



An Independent Chapter of



American College of
Healthcare Executives
for leaders who care®

(ACHE-SETC is a dba of the ACHE-Greater Houston Chapter, Inc., a Texas Non-Profit 501(c) (6) Corporation)
Tax ID #: 74 – 6132171

CHAPTER BYLAWS

ACHE-SouthEastTexasChapter Bylaws

Board Approved: Month, Date, Year

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ARTICLE ONE

NAME, LOCATION, AND OFFICES

1.1 Name

The name of this corporation shall be "ACHE–Greater Houston Chapter, Inc." ("ACHE–GHC") dba "ACHE–SouthEastTexasChapter" ("ACHE–SETC"), an independent chapter of the American College of Healthcare Executives ("ACHE").

1.2 Registered Principal Office and Location

The corporation shall maintain a principal registered office in the State of Texas, and shall have a registered agent, in accordance with the requirements of the Texas Non-Profit Corporation Act. The chapter's Articles of Incorporation of the Corporation ("Articles of Incorporation") were filed in the office of the Secretary of State of Texas on August 12, 1999. The Board of Directors shall have the power to change the location of the principal office on an as-necessary basis.

ARTICLE TWO

PURPOSE AND GOVERNING INSTRUMENTS

2.1 Nonprofit Corporation

The corporation shall be organized and operated as a nonprofit corporation under the provisions of the Texas Non-Profit Corporation Act.

2.2 Purposes

The corporation is a voluntary association of individuals. The primary purpose of this organization, as set forth in the Articles of Incorporation, is to promote the common business, professional and educational interests of healthcare executives and otherwise promote the healthcare industry and profession, consistent with the provisions of section 501(c)(6) of the Internal Revenue Code. In furtherance of such purpose, the corporation shall have full power and authority:

- a) To provide leadership in promoting education and professionalism among healthcare executives.
- b) To promote recognition of healthcare executives.
- c) To provide opportunities for networking among healthcare executives.
- d) To encourage collaboration among healthcare executives and to promote the ideals of the profession between them and in relation to the public.
- e) To aid and encourage cooperation among healthcare executives, and consultants to improve the profession.
- f) To perform all other acts necessary or incidental to the above, and to do whatever is deemed necessary, useful, advisable, or conducive, directly or indirectly, to carry out any of the purposes of the corporation, as set forth in the Articles of Incorporation and these Bylaws, including the exercise of all other power and authority enjoyed by corporations generally by virtue of the provisions of the Texas Non-Profit Corporation Act, both as a separate organization and in cooperation with state and other local organizations (within and subject to the limitations of section 501(c)(6) of the Internal Revenue Code).

2.3 Mission

The mission of the Chapter (in the territory designated by **ACHE** 29 counties of Southeast Texas), is to be the professional membership society for healthcare executives; to meet its members' professional, educational, and leadership needs; to promote high ethical standards and conduct; to advance healthcare leadership and management excellence; and to promote the mission of **ACHE**.

2.4 Affiliation with ACHE

So long as this Chapter remains a Chapter of the **ACHE**, the Chapter shall operate in accordance with the **ACHE** Chapter Agreement.

2.5 Organizational Identity

The Chapter is a distinct, separate entity from **ACHE**. The Chapter is therefore responsible for maintaining the Chapter's financial records, filing appropriate notices and forms with state and federal authorities, and maintaining necessary insurance coverage for the Chapter except where specific arrangements have been made for **ACHE** to serve as the Chapter's registered agent. **ACHE** shall not be liable for the debts and obligations of the Chapter. The Chapter shall not be liable for the debts and obligations of **ACHE**.

2.6 Governing Instruments

The corporation shall be governed by the Articles of Incorporation, these Bylaws, and the Chapter's Policy Manual, all of which may be amended as needed.

ARTICLE THREE

MEMBERSHIP

3.1 Admission

Any **ACHE** affiliate residing in ACHE–SETC's assigned geographic territory shall be a member of ACHE–SETC. Should an **ACHE** affiliate residing in Texas “opt out” of chapter membership, such person shall not be a member of ACHE–SETC for any purposes under these bylaws and shall not, therefore, be eligible to hold office in ACHE–SETC or to vote on matters coming before the membership of ACHE–SETC.

