



ALLEGHENY COUNTY MEDICAL SOCIETY FOUNDATION

BYLAWS

Revised December 2023

Allegheny County Medical Society Foundation supports home and community environments that nurture and develop healthy children and families for a healthy Allegheny County.

The Foundation will help people help themselves through the practical application of knowledge and resources to improve their physical and behavioral health, their quality of life and that of future generations.

The Foundation recognizes that many medical illnesses can be traced to unhealthy circumstances in our community that occur during the formative years and can be successfully remediated or prevented.

The Foundation will support organizational-based activities that engage individuals and families in the planning, development, evaluation and implementation of programs at the community level that assist individuals in creating supportive and healthy home environments.

The Foundation believes that all people have the inherent capacity to effect change in their lives and in their communities. The Foundation will support programs that respect and value individuals and their collaborative work to improve healthcare in our community.

For more than half a century, the Allegheny County Medical Society Foundation has supported:

- Public health and public policy
- Basic human needs of the homeless and mentally ill
- Educational support through literacy programs, medical school and nursing scholarships, and preceptorships
- Support networks and helplines.
- Access to care and prescription drugs
- Adoption and caregiver support
- Research and medical forums and more.

Beyond the dollars, the impact of the ACMS Foundation lives on in a legacy of local institutions, services and resources grown from Foundation seed money, in healthy families and communities and medical and social service professionals making a difference in the region and beyond.

ALLEGHENY COUNTY MEDICAL SOCIETY FOUNDATION

PREAMBLE

RESOLUTION AND DECLARATION OF TRUST AS TO THE

ALLEGHENY COUNTY MEDICAL SOCIETY FOUNDATION

WHEREAS, the Allegheny County Medical Society, a non-profit corporation, was formed for the purpose of extending medical knowledge and to advance medical science, to elevate the standard of medical education, to promote friendly intercourse among physicians, and to enlighten and direct public opinion in regard to the great problems of Public Health and Hygiene, so that the profession shall become more useful to the public in the prevention and management of disease and in prolonging and adding comfort to life; and,

WHEREAS, the Allegheny County Medical Society is well-qualified to supervise and administer educational and scientific projects in the field of medicine; and,

WHEREAS, foundations, trusts, individuals and corporations may wish to make grants for charitable, scientific, literary or educational projects in the medical field to a fund which is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code of 1954 and desire that such projects be administered by the Allegheny County Medical Society.

NOW, THEREFORE, in order to accomplish such purposes, the Board of Directors of the Allegheny County Medical Society does hereby adopt the following:

RESOLUTION AND DECLARATION

creating the Allegheny County Medical Society Foundation, and appoints

President: JOHN S. DONALDSON

President-elect WILLIAM A. BARRETT

Past President WILLIAM F. BRENNAN

Past President DAVID KATZ

Past President LEO P. SHEEDY

as Trustees of the Foundation, and directs that such Trustees execute such declaration of trust and take such other steps as may be necessary or appropriate to make the Foundation effective.

ALLEGHENY COUNTY MEDICAL SOCIETY FOUNDATION
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ARTICLE I

Name

The name of the Foundation shall be Allegheny County Medical Society Foundation referred to herein as the "Foundation."

Article II

Purposes of the Foundation

The Foundation is created and shall be governed by the laws of the Commonwealth of Pennsylvania and is organized and shall be operated exclusively for charitable, scientific, literary and educational purposes in the medical field.

ARTICLE III

Restrictions Regarding the Operation and Administration of the Foundation:

1. No part of the net income or principal of the Foundation shall inure to the benefit of the donors, the Trustees or their successors, or any of them, or any private shareholder or individual.
2. No part of the activities of the Foundation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, or of participating in, or intervening in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.
3. Any contribution or gift made to the Foundation by a corporation shall be used by the Trustees exclusively for the purposes specified in Article II only within the United States or any of its possessions.

