

NEVADA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

BYLAWS

Article I Name and Purpose

The name of this organization shall be The Nevada Society of Certified Public Accountants. The purpose of the organization shall be to represent CPAs in the state of Nevada on a timely, responsive and creative basis, by actively promoting the public image and professionalism of CPAs; by protecting the integrity of the designation of CPAs; by providing members services including quality education, and by providing opportunities for interaction for developing leadership skills among CPAs.

Article II Membership

1. **Fellow Members** shall include persons who hold a certificate in good standing as a Certified Public Accountant of the State of Nevada or any other U.S. state, district, or territory.

2. **Associate Members** shall include;
 - (1) those who have completed the academic requirements to become a CPA and are pursuing further requirements necessary to become a CPA, including taking the CPA exam at least annually until all parts are passed;
 - (2) persons (other than Certified Public Accountants) employed on the professional and/or administrative staff of a Fellow member;
 - (3) Non-CPA instructors of accountancy in schools of collegiate standing; and
 - (4) non-CPA owners of CPA firms.

Any Associate member whose qualifications for membership no longer exist shall cease to be a member. Associate members may not vote or hold office.

3. **Student Members** shall include any college students enrolled at a Nevada community/junior college or four-year college/university with an interest in pursuing a career in accounting, and who is not qualified for admission to any other class of membership in the Society. Student members shall be entitled to all rights and privileges of membership except they cannot vote or hold office.

4. **Inactive Members.** Members who have temporarily left the workforce due to unemployment, disability, domestic responsibilities, or military service qualify to be an inactive member. Inactive members shall not be voting members, or hold office, but will be entitled to all other rights and privileges

of members. Fellow members who wish to change to this category must contact the Society for appropriate action and procedures as set forth by the Executive Committee.

5. Retired Members. Members who are at least 65 years of age and have made the decision to completely retire from all work associated with being a CPA qualify to be a retired member. Retired members shall be entitled to all rights and privileges of membership except they cannot vote or hold office. Fellow members who wish to change to this category must contact the Society for appropriate action and procedures as set forth by the Executive Committee.

6. Honorary Life Members. Members who are at least 65 years of age and who have distinguished themselves by rendering valuable service to the profession or to the Society may be nominated for and granted life membership upon a majority vote by the Board of Directors. Honorary Life members are entitled to all rights and privileges of members, but shall be exempt from dues.

7. Affiliate Members: The Society has eliminated the Affiliate category of membership with the adoption of these revised Bylaws. Those currently serving as Affiliate members in good standing may elect to continue in this category until otherwise advised. Memberships are individual and are not transferable to another person, nor may they follow a person if and when that person changes employment.

8. Application for Membership. Persons who qualify for Fellow, Associate, or Student membership shall submit an application to the Society office. Applications shall then be processed in accordance with the procedures established by the Board of Directors. The Executive Director shall accept as members those applicants who have satisfied all requirements for membership and report such new members to the Board of Directors at the next board meeting following such acceptance.

9. Membership Certificate. Upon admission and payment of dues, each Fellow shall be entitled to a membership certificate. Certificates shall be returned to the Secretary of the Society upon suspension or termination of membership.

10. Reinstatement. A member who has resigned may apply for reinstatement and be reinstated by the same procedure of any new applicant.

11. Resignation. Resignation of membership shall be submitted to the Secretary in writing and be accompanied by the membership certificate, whereupon the resignation shall become effective immediately, provided that the member offering it is in good standing in the Society

12. Termination. A member may be suspended or expelled:

- (a) For nonpayment of dues or assessments as described in Article XI, 3.
- (b) Because of disciplinary action taken pursuant to Article XII, including but not limited to the following:
 - (1) On complaint of any member, he is adjudged guilty of willfully violating any of the Rules of Professional Conduct as enumerated in Article XIII or any other of these Bylaws.
 - (2) He is convicted of a felony or gross misdemeanor involving intent or moral turpitude.
 - (3) He is declared by a court of competent jurisdiction to have committed any fraud, or to be insane or otherwise incompetent.
 - (4) His CPA Certificate has been revoked by any state, territory or the District of Columbia.
 - (5) He is disciplined in accordance with provisions of the AICPA and NSCPA Joint Ethics Enforcement Plan adopted and approved by the Society Board of Directors as provided in Article XIV

13. Readmission. A member who has been suspended may be reinstated by the Board of Directors at its discretion, but one who has been expelled may not be reinstated. A suspended member must apply in writing for reinstatement by addressing a letter to the Secretary. The Secretary shall submit such a letter to the Board of Directors for its action. The Board shall make a final disposition of the request within three months from the date of the writing to the said member. The decision should state the reason for refusal if reinstatement is not allowed or, if the reinstatement is granted, the Board should outline the conditions, if there be any. The membership shall be given timely notice of the pending application for reinstatement.

