



**BYLAWS OF THE  
MARQUETTE GENERAL FOUNDATION**

***I*  
CORPORATION**

**1.1 NAME.** The name of the corporation is Marquette General Foundation.

**1.2 PLACES OF BUSINESS.** The corporation shall have its principal place of business in Marquette, Michigan, and may have such other places of business as the Foundation Board of Directors may from time to time determine.

## **II PURPOSES**

The Corporation is organized exclusively for the purpose of receiving and administering funds for charitable purposes that promote and support the healthcare mission of Marquette General Hospital, Inc., and more specifically:

**2.1** To receive and administer funds in order to promote and support the health care mission and philosophy of Marquette General Hospital, Inc., a Michigan nonprofit corporation exempt from tax within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or comparable subsequent legislation.

**2.2** To obtain and provide financial resources through volunteer services and fund-raising activities to support and benefit the health care mission of Marquette General Hospital, Inc.

**2.3** In furtherance of its purposes, but not by way of limitation, to:

(a) Acquire, purchase, own, loan, erect, maintain, hold, use, control, manage, invest, exchange, convey, transfer, sell, mortgage, lease, and rent all real and personal property of every kind and nature, all in support of or in furtherance of the health care mission of Marquette General Hospital, Inc.; and

(b) Accept, receive, and hold, in trust or otherwise, contributions, legacies, grants, donations, gifts, bequests, devises, and benefactions which may be left, made, or given to the Corporation in support of or in furtherance of the health care mission of Marquette General Hospital, Inc.

**2.4** To take all such actions as may be necessary or desirable to accomplish the foregoing purposes within the restrictions and limitations of the Bylaws, these Articles of Incorporation, and applicable law.

(a) Receive and administer funds and property donated to the Corporation to benefit the healthcare mission of Marquette General Hospital, Inc.;

(b) Assist donors in fulfilling their philanthropic and charitable responsibilities and interests;

(c) Serve as a resource and catalyst for charitable activities;

(d) Provide responsible financial stewardship;

(e) Conduct activities and make distributions in accordance with the terms and conditions of contributions made to the Corporation and not inconsistent with its corporate purposes;

(f) Modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified organizations if in the judgment of the Board of Trustees, with prior written approval of the Marquette General Hospital, Inc. Board of Trustees, the restriction or condition becomes unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community served; and

(g) Perform and engage in any and all lawful activities that may be incidental to or reasonably necessary for any of the foregoing purposes and have and exercise all other powers and authority now or hereafter conferred upon nonprofit corporations by the laws of the State of Michigan.

### **III**

## **TAX-EXEMPT OPERATION**

**3.1** Notwithstanding any other provision of these Bylaws:

- (a) The corporation shall not carry on any activity not permitted to be carried on by
  - i. An organization which is described in Section 501(c) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax laws (the "Code") and which is exempt from Federal income tax under Section 501(a) of the Code; or
  - ii. An organization to which contributions are deductible under Section 170(c)(2) of the Code.

**3.2** No substantial part of the activities of the corporation shall be to carry on propaganda or to otherwise attempt to influence legislation.

**3.3** The corporation shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.

**3.4** No substantial part of the activities of the corporation shall consist of providing commercial-type insurance.

**3.5** No part of the net earnings of the corporation shall be distributed to, or inure to the benefit of, any director or officer of the corporation, contributor, private shareholder or individual as prohibited by Section 501(c)(3) of the Code.

**3.6** In the event of the dissolution of the corporation, all of the corporation's assets, real and personal, shall be distributed to Marquette General Hospital, Inc., or such charitable organization or organizations as are described in Section 501(c)(3) of the Code and are exempt from Federal income tax under Section 501(a) of the Code, as has succeeded Marquette General Hospital, Inc., as the Board of Directors of the corporation shall determine. Any such assets not so disposed of, for whatever reason, shall be disposed of by the order of the circuit court for the County of Marquette to such organization or organizations as said court shall determine, which are organized and operated exclusively for charitable purposes.

## **IV**

### **FOUNDATION BOARD OF DIRECTORS AND MEETINGS**

**4.1 FOUNDATION BOARD OF DIRECTORS.** The business and affairs of the corporation shall be managed by a Foundation Board of Directors, which is the governing body of the corporation. The corporation is organized on a nonstock, directorship basis and, except as otherwise provided by law or in these bylaws, all matters which are subject to membership vote or other action in the case of a Michigan nonprofit membership corporation, shall be approved by action of the Foundation Board of Directors, except that any amendment to the Articles of Incorporation or to these Bylaws must also be approved by the Board of Trustees of Marquette General Hospital, Inc. The Foundation Board of Directors shall meet as often as necessary to conduct the business of the corporation, but at least annually.

**4.2 NUMBER AND SELECTION OF FOUNDATION DIRECTORS.** The Foundation Board of Directors shall consist of not less than nine (9) and not more than thirty (30) persons as the Foundation Board of Directors shall from time to time determine. At all times, a minimum of 25% (twenty five percent) of the Foundation Board of Directors will be Medical Staff members in good standing. With the exception of the standing members, the Foundation Board of Directors will be appointed by the Board of Trustees of Marquette General Hospital, Inc. from a list of nominees offered by the Foundation Board of Directors. Standing members of the Foundation Board of Directors shall retain their office as long as they maintain their position.

Foundation Directors shall serve for three (3) year terms, except initially one-third (1/3) shall be elected to serve for three (3) years, one-third (1/3) shall be appointed to serve for two (2) years, and one-third (1/3) elected to serve for one (1) year. In the event of an increase in the number of Foundation Directors serving, terms shall be established so that the terms of approximately one-third (1/3) of the Foundation Directors expire each year.

**4.3 APPOINTMENT AND REAPPOINTMENT.** Foundation Directors shall be eligible for re-appointment for a maximum of three terms. Following a one year absence, Foundation Directors are eligible for reappointment. Foundation Directors shall be appointed by the Board of Trustees of Marquette General Hospital, Inc. prior to the annual meeting of the corporation.

Persons holding the following offices shall be appointed to the Foundation Board of Directors: the President & Chief Executive Officer of Marquette General Hospital, Inc.; an Officer of the Board of Trustees of Marquette General Hospital, Inc. Board of Trustees; the Chief Volunteer Officer, or designee, of the Marquette General Hospital Volunteers; and the Chief of the Medical Staff of Marquette General Hospital, Inc.

The Senior Vice President & Chief Financial Officer of Marquette General Hospital, Inc. shall serve as a non-voting member of the Foundation Board of Directors and shall have the general authority to execute any contract, conveyance, mortgage or other instrument on behalf of the corporation as directed by the Foundation Board.

**4.4 REMOVAL.** Any Foundation Director may be removed from office with or without cause at any meeting of the Board of Trustees of Marquette General Hospital, Inc. by the affirmative vote of two-thirds (2/3) of the trustees then in office. Additionally, any Foundation Director may be removed from office with or without cause at any annual or special meeting of the Foundation Board of Directors by the affirmative vote of a majority of the Foundation Directors then in office subject to the confirmation by the Board of Trustees of Marquette General Hospital, Inc.

**4.5 VACANCIES.** Vacancies occurring in the Foundation Board of Directors by reason of death, resignation, removal or other inability to serve shall be filled by the Board of Trustees of Marquette General Hospital, Inc., upon recommendation from the Foundation Board of Directors. A Foundation Director appointed to fill a vacancy shall serve for the unexpired portion of the term.

**4.6 ANNUAL MEETING.** The annual meeting of the Foundation Board of Directors shall be held each year at such place, date and hour as the Foundation Board of Directors may determine from time to time. At the annual meeting, the Foundation Board of Directors shall elect officers and consider such other business as may properly be brought before the meeting. If less than a quorum of the Foundation Directors appear for an annual meeting of the Foundation Board of Directors, the holding of such annual meeting shall not be required and matters which might have been taken up at the annual meeting may be taken up at any later regular, special or annual meeting or by consent resolution. If less than a quorum of the Foundation Directors appears for an annual meeting of the Foundation Board of Directors, then the annual meeting shall be adjourned and matters which might have been taken up at the annual meeting will be taken up at the reconvened annual meeting or by consent.

**4.7 REGULAR AND SPECIAL MEETINGS.** Regular meetings of the Foundation Board of Directors may be held at such times and places as the Foundation Directors may from time to time determine at a prior meeting or as shall be directed or approved by the vote or written consent of all the Foundation Directors.

Special meetings of the Foundation Board may be called by the Chairperson or by the Secretary, and shall be called by the Chairperson or Secretary upon the written request of any two (2) Foundation Directors or at the direction of the Board of Trustees of Marquette General Hospital, Inc.

**4.8 NOTICE OF MEETINGS OF THE FOUNDATION BOARD OF DIRECTORS.** Written notice of the time and place of all meetings of the Foundation Board shall be given to each Foundation Director at least three (3) days before the date of the meeting, either personally, by mailing such notice to each Foundation Director at the address designated by the Foundation Director for such purposes, or by such other electronic means as is available. Notices of special meetings shall state the purpose or purposes of the meeting, and no business may be conducted at a special meeting except the business specified in the notice of the meeting. Notice of any meeting of the Foundation Board may be waived in writing before or after the meeting.

**4.9 ACTION WITHOUT A MEETING.** Any action required or permitted of the Foundation Board of Directors may be taken without a meeting and without prior notice if all of the Foundation Directors entitled to vote are notified in writing of the action required and two-thirds (2/3) of the Foundation Directors entitled to vote consent to the

action in writing. Said written consents shall be filed with the minutes of the organization.

**4.10 QUORUM AND VOTING REQUIREMENTS.** A majority of the Foundation Directors then in office and a majority of any committee appointed by the Foundation Board constitute a quorum for the transaction of business. The vote of a majority of the Foundation Directors or committee members present at any meeting at which there is a quorum shall be the acts of the Foundation Board or the committee, except as a larger vote or approval of the Board of Trustees of Marquette General Hospital may be required by the laws of the State of Michigan, these bylaws or the Articles of Incorporation.

A member of the Foundation Board or of a committee may participate in a meeting by conference telephone, interactive television or computer conference, or similar communications equipment by means of which all persons participating in the meeting can hear one another. Participation in a meeting in this manner constitutes presence in person at the meeting.

**4.11 POWERS OF THE FOUNDATION BOARD OF DIRECTORS.** The Foundation Board of Directors shall have charge, control and management of the business, property, personnel, affairs and funds of the corporation and shall have the power and authority to do and perform all acts and functions permitted for an organization described in Section 501(c)(3) of the Code not otherwise subject to the approval of the Board of Trustees of Marquette General Hospital, Inc., not inconsistent with these bylaws, the Articles of Incorporation or the laws of the State of Michigan.

**4.12 COMPENSATION.** Foundation Directors shall receive no compensation for their services on the Foundation Board of Directors. The preceding shall not, however, prevent the corporation from purchasing insurance as provided in Article VI nor shall it prevent the Foundation Board of Directors from providing the reasonable compensation to a Foundation Director for services which are beyond the scope of his or her duties as Foundation Director or from reimbursing any Foundation Director for expenses actually and necessarily incurred in the performance of his or her duties as a Foundation Director.

**4.13 EXECUTION OF CONVEYANCES, MORTGAGES AND CONTRACTS.** The Foundation Board of Directors may in any instance designate one or more officers, agents or employees to execute any contract, conveyance, mortgage or other instrument on behalf of the corporation, and such authority may be general or confined to specific transactions. The Foundation Board of Directors may also ratify any execution. When the execution of any instrument has been authorized without specifying the executing officers or agents, the Chairperson or any Vice Chairperson, the Secretary, or the Treasurer may execute such instrument on behalf of the corporation. No loan shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name, unless authorized by the Board of Trustees of Marquette General Hospital, Inc. and provided for in an approved budget of the corporation.

**4.14 HONORARY AND EMERITUS FOUNDATION DIRECTORS.** The Foundation Board of Directors may, in its discretion, appoint honorary and/or emeritus Foundation Directors to attend meetings of the Foundation Board of Directors. Such persons are not entitled to notice of meetings and are not entitled to vote.

## V OFFICERS

**5.1 OFFICERS.** The officers shall be a Chairperson, a Secretary and a Treasurer, and all officers shall be members of the Foundation Board of Directors. There may also be one or more Vice Chairpersons and such assistant officers, as the Foundation Board of Directors deems appropriate.

**5.2 ELECTION AND TERM OF OFFICE.** All officers shall be elected for a term of one (1) year (or until their successors have been elected) by the Foundation Board of Directors at its annual meeting.

No person may execute, acknowledge or verify an instrument in more than one capacity if the instrument is required by law or by the Articles of Incorporation or these bylaws to be executed, acknowledged or verified by two (2) or more officers

**5.3 REMOVAL.** Any officer may be removed with or without cause by the vote of a majority of the Foundation Directors then in office at any regular or special meeting of the Foundation Board of Directors.

**5.4 VACANCIES.** In the event of the death, resignation, removal or other inability to serve of any officer, the Foundation Board of Directors shall elect a successor who shall serve until the expiration of the normal term of such officer or until his or her successor shall be elected.

**5.5 CHAIRPERSON.** The Chairperson shall preside at all meetings of the Foundation, shall have power on behalf of the Foundation Board of Directors to perform all acts necessary or desirable in order to effectuate the actions and policies of the Foundation Board.

**5.6 VICE CHAIRPERSONS.** There may be one or more Vice Chairpersons who shall have such duties as determined from time to time by the Foundation Board of Directors or the Chairperson. When Vice Chairpersons have been elected, one or more such Vice Chairpersons shall be designated who shall perform the duties of the Chairperson in the Chairperson's absence.

