



BYLAWS OF DIRECT CARE AND TREATMENT

Effective _____

TABLE OF CONTENTS

BYLAWS OF DIRECT CARE AND TREATMENT	1
TABLE OF CONTENTS	2
PREAMBLE	4
ARTICLE 1	4
PURPOSE	4
ARTICLE 2	5
CHARTER	5
ARTICLE 3	5
EXECUTIVE BOARD	5
ARTICLE 4	9
CHIEF EXECUTIVE OFFICER	9
ARTICLE 5	10
OFFICERS	10
ARTICLE 6	11
COMMITTEES	11
ARTICLE 7	12
CONFLICTS OF INTEREST	12
ARTICLE 8	12
PROTECTION FROM LIABILITY	12
ARTICLE 9	12
RULES OF ORDER	12
ARTICLE 10	13
AMENDMENT	13

ARTICLE 11	13
SEVERABILITY	13
ARTICLE 12	14
EFFECTIVE DATE.....	14

PREAMBLE

In 2023, the Minnesota Legislature (Legislature) created Direct Care and Treatment Executive Board to oversee Direct Care and Treatment (DCT) as a separate state agency. To improve efficiency and avoid duplication, the Commissioner for the Minnesota Department of Human Services (DHS) transferred personnel, powers, or duties, or any combination of them to the DCT Executive Board under Minnesota Statutes, section 16B.37, subdivision 1 and section 246C.04, subdivision 1, effective July 1, 2025.

The purpose of DCT is to deliver publicly funded residential, nonresidential, and treatment services to persons with complex needs. DCT provides services through state-operated programs for individuals who display complex conditions associated with mental illnesses, substance use disorders, developmental disabilities, traumatic brain injuries, neurocognitive disorders, individuals who are committed to the commissioner of human services as mentally ill and dangerous, and those who are committed as sexually dangerous persons or as having a sexual psychopathic personality.

The Legislature vested the management and control of DCT in an Executive Board. The Executive Board must operate DCT according to Minnesota Statutes chapter 246C and applicable state and federal laws. The Executive Board may establish bylaws governing its board operation and the operations of DCT through the management by the DCT Chief Executive Officer (CEO). The Executive Board's bylaws ("Bylaws") are adopted to regulate and manage the internal affairs of DCT, a Minnesota state agency, which is formed pursuant to Laws of Minnesota 2023, chapter 61, article 8, and Laws of Minnesota 2024, chapter 125, article 5, now codified as Minnesota Statutes, section 246C, establishes DCT as a separate state agency (the "Act").

ARTICLE 1

PURPOSE

The purpose of DCT is to develop and maintain direct care and treatment services in a manner consistent with applicable state and federal law, including Minnesota Statutes, chapters 13, 245, 246, 246B, 246C, 252, 253, 253B, 253C, 253D, 254A, 254B, and 256. DCT shall provide direct care and treatment services in coordination with counties and other vendors. DCT services shall include specialized inpatient programs at secure treatment facilities as defined in Minnesota Statutes, section 253B.02, subdivision 18a, and section 253D.02, subdivision 13; community preparation services; regional treatment centers; enterprise services; consultative services; aftercare services; community-based services and programs; transition services; nursing home services; and other services consistent with the mission of DCT.

ARTICLE 2

CHARTER

Section 2.1: Legal Governance

DCT is an agency of the State of Minnesota, which is formed pursuant to Laws of Minnesota 2023, chapter 61, article 8 and Laws of Minnesota 2024, chapter 125, article 5, now codified as Minnesota Statutes, chapter 246C (the “Act”). DCT will perform its functions in accordance with these Bylaws, state law, and federal laws and regulations. The overall management and control of DCT is vested in the Executive Board in accordance with the Act. The day-to-day management of DCT will be vested to the DCT CEO as well as the oversight of delegations that have been provided to assist in DCT’s successful operation.

