

East Bay Chapter Bylaws Revised July 2002

ARTICLE I – NAME AND PURPOSE

- (1) **Name.** The name of this organization is the East Bay Chapter, hereinafter called the Chapter, of the California Society of Certified Public Accountants, hereinafter called CalCPA.
- (2) **Purpose.** The purposes of this Chapter are identical with those of CalCPA as expressed in Article I (2) of the bylaws of CalCPA and as a branch or division of CalCPA, shall implement the policies and programs of CalCPA at the local level for the benefit and welfare of the Chapter members and the profession as a whole.

ARTICLE II – MEMBERSHIP

- (1) **Membership.** There shall be no membership in the Chapter separate and distinct from membership in CalCPA. The members of the chapter shall be those members of CalCPA assigned to it, or who wish to be members of the Chapter.
- (2) **Secondary Chapter Members.** Members for whom the East Bay is their secondary Chapter shall be entitled to serve as part of Chapter leadership only in the capacity of a committee/interest group chair or a discussion group leader.

ARTICLE III – DUES AND ASSESSMENTS

- (1) **Dues.** The Chapter shall not collect any fees or dues except as provided in the Bylaws of CalCPA.
- (2) **Fiscal Year.** The fiscal year of the Chapter shall begin on May 1 and shall end on April 30 of the succeeding calendar year. The operations year of the Chapter shall begin on June 1 and shall end on May 31.
- (3) **Assessments.** The Board of Directors of the Chapter shall have the right to propose assessments. Such action shall not be taken unless notice thereof has been incorporated in the notice for the meeting at which the assessment is proposed. If such proposal is approved by the majority of Chapter Directors present, the Chapter shall call a meeting of the Chapter and the Secretary shall thereupon send a notice to the membership of the East Bay Chapter, setting forth the proposed action of the Board of Directors. Alternatively, the Chapter Board of Directors may conduct a written ballot of the entire membership of the Chapter, under rules established by the Board of Directors, which specifically may include electronic communication. The Chapter Board of Directors shall then be governed by the majority of votes received, and if carried, such assessments shall be levied and collected by the Chapter. Only those members who would be subject to assessment by CalCPA shall be subject to assessment by the Chapter.
- (4) **Gifts.** The Chapter may also receive voluntary contributions for Chapter projects including scholarship funds, endowment funds, sponsorships and prizes.

ARTICLE IV – CalCPA

- (1) **CalCPA Bylaws.** The chapter shall be self-governing. The Chapter and its members are subject to the bylaws of CalCPA. Chapter bylaws and any amendments thereto (see Article XI) or changes therein shall not be effective unless and until ratified by CalCPA

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Council. Any bylaw of the Chapter inconsistent with CalCPA bylaws shall be declared void by CalCPA Council.

- (2) **Chapter Representation on CalCPA Council.** As specified in CalCPA Bylaws Article VI, Section (a), Subsections (1) and (2), the Chapter shall be entitled to two CalCPA Council representatives, who shall be the Chapter President and its Vice President, or such other appointee as approved by the Chapter Board; the Chapter shall be entitled to one additional CalCPA Council member for every full 1000 members. All CalCPA Council representatives' shall serve for a one year term as specified by the Chapter Board of Directors. Eligibility for CalCPA Council membership shall conform to the CalCPA bylaws.
- (3) The determination of the number of members in the Chapter shall be made as of April 30 of the year immediately preceding the year of election.
- (4) Chapter Representatives to Council shall be elected concurrently with Chapter Officers and Directors as specified in Article X, Section (6) of these Bylaws. If a vacancy occurs among the Chapter Representatives to Council during the year by reason of death, resignation, or otherwise, the President, after consideration of the advise of the Chapter Board of Directors, shall appoint a member of the Chapter to fill the vacancy for the un-expired term of office.

