended June 24, 2021
Amended March 21, 2024
Amended September 12, 2024
Amended June 4, 2026