

**DRAFT**

(FINAL)

Previously Amended  
June 23, 1977

BYLAWS OF THE  
SOUTH PLAINS HEALTH SYSTEMS, INC.

ARTICLE ONE: NAME, ADDRESS

Section One: Name. The name of this corporation is the South Plains Health Systems, Inc.

Section Two: Address. The administrative offices of the corporation are located at 1217 Avenue K, Lubbock, Lubbock County, Texas 79401.

ARTICLE TWO: PURPOSE

The South Plains Health Systems, Inc., is a non-profit corporation which has as its primary purposes effective health planning and the promotion of health resources development for services, manpower and facilities to meet identified needs, reduce documented inefficiencies, and implement the corporation's plans in the health service area (Texas Health Service Area 2). Through its policies and programs, the South Plains Health Systems, Inc., will strive to:

- (1) improve the health of residents in the health service area;
- (2) increase the accessibility, acceptability, continuity, and quality of health services provided to those residents;
- (3) restrain increases in the costs of providing those residents health services;
- (4) prevent unnecessary duplication of health resources;
- (5) preserve and improve competition in the health service area; and
- (6) perform other functions as may be required.

ARTICLE THREE: BOARD OF DIRECTORS

Section One: Functions. The Board of Directors of the South Plains Health Systems, Inc., shall be responsible for:

- (1) carrying out the general purpose of the corporation as expressed in its articles of incorporation and bylaws;



- (2) making policy for the corporation and exercising control over the corporation's programs, property, and funds;
- (3) approving the annual work program of the corporation;
- (4) approving and issuing to the public an annual report concerning the activities, including the Health Systems Plan and the Annual Implementation Plan, and the financial status of the corporation;
- (5) authorizing all grants and contracts approved and disapproved to be executed by the President of the Corporation or by other designee of the Board;
- (6) the internal affairs of the agency, including matters relating to the staff and budget;
- (7) procedures and criteria developed and published and approval or disapproval of all actions taken applicable to proposed use of Federal funds, certificate of need and appropriateness review; and
- (8) the establishment of the Health Systems Plan and Annual Implementation Plan.

Section Two: Composition. The Board of Directors of the South Plains Health Systems, Inc., shall be composed as follows:

- (1) Initial Board - The Initial Board of Directors, all of whom are residents of the South Plains health service area (Texas Health Service Area 2) consists of ten (10) persons, five (5) of whom are appointed by South Plains Association of Governments, a public, regional planning body, and the other five (5) of whom are appointed by West Texas Health Systems, an experimental health services delivery systems project. The Initial Board of Directors are the same natural persons identified in the Articles of Incorporation of South Plains Health Systems, Inc.

Following incorporation, the permanent Board will be elected.

- (2) Permanent Board - The Board of Directors consists of forty-seven (47) members. The number of members may not be reduced to fewer than ten (10). The Board of Directors shall have a majority of consumers of health care who are not also providers of health care, but such majority shall never exceed sixty percentum (60%). The remaining members shall be providers of health care as defined in Section 1512 (b)(3)(C) of P.L. 96-79.

- (a) Consumers - The consumer members of the Board of Directors shall number twenty-four (24) and be residents of health service



area two. The consumers shall be broadly representative of the health service area and shall include individuals representing the principal social, economic, linguistic, handicapped, racial populations, geographic areas of the health service area and major purchasers of health care in the area.

(b) Providers - The provider members of the Board of Directors shall number twenty-three (23), not less than one-half of whom are direct providers of care. The provider members shall be residents of, or have their principal place of business in, health service area two, and who represent:

- (i) physicians, dentists, nurses, optometrists, podiatrists, physician assistants, and other health professionals;
- (ii) health care institutions, including hospitals (at least one hospital administrator), long-term care facilities, rehabilitation facilities, alcohol and drug abuse treatment facilities and health maintenance organizations;
- (iii) health care insurers;
- (iv) health professional schools;
- (v) allied health professions;
- (vi) other providers of health care.