3.2 Dues

ACHE–SETC shall not charge separate dues for membership in ACHE–SETC. Dues shall be charged by and paid to the national organization of **ACHE** in accordance with the dues schedule in force at the time. Members who have not paid their dues to **ACHE**, in accordance with the policies and procedures of **ACHE** shall be suspended from membership without further act by ACHE–SETC.

3.3 Rights and Responsibilities of Membership

- a) Active and emeritus members shall be entitled to vote on any and all matters submitted to the vote of the membership, to serve on any duly appointed committee, to serve as chairpersons of committees, to exercise any rights voted by the membership, and to cast ballots in elections. Only active members shall be eligible to hold office in ACHE–SETC.
- b) Student members may serve on any committee of ACHE–SETC.

3.4 Meetings

- a) At least one (1) meeting will be held in each quarter of the calendar year. The annual meeting of the membership shall be held in the fourth quarter of each year.
- b) **Videoconference and Similar Meetings.** Members may participate in and hold meetings face to face or by means of videoconference. Participation in such a meeting shall constitute presence in person at the meeting.
- c) All notices of membership meetings shall comply with the provisions detailed in **Section 6.1** of these Bylaws.
- d) At meetings of the membership, the eligible voting membership (including active and emeritus members) present at such meeting will constitute a quorum for the transaction of business.

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3.5 Voting

Any and all matters submitted to a vote of the membership shall be decided by a majority vote of eligible voting membership present at any regular or special meeting.

ARTICLE FOUR

BOARD OF DIRECTORS

4.1 Eligibility of Directors

Directors must be members of the ACHE who have completed at least one year as a member in good standing and must have recent experience as a healthcare leader.

4.2 Authority and Responsibility of the Board of Directors

- a) The authority of ACHE–SETC and the government and management of the affairs of ACHE–SETC shall be vested in the Board of Directors; and all the powers, duties, and functions of ACHE–SETC conferred by the articles of incorporation for ACHE–Greater Houston, Inc., these Bylaws, state statutes, common law, court decisions, or otherwise, shall be exercised, performed, or controlled by the Board of Directors.
- b) The Board of Directors shall be the governing body of ACHE–SETC. The Board of Directors shall have supervision, control and direction of the management, affairs and property of the corporation; shall determine its policies or changes therein; and shall actively prosecute its purposes and objectives and supervise the disbursement of its funds. The Board of Directors may adopt, by majority vote, such rules and regulations for the conduct of its business and the business of ACHE–SETC as shall be deemed advisable. The exception to this authority will be for those rules and regulations requiring a vote of the membership. Under no circumstances, however, shall any actions be taken which are inconsistent with the articles of incorporation of the ACHE–Greater Houston Chapter, Inc. and these Bylaws.
- c) The Board of Directors shall not permit any part of the net earnings or capital of ACHE–SETC to inure to the benefit of any member, director, officer, trustee, or other private person or individual. This is to maintain compliance with regulations governing a nonprofit entity.
- d) The Board of Directors may, from time to time, appoint, as advisors, persons whose advice, assistance and support may be deemed helpful in determining policies and formulating programs for carrying out the purposes and functions of the corporation.
- e) The Board of Directors is authorized to employ such person or persons, including an Executive Director of Operations who functions as the Administrative Director, or officer, business office manager, attorneys, trustees, agents, and assistants, as

in its judgment are necessary or desirable for the administration and management of the corporation, and to pay reasonable compensation for the services performed and expenses incurred by any such person or persons.

