

# **BY-LAWS**

## **THE ALABAMA SOCIETY OF** **CERTIFIED PUBLIC ACCOUNTANTS**

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**CERTIFIED PUBLIC ACCOUNTANTS**

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(As Revised June 25, 1975; Amended May 13, 1977; August 9, 1978, May 21, 1982, June 20, 1996, June 6, 2002, May 1, 2007, November 30, 2007 and December 3, 2010.)

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## ARTICLE I - NAME AND PURPOSES

- 1.1 The name of this organization shall be "The Alabama Society of Certified Public Accountants".
- 1.2 The purpose of this organization shall be: To unite the profession of accountancy in the State of Alabama; to promote and maintain high professional, ethical and moral standards; to promote the professional interests of Certified Public Accountants; to advance the profession of accountancy; and to develop and improve accounting education.

## ARTICLE II - ADMISSION TO MEMBERSHIP

- 2.1 Membership in the Society shall become effective upon payment of the initiation fee and dues required by these by-laws.
- 2.2 Members of the Society shall be-
  - 2.2.1 Members  
Persons who are bona fide holders of valid and unrevoked certificates as Certified Public Accountants issued by the Alabama State Board of Public Accountancy or who are a bona fide holder of a valid and unrevoked

certificate issued by another state (or jurisdiction) Board of Public Accountancy. Members enjoy all rights and privileges of the organization.

2.2.2 Members of the Alabama Society of Certified Public Accountants at the effective date of these by-laws will continue to be members.

### 2.3 Associate Members

The Board of Directors, by whatever procedure it deems appropriate, may confer membership on persons who are actively pursuing sitting for the Uniform Certified Public Accountant exam. Associate members have no voting privileges; are not eligible to hold any office in the Society; and are not subject to Articles 2.7.3 and 2.8 of the By-Laws.

### 2.4 Student Members

The Board of Directors, by whatever procedure it deems appropriate, may confer membership on students who have attained junior standing and beyond, have a declared major in accounting, or who are taking a concentration in accounting.

### 2.5 Life Members

The Board of Directors, by whatever procedure it deems appropriate, may confer Life Membership status on individuals who have made outstanding

contributions to the accounting profession. Life members who qualify under 2.2.1 and 2.2.2 shall have voting privileges.

Note: Dues for Life Members is waived under existing 3.3.

## 2.6 Voting Rights

Members, but not Associate members or Student members, shall be entitled to vote in person, when in attendance, upon all questions brought before duly called meetings of the Society, and by mail or e-mail, when mail or e-mail ballots are requested.

## 2.7 Requirements for Retention of Membership

2.7.1 Pay dues as provided in Article III of these By-Laws.

2.7.2 Conform with these By-Laws.

2.7.3 Complete continuing professional education requirements.

### 2.7.3.1 Members in Public Practice

Members residing in Alabama are required to complete the CPE requirements prescribed by the Alabama State Board of Public Accountancy. Members residing outside the state of Alabama are required to meet CPE requirements of the State Board where they reside.

Members shall keep appropriate records and submit copies of such upon request of the Society. The Board of Directors may grant exceptions for reasons such as health, military service, foreign residency, and other similar reasons.

2.8 Peer Review Program

The Board of Directors is authorized to establish within the Society a practice-monitoring (peer review) program in accordance with AICPA and Society standards.

2.8.1 The Board of Directors shall adopt policies and procedures to achieve the educational objectives of this program and provide oversight and guidance for all committees and personnel responsible for the program.

2.8.2 A member in public practice associated with a firm as a proprietor, partner, or shareholder or employee shall become ineligible to retain membership in the Society unless the firm enrolls in an approved practice-monitoring (peer review) program.

2.8.3 Members of a firm which is dropped for disciplinary reasons from the peer review program are ineligible for Society membership until the cause of the disciplinary action is removed.

