

**BY-LAWS OF EDUCATIONAL FOUNDATION  
OF ALABAMA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS**

**Revised and Adopted April 27, 2012**

**ARTICLE I**

The name of this corporation is the EDUCATIONAL FOUNDATION OF THE ALABAMA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS.

**ARTICLE II**

**LOCATION OF CORPORATION**

1. **PRINCIPAL OFFICE.** The principal office of the Foundation shall be located in the city of Montgomery, County of Montgomery, State of Alabama.
2. **OTHER OFFICES.** The Foundation may also have offices at such other places within and without the State of Alabama as the Board of Directors may from time to time designate.

**ARTICLE III**

**MEMBERSHIP AND MEETINGS OF MEMBERS**

1. **CLASSES OF MEMBERS.** Membership in the Foundation shall be initially composed of three (3) classes. The first class shall consist of those individuals who are “active” directors of the Foundation. The second class shall consist of all of the past directors of the Foundation who shall be known as “honorary” directors. The third class shall consist of those individuals who for a particular year have given or pledged to the Foundation a donation prior to the annual meeting of the members of said Foundation and are at the time members in good standing of the Alabama Society of Certified Public Accountants. Additional classes of members may be provided for in accordance with Article XV of these by-laws.

2. **ANNUAL MEETING.** The annual meeting of the members shall be held within three (3) months following the end of the fiscal year of the Foundation, at such time as the Chairman of the board of the Foundation may establish, and shall normally follow the annual meeting of the Alabama Society of Certified Public Accountants.
3. **SPECIAL MEETINGS.** Special meetings of the members may be called by the Chairman of the Board of Directors of the Foundation and must be called by him on the written request of two (2) or more members of the Board of Directors.
4. **VOTING AND QUORM.** Only those members who are “active” directors shall be entitled to vote, except that all members shall be allowed to vote in the election of the three directors provided for in Article IV Section 1. At any meeting of members a quorum shall consist of the presence in person of one eighth of the members.
5. **NOTICE OF MEMBERS’ MEETINGS.** Written or printed notice stating the place, day and hour of annual and special meetings of the membership, and in case of special meetings, the purpose of purposes for which the meeting is called, shall be given not less than ten (10) nor more than thirty (30) days before the date of the meeting, either personally or by mail, by or on the direction of the President, or the Secretary, or the officers, directors, or persons calling the meeting, to the members of Foundation. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the member, at his address as it appears on the records of the Foundation, with postage thereon prepaid. By unanimous agreement the members of the Foundation may, in writing, waive notice of the calling of any special or annual meetings, and in case of a special meeting, of the purposes thereof, and if so waived, such notice as is herein required may be dispensed with.
6. **COMPENSATION AND EXPENSES.** Members shall not receive compensation for their services as such. The Board of Directors shall have the power in its discretion to contract for and to pay to members rendering unusual or special services to the corporation special compensation appropriate to the value of such services.

## ARTICLE IV

### DIRECTORS

1. **APPOINTMENT OR ELECTION.** The business and property of the Foundation shall be managed and controlled by a Board of Directors. The first Board of Directors shall be composed of the four (4) immediate past presidents of the Alabama Society of Certified Public Accountants and the present president of said Society. At the first annual meeting of the Foundation the Membership of the Board of Directors shall be increased to seven (7) directors of whom four (4) shall be the four immediate past presidents of the Alabama Society of Certified Public Accountants and three (3) shall be elected by the membership at said meeting. The first elected members shall serve terms of three, two and one years respectively. Thereafter one (1) member shall be elected at each annual meeting and shall serve a term of three years. Each of these seven shall be considered an 'active' director as that term is used in the "Article of the Incorporation".
  
2. **TERM OF DIRECTORS.** With the exception of the forthcoming annual meeting, upon the yearly election of the President of the Alabama Society of Certified Public Accountants, the retiring president of said Society will automatically become a member of the Board of Directors of the Foundation. Correspondingly, the past president who has been a member of the Board for the longest period in time of service or who has completed his term in accordance with the period of time set out in the Certificate of Incorporation as amended for the first five (5) members of the Board, as the case may be, will automatically be relieved of the position of an active director of the Foundation, and will thereupon become an "honorary" director. The term of each past president, with the exception of the term of the original Board as set out in the Certificate of Incorporation, will begin following the annual meeting of the Alabama Society of Certified Public Accountants; and continue for a period of four (4) years. The term of each elected member who shall be elected at meetings subsequent to the first Annual Meeting shall be for a term of three years as set out in Article IV Section 1 as amended.

