**TRUSTEES**

**POLICY: A Policies and Procedures Manual, subject to the approval of the Council, will be maintained and will contain adequate instructions to insure consistent compliance with both the letter and the intent of the Society’s Bylaws.**

**REFERENCE based on the current ACGS Bylaws (2024) state:**

**Article IV: Organization, Indemnification**

Section A: Organization Subsection 2: Members of the Society will comply with these Bylaws and perform their duties in accordance with the Society’s governing documents and applicable laws. No member of the Society will receive any salary or compensation from the Society other than reimbursement for out-of-pocket expenses.

Section B: Indemnification

Subsection 1: The Society will, to the fullest extent permitted by law, indemnify each person who serves at any time as a Council member, officer, trustee or other official of the Society against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, incurred or imposed upon such person 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 will be provided for any such person with respect to any proceeding initiated by such person against the Society, a Council member, an officer, a trustee or another official of the Society or any matter as to which he or she will 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 interests of the Society; and further provided that any compromise or settlement payment will be approved by a majority vote of the Council members at a meeting at which a quorum is present. The indemnification provided hereunder will inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article IV, Section B will be in addition to and not exclusive of all other rights to which any person may be entitled.

Subsection 2: This Article IV, Section B constitutes a contract between the Society and the indemnified Council members, officers, trustees and other officials of the Society. No amendment or repeal of the provisions of this Article IV, Section B that adversely affects the right of an indemnified Council member, officer, trustee or other official under this Article IV, Section B will apply to such Council member, officer, trustee or other official with respect to those acts or omissions that occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted by or was made with the written consent of such indemnified person.

**Article IX: Funds and Trustees**

Section B. The Charity and Education Fund

Subsection 1. Purpose. The sole purpose of the C&E Fund will be to provide charitable and educational assistance, within the meaning of Section 501(c) (3) of the Internal Revenue Code. The Charity and Education Fund (also referred to herein as the “C&E Fund”) includes the Marwill Magruder Library Fund and any other funds created by the Trustees from time to time and are under the auspices of the Trustees and operated and maintained independently from the Operational Funds listed above.

Subsection 2. Assets. All income arising out of the invested assets of the C&E Fund will be disbursed by the Trustees solely for the charitable and educational purposes of the Fund. The C&E Fund money will not be commingled with the Society’s other funds and must maintain its own checking, savings, and investment accounts separate from the other funds of the Society. All donations, bequests, and devises to the Society, unless otherwise directed by the donor, will become a part of the corpus of this Fund. None of the assets of the C&E Fund or of any successor fund or funds may be disbursed or used for general purposes of the Society or any successor organization. Upon dissolution, the assets of this Fund will be distributed for an exempt purpose within the meaning of Section 501 (c) (3) of the Internal Revenue Code.

Subsection 3. Records of Disbursements. The Trustees will keep, and will furnish to the Council at least once a year, detailed records of all disbursements made from the C&E Fund, including but not limited to the identity and qualifications of the recipients of assistance and the purposes for which the disbursements were made.

Subsection 4. Marwill Magruder Library Fund. The Marwill Magruder Library Fund (also referred to herein as the “Library Fund”) will be maintained for the purpose of using the income there from and donations thereto for the maintenance and purchase of such books and publications as pertain to the history of the Society and its members and their antecedents, and such other histories, and discourses as pertain to the purposes of the Society. All monies received for the Library Fund will become a permanent part of the Fund, and all gifts received for the purchase of books will be used for that purpose only.

Subsection 5 Operation. The Scholarship Committee will be appointed by the Chieftain and approved at the annual Council Meeting. They will review scholarship applications and make recommendations to the Trustees concerning recipients. The Trustees will determine the recipients of and the amount of each scholarship and notify Council.

Subsection 6 Follow up. Recipients of educational assistance will be required to furnish the Trustees, on a regular basis, evidence of registration, attendance and achievement at the school designated by the recipient when applying for assistance.

Subsection 7 Charitable assistance. Income arising out of the invested assets of the C&E Fund may be disbursed by the Trustees for charitable purposes to MacGregors, lineal descendants of MacGregors, their widows and widowers, in an amount as specified in the Policies and Procedures, on approval of the Trustees with notification to Council. Recipients of such assistance need not be members or relatives of members of the Society.

Subsection 8 IRS requirements. Requirements of Section 508 (e) of the Internal Revenue Code of 1986 binding on Trustees. Any other provisions of the Bylaws notwithstanding, the Trustees of this Fund will distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax laws. Any other provisions of these Bylaws notwithstanding, the Trustees of this Fund will not engage in any act of self-dealing as defined in Section 4941 (d) in the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax laws; nor retain any excess business holdings as defined in Section 4943 (c) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax laws; nor make any investments in such manner as to incur tax liability under Section 4944 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax laws; nor make any taxable expenditures as defined in Section 4945 (d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax laws.

**Article IX Section C: Board of Trustees**

Subsection 1. Number. There will be four (4) members of the C&E Board of Trustees consisting of the following:

Subsection 1 (a): One (1) ex officio, non-voting Trustee who is the duly elected Treasurer of the ACGS

Subsection 1 (b): Three (3) voting Trustees who are current members of the ACGS in good standing.

