

**PANHANDLE CHAPTER
OF THE
TEXAS SOCIETY
OF
CERTIFIED PUBLIC ACCOUNTANTS**

BY-LAWS

*As approved by the PCTSCPA May 31, 1985
Amended December, 1994*

ARTICLE I - NAME AND PURPOSE

- (1) The name of this Chapter is PANHANDLE CHAPTER OF THE TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS, hereinafter called the Chapter.
- (2) The Chapter is established to promote and maintain high professional and moral standards in order to protect the interest of the general public, to advance the profession of accountancy by research and cooperation with other organizations of professional accountants and to act in a representative capacity for the profession in the Chapter area.

ARTICLE II - MEMBERSHIP

- (1) Any Certified Public Accountant who is a member in good standing of the TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS may become a member by payment of the annual dues in advance as hereinafter set out. A member who has forfeited his membership for nonpayment of dues may be reinstated upon payment of the regular annual dues.
- (2) Any person who has passed the written examination as set forth by the Texas State Board of Public Accountancy or of any other state or territory of the United States or of the District of Columbia but who has not met experience requirements for licensing shall be eligible for election as a candidate for membership. Such designation may continue only five (5) years from the date of notification of passing such written examination.

Such candidate shall be required to pay dues, but shall not be eligible to hold office or to vote at meetings, but all other privileges of the Chapter shall be extended to them. The requirements for admission to membership shall be prescribed by the Board of Directors.

ARTICLE III - TERMINATION OF MEMBERSHIP

- (1) Resignations of members may be offered in writing at any time and shall be effective on the date of acceptance. Action upon the resignation of a member in good standing shall be taken by the Board of Directors. Any tendered resignation of a member under charges under this Article III shall not be

acted upon by the Board of Directors until such charges have been fully determined under the procedures set forth herein.

(2) No person shall be considered to have resigned while in good standing if at the time of his resignation he was in debt to the Chapter for dues or other obligations. A member submitting his resignation within sixty (60) days after the beginning of the fiscal year may resign in good standing without paying dues of the fiscal year of his resignation, provided obligations other than dues shall have been paid in full.

(3) A member who shall resign while in good standing may be reinstated by the Board of Directors upon payment of dues for the current year.

(4) Any member who shall neglect to pay his dues, assessments or other obligations to the Chapter for a period of six (6) months after such have become due and notice thereof shall have been given by the secretary may be declared by the Board of Directors to have forfeited his membership. A final delinquency notice will be mailed thirty (30) days prior to date of forfeiture. This article shall not apply to a member under charges under this Article III.

(5) Anyone who has forfeited his membership through nonpayment of dues or other obligations may make application for reinstatement in such manner as shall be prescribed by the Board of Directors.

(6) Any member who is dropped from membership in the TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS for nonpayment of dues or assessments or who is expelled or suspended from membership therein for cause shall automatically and without notice cease to be a member of the Chapter.

ARTICLE IV - BOARD OF DIRECTORS

(1) The Chapter shall be governed by a Board of Directors who shall have general charge and control of the affairs, funds and property of the Chapter and shall carry out the objectives of the Chapter in accordance with these By-Laws and the Constitution of the Chapter; but the Board may not alter or amend or rescind any resolution or motion duly adopted at a meeting of the Chapter.

(2) The Board of Directors shall consist of the following members: (a) The immediate past president; (b) the president, the president-elect, the vice president, the secretary and the treasurer concurrently with their tenure of office; (c) the Chapter elected members of the Texas Society Board of Directors; (d) any Chapter member elected to the Texas Society Board of Directors as a director at large; and (e) three (3) directors to be elected concurrently with Chapter officers.

(3) The resignation of any director shall be tendered to the Board and shall be effective on the date of acceptance. Absence for three consecutive meetings of the Board by any director shall terminate his Board membership unless reasonable explanations are accepted by the Board.

(4) Vacancies, however created, among the directors shall be filled by electing at the next Board of Directors meeting a director for the unexpired term.

(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 three (3) of its members. Written notice stating the purpose of the meeting shall be furnished to all directors at least five (5) days in advance of every meeting. A majority of the Board members shall constitute a quorum. The Board shall adopt rules and procedures for the conduct of its meetings and the transaction of its business, including provisions for voting by mail. The Board shall keep a record of its proceedings and such record shall be available for inspection by any member of the Chapter at all reasonable times. Copies of the minutes of all meetings shall be mailed by the secretary to all directors.