**5.7 SECRETARY.** The Secretary shall send or cause to be sent all required notices of meetings of the Foundation Board of Directors, shall receive and attend to all correspondence of the Foundation Board of Directors, shall have custody of all documents belonging to the corporation (except as otherwise provided in these bylaws) and of the corporate seal (if any), and shall perform such other duties as usually pertain to the office or as shall be determined from time to time by the Foundation Board of Directors.

**5.8 TREASURER.** The Treasurer shall have charge of the funds of the corporation, except for such funds as the Foundation Board of Directors may designate; shall see that an accounting system is maintained which will give a true and accurate accounting of the financial transactions of the corporation; and shall render reports from time to time as requested by the Foundation Board of Directors of his or her activities and the financial condition of the corporation. All funds received by the Treasurer shall immediately be deposited in a depository designated by the Foundation Board of Directors.

**5.9 EXECUTIVE COMMITTEE.** The Executive Committee shall be comprised of the President, Vice-President, Secretary, Treasurer plus one other Director of the Board who shall be elected by the Board. A quorum shall be obtained when there is at least 50% of the committee present. The Executive Committee shall have the power to call meetings, set the agenda and may exercise authority when the best interests of the organization require action in the interim between meetings of the Board of Directors. The Executive Committee shall have the authority to approve expenditures greater than \$5,000 for temporarily restricted gifts. The Executive Committee will also serve as the Personnel Committee. Minutes of all Executive Committee meetings shall be taken by the Secretary or a designated Committee member.

**5.10 PRESIDENT.** The President shall be hired by the Foundation to serve as the chief executive officer of the corporation, and, as such, under the direction of the Foundation Board of Directors shall have power, on behalf of the Foundation Board of Directors, to perform all acts, execute and deliver all documents and take all steps that the President may deem necessary or desirable in order to effectuate the actions and policies of the Foundation Board. All employment decisions regarding the President must be approved by the Board of Trustees of Marquette General Hospital, Inc.

## VI INDEMNIFICATION

**6.1. ASSUMPTION OF LIABILITY.** The Corporation assumes all liability to any persons other than the Corporation for all acts or omissions of a volunteer director, volunteer officer, or other volunteer occurring on or after January 1, 1988, to the extent permitted by law. The corporation may purchase and maintain insurance on behalf of any such person against any liability asserted against and incurred by such person in any such capacity or arising out of his or her status as such, whether or not the corporation would have power to indemnify such person against such liability under the provisions of this Article IV.

**6.2 INDEMNIFICATION.** The Corporation shall indemnify any Foundation Director, officer, employee, nondirector volunteer or agent of the corporation, who was or is serving at the request of the corporation, 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 (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a Foundation Director, officer, employee, nondirector volunteer or agent of the corporation to the extent permitted by law.

**6.3 LIMITATION OF LIABILITY.** The corporation may indemnify any Foundation Director, officer, employee, nondirector volunteer or agent of the corporation, who was or is serving at the request of the corporation, and who was or is a party, or is threatened to be made a party to an action by or in the right of the corporation if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation. However, indemnification shall not be made for a claim, issue or matter in which the person has been found liable to the corporation.

## VII MISCELLANEOUS

**7.1 COMMITTEES.** The Foundation Board of Directors may establish such standing or special committees from time to time as it shall deem appropriate and shall define the powers and responsibilities of such committees.

**7.2 AMENDMENTS.** The articles of incorporation and these bylaws may only be amended by action of the Foundation Board of Directors with approval of the Board of Trustees of Marquette General Hospital, Inc. In order to effectuate an amendment to these Articles, a notice setting forth the amendment or a summary of the changes to be effected thereby must be given to each Foundation Director of the corporation and to each Trustee serving on the Board of Trustees of Marquette General Hospital at least ten days prior to any meeting at which such amendment is adopted. At its next regular meeting following adoption by the Foundation Board of Directors, the Board of Trustees of Marquette General Hospital shall consider the amendment for approval. Any amendment must be approved by a majority of the Board of Trustees of Marquette General Hospital. No amendment inconsistent with the Articles of Incorporation shall be effective prior to amendment of the Articles of Incorporation.

**7.3 FISCAL YEAR.** The fiscal year of the corporation shall end on the 30<sup>th</sup> day of June of each year or such other date as shall be fixed from time to time by resolution of the Foundation Board of Directors, with prior approval of the Board of Trustees of Marquette General Hospital, Inc.

**7.4 ANNUAL AUDIT.** The Foundation Board of Directors shall ensure that an audit of the Foundation's books and records shall be conducted annually in accordance with the policies and procedures established by Marquette General Hospital, Inc.

I attest this is a current and complete copy of the Marquette General Foundation Bylaws

September 4, 2008

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Patrick J. Bray, President