ARTICLE IV

Administration

Subject to the limitation that the purposes of the Foundation and the use of the Foundation funds shall at all times be limited to the uses which qualify the Foundation as tax-exempt under Section 501(c)3 of the Internal Revenue Code of 1986, as amended, and any amendments thereto or substitutes therefore, the administration of the property and assets of the Foundation shall at all times be under the control and direction of, and the method of operation, drawing checks, and executing all instruments shall be as directed by, the Board of Directors of the Allegheny County Medical Society.

ARTICLE V

Gifts

The Trustees shall receive all grants and donations made to the Foundation, by will, deed, or otherwise, and hold the same upon such trusts as shall be directed by the respective testators or donors, provided that the use shall be for charitable, scientific, literary, or educational purposes in the medical field. The Trustees reserve the right to decline any gift or any part thereof which, in the opinion of the Board of Directors of the Allegheny County Medical Society, would not be consistent with the general purposes of the Foundation.

In the absence of any provision expressing the intention of the testator or donor to the contrary, the Trustees shall be authorized to mingle any property given to the Foundation with other property of the Foundation held for the same or similar trusts, without obligation to retain any gift as a separate investment or in such manner that such property may be identified as separate property; but any testator or donor may direct that any gift be held as a separate fund, and may designate such funds as memorial fund in memoriam of a particular person or event, and in such case, such fund shall be maintained as a separate fund forming a part of the Foundation under such name as may be properly designated therefore.

If at any time such mingling of funds shall have taken place, and it should thereafter be necessary or desirable to segregate any one or more of the participating funds, the principal or income of such fund or funds shall be considered to be that proportion of the principal or income of the combined as the amount of such fund or funds shall bear to the total combined fund.

ARTICLE VI

Application of Principal and Income

Except in cases where the testator or donor had provided for the application of the principal or income of a fund to a special purpose, the income and principal of such fund, less proper expenses, shall be applied for the promotion of such charitable, scientific, literary or educational purposes in the medical field as the Board of Directors of the Allegheny County Medical Society shall deem appropriate. It is contemplated that, in the usual case, the principal will be expended for the purposes of the gift, but where the gift contemplates the retention and investment of principal, it shall be so invested.

ARTICLE VII

Audit and Reports

The Trustees shall furnish the Board of Directors of the Allegheny County Medical Society an annual report within ninety days after the close of each calendar year, and also such interim reports as the Board of Directors may from time-to-time request. The reports shall include statements of the income, principal, and expenses of the Foundation and all distributions. The Trustee's accounts shall be audited annually by an independent accountant to be appointed by the Board of Directors of the Allegheny County Medical Society. The Board of Directors, or any duly appointed committee thereof or auditor, shall have the right at all reasonable times to inspect the books and papers of the Trustees pertaining to the Foundation. Expenses of such an audit and all other expenses of the administration of the Foundation shall be paid for by the Allegheny County Medical Society Foundation.

ARTICLE VIII

Powers of Trustees

Under and subject to the direction and supervision of the Board of Directors of the Allegheny County Medical Society, consistent with the provisions of this Declaration of Trust and any instruments of gift, the Trustees shall have the following powers in addition to any powers now or hereafter conferred by law:

1. To retain any or all assets received by them initially or in exchange therefore in any reorganization, recapitalization, liquidation or similar operations.
2. To sell at public or private sale, or give binding options to purchase, real property forming part of the trust property upon such terms as the Trustees deem proper, to any purchaser or optionee; and to execute good and sufficient deeds or other instruments of conveyance covering all assets so sold, all without any obligation on the part (1) of the Trustees to repudiate any commitments in favor of better offers

made prior to any settlement; or (2) of the purchaser to see to or be responsible for the application of the proceeds.