3. **NUMBER.** The number of directors of the Foundation shall be given seven (7), but such number, within the limits fixed by the Articles of Incorporation, may be increased or decreased by amendment to these by-laws, in the manner set forth in Article XV hereof.
4. **RESIGNATION OR REMOVAL.** Any director may resign at any time by giving a thirty (30) days written notice of such resignation to the Board of Directors. Any one (1) or more of the directors may be removed by a two-thirds vote of the members of the Board of Directors present at any regular or special meeting called for that purpose, for conduct detrimental to the interest of the Foundation or for refusal to render reasonable assistance in carrying out its purposes. Any such director proposed to be removed shall be entitled to at least five (5) days' notice in writing by mail of the meeting at which such removal is to be voted upon and shall be entitled to appear before and be heard at such meeting. Should a director cease to be a member in good standing of the Alabama Society of Certified Public Accountants or be absent from two (2) consecutive meetings of the Board, then he/she shall be deemed to have tendered his resignation, unless satisfactory reasons for such absence be tendered in writing within twenty (20) days subsequent to the date of the second meeting.
5. **VACANCIES.** Any vacancy in a director's position, other than one created by the expiration of a term, shall be filled by an election to be held by the Board of Directors within thirty (30) days following the creation of the vacancy. First preference to the election of a director to fill a vacancy shall be given to those individuals who are past presidents and members in good standing of the Alabama Society of Certified Public Accountants. In the event there are no past presidents eligible and willing to serve, then the vacancy shall be filled by an individual who is presently a member of the Foundation and a member in good standing of the Alabama Society of Certified Public Accountants. The director so elected shall serve out the remainder of the unexpired term of the director that he/she is replacing.
6. **VOTING AND QUORUM.** At any meeting of the directors each director shall have one vote; and, the vote of a majority of those present and voting at any meeting shall be sufficient

to take any action unless a larger proportion is required by law or by the charter or by-laws of the Foundation.

7. **ANNUAL MEETING.** The annual meeting of the directors shall be held immediately following the annual meeting of the members for the purpose of organization, the election of the Chairman of the Board of Directors, the officers, and the transaction of other business, and if a quorum of the directors be then present, no prior notice of such meeting shall be required to be given.
8. **SPECIAL MEETINGS.** Special meetings of the Board of Directors may be called by the Chairman of the Board and must be called by him on the written request of any two (2) members of the Board.
9. **NOTICE OF DIRECTOR'S MEETINGS.** Notice of all director's meetings, except as herein otherwise provided, shall be given by mail at least three (3) days or by telegram at least one (1) day before the meeting to the usual business or residence address of the director, but such notice may be waived by any director. Regular meeting of the Board of Directors may be held without notice at such time and place as shall be determined by the Board. Any business may be transacted at any directors meeting. At any meeting at which every director shall be present, even though without any notice or waiver thereof, any business may be transacted. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.
10. **QUORUM.** At all meetings of the Board of Directors a majority of the directors shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by these by-laws. If at any meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time without further notice to any absent director.

