

# FOUNDATION OF THE AMERICAN COLLEGE OF HEALTHCARE EXECUTIVES BYLAWS\*

\* As amended by the Foundation Board of Governors at its meeting on March 23, 2009.

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## **ARTICLE I. NAME, REGISTERED OFFICE AND AGENT, MISSION, OBJECTS, PROGRAM**

### **SECTION 1. NAME**

The name of the corporation is the Foundation of the American College of Healthcare Executives, hereafter known as “the Foundation.”

### **SECTION 2. REGISTERED OFFICE AND AGENT**

The registered office of the Foundation and the address of its registered agent shall be at such location in the State of Illinois as the Board of Governors shall from time to time determine. The Board of Governors, which serves as the Board of Directors under the Illinois General Not-for-Profit Corporation Act, may establish additional offices from time to time at such places within or without the State of Illinois as it may deem advisable.

### **SECTION 3. MISSION**

The mission of the Foundation is to advance healthcare management excellence.

### **SECTION 4. POWERS AND LIMITATIONS**

- (a) The Foundation has such powers as are now or may hereafter be granted by the Illinois General Not-for-Profit Corporation Act.
- (b) No part of the net earnings of the Foundation shall inure to the benefit of any Governor, Officer, or other individual, provided that the Foundation may pay reasonable compensation for services rendered and reimbursement for expenses incurred. No substantial part of its activities shall be that of carrying on propaganda or otherwise attempting to influence legislation, and the Foundation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.

## **ARTICLE II. MEMBERSHIP**

The Foundation shall have no members.

## **ARTICLE III. BOARD OF GOVERNORS**

### **SECTION 1. COMPOSITION**

The Board of Governors shall consist of, ex officio, the American College of Healthcare Executives’ Chairman, Chairman-Elect, Immediate Past-Chairman, twelve Governors, and Chief Executive Officer, whose title is President. The President of the American College of Healthcare Executives shall be a member of the Board of Governors without vote.

### **SECTION 2. MEETINGS**

- (a) Meetings of the Board of Governors may be called by the Chairman and shall be called by the Chairman at the request of any four members of the Board. The Board of Governors shall be given at least two days’ written notice of meetings of the Board.

- (b) A quorum for meetings of the Board of Governors shall be a simple majority of the voting members thereof.
- (c) The act of a majority of the members of the Board of Governors present and voting at a meeting at which a quorum is present shall be the act of the Board of Governors, except where otherwise provided by law or these *Bylaws*.

### **SECTION 3. POWERS**

The Board of Governors shall have the charge of the property of the Foundation and shall have authority to control and manage the affairs and funds of the Foundation and is the Board of Directors described in the Illinois General Not-for-Profit Corporation Act.

### **SECTION 4. INDEMNIFICATION**

- (a) The Foundation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative by reason of the fact that he or she is or was a Governor, Officer, employee, or agent of the Foundation or who is or was serving at the request of the Foundation as a director, officer, or employee of another corporation, partnership, joint venture, trust, or other enterprise against expenses (including attorneys’ fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding to the full extent authorized by the Illinois General Not-for-Profit Corporation Act. With regard to such actions by or in the right of the Foundation, the indemnification provided shall be against expenses (including attorneys’ fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit and as otherwise in accordance with and to the full extent authorized by the Illinois General Not-for-Profit Corporation Act.
- (b) The Foundation may purchase and maintain insurance on behalf of any person who is or was a Governor, Officer, or employee of the Foundation, or who is or was serving at the request of the Foundation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Foundation would have the power to indemnify him or her against such liability under the provisions of Article III, Section 4.
- (c) The definition of various terms used in Article III, Section 4 shall be governed by the Illinois General Not-for-Profit Corporation Act.

### **SECTION 5. INFORMAL ACTION**

Any action required to be taken at a meeting of the Board of Governors or any action which may be taken at a meeting of the Governors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Governors entitled to vote with respect to the subject matter thereof.

**SECTION 6. ATTENDANCE BY COMMUNICATIONS EQUIPMENT**

Members of the Board of Governors or of any committee of the Board of Governors may participate in and act at any meeting of such Board or committee through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can communicate with each other simultaneously. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

**ARTICLE IV. OFFICERS**

**SECTION 1. COMPOSITION**

The Officers of the Foundation shall be, ex officio, the Chairman, the Chairman-Elect, the Immediate Past-Chairman, the President, the Secretary, the Treasurer, the Assistant Secretary, if any, and the Assistant Treasurer, if any, of the American College of Healthcare Executives.

**SECTION 2. DUTIES**

- (a) The Chairman of the Foundation shall preside at meetings of the Board of Governors and shall perform the usual duties incident to the office of Chairman and such other duties as may be prescribed from time to time by the Board of Governors.
- (b) The Chairman-Elect shall perform the duties of the office of Chairman when the Chairman is unable to do so and carry out such other duties as may be prescribed from time to time by the Chairman or the Board of Governors.
- (c) The Immediate Past-Chairman shall perform such duties as may be prescribed from time to time by the Chairman or the Board of Governors.
- (d) The Treasurer shall have charge and custody of, and shall be responsible for, all funds and securities of the Foundation. He or she shall receive and give receipts for monies due and payable to the Foundation from any source and shall deposit all such monies in the name of the Foundation in such banks or other financial depositories as shall be selected by the Board of Governors. The annual report of the Treasurer shall be based upon an audit made by an independent certified public accountant. The duties of the Treasurer shall be subject to such regulations as the Board of Governors may adopt from time to time. The Assistant Treasurer, if any, shall have such duties as determined by the Board of Governors.
- (e) The Secretary shall keep the minutes of the meetings of the Board of Governors; see that all notices are duly given in accordance with the provisions of these *Bylaws* or applicable statutes; be custodian of the Foundation's records; and shall perform the usual duties incident to the office of Secretary and such other duties as may be prescribed from time to time by the Chairman or the Board of Governors. The Assistant Secretary, if any, shall have such duties as determined by the Board of Governors.
- (f) The President of the Foundation shall direct the activities of the Foundation and shall further the policies and programs established by the Board of Governors. Duties and compensation for the President, not inconsistent with these *Bylaws*, shall be prescribed by the Board of Governors.