### ARTICLE III - DUES AND ASSESSMENTS

- 3.1 The initiation fee and annual dues of the Society shall be set by The Board of Directors.
- 3.2 The Society, by two-thirds vote of the members present and voting at any regular or special meeting of the Society, may levy a per capita assessment for any specific purpose not to exceed \$50.00 for any one year.
- 3.3 The Board of Directors may waive payment of dues and/or assessments, or extend the indebtedness for dues and/or assessments of any member.
- 3.4 Dues that are not paid by July 31 will incur a delinquent fee to be set by the The Board of Directors.

### ARTICLE IV - ORGANIZATION AND PROCEDURES

- 4.1 The organization of the Society shall include the members, The Board of Directors, Officers, AICPA Council Representatives, Young CPA Board and Committees.
- 4.1.1 The Young CPA Board shall be composed of one member, 35 years old or

younger, from each chapter area elected by the chapter members.

4.1.2 By-laws of the Young CPA Board shall not be in conflict with these by-laws and the by-laws of the local chapter and any changes therein shall take effect upon approval of the Board of Directors of the Society. The by-laws of the Young CPA Board shall provide for (a) a fiscal year coinciding with that of the Society, (b) election of officers each year with tenure to coincide with that of the officers of the Society, and (c) a provision that in the event any part of the Young CPA Board by-laws is or becomes in conflict with the Society by-laws then that part shall be void and the Society by-laws shall govern.

4.2 The governing body of the Society shall be the Board of Directors and its actions shall be controlling upon subsequent Boards unless specifically modified.

4.2.1 The Board of Directors shall be composed of the Chair, members and additional members elected in accordance with these by-laws, the elected officers, the immediate Past- Chair of the Society and the AICPA Council Representatives.

4.2.2 The Chair of the Board of Directors shall be elected by the membership at large, and shall preside at all meetings of The Board.

- 4.2.3 There shall be elected to The Board of Directors at least one member by each duly authorized and organized local chapter of the Society and two members from the Young CPA Board as elected by the Young CPA Board.
- 4.2.4 One additional Board member shall be elected by each duly authorized and organized local chapter of the Society with six hundred or more chapter members.
- 4.2.5 The Secretary/Treasurer of the Society shall certify (based upon a list of members of the local chapter in good standing furnished by the local chapter no later than September 1) to the President of each local chapter by October 1 of each year the number of members in good standing of the Society for that chapter as of September 1. This certification determines the number of additional Board members entitled to be elected from that Chapter for the next fiscal year of the Society.
- 4.2.6 As provided in these by-laws, the local chapter shall elect between September 1 and May 20 its Board member or members to serve for the next two year term beginning on May 1 and report such election to the Chair of the Society's Nomination Committee by June 1.
- 4.2.7 If the local chapter fails to elect and report as provided in paragraph 4.2.6,

then the Nomination Committee of the Society shall select a nominee from that local chapter for election by the Society membership at the next annual meeting.

4.2.8 Any Board member elected by or from a local chapter or the Young CPA Board must be a member of the Society in good standing at the time of election as determined by the listing required by paragraph 4.2.5.

4.2.9 There shall be two AICPA Board members who serve as voting members of the ASCPA Board of Directors. The AICPA Board members can be nominated by ASCPA Board members, Officers and ASCPA members and are selected by the ASCPA Board and Officers who recommends the selected person (s) to the AICPA for election. The term of an AICPA Board member is three years. An AICPA Board member may serve no more that two consecutive three-year terms.

4.3 The officers of the Society shall be-

- a) Chair of the Board;
- b) Chair-Elect who shall succeed to the Chair upon the expiration of the term of the Chair-elect;
- c) One Vice Chair; and
- d) Secretary/Treasurer

- 4.3.1 The Chair of the Board of Directors, shall preside at all general meetings of the Society membership, and is empowered to call such meetings of the Council and the Society membership as deemed necessary. The Chair shall call a special meeting of the Society membership within thirty days after being requested to do so by a majority of the Board of Directors or by one-third of the members of the Society. The Chair will be considered to have been formally requested to call a meeting when the Secretary/Treasurer of the Society has been notified in writing of such a request.
- 4.3.2 The Chair-Elect's duties shall consist of those delegated to him by the Chair. In the absence of the Chair, the Chair-Elect shall preside at those meetings where the Chair would normally preside if present. In the absence of both the Chair and Chair-Elect, the Vice-Chair shall preside. In the event the Vice-Chair is unable to preside, the Secretary/Treasurer shall preside.
- 4.3.3 In the event of the disability of the Chair and when authorized to do so by The Board of Directors, the Chair-Elect, the Vice Chair, or another Society member, may perform the duties of the Chair during the disability.

