



Pharmacy
Compounding
Foundation

Bylaws and Articles of Incorporation

*Revised 04 April 2022
Approved 11 May 2022*



**Article I
Name, Seal and Purposes**

1. **NAME.** The name of this Corporation is the PHARMACY COMPOUNDING FOUNDATION (“the Foundation”), a non-stock corporation, incorporated in the state of Texas, with principal offices at 100 Daingerfield Road, Ste 401, Alexandria, Virginia 22314.
2. **SEAL.** The seal of the Foundation, if any, shall be such as from time to time may be approved by the Foundation Board of Directors. The Foundation Seal shall have inscribed thereon the name of the Foundation and the words “Incorporated 2003”.
3. **MISSION STATEMENT.** The mission of the Foundation shall be to advance pharmacy compounding practice and the profession for the benefit of patients.
4. **VISION STATEMENT.** The vision of the Foundation shall be to enhance patients’ quality of life with compounded medications.
5. **PURPOSES.** The Foundation will strive to escalate the positive impacts of compounding pharmacy through:
 - Funding educational programs and research initiatives that enhance the quality, safety, responsiveness, and credibility of compounding pharmacy;
 - Encouraging curricular endorsement of the fundamental proficiencies essential to compounding pharmacy practice through alliances with educational institutions and accreditation bodies; and
 - Sponsoring public and professional education programs that aspire to acquaint healthcare professionals and the public with the services and issues related to pharmacy compounding.

**Article II
Offices and Membership**

1. **OFFICES.** The principal office of the Foundation shall be as stated in Article 1, Section 1. The Foundation may have such other offices as the Board of Directors may from time to time establish.

2. MEMBERS. All governance of the Foundation is vested in the Board of Directors. There shall be no other forms of members of the Foundation.

Article III Board of Directors

1. GENERAL POWERS. The affairs of the Foundation shall be managed by its Board of Directors, which may exercise all powers of the Foundation and perform all lawful acts for and on behalf of the Foundation.
2. NUMBER/TENURE OR TERMS OF OFFICE. The number of voting Directors shall be nine (9) who each hold office for a term of two (2) years. Terms for incoming directors shall commence on the first day of January. In addition, the current Chairman of the Board of Directors of the Alliance for Pharmacy Compounding shall be an ex officio member, entitled to attend all meetings and discussions, but not entitled to a vote. To be a member of the Board of Directors, a person shall be committed to the mission of the Pharmacy Compounding Foundation. No Director may serve more than two (2) consecutive terms. A Director may serve an additional term if serving as the President.
3. SELECTION AND APPOINTMENT. Two (2) members of the Foundation Board of Directors shall be appointed directly by the Board of Directors of the Alliance for Pharmacy Compounding ("the Alliance"). The remaining seven (7) Directors shall be elected by a majority vote of then-current Board of Directors of the Foundation after a nomination process to be prescribed by the Board and revised from time to time as the Board sees fit. There shall be a call for nominations published by the Pharmacy Compounding Foundation no later than September 1 each year. The nomination period shall remain open for no less than twenty (20) days. Elections and or appointments to Directors whose terms are expiring shall occur at the Annual Meeting of the Board prior to the expiration of the term, where a quorum is present. No more than two (2) voting members of the Foundation Board of Directors may also be a current member of the Alliance's Board of Directors.
4. VACANCIES. Any vacancy in the Board of Directors occurring during the period between annual meetings through death, resignation, retirement, disqualification or other cause, may be filled for the unexpired portion of the term by nomination from the president and a majority vote of the Directors present at any meeting at which a quorum is present. Any Director appointed to fill a vacancy shall hold office until the next succeeding annual meeting of the directors and/or the election and qualification of a successor.
5. RESPONSIBILITIES. Directors will be responsible for attending at least two-thirds (2/3) of regularly scheduled Board meetings during the course of their term of office, support and participate in the Foundation's fundraising activities, act as fiduciary, in the best interests of the Foundation, and in other ways advance the Purposes of the Foundation. Any Director who fails to attend at least two-thirds of the meetings in a

calendar year or fails to perform any of the other duties described herein, regardless of the reason, may be removed by a majority vote of the Directors present at any meeting at which a quorum is present.