(c) Other Requirements - The Board of Directors shall include, either through consumer or provider members:

- (i) public elected officials or other representatives of units of general purpose local government in the health service area and representatives of public and private agencies concerned with health in the health service area;
- (ii) a percentage of representatives from non-metropolitan areas at least equal to the percentage of non-metropolitan residents in the health service area. Metropolitan areas are defined as those areas designated as Standard Metropolitan Statistical Areas by the United States Office of Management and Budget;
- (iii) include (through consumer and provider members) individuals who are knowledgeable about mental health services;
- (iv) include as a non-voting, ex-officio member, an individual who the Chief Medical Director



of the Veteran's Administration shall have designated;

- (v) include at least one member who is representative of health maintenance organizations in the event one or more HMO's are located in the health service area.
- (d) Ex Officio - Additional non-voting ex officio members of the Board of Directors may include the President of the Corporation, a representative of the South Plains Association of Governments, and a representative from other consumer and provider organizations at the discretion of the Board of Directors.

Section Three: Selection.

- (1) Initial Board - The Initial Board of Directors are ten (10) in number with five (5) members being appointed by South Plains Association of Governments and five (5) members appointed by West Texas Health Systems, Inc.
- (2) Permanent Board - The Board of Directors shall be appointed by the Board of Directors of South Plains Association of Governments, in accordance with the requirements of Public Law 96-79. The procedure to be used is as follows:
  - (a) South Plains Health Systems, Inc., will advise the South Plains Association of Governments of existing or scheduled vacancies in its membership and of the qualifications required to fill each position to assure broad representation of the health service area.
  - (b) Nominations to fill the listed vacancies will be solicited from county committees (with Mayors and County Judge serving as a nucleus) and from interested provider groups.
  - (c) The South Plains Association of Governments shall receive nominations from the county committees and provider groups and shall appoint from those nominees members to fill the listed vacancies.
  - (d) In the event that nominations are not received from any county or provider groups within the thirty (30) days after date of notification of vacancies on the Board of Directors, the South Plains Association of Governments shall solicit for an additional 30 days names of individuals who are residents of the county or who may represent the professional group and who will qualify for positions on the Board of Directors.



(e) Ex officio members may be appointed by the Board of Directors of South Plains Health Systems, Inc.

(3) Alternate Procedures - In the event that:

(a) The South Plains Association of Governments

- (i) consists of general purpose government members who represent fewer than two-thirds ( $2/3$ ) of the population of the health service area, or
- (ii) fails for any reason to appoint members of the Board of Directors of the Corporation within 60 days, or

(b) The boundaries of both the South Plains State Planning Region (State Planning Region 2) and health service area two are no longer coterminous, the alternative selection procedure shall have a Nominating Committee appointed by South Plains Health Systems, Inc., perform those functions prescribed above for the Board of Directors of South Plains Association of Governments, except that temporary appointments will be made by majority vote of the Board of Directors of the South Plains Health Systems, Inc. Such alternative selection process shall prohibit the selection of more than one-half ( $1/2$ ) of the consumer and ( $1/2$ ) one-half of the provider members by the Board of Directors of South Plains Health Systems, Inc.

Section Four: Terms of Office. Each member of the Board of Directors serves a three year term. Terms of approximately one-third ( $1/3$ ) of the provider members and one-third ( $1/3$ ) of consumer members shall expire annually. At the first meeting following the adoption of these Bylaws, the Board of Directors by lot must divide themselves into three (3) groups, each consisting of one-third ( $1/3$ ) of the total membership so that one group has terms ending in each of the next three years.

Members shall be eligible for reappointment; however, no member shall be eligible to serve more than six (6) consecutive years as a member of the Board of Directors. No member who has served six (6) consecutive years shall be eligible for appointment to another full or partial term until one (1) year following a period of service of six (6) consecutive years as a member.

Section Five: Removal, Resignation, and Disqualification. Any member of the Board of Directors may:

- (1) be removed from office by a majority vote of the membership present and voting at any Board meeting, only if



- (a) the member has failed to attend three consecutive Board meetings, if the member cannot show good reason for not attending; or
  - (b) the member has committed malfeasance or otherwise grossly abused privileges as a member of this Board.
- (2) resign at any time by giving written notice to the Board of Directors. Resignation takes effect when stated in such notice and acceptance is not necessary to make the resignation effective.
- (3) be disqualified. Disqualification of a member of the Board of Directors occurs when the member no longer meets the requirements of the position on the Board. The member is responsible for advising the Chairman or designee of any cause for disqualification and acceptance by the Board is not necessary to make the disqualification effective.

Section Six: Vacancies. Any vacancy caused by the death, resignation, removal, or disqualification of a director is filled whenever it occurs in the same manner as the selection of the permanent Board of Directors, as described in Article Three, Section Three, for the unexpired portion of the Term.