4.3.4 The Vice Chair of the Society shall perform such duties as may be delegated by the Chair and, in addition, shall have responsibility for supervising the permanent committees of the Society.

4.3.5 The duties of the Secretary/Treasurer shall be those usually pertaining to office of Secretary/Treasurer and be responsible for the financial records of the Society and for the proper safeguarding of the Society's assets. The Secretary/Treasurer is also responsible for the development and implementation of investment policies together with sound accounting procedures and financial reporting for the Society, plus such other duties as the Chair may delegate.

4.4 The President and CEO may be employed or discharged by a majority vote of the Board of Directors. The duties shall be those duties delegated by the Chair with the approval of the Board of Directors.

4.5 The permanent committees of the Society, whose members shall be appointed for two-year terms, shall be as follows-

- a) Professional Ethics
- b) Peer Review
- c) Federal Tax
- d) State Tax
- e) Education

- f) Audit
- g) Nominations

4.5.1 Each of these committees shall be appointed by the Chair and shall consist of a minimum of five members. The chair of each committee is appointed by the Chair of the Board of Directors from the committee membership for a one-year term.

4.5.2 The chair of each permanent committee shall report annually each year regarding the Committee's work during the past year.

4.6 The Chair of the Board of Directors shall appoint task force groups and advisory groups as deemed necessary for the appropriate conduct of the Society's business; however, these appointments shall be for not more than the remaining term of the office of the Chair, except that the Chair may appoint for a two-year term with the approval of the Board of Directors.

4.6.1 There shall be an Executive Committee consisting of the Chair, Chair-Elect, and three (3) other members of the Board of Directors, appointed by the Chair and subject to the approval of the Board of Directors. The Chair will preside over such an Executive Committee. The Executive Committee will have the powers delegated by the Board of Directors, except that it cannot modify any previous action taken by the Board of Directors and must report

any action it may take at the next Board meeting. The President and CEO will be a non-voting member of this committee. The Board of Directors shall adopt guidelines for the operation of this committee. These guidelines may be amended by The Board of Directors from time to time as necessary.

4.7 Vacancies in any elective office occurring between annual meetings of the Society shall be filled by the Board of Directors.

4.8 The Board of Directors may, upon a majority vote of the Board membership, declare any elective office of the Society vacant and fill such office as provided in paragraph 4.7.

4.9 If any Board member elected by a local chapter fails to attend two consecutive meetings of the Board of Directors without submitting an excuse satisfactory to The Board and so recorded in the minutes of the next Board meeting, the position is automatically declared vacant and shall be filled in accordance with paragraph 4.7.

#### ARTICLE V - LOCAL CHAPTERS

5.1 Local chapters may be created by a two-thirds vote of the Board of Directors upon request of at least twenty-five members residing in the same locality who desire to form a local chapter to further the objectives of the Society.

- 5.2 Members of a local chapter must be members in good standing of the Alabama Society of Certified Public Accountants.
- 5.3 A properly organized local chapter of the Society may exercise such customary functions of the Society as are not reserved by these by-laws to the Board of Directors and officers or to the Society as a whole, but is without the power to bind the Society in any manner.
- 5.4 The by-laws of the local chapter shall not be in conflict with those of the Society and any changes therein shall take effect upon approval of the Board of Directors of the Society. The by-laws of each local chapter shall provide for (a) a fiscal year coinciding with that of the Society, (b) election of officers each year with tenure to coincide with that of the officers of the Society, and (c) a provision that in the event any part of the Chapter by-laws is or becomes in conflict with the Society by-laws then that part shall be void and the Society by-laws shall govern.
- 5.5 The local chapters shall furnish financial information to the Board of Directors within 60 days after the fiscal year end.
- 5.6 A local chapter's authorization may be withdrawn by the Board of Directors at any time without cause upon a two-thirds vote of the Board of Directors.

5.7 Upon withdrawal of a local chapter's authorization, all assets, after payment of all liabilities, shall be turned over to the Secretary/Treasurer of the Society who shall hold such assets in trust for a period of one year from the date the local chapter authorization is withdrawn. If the Board of Directors does not restore the assets to the local chapter within said one year period, the assets shall be added to the Society's general funds.

#### ARTICLE VI - MEETINGS OF SOCIETY AND THE BOARD OF DIRECTORS

6.1 There shall be an annual business meeting of the Society held within the State of Alabama within 60 days after the fiscal year end, the time and place fixed by the Board of Directors.

6.2 Special meetings of the Society shall be called as provided in Article IV. Business, other than that for which the call was made, shall not be transacted at special meetings, except upon motion receiving three-fourths of the votes cast by members present and voting.

6.3 At least thirty days prior to each annual meeting, notice of such meeting shall be mailed or e-mailed to each member at the last address known to the Society.

- 6.4 At least ten days prior to each special meeting, notice of such meeting shall be mailed or e-mailed to each member at the last address known to the Society stating the objective of such meeting.
- 6.5 Two hundred fifty members of the Society present shall constitute a quorum for the transaction of business duly presented at any annual or special meeting of the Society.
- 6.6 Each member present at a meeting of the Society shall have one vote. Voting by proxy shall not be permitted.
- 6.7 The Board of Directors of the Society shall meet upon the call of the Chair at least once each calendar quarter. If the Chair does not call a meeting of the Board of Directors during a calendar quarter, it shall be the duty of the Vice-Chair to call such meeting.
- 6.8 Special meetings of the Board of Directors shall be called by the Chair or upon the request of any five members of the Board of Directors.
- 6.9 The Secretary/Treasurer of the Society shall notify each member of the Board of Directors at least seven days prior to a regular or special meeting of the Board unless notice is waived by a majority of the Board.

- 6.10 The Secretary/Treasurer of the Society shall keep complete and accurate minutes of all meetings of the Board of Directors.
- 6.11 A majority of the Board of Directors shall constitute a quorum for the transaction of business at any regular or special meeting of the Board of Directors.
- 6.12 Robert's Rules of Order, Revised, shall govern the proceedings of all meetings of the Society, The Board of Directors, and Committees, when not inconsistent with the laws of the State of Alabama or these by-laws.

ARTICLE VII - NOMINATION AND ELECTION OF THE BOARD OF DIRECTORS,  
OFFICERS AND NOMINATION COMMITTEE

- 7.1 The Nomination Committee shall consist of the two immediate Past - Chairs of the Board of Directors, the current Chair of the Board of Directors and three members elected at the annual meeting. The Chair of the Board shall appoint one of the elected members as Chair of the Nomination Committee.
- 7.2 The Nomination Committee shall certify by a report filed with the Secretary/Treasurer of the Society no later than March 1, its nominations for Chair of the Board, Officers, elected members of the Nomination Committee and any members of the Board of Directors for which nominations are

required for the coming year indicating that the nominees have consented to serve if elected. No more than one nomination for each position shall be submitted by the Nomination Committee, except that six nominees will be submitted for the three elected members of the Nomination Committee. None of the nominees shall be a member of the Nomination Committee. The membership shall be furnished with the name of each nominee at least thirty days prior to the annual meeting.

7.3 Any ten members of the Society may unanimously submit an independent nominations for, officers or elected members of the Nomination Committee, other than the Chair of the Board, provided that such nominations are filed with the Secretary/Treasurer of the Society not later than fifteen days prior to the annual meeting.

7.4 If a nominee of the Nomination Committee dies or otherwise becomes unavailable before the annual meeting, the Nomination Committee may report a substitute nominee. If the notice required in paragraph 7.2 is not provided to the membership, nominations from the floor will be in order for that position.