- 11. CONTRACTS AND SERVICES.** The directors and officers of the Foundation may be interested directly or indirectly in any contract relating to or incidental to the operations conducted by the Foundation, and may freely make contracts, enter transactions, or otherwise act for and on behalf of the Foundation, notwithstanding that they may also be acting as individuals, or as trustees of trusts, or as agents for other persons or corporations, or may be interested in the same matters as stock-holders, directors, or otherwise; provided, however, that any contract, transaction, or act on behalf of the Foundation in a matter in which the directors or officers are personally interested as stockholders, directors, or otherwise shall be at the arm's length and not violative of the proscriptions in the Articles of Incorporation against the Foundation's use or application of its funds for private benefit; and, provided further that no contract, transaction, or act shall be taken on behalf of the Foundation if such contract, transaction, or act is a prohibited transaction or would result in the denial of the tax exemption to the Foundation under Section 503 or Section 504 of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended. In no event, however, shall any person or other entity dealing with the directors or officers be obligated to inquire into the authority of the directors and officers to enter into and consummate any contract, transaction, or other action.
- 12. COMPENSATION.** Directors shall not receive any compensation for their services as such, but by resolution of the Board a fixed reasonable sum or expenses of attendance, if any, or both, may be allowed for attendance at each regular or special meeting of the Board. The Board of Directors shall have the power in its discretion to contract for and to pay to directors rendering unusual or exceptional services to the Foundation special compensation appropriate to the value of such services.
- 13. POWERS.** All the powers of the Foundation, except such as are otherwise provided for in these by-laws and in the laws of the State of Alabama, shall be and are hereby vested in and shall be exercised by the Board of Directors.

**14. COMMITTEES.** The Board of Directors may, by general or special resolution, adopted by a majority of the directors, designate one or more committees, each of which shall consist of two (2) or more directors, which committees, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the Foundation; but, the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual director, of any responsibility imposed on him by law. Other committees not having and exercising the authority of the Board of Directors in the management of the Foundation may be designated by a resolution adopted by a majority of the directors present at any meeting at which a quorum is present. A majority of each committee, unless otherwise specified in the resolution under which it acts, shall constitute a quorum for the transaction of business. All committees created under the provisions of this Article shall keep regular minutes of their proceedings and render such reports as may be required by the President or the directors.

**15. DUTIES.** The Board of Directors, shall present at the annual meeting of members and file with the minutes thereof a report, verified by the President and Treasurer, or by a majority of the directors, showing (a) the whole amount of real and personal property owned by the Foundation, where located, and where and how invested; (b) the amount and nature of the property acquired during the year immediately preceding the date of the report and the manner of the acquisition; (c) the amount applied, appropriated or expended during the year immediately preceding such date and the purposes, objects or persons to or for which such applications, appropriations, or expenditures have been made, and (d) the names and places of residence of the persons who have been admitted to membership during the year.

## **ARTICLE V**

### **OFFICERS**

**1. NUMBER.** The officers of the corporation shall be the president, vice-president, secretary, treasurer, and such other officers with such powers and duties not inconsistent with these

by-laws as may be appointed and determined by the Board of Directors. The directors may at their discretion create from time to time such additional offices as are deemed necessary, and they may designate any officer to perform the duties of any other officer. Any two (2) offices, except those of president and vice-president, may be held by the same person.

2. **ELECTION, TERM OF OFFICE, AND QUALIFICATIONS.** The initial officers of the Foundation shall be elected at the first meeting of the Board of Directors following the date of the incorporation of the Foundation. Said officers shall serve from the date of their election and qualification until the first annual meeting of the Board of Directors and from the date of said first annual meeting until their successors are duly elected and qualified at the second annual meeting of the Board of Directors. Thereafter, the president who shall be a member of the Board of Directors, shall be elected annually by the Board of Directors and the other officers shall be elected annually by the Board of Directors from among such persons as the Board of Directors may see fit, at each annual meeting of the Board of Directors after the annual meeting of members of the Foundation.
3. **VACANCIES.** In case any office of the Foundation becomes vacant by death, resignation, retirement, disqualification, or any other cause, the majority of the directors then in office, although less than a quorum, may elect an officer to fill such vacancy, and the officer so elected shall hold office and serve until the first meeting of the Board of Directors after the annual meeting of members next succeeding an until the election and qualification of his successor.
4. **PRESIDENT.** The president shall be the Chief Executive Officer of the Foundation; he/she shall preside at all meeting of members and of the Board of Directors and he/she shall have and exercise general charge and supervision of the affairs of the Foundation and shall see that all orders and resolutions of the directors are carried into effect. He/She shall, with the secretary, execute bonds, mortgages, deeds, and other contracts requiring a seal, under the seal of the Foundation. He/She shall be ex-officio member of all committees, and shall have the general powers and duties of supervision and

management usually vested in the office of president of a corporation and such other duties as may be assigned to him by the Board of Directors.