Section Seven: Dues. No dues or membership fees may be charged any member of the Board of Directors.

Section Eight: Compensation. The Governing Body shall reimburse (or when appropriate make advances to) its members for their reasonable cost incurred in attending meetings of the Governing Body and performing any other duties and functions of the agency.

Section Nine: Liability. Members of the Board of Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation. The corporation shall not, by reason of the performance by any member or employee of any duty, function, or activity required of or authorized to be undertaken by the corporation or otherwise authorized in accordance with the National Health Planning and Resources Development Act of 1974 (P.L. 93-641 as amended by P.L. 96-79) and/or the Texas Health Planning and Development Act (Title 41 V.A.T.S. Art. 4418(h), as amended), be liable for any damages if the member or employee acted within the scope of his duty, function, or activity and exercised due care, and acted without malice toward any person affected by such action. Further, no individual member or employee of the corporation shall by reason of his performance of any duty, function, or activity required of or authorized to be undertaken by the corporation or otherwise authorized in accordance with the National Health Planning and Resources Development Act of 1974 (P.L. 93-641 as amended by P.L. 96-79) and/or the Texas Health Planning and Development Act (Title 41 V.A.T.S. Art. 4418(h), as amended), be liable for any damages if such person



believed he was acting within the scope of his duty, function, or authority as a member or employee and if such action was without gross negligence or malice toward any person affected by such action. Notwithstanding anything to the contrary, neither the corporation nor any member or employee shall be liable for damages for any action taken by a member or employee of the corporation save and except to the extent statutory liability is specifically provided for under applicable Federal and State statutes and laws.

Section Ten: Reduction of Board Size. A reduction in the authorized number of directors may not result in the removal of any director prior to the expiration of his or her term.

#### ARTICLE FOUR: OFFICERS

Section One: Officers. The officers of the Board of Directors shall be Chairman, Vice Chairman, Secretary, and Treasurer, who are members of the Board of Directors elected by majority vote at the annual meeting of the Corporation, as provided in Article Seven. All officers of the Board of Directors shall be elected for one (1) year terms.

Section Two: Chairman. The Chairman is the chief presiding officer of the Corporation. The Chairman:

- (1) presides at all meetings of the Board of Directors and the Executive Committee;
- (2) is an ex officio member of all subarea councils, committees of the Board of Directors, and advisory groups authorized by the Board of Directors;
- (3) designates the Chair of each committee and advisory group to the Corporation; and
- (4) performs other duties assigned from time to time by the Board of Directors and outlined in these Bylaws and the Articles of Incorporation of the Corporation.

Section Three: Vice Chairman. The Vice Chairman:

- (1) assumes the authority and duties of the Chairman in the absence of the Chairman;
- (2) is an ex officio member of all subarea councils, committees of the Board, and advisory groups;
- (3) performs other duties assigned from time to time by the Board of Directors.

Section Four: Secretary. The Secretary:

- (1) assumes the authority and duties of the Chairman in the absence of both the Chairman and the Vice Chairman;



- (2) causes to be kept an adequate and accurate record of proceeding of the Board of Directors, such record to be maintained for the life of the Corporation;
- (3) performs other duties assigned from time to time by the Board of Directors.

Section Five: Treasurer: The Treasurer:

- (1) assumes the authority and duties of the Chairman in the absence of the Chairman, Vice Chairman, and Secretary;
- (2) causes to be kept an adequate and accurate account of all funds received and disbursed by the Corporation; and
- (3) performs other duties assigned from time to time by the Board of Directors.

Section Six: Vacancies. Any vacancy caused by the death, resignation, removal, or disqualification of an officer is filled whenever it occurs at the next regular or special meeting of the Board of Directors by a majority vote of the members present and voting. The office shall be for the unexpired portion of the vacated position.

ARTICLE FIVE: MEETINGS

Section One: Annual Meeting. The annual meeting of the Board of Directors is in September of each year at a place within the health service area to be designated by the Board of Directors. Written notice of the time, place, and purpose of annual meetings must be mailed to each director at least ten (10) days prior to the meeting.

Section Two: Regular Meeting. Regular meetings of the Board of Directors are in December, March and June of each year at a place within the health service area to be designated by the Board. Written notice of the time, place, and purpose of regular meeting must be mailed to each director at least ten (10) days prior to the meeting.