**SECTION 3. REMOVAL OF OFFICERS**

Any Officer may be removed at any time by affirmative vote of two-thirds of the voting members of the Board of Governors whenever, in the judgment of the Board, such action will serve the best interests of the Foundation. Such removal of an Officer shall not negate the termination provisions under any contract in effect between said Officer and the Foundation, if any, that he or she may enjoy.

**SECTION 4. COMPENSATION**

The Chairman, the Chairman-Elect, and the Immediate Past-Chairman shall not receive any remuneration for their services, but may be paid for travel and other out-of-pocket expenses incurred in discharging the official duties of the Foundation. The other Officers shall be compensated in amounts determined from time to time by the Board of Governors.

**SECTION 5. CONTRACTS, CHECKS, AND BONDS**

- (a) The Board of Governors may authorize any Officer or agent of the Foundation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation; such authority may be general or confined to specific instances.
- (b) All checks, drafts, and other orders for the payment of money, notes, or other indebtedness shall be signed by such Officer or Officers, agent or agents of the Foundation in such a manner as shall be determined and authorized from time to time by the Board of Governors.
- (c) The Board of Governors may determine that certain Officers or agents of the Foundation who are responsible for the receipt, custody, or disbursement of funds or other assets of the Foundation shall furnish bond; the amount of the bond and designation of the surety or sureties shall be subject to the approval of the Board of Governors, who may authorize the expense of such bond to be paid by the Foundation.

**ARTICLE V. COMMITTEES**

**SECTION 1. EXECUTIVE COMMITTEE**

There shall be an Executive Committee of the Board of Governors composed of the Chairman, the Chairman-Elect, the Immediate Past-Chairman, and the President. The President shall be a member without vote. The Chairman of the Foundation shall serve as its chairman. The Executive Committee, subject to the restrictions of the Illinois General Not-for-Profit Corporation Act, shall have the power to act or follow up on matters that, in the opinion of the Chairman and the President, require action prior to the next Board of Governors meeting. Actions of the Executive Committee shall be subject to review and ratification by the Board of Governors.

**SECTION 2. STANDING COMMITTEES**

There shall be an Audit Committee and a Finance Committee.

- (a) The Audit Committee: The Audit Committee of the American College of Healthcare Executives shall serve, ex officio, as the Audit Committee of the Foundation.
- (b) The Finance Committee: The Finance Committee of the American College of Healthcare Executives shall serve, ex officio, as the Finance Committee of the Foundation.

**SECTION 3. OTHER COMMITTEES**

The Board of Governors may establish additional committees. These may be concerned with, but not necessarily limited to, examinations, publications, research, elections, awards, educational policy, and administrative development. Appointment of the members of such bodies shall be made by the Board of Governors upon nomination by the Chairman; the chairmen of such bodies shall be designated by the Chairman of the Foundation. Vacancies on standing committees or special committees shall be filled by the Chairman of the Foundation, with the approval of the Board of Governors. The procedures for the conduct of committees shall be established by the Board of Governors.

**SECTION 4. QUORUM**

A quorum of any committee of the Foundation shall be a simple majority of the members thereof. A simple majority vote of those members who are present and voting at a meeting at which a quorum is present shall be required for approval of any proposal, except as otherwise provided herein. All committee members, including the chairman, shall have voting privileges on Foundation committees, except as provided to the contrary in Article V, Section 1 of these *Bylaws*.

**SECTION 5. ATTENDANCE BY COMMUNICATIONS EQUIPMENT**

Members of any committee may participate in and act at any meeting of such committee through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can communicate with each other simultaneously. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

**ARTICLE VI. AMENDMENTS**

**SECTION 1. AMENDMENTS**

- (a) Amendments to these *Bylaws* may be proposed in writing by the Bylaws Committee, the Board of Governors, any members of the Council of Regents of the American College of Healthcare Executives, or by any ten Fellows of the American College of Healthcare Executives. Such proposals shall be referred to the Bylaws Committee, which shall advise on and report the proposals to the Board of Governors along with a recommendation thereon.
- (b) The Secretary shall notify each active Member, Fellow, and Life Fellow of the American College of Healthcare Executives of any changes to these *Bylaws*.

**SECTION 2. APPROVAL**

These *Bylaws* may be repealed, modified, altered, or amended upon the affirmative vote of two-thirds of the votes cast at a meeting of the Board of Governors at which a quorum is present.

**ARTICLE VII. DISSOLUTION**

**SECTION 1. DISTRIBUTION OF ASSETS**

At any time when the dissolution of the Foundation is authorized, the Board of Governors then holding office shall distribute the assets of the Foundation remaining after the payment, satisfaction, and discharge, or adequate provision therefore, of all liabilities and obligations of the corporation, in accordance with the requirements of the Illinois General Not-for-Profit Corporation Act, to one or more corporations, societies, or organizations organized and operated

within or without the State of Illinois exclusively for charitable, educational or scientific purposes as shall at the time qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), which in the judgment of a majority of the Governors in office, shall be deemed to further the field of healthcare management.