

East Texas Chapter of the Texas Society of Certified Public Accountants Constitution and Bylaws

ARTICLE I - NAME

The name of this organization shall be: "The East Texas Chapter of the Texas Society of Certified Public Accountants."

ARTICLE II - OBJECTIVES

This Chapter is formed for the purposes of: promoting the interests of Certified Public Accountants; elevating the standard of proficiency, integrity, and character; cultivating professional cooperation and social intercourse between members; and cooperating with similar Chapters of this state, and with state and national organizations of Certified Public Accountants, for the advancement of the profession of accountancy.

ARTICLE III - MEMBERSHIP

Section 1. Membership in this Chapter shall conform to the Bylaws of the Texas Society of Certified Public Accountants as specified in Article II - Membership and Article IV - Local Chapters.

Section 2. A Certified Public Accountant otherwise eligible for membership in this Chapter but who does not reside or maintain his or her principal office in this Chapter district may become a member of this Chapter if his or her application for membership is approved by a majority of the Board of Directors of this Chapter.

Section 3. Termination of membership in this Chapter shall conform to the Bylaws of the Texas Society of Certified Public Accountants as specified in Article III - Disciplinary Actions and Termination of Membership.

ARTICLE IV - OFFICERS

Section 1. There shall be four officers of the Chapter, consisting of a President, a President-Elect, 1st Vice-President, and a Secretary-Treasurer, all of whom shall be members in good standing of the Chapter and elected by ballot at the January meeting of the Chapter. All such officers shall serve for one year or until their successors are elected and qualified. Provided, however, that in the event of a vacancy created by the resignation, death, or inability of the officer to serve out his or her term, the Board of Directors shall meet and fill said vacancy for the unexpired term thereof without referring same to the membership as a whole.

Section 2. President: The President shall preside at all meetings of the Chapter and of the Board of Directors, and shall appoint, subject to the approval of the Board of Directors, all standing or special committees. The President shall coordinate all the activities of the Chapter.

Section 3. President-Elect: The President-Elect shall assist the President, and in the absence of the President, shall act in his or her stead.

Section 4. Vice-President: The Vice-President shall assist the President and the President-Elect, and in the absence of the President or President-Elect, shall act in his or her stead.

Section 5. Secretary-Treasurer: The Secretary-Treasurer shall issue notice of all meetings of the Chapter and Board of Directors, keep a record of all acts of proceedings of the Officers

and Board of Directors, notify all members-elect, and conduct all correspondence, issue any news bulletins, make reports to the Texas Society of Certified Public Accountants as may be necessary or required from time to time.

The Secretary-Treasurer shall receive and disburse all monies of the Chapter and keep regular accounts thereof subject to the inspection of the President or any members of the Board of Directors. Monies received by the Secretary-Treasurer shall be deposited into a bank account maintained in the name of the Chapter.

ARTICLE V - BOARD OF DIRECTORS

Section 1. The Chapter operations shall be conducted by a Board of Directors of fourteen members in good standing of the Chapter, of which nine shall be elected by the Chapter and the other five shall be the four elected officers of the Chapter and the immediate past president of the Chapter. In the event of a vacancy created by the resignation, death, inability, or failure of anyone of its members to serve out his/her term, the Board of Directors shall fill said vacancy for the unexpired term thereof at any regular meeting of the Board without referring same to the membership as a whole.

Section 2. The directors to be elected shall be elected by the Chapter members at the January meeting of the Chapter. Each director shall serve for a term of three years, three directors to be elected at each January meeting. If a director shall be elected at the January meeting as an officer of the Chapter during his or her unexpired term, a successor shall be elected by the membership to finish the unexpired term.

Section 3. Eight of the fourteen members of the Board of Directors shall constitute a quorum. Absences from three consecutive meetings of the Board may constitute a tender of the member's resignation unless a satisfactory explanation is offered.

Section 4. The Board of Directors shall have power to fill an interim vacancy of any officer or director, exercise control over the Chapter's monies and properties, appoint a committee at least ten days before each annual meeting to audit the accounts of the Chapter for the fiscal year and make a report to the Chapter at such meetings, prepare and approve a budget at its first meeting after its term of office commences, carry out the purpose of the Chapter as expressed in its "Constitution and Bylaws" and resolutions, and submit a condensed report thereof at the annual meeting, together with any recommendations for the welfare of the Chapter.

Section 5. The Board of Directors shall hold at least three meetings a year. Such meetings shall be at the call of the Chapter President and may be held at such places and at such time convenient to the members of the Board of Directors.

Section 6. The term of office of the officers and directors shall be concurrent with term of office of those of the Texas Society of Certified Public Accountants.

ARTICLE VI - COMMITTEES

Except as hereinafter specified with reference to the Nominating Committee, the President shall appoint such standing or special committees, as he/she deems necessary. Such appointments shall be subject to the approval of the Board of Directors.