Section Three: Special Meetings. Special meetings are held at any time when called by the Chairman, the Vice Chairman in the event that the chair is vacated, or by twenty-five percentum (25%) of the members of the Board of Directors. Notice must be made at least seventy-two (72) hours in advance, specifying the time, place, and purpose of such meetings.

Section Four: Open Meetings and Open Records. The Corporation

- (1) shall comply with Article 6252-17 (Texas Revised Civil Statutes, Annotated), the Texas Open Meetings Law, in the conduct of its meetings. The Corporation shall comply with Article 6252-17a (Texas Revised Civil Statutes, Annotated) in making records and data (other than records or data respecting the performance or remuneration of an employee the disclosure of which would constitute a clearly unwarranted invasion of the personal privacy of the employee and records or data of the agency relating to its participation in a judicial proceeding) available, upon request, to the public.



- (2) shall publish a schedule of the regular meetings of the Board of Directors and the Executive Committee including the address where specific agenda information may be obtained in advance of such meetings. These notices shall be published as a paid notice in two newspapers of general circulation in the South Plains and shall be published periodically and when this schedule or address is changed.
- (3) In addition, notices of all regular and special meetings of the Board of Directors, Executive Committee, Advisory Groups and Subarea Councils will be sent to local newspapers and broadcast media at the same time that members are advised in writing, such notices to contain the meeting, time, place, date, and subjects for discussion.
- (4) shall hold in public meetings to conduct the business of the agency (other than any part of a meeting in which it is likely, as determined by the governing body, that information respecting the performance or remuneration of an employee of the agency will be disclosed and such a disclosure would constitute a clearly unwarranted invasion of the personal privacy of the employee or that information relating to the agency's participation in a judicial proceeding will be disclosed.)

Section Five: Quorum. Not less than one-half (1/2) of the members of the Board of Directors, a subarea council, committee of the corporation, or an advisory group thereto constitutes a quorum for the transaction of business at any meetings. No business may be considered at any Corporation meeting if a quorum is not present, and the only motions which the presiding officer may entertain is a motion to recess or adjourn.

Section Six: Presiding Officer. In the absence of the Chairman and all other officers of the Board, a presiding officer is chosen by a majority of the Directors present.

#### ARTICLE SIX: COMMITTEES, COUNCILS, AND ADVISORY GROUPS

##### Section One: Executive Committee.

- (1) Composition - The Executive Committee consists of the officers of the Board of Directors, the immediate past Chairman, and other members of the Board of Directors, numbering twenty-one (21) in total. The Executive Committee shall be elected to serve one (1) year terms at the annual meeting, as provided for in Article Seven. Consumer members of the Executive Committee shall number eleven (11) and provider members shall number (10). Non-voting ex officio members of the Board of Directors may be asked to serve in the same capacity on the Executive Committee at the express invitation of the Board of Directors or Executive Committee. Members on the Executive Committee shall meet the requirements as described in Article Three, Section Two.
- (2) Meetings - The Executive Committee meets at least quarterly in the months of August, November, February, and May, and when called by the Chairman or by six (6) members of the Executive Committee. Written notice



of the time, place, and purpose of regular meetings must be mailed to each member and to those persons who have requested such notice at least ten (10) days prior to each meeting. Notice of called meetings must be made at least seventy-two (72) hours in advance specifying the time, place, and purpose of such meetings. All meetings are open to the public (other than any part of a meeting in which it is likely, as determined by the Executive Committee or entity, that information respecting the performance or remuneration of an employee of the agency will be disclosed and such disclosure would constitute a clearly unwarranted invasion of the personal privacy of the employee or that information relating the agency's participation in a judicial proceeding will be disclosed).

(3) Duties - The Executive Committee:

- (a) shall employ a person to serve as President, who shall be the chief executive officer of the Corporation;
- (b) causes to be prepared the annual work program, budget, and annual report of the Corporation;
- (c) makes regular and continuous reviews of Corporation matters in order to make recommendations to the Board of Directors and to provide information to Board members in advance of Board meetings; and
- (d) carries out other business of the Corporation except approval of the Health Systems Plan and Annual Implementation Plan.

(4) Records - Records of Committee meetings shall be kept and made available to each Board member prior to regular Board meetings following Executive Committee meetings.

