

**SOUTHEAST TEXAS CHAPTER
of the
Texas Society of
Certified Public Accountants
BYLAWS**

Effective January 8, 2008

Article I Name

The name of this organization shall be the Southeast Texas Chapter of the Texas Society of Certified Public Accountants.

Article II Objectives

- (1) Promote the technical competence, integrity, objectivity, professionalism of its members and the quality of service to clients, employers and the general public.
- (2) Encourage member participation and the free exchange of information and ideas between members.
- (3) Unite CPAs – whether in public practice, industry, education, or government – in their efforts to serve the public interest.
- (4) Advance the individual capabilities of its members through its program of continued educational and professional development, and assist the educational objectives of the TSCPA CPE Foundation for education and research.
- (5) Cooperate with other Texas chapters, the Society and the American Institute of Certified Public Accountants for the advancement of the profession of accountancy.
- (6) Encourage well-qualified persons to become Certified Public Accountants.

Article III Membership

- (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.
- (2) Any fellow member who in the opinion of the Board has performed outstanding service to the profession may be nominated for honorary fellowship by unanimous vote of the Board, such nomination to be subject to the approval by unanimous vote of the members present at the next general meeting of the Chapter. Honorary fellows shall not be required to pay dues or other assessments but shall be eligible to hold offices and to vote at meetings.

Article IV Termination of Membership

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 V Notice

Notice, when required, may be mailed or otherwise distributed in whatever manner and form the Board of Directors designates as being reasonably effective to convey notice.

Article VI Board of Directors

- (1) The management of the business and affairs of the Chapter shall be vested in a Board of Chapter members in good standing. The Board shall be comprised of the six elected officers of the Chapter, the immediate past president of the Chapter, the four directors elected by the Chapter members, and the two state directors elected by the Chapter members. In the event of a vacancy in its membership, the Board 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.
- (2) The four elected directors are to be elected by the Chapter and shall be elected for terms of two years, two directors to be elected annually by the Chapter.

Article VII Duties of Board of Directors

- (1) The Board shall fill an interim vacancy of any elected director; shall exercise control over the Chapter's monies and properties; shall prepare and approve a budget; shall keep a complete record of its actions and submit a condensed report thereof at the annual meeting, together with any recommendations for the welfare of the Chapter. The Board may engage an executive director, employee, agents, certified public accountants and attorneys to perform such duties as in its judgment may appear necessary to carry out the objectives of the Chapter as expressed in its Bylaws and Resolutions, except where such duties are specifically delegated to others.
- (2) Each member of the Board may be appointed by the president to serve as Board Coordinator of a designated Chapter activity or committee. Such activities may include member attendance, new members, programs, public relations, arrangements, continuing education, etc.
- (3) Six members of the Board shall constitute a quorum.
- (4) Absence from three consecutive regular meetings of the Board shall constitute a tender of the director's resignation unless a satisfactory explanation is offered to the Board. Notice shall be given to the member by the secretary or designated agent and co-signed by the president.

- (5) The Board shall meet at such time and place as may be specified by the President or whenever convened by call of at least five (5) Board members.
- (6) Notice shall be given to each member of the Board at least seven days prior to each regular meeting. Notice of special meetings shall be given to each member of the Board at least two days in advance of the meeting.

Article VIII Officers

There shall be six officers of the Chapter consisting of a president, president-elect, two vice-presidents, a secretary, and a treasurer, all of whom shall be members in good standing of the Chapter. All except the president shall be elected at the January meeting of the Chapter, to serve for the following fiscal year or until successors are elected and qualified. The president-elect shall become president in the fiscal year succeeding the term of service as president-elect. Provided, however, that in the event of a vacancy created by the resignation, death, or inability of any of the officers to serve out his term, the Board shall meet and fill said vacancy for the unexpired term thereof without referring same to the membership as a whole.

Article IX Duties of Officers

- (1) The president shall preside at all meetings of the Chapter and Board, shall appoint, subject to the approval of the Board, all standing, except the Nominating, and special committees, and shall coordinate all of the activities of the Chapter.
- (2) The president-elect shall perform all executive and other duties ordinarily pertaining to his office or delegated to him by the president or the Board. In the absence of the president, the president-elect shall act in his stead. The President-Elect shall become President in the fiscal year succeeding the year of service as President-Elect.
- (3) The vice-presidents shall perform all executive and other duties ordinarily pertaining to their office or delegated to them by the president or the Board.
- (4) The secretary shall issue notices of all meetings of the Chapter, keep a record of all acts or proceedings of the officers, Board, and membership, conduct correspondence, and make such reports to the Society as may be required from time to time. The secretary shall keep a register of the members of the chapter.
- (5) The treasurer shall collect and disburse all monies of the Chapter, keep regular accounts thereof subject to the inspection of the president or any member of the Board and review all applicable payroll and tax forms required by the IRS.
- (6) While it is the responsibility of the officers listed in the foregoing to see that their respective duties are accomplished in a timely and professional manner, those duties may be delegated by the officers to other individuals, organizations or agents such as TSCPA, and/or the Chapter's Executive Director, with Board approval.

Article X Meetings

- (1) Regular meetings of the Chapter shall be held at such times and places as may be designated by the Board. The annual meeting shall be held during January of each year. Notice shall be distributed to each chapter member at least seven days prior to each meeting.
- (2) Ten members present in person shall constitute a quorum at any meeting of the Chapter. The rules of procedure set forth in the current edition of Robert's Rules of Order Newly Revised shall apply.

Article XI Committees

- (1) There shall be such standing and special committees as the Board may designate.
- (2) Standing and special committees designated by the Board, other than the Nominating Committee, shall be appointed by the president with the approval of the Board and serve until the end of the fiscal year unless reappointed. The president of the Chapter shall be an *ex officio* member of each committee except the Nominating Committee. The committee chairmen, with the exception of the Nominating Committee, will be named by the president and, if needed, the committee vice-chairmen will also be designated by the president.
- (3) The Nominating Committee shall consist of the immediate past president as chairman, the president-elect as an *ex officio* member of the committee and four additional members appointed by the Board, no more than two of which can be existing Board members.

Article XII Nominations

- (1) The Nominating Committee shall distribute a report to the members by November 30 of each year.
- (2) A single nominee for each office and directorship shall be proposed by the Nominating Committee. The Nominating Committee shall be charged with the responsibility of contacting each nominee prior to his nomination, for the purpose of securing his agreement to such nomination and his consent to serve if elected.
- (3) A member of the Chapter may submit independent nominations, provided such nominations are filed with the Secretary at least 14 days before the annual meeting.
- (4) The notice of the annual meeting shall include the names of all nominees for the officers nominated.
- (5) Nominations other than those made as aforesaid shall not be in order.

Article XIII Election of Officers and Directors

- (1) The officers of the Chapter shall be elected by the chapter members at the annual meeting of the Chapter. Tenure of office of directors and officers shall coincide with the tenure of office of the officers of the Texas Society of Certified Public Accountants.
- (2) When only one candidate is proposed for each position on a slate of officers the presiding officer may declare the slate elected by acclamation. When two or more candidates are proposed for any position on the slate of officers, all voting shall be by secret ballot. The president shall appoint a chairman and two tellers, who shall receive and count the ballots and announce the results to the presiding officer. A plurality of the votes cast shall elect in either case.
- (3) If a director shall be elected at an annual meeting as an officer of the Chapter during his unexpired term, a successor shall be elected by majority vote of the remaining officers and directors.
- (4) If an officer or director vacates his office by resignation or otherwise, the vacated position shall be elected by majority vote of the remaining officers and directors only for the remainder of the unexpired term.

Article XIV Fiscal Year and Tenures of Office

The fiscal year of this Chapter shall correspond to that of the Society, which ends May 31. Tenures of office of directors and officers shall coincide with those of the Society.

Article XV Dues

- (1) Annual dues for members shall be determined by the Board. Dues are payable June 1 of each year. The membership year begins June 1 of each year and ends May 31 the following.
- (2) Members admitted during the membership year shall pay a pro rata share of the annual dues.
- (3) Dues shall be paid annually in advance in June of each year.
- (4) Members of the Chapter may be excused from the payment of dues for reasonable cause upon recommendation of the Board.

Article XVI 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 actions, suit or proceeding, (i) 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 a plea 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 reason of the commission of a crime or gross negligence in the performance of his duties and (ii) provided that such person shall have given the Chapter prompt notice of the 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 been commenced any such action, suit or proceeding, 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 to 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 duties. The foregoing provision shall be in addition to any and all rights, which the persons specified above may otherwise have at any time to indemnification from and or reimbursement by the Chapter.

Article XVII Amendments and Interpretations

- (1) The Bylaws of the Chapter may be amended by two-thirds affirmative vote of all members present at any regular meeting of the Chapter, provided, however, that notice clearly setting forth the proposed amendment shall be distributed to each Chapter member in good standing at least 14 days prior to such meeting.
- (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.
- (3) In the event of lack of clarity the Board shall interpret these bylaws.

- (4) All amendments to Chapter Bylaws require the approval of the Texas Society of Certified Public Accountants Executive Board prior to their enactment.

Article XVIII 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.