

BYLAWS OF THE NORTH CAROLINA SOCIETY OF ACCOUNTANTS

ARTICLE I – MEMBERSHIP

SECTION 1: Membership: All applicants for membership must be of good moral character, apply for the highest level of membership for which they qualify, and shall pledge in writing to conform to the NCSA Rules of Professional Conduct.

SECTION 2: Full Members: Persons who are engaged in the practice of public accounting or accountants employed by a firm of accountants or by a firm of Certified Public Accountants must meet **all** requirements in subsections (a) through (d) and **one** of subsection (e).

- (a) Have not less than thirty months of public accounting experience or five years service as an employee of the Internal Revenue Service or the North Carolina Department of Revenue.
- (b) Are citizens or legal residents of the United States.
- (c) Furnish three references as to their character and ability.
- (d) Possess or be covered under a valid permit/license as an Accountant, Certified Public Accountant, or such other titles as may be granted under state law for the practice of accountancy for the public.
- (e) Must meet **one** of the following:
 - (1) Be accredited in accountancy or taxation by the Accreditation Council for Accountancy and Taxation.
 - (2) Be enrolled to practice before the Internal Revenue Service.
 - (3) Possess either an associate degree or a baccalaureate degree with a minimum of 24 semester hours in accounting.
 - (4) Persons who are employed at least three years as an accountant under the direct supervision of a Full Member of NCSA or by a CPA.
 - (5) Have not less that three years experience in the practice of public accounting.

SECTION 3: Associate Members: Associate Membership shall be granted to those persons who qualify in any **one** of the following subsections and furnish three character references:

- (a) Persons who do not qualify as Full Members.
- (b) Employees of accounting firms who do not qualify as Full Members.

SECTION 4: Affiliate Members: Affiliate Membership shall be granted to those persons who qualify in any **one** of the following subsections and furnish three character references:

- (a) Educators.
- (b) Accountants in governmental services.
- (c) Accountants employed by private organizations.
- (d) Officers and employee accountants of banks and other financial institutions.

SECTION 5: Student Members: One who is enrolled in an undergraduate college level accounting program and furnishes three (3) character references.

SECTION 6: Life Members: A Full Member who has been in good standing for twenty consecutive years and has reached the age of seventy shall no longer be required to pay any annual dues. He will continue to have all rights and privileges as heretofore. He will be presented a Lifetime Membership card.

SECTION 7: Retired Members: A Full Member who has been in good standing for ten consecutive years, whose dues are paid in full for that period of time and who must retire from active practice because of age or illness, will be considered by the Board of Directors for retired membership on a *status quo* basis upon application. Active practice shall be defined as performing work for compensation subject to privilege license and CPE requirements. If approved, he will continue to have all rights and privileges as heretofore.

SECTION 8: Honorary Members: May be conferred upon any individual deemed worthy by the Board of Directors, entitling said individual to the privileges of Associate Membership without payment of dues.

SECTION 9: Inactive Members: Inactive Members are comprised of those individuals who have not met their educational requirements. No voting privileges or right to hold an elective office will be extended.

SECTION 10: Continuing Education: To maintain membership in the Society, all Full and/or Associate Members who are engaged in the practice of accountancy shall be required to have thirty hours of continuing education every two years in courses which qualify under rules established by the Board of Directors of the Society.

- (a) All members who are required to comply with Article I, Section 9 of these Bylaws shall meet continuing education requirements by June 30, 1990, and each two years thereafter.

- (b) Supervision of the continuing education requirements shall be administered by methods prescribed by the Board of Directors of the North Carolina Society of Accountants.
- (c) Members who have not met the continuing education requirements by July 1 of the reporting year shall be placed on inactive status. (The Board of Directors may grant, on an individual basis, an extension of time to comply.)
- (d) On October 1 of the reporting year, the Membership Committee, through the Executive Director's office, shall notify the individuals that unless they meet the requirements they will be dropped from the membership rolls at the next Board of Director's meeting.

SECTION 11: Resignation: Any Member may resign at any time, but such resignation shall not become effective until it has been accepted by the Board of Directors and shall not relieve the resigning Member from the payment of dues for the current year, or entitle him to a rebate of dues paid.