7.5 Nominations other than those made in accordance with this Article shall not be in order.

- 7.6 Election shall be by a voice vote unless there is more than one nominee for a position. In such an event, the vote shall be by secret ballot. The Chair of the Board shall appoint a chair and three tellers who shall receive and count the ballots. A majority vote of the members present and voting shall elect. Should no nominee receive a majority vote, that nominee receiving the smallest vote shall be dropped from the ballot following each vote and votes shall be repeated until one nominee receives a majority vote or, in the case of the Nomination Committee, until three members are elected. The three nominees receiving the most votes and a majority shall be elected to the Nomination Committee. In the event of a tie vote which prevents the election of one or more members of the Nomination Committee, additional votes for those tied for the position or positions shall be taken until all three positions are filled.
- 7.7 The Chair of the Board of Directors, the officers and the Nomination Committee of the Society shall be elected at each annual meeting of the Society to serve from May 1 of the calendar year elected to April 30 of the succeeding year or until their successors are duly elected if subsequent to April 30 of the succeeding year.
- 7.8 Board members elected by the local chapters and the Young CPA Board shall serve two-year terms from May 1 of the calendar year elected to April 30 of the

succeeding year or until their successors are duly elected if subsequent to April 30 of the second succeeding year.

- 7.9 If a chapter elected Board member is nominated as an officer of the Society, subject to the election of the nominee, the local chapter will elect a replacement representative prior to the next annual meeting of the Society. If the chapter does not act prior to the next annual meeting of the Society, the Board of Directors shall select a member from that local chapter's membership as their representative.

#### ARTICLE VIII - RULES OF PROFESSIONAL CONDUCT

- 8.1 The Code of Professional Conduct of the Alabama Society of Certified Public Accountants shall be the Code of Conduct of the American Institute of Certified Public Accountants. The Alabama Society Code of Conduct is hereby declared a part of these by-laws. The Code of Conduct may be added to, altered or rescinded as provided in Article X of these by-laws.

#### ARTICLE IX - TERMINATION OF MEMBERSHIP AND DISCIPLINARY ACTIONS

- 9.1 Resignation of members may be offered in writing at any time and shall be effective on the date of acceptance. The Board of Directors of the Society must act on all resignations.

- 9.2 No member shall be considered to have resigned while in good standing if at the time of the resignation the member was in debt to the Society for dues or other obligations.
- 9.3 A member submitting a resignation within 60 days after the beginning of the fiscal year may resign in good standing without paying dues for the fiscal year of the member's resignation, provided obligations other than dues shall have been paid in full.
- 9.4 A member who resigns while in good standing may be reinstated by the Board of Directors upon payment of a reinstatement fee to be determined by the Board plus dues for the current year.
- 9.5 Any member who shall neglect to pay dues, assessments or other obligations to the Society for a period of six months, shall have forfeited membership unless payment is made within thirty days after final delinquency notice (so stated) is mailed by certified mail, return receipt requested, to the member at the last address known to the Secretary, or unless the Board of Directors takes action under paragraph 3.3.
- 9.6 A member may be disciplined as described in paragraph 9.8 in accordance with the procedures described in paragraph 9.7 if the member-

- a) Is convicted for commission of a felony, or
- b) Violates any of the Society's by-laws.

9.7 Disciplinary procedures of the Society are as follows-

9.7.1 Whenever a member of the Society, whether or not a member of the American Institute of Certified Public Accountants ("AICPA"), shall be charged with violating these by-laws or any Code of Professional Ethics promulgated hereunder, the said charge shall be initiated in accordance with the terms of any then subsisting agreement between the Society and the AICPA relating to joint ethics enforcement.

9.7.2 In the event that a hearing is required to dispose of such charge or charges initiated in accordance with the provisions of paragraph 9.7.1, the hearing shall be conducted under the terms of the agreement referred to in paragraph 9.7.1, the then operative rules of the Joint Trial Board Division and the then operative joint ethics enforcement procedures in effect by virtue of the agreement between the Society and the AICPA.

9.7.3 A complaint may be filed against any member of the Society by submission in writing directly to the Committee on Professional Ethics or to the Board of Directors of the Society. If submitted directly to the Board of Directors, the Board shall refer the investigation of such complaint directly to the

Committee on Professional Ethics. This committee will follow the procedures prescribed in the Joint Enforcement Operations Manual of the Society and the AICPA.

9.7.4 The Committee on Professional Ethics must report the results of its investigation to the Board of Directors no later than ninety days after receipt of the complaint by the Chair of the Committee on Professional Ethics, unless an extension of time is granted by the Board.

9.7.5 Upon receiving a report from the Committee on Professional Ethics, the Board of Directors may-

- (I) dismiss the complaint,
- (ii) issue a letter of constructive comment,
- (iii) issue an administrative reprimand, or
- (iv) call for a trial board hearing.

9.7.6 If the Board of Directors elects either 9.7.5(iii) or 9.7.5(iv), the concurrence procedures required by the agreement between the Society and AICPA referred to in paragraphs 9.7.1 and 9.7.2 are to be followed.

9.7.7 If the Board of Directors cannot obtain concurrence from the AICPA Ethics Division with its decision in paragraph 9.7.6 or if no agreement between the

Society and the AICPA as referred to in paragraphs 9.7.1 and 9.7.2 is in effect, the Board of Directors will act under the following procedures.

- 9.7.8 If an administrative reprimand is to be issued, the letter is to be mailed to the member at the last address known to the Secretary/Treasurer of the Society indicating that the member has a right to reject the reprimand in favor of a Trial Board hearing.
- 9.7.9 Upon determination that the evidence is sufficient to warrant a trial or the member requests a Trial Board, the Board of Directors will direct the Society's Secretary/Treasurer to notify the member charged of the nature of the complaint and the date set for trial.
- 9.7.10 Notice shall be given to the member charged at least thirty days prior to such trial date and shall be mailed to the member at the last address known to the Secretary by registered or certified mail, return receipt requested, and marked "Personal and Confidential".
- 9.7.11 At the trial, the Committee on Professional Ethics will present the evidence against the member or the Board of Directors may designate another person, to present the complaint.

- 9.7.12 The accused member may be represented by Counsel and, if desired, shall be afforded an opportunity to present such evidence which contradicts or mitigates the complaint as the accused wishes.
- 9.7.13 Upon hearing all of the evidence, the Trial Board shall, in closed session, consider its verdict. A two-thirds affirmative vote of the Trial Board members present, is required for a conviction of the charge. The results of the Trial Board's vote shall be transmitted verbally to the person charged at the earliest possible moment. The Secretary/Treasurer of the Society shall formally notify the person charged as to the Trial Board's decision within seven days at the last address known to the Secretary by registered or certified mail, return receipt requested, and marked "Personal and Confidential".
- 9.7.14 The convicted member may appeal the Trial Board's decision by submitting in writing a request for reconsideration. This request for reconsideration must be made within thirty days from the date the formal notice of Trial Board's action is mailed to the member.
- 9.7.15 In the event of failure to submit such a request for reconsideration or if such a request for reconsideration is not received within the thirty day period, the Board of Directors shall proceed with publication of such notice of disciplinary action as may be required.

- 9.7.16 Upon receipt of a request for reconsideration, which shall be addressed to the Secretary/Treasurer of the Society, the Trial Board will reconsider its decision at a special meeting called for that purpose. The Trial Board may reconsider with no change in verdict, reconsider with reduction, reconsider and grant a new trial, or reconsider and acquit.
- 9.7.17 Notice of the results of the Trial Board's action on the request for reconsideration shall be mailed, within seven days after the Trial Board's action, to the member at the last address known to the Secretary/Treasurer by registered or certified mail, return receipt requested and marked "Personal and Confidential".
- 9.8 This section describes the disciplinary action which may be taken by the Board of Directors in accordance with these by-laws in matters not covered by paragraphs 9.7.1 through 9.7.6.
- 9.8.1 Upon action of the Board of Directors in accordance with paragraph 9.7 of these by-laws, the Board may issue a letter of constructive comment or an administrative reprimand. The Board of Directors may require the member to take continuing professional education courses with an administrative reprimand. No publicity will be given to letters of constructive comment or administrative reprimand.