(6) The Board of Directors shall have general supervision within the limits of these By-Laws in the matter of membership; determine the annual dues of the membership of the Chapter and the method of collection; and act as board of appeals in matters of complaint or controversy between members and the Chapter except matters involving charges of violation of the Code of Professional Ethics. With respect to any change in the annual dues, the directors shall be notified in writing by the secretary at least ten (10) days prior to the date on which the Board of Directors of the Chapter meets to consider such change. The Board may engage a full-time executive director, employees, agents and attorneys to perform such duties, as in its judgment, may appear necessary. The Board of Directors shall perform all other duties prescribed in these By-Laws.

ARTICLE V - OFFICERS

(1) The officers of the Chapter shall be a president, a president-elect, a vice president, a secretary and a treasurer.

(2) The officers shall be elected pursuant to the provisions of Article VII of these By-Laws and shall take office at the beginning of the Chapter's fiscal year and serve until their successors are elected and qualified.

(3) The resignation of an officer shall be tendered to the Board of Directors. An officer may be removed for cause by a vote of at least two-thirds of the members of the Board.

(4) If any vacancy shall occur among the officers during the fiscal year by reason of death resignation or otherwise, the Board of Directors shall appoint a member to fill the vacancy until the next election of officers is held.

(5) The president shall be the chief executive officer; he shall preside at all meetings of the Chapter and the Board of Directors; appoint, subject to the approval of the Board of Directors, all committees, except the Nominating Committee; sign the minutes of all meetings of the Chapter; and perform all executive duties ordinarily pertaining to the office of president or delegated to him by the Board of Directors. In the event the president is temporarily unable or unwilling to act, the vice president shall act in his stead. In the further event the president and vice president are temporarily unable or unwilling to act, the Board shall select a member of the Board to preside.

(6) The president-elect and the vice president shall perform all executive and other duties ordinarily pertaining to their office or delegated to them by the Board of Directors.

(7) The treasurer shall have charge of all the funds and securities of the Chapter. He shall pay out only such funds as are authorized by the Board and all payments shall be made by checks on the signature of such person or persons designated by the Board. The treasurer shall keep regular accounts of the fiscal affairs of the Chapter, which accounts shall be subject to examination by the president or by the Board of Directors. The treasurer shall make periodic reports to the Board of Directors as requested and furnish the auditors, if any, a full statement of account within thirty (30) days after the close of the fiscal year. The treasurer shall perform all other duties which may be delegated to him by the Board of Directors. In the event the treasurer is temporarily unable or unwilling to act, the Board of Directors may designate a member to act in his stead as acting treasurer.

(8) The secretary shall approve and sign the minutes of all meetings of the Chapter; have custody of the seal and affix the same to papers and documents when required; shall be the secretary of all meetings of the Chapter and the Board of Directors; he shall give notice of all meetings requiring notice; he shall cause a record of the proceedings at all meetings to be made and of all matters of which a record shall be ordered; he shall keep a record of the name and address of each person admitted to membership; and he shall notify the members-elect. The secretary shall perform all other duties prescribed in these By-Laws or which may be delegated to him by the Board of Directors.

ARTICLE VI - COMMITTEES

(1) There shall be standing and special committees with power and duties as the Board of Directors may designate.

(2) The Nominating Committee shall consist of the immediate past president as chairman, one member to be elected by the Board of Directors at its first meeting in each fiscal year and three nonboard members to be elected by the Chapter at its September meeting. The president-elect will serve as an ex-officio member of the Nominating Committee. The elected members of the Nominating Committee shall have been members of the Chapter for at least three (3) years and may not serve for two (2) succeeding terms. If any vacancy shall occur on the Nominating Committee during the fiscal year by reason of death, resignation or otherwise, the Board of Directors shall appoint a member to fill the vacancy for the unexpired term.

(3) Standing and special committees designated by the Board of Directors, other than the Nominating Committee, shall be appointed by the president and shall serve until the next annual meeting of the Chapter following their appointment.

ARTICLE VII - NOMINATIONS AND ELECTIONS

(1) The Nominating Committee shall certify by a report filed with the secretary at the October regular monthly meeting its nominations for Chapter officers, Chapter directors and State Society directors. None of the nominees shall be a member of the Nominating Committee.

(2) Any ten (10) members of the Chapter may submit independent nominations for Chapter officers, Chapter directors or members of the Nominating Committee, provided such nominations be filed with the secretary not later than fifteen (15) days prior to the Chapter meeting at which time election of officers will occur pursuant to paragraph (5) of this Article VII. Notice of any independent nominations shall be mailed by the secretary to all members prior to the election of officers.