6. **COMPENSATION OF DIRECTORS.** Directors shall not receive any compensation for their services as Directors; but by resolution of the Board of Directors, any Director may be reimbursed for reasonable expenses incurred in pursuing the interests of the Foundation. Directors may provide compensated services to the Foundation, provided that they recuse themselves from any discussion or vote on these services, and those services are provided after a formal bid process in which they present a competitive offer.
7. **ACTIONS OF BOARD WITHOUT A MEETING.** Unless otherwise provided by these Bylaws, any action required or permitted to be taken at a meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all the members of the Board of Directors (or committee) consent thereto in writing, and the writing or writings are filed with the minutes. In order for any motion to pass without a meeting and discussion it must pass by unanimous written consent by email. If a motion does not pass by unanimous consent, then discussion must be scheduled via in-person or virtual meeting.
8. **VIRTUAL MEETINGS.** Unless otherwise provided by these Bylaws, members of the Board of Directors of the Foundation, or any committee designated by the Board of Directors may participate in a meeting of the Board of the Directors or such committee by means of a conference telephone or other similar communications equipment provided that all persons participating in the meeting can simultaneously hear each other. Participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

Article IV Officers

1. **VOTING OFFICERS.** Every two (2) years, the Foundation Board of Directors shall elect, from its current or former members, a President-elect and a Treasurer, who, along with the President, shall be referred to as "Voting Officers." All Voting Officers will serve two-year terms in their role. An additional year may be added to an expiring Director's term, without reappointment, at the discretion of the board to complete a term as Voting Officer. To be a Voting Officer, a person shall be committed to the mission of the Foundation and not be a concurrent Voting Officer on the Board of Directors of the Alliance for Pharmacy Compounding.
 - (a) **PRESIDENT.** The President shall preside over all meetings of the Board of Directors. The President may sign and execute necessary papers or other instruments of the Foundation when such action is in accord with the decisions and directions of the Board of Directors. The President shall from time to time submit to the Board of Directors suggestions and plans for the work and activities of the Foundation. The President shall serve a term of two years, after serving as

President-elect. The President may not serve consecutive terms as President, but may continue on the Board if eligible.

- (b) PRESIDENT-ELECT. In the absence of the President, the President-elect shall assume the duties and responsibilities of that office. The President-elect shall serve a term of two years. At the end of the two-year term, the President-elect shall assume the position of President. In the event of a vacancy in the office of President, the President-elect shall assume the office of President for the remaining term of office and may continue to serve for the full two-year term as President as specified in this section.
- (c) TREASURER. The Treasurer shall serve as the Foundation's internal auditor. The Treasurer shall render statements of the accounts to the Board of Directors when requested to do so but not less than monthly. The Treasurer shall verify the accuracy of accounts of all money received and paid out, and upon request shall open the books to any member of the Board of Directors. The Treasurer shall serve a term of two years and may be re-elected for additional two-year terms.

2. NONVOTING OFFICER.

(a) SECRETARY. Under a management services agreement with the Alliance for Pharmacy Compounding, the Alliance shall provide a designated staff member to serve as the Foundation's Secretary. A portion of the management fee paid to the Alliance will reflect that portion of the Secretary's compensation that is commensurate with the amount of time allotted for Foundation services. The Secretary shall attend all meetings and received notice thereof. The Secretary shall otherwise be a non-voting, ex officio member of the Board. The Secretary shall keep accurate minutes of the meetings of the Foundation Board of Directors and ensure that copies are sent to all members of the Board of Directors as soon as possible following such meetings. The Secretary will send out notices of all meetings and shall conduct the correspondence of the Foundation Board of Directors. The Secretary may also act as secretary of other such committees as may be appointed by the Board of Directors from time to time. The Secretary shall preserve all papers and archives of the Foundation and shall act as custodian of all property of the Foundation unless such custody is otherwise provided. The Secretary of the Foundation may execute all routine papers or other instruments of the Foundation and other documents as directed by the Board of Directors. The Secretary shall keep an accurate account of the expenditures and assure that reserve copies of all bills and vouchers, which may be subject to inspection by any member of the Board of Directors are properly stored. The Secretary will have no specified term or limit.