Subsection 2. Selection of Voting Trustees. The voting Trustees may recommend nominees for approval by the General Assembly at the next scheduled General Membership Meeting of the ACGS. At least one (1) voting Trustee will be elected each year at the Annual General Membership Meeting by qualified voting members of the ACGS.

Subsection 3. Term. Voting Trustees serve for a term of three (3) years. A person may not be nominated for the position of voting Trustee for at least one (1) year after completing a three (3) year term or otherwise leaving the Board of Trustees.

Subsection 4. Selection of the Chair of the Trustees. The Chair of the Trustees will be elected each year by the voting Trustees from within their ranks. The non-voting, ex officio Trustee/Treasurer is not eligible to hold the position of Chair of the Trustees.

Subsection 5. Duties and responsibilities. The following are the duties and responsibilities of the Trustees:

Subsection 5(a): The sole purpose of the Trustees is to manage the C&E Fund and to distribute its income within the meaning of IRS 501(c)(3) of the Internal Revenue Code in the form of charitable and educational assistance to qualified recipients.

Subsection 5(b): The Treasurer will keep separate books and separate checking, savings and investment accounts for the C&E Fund, including a detailed record of each disbursement from the C&E Fund.

Subsection 5(c): Disbursements from the C&E Fund will be made with the majority approval of the voting Trustees, including approval of the exact amount and payee.

Subsection 5(d): Checks and drafts from C&E funds may be issued solely by the Treasurer except for those in amounts greater than $5000 that also require approval from the Chair of the Trustees via email or regular mail.

Subsection 5(e): The voting Trustees will have the power to transact all business and generally exercise all rights of management and ownership, as fiduciaries for the C&E Fund, including the power to buy or sell all or any securities or investments or other property held on behalf of the C&E Fund.

Subsection 5(f): The non-voting ex officio Treasurer/Trustee will have the responsibility of managing the day-to-day operations of the C&E Fund’s accounts and will make quarterly financial reports to each Trustee and the Chieftain.

Subsection 5(g): The Chair of the Trustees will make a report at each Annual Gathering to the Council and the General Assembly, with a written copy of the report provided to the Chieftain of the ACGS.

**PROCEDURE:**

The sole purpose of the Trustees is to manage the invested assets of the Society to include the C&E Fund and to distribute its income within the meaning of IRS 501(c)(3) of the Internal Revenue Code in the form of charitable and educational assistance to qualified recipients.

The Trustees have responsibility to**:**

* Keep, and will furnish to the Council at least once a year, detailed records of all disbursements made from the C&E Fund, including but not limited to the identity and qualifications of the recipients of assistance and the purposes for which the disbursements were made.
* Replacement of Trustee. If a voting Trustee resigns from or is unable to serve on the Board of Trustees prior to the termination of his/her term, the remaining voting Trustees may appoint an appropriately qualified member of ACGS as an “Acting” voting Trustee to complete the remainder of the term of the Trustee who has resigned or is no longer able to serve. Ratification of the newly appointed Acting voting Trustee must be obtained at the next Annual General Meeting.
* Outside funds manager: At their discretion, the Trustees may retain a qualified and licensed fund manager to handle the day-to-day investment decisions subject to guidance by the Trustees.
* Directly manage the Investment account with the Outside Fund Manager in accordance with the Trustee Investment Policy (2020). The Chair will be the primary investment account holder and may delegate limited powers to another Trustee or Treasurer as needed. The Chair may move funds from the investment account to the C&E checking account to pay necessary expenses and grants. This is intended to be a backup in case the treasurer is unavailable or incapacitated.
* The Treasurer will provide the other Trustees copies of monthly and annual reports from the Investment account as sources for the C&E Balance sheet report and C&E Profit and Loss report, which are sent to the other Trustees quarterly.
* Review and Approve the C&E Balance Sheet and C&E Profit & Loss reports quarterly
* Approve any proposed donations to the C&E Fund and Marwill Magruder Fund, and any other funds established by the Trustees.
* Review and Approve the C&E annual Federal Income tax return before filing by our CPA.
* Review and approve any legal or tax documents concerning the Trust before filing our annual Federal Income tax return
* Review the Financial Review Committee reports concerning the Trust and funds.
* Scholarship checks will be distributed around July 1 each year by the Treasurer. The Treasurer will bundle and send scholarship letters, checks, addressed and stamped envelopes via Federal Express or UPS 2nd day air to designated scholarship Trustee. Trustee to verify scholarship payment, co-sign scholarship letter and use supplied addressed and stamped envelope to mail to scholarship recipient with check made out to the individual’s institution.
* Determine the number of scholarship awards and the amount of each award. The amount available for scholarships depends on dividends earned from our investments. The corpus of our investments is not touched.
* Submit an article to the Editor of the “Ardchoille” identifying the recipients.
* Include the names of scholarship recipients and amounts awarded in their annual report to Council and to the Annual General Meeting.

Society Support for the Trustees

* Carry out timely communication of Society business that requires action by the Trustees

**APPROVED**

**Approved by ACGS Council September 2024**

**Periodic review by ACGS Council: 2026**