ARTICLE V – MEETINGS OF THE CHAPTER

- (1) **Annual Business Meetings.** The Chapter may choose to hold an annual business meeting of the Chapter members within sixty (60) days before or after the beginning of the calendar year on such day and at such place as the Board of Directors shall designate. This meeting shall be for the purpose of the election of officers and directors.
- (2) **Installation of Officers.** The Chapter shall hold a meeting each May for the purpose of installing officers and directors for the succeeding operating year.
- (3a) **Regular Meetings.** The Board of Directors will annually establish a schedule of regular meetings of Chapter membership.
- (3b) **Special Meetings.** Special meetings may be called at any time by the Chapter President or by a majority of the Chapter Directors and shall be called by the Secretary upon the written request of not less than 5% of the total Chapter members entitled to vote, to be held at such place as the Board of Directors shall designate. Any such special meeting shall be held at a time fixed by the Board of Directors but not less than 30 days nor more than 60 days after receipt of the request for the meeting. At such special meeting no business shall be transacted except that specified in the call thereof.
- (4) **Quorum.** At any meeting of the Chapter, at which a vote of the membership will be taken, the presence of thirty (30) members in person, or represented by proxy, shall constitute a quorum. If that number is not present within thirty (30) minutes of the time appointed for such meeting, such meeting shall be considered adjourned.
- (5) **Adjournment.** A majority of the members present may adjourn any meeting to be reconvened at a specified date, and the secretary is required to send to all members of the Chapter notice of such adjournment and said new meeting date.

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- (6) **Notices of Meetings.** Written notice of all meetings of the Chapter shall be sent to every member of the Chapter at the member's registered address not less than 30 nor more than 90 days prior to the date of the meeting. The notice shall state the matters to be voted upon, if any, at the meeting. The Chapter shall determine how the notice is to be given to members, consistent with applicable legal requirements.
- (7) **Record Date.** The Chapter Board of Directors shall determine the record date for the purpose of determining the members entitled to notice of and to vote at a meeting as provided by law.
- (8) **Voting.** A vote shall be taken on each motion or resolution at each meeting, and an affirmative majority of the votes cast in person or by proxy shall be sufficient for the adoption of any motion or resolution except as otherwise provided in these bylaws. No matters other than those stated in the written notice of the meeting can be voted upon unless at least one-third of the total membership of the Chapter is present at the meeting in person or by proxy. The members present at any meeting or the Chapter Board of Directors may direct that a motion or resolution be submitted by mail, or by such other method as may be established by the Chapter Board in conformity with applicable law, to each member entitled to vote thereon and that such vote thereon be taken in lieu of a vote at a meeting of the Chapter as provided in Section (11) of this Article V – Action Without Meeting.
- (9) **Suspended Members.** A CPA member suspended for any cause shall not be qualified to vote on any matter of the Chapter.
- (10) **Proxies.** All members of the Chapter in good standing shall be entitled to vote by proxy at any Chapter meeting, but no member may vote more than 5 such proxies. All proxies must be in writing and signed by the member and must state the name of the member to whom the proxy is given.
- (11) **Action Without Meeting.** In addition to the procedures set forth in Section (8) – Voting, of this Article V, any action which may be taken at the Annual Business Meeting or at a special meeting of Chapter members may be taken without a meeting if the Chapter Board of Directors distributes a written ballot to every Chapter CPA member entitled to vote on the matter, in accordance with applicable law. Approval by written ballot pursuant to this Section V shall be valid only when the number of votes cast by ballot within 30 days of submission of the ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

ARTICLE VI – BOARD OF DIRECTORS

- (1) **Representation on Board of Directors.** The governing body of the Chapter shall be a Board of Directors consisting of the officers, the immediate past president, ~~and~~ eight (8) elected directors, and all other members of the East Bay Chapter who serve on the CalCPA Council.
- (2) **Term of Office.** Elected Chapter directors shall be elected for a term of 2 years, or until election and qualification of their respective successors. There is no limitation on the same individual(s) serving successive terms. One half of the Directors shall be elected each year. Directors shall take office on June 1 of the year they are elected.