Article III - Meetings and Voting

- 1. Annual and Regular Meetings** - The annual meeting of the Society shall be held at such date, hour and place as the Board of Directors designates. Additional meetings of the Society shall be held during the year at such date, hour and place as the Board of Directors may appoint.
- 2. Special Meetings** - Special Meetings - Special meetings of the Society shall be called by the President upon the written request of a majority of the members of the Board of Directors, or upon written request of 1% of the Fellow members of the Society.
- 3. Notice** - Written notice of each meeting of the Society, setting forth the time, place and agenda, shall be sent to each member at least seven days prior to such meeting.

4. **Chairman** - In case of absence from a meeting, of the President, the President-Elect, and the Treasurer, a Fellow of the Society shall be elected by the members present to preside at such meeting as Chairman.
5. **Rules of Order** - The usual parliamentary practice shall prevail as provided in Robert's "Rules of Order."
6. **Quorum** – A quorum shall consist of the Fellow members present at the annual meeting or special meetings as duly called.
7. **Voting** - Only Fellows and Honorary Members have the right to vote. Except as otherwise provided in these Bylaws, approval of any matter put to a meeting shall be by a majority of the votes cast. Either a majority of the Fellows present at a meeting or a majority of the members of the Board of Directors may direct the President to submit any question to the Fellows for a vote by mail. The Secretary may determine any votes by mail to the membership be conducted by email. The Secretary shall prepare the mail ballot and set forth in it a fair summary of the arguments pro and con, and the results of any vote of the Board of Directors and of any vote at a meeting. Mail ballots shall be counted only if received within thirty days after the date of the mailing to the Fellows. A majority of the votes received in the affirmative shall constitute approval of the action.

Article IV Nominations and Election – The President of the Society shall appoint six (6) fellow members to the Nominations Committee, at least three which shall be officers of the Board of Directors, with the Immediate Past President serving as Chairman of the committee. The Nominations Committee shall report its nominees for the Board of Directors for the ensuing year no later than January 31 each year. The Board of Directors shall vote on the slate of nominees. If accepted by the Board of Directors, the slate of nominees shall be presented to the Society membership for their vote by mail or electronic ballot.

Article V Board of Directors

The governing body of the Society shall be the Board of Directors comprised of the officers of the Board, the President or designated representative of each Chapter of the Society, the Society's elected member of AICPA Council, and from three (3) to five (5) additional directors who shall be elected by Fellow members.

The Board shall administer the affairs of the Society, supervise its property and finances, select the auditor, and exercise such other powers and perform such other duties as may be designated in these

Bylaws. The Board of Directors of the Society shall also concurrently serve as the governing body of the Nevada CPA Foundation for Education and Research.

Article VI Executive Committee

Between the meetings of the Board of Directors, the Executive Committee, composed of the officers, shall direct the activities of the Society in accordance with policies established by the Board of Directors.

Article VII Officers and Their Duties

1. Composition and Tenure. The officers of the Society shall be the President, President-elect, and Treasurer, Immediate Past President, all of whom shall be Fellow members of the Society, and the chief staff executive who shall also serve as the Secretary of the Board. With the exception of the Secretary, each officer shall hold office from annual meeting to annual meeting following his or her election or appointment of his or her successor.

2. Duties of the President. It shall be the duty of the President to preside at all meetings of the Board and of the Executive Committee, and to enforce laws and regulations relating to the administration of the Society. The President of the Society shall call meetings of the Board of Directors and the Executive Committee when he or she deems necessary.

3. Duties of the President-elect – In the absence of the President, the President-elect shall have the powers and prerogatives of the President. The President-elect shall approve recommendations for committees, task forces and special project teams for the ensuing year and serve as the Society's designated member of the AICPA Council. The President-elect shall automatically be deemed to have been elected President of the Society at the election next following his or her becoming the President-elect.

4. Duties of the Treasurer – The Treasurer shall have the usual duties of a corporate treasurer and shall perform such other related duties as may be assigned by the President of the Board of Directors. The Treasurer shall submit an annual report each year at the Annual Business Meeting of the Society.

5. Duties of the Immediate Past President – The Immediate Past President shall attend all meetings of the Board of Directors, serve on the Executive Committee, and perform such related duties as may be assigned by the President.