3. RESIGNATION AND REMOVAL. Any Officer may resign at any time. Any such resignation shall be made in writing by the resigning board member, and shall take effect at the time specified therein, or, if no time is specified, at the time of its receipt by the President or the Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in such resignation. Any Officer may be removed, with or without cause, at any meeting of the Board of Directors by a majority

vote of the Directors present at the meeting at which a quorum is present.

4. **VACANCIES.** Any Officer vacancy occurring during the period between annual meetings through death, resignation, retirement, disqualification or other cause, may be filled for the unexpired portion of the term by nomination from the Board of Directors and a majority vote of the Directors present at the meeting at which a quorum is present. Any Officer appointed to fill a vacancy shall hold office until the next succeeding Annual Meeting of the Directors and/or the election and qualification of a successor.

Article V Chief Executive Officer and Staff

1. The Chief Executive Officer of the Alliance for Pharmacy Compounding (APC) shall serve as Chief Executive Officer of the Foundation, under a management services agreement negotiated and approved by the Foundation Board of Directors. The Chief Executive Officer shall be responsible for the operational and day-to-day management of the Directors, the Chief Executive Officer may authorize expenditures, enter into contracts and utilize resources of the Foundation as necessary to achieve the goals within the budget and policies established by the Board of Directors.
2. **Staff.** The Chief Executive Officer shall, under the direction of the Board of Directors, sub-contract for services deemed appropriate by the Board. In the event the position of Chief Executive Officer becomes vacant for any reason, the Board of Directors shall be empowered to appoint a qualified person to serve in the interim.

Article VI Meetings

1. **ANNUAL/REGULAR MEETINGS.** The Annual Meeting of the Board of Directors shall be held at such a time and place to be fixed by the Board of Directors each year. At the Annual Meeting, the Board of Directors shall transact such business as may properly come before the meeting, including the election of new Board Members/Officers. The President may also call regular meetings of the Board of Directors in addition to the Annual Meeting for the purposes of conducting Foundation business. Any Director may move to close the meeting for executive session. The motion requires a second and a majority vote of the Directors present at the meeting at which a quorum is present. Meetings of the Board of Directors may be conducted through the use of telephone or any other means of communication by which all participating directors may simultaneously hear each other during the meeting.
2. **SPECIAL/EMERGENCY MEETINGS.** Special/emergency meetings may be called at any time by the President or by resolution of the Board of Directors stating the objects of the proposed meeting.
3. **NOTICE OF MEETINGS.** Written notice of the time and place of holding any meeting of directors, and in the case of special meetings, the purpose thereof, shall be mailed to

each Director at the last known address as it appears on the records of the Foundation, either by U.S. Post Office or by electronic mail at least seven (7) days prior to meeting date for annual/regular meetings and at least one (1) business day prior to meeting date for special/emergency meetings.

4. QUORUM. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. Vacant positions are not counted toward a quorum.
5. VOTING. Each member of the Board of Directors shall be entitled to one vote. The act of a majority of the Directors present at a meeting at which a quorum is present shall be considered an act of the Board of Directors. The presiding officer may vote only in the case of a tie.
6. PRESIDING OFFICER AT MEETINGS; ORDER OF BUSINESS.
The President shall preside at all meetings of the Board of Directors. In the absence of the President, the President-elect shall preside. In absence of both the President and the President-elect, a chairman for such meeting shall be chosen by the Directors present from among themselves.
7. SECRETARY AT MEETINGS; ORDER OF BUSINESS.
The Secretary of the Foundation shall act as secretary of all meetings of the Board of Directors, but in the absence of the Secretary, the presiding officer shall appoint a secretary. At meetings of the Board of Directors, the presiding officer shall establish the order of business.
8. ANNUAL REPORT. The Board of Directors shall publish or cause to be published an annual report setting forth important items in the operation of the Foundation and shall make copies of such report obtainable upon request to the Secretary of the Foundation.

Article VII Committees

1. COMMITTEES OF THE FOUNDATION
 - (a) Standing Committees
 - (1) Executive Committee. The Executive Committee shall be comprised of the Officers of the Pharmacy Compounding Foundation Board of Directors. The Executive Committee shall have such powers and duties as may be delegated to it by the Board of Directors except those required by law to be performed by the Board of Directors. Meetings of the Executive Committee shall be held at the call of the President who will serve as Chair of the Committee. Three (3) members of the Executive Committee shall constitute a quorum.
 - (2) Finance Committee. The President, President-elect, and Treasurer shall be

the members of this committee and any other Board members or other persons as the Board shall see fit. The Finance Committee shall develop an annual budget for the operations of the Foundation seven (7) days prior to the Fall meeting for review and approval by the Board, and review and present the financial statements of the Foundation to the Board at scheduled meetings.

(3) Nominating Committee. Three (3) members of the Foundation Board of Directors appointed by the President shall constitute a Nominating Committee. The Nominating Committee shall be responsible for vetting candidates and shall present a slate of nominated individuals to serve on the Foundation Board to the Board of Directors no less than seven (7) days prior to the annual meeting.

(4) Bylaws and Governance Committee. At least three (3) members, one of which is the immediate Past President at least two board members plus any others the President may wish to appoint shall constitute a Bylaws and Governance Committee.

(b) Other Committees.

Other committees not having and exercising the authority of the Board of Directors in the management of the Foundation may be designated by a resolution adopted by the Board of Directors. Except as otherwise provided in such resolution, members of each such committee may or may not be members of the Board of Directors. Members of such committees shall be appointed by the Board of Directors or the President. At least one member of each committee must be a member of the Board of Directors.

2. CHAIR. One member of each committee shall be designated as the Chair by the President or Board of Directors. The President or Board of Directors may also choose to designate a vice chair or co-chair for succession purposes.

3. VACANCIES. In the event of a vacancy on any committee, the President or Board of Directors may appoint a replacement.

5. RULES. Rules adopted by each committee for its own governance shall be reviewed and adopted as applicable by the Board of Directors.

6. CONDUCT. All Committee members, staff, and Directors will agree to abide by the Foundations Policies to include, but not limited to policies related to Conflict of Interest, Antitrust, Fiduciary Duty, Confidentiality and Rules of Conduct.

Article VIII Financial Policy and Administration

1. FISCAL AND ELECTIVE YEARS. The fiscal and elective years of the Foundation shall be the calendar year.

2. **AUDITING OR REVIEW OF ACCOUNTS.** All accounts of the Foundation shall be reviewed at least every three (3) months by a Certified Public Accountant and reported to the Board of Directors, which will be reviewed at every regular Board meeting. A balance sheet audit shall be done annually with a full audit occurring at least every three (3) years by a Certified Public Accountant and reported to the Board of Directors.
3. **CONTRACTS.** The Board of Directors may authorize any officer or agent, including the Secretary or Chief Executive Officer, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation and such authority may be general or confined to specific instances.
4. **CHECKS, DRAFTS, ETC.** All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Foundation shall bear the signature of one of the following three (3) Officers: President, President-elect or Treasurer, or the Chief Executive Officer only after approval from one of the three (3) Officers.
5. **FUNDS.** All funds of the Foundation shall be deposited in the name of the PHARMACY COMPOUNDING FOUNDATION and may be apportioned and classified as directed by the Board of Directors.
6. **GIFTS.** The Board of Directors may accept or refuse on behalf of the Foundation any contribution, gift, bequest, or device for the general purposes or for any special purpose of the Foundation.
7. **SECURITIES.** All securities belonging to the Foundation shall be held in the name of, or for the account of, the PHARMACY COMPOUNDING FOUNDATION. Such securities shall be protected by deposit, in a safe deposit vault, or by other such means as the Board of Directors may direct. Any and all shares of stocks, bonds, debentures, or other securities now or hereinafter owned of record or beneficially by the Foundation may be sold or assigned by resolution of the Board of Directors, such authority may be designated to a professional portfolio manager by resolution of the Board of Directors.
8. **RECORDKEEPING.** The Foundation shall keep correct and complete books and records of accounts, shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members of the Board of Directors. All books and records of the Foundation may be inspected by any member of the Board of Directors, his agent or attorney for any proper purpose at any reasonable time.

**Article IX
Dissolution**

1. VOTE REQUIRED. The Foundation may dissolve only upon a vote to dissolve supported by no less than two thirds (2/3) of the members of the Foundation's Board of Directors.
2. LIQUIDATION. Upon a vote to dissolve, when it has, or is entitled to, any interest in any funds or property of any kind, real, personal or mixed, such funds or property or rights thereto shall not be transferred to private ownership, but the Board of Directors, after paying or making provision for the payment of all liabilities of the Foundation, shall transfer and set over such property to the Alliance for Pharmacy Compounding, or another organization which is exempt from federal income taxation under section 501(c)(3) of the Code or corresponding provisions hereafter in effect, and which is engaged in activities substantially similar to those of the Foundation carried out in furtherance of the purposes specified in Article I, or, if none is then in existence, then such funds or property or rights thereto shall be transferred and set over in such manner and to such organization (or organizations) which shall at such time or dissolution qualify as an organization (or organizations) exempt from federal income taxation under section 501(a) of the Code, or corresponding provisions hereafter in effect, as an organization (organizations) described in section 501(c)(3) of the Code, or corresponding provisions hereafter in effect, as the Board of Directors in its sole discretion shall determine.

Article X Indemnification

1. INDEMNITY. The Foundation shall indemnify and hold harmless the Foundation's Directors, officers, and employees (each, an "Indemnitee") from and against any and all losses, claims, demands, costs, damages, liabilities, joint and several, expenses of any nature (include attorneys' fees and disbursements), judgments, fines, settlements, penalties and other expenses actually and reasonably incurred by the Indemnitee in connection with any and all claims, demands, actions, suits, or proceedings, civil, criminal, administrative or investigative, in which the Indemnitee may be involved, or threatened to be involved, as a party or otherwise arising out of the business of the Foundation, provided (i) the Indemnitee's conduct did not constitute willful misconduct or recklessness, (ii) the Indemnitee acted in good faith and in a manner he, she or it reasonably believed to be in, or not opposed to, the best interests of the Foundation and within the scope of such Indemnitee's authority, and (iii) with respect to criminal, investigative or administrative proceeding, the Indemnitee had no reasonable cause to believe its conducts was unlawful. The termination of any action, suit, or proceeding by settlement or plea or the equivalent, shall not, in and of itself, create a presumption or otherwise constitute evident that the Indemnitee acted in a manner contrary to that specified above.
2. ADVANCEMENT OF FEES AND EXPENSES. The Foundation, at its discretion, may advance expenses incurred by an Indemnitee in defending any claim, demand, action, suit, or proceeding subject to this Article prior to the final disposition of such claim, demand, action, suit, or proceeding, provided that the Foundation receives an undertaking by the

Indemnitee to repay amounts advanced if such person is ultimately determined to be not entitled to indemnification.

3. NON-EXCLUSIVITY. The indemnification provided by this Article shall be in addition to any other rights to which the Indemnitee may be entitled as a matter of law or otherwise and this indemnification shall inure to the benefit of the successors, assignees, heirs, personal representatives, and administrators of the Indemnitee.
4. INSURANCE. The Foundation shall purchase and maintain insurance, at its expense, to protect itself, property and any person who is or was serving as a director, officer, or employee.

Article XI Amendments

These Bylaws may be amended at any meeting by the affirmative vote of a two-thirds (2/3) majority of the Board of Directors. Proposed amendment(s) must be submitted to each Director not less than seven (7) days in advance of the meeting at which the proposed amendment(s) will be considered.