SECTION 12: Suspension: Any Full or Associate Member whose conduct shall be deemed detrimental to the best interest of the Society, as determined by a majority vote of the Board of Directors, may be suspended or expelled. The Board of Directors shall notify such Member of the charges and afford him the opportunity to state his defense, if he has any, before taking action.

SECTION 13: Title: It shall be unlawful in the State of North Carolina, as provided in General Statutes Section 93-6, for any person who is not a holder of a certificate as a Certified Public Accountant issued by the State Board of Accountancy to use any title other than "Accountant". All Full and Associate Members engaged in the practice of accountancy will be required to use this designated title.

SECTION 14: Voting: Voting privileges on matters pertaining to the Society shall be granted to:

- (a) Full, Life and Retired Members, unless they have been placed on inactive status due to non-compliance of CPE requirements.
- (b) Associate, Student, Honorary and Inactive Members may not vote on matters pertaining to the organization, conduct or supervision of the State Society.

ARTICLE II – ADMISSION TO MEMBERSHIP

SECTION 1: The Board of Directors shall establish procedures for the processing of membership applications and the evaluation of the applicant's character and qualifications. The Board of Directors shall have the power to prescribe rules and regulations pertaining to membership, the issuing of certificates and all other matters necessary for the proper administration of the membership.

ARTICLE III – MEETINGS

SECTION 1: Regular meetings of the membership and of the Board of Directors shall be held as provided under Article VI of the Constitution.

SECTION 2: The Board of Directors shall meet at least three times a year at a time and place selected by the President. In case important matters requiring the attention of the Board of Directors arise during the interim between the regular meetings, it shall be the duty of the President to issue a call for such a meeting. The President shall, within ten days after receipt of a petition signed by a majority of the Board for a special meeting, issue a call for said meeting within twenty days. A majority of the Board may convene said meeting if the President refuses to issue a call within the specified time.

SECTION 3: There shall be held annually during the month of June a meeting for the entire membership and invited guests. The meeting shall be for the purposes of electing and installing new officers and such other business that shall come before the Annual Convention. A majority of the eligible voting members that are registered for the convention constitutes a quorum.

ARTICLE IV – DUES AND ASSESSMENTS

SECTION 1: The annual dues for Members of this Society shall be determined by the Board of Directors in session at a regularly scheduled meeting of the Board.

- (a) The dues year shall be from July 1 to June 30.
- (b) Each application for membership shall be accompanied by payment of current year's dues, depending upon the type of membership. Dues shall be applied annually beginning with the month of acceptance into membership. Credit shall be given to the following year for months paid prior to acceptance.
- (c) Members who have not paid their dues within ninety days after billing shall forfeit membership privileges in the Society. Members who have not paid their dues by April 30th shall forfeit membership in the Society, provided they have been notified of such delinquency at least twice by the Secretary. These members will be removed from the membership roster at the next regularly scheduled Board meeting.
- (d) Members removed from the roster because of Article IV, Section 1 (c), shall not be allowed to reapply for membership in the Society for a period of 365 days unless they have paid the delinquent dues for which they were dropped.

SECTION 2: The Board of Directors, by two-thirds vote of all members of the Board, may make special assessments upon the membership. The levying of such assessments shall be restricted as follows:

- (a) The Board of Directors, by two-thirds vote of all members of the Board, first declare an emergency exists that cannot wait until the next Annual Convention.

- (b) That any funds raised by such assessments shall be separately accounted for and all receipts and expenditures shall be reported to the membership at the next convention or special meeting.

ARTICLE V – GOVERNMENT

SECTION 1: The Government of this organization shall be vested in a Board of Directors composed of:

- (a) Five elected officers.
- (b) Twelve elected board members.
- (c) The immediate Past President.
- (d) The State Director.

All must be members of the NCSA, and all line officers must be dues paid members of the National Society of Accountants. The person serving as President at the termination of the fiscal year of the organization shall be an *ex-officio* member of the Board of Directors for the entire ensuing fiscal year. In the event the newly elected President shall have been elected to fill a vacancy created during the year, as provided under Article IV, Section 1 of the Constitution, the Past President serving as an *ex-officio* member of the Board of Directors at the time of the election of such new President shall continue for the full ensuing year.

SECTION 2: The Board of Directors shall have control and management of the property and finances of the organization. A simple majority of the Board shall constitute a quorum.