4.3 Composition of Board of Directors | Election | Term

- a) The Board of Directors shall consist of at least fifteen members, including:
 - (1) The officers of the corporation as defined by **Article Seven**.
 - (2) Six Directors, 1 from each Charter Member
 - i. CHI St. Luke’s Health
 - ii. HCA Houston Healthcare
 - iii. Houston Methodist
 - iv. MD Anderson Cancer Center
 - v. Memorial Hermann Health System
 - vi. Texas Children’s Hospital
 - (3) One Director representing each of currently seated academic graduate programs within the ACHE–SETC geographical area.
 - (4) Any currently serving Regent(s) of **ACHE** who is a member of ACHE–SETC (a “Regent Director”).
 - (5) Additional Directors-at-large as required to cover the diversity of geography and service delivery to conduct the business of the organization.
- b) The Regent Director(s) are an automatic election to the Board of Directors, and the term shall be synchronous with the Regent’s service as the Regent.
- c) The active and emeritus members of the Chapter shall elect the Board of Directors slate at the annual meeting for three-year terms. Each Director can serve a maximum of two terms in succession.
- d) If a Director resigns, is removed from office or is unable to serve for any reason before the conclusion of their term(s), the Board may appoint an Interim Director to serve to the end of the unexpired term.
- e) The intention of the Board of Directors is to reflect the inclusiveness and diversity of membership of ACHE–SETC.
- f) With the exception of Regent Directors, the President and the Immediate Past President, Directors shall be elected in accordance with **Section 3.5** above by a majority of active and emeritus voting membership at the annual meeting of the membership held in accordance with **Section 3.4** of these Bylaws.
- g) The President may invite up to three current student and/or current Fellow or Resident to serve as observer(s) on the Board. These individuals must be current student affiliates of the **ACHE** at the graduate or undergraduate healthcare

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programs and have the recommendation of their program Director(s) or their Fellowship or Residency Sponsor(s).

4.4 Removal

Any Director may be removed, only by the majority vote of the remaining Directors. A Regent Director shall cease to be a Director when such Regent Director ceases to be a currently serving ACHE Regent.

4.5 Vacancies

Any vacancy in the Board of Directors arising at any time and from any cause, including the authorization of an increase in the number of Directors, may be filled for the unexpired term only by a majority vote of the Directors then in office. Each Director so elected shall hold office until the expiration of his or her term, or the unexpired term of his or her predecessor, as the case may be, and until his or her successor is elected and qualifies.

4.6 Compensation

Directors shall not receive any remuneration for their services but may be reimbursed for travel and other out-of-pocket expenses incurred in discharging their official duties on behalf of ACHE–SETC.

ARTICLE FIVE

MEETINGS OF THE BOARD OF DIRECTORS

5.1 Place of Meetings

Meetings of the Board of Directors may be held at any place within or outside the State of Texas as set forth in the notice thereof or in the event of a meeting held pursuant to waiver of notice, as may be set forth in the waiver, or if no place is so specified virtually using videoconference technology. Meetings shall be conducted in accordance with Robert's Rules of Order Newly Revised (latest edition), when the latter are not in conflict with these Bylaws or the Articles of Incorporation of the Chapter.

5.2 Annual Meeting: Notice

The annual meeting of the Board of Directors may be held at such place as the Board of Directors, shall determine on such day and at such time as the Board of Directors shall designate. Unless waived as contemplated in **Section 5.5**, notice of the time and place of such annual meeting shall be given not less than thirty (30) days before such annual meeting.

5.3 Regular Meetings: Notice

One regular meeting of the Board of Directors shall be held in each quarter of the calendar year from time to time between annual meetings at such times and at such places as the Board of Directors may prescribe. Notice of the time and place of each such regular meeting shall be given not less than thirty (30) days before such regular meeting.

5.4 Special Meetings: Notice

Special meetings of the Board of Directors may be called at the discretion of the President. Notice of the time, place and purpose of any special meeting of the Board of Directors shall be given at least twenty-four (24) hours before such meeting.

5.5 Quorum

At meetings of the Board of Directors, a majority of the members of the Board of Directors then in office shall be necessary to constitute a quorum for the transaction of business.

5.6 Vote Required for Action

Except as otherwise provided in these Bylaws or by law, the act of a majority of Directors present at a meeting at which a quorum is present at the time shall be the act of the Board of Directors. Adoption, amendment and repeal of a Bylaw are provided for in **Article Thirteen** of these Bylaws.

5.7 Action by Directors without a Meeting

Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting, if an electronic consent setting forth the action so taken is consented by a majority of the members of the Board of Directors. Such consent shall have the same force and effect as a majority vote at a meeting. A tally of the electronic votes shall be placed with the following quarterly meeting minutes.

5.8 Telephone, Videoconference, and Similar Meetings

Directors may participate in and hold a meeting by means of videoconference, or similar communications equipment by means of which all persons participating in the meeting can simultaneously hear and speak with each other. Participation in such a meeting shall constitute presence in person at the meeting.

ARTICLE SIX

NOTICE AND WAIVER

6.1 Procedure

Whenever these Bylaws require notice to be given to any Director or member, the notice shall be given in accordance with this **Section 6.1**. Notice under these Bylaws shall be in writing for a minimum of 45 days before ratification unless oral notice is reasonable under the circumstances. Notice may be communicated in person or other form of electronic communication.