Section Two: Subarea Councils. The Board of Directors may establish subarea councils to advise the Board of Directors on the performance of its functions. Subarea councils must reflect, to the extent practicable, the consumer and provider representation outlined for the Board of Directors in Article Three, Section Two. The Board of Directors shall consult with the county nominating committee(s) established in Article Three, Section Three in the same manner as for solicitation of nominations in naming members to a subarea council. The chair of a subarea council shall be a member of the Board of Directors.

Section Three: Committees. The Board may authorize standing committees or ad hoc committees. The Chairman may appoint members of the standing committees for one (1) year terms. Ad hoc committees shall be authorized by the Board, stating the size, duration and



purpose of such committees. The Chairman shall appoint the members of such committees.

Corporation committees consist of members of the Board of Directors. They advise and assist the Board in the performance of its functions. Committees must include a majority of consumers and, to the extent practicable, the consumer and provider representation must reflect the composition of the Board as outlined in Article Three, Section Two.

Section Four: Advisory Groups. The Board may authorize permanent or ad hoc advisory groups as deemed appropriate in the conduct of the business of the Corporation. The Chairman shall appoint a member of the Board to chair the advisory group and the members thereof, a majority of whom shall be members of the Board. To the extent practicable, the consumer and provider representation must reflect the compositional requirements as outlined in Article Three, Section Two. A majority of advisory group members shall be consumers of health care.

Section Five: Nominating Committee.

- (1) Composition - The Nominating Committee shall be appointed by the Chairman at the last regular meeting prior to the annual meeting. The Committee shall be composed of three (3) consumers and two (2) providers, all of whom are members of the Board of Directors. Vacancies on the Nominating Committee are filled when they occur by the Chairman at a regular or special meeting of the Executive Committee or the Board of Directors.
- (2) Meetings - The Committee meets from time to time at the call of the chair or the Chairman of the Board. At least seventy-two (72) hours notice must be given to members, such notice stating the time, place, and purpose of the meeting.
- (3) Duties - The Nominating Committee shall:
  - (a) nominate members of the Board to serve as officers of the Board of Directors;
  - (b) nominate members of the Board to serve as members of the Executive Committee;
  - (c) prepare a slate of recommended nominations to the Statewide Health Coordinating Council for Board approval, as provided for in Article Nine; and
  - (d) in the event that the South Plains Association of Governments does not appoint members of the Board of Directors as provided for in Article Three, Section Three, solicit nominations in the same manner as would have the South Plains Association of Governments under provisions in Article Three, Section Three, and shall make recommendations to the Board from these nominations. This is the alternate selection process and appointments would be temporary filling the vacant position on the governing body until such time as the position can be filled by the South Plains Association of Governments through its regular process.



## ARTICLE SEVEN: ELECTIONS AND VOTING

### Section One: Election of Officers and Executive Committee.

- (1) Election of officers of the Board of Directors and of the Executive Committee shall be at the annual meeting and shall be by majority vote of the members of the Board of Directors present and voting. Nominations shall consist of those persons whose names are submitted by the Nominating Committee and any nominations from the floor at the meeting.
- (2) Vacant positions may be filled by election in the same manner as above at any regular or special meeting of the Board.

Section Two: Elections of Nominees to Statewide Health Coordinating Council. Election of nominees to the Statewide Health Coordinating Council shall be at any annual, regular, or special meeting of the Board of Directors by a majority vote of the Board present and voting. Nominees shall be selected from recommendations of the Nominating Committee and names received from the floor during the meetings at which the nominees are selected.

Section Three: Voting. A member of the Board of Directors, the Executive Committee, or other committee or advisory group shall have one (1) vote, regardless of the aggregate number of individuals he or she may represent.

Section Four: Proxy. Members of the Board of Directors or the Executive Committee may not be represented by proxy.

## ARTICLE EIGHT: FINANCES

The Corporation may accept, hold and administer public and private funds for the purposes herein stated, except that funds or contribution of services or facilities may not be accepted from any individual or private entity which has a financial, fiduciary, or other direct interest in the development, expansion, or support of health resources unless, in the case of an entity, it is an organization described in Section 509(a) of the Internal Revenue Code of 1954 and is not directly engaged in the provision of health care in the health service area. For purpose of this Article, an entity shall not be considered to have such an interest solely on the basis of its providing (directly or indirectly) health care for its employees. The Corporation may, however, contract with any person or entity to provide special studies and other services not normally provided in the ordinary course of business of the Corporation.



ARTICLE NINE: STATEWIDE HEALTH  
COORDINATING COUNCIL

Nominations for membership to the Statewide Health Coordinating Council shall be forwarded upon request to the Governor of the State of Texas or his designated representative. The number of nominations will be determined by the request of the Governor. Nominees must be members of the Board of Directors of the Corporation. Vacancies occurring for any reason among the nominees or those appointed to the Statewide Health Coordinating Council may be filled at any regular or special meeting of the Board of Directors in the same manner prescribed above. The term of those nominees appointed by the Governor to the Statewide Health Coordinating Council shall be at the discretion of the Governor, so long as the person shall remain on the Board of Directors of the Corporation. The Corporation shall notify the Governor when a representative of the Corporation is no longer qualified to represent the health service area.

ARTICLE TEN: PARLIAMENTARY PROCEDURE

Parliamentary procedures for all Corporation board, committee council, and advisory group meetings shall be conducted in accordance with the latest edition of Robert's Rules of Order.

ARTICLE ELEVEN: CONFLICTS OF INTEREST

No member of a governing body, executive committee, or any entity appointed by a governing body, or executive committee may, in the exercise of any function of the agency relating to proposed use of Federal funds, certificate of need and appropriateness review, vote on any matter before the governing body, executive committee, or any such entity respecting any individual or entity with which such member has (or, within the twelve months preceding the vote, had) any substantial ownership, employment, medical staff, fiduciary, contractual, creditor, or consultative relationship. The governing body, executive committee, or any entity appointed by the governing body or executive committee shall require each of its members who has or has had such a relationship with an individual or entity involved in any matter before the governing body, committee, or entity to make a written disclosure of such relationship before any action is taken by the body, committee, or entity with respect to such matter in the exercise of any function of the agency described and to make such relationship public in any meeting in which such action is to be taken.

ARTICLE TWELVE: ASSURANCES OF FAIR HEARINGS

No decision recommending limitation of health and medical services currently offered residents or proposed health and medical services for residents of the health service area may be made without an opportunity for appeal to be consistent with State and Federal law. Policies



governing such appeal will be set and the policies made available to affected parties.

#### ARTICLE THIRTEEN: COORDINATION WITH HEALTH RELATED AGENCIES

South Plains Health Systems, Inc., is cognizant of the complex structure of the health and medical care delivery system. South Plains Health Systems, Inc., is willing to coordinate health planning and resources development with appropriate health related Federal, State, and local agencies. Policies concerning coordination will be developed in conjunction with cooperating health related agencies.

#### ARTICLE FOURTEEN: AMENDMENTS TO THESE BYLAWS

These Bylaws cannot be amended, except as required by Federal and/or State Legislation (including rules, regulations and guidelines appertaining thereto), until such time as South Plains Health Systems, Inc., has received conditional designation and funding by the Department of Health and Human Services.

Proposed amendments to these Bylaws may be submitted by a member of the Board of Directors. These Bylaws may be amended by majority vote of the Board members at any regular or special meeting of the Board of Directors. Notice of the changes must be available in writing not less than thirty (30) days in advance to each member and to the public through the communications media in the health service area (Texas Health Service Area 2), and must contain a full statement of the present section or article, if any, which is affected and the proposed amendment or amendments.

These Bylaws shall not be amended to exclude the South Plains Association of Governments from the process of appointing the members of the Board of Directors of the Corporation without concurrences of the Board of Directors of South Plains Association of Governments.

#### ARTICLE FIFTEEN: DISSOLUTION OF THE CORPORATION

Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purpose of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the County Court



of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine which are organized and operated exclusively for such purposes. In the alternative, such dissolution distribution shall be made to the Federal Government, or to a State or local government, for a public purpose. The disposition of property shall be in accordance with CFR Title 45, Part 74, Subpart O.

#### ARTICLE SIXTEEN: MANAGEMENT AND OPERATIONS

Notwithstanding anything to the contrary within these Bylaws, the management, administration, and operations of the corporation shall fully conform to and comply with the provisions of the Public Health Service Act, as presently enacted or as amended from time to time, to the extent the provisions of said law are applicable to the corporation; provided, further, the management, administration, and operations of the Corporation shall fully comply with and conform to the applicable provisions of the Internal Revenue Code, together with the Regulations thereunder, as presently enacted or promulgated or as amended from time to time, under which the corporation's Federal Income tax exemption and tax exempt status was granted.