Section 2.2: Principles

In governing DCT, the Executive Board shall act according to the following principles established by the Legislature:

1. prevent the waste or unnecessary spending of public money;
2. use innovative fiscal and human resource practices to manage the state's resources and operate the agency as efficiently as possible;
3. coordinate DCT activities wherever appropriate with the activities of other governmental agencies;
4. use technology where appropriate to increase agency productivity, improve customer service, increase public access to information about government, and increase public participation in the business of government; and
5. utilize constructive and cooperative labor management practices to the extent otherwise required by Minnesota Statutes, chapter 43A or 179A.

ARTICLE 3

EXECUTIVE BOARD

Section 3.1 General Powers

The Executive Board must ensure it operates DCT according to the Act and applicable state and federal law. The overall management and control of DCT is vested in the Executive Board. The Executive Board may delegate such authority and responsibility as it may determine to one or more committees or officers. Minnesota Statutes, section 246C.07, subdivision 1(c), as amended, any delegation of a

specified statutory duty or power to an employee of DCT other than the CEO must be made by written order and filed with the secretary of state.

Section 3.2: Specific Powers and Duties

The Executive Board shall have those specific powers and duties enumerated in the Act, to include those set forth in Minnesota Statutes, section 246C.06, subdivision 11 and section 246C.07, as amended.

Section 3.3: Other Powers

Subject to the Act, the Executive Board shall have all the powers necessary and convenient for the operation, administration, management, and control of the DCT's duties and affairs. The enumeration of specific powers in **Section 3.2** is not intended to restrict the powers of the Executive Board to take any action which is not prohibited by law, and in the exercise of the Executive Boards' discretion, is deemed necessary or convenient to further the purposes of DCT whether or not the powers to take the action are necessarily implied from the powers expressly granted under these Bylaws.

Section 3.4: Composition and Election

The Executive Board consists of nine (9) members with seven (7) voting members and two (2) nonvoting members. The seven voting members must include the Commissioner of the Minnesota Department of Human Services (or designee) and six members appointed by the governor with the advice and consent of the Senate in accordance with Minnesota Statutes, section 246C.06, subdivision 2, as amended.

The nonvoting members must be appointed as follows: one member appointed by the Association of Counties; and one member who has an active role as a union representative appointed in accordance with Minnesota Statutes, section 246C.06, subdivision 2 (c), as amended.

Section 3.5: Terms

The Commissioner of Human Services or a designee shall serve until replaced by the governor. The initial and subsequent terms of voting and nonvoting members is governed by Minnesota Statutes, section 256C.06, subdivision 6, as amended. Except for the Commissioner of Human Services, Executive Board members must not serve more than two consecutive terms unless service beyond two consecutive terms is approved by the majority of voting members as provided in Minnesota Statutes, section 246C.06, subdivision 6, as amended.

Section 3.6: Compensation

1. **Nonvoting members.** In accordance Minnesota Statutes, section 246C.06, subdivision 4(a), and Minnesota Statutes, section 15.0575, subdivision 3, as amended, the nonvoting members of the Executive Board must not receive daily compensation for Executive Board activities.

2. **Voting members.** The Compensation Council under Minnesota Statutes, section 15A.082, must determine the daily compensation for voting members of the Executive Board spent working on authorized Executive Board activities.
- a. The Commissioner of Management and Budget must publish the daily compensation rate for voting members of the Executive Board on the Department of Management and Budget's website.
 - b. Voting members of the Executive Board set daily rate will be available and paid when a voting member completes a day spent on Executive Board activities.
 - c. All other requirements under Minnesota Statutes, section 15.0575, subdivision 3, as amended, apply to the compensation of Executive Board members, to include limitation of compensation to state employees.

Effective July 1, 2025, the daily compensation rate for voting members of the Executive Board will be paid at a per diem rate of \$500 for a day spent unless determined otherwise by the Compensation Council.

Day spent. A day spent for the purpose of Executive Board member compensation will be when a voting member attends a formal Executive Board meeting (regular, special, or emergency) or committee meeting for which they are identified as a member, or when specifically authorized by the Executive Board to attend other meetings or trainings.

Section 3.7: Expenses and Reimbursement

Both voting and nonvoting members of the Executive Board may receive reimbursement for expenses in the same manner and amount as authorized by non-represented employees' compensation plan under Minnesota Statutes, section 43A.18, subdivision 2, as amended.

Section 3.8: Voting Rights

Each voting member may cast one (1) vote on any matter that comes before the Executive Board. No member shall have the right to vote by proxy. Unless otherwise provided under the Act or these Bylaws, an action of the Executive Board shall be passed by a simple majority vote of those present at a meeting duly called and at which a quorum was present when there is a call for a motion.

Section 3.9: Resignation

An Executive Board member may resign at any time by giving written notice to the Chair of the Executive Board, the Chief Executive Officer or the Governor's Office. A resignation shall take effect at the time specified in the written resignation notice or upon delivery of the written resignation notice, whichever occurs last.

Section 3.10: Vacancies and Removals

Vacancies will be filled as provided in Minnesota Statutes, section 15.0575, as amended, or as otherwise directed in law. In accordance with Minnesota Statutes, section 15.0575, subdivision 4, as amended, a voting and nonvoting Executive Board member may be removed by the appointing authority.

Section 3.11: Open Meeting Law

All DCT Executive Board and committee meetings must comply with the Minnesota Open Meeting Law, Minnesota Statutes, chapter 13D, except as otherwise provided in the Act. The Executive Board may meet by telephone or other electronic means, or by interactive television, as provided by Minnesota Statutes, section 13D.015 and section 13D.02. The Executive Board may close any board meeting in accordance with the provisions of Minnesota Statutes, chapter 13D.

Section 3.12: Regular Meetings

The Executive Board shall hold regular meetings at least four (4) times per fiscal year.

Section 3.13: Special/Emergency Meetings

In addition to its regular meetings, the Executive Board may hold “special” and “emergency” meetings, as those terms are used in the Minnesota Open Meeting Law, the Chair may call a special or emergency meeting on their own. Alternatively, the Chair must call for a special or emergency meeting when four (4) or more Executive Board members submit a written request to the Chair calling for a special or emergency meeting.

Section 3.14: Place of Meetings

The Executive Board may hold its meetings at the general business offices of DCT or at such place or places as the Executive Board may, from time to time, determine, consistent with the Minnesota Open Meeting Law.

Section 3.15: Quorum and Manner of Acting

A majority of the voting members of the Executive Board constitutes a quorum. A majority is more than half of the voting members. The affirmative vote of a majority of the voting members of the Executive Board after a quorum has been established is necessary and sufficient for action taken by the Executive Board.

Section 3.16: Exercise of Authority

An Executive Board member carries out the powers of their office only when acting as a member during a duly constituted meeting of the Executive Board or one of its appointed bodies. A board member is a fiduciary and respects the responsibilities delegated by the Executive Board to the CEO, management, and the medical staff and will insist upon accountability and reporting mechanisms for assessing performance of these roles.

ARTICLE 4

CHIEF EXECUTIVE OFFICER

Section 4.1: Appointment

The DCT CEO is appointed by the Executive Board, in consultation with the governor, with the advice and consent of the Senate, and serves at the pleasure of the Executive Board. The CEO reports directly to the Executive Board.

Section 4.2: Powers and Duties

The CEO is responsible for the administrative and operational management of DCT. The Executive Board shall adopt and maintain a written policy clearly defining which of its powers shall be delegated to the CEO and which shall be retained by the Executive Board. The CEO shall have the authority to speak for the Executive Board and DCT within and outside the agency.

Section 4.3: Compensation

The CEO shall serve in the unclassified service in accordance with Minnesota Statutes, section 43A.08, as amended. The Compensation Council under Minnesota Statutes, section 15A.082, as amended, shall establish the salary of the CEO.

Section 4.4: Vacancies

In the event that a vacancy occurs for any reason within the CEO position, the Executive Medical Director appointed under Minnesota Statutes, section 246C.09, as amended, shall immediately become the temporary CEO until the Executive Board appoints a new CEO. During this period, the Executive Medical Director shall have all the powers and authority delegated to the CEO by the Executive Board and specified in the Act.

ARTICLE 5

OFFICERS

Section 5.1: Number

DCT shall have the following officers of the Executive Board (collectively the “Board Officers”): a Chair, and a Vice Chair. The Board Officers and any other officer appointed by the Executive Board are collectively referred to as the “Officers.” The Executive Board may designate such additional officers as it determines are necessary for the management of the affairs of DCT. Subject to these Bylaws and in accordance with the Act, the Executive Board shall fix the powers and duties of all Board Officers.

Section 5.2: Board Officers

The Board Officers shall hold office for term of one (1) year and may be re-elected for additional one-year term. Board Officers must be elected from the voting membership appointed by the governor. Board Officers shall be elected by a majority vote of a quorum of the voting Executive Board members in office. Board Officers shall not receive additional compensation for services rendered to DCT in their capacity as Board Officers, or if applicable, as a chair or co-chair of committees or advisory bodies. The Board Officers have the following duties:

1. **Chair.** The Executive Board must annually elect a chair from among the voting membership appointed by the governor. The Chair shall:
 - a. preside at meetings of the Executive Board at which they are present;
 - b. develop mechanisms to implement the actions approved by the Executive Board and ensure that all orders and resolutions of the Executive Board are carried into effect; and
 - c. perform all other lawful duties as specified in these Bylaws and within the Act or as may, from time to time, be prescribed by the Executive Board.
2. **Vice Chair.** The Executive Board must annually elect a Vice Chair from among the voting membership appointed by the governor. In the absence of the Chair, the Vice Chair shall perform the duties of Chair, and when so acting, shall have all the powers of and be subject to all the restrictions placed upon the Chair under the Act and these Bylaws. The Vice Chair also shall perform all other lawful duties as specified in these Bylaws and within the Act or as may, from time to time, be prescribed by the Executive Board.

Section 5.3: Other Officers Appointed by the Executive Board

1. **Chief Executive Officer.** Refer to Article 4 of these Bylaws.
2. **Medical Director.**

- a. Appointment. The Executive Board shall appoint, and unless otherwise established by law, set the salary of a licensed physician to serve as Executive Medical Director to assist in establishing and maintaining the medical policies of DCT. The Executive Board may place the Executive Medical Director's position in the unclassified service if the position meets the criteria of Minnesota Statutes, section 43A.08, subdivision 1a or as amended. The Executive Medical Director shall be a psychiatrist certified by the Minnesota Board of Psychiatry. The Executive Medical Director shall report to the CEO but has an indirect reporting structure to the Executive Board.
- b. Duties. The Executive Medical Director shall have the duties described in Minnesota Statutes, section 246C.09, subdivision 3 and subdivision 4, as amended.

ARTICLE 6

COMMITTEES

Section 6.1: Committees

The Executive Board may create one or more standing or ad-hoc committees. Each committee will have the authority given by the Executive Board at its creation. Upon the creation of a committee, the Executive Board will appoint a committee chair and vice chair, who must be a board member. Committee chair or vice chair may be removed from their position by a majority vote of a quorum of the voting Executive Board members in office. Executive Board members are expected to attend regular board meetings, committee meetings, and organizational events as required. The position typically requires a monthly commitment depending on DCT's needs. Executive Board members are expected to serve on one or more committees. A committee member may resign by giving notice to the DCT Executive Board Chair, or if the Chair is resigning from a committee, notice should be given to the DCT Executive Board Vice Chair. The Executive Board may assign DCT staff to Executive Board committees. Executive Board committees created by the Executive Board are subject to the Minnesota Open Meeting Law.

Section 6.2: Workgroups

The Executive Board may create one or more standing or ad-hoc workgroups. Upon the creation of a workgroup, the Executive Board may appoint a chair and vice chair, who must be a board member. Chair or vice chair may be removed from their position by a majority vote of a quorum of the voting Executive Board members in office. Executive Board members are expected to attend regular board meetings and workgroup meetings as required. The position typically requires a monthly commitment depending on DCT's needs. An Executive Board member may resign by giving notice to the DCT Executive Board Chair, or if the Chair is resigning from a workgroup, notice should be given to the DCT Executive Board Vice Chair. The Executive Board may assign DCT staff to Executive Board workgroups.

ARTICLE 7

CONFLICTS OF INTEREST

Section 7.1: Conflicts of Interest

In accordance with Minnesota Statutes, section 246C.06, subdivision 7, as amended, an Executive Board member must recuse themselves from discussion of and voting on an official matter if the Executive Board member has a conflict of interest. A conflict of interest occurs when a member's personal interests, personal association, financial interests or loyalties compete with or compromise their ability to faithfully fulfill their Executive Board responsibilities with objectivity, impartiality, good judgment, and loyalty to the state's interests. The Executive Board shall adopt and maintain a written policy regarding conflicts of interest to ensure that any actual, potential, or apparent conflict of interest regarding an Executive Board member is appropriately addressed.

Section 7.2: Annual Statements

Each Executive Board member and member of a committee with Executive Board delegated powers shall annually sign a statement which affirms that such person has received a copy of Minnesota Statutes, section 246C.06, subdivision 7, these Bylaws, and the related policy regarding conflicts of interest and has read and understands their obligations to disclose a conflict of interest, and agrees to comply with law and these Bylaws.

ARTICLE 8

PROTECTION FROM LIABILITY

Section 8.1: Statutory Protection

For any act performed within the course and scope of authority under the Act, the Executive Board, the individual members of the Executive Board and the employees and agents of the Executive Board will be entitled to the immunity granted pursuant to Minnesota Statutes, section 3.736 and Minnesota Statutes, section 246C.06, subdivision 10, subject to the limitations set forth therein.

ARTICLE 9

RULES OF ORDER

The Executive Board shall establish its own rules of order, which shall also govern the committees of the Executive Board.

ARTICLE 10

AMENDMENT

DCT's Bylaws may be amended only by the affirmative vote of a majority of the entire Executive Board. In the event the Executive Board proposes to consider an amendment at an Executive Board meeting, notice of the meeting must state that a proposed amendment will be considered at the meeting, and must also give notice of the proposed amendment(s). All such notices must comply with Minnesota's Open Meeting Law. No amendment may be adopted that would conflict with the provisions of the Act relative to the governance of DCT.

These Bylaws will be deemed automatically amended in the event of any amendment to the Act subsequent to the date of adoption hereof, to the extent necessary to bring the Bylaws into compliance with the amended provisions of the Act.

ARTICLE 11

SEVERABILITY

If any provision of the Bylaw is found invalid, illegal, unconstitutional, or unenforceable, that finding shall not affect or undermine the validity of any other provision which can be enforced without the use of offending portion of the Bylaw. The invalidity of any provision of these Bylaws does not affect the validity of the remaining provisions, and for this purpose these Bylaws are severable.

ARTICLE 12

EFFECTIVE DATE

These Bylaws shall become effective, provided the Executive Board approves them pursuant to Minnesota Statutes 2024, section 246C.07, subdivision 4, on _____.

THIS IS TO CERTIFY that these Bylaws, are current as of _____, 2025, and include the amendments approved by action of the Executive Board of Direct Care and Treatment _____.

By: _____

[title]

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