6.2 Waiver

Attendance by a Director at a meeting shall constitute waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called. Waiver of attendance at a meeting shall be granted only if the Administrator is notified before the start of the meeting for purposes of excusing a Director from attending.

ARTICLE SEVEN

OFFICERS

7.1 Eligibility of Officers

Only active members in good standing with ACHE national and active members as defined by policy of ACHE–SETC shall be eligible for office. Preference will be given to those who have completed at least one term as a Director.

7.2 Board Composition of Officers

The elected officers of the ACHE–SETC board shall consist of a President, a Vice President, a Secretary/Assistant Treasurer, a Treasurer and immediate past President. The Board of Directors of ACHE–SETC shall from time to time create and establish the duties of such other officers or assistant officers as it deems necessary for the efficient management of the corporation; but the ACHE–SETC board shall not be required to have at any time any officers other than a President, a Vice President, a Secretary, and a Treasurer *unless the majority of the board votes otherwise*.

7.3 Election and Term of Office

The coordination of the nomination, election, and induction of the elected officers shall be the responsibility of the Nominating Committee. Such officers (other than the President and immediate past President) shall be elected annually by the eligible voting membership of the corporation, consisting of active and emeritus members, as detailed in **Section 3.3**, et seq. Other officers (Treasurer and Secretary/Assistant Treasurer) shall serve for staggered terms of three (3) years and thereafter until their successors have been elected and have qualified, or until their earlier death, resignation, removal, retirement, or disqualification. Any other officers or assistant officers appointed by the Board of Directors of ACHE–SETC under **Sections 7.1 or 7.4** of these Bylaws shall serve at the will of the Board of Directors of ACHE–SETC until their successors have been elected and have qualified, or until their earlier death, resignation, removal, retirement, or disqualification.

7.4 Succession

The succession to the office of President from the office of Vice President will be automatic. In the event the Vice President cannot succeed to the office of President in the subsequent year, the position will be filled through the formal election process. The succession to the office of immediate past President from the office of President will also be automatic. In the event that the President cannot succeed to or continue in the office of immediate past President in the subsequent year, the position may be filled with another Director in accordance with **Section 4.5** but only for the remainder of the term of the immediate past President.

7.5 Other Agents

The Board of Directors may appoint, from time to time, such agents as it may deem necessary or desirable, each of whom shall hold office during the pleasure of the Board and shall have such authority and perform such duties and shall receive such reasonable compensation, if any, as the Board of Directors may from time to time determine.

7.6 Removal

Any officer or agent elected by the membership or appointed by the Board of Directors may be removed by vote of the majority of the membership, whenever in its judgment the best interests of ACHE–SETC will be served. However, any such removal shall be without prejudice to the contract rights, if any, of the officer or agent so removed. Best interests include, but is not limited to, not meeting the minimum attendance requirements or failure to complete assignments.

7.7 Vacancies

If the office of the President becomes vacant, the Vice President shall immediately accede to the President's office for the duration of the term. Vacancies of the other offices, or within committees, shall be filled by appointment by a majority of the Board of Directors.

7.8 President

The President shall at the time of his or her election be a current Fellow or Fellow designate in ACHE. The President shall direct the activities of ACHE–SETC and function as Chair of the Board of Directors, further the policies and programs established by the Board of Directors and preside at all ACHE–SETC meetings. The President shall automatically succeed to the office of immediate past President.

7.9 Vice President

The Vice President shall at the time of his or her election be a current Fellow or Fellow designate in ACHE. In the absence or disability of the President, the Vice President shall perform the duties of the President or such other duties as may be required by the Board of Directors. The Vice President will automatically succeed to the office of President. The Vice President shall chair the Nominating Committee.

7.10 Treasurer

The Treasurer shall oversee the receipt and disbursement of the funds of ACHE–SETC. He or she shall keep and preserve proper records, vouchers and books of account which shall be open to inspection during normal business hours by any active member upon written request. The banks or other financial depositories shall be selected by the Board of Directors. The Treasurer, with approval of the Board, may delegate to the Chapter Administrator many of the daily duties (as described above) associated with Chapter operations. The Treasurer shall submit a current financial report to the Board of Directors and to the membership of ACHE–SETC as directed by the Board of Directors, prepare (or

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cause to be prepared) a complete financial report annually, and prepare and file (or cause to be prepared and filed) an annual income tax as required by state and federal law.