5. **VICE-PRESIDENT.** At the request of the president or in the event of his absence or disability, the vice-president shall perform the duties and possess and exercise the powers of the president; and, to the extent authorized by law the vice-president shall have such other powers as the Board of Directors may determine, and shall perform such other duties as may be assigned to him by the Board of Directors.
6. **SECRETARY.** The secretary shall have charge of such books, documents, and papers as the Board of Directors may determine and shall have the custody of the corporate seal. He/She shall attend and keep the minutes of all the meetings of the Board of Directors and members of the Foundation. He/She may sign with the president or vice-president, in the name and on behalf of the Foundation, any contracts or agreements authorized by the Board of Directors, and when so authorized or orders by the Board of Directors, he/she may affix the seal of the Foundation. He/She shall, in general, perform all the duties incident to the office of secretary, subject to the control of the Board of Directors, and shall do and perform such other duties as may be assigned to him by the Board of Directors.
7. **TREASURER.** The treasurer shall have the custody of all funds, property, and securities of the Foundation, subject to such regulations as may be imposed by the Board of Directors. He/She may be required to give bond for the faithful performance of his duties, in such sum and with such sureties as the Board of Directors may require. When necessary or proper, he/she may endorse on behalf of the Foundation for collection checks, notes, and other obligations, and shall deposit the same to the credit of the Foundation at any bank or banks or depository as the Board of Directors may designate. He/She shall sign all receipts and vouchers, and, together with such other officer or officers, if any, as shall be designated by the Board of Directors, he/she shall sign all checks of the Foundation and all bills of exchange and promissory notes issued by the Foundation, except in cases where the signing and execution thereof shall be expressly designated by the Board of

Directors or by these by-laws to some other officer or agent of the Foundation. He/She shall make such payments as may be necessary or proper to be made on behalf of the Foundation. He/She shall enter regularly on the books of the Foundation to be kept by him for the purpose, full and accurate account of all moneys and obligations received and paid or incurred by him for or on account of the Foundation, and shall exhibit such books at all reasonable times to any director or member on application at the offices of the Foundation. He/She shall, in general, perform all the duties incident to the office of treasurer, subject to the control of the Board of Directors.

8. **SALARIES.** Officers shall not receive any salary for their services as such. The Board of Directors shall have the power to contract for and pay to officers rendering unusual or exceptional services to the Foundation special compensation appropriate to the value of such services.
9. **REMOVAL.** Any officer may be removed from office by the affirmative vote of two-thirds of all the directors at any regular or special meeting called for that purpose, for non-feasance, malfeasance, or misfeasance, for conduct detrimental to the interest of the corporation, for refusal to render reasonable assistance in carrying out its purposes, or whenever in the judgment of the Board of Directors the best interests of the Foundation will be served thereby. Any officer proposed to be removed shall be entitled to at least (5) days' notice in writing by mail of the meeting of the Board of Directors at which such removal is to be voted upon and shall be entitled to appear before and be heard by the Board of Directors at such meeting.

## **ARTICLE VI**

### **AGENTS AND REPRESENTATIVES**

The Board of Directors may appoint such agents and representatives of the Foundation with such powers and to perform such acts or duties on behalf of the Foundation as the Board of Directors may see fit, so far as may be consistent with these by-laws, to the extent authorized or permitted by law.

## **ARTICLE VII**

### **CONTRACTS**

The Board of Directors, except as in these by-laws otherwise provided, may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation, and such authority may be general or confined to a specific instance; and, unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power or authority to bind the Foundation by any contract or engagement, or to pledge its credit, or render it liable pecuniary for any purpose or to any amount.

## **ARTICLE VIII**

### **ADVISORY COMMITTEE**

The Board of Directors may appoint from their number, or from among such persons as the Board may see fit, one or more advisory committees, and at any time may appoint additional members thereto. The members of any such committee shall serve during the pleasure of the Board of Directors. Such advisory committees shall advise with and aid the officers of the Foundation in all matters designated by the Board of Directors. Each such committee may, subject to the approval of the Board of Directors, prescribe rules and regulations for the call and conduct of meetings of the committee and other matters relating to its procedure.