ARTICLE VII - CHAPTER MEETINGS

Section 1. Meetings of the Chapter shall be held at times and places designated by the President and approved by the Board of Directors. The Chapter shall hold no fewer than three (3) meetings during the fiscal year.

Section 2. Twenty-five (25) members when present in person shall constitute a quorum at any meeting of the Chapter. The rules of procedure as set forth in Robert’s Rules of Order shall apply.

Section 3. Notice shall be distributed to each Chapter member not later than the 10th day and not earlier than the 60th day before the date of each meeting at which business is to be conducted.

ARTICLE VIII - NOMINATIONS

Section 1. The Nominating Committee shall be composed of the three most recent past presidents of the Chapter willing and able to serve with the immediate past president serving as chairman thereof. The Nominating Committee shall announce in December, by notice to all members, its slate of nominees for the officers and directors to be elected at the Chapter meeting in January.

Section 2. Any nominations other than those presented by the Nominating Committee must be presented in a petition to the Chapter President fifteen days prior to the Chapter meeting in January, and the petition must be signed by at least five Chapter members in good standing. The Chapter President shall advise the members of the names of all additional nominees prior to the date of the January Chapter meeting and election.

Section 3. At such time when the Chapter will qualify to elect a director to the Board of Directors of the State Society, election of a nominee shall be given consideration by the Nominating Committee each three years from the date of the first qualification. At such time when more than one director of the Texas Society may be elected, such additional nominations shall be given consideration by the Nominating Committee also at each three years from such qualification.

ARTICLE IX - FISCAL YEAR

The fiscal year of the Chapter shall correspond to that of the Texas Society of Certified Public Accountants, and shall begin June 1 and end May 31 of the following year.

ARTICLE X - FEES AND DUES

Annual dues for members shall be set by the Board of Directors and shall be payable in advance.

ARTICLE XI - AMENDMENTS

Section 1. The “Constitution and Bylaws” may be amended from time to time at any meeting of the Chapter by affirmative vote of two-thirds of the members present at such meeting, provided that notice clearly setting forth the proposed amendment shall have been distributed to each Chapter member in good standing at his last known mail or e-mail address at least ten days prior to such meeting.

Section 2. A proposal to amend the Bylaws shall be initiated by the Board of Directors of the Chapter or by a Bylaws Committee appointed for such purpose or by petition in writing filed with the Secretary signed by ten or more members of the Chapter in good standing.

Section 3. All amendments of Chapter Bylaws will require the approval of the Texas Society of Certified Public Accountants Executive Board prior to their enactment.

Section 4. In the event of lack of clarity, the Board of Directors shall interpret these Bylaws.

ARTICLE XII - INDEMNIFICATION

The Chapter shall indemnify any person who is or was a party or is or was threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is or was a director or officer of the Chapter or a member of any board, committee, subcommittee or task force of the Chapter against expenses, judgments, awards, fines, penalties and amounts paid in settlement actually and reasonably incurred by such person (with the prior consent of the Chapter acting through its Board of Directors by a two-thirds vote, and concurrence of counsel which the Chapter shall have retained to defend such person, as hereinafter provided) in connection with such action, suit or proceeding: (1) except with respect to matters as to which it is adjudged in any suit, action or proceeding that such person is liable to the Chapter by reason of the fact that such person has been found guilty of the commission of a crime or of gross negligence in the performance of his duties: it being understood that termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon pica of nolo contendere or its equivalent (whether or not after trial) shall not, of itself, create a presumption or be deemed an adjudication that such person is liable to the Chapter by reasons of the commission of a crime or gross negligence in the performance of his duties; and (2) provided that such person shall have given the Chapter prompt notice of that threatening or commencement (as appropriate) of any such action, suit or proceeding, Upon notice from any such indemnified person that there is threatened or has commenced any such action, suit or proceedings, the Chapter: (a) shall defend such indemnified person through counsel selected by and paid for by the Chapter and reasonably acceptable to such indemnified person, which counsel shall assume control of the defense; and (b) shall reimburse such indemnified person for expenses encompassed by the foregoing indemnity in advance of the final disposition of any such action, suit or proceeding, provided that the indemnified person shall agree to repay the Chapter all amounts so reimbursed if a court of competent jurisdiction finally determines that such indemnified person is liable to the Chapter by reason of the fact that such indemnified person has been found guilty of the commission of a crime or of gross negligence in the performance of his/her duties. The foregoing provision shall be in addition to any and all rights which the persons specified above may have at any time to indemnification from and/or reimbursement by the Chapter.

ARTICLE XIII - CONFORMITY WITH SOCIETY BYLAWS

In the event any part of the Chapter Bylaws is or becomes in conflict with the Society Bylaws, then that part shall be void and the Society Bylaws shall govern.

ARTICLE XIV - NOTICE

Notice, when required, may be mailed or otherwise disseminated in whatever manner and form the Board of Directors designates as being reasonably effective to convey notice, including by electronic means or by inclusion in the Chapter newsletter.