7.11 Secretary/Assistant Treasurer

The Secretary/Assistant Treasurer shall assist in the preparation and review the minutes of the Board of Directors and the meetings of the ACHE–SETC membership and will sign the final Board approved minutes. The Secretary shall promptly notify all officers and committees of their election or appointment and shall see that all notices are duly given in accordance with the provisions of these Bylaws or applicable statutes; deliver the documents to the custodian of the ACHE–SETC corporate records; keep a register of the address of each member; and shall perform the usual duties incident to the office of Secretary/Assistant Treasurer and perform such other Secretarial/Assistant Treasurer duties as may be imposed on him/her from time to time by the Board of Directors. As Assistant Treasurer he or she may be required to fill in for the Treasurer in the event of his or her absence.

7.12 Past President

In the absence or disability of the President and the Vice President, the immediate past President shall perform the duties of the President or such other duties as may be required by the Board of Directors.

7.13 Compensation

The elected officers of ACHE–SETC shall not receive any remuneration for their services but may be reimbursed for travel and other out-of-pocket expenses incurred in discharging their official duties on behalf of ACHE–SETC.

ARTICLE EIGHT

COMMITTEES

Except as may be provided herein, the Board of Directors may establish or dissolve special committees or executive committees from time to time by resolution. A Board member and/or the Chapter Administrator shall be appointed as a Board liaison to each Committee as an additional conduit to the Board for resource needs, facilitate communications, and as an executive sponsor of projects. Each committee shall take minutes and submit reports of each of its meetings to the Board of Directors.

8.1 Nominating Committee

Established to solicit and evaluate nominations for officer and the Board of Directors. This committee should be chaired by the Vice President, be composed of 3-7 members including all currently serving Regent Director(s) located in the geographic area, and who will serve for the term of the project. Meetings will take place monthly or more or less frequently as needed. Any member of the Nominating Committee who, for whatever reason, may become a candidate for any elected position shall resign from the Nominating Committee.

8.2 Duties of the Nominating Committee

The chairperson of the Nominating Committee shall coordinate the activities of the committee. In addition to those duties set forth above, the Nominating Committee shall perform the following activities:

- a) Solicit nominations from the membership during the third quarter.
- b) Research and prepare slate for the Directors and officers by the end of the third quarter.
- c) Verify that each nominee is eligible and interested in serving in the office according to the criteria defined in **Article Seven**.
- d) Prepare a list of the eligible nominees for each office for the third quarterly Board meeting in a formal report; Eligibility is defined in **Articles Four and Seven**.
- e) Collect a biography and professional picture from each eligible nominee.
- f) Distribute the proposed slate, along with the biography and picture of each candidate, to all active and emeritus members no less than forty-five (45) days before the annual meeting.
- g) Active and emeritus members shall vote on the proposed slate at the annual meeting. The simple majority of the votes cast by those attending shall decide the election. In the event of the need for special election for any reason, the Nominating Committee shall coordinate a vote as appropriate under the direction of the Board of Directors.

8.3 Bylaws Committee

Established to receive and evaluate proposals affecting these Bylaws as well as make recommendations for amendments to the Board. This should be chaired by the Vice President, be composed of individuals nominated for the term of the project by the board or the Chair and take place at least every three years or immediately after the Board completes revisions to the strategic plan.

8.4 Local Program Councils

The Board of Directors may create, establish terms, and appoint active ACHE–SETC members to local program councils. Such councils shall conduct such business within a geographic area of ACHE–SETC’s territory as determined by the Board of Directors, including arranging and sponsoring educational and networking events. Potential Local Program Councils include Golden Triangle (East Texas/Beaumont).

8.5 Quorum

A quorum of any committee shall be a simple majority of the voting members attending. A majority vote of the voting members who are present and voting at a meeting at which a quorum is present shall be required for approval of any proposal. All members, including the Chairman of the committee, shall have voting privileges on the committees, except as otherwise provided herein. Final decisions on any proposal reside with the Board.

8.6 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, videoconference, or similar communication equipment by means of which all persons participating in the meeting can simultaneously hear and speak with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

ARTICLE NINE

CONFLICT OF INTEREST

9.1 General

The ACHE–SETC Board and its Officers shall conform to the ACHE Code of Ethics.