The members of any advisory committee shall not receive any stated salary for their services as such, but by resolution of the Board of Directors, a fixed reasonable sum or expenses of attendance, if any, or both, may be allowed for attendance at each regular or special meeting of such committee. The Board of Directors shall have power in its discretion to contract for and to pay to any member of an advisory committee, rendering unusual or exceptional services to the corporation, special compensation appropriate to the value of such services.

## **ARTICLE IX**

### **VOTING UPON STOCK OF OTHER CORPORATIONS**

Unless otherwise ordered by the Board of Directors, the President shall have full power and authority on behalf of the Foundation to vote either in person or by proxy at any meeting of stockholders of any corporation in which this Foundation may hold stock, and at any such meeting may possess and exercise all of the rights and powers incident to the ownership of such stock which, as the owner thereof, this Foundation might have possessed and exercised if present. The Board of Directors may confer like powers upon any other person and may revoke any such powers as granted at its pleasure.

**ARTICLE X**

**FISCAL YEAR**

The fiscal year of the Foundation shall end on the last day of April of each year.

**ARTICLE XI**

**SEAL**

The Board of Directors shall provide a suitable corporate seal which shall bear the following words and figures as:

**EDUCATIONAL FOUNDATION OF THE ALA.**

**SOCIETY OF C.P.A.'S**

**Montgomery County, Alabama**

**Corporate Seal**

**1967**

**ARTICLE XII**

**PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS**

No member, director, officer, or employee of or member of a committee of a person connected with the Foundation, or any other private individual shall receive at any time any of the net earnings or pecuniary profit from the operations of the Foundation, provided, that this shall not prevent the payment to any such person of such reasonable compensation for

services rendered to or for the Foundation in effecting any of its purposes as shall be fixed by the Board of Directors.

### **ARTICLE XIII**

#### **DISSOLUTION**

In the event of dissolution of the Foundation or the winding up of its affairs, whether voluntary or involuntary, the assets of the Foundation, after all debts have been satisfied, then remaining in the hands of the Board of Directors shall be distributed, transferred, conveyed, delivered, and paid over exclusively to such colleges and universities, as the Board may determine, located within the State of Alabama in which accounting is taught. The amount of the assets to be distributed to any one institution is to be determined by the Board of Directors of the corporation at the date of dissolution and each recipient is to treat each such share received as an ACCOUNTING SCHOLARSHIP FUND to be administered by it as it sees fit. Each institution selected must qualify under the provisions of Section 501 (c) (3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

### **ARTICLE XIV**

#### **INVESTMENTS**

The Foundation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the Board of Directors, without being restricted to the class of investments which a director is or may hereafter be permitted by law to make or by any similar restriction, provided, however, that no action shall be taken by or on behalf of the Foundation if such action is a prohibited transaction or would result in the denial of the tax exemption under Section 503 or Section 504 of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.

### **ARTICLE XV**

## AMENDMENTS

The Board of Directors shall have the power to make, alter, amend, and repeal the by-laws of the Foundation by affirmative vote of a majority of the Board, provided, however, that the action is proposed at a regular or special meeting of the Board and adopted at a subsequent regular meeting, except as otherwise provided by law.

## ARTICLE XVI

### EXEMPT ACTIVITIES

Notwithstanding any other provisions of these by-laws, no member, director, officer, employee, or representative of this Foundation shall take any action or carry on any activity by or on behalf of the Foundation not permitted to be taken or carried on by an organization exempt under Section 501 (c) (3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended, or by an organization contributions to which are deductible under Section 170 (c) (2) of such Code and Regulations as they now exist or as they may hereafter be amended.

I, David E. Young, Secretary of Educational Foundation of the Society of Certified Public Accountants, a corporation, do hereby certify that the foregoing is a true and complete copy of the By-Laws of this corporation as submitted at, read to, discussed and adopted as the By-Laws of the corporation at the first meeting of the Board of Directors held on the 15<sup>th</sup> day of December, 1967.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation this 15<sup>th</sup> day of December, 1967.

(CORPORATE SEAL)

Affixed on the Original

/s/ David E. Young

Secretary