(3) If a nominee of the Nominating Committee for a Chapter office or Chapter director or member of the Nominating Committee dies or otherwise becomes unavailable before the annual elections, then and in either event, the Nominating Committee shall, as early as practicable but before the annual elections and without reference to the provisions set out in Section (1) above, report a substitute nominee. If the substitute nominee is a member previously nominated by the committee for an office or as a director at large, the Nominating Committee shall at the same time report a substitute nominee for that office or directorship.

(4) Nominations other than those made aforesaid shall not be in order.

(5) The annual election of Chapter officers and directors shall take place at the next regular meeting of the Chapter following the meeting at which the Nominating Committee reports its nominations. Notice of the meeting and election and the nominees of the Nominating Committee, and any independent nominations shall be mailed by the secretary to all members not later than ten (10) days prior to the annual elections.

(6) Election of Chapter officers and Chapter directors and members of the Nominating Committee shall be by voice vote unless challenged. In the event of a challenge the vote shall be by ballot and the president shall appoint a chairman and two (2) tellers who shall receive and count the ballots cast for each officer and director and member of the Nominating Committee and shall announce the result to the presiding officer. A majority vote of the members present in person or by proxy shall elect, provided a quorum is present.

(7) The president-elect shall become president of the Chapter at the beginning of the Chapter fiscal year one year after his becoming president-elect.

ARTICLE VIII - MEETINGS

(1) Meetings of the Chapter may be called at any time by a majority of the Board of Directors or by the secretary at the written request of at least ten (10) members. Notice of any special meeting shall be mailed by the secretary to all members at least ten (10) days before such meeting date. No business may be transacted at any special meeting other than that specified in the call therefor. All special meetings shall be held within the State of Texas at a place designated by the secretary and approved by the Board of Directors.

(2) Twenty (20) members when present in person shall constitute a quorum at any meeting of the Chapter. The rules and procedures set forth in Robert's Rules of Order shall apply.

ARTICLE IX - DUES AND ASSESSMENTS

(1) Annual dues and fees for fellow members shall be determined by the Board of Directors at a regular meeting.

(2) All dues are payable in advance on the first day of each fiscal year. The membership year coincides with the fiscal year of the TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS, as provided in Article X. Reinstated members dropped for nonpayment of dues shall pay dues for the current year plus any amount due for the year membership lapsed, plus a reinstatement fee determined by the Board of Directors.

(3) Members of the Chapter may be excused from the payment of dues for reasonable cause upon recommendation of the Board of Directors.

ARTICLE X - FISCAL MATTERS

The fiscal year of the Chapter shall begin on June 1st and end May 31st of the following year.

ARTICLE XI - INDEMNIFICATION

The Texas Society shall indemnify any person who is or was a party to 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 such person is or was director or officer of the Panhandle Chapter of the Texas Society or a member of any board, committee, subcommittee or task force of the Panhandle Chapter against expenses, judgments, awards, fines, penalties and amounts paid in settlement actually and reasonably incurred by such person (with the prior consent of the Chapter acting through its Board of Directors by a two-thirds vote and concurrence of counsel which the Chapter shall have retained to defend such person, as hereinafter provided) in connection with such action, suit or proceeding, (i) except with respect to matters as to which it is adjudged in any such suit, action or proceeding such person is liable to the Chapter by reason of the fact 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 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 such person is liable to the Chapter by reason of the commission of a crime or of gross negligence in the performance of his duties and (ii) provided 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 of whom 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 the indemnified person shall agree to repay to the Chapter all amounts so reimbursed if a court of competent jurisdiction finally determines such indemnified person is liable to the Chapter by reason of the fact 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 person specified above may otherwise have at any time to indemnification from and/or reimbursement by the Chapter.

ARTICLE XII - AMENDMENTS

- (1) A proposal to amend the By-Laws may be initiated by the Board of Directors or by petition filed with the secretary and signed by twenty (20) or more members in good standing.
- (2) Proposals to amend the By-Laws shall be adopted by a two-thirds vote of members present in person at a Chapter meeting, provided notice shall be given in writing to each member of the Chapter at least ten (10) days prior to the date of such meeting and provided a quorum is present.
- (3) In the event of lack of clarity the Board of Directors shall interpret these By-Laws.

**ARTICLE XIII - CONFORMITY WITH
STATE SOCIETY AND BY-LAWS**

In the event any part of the Chapter By-Laws is or becomes in conflict with the By-Laws of the TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS, then that part shall be void and the State Society By-Laws shall govern.