9.2 Disclosure of Conflict of Interest

Each member of the Chapter Board shall make disclosure of any interest that might result in a conflict of interest on business coming before the Board. Such a disclosure shall be made in such a way that it is recorded in the minutes of the Board.

ARTICLE TEN

CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

10.1 Fiscal Year

The fiscal year of the Chapter shall commence on January 1st of each calendar year and end on December 31st.

10.2 Checks, Drafts, Notes, Etc.

All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of ACHE–SETC shall be signed by the agent or agents of ACHE–SETC.

10.3 Deposits

All funds of ACHE–SETC shall be deposited from time to time to the credit of ACHE–SETC in such banks, trust companies or other depositories as the Board of Directors may select.

10.4 Effect of Bylaws

These Bylaws are in all respects subordinate to applicable provisions of the corporate laws of the State, other applicable laws, and the Articles of Incorporation of the Chapter.

ARTICLE ELEVEN

INDEMNIFICATION AND INSURANCE

11.1 Indemnification

ACHE-SETC shall, to the extent legally permissible, indemnify its “agents” as described by law, including its directors, officers, trustees, employees and volunteers, and including persons formerly occupying any such position, and their heirs, executors and administrators, against all expenses, judgments, fines, settlements and other amounts actually and reasonable incurred by or imposed upon them in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interest of ACHE-SETC; and further provided that any compromise or settlement payment shall be approved by the majority vote of a quorum of directors who are not at the time parties to the proceeding.

11.2 Indemnification Not Exclusive of Other Rights

The indemnification provided in **Section 11.1** above shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the articles of incorporation or Bylaws, or any agreement, vote of members or disinterested Directors, or otherwise.

11.3 Insurance

To the extent permitted by Texas law, ACHE–SETC will purchase and maintain liability insurance from national **ACHE** on behalf of any person who is or was a director, officer, trustee, employee, volunteer, management committee member or agent of the corporation (while serving in their capacity as such). Such insurance will be purchased for the purpose of protecting such persons from covered loss resulting in liability asserted against the above individuals in connection with their roles/responsibilities on behalf of ACHE-SETC.

ARTICLE TWELVE

MISCELLANEOUS PROVISIONS

12.1 Records

ACHE–SETC shall keep correct and complete records for seven years as required by nonprofit regulations.

12.2 Fiscal Year

The fiscal year is January 1st to December 31st.

12.3 Internal Revenue Code

All references in these Bylaws to sections of the Internal Revenue Code shall be considered references to the most current Internal Revenue Code.

12.4 Relation to Articles of Incorporation

These Bylaws are subject to, and governed by, the articles of incorporation of the ACHE–Greater Houston Chapter, Inc.

ARTICLE THIRTEEN

AMENDMENTS

13.1 Power to Amend Bylaws

By a majority vote, The Board of Directors may amend, repeal and alter the Bylaws and send to the membership for majority approval.

13.2 Review of Chapter Bylaws

Prior to enactment or modification, Chapter Bylaws will be reviewed and approved by **ACHE** in accordance with existing policies and procedures. The Chapter shall maintain a record of all revisions to the Bylaws, including effective dates.

ARTICLE FOURTEEN

NON-PROFIT STATUS

14.1 Non-Profit Status

Notwithstanding any other provisions of these Articles, this organization shall not carry on any activities not permitted to be carried on by an organization exempt from Federal Income Tax under Section 501(c)(6) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue law.

ARTICLE FIFTEEN

DISSOLUTION

15.1 Dissolution

As a dba, ACHE–SETC and the parent corporation, ACHE–Greater Houston Chapter, Inc. may be dissolved in accordance with the procedure prescribed in the Texas Non-Profit Corporation Act. The Board of Directors shall approve a resolution recommending dissolution by a 2/3 vote of present members. Such resolution shall then be presented to the active and emeritus membership for approval at a regular or special meeting.

15.2 Distribution of Assets

If at any time the dissolution of ACHE-SETC is authorized as set forth, the Board of Directors then holding office shall distribute the assets in co-ordinance with the requirements of ACHE national, the Texas Non-Profit Corporation Act, and any other federal or state laws that may apply.

(Signed by President and Secretary of Board)