6. Duties of the Secretary – The duties of the Secretary shall be those pertaining to the office of Secretary and such other duties as may be assigned by the President. The Secretary of the Board also serves as the chief staff executive of the Society. In that position, he or she with the assistance of staff under his direction shall pursue the purposes of the Society as stated in the Bylaws and other such duties as assigned by the Executive Committee.

7. Removal, Vacancies and Resignations – Any officer or member of the Board of Directors may be removed by a majority affirmative vote of the Board at a regular or special meeting, the call for which contained a notice of intent to consider such removal. If the office of any member of the Board of Directors becomes vacant by reason of death, resignation, disqualification, or otherwise, the Board of Directors by a majority vote may choose a successor to fill the vacancy, in which event the person so chosen shall hold office for the unexpired term, or until his successor is duly elected and qualified. Each resignation by a member of the Board of Directors shall take effect at the time the same is presented to and accepted by the Board of Directors or at such later time as may be specified therein.

Article VIII Committees

1. Standing Committees shall be designated by the President and the Board who shall also recommend the size, composition and duties of each committee. The Chairman and members of such committees shall be appointed by the President.

2. Other Committees. The President, or the Board, may designate such other committees, task forces or project teams as may be desirable from time to time in order to carry out the objectives of the Society. Unless specified otherwise in other sections of these bylaws, the terms of all committees shall expire with the end of the fiscal year. A majority of each committee shall constitute a quorum. The President-elect of the Society shall select the committee chairs and committee members by the Annual Business Meeting for the following year for all committees except the Nominations Committee.

3. Terms of Members. Except when a committee is discharged earlier, a committee member shall serve until the close of the fiscal year for which he is appointed or until the appointment of a successor. A member of an appointed committee may be removed by the Chairman and a vacancy in an appointed committee may be filled by the Chairman. Unless specified otherwise in other sections of these bylaws, the terms of all committees shall expire with the end of the fiscal year. A majority of each committee shall constitute a quorum.

Article IX Chapters

- 1 Organization.** Chapters shall be formed for the purpose of encouraging cordial relations among their members and the exchange of ideas relative to the practice of accountancy. Fifty or more Fellow members of the Society residing or having a place of business in an area within the State of Nevada may, with the approval of the Board of the Society, form a Chapter. The Bylaws of the Chapters shall be uniform and shall be prescribed by the Board of the Society and shall not be in conflict with the Bylaws of the Society. Minor modifications of the uniform Chapter Bylaws to fit local conditions may be approved by the Board of the Society.
- 2. Membership.** Members residing in or having a place of business in an area designated by the Board as a Chapter area shall be automatically members of the Chapter unless another Chapter is selected by the member.
- 3. Suspension or Dissolution.** If at any time the number of members in a Chapter falls below the required number of members as provided in Article IX and such number of members in the Chapter shall not be brought up to such required number within three months after written notice to its Chapter Secretary by the Society Secretary, the Chapter shall be subject to suspension or revocation of its charter as the Board of the Society may determine. A local Chapter having thus been deprived of its charter may, however, be reinstated by the Board of the Society upon compliance with the requirements of these Bylaws.
- 4. Funds.** Allocation of funds to the local chapters shall be determined by the Society's Executive Committee.

Article X Sections

- 1.** The Sections of the Society are member communities that offer peer networking, information resources centered on specific areas of practice or expertise, and educational programs and other events. Online resources are designed to assist members in overcoming time and distance barriers to accessing information, services, and communication with peers in specific interest areas.
- 2.** The Board of Directors by its resolution may establish a new Section of the Society whenever it determines that sufficient interest exists on the part of the membership to make the Section viable and to justify the resources required to support the new Section. The Board of Directors may by its resolution elevate committees of the Society or other informal groups to Section status. Such new section(s) shall have a grace period of two full years from establishment before review by the Board for continued existence.

3. Any member of the Society may elect to be a member of a Section or Sections of the Society. In no event shall any member of the Society be required to demonstrate specific knowledge or expertise in order to join a particular Section.

4. The Sections of the Society shall be governed and operate in accordance with the policies established by the Section and approved by the Board of Directors.

Article XI Annual Dues and Assessments

1. **Annual Dues.** Annual dues shall be paid to the Society in advance, on or before the first day of each fiscal year, for such fiscal year, in amounts determined by the Board of Directors.

2. **Dues – New Members.** New members shall pay dues pro-rata for the fiscal year from the first of the calendar month in which they shall be accepted. Membership will remain inactive and no services are provided until the dues payment is received.