3. In so far as necessary and proper for the execution of any trust, to purchase, own and operate real property, separately or jointly with others, and generally to transact all business and exercise all rights of management and ownership relating thereto, including without limiting the foregoing general power, leasing for such period as the Trustees deem proper without regard to the duration of the Foundation or any statutory restrictions, and without approval of any court, altering, repairing, improving, mortgaging, squaring, exchanging, or joining in the partition thereof, and buying in at judicial sale any property on which the Trustees hold a mortgage.
4. To invest and reinvest in stocks of any classification, other securities, mutual funds; to exercise any option to subscribe for new stocks, bonds, or other securities of any type, which may be given to the Trustees as the holders of any investments; all without being confined to any limitations now or hereafter imposed by law more restrictive than the standards prescribed in this sub-paragraph (D).
5. To take, either directly or through protective committees, any steps, including joinder, in any plan of lease, mortgage, incorporation, merger, consolidation, exchange, reorganization, recapitalization, voting trust, dissolution, liquidation, receivership, or foreclosure, which the Trustees find necessary for the conservation of any assets or otherwise to the best interest of the Trust.
6. To carry or register assets of the Foundation in the name of the Foundation or in the names of the Trustees; and to vote stocks and other votable investments through proxies or voting Trustees on discretionary as well as ministerial matters.
7. To determine the allocation of all receipts and disbursements as between income and principal, without limiting the generality of the foregoing, the Trustees may (1) amortize from income premiums paid for investments; (2) amortize from income waste represented by the return from a wasting asset or property subject to depletion; (3) allocate to principal or income subscription rights or dividends in shares of the distributing corporations; (4) allocate to income proceeds from liquidation of any corporation to the extent such proceeds may be deemed to represent income; and (5) allocate carrying charges on, or proceeds from the conversion of, unproductive or underproductive property between principal and income.
8. To employ counsel and agents and to pay reasonable compensation for their services.
9. To take all such action as in their discretion is necessary or desirable to protect the Foundation and assets of the Foundation, to uphold the validity of all testamentary or other gifts intended for the Foundation, and in all matters relating to taxation.
10. With the approval of the Board of Directors of the Allegheny County Medical Society, from time to time, to accumulate any portion of the income of the Foundation, not specifically appropriated, for such purpose and for time as may be necessary in the judgment of the Board of Directors, to carry out any purpose of the Foundation, subject to the limitation that this authority shall not be used in such manner as to deprive the Foundation of its exemption under Section 501(c)3 of the Internal

Revenue Code of 1986, as amended, any amendments thereto or substitutes therefore.

11. To implement the directions and carry out specific projects of the Allegheny County Medical Society within the constitutional powers of the Foundation by the expenditure of necessary funds so specified and the employment of appropriate personnel.
12. The powers given the Trustees may be restricted or enlarged in the instrument of gift, provided that such provision is made specifically applicable to the gift when in the possession of the Foundation.

ARTICLE IX

Trustees and Officers

A. Trustees

1. The Trustees shall be nine (11) in number consisting of five (5) members representing the Allegheny County Medical Society: the President, President-Elect, Secretary and the Treasurer; the most recent past president of the Allegheny County Medical Society, four (4) community members who are not physicians, one (1) member who shall have previously served as a physician Trustee and who shall serve as Secretary of this Foundation; and one (1) member who shall have previously served as a physician Trustee and who shall serve as Treasurer of this Foundation. All members shall have an equal vote.

B. Election

1. The four (4) community members shall be elected, in alternate years, for a two-year term on nomination by the Board of Directors of the Allegheny County Medical Society. These members may be elected for two successive terms and shall take office January first following their election.
2. The five (5) members who serve representing the Allegheny County Medical Society, shall serve for a term of one year, beginning January first, and their terms of office shall coincide with the terms of the Allegheny County Medical Society office held.
3. The Secretary shall be elected by this Board of Trustees for a term of two years and may serve two successive terms.
4. The Treasurer shall be elected by this Board of Trustees for a term of two years and may serve two successive terms.

C. Organization

1. The current President of the Allegheny County Medical Society shall be the chair of the Board of Trustees.
2. The Secretary shall:
 - a. Keep all records of the Foundation pertaining to meetings of the Trustees, correspondence of the Foundations projects and activities of the Foundation;
 - b. Prepare the Annual Report of the Foundation for presentation to the Allegheny County Medical Society and other authorized organizations.
3. The Treasurer shall:
 - a. Supervise the monies of the Foundation.
 - b. Sign checks for the necessary routine operation and grants which have been authorized.
 - c. Make such changes in the accounts as may be directed by the Trustees; and;
 - d. Cause the books of the Foundation to be audited annually.

D. The Executive Director

1. The Executive Director of the Allegheny County Medical Society shall serve as Executive Director of the Allegheny County Medical Society Foundation. The Executive Director may sign or execute contracts or instruments which the Board of Trustees has authorized to be executed, and in general, shall perform all duties incident to the operation of the Foundation. The Executive Director may sign checks for the necessary routine operation and grants which have been authorized.

- E. Meetings of the Trustees shall be held at least twice a year at the call of the presiding officer. Seven members present shall constitute a quorum with full power to act.

F. Standard of Care; Reliance

1. A Trustee shall stand in a fiduciary relation to the Foundation and shall perform his or her duties as a Trustee in good faith, in a manner the Trustee reasonably believes to be in the best interests of the Foundation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a Trustee shall be entitled to rely in good faith on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:
 - a. One or more officers or employees of the Foundation whom the Trustee reasonably believes to be reliable and competent in the matters presented.

- b. Counsel, public accountants, or other persons as to matters which the Trustee reasonably believes to be within the professional or expert competence of such person.
 - c. A committee of the Trustees upon which the Trustee does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the director reasonably believes to merit confidence.
 - d. A Trustee shall not be considered to be acting in good faith if the Trustee has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.
2. In discharging the duties of their respective positions, the Trustees, committees of the Trustees and individual Trustees may, in considering the best interests of the Trust, consider the effects of any action upon communities in which offices or other establishments of the Trust are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of subsection A above.
3. Absent breach of fiduciary duty, lack of good faith or self-dealing, any action taken as a Trustee or any failure to take any action shall be presumed to be in the best interests of the Foundation.
4. A Trustee who is present at a meeting of the Trustees, or of a committee of the Trustees, at which action on any corporate matter is taken, shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless the Trustee files a written dissent to the action with the secretary of the meeting before the adjournment thereof or transmits the dissent in writing to the secretary of the Trust immediately after the adjournment of the meeting. The right to dissent shall not apply to a Trustee who voted in favor of the action. Nothing in this section shall bar a Trustee from asserting that minutes of the meeting incorrectly omitted his or her dissent if, promptly upon receipt of a copy of such minutes, the Trustee notifies the secretary in writing of the asserted omission or inaccuracy.

G. Interested Trustees or Officers

1. **General Rule.** A contract or transaction between the Foundation and one or more of its Trustees or officers or between the Foundation and another corporation, partnership, association, or other organization in which one or more of its Trustees or officers are trustees, Trustees, or officers, or have a financial interest, shall not be void or voidable solely for that reason, or solely because the Trustee or officer is present at or participates in the meeting of the Trustees which authorizes the contract or transaction, if:

- a. the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Trustees, and the Board in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Trustees even though the disinterested Trustees are less than a quorum;
- b. the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Trustees, and the contract or transaction is specifically approved in good faith by vote of the Trustees; or
- c. the contract or transaction is fair as to the Foundation as of the time it is authorized, approved or ratified by the Trustees of the Foundation.
- d. Quorum. Interested Trustees may be counted in determining the presence of a quorum at a meeting of the Foundation Board which authorizes a contract or transaction specified in subsection (a) above.
- e. Special Rule. A contract, transaction or arrangement between the Foundation and one or more disqualified persons (as defined in Section 4958 of the Internal Revenue Code of 1986, as amended) shall be: (i) approved by a vote of only those Trustees unrelated to and not subject to the control of the disqualified person(s) involved in the contract, transaction or arrangement; (ii) based on appropriate data as to the comparability of such contract, transaction or arrangement with similar contracts, transactions or arrangements; and (iii) documented in the Foundation's minutes as to the basis the disinterested Trustees relied upon to make its determination regarding such contract, transaction or arrangement.

ARTICLE X

Limitation of Trustees' and Officers' Liabilities; Indemnification

A. Limitation of Liability

1. To the fullest extent permitted by Pennsylvania law, a Trustee or officer of the Foundation shall not be personally liable to the Foundation or others for monetary damages for any action taken or any failure to take any action, unless the Trustee or officer has breached or failed to perform the duties of his or her office and such breach or failure constitutes self-dealing, willful misconduct or recklessness. The provisions of this section shall not apply with respect to the responsibility or liability of a Trustee or officer under any criminal statute or the liability of a Trustee or officer for the payment of taxes pursuant to local, state or federal law.

B. Indemnification

1. 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 such person is or was a Trustee, officer, employee or agent of the Foundation, or is or was serving, at the request of the Foundation, as Trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), amounts paid in settlement, judgments, and fines actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided, however that no indemnification shall be made in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.
2. Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding shall be paid by the Foundation in advance of the final disposition of such action, suit, or proceeding, upon receipt of an undertaking by or on behalf of the Trustee, officer, employee, or agent to repay such amount if it shall be ultimately determined that he or she is not entitled to be indemnified by the Foundation as authorized in this Article X.
3. The indemnification and advancement of expenses provided by this Article X shall not be deemed exclusive of any other right to which persons seeking indemnification and advancement of expenses may be entitled under any agreement, vote of the Trustees, or otherwise, both as to actions in such persons' official capacity and as to their actions in another capacity while holding office, and shall continue as to a person who has ceased to be a Trustee, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of any such person.
4. The Foundation may purchase and maintain insurance on behalf of any person, may enter into contracts of indemnification with any person, and may create a fund of any nature which may, but need not be, under the control of a trustee for the benefit of any person, and may otherwise secure, in any manner, its obligations with respect to indemnification and advancement of expenses, whether arising under this Article X or otherwise, whether or not the Foundation would have the power to indemnify such person against such liability under the provisions of this Article X.

ARTICLE XI

Amendments

The terms of this Declaration of Trust may be amended from time to time by the Trustees, acting pursuant to a Resolution of the Board of Directors of the Allegheny County Medical Society. All proposed amendments for this Foundation shall be presented to the Board of Directors of the Allegheny County Medical Society in writing at least one week before a stated meeting. Approval by a majority of the members of the Board of Directors at two successive meetings will authorize such changes by the Trustees; however, no amendment may violate the requirements that (a) the principle and income of the Trust Fund must be used for such charitable, scientific, literary and educational purposes as may be specified in the instrument of gift; or (b) in the absence of such direction, for such charitable, scientific, literary and educational purposes as may be deemed appropriate by the Board of Directors of the Allegheny County Medical Society; and (c) the Declaration shall not be amended in such manner that the Foundation will cease to be tax exempt under Section 501(c)3 of the Internal Revenue Code of 1986, as amended, and any amendments thereto or substitutes therefore.

ARTICLE XII

Dissolution

Upon the dissolution of the Foundation, the Trustees of the Foundation, after paying or making provisions for the payment of all of the liabilities and obligations of the Foundation, shall distribute all of the assets of the Foundation to such organization or organizations organized and operated exclusively for charitable, educational, literary or scientific purposes as shall at the time qualify as an organization or organizations exempt under Section 501(a) and described in Section 501(c)3 of the Internal Revenue Code of 1986, as amended, as the Trustees of the Foundation shall determine, or to the federal government or a state or local government for a public purpose. No portion of the assets shall inure to the benefit of any Trustee or officer of the Foundation, any other private person, or any enterprise organized for profit.

IN WITNESS WHEREOF, the ALLEGHENY COUNTY MEDICAL SOCIETY has caused its common and corporate seal to be affixed to these presents by the hand of its President, and the same to be duly attested by its secretary this 31st day of December 2023.

President 2023

Secretary, 2023

AMENDED DECEMBER, 2023, supersedes:

AMENDED: DECEMBER 6, 2022

AMENDED: SEPTEMBER 16, 2014

AMENDED: DECEMBER 6, 2011

AMENDED: MARCH 4, 1980

AMENDED: JUNE 15, 1964