SECTION 3: Vacancies:

- (a) Vacancies on the Board of Directors or among the officers shall be filled by a majority vote of the Board of Directors selected to serve for the duration of the term of the individual whose position he is selected to fill. There shall be no replacement on the Board of Directors created by the absence of the immediate Past President or President-Elect.
- (b) In the event of a common disaster, a quorum for the purpose of filling vacancies shall be a simple majority of the Board of Directors or all members of the Board of Directors, whichever is less.

SECTION 4: Upon a motion of any Member of the organization, for just cause stated, and upon passage of the motion of a two-thirds vote of the entire organization membership, any officer or member of the Board of Directors shall be impeached and must relinquish his office in this organization. Such action is to be taken only after said member is given an opportunity to state his defense, if he has any.

SECTION 5: Chapters: The Board of Directors shall have the power to charter local chapters. Under this authority, the Board must appoint a local chapter committee from its

members, who will approve the Bylaws of the Chapters with reference to the number of officers to be elected, with the requirements that the above officers must be members of the North Carolina Society of Accountants in good standing, and who may be members of the various chapters.

ARTICLE VI – NOMINATIONS AND ELECTIONS

SECTION 1: The officers and directors shall be elected annually as provided in Section 2 of this Article.

SECTION 2: Procedure:

- (a) At the Annual Convention in June of each year, nominations for the officers and directors will be made by a Nominating Committee. Beginning in 1979 and each two years thereafter, a recommendation for a candidate for the office of State Director shall be made by the Nominating Committee.
- (b) The Nominating Committee shall be composed of three Past Presidents and four Full Members other than Past Presidents. The Nominating Committee and the recommendation for a candidate for the office of State Director shall be elected by a majority vote of the convention.
- (c) The Nominating Committee shall make its report at the morning session of the final day of the Annual Convention. These nominations shall lie upon the table until the afternoon session of the final day. At this time, other nominations from the floor may be made. The officers shall be elected first, the directors second, followed by election of the Nominating Committee, and the recommendation for a candidate for the office of State Director.
- (d) The President shall call a meeting of the Nominating Committee immediately after the recess of the business session for the purpose of selecting a Nominating Committee chairman. The Nominating Committee shall select a chairman from the Past Presidents elected to the committee.
- (e) National Delegates: The President shall be one of the allotted National Delegates. Others shall be elected by the convention.

SECTION 3: The elected Directors shall be composed of a minimum of two Past Presidents. The elected Directors shall serve for one year and may succeed themselves for two terms after their first term expires.

SECTION 4: The term of office for officers and directors shall begin with the adjournment of the Annual Convention at which they are elected and end with the adjournment of the next Annual Convention, except the outgoing Secretary and Treasurer who shall be responsible for completing all records for their term of office before the transfer of records and funds to their respective successors.

ARTICLE VII – DUTIES OF OFFICERS

SECTION 1: President:

(a) The President shall be the chief executive officer of the Society. He shall preside at all meetings of the Board of Directors, at the Annual Convention and at such sectional meetings of the membership as may be set by the Board of Directors. He shall sign, or have his signature printed, on all certificates of membership. He shall be an *ex-officio* member of all committees. He may appoint any committees he may deem advisable to promote the welfare of the Society. It shall be the duty of the President, within thirty days following the close of the Annual Convention to appoint a chairman and no less than two members of the following standing committees, except for the Tax Forum Committee which is outlined in sub-section (b).

Audit	Education
Assistance	Ethics and Grievances
Attorneys, Bankers, Accountants	Legislative
Budget	Membership
Communications	Public Relations
Constitution and Bylaws	Quality Assurance Review
Chapter Promotion	Resolutions
Convention	Steering

He may suspend and temporarily remove any Officer or member of the Board of Directors of the Society, for the inefficiency, bad conduct or disloyalty to the Society, subject to the approval of the Board of Directors at the next regular meeting. He shall do any and all things that, with the approval of the Board of Directors, he may deem necessary to carry out the provisions of the Constitution and to protect the rights and interests of the Society and to promote the common welfare of the members.

(b) There shall be a Tax Forum Committee comprised of eleven persons, two of whom shall be the President and the President-Elect. Initially the President shall appoint nine members for staggered terms of one, two and three years. Subsequent to the initial committee, the President shall appoint three members for a three year term.

