pcori

PATIENT-CENTERED OUTCOMES RESEARCH INSTITUTE

Board of Governors Meeting via Teleconference / Webinar

Tuesday, February 28, 2017

12:00 pm – 1:30 pm ET

Board Members Present:

Grayson Norquist, MD, MSPH, *Chairperson*; Kerry Barnett, JD, *Vice Chairperson;* David Meyers, MD (designee for Sharon Arnold, PhD); Larry Becker; Francis Collins, MD, PhD; Allen Douma, MD; Alicia Fernandez, MD; Christine Goertz, DC, PhD; Leah Hole-Marshall, JD; Russell Howerton, MD; Gail Hunt; Barbara McNeil, MD, PhD; Ellen Sigal, PhD; Kathleen Troeger, MPH; Robert Zwolak, MD, PhD

Board Members Absent:

Debra Barksdale, PhD, RN; Robert Jesse, MD, PhD; Harlan Krumholz, MD, SM; Richard Kuntz, MD, MSc; Sharon Levine, MD; Freda Lewis-Hall, MD;

Minutes

Agenda Item	**PCORI Speakers**
Call to Order, Roll Call, and Welcome - *Grayson Norquist, MD, MSPH, Chairperson* and *Joe Selby, MD, MPH, Executive Director*	Dr. Norquist chaired and opened the meeting, welcomed all to the meeting of the PCORI Board of Governors and read the Chair Statement on Conflict of Interest.
Consider for Approval: Consent Agenda • Minutes of the January 24, 2017 Board Meeting • Nominations for Committee Appointments • Nomination for Advisory Panel Chair Position - *Grayson Norquist, MD, MSPH*	Dr. Norquist introduced the Consent Agenda which included the approval of the January 24, 2017 meeting minutes, approval of the nomination for appointments for Sharon Arnold, PhD, to serve on the Science Oversight Committee and the Engagement, Dissemination and Implementation Committee, and the appointment of Matt Cheung, PhD, RPh, to serve as Chair of the Rare Disease Advisory Panel, brought to the Board by the Governance Committee. Dr. Norquist gave the opportunity to Board members to discuss any of the matters on the Consent Agenda. No separate discussion was requested. The following motion was made by Barbara McNeil and seconded by Kerry Barnett: That the Board approve: • Minutes from the January 24, 2017 Board meeting • Nomination by the Governance Committee of Board Member Sharon Arnold to serve on the Engagement, Dissemination and Implementation Committee (EDIC) and the Science and Oversight Committee (SOC) • Nomination of Matt Cheung, PhD, RPh, to serve as Chair of the Rare Disease Advisory Panel (RDAP) through August 2019.

	Motion: Approve the Consent Agenda *Approved by a majority vote of the Board by voice vote (no opposed; no abstentions)*
Consider for Acceptance: FY 2016 Audit Report - *Tom Sneeringer, CPA, Partner, RSM US, and Kerry Barnett, JD, Chair, Governance Committee*	Kerry Barnett, Chair of the Governance Committee, reminded the Board that the Governance Committee is responsible for the oversight of PCORI's annual financial audit and outlined the process and timeline for the FY 2016 audit that concluded September 30, 2016. He noted that the planning process started in May 2016 and included four meetings between the Governance Committee and Tom Sneeringer, Partner and Client Service Coordinator, RSM US, to receive periodic reports that included Executive Sessions between the auditors and Governance Committee members. The final report was presented to the Governance Committee on January 17, 2017 and is presented for acceptance by the Board. Barnett then introduced Tom Sneeringer who presented the Board of Governors with the FY 2016 Audit Report. Sneeringer noted that the audit procedures are designed with the objective to provide a reasonable assurance that the financial statements are free of material misstatement, whether caused by error or fraud. They examine the amounts in the financial statements, the accounting principles used and significant estimates made. Mr. Sneeringer then presented the highlights of the auditors' management letter. PCORI received the highest level of assurance that the financial statements are free of material misstatement in an unmodified opinion. He stated the financial statements were presented fairly in all material respects, the financial position, the changes in net assets, and its cash flows. There were no findings related to deficiencies in internal control over financial reporting, nor any findings related to compliance or other matters. Sneeringer also reviewed PCORI's FY2016 assets, liabilities, and net assets which reflected increases for this fiscal year over prior years due to increased revenues in the PCOR Trust Fund, and increased research contracts expenditures. It was noted that while the FY 2016 report showed a net surplus of $127M over FY 2015, all assets are committed and outlined in the financial reports that the Finance Department provides the Board periodically. Sneeringer remarked that PCORI was in a very strong financial position with added strength over FY 2016.

pcori

PATIENT-CENTERED OUTCOMES RESEARCH INSTITUTE

	The following motion was made by Russell Howerton and seconded by Barbara McNeil: **Motion:** Accept the FY2016 Audit Report *Approved by a majority vote of the voting Board members by roll call (14 in favor; 0 opposed; 0 abstentions and 0 recusals), Gail Hunt was not present for this vote.*
Consider for Acceptance: Update of PCORI Governing Documents - *Mary Hennessey, Esq., General Counsel*	Mary Hennessey led a discussion on recommendations of the Governance Committee and Finance and Administration Committee to update PCORI's governing documents. The Governance Committee is recommending that the Board authorize an Executive Committee to add a governance framework for Board-authorized action by the Executive Committee on urgent matters when it is not practical or it is inadvisable to wait until the next Board meeting. The Finance and Administration Committee is recommending that the Board approve updates to PCORI's governing documents to include standard provisions for tax-exempt, nonprofit organizations to support best practices and enable PCORI to meet requirements of additional Internal Revenue Code tax exemption sections. Ms. Hennessey noted that the issue of authorizing an Executive Committee had been carefully considered by the Governance Committee. Under the recommended charter, the Executive Committee would not meet regularly, nor would it be used for routine matters or matters that applicable law does not allow to be delegated by the Board (such as matters that are not delegable under PCORI's authorizing law or that are not delegable under DC nonprofit law. The Board Chairperson and Vice Chairperson would serve as the Executive Committee Chair and Vice Chair and the Executive Committee could only convene at the call of the Executive Committee Chair or Vice Chair. All actions taken by the Executive Committee would be required to be reported to the Board promptly and again at the next Board meeting to support transparency. The membership of this Committee would consist of the Board Chairperson, Vice Chairperson and the Chairs of the Finance and Administration Committee, the Research Transformation Committee, the Science Oversight Committee, the Engagement, Dissemination, and Implementation Committee and the Governance Committee (if he/she was not already serving as a member in another capacity (e.g. Board Chairperson or Vice Chairperson)). Only members of the Board are authorized to serve on the Executive Committee. To authorize an Executive Committee, the Board will need to consider and

	approve the proposed Charter for the Executive Committee and amendments to PCORI's Bylaws. Ms. Hennessey also outlined the proposed updates to PCORI's governing documents to add standard provisions for tax-exempt, nonprofit organizations. These additional provisions are consistent with PCORI's current and historic practices. The updated provisions include confirmation that PCORI operates for charitable and educational purposes; no private inurement; no intervention in political campaigns; no substantial part of activities attempting to influence legislation; and upon dissolution, after payment of debts, remaining assets are to be distributed for charitable or educational purposes consistent with PCORI's purpose or to government for public purpose. The dissolution provision will be reflected in PCORI's Amended and Restated Articles of Incorporation rather than the Bylaws. The update of PCORI governing documents will also result in the deletion of outdated provisions. To adopt these standard provisions for tax-exempt, nonprofit organizations, the Board will need to consider approving Restated and Amended Articles of Incorporation and amendments to PCORI's Bylaws *The following motion was made by Robert Zwolak and seconded by Christine Goertz:* **Motion:** That the PCORI Board of Governors approve and adopt each of the following proposed governing documents: • Executive Committee Charter • Amendments to PCORI Bylaws • Amended and Restated Articles of Incorporation *Approved by a majority vote of the voting Board members by roll call (14 in favor; 0 opposed; 1 abstention (David Meyers); and 0 recusals.*
Implementation of PCORnet FY17 Funding Commitment Plan • PCORnet Sustainability • Network Development - *Rachael Fleurence, PhD, Program Director, Research Infrastructure*	Dr. Fleurence introduced the discussion on the Implementation of the PCORnet FY17 funding commitment. She reminded the Board of PCORnet's FY17 budget activities and that PCORI's goal is to provide infrastructure resources to develop a sustainable network. Dr. Fleurence then provided the Board with an update on efforts to advance the sustainability of PCORnet. A workgroup of Principal Investigators tied to organizations involved in PCORnet are taking steps to form an independent, non-profit entity (referenced as NewCo, until a formal name is determined). She reminded the Board that the development of NewCo is being led by a workgroup (the Startup Workgroup) that was organized within PCORnet, and is not a PCORI workgroup. NewCo is

	expected to incorporate in March 2017 as a nonprofit organization that will continue to be patient and people-centered. The NewCo Board of Directors is expected to be named in March 2017 which will create and approve NewCo's Bylaws. Dr. Fleurence informed the Board that PCORI anticipates proposing a request for funding to provide infrastructure funding to NewCo at the March 21, 2017 Board Meeting and that these funds will be used to support a NewCo Program Office and to support the expansion of the data and clinical trial capabilities of PCORnet. This funding is within the Board-approved FY17 budget under the funding commitment plan for PCORnet Research Infrastructure which was initially endorsed by the Research Transformation Committee (RTC) on December 19, 2016. Dr. Fleurence then gave an overview of the anticipated request. The funds would be provided by PCORI to NewCo, which would use the funds to advance the infrastructure of the NewCo Program Office. Additionally, NewCo would provide some of the infrastructure funding to Networks. She discussed how the funding to NewCo would build upon the current infrastructure funding that PCORI made through PCORnet Phase I and Phase II. This funding would go towards developing a trial infrastructure, increasing data to participate in more, rapid, and diverse research, and increase data linkage to people-centered communities. She informed the Board that $23.4M is anticipated for Data and Network Nodes and $2.0M is anticipated for advancing the Program Office for a total anticipated Board request of $25.4M. It is anticipated that PCORI funds would be awarded through a cost-reimbursable funding agreement and NewCo would submit a project plan with milestones to be approved by PCORI. The contract would use a cost-reimbursement mechanism with evaluations throughout the course of the award and the RTC would continue to be the oversight Strategy Committee for the PCORI Board and for the award and would be consulted and informed throughout the funding contract. Dr. Fleurence also showed a timeline that was provided by the Startup Workgroup. Following the presentation, discussion took place by Board members addressing the updated business plan for NewCo, the importance of a people centricity policy, how the NewCo Program Office would operate, and how decisions in NewCo will be made.
Wrap up and Adjournment - *Grayson Norquist, MD, MSPH*	Meeting ended at 1:00 pm

PATIENT-CENTERED OUTCOMES RESEARCH INSTITUTE

Minutes were approved by the PCORI Board of Governors 03-21-2017

Attachment A: Approved Executive Committee Charter

Attachment B: Approved Revised PCORI Bylaws

Attachment C: Approved Amended and Restated Articles of Incorporation

ATTACHMENT A

Approved on February 28, 2017

Executive Committee Charter

The Executive Committee (the “Committee”) of the Board of Governors of the Patient-Centered Outcomes Research Institute (PCORI) is authorized to exercise the powers of the Board as set forth in this Charter.

Membership
The Committee shall consist of the Board Chairperson, the Board Vice Chairperson, and the Chairs of the Finance and Administration Committee, the Science Oversight Committee, the Engagement, Dissemination, and Implementation Committee, and the Research Transformation Committee, only if each such Chair is a member of the Board of Governors. The Chair of the Governance Committee shall also be a member of the Committee if s/he is not already a member of the Committee due to serving in a position that is already specified as a member of the Committee (i.e., serving as the Board Chairperson or Board Vice Chairperson), but only if such Chair is a member of the Board of Governors.

The Chair of the Committee shall be the Chairperson of the Board, or, if designated by the Chairperson of the Board, the Vice-Chairperson of the Board.

The Vice-Chair of the Committee shall be the Vice-Chairperson of the Board, unless the Chairperson of the Board has designated him/her to serve as the Chair of the Committee. If the Vice-Chairperson of the Board has been designated by the Board Chairperson to serve as the Chair of the Committee, the Board Chairperson shall designate a Vice-Chair of the Committee from among the members of the Committee.

Quorum and Voting
A quorum shall consist of a majority of the Committee. The act of a majority of the members present at a meeting at which a quorum is present shall be the act of the Committee.

Any action that may be taken at a meeting of the Committee may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members of the Committee, and such written consent is filed with the minutes of the Committee. Such consent shall have the same force and effect as a vote at a meeting.

Committee Operations
The Committee shall meet only upon the call of the Committee Chair or Committee Vice-Chair, provided that reasonable notice has been provided to all Committee members. Meetings of the Committee may be held in person, by teleconference, or by other electronic means that allow appropriate participation by all members.

Action by unanimous written consent of the Committee shall only be requested by the Committee Chair or Committee Vice-Chair.

The Committee may meet in executive session without management present. Minutes of all meetings shall be retained and made available in the same manner as minutes of the Board of Governors.

The Committee shall be staffed by the Executive Director and by such other staff as the Executive Director, with the counsel of the Committee, deems appropriate.

Committee Authority and Responsibilities
Subject to compliance with applicable law, the Committee shall only be authorized to make decisions or take action on urgent matters when it is not practical or it is inadvisable to wait until the next Board meeting to make such decision or take such action.

As provided in PCORI's authorizing law and District of Columbia non-profit law, the Committee shall not have authority to:

- Identify or modify the national research priorities;
- Establish or update the research agenda;
- Adopt or amend the methodological standards developed and updated by the Methodology Committee;
- Adopt or amend the peer-review process for primary research adopted by the Board;
- Authorize distributions;
- Fill vacancies on Board committees, except as permitted by applicable law; or
- Adopt, amend, or repeal Bylaws.

Any decision or action taken by the Committee shall promptly be reported to the Board of Governors and shall be reported at the next meeting of the Board of Governors.

The Board shall periodically review the Committee Charter and the Committee's performance, and consider whether changes to the Charter may be appropriate.