- 9.8.2 Upon conviction in accordance with paragraph 9.7 of these by-laws, the Board of Directors may censure a member by appropriate letter signed by the Secretary/Treasurer of the Society and, if so ordered, by publishing such letter or parts thereof in the official publication of the Society.
- 9.8.3 Upon conviction in accordance with paragraph 9.7 of these by-laws, the Board of Directors may suspend a member for up to two years. Notice of such suspension must be sent to the member at the last address known to the Secretary/Treasurer of the Society and must be published in the official publication of the Society.
- 9.8.4 Upon conviction in accordance with paragraph 9.7 of these by-laws, the Board of Directors may expel a member from the Society. Notice of such expulsion must be sent to the member at the last address known to the Secretary/Treasurer of the Society and must be published in the official publication of the Society.
- 9.8.5 In any case where there is a finding of guilty, the Board of Directors may require the member to attend a specified number of hours of continuing professional education courses and also specify some or all of the courses to be taken. Failure to take such courses by the member could result in being charged with an act discreditable to the profession. (Rule 501).

9.9 In all instances, notices sent by registered or certified mail, return receipt requested, to a member at the last address known to the Secretary/Treasurer, shall be considered proper notice even though the notice cannot be delivered by the Post Office.

#### ARTICLE X - AMENDMENTS

10.1 These by-laws may be added to, altered or rescinded by a vote of two-thirds of all members present and voting at any annual or special meeting of the Society or by mail or e-mail ballots.

10.1.1 Mail or E-Mail Ballots

These By-Laws may be added to or altered by mail or e-mail ballot approved by the Board of Directors. There must be at least 400 mail or e-mail ballots returned by the stated due date in order for a quorum to be declared and two-thirds of these must have voted in favor of the addition or alteration for it to take effect.

10.2 Written or e-mail notice of any proposed amendment to these by-laws shall be mailed or e-mailed to each member at the last address known to the Secretary/Treasurer at least thirty days prior to such meeting or mail or e-mail vote.

10.3 These by-laws may also be added to, altered or rescinded at any annual or special meeting of the Society by affirmation of three-fourths of the votes cast even though prior notice of the proposed amendment has not been given in accordance with paragraph 10.2; provided that the membership shall be notified in writing by the Secretary/Treasurer within thirty days after passage of such amendment, and provided that not more than one-third of the members of the Society file written objection with the Secretary/Treasurer within sixty days after passage.

10.4 All amendments to the existing Code of Professional Conduct which may be adopted by the American Institute of Certified Public Accountants shall become a part of the by-laws of this Society on the date of the next annual meeting following the effective date of such amendments unless two-thirds of all members present and voting nullify such amendments.

#### ARTICLE XI - FISCAL MATTERS

11.1 The fiscal year of the Society will end on April 30.

11.2 The Chair-Elect and the Secretary/Treasurer, with such assistance as the Chair-Elect may consider appropriate, shall, not later than May 15 of each

year, prepare for the approval and adoption by the Board of Directors an annual budget for the fiscal year showing all amounts appropriated for the purpose of the Society and an estimate of all revenue.

11.3 Unexpended appropriations shall lapse at the end of the fiscal year and shall not be carried forward. No expenditure shall be made in a fiscal year in excess of the limitations of the budget for that year, unless it is authorized or ratified by the Board of Directors. Such authorization or ratification shall constitute an amendment to the budget to that extent.

11.4 At the first meeting of the Board of Directors following the completion of the prior year's audit, the Board shall designate an auditor or firm of auditors to examine the report of the Secretary/Treasurer for the then current fiscal year. The auditor or partner of the firm of auditors shall be a member of the Society.

#### ARTICLE XII - OFFICIAL PUBLICATION

12.1 The Alabama CPA shall be the official publication of the Society and notice published therein shall be deemed appropriate notice to the membership.