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- (3) **Vacancies.** If a vacancy occurs among the Chapter directors during the year by reason of death, resignation, or otherwise, the Board shall appoint a member of the Chapter to fill the vacancy for the un-expired term of office.
- (4) **Removal from Office.** Any director may be removed by a majority vote of the members of the Chapter present in person, or represented by proxy, at a meeting at which a quorum is present, provided such action shall not be taken unless notice thereof shall have been incorporated in the notice of the meeting.
- (5) **Responsibilities.** The Board of Directors shall have general charge of the control of the affairs, funds and property of the Chapter and shall carry out the purposes of the Chapter in accordance with these bylaws; but the Board shall not alter, or amend, or rescind any resolution or notice duly adopted at a business meeting of the Chapter.
- (6) **Conduct of Meetings.** The Board of Directors shall adopt rules and procedures for the conduct of its meetings and the transaction of its business, including provisions for voting by written ballot.
 - a) **Minutes.** 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 after it is compiled. The Secretary of the Chapter shall timely distribute copies of the minutes of each Chapter Board Meeting to the Chapter Board of Directors.
 - b) **Quorum.** A majority of the Chapter Board of Directors authorized in the bylaws that are either officers of the Chapter or elected Directors shall constitute a quorum of the Board for the transaction of business of the Chapter. Members of the Board who serve solely by virtue of holding a seat on CalCPA Council will not be included in the determination of a Quorum.
 - c) **Adjournment.** A meeting may be adjourned and rescheduled to another time or place by vote of a majority of the Chapter Board members present whether or not a quorum is present. If the postponement is for more than 24 hours, then notice of the new time or place shall be given to all members of the Chapter Board of Directors, including those not present at the time of adjournment.
- (7) **Call for Meeting.** Meetings may be held upon the call of the President or of any six Directors at such time and place as may be specified by the call, which time shall be seven days or more after notice is given. The Chapter Board of Directors may fix the time and place of regular meetings, and such meetings may be held at the time and place fixed without further notice or call.
- (8) **Adoption of Motion or Resolution.** Except as otherwise specifically provided in these bylaws, the affirmative vote of a majority of the Board members present shall be necessary and sufficient to adopt any motion or resolution.
- (9) **Written Opinion of Members.** The Directors present at any meeting of the Chapter Board may request a written opinion of the members of the Chapter on any matter in respect to which a written expression of opinion may be desired, but such expression of opinion, as a result of such request, shall not be binding on the Board of Directors of the Chapter as a formal vote.

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ARTICLE VII – OFFICERS

- (1) **Officers.** The officers of the Chapter shall be a President, First Vice President-Operations and Programs, Second Vice President-Communications and Treasurer, Secretary, and the Immediate Past Chapter President, all of whom shall be members of the Chapter.
- (2) **Election.** The officers shall be elected at the annual business meeting of Chapter members, or as specified in Article V, Section (11) – Action Without Meeting, in each year, concurrently with the election of directors, and shall hold office for a term of one year from June 1 until May 31, or until election and qualification of their respective successors. There is no limitation on the same individual(s) serving successive terms.
- (3) **Vacancy.** If a vacancy occurs in an office by reason of death, resignation, or otherwise, the Board shall appoint a member of the Board of Directors to fill the vacancy until the next annual meeting.
- (4) **Duties of the President.** In addition to the duties and prerogatives prescribed elsewhere in these bylaws, the President shall preside at all meetings of the Chapter and of the Chapter Board of Directors; shall enforce the bylaws of the Chapter; may conduct such correspondence as the President and the Board of Directors may consider to be in the best interests of the Chapter; and shall perform all executive and other duties ordinarily appertaining to the office of President.
- (5) **Absence of the President.** In the event of the absence, disability or refusal of the President to act, the First Vice President-Operations and Programs shall act in the President's stead. In the further event of the absence, disability or refusal of the President and the First Vice President-Operations and Programs to act, the Second Vice President-Communications and Treasurer shall act in the President's stead. In the further event of the absence, disability or refusal of the President, First Vice President-Operations and Programs and the Second Vice President-Communications and Treasurer to act, the Board of Directors shall designate one of the other elected officers to act. In the further event of the absence, disability or refusal of other elected officers to preside, one of the members of the Board of Directors shall be selected to preside.
- (6) **Duties of the First Vice President – Operations and Programs.** The principal responsibility of the First Vice President-Operations and Programs is to oversee the technical content of the Chapter's programs and the on-going operation of its committees and discussion groups. The First Vice President-Operations and Programs shall also perform such other duties as the President may assign from time-to-time.
- (7) **Duties of the Second Vice President – Communications and Treasurer.** The principal responsibility of the Second Vice President-Communications and Treasurer shall be to facilitate and enhance the communications between the members, the Chapter Officers, Chapter Board of Directors and CalCPA Council. Also, the Second Vice President-Communications and Treasurer shall be responsible for the oversight of the financial activities and transactions of the Chapter. The Second Vice President-Communications and Treasurer shall perform duties associated with deposits and accounts payable as deemed necessary by the Chapter Board of Directors. The Second Vice President-Communications and Treasurer shall report to the Chapter Board at each meeting and said report shall contain the information specified by the Chapter Board. All accounts and reports shall be subject to inspection by any member of the Board of

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Directors. The Second Vice President-Communications and Treasurer shall also perform such other duties the President shall assign from time-to-time.

- (8) **Duties of the Secretary.** The Secretary shall give notice of all business meetings of the Chapter and of the Board of Directors; shall cause a record of the proceedings at all such meetings to be made and of all matters of which a record shall be ordered.
- (9) **Chapter Financial Records.** The Chapter Second Vice President-Communications and Treasurer shall be responsible to report to CalCPA, financial activities of the Chapter. CalCPA shall be responsible for providing the Chapter records of such activities for reporting to Chapter Board members.
- (10) **Removal.** The Chapter Board shall have the authority to remove any officer or representative to the CalCPA Council by a two-thirds vote of the Board. Such removal may occur at a duly held meeting of the Chapter Board, but must be identified as an agenda item on the regular notice of such meeting. Any such removal may be brought to the membership, either at the annual meeting or at a special meeting, and the Council will not have the authority to remove any person thus reinstated by the membership.

ARTICLE VIII – BUDGET

- (1) **Annual Budget.** The Chapter shall each year, during the fall, select a Budget Committee and prepare a budget for the following year, showing all amounts to be appropriated for the purposes of the Chapter for review and approval by the Chapter Board of Directors and submission by December 1 to CalCPA's Finance Committee or on such date as is determined by CalCPA's Finance Committee. The Chapter Budget Committee shall consist of at least the current President, the First Vice President-Operations and Programs, the Second Vice President-Communications and Treasurer.. Upon approval by CalCPA's Finance Committee and CalCPA Council, the budget will be submitted to the Chapter Board of Directors for adoption.
- (2) **Adjustments and Unexpended Appropriations.** The President and the ~~First~~ Second Vice President-Communications and Treasurer may adjust line items within the budget during the year, subject to approval and adoption by the Chapter Board of Directors. Unexpended appropriations shall lapse at the end of each fiscal year and shall not be carried forward.

ARTICLE IX – COMMITTEES/INTEREST GROUPS

- (1) **Committees/Interest Groups.** The Board of Directors, or the Chapter President, may designate committees/interest groups deemed desirable to carry out the purposes of the Chapter. The President may specify the number of members to compose each such committee/interest groups and the duties thereof. The purpose and duties of such committees/interest groups shall be consistent with CalCPA policies.
- (2) **Appointments by President.** The President or his delegate shall annually designate the personnel of every committee/interest group, except the nominating committee (see Article X) and at the time of appointment of a committee/interest group shall designate the chairperson of the committee/interest group. The President of the Chapter shall be a member "ex-officio" of every committee/interest group except the nominating committee.

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- (3) **Removals by President.** The President shall have the power to remove the chairperson and any member of each and every committee/interest group except the nominating committee.

ARTICLE X – NOMINATIONS

- (1) **Composition of Committee.** The committee on nominations shall consist of no less than 2 members appointed by the President designating one of them Chairperson, and 3 members elected by the Chapter Board of Directors. No officer or director of the Chapter shall be eligible to serve on the committee on nominations except for the immediate past president. No member of the Chapter shall be eligible to serve consecutively for more than two years (terms) on the committee on nominations. No member of the nominating committee shall be eligible for nomination as an officer or director.
- (2) **Committee Report.** The duties of the committee shall be to nominate officers, directors and CalCPA Council Representatives by an affirmative vote of at least two-thirds of the committee members. The report of the entire committee shall be approved in writing by at least two-thirds of the entire committee membership and shall be filed with the Secretary of the Chapter not later than the 1st day of December in each year.
- (3) **Notice.** Nominations for officers and directors made by the committee and filed with the Secretary shall be provided to the members of the Chapter, under rules established by the Chapter Board, but not later than the 15th day of February in each year.
- (4) **Nominations by Members.** Fifteen (15) members or more may nominate a candidate for Chapter Board officer or director. Such nominations must be filed with the Secretary of the Chapter not later than the 15th day of January in each year.
- (5) **Close of Nominations.** Notice of nominations for officers, directors and Chapter representatives to CalCPA Council shall close not later than the 15th day of January in each year.
- (6) **Elections.** Officers, directors and CalCPA Council Representatives shall be elected at the annual business meeting held within sixty (60) days before or after the beginning of the calendar year. (Refer to Article V, Section (1).) Alternatively, if established by the Chapter Board, elections may also take place by written ballot or such other method established by the Chapter Board as set forth in Article V, Section (8) of these bylaws.
- (7) **Consent.** The consent of nominees proposed by the committee on nominations or by other members, as herein provided, shall be obtained before forwarding such nominations to the Secretary.

ARTICLE XI – AMENDMENTS

- (1) **Bylaw Amendments.** Except to the extent CPA chapter member approval is required pursuant to Section 7150 of the California Corporations Code, the bylaws may be adopted, amended or repealed by the chapter board of directors without member approval. Such amendments shall not be effective unless and until ratified by CalCPA Council. Any Chapter bylaw or amendment of the bylaws inconsistent with CalCPA Bylaws shall be declared void by CalCPA Council.

ARTICLE XII – MISCELLANEOUS

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- (1) **Parliamentary Procedure.** The rules contained in the current edition of "Robert's Rules of Order Newly Revised" shall govern the Chapter in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the Chapter may adopt.
- (2) **Compensation of Board Members.** The members of the Board shall receive no compensation for services.
- (3) **Self-Dealing.** Except as specifically provided in Section 5233 of the California Corporations Code, in the exercise of voting rights by members of the Board, no individual shall vote on any issue, motion, or resolution which involves a transaction in which such individual has a material financial interest, except that such individual may be counted in order to qualify a quorum and, except as the Board may otherwise direct, may participate in the discussion of such an issue, motion, or resolution if he or she first discloses the nature of his or her interest.
- (4) **Indemnification.** The Chapter shall indemnify its directors, officers and members appointed to advisory positions, including persons formerly occupying such positions, against any and all expenses and liabilities involving any action or threatened action arising out of their alleged malfeasances or nonfeasances in the performance of their duties to the fullest extent permitted by law.
 - a) **Right of Indemnity.** To the full extent permitted by law, CalCPA shall indemnify its members of the Chapter Board of Directors, officers, employees, and other persons described in Subsection 7237 (a) of the California Corporations Code, including persons formerly occupying such positions (collectively, "agents"), against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding" as that term is used in such subsection by reason of the fact that such person is or was a person described in such subsection. The term "expenses" as used in this Bylaw, shall have the same meaning as in Subsection 7237 (a) of the California Corporations Code. The right to indemnity provided in this Article XII shall apply to any agent of CalCPA who is or was a trustee, investments manager or other fiduciary of a CalCPA employee benefit plan in such person's capacity as such.
 - b) **Approval of Indemnity.** Upon written request to the CalCPA Board of Directors by any person seeking indemnity under Subsection 7237 (b) or (c) of the California Corporations Code, the CalCPA Board of Directors shall promptly determine whether such person has met the applicable standards of conduct set forth in such subsections.
 - c) **Advancement of Expenses.** To the full extent permitted by law, and except as shall otherwise be determined by the CalCPA Board of Directors in the specific instance, expenses incurred by a person seeking indemnity under these bylaws in defending any proceeding covered by these bylaws shall be advanced by CalCPA prior to the final disposition of the proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount unless it shall be determined ultimately that such person is entitled to be indemnified by CalCPA therefore.
 - d) **Non-Exclusivity.** Nothing herein shall be deemed to diminish or otherwise restrict any rights to which any person indemnified under these Bylaws may be entitled under CalCPA's Articles of Incorporation, these Bylaws, any contract, any vote of

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CPA members or disinterested directors, or under the laws of the state of California.

- (5) **Inurement of Net Earnings.** No part of the net earnings of the Chapter shall be permitted to inure to the benefit of any member.