History:
Approved by the PCORI Board of Governors 2/28/2017

Attachment B

As amended by PCORI Board of Governors 2/28/2017

BYLAWS

OF

PATIENT-CENTERED OUTCOMES RESEARCH INSTITUTE

ARTICLE I
NAME

1. The name of the non-profit corporation is the Patient-Centered Outcomes Research Institute (the "Corporation").

ARTICLE II
PURPOSE

2. The Corporation is organized pursuant to, and shall be operated for such purposes as are set forth in, Title XI of the Social Security Act (42 U.S.C. 1301 et seq.), Part D (the "Act").[1]

ARTICLE III
OFFICES

3. Principal and Other Offices. The Board of Governors of the Corporation (the "Board") may designate the Corporation's principal and other office locations, within or without the District of Columbia, as the Board may determine are necessary or appropriate to meet the Board's objectives.

ARTICLE IV
BOARD OF GOVERNORS

4.1. Number and Composition. The Board of Governors shall consist of those persons designated by the Act or appointed thereto by the Comptroller General of United States, pursuant to Part D, Section 1181(f) of the Act.

4.2. Term and Vacancies. Pursuant to the Act, a member of the Board shall be appointed for a term of six (6) years, except with respect to the members first appointed, whose terms shall be staggered evenly over 2-year increments. No individual shall be appointed to the Board for more

[1] Part D of the Act was added by Title VI, Subtitle D of the Patient Protection and Affordable Care Act.

than two (2) terms. Any member of the Board may resign at any time by giving written notice to the Chairperson. Vacancies shall be filled in the same manner as the original appointment was made. An appointed member of the Board shall fill the vacant position on the Board for the remainder of the term of the vacated position, if any.

4.3. Powers and Duties. The Board shall have such powers and duties as are provided in the Act, and to the extent consistent with the Act, any powers provided under the District of Columbia Non-profit Corporation Act, as amended.

4.4. Quorum. A majority of the members of the Board shall constitute a quorum, but a lesser number of members may meet and hold hearings.

4.5. Board Action. Any act authorized by majority vote of the members of the Board present at a meeting of the Board at which a quorum is present shall be an act by vote of the Board, unless the act of a greater number is required by law or by these bylaws.

4.6. Compensation and Expenses. Each member of the Board who is not an officer or employee of the Federal Government shall be entitled to compensation (determined in accordance with the Act and compensation policies adopted by the Board) and expenses incurred while performing duties of the Board.

ARTICLE V
COMMITTEES

5.1. Authority. The Board, by resolution adopted by a majority of the members of the Board, may designate and appoint one or more committees of its members, each of which shall consist of two or more persons, which shall exercise such responsibilities and powers as the Board shall assign or delegate to them in said resolution. Such committees shall operate in accordance with their authorizing resolutions and these Bylaws. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board or any individual member of any responsibility imposed upon it or him or her by the Act or any other law.

5.2. Manner of Acting. Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee. Each committee may adopt rules for its own governance not inconsistent with the Act or any other law, these Bylaws or with rules adopted by the Board.

5.3 Methodology Committee.

(a) The Methodology Committee shall be a standing committee responsible for carrying out the functions assigned to it by the Act. The Methodology Committee shall be composed of not more than fifteen (15) members appointed by the Comptroller General of the United States. The members of the Methodology Committee shall serve staggered six (6) year terms. The members shall be divided into three (3) groups by the Board Chairperson, with a goal of having a balanced number of Methodology Committee members in each group. The terms of the initial members of the Methodology Committee shall be two (2), four (4) and six (6) years. Upon expiration of the initial terms, all members or their replacements shall serve six (6) year terms, subject to the authority of the Comptroller General of the United States to appoint Committee members. Any member of the Committee may resign at any time by giving written notice to the Chairperson. Vacancies shall be filled in the same manner as the original appointment. An appointed member of the Methodology Committee shall fill the vacant position on the Methodology Committee for the remainder of the term of the vacated position, if any. In addition to the members appointed by the Comptroller General of the United States, the Directors of the National Institutes of Health and the Agency for Healthcare Research and Quality (or their designees) shall each be included as members of the Methodology Committee.

(b) The Methodology Committee Chair and Vice Chair are nominated by the Governance Committee, upon consultation with the members of the Methodology Committee. The Methodology Committee Chair and Vice Chair must be approved by a majority vote of the Board. The Methodology Committee Chair and Vice Chair shall serve for a two (2) year term or until replaced by the Board, and each shall be eligible to serve no more than two (2) consecutive terms in such respective office. A two-thirds (2/3) vote of the full Board shall be required to remove the Methodology Committee Chair or Vice Chair prior to completion of his or her term.

(c) Each member of the Methodology Committee who is not an officer or employee of the Federal Government shall be entitled to compensation (determined in accordance with the Act and compensation policies adopted by the Board) and expenses incurred while performing duties of the Methodology Committee.

(d) Subject to the authority of the Board, the Methodology Committee may create subcommittees and working groups as it sees fit to advance its work.

(e) The Methodology Committee shall be subject to the quorum and voting provisions set forth in Section 5.2 of these Bylaws.

5.4 Executive Committee. There shall be an Executive Committee, which shall be a standing committee of the Board. The Executive Committee shall have the authorities and responsibilities set forth in its Charter (as approved by the Board from time to time). The Chair of the Executive Committee shall be the Chairperson of the Board, or, if designated by the Chairperson of the Board, the Vice-Chairperson of the Board. The Executive Committee membership shall consist of the Board Chairperson, the Board Vice-Chairperson, and the Chairs of the Finance and Administration Committee, the Science Oversight Committee, the Engagement, Dissemination, and Implementation Committee, and the Research Transformation Committee, only if such Chair is a member of the Board of Governors. The Chair of the Governance Committee shall also be a member of the Committee, if not already serving as a member of the Committee in another capacity, only if such Chair is a member of the Board of Governors. The Executive Committee shall operate in accordance with its Charter and these Bylaws.

5.5 Governance Committee.

(a) There shall be a Governance Committee, composed of the Board Chairperson and Vice Chairperson, and up to three (3) other members of the Board and one (1) member of the Methodology Committee nominated by the Governance Committee and confirmed by Board vote. Chairs of the Finance and Administration Committee and of the Strategy Committees described in Section 5.8 shall not be eligible to serve on the Governance Committee. The Chair of the Governance Committee shall be the Chairperson of the Board or his/her designee from among the Vice-Chairperson of the Board and current Board members who have previously served as either the Chairperson or Vice-Chairperson of the Board. If the Chairperson designates a former Chairperson or Vice-Chairperson as the Committee Chair, the designated Committee Chair will serve as an additional member of the Committee.

(b) The Governance Committee shall have the following duties and responsibilities:

(i) To advise the Board on governance matters, Board and committee composition and leadership, Board development, education, and effectiveness,, oversee and advise on PCORI's independent audit, and advise on conflict of interest and ethics issues;

(ii) To make nominations for the following:

a. the Chair and Vice Chair of the Methodology Committee, in consultation with the Methodology Committee;
b. the Chair and, if applicable, the Vice Chair of the Finance and Administration Committee;
c. the Chair and, if applicable, the Vice Chair of each of the three Strategy Committees of the Corporation;
d. the Treasurer and Secretary;
e. the membership of the Governance Committee; and
f. committee membership and other positions as provided in the Bylaws and committee Charters.

(iii) To advise the Comptroller General of the United States, if requested, regarding appointment of:

a. the Board Chairperson and Vice Chairperson;
b. new members of the Board; and
c. new members of the Methodology Committee, upon consultation with the Methodology Committee.

(c) All nominations are to be presented to the full Board for approval by majority vote.

5.6. Executive Evaluation and Compensation Sub-Committee of the Governance Committee. The purpose of the Executive Evaluation and Compensation Sub-Committee is to oversee the executive evaluation and compensation program of the Corporation in accordance with its Charter (as approved by the Board from time to time) and these Bylaws.

(a) The Executive Evaluation and Compensation Sub-Committee shall be composed of the Chairperson of the Board, the Vice-Chairperson of the Board, and the Chair of the Finance and

Administration Committee.

(b) The Chair of the Executive Evaluation and Compensation Sub-Committee shall be the Chairperson of the Board or his/her designee from among the Vice-Chairperson of the Board and current Board members who have previously served as either the Chairperson or Vice-Chairperson of the Board. If the Chairperson designates a former Chairperson or Vice-Chairperson as the Sub-Committee Chair, the designated Sub-Committee Chair will serve as an additional member of the Sub-Committee.

5.7 Finance and Administration Committee. The Finance and Administration Committee shall be a standing committee of the Board. The purpose of the Finance and Administration Committee is to provide advice and assistance to the Board and the Corporation regarding the Corporation's fiduciary and general administrative duties. This committee shall provide oversight with respect to the financial and administrative strategies, policies and procedures of the Corporation. This committee will have such additional authorities and responsibilities as set forth in its Charter (as approved by the Board from time to time). Such committee shall operate in accordance with its Charter and these Bylaws.

5.8 Standing Strategy Committees.

(a) There shall be three Standing Strategy Committees of the Corporation. Their responsibilities and authorities are as set forth below and as further detailed in the Charter of such committee as approved by the Board from time to time. The Strategy Committees of the Corporation shall operate in accordance with their respective Charters (as approved by the Board from time to time) and in accordance with these Bylaws. Such Standing Strategy Committees of the Corporation shall not have delegated authority of the Board and are limited to bringing recommendations to the Board for action:

(i) Science Oversight Committee. The primary purpose of the Science Oversight Committee is to advise the Board and Corporation on: the strategic goal of increasing the quantity, quality, and timeliness of usable and trustworthy comparative research information; gaps, priorities, and opportunities for research of the Corporation; existing research and programs of the Corporation; and ongoing interactions and engagement with stakeholders on research priorities and responsiveness to patients, caregivers, and priority populations.

(ii) Engagement, Dissemination, and Implementation Committee. The primary purpose of the Engagement, Dissemination, and Implementation Committee is to advise the Board and Corporation on: the strategic goal of speeding implementation and use of research evidence; creative and consistent approaches for engaging the primary end-users of the Corporation's work; the development and implementation of strategic communications; engaging stakeholders in the design and implementation of research; and, strategies for effectively disseminating Corporation research to multiple audiences, including through collaboration with the federal Agency for Healthcare Research & Quality.

(iii) Research Transformation Committee. The primary purpose of the Research Transformation Committee is to advise the Board and Corporation on: the strategic goals of influencing research funded by others to be more patient-centered and more useful; promoting high quality methodology for patient-centered outcomes research and comparative effectiveness research in collaboration with the Methodology Committee; strategies to enhance the capacity and capability of researchers and stakeholders within the United States to conduct patient-centered outcomes research; and, strategies and opportunities for the Corporation to collaborate with other funders on patient-centered outcomes research and comparative effectiveness research.

(b) Membership of each of the Strategy Committees of the Corporation described in this Section is composed of those members of the Board and up to two (2) members of the Methodology Committee who are nominated by the Governance Committee and approved by majority vote of the Board. Any member of a Strategy Committee of the Corporation can be removed from the committee at any time by vote of a majority of the Board.

(c) Chairs of each of the Strategy Committees of the Corporation shall be nominated by the Governance Committee, and approved by majority vote of the Board. Such committee chairs of Strategy Committees shall serve for a two (2) year term or until replaced by the Board and shall be eligible to serve no more than two (2) consecutive terms in such office. Such committee chairs can be removed from such position at any time by vote of a majority of the Board.

(d) The Governance Committee may nominate a Vice-Chair of any Strategy Committee of the Corporation, for approval by the majority vote of the Board. A Vice-Chair of a Strategy Committee of the Corporation shall serve for a two (2) year term or until replaced by the Board and shall be eligible to serve no more than two (2) consecutive terms in such office. Such Vice-Chair can be removed from such position at any time by a vote of a majority of the Board.

5.9 Additional Committees of the Corporation.

(a) The Board or the Board Chairperson has authority to create and disband committees, working groups, and ad hoc committees of the Corporation for specific purposes and to appoint the members of these committees, working groups, and ad hoc committees. The Board Chairperson shall notify the Board of these actions.

(b) Such committees, working groups, and ad hoc committees of the Corporation under this Section shall not have delegated authority of the Board. Their authority shall be limited to bringing recommendations to the full Board for action. Membership on such additional committees, working groups, and ad hoc committees of the Corporation may include members or non-members of the Board. Such committees, working groups, and ad hoc committees may have a specific sunset date, after which time they would require re-authorization to remain in existence.

ARTICLE VI

MEETINGS

6.1. Board Meetings and Hearings.

(a) The Corporation shall comply with the Meetings Policy, as adopted and amended by the Board from time to time (the "Meetings Policy"). As used in this Article VI, the terms "meeting" and "open meeting" are used as defined in the Meetings Policy.

(b) The Board shall meet and hold meetings at the call of the Chairperson or a majority of its members. Open meetings shall be advertised at least seven (7) days in advance and open to the public. The Board shall provide notice at least seven (7) days in advance of the time, location, and general topics scheduled for discussion of each open meeting. Meetings other than open meetings need not be advertised nor open to the public. Minutes of all meetings shall be taken and maintained by the Corporation.

6.2. Telephonic Participation. Board members may participate in a meeting of the Board or a committee of the Board by means of conference telephone or by any means of communication by which all persons participating in the meeting are able to hear one another (and, in the case of open meetings, the public located at the location specified in the meeting notice is able to hear all of the participating members of the Board).

6.3. Action Without Meeting.

(a) Unless restricted by the Act or other law, any action that may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members of the Board, and such written consent is filed with the minutes of proceedings of the Board. Such consent shall have the same force and effect as a unanimous vote.

(b) Action may be taken by written consent in lieu of action taken by the Board at an open meeting, but only in instances where it is not practical or advisable to wait until the next open meeting to take such action. Any such action shall promptly be reported on the PCORI website and at the next open meeting.

ARTICLE VII
OFFICERS

7.1. General. Pursuant to the Act, the Comptroller General of the United States shall designate a Chairperson and Vice Chairperson of the Board from among the members of the Board. Such members shall serve as Chairperson and Vice Chairperson for a term of three (3) years or until replaced by the Comptroller General of the United States.

7.2. Other Officers. The Board shall elect a President, Secretary, and Treasurer and may elect such other officers, assistant officers, or agents as the Board shall deem desirable, and such officers, assistant officers, and agents shall have the authority and perform the duties prescribed from time to time by the Board. Any number of offices may be held by the same person, except the offices of President and Treasurer. The Executive Director shall serve as the President.

7.3. Chairperson. The Chairperson shall preside at all meetings and shall perform such other duties as the Board may require.

7.4. Vice Chairperson. The Vice Chairperson shall perform the duties of the Chairperson when the Chairperson is unable to act or is absent from a meeting, and the Vice Chairperson shall perform such other duties as are prescribed by the Chairperson or the Board.

7.5. Executive Director and Other Personnel. The Board may employ and fix the compensation of an Executive Director and such other personnel as may be necessary to carry out the duties of the Corporation, consistent with these Bylaws. Following consultation with members of the Board, the Executive Evaluation and Compensation Sub-Committee shall conduct a performance review of the Executive Director on an annual basis. The results of such review shall be reported to the Board.

ARTICLE VIII
LIABILITY AND INDEMNIFICATION

8.1. No Personal Liability. No contract entered into by or on behalf of the Corporation shall personally obligate any employee, officer, or Board member of the Corporation, including the employee, officer or Board member authorizing such contract or executing same.

8.2. Indemnification.

(a) To the fullest extent permitted by law and as otherwise provided in this section 8.2, the Corporation shall indemnify any employee, officer, Board member and committee member, and any former employee, officer, Board member and committee member (each, a “Potential Indemnitee”), against any and all liabilities (including without limitation judgments, fines, and penalties against such Potential Indemnitee) and reasonable expenses (including without limitation reasonable counsel fees and other reasonable related fees) actually and necessarily incurred by or imposed on him or her, in connection with such Potential Indemnitee’s defense against any claim, action, suit, or proceeding (whether actual or threatened, civil, criminal, administrative, or investigative, including appeals) (each, a “Proceeding”) to which he or she may be or is made a party by reason of being or having been such a Potential Indemnitee (such liabilities and expenses, collectively, “Indemnifiable Amounts”). Notwithstanding the foregoing, Indemnifiable Amounts shall include amounts paid in settlement by a Potential Indemnitee only if such amounts are approved by the Board.

(b) In lieu of providing the advancements or indemnification provided for herein, the Corporation may, at its own expense and not to be reimbursed by the Potential Indemnitee, undertake the defense of any such Potential Indemnitee, in which case the Board in its discretion may determine whether the Corporation shall reimburse such Potential Indemnitee for any fees and expenses incurred as a result of his or her engagement of separate counsel, whether through advancements or indemnification. The provisions of this subsection 8.2(b) shall not apply to any Proceeding by or in the right of the Corporation.

(c) Except as otherwise provided herein, within fifteen (15) business days after the Corporation's receipt of a request therefore, and of a written undertaking by the Potential Indemnitee to agree to repay or to reimburse all such amounts if it is determined that such Potential Indemnitee is not entitled to indemnification under this Article, the Corporation shall advance Indemnifiable Amounts to a Potential Indemnitee. The provisions of this Article shall be applicable to Proceedings made or commenced after the adoption hereof, whether arising from acts or omissions to act occurring before or after adoption hereof.

(d) The indemnification and advancements provided by this Article shall not be deemed exclusive of any other rights to which any Potential Indemnitee may be entitled under any applicable law.

(e) The indemnification and advancements provided by this Article shall not restrict the power of the Board to provide any additional indemnification and advancements permitted by law.

(f) As a condition precedent to a Potential Indemnitee's right to be indemnified or receive advancements hereunder, he or she shall (i) give to the Corporation notice in writing directed to the Chairperson of the Corporation (or to such other individual as the Corporation may designate) as soon as practicable of any Proceeding made against such Potential Indemnitee for which indemnity will or could be sought, and (ii) other than in connection with a Proceeding by or in the right of the Corporation, provide the Corporation with such information and cooperation as it may reasonably request.

8.3. Insurance. The Board may purchase insurance on behalf of any Potential Indemnitee against any liability which may be asserted against or incurred by him or her that arises out of such person's status as a Potential Indemnitee or out of acts taken in such capacity, whether or not the Corporation would have the power to indemnify such person against that liability under law. To the extent that any applicable insurance is available to respond to any Proceeding addressed in this Article, such insurance shall be exhausted before any payment is made pursuant to the advancement and indemnification provisions in this Article.

ARTICLE IX
BYLAWS AMENDMENTS AND RULES OF THE BOARD

9.1. Amendments to Bylaws. Bylaws shall not be amended unless at least seven (7) days' advance notice is given to all members of the Board and to the public. A vote of at least two-thirds (⅔) of the members present at a meeting of the Board at which a quorum is present may from time to time alter, amend, or repeal the bylaws or adopt new bylaws.

9.2. Rules. In addition to, and separate from, these bylaws, the Board may adopt such rules of the Board as it deems necessary or appropriate to discharge its responsibilities under the Act.

ARTICLE X
MISCELLANEOUS PROVISIONS

10.1. Fiscal Year. The Corporation's fiscal year shall be October 1 through September 30.

10.2. Capital Expenditures. Except as expressly delegated by the Board, no capital expenditure or investment shall be made without the approval of the Board.

10.3. Contracts. The Board may authorize any officer or officers, assistant officer or assistant officers, agent, or agents of the Corporation in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances.

10.4. Payment of Money. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation, shall be signed or approved by such officer or officers, assistant officer or assistant officers, agent, or agents of the Corporation and in such manner as authorized by the Board.

10.5. Books. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board and committees having any of the authority of the Board of Governors.

10.6. Restriction on Gifts. The Corporation, its Board and staff, are prohibited from accepting any gifts, bequeaths, or donations of services or property to the extent set forth in the Act and the Conflict of Interest Policy and other policies as adopted and amended by the Board from time to time.

10.7. No Generation of Revenues in Contravention of Act. The Corporation is prohibited from establishing a corporation or generating revenues from activities other than as provided in the Act.

10.8. Selection of Auditor. The Governance Committee shall retain an accounting firm to annually audit the Corporation's financial records.

10.9. Headings. Section and other headings contained herein are for reference purposes only, and are not intended to describe, interpret, define, or limit the scope, extent, or intent of any of the provisions hereof.

10.10. Variation of Terms. All terms and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the respective person or persons may require.

10.11. Severability. If any part of these bylaws shall be found in any action, suit, or proceeding to be invalid or ineffective, the validity and effectiveness of the remaining parts shall not be affected.

History:
Approved by PCORI Board of Governors 1/19/2012
Technical Correction 9/18/2012
Amended by PCORI Board of Governors 9/10/2013
Amended by PCORI Board of Governors 2/25/2014
Amended by PCORI Board of Governors 4/21/2015
Amended by PCORI Board of Governors 2/28/2017

ATTACHMENT C

AMENDED AND RESTATED

ARTICLES OF INCORPORATION

OF

PATIENT-CENTERED OUTCOMES RESEARCH INSTITUTE

The Patient-Centered Outcomes Research Institute, a Washington, D.C. nonprofit corporation (the “Corporation”), hereby certifies:

1. That the Corporation is organized and operated as a nonprofit corporation pursuant to Title 29, Chapter 4 of the District of Columbia Code.

2. That these Amended and Restated Articles of Incorporation, which restate and amend the Corporation’s Articles of Incorporation, were duly approved by a resolution of the Board of Governors of the Corporation adopted on [date]; and

3. That the Corporation’s Articles of Incorporation are hereby amended and restated in their entirety to read as follows and the subsequent page:

ARTICLES OF INCORPORATION

OF

PATIENT-CENTERED OUTCOMES RESEARCH INSTITUTE

FIRST: The name of the corporation is: Patient-Centered Outcomes Research Institute (hereafter called the "Corporation").

SECOND: The period of existence shall be perpetual.

THIRD: This Corporation is organized and shall be operated for exclusively charitable and educational purposes including, without limitation, to assist patients, clinicians, purchasers, and policy-makers in making informed health decisions by advancing the quality and relevance of evidence concerning the manner in which diseases, disorders, and other health conditions can effectively and appropriately be prevented, diagnosed, treated, monitored, and managed through research and evidence synthesis that considers variations in patient subpopulations, and the dissemination of research findings, and appropriateness of medical treatments, services, and items. The Corporation may engage in any and all lawful activities incidental to the foregoing purposes as the Board of Directors shall determine except as restricted by applicable law.

No part of the net earnings of the Corporation shall be distributed to or inure to the benefit of its directors, officers, or other private persons, except that the Corporation may pay reasonable compensation for services rendered to or for the Corporation and make payments and distributions in furtherance of the purposes of the Corporation.

No substantial part of the activities of the Corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate or intervene in (including the publication or distribution of statements concerning) any political campaign on behalf of or in opposition to any candidate for public office..

FOURTH: The Corporation shall not have members. Upon dissolution, after payment of all valid debts of the Corporation and necessary expenses thereof, or provision for same, all the remaining assets shall be distributed for one or more charitable or educational purposes consistent with the purposes specified in Article Third of these Articles or to the Federal government, or to a State or local government, for a public purpose.

FIFTH: The number of Directors shall be fixed by the Bylaws, but shall not be less than three (3). The regulation of the internal affairs of the Corporation shall be carried on through its Board of Directors. The appointment of new Directors shall be as set forth in the Corporation Bylaws.

SIXTH: The name of the registered agent is Joe V Selby, MD, MPH, Executive Director and President, Patient-Centered Outcomes Research Institute. The address of the registered agent is 1828 L Street, NW, Suite 900, Washington, DC 20036.

SEVENTH: The name and address, including street and number, of each incorporator is:

NAME:	**ADDRESS:**
Arthur L. Herold	1747 Pennsylvania Avenue, NW Suite 1000 Washington, DC 20006
James S. Wilson, Jr.	1747 Pennsylvania Avenue, NW Suite 1000 Washington, DC 20006
Sarah E. Mooney	1747 Pennsylvania Avenue, NW Suite 1000 Washington, DC 20006

IN WITNESS WHEREOF, these Amended and Restated Articles of Incorporation have been executed by a duly authorized person on the __ day of _______, 2017.

By: ______________________________
Name:____________________________
Title: ____________________________