SECTION 2: President-Elect and Vice-President:

(a) It shall be the duty of the President-Elect to perform the duties of the President in case of resignation, death or disability. The President-Elect will be elected automatically President at the next Annual Convention. If the office of President-Elect becomes vacant, it shall remain vacant until the next Annual Convention.

(b) It shall be the duty of the Vice-President to act if the President-Elect is unable to assume the duties. The Board of Directors may assign duties and define acts to the President-Elect or to the Vice-President.

SECTION 3: Secretary: The Secretary shall have charge of the general office of the Society. He shall have charge of all organizational work and supervise the solicitation of members. He shall render an annual report at the Annual Convention each year. He shall record or supervise the recording of the proceedings of all meetings of the Board of Directors and the Annual Convention. He shall sign, with the President, all deeds, contracts or leases executed by the Society. He shall affix the seal of the corporation to all papers and records when seal is required. The Secretary shall approve all bills for payment on a timely basis and remit them to the Treasurer for payment. He shall issue certificates of membership and sign same, with the President. He shall send notices required by the Board of Directors.

SECTION 4: Treasurer: The Treasurer may invest Society funds in government securities as long as they produce more yield than savings and loan institutions. The Treasurer shall keep separate accounting records for the Operating Fund and the Legislative Fund. Investment interest from the Investment Funds and Legislative Fund shall accrue and be designated "legislative funds" and accumulate in the Legislative Fund accounts until needed for legislative purposes. The Treasurer shall pay all bills approved by the President, the Secretary or the majority of the Board of Directors. No officer of the Society may exceed the basic budget expenditure by more than ten percent per item unless authorized by two-thirds consent of the Board of Directors. The Treasurer may refuse to pay any bill that appears questionable and ask the Board of Directors to approve same before making payment. The Treasurer shall retain all documents for submission to the Audit Committee. It shall be the duty of the Treasurer to maintain the Society's records in accordance with accepted accounting procedures. The Treasurer shall make a report of receipts, disbursements and cash balances as often as requested by the President, and at the end of the fiscal year. The information from these reports is to be included in the Form 990, *Return of Organization Exempt From Income Tax*, which must be filed by the due date, November 15, or extended due date.

ARTICLE VIII – EXPENSES

SECTION 1: It shall be the duty of the Board of Directors to authorize the reimbursement, by the Treasurer, for expenses incurred in connection with the duties of officers, except as follows in subsection 2 (b).

SECTION 2: Submission:

- (a) The President, upon submitting a detailed expense account for his and his guest's food and lodging incurred during the days that NSA is in business session, shall be reimbursed actual cost plus his and his guest's transportation to and from the convention city. Transportation expenses shall be no greater than coach airfare. Such expense account must have the approval of the Secretary before the Treasurer issues a check.
- (b) Committee chairpersons and committee members incurring expenses in regard to their committees shall submit vouchers to the NCSA Treasurer for payment. NO expenses incurred by chairpersons or members will be paid from any NCSA funds EXCEPT through the NCSA Treasurer.

- (c) Board Members, NSA State Director and the Parliamentarian(s) shall be paid a pro-rata amount for their attendance at Board meetings.

ARTICLE IX – FISCAL YEAR

SECTION 1: The fiscal year shall be July 1 to June 30.

ARTICLE X – RULES OF PROCEDURE

SECTION 1: The latest addition of *Robert's Rules of Order* shall govern the proceedings of all regular and special meetings of the organization and of the Board of Directors unless otherwise provided in these Bylaws.

ARTICLE XI – CODE OF CONDUCT

SECTION 1: It shall be the duty of the Board of Directors upon the recommendation of the Ethics and Grievances Committee to approve and publish a Code of Ethics and Rules of Professional Conduct.

ARTICLE XII – AMENDMENTS

SECTION 1: These Bylaws may be amended by a two-thirds vote of all voting members registered for the Annual Convention, provided that a copy of the proposed amendments shall be sent to each Member of the Society at least thirty days in advance of the meeting at which the amendments are to be submitted.

SECTION 2: Any proposed amendments to the Bylaws that have not been submitted as required by Section 1 of this Article may be presented for consideration at the Annual Convention by a three-fourths vote of the Members registered for the convention who are eligible to vote.

SECTION 3: The Constitution and Bylaws Committee shall review all proposed amendments and shall report its recommendations to the convention in session.

6-30-2003