3. **Nonpayment.** Any dues or assessment not paid within thirty days of the beginning of the fiscal year billing shall be considered delinquent. If any member is delinquent for 3 months in the payment of his dues or assessment, after having been notified in writing of his delinquency, said member shall be dropped from the roll and the Secretary shall notify him by mail of such action.

4. **Assessments.** By a two-thirds majority vote of the Board of Directors or in a special membership meeting called for the purpose, assessments may be levied upon the Fellow members for the creation of special funds. All monies collected for such special funds shall be separately accounted for and expended only for the purposes for which the fund was created upon the approval of the chairman of the appropriate committee named in the creation of the fund, the President and the Treasurer of the Society.

Article XII Disciplinary Proceedings

1. **Causes for Discipline.** A member may be expelled from membership, suspended for not more than two years, or censured if he is found guilty of the acts described in Article II, (11) (b) or as hereinafter provided.

2. **Hearing Procedure**

(a) Whenever a member of the Society, whether or not he or she is a member of the American Institute of Certified Public Accountants, shall be charged with violating these Bylaws 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 ethics enforcement. The Board of Directors, after reviewing the appropriate reports developed through the Plan procedures may, by majority vote of the Board of Directors Executive Board, censure, suspend, or expel any member as may be deemed appropriate.

(b) In the further event that a hearing is required to dispose of such charge or charges, the hearing shall be conducted under the terms of the aforesaid agreement, 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.

3. Appeals. All committees, boards, and other bodies of the Society are hereby empowered to carry the provisions of Article XIII (2) into effect by acting jointly and in cooperation with the appropriate bodies of the AICPA under the agreements, rules, and procedures in effect between the Society and the AICPA at the time of such action.

Article XIII Rules of Professional Conduct

1. General. The reliance of the public and the business community on sound financial reporting and advice on business affairs imposes on the accounting profession an obligation to maintain high standards of technical competence, morality and integrity. To this end, a member of the Nevada Society of Certified Public Accountants shall at all times maintain independence of thought and action, hold the affairs of his clients in strict confidence, strive continuously to improve his professional skills, observe generally accepted auditing standards, promote sound and informative financial reporting, uphold the dignity and honor of the accounting profession, and maintain high standards of personal conduct.

2. AICPA Rules. The rules of professional ethics of the Society shall consist of the Code of Professional Ethics of the American Institute of Certified Public Accountants (AICPA) as now constituted and as may be hereafter amended, except that in the case of any conflict between that Code and these Bylaws, the Bylaws of the Society shall prevail.

3. Violations. Any violations of the AICPA rules adopted and conviction thereof shall be cause for disciplinary proceedings as stated in Article XII.

Article XIV Fiscal Matters and Miscellaneous

- 1. Fiscal Year.** The fiscal year of the Society shall begin on August 1 and end on July 31 of the following year.
- 2. Audit.** The books of the Society shall be closed as of July 31 of each year, and shall be audited within six months following the close of the fiscal year, by a Nevada firm selected by the Board of Directors.
- 3. Annual Budget.** The President, President-Elect, Treasurer, and Secretary (chief staff executive) shall within thirty (30) days of the beginning of the fiscal year, prepare for the approval of and adoption by the Board, an annual budget, showing all amounts appropriated for the purpose of the Society and estimating all revenue for the current fiscal year. Unexpended appropriations shall lapse at the end of each fiscal year and shall not be carried forward. The President and Treasurer may amend the budget from time to time during the year, which shall also be submitted for approval and adoption of the Board.

Except in an emergency, no debts shall be contracted nor money expended, except for the purposes provided in the budget. The President and Treasurer may, in an emergency, authorize the contracting of a debt or an expenditure for purposes not provided for in the budget, but the amount of such debt contracted or money expended shall, within a reasonable time thereafter, be incorporated in an amendment to the budget, and duly adopted by the Board.

- 4. Seal.** The corporate seal of this Society is shown by the impress as follows: Nevada Society of Certified Public Accountants, Incorporated Nevada, October 21, 1947.
- 5. Parliamentary Procedure.** Roberts Rules of Order shall prevail at all meetings of the members and Board.

Article XV Amendments – below is currently our bylaws as regards amendments

- 1. Proposed Amendments.** Every proposal to adopt, amend, or rescind Bylaws shall be in writing and shall set forth the nature of the proposal. Such proposal may be initiated by the officers of the Board or by fifteen or more Fellow members in good standing. Following publication of the proposal to the membership not less than 20 days prior to a Board Meeting, proposals to adopt, amend or rescind Bylaws may be approved by a majority vote of the Board of Directors.
- 2. Voting on Amendments.** Unless the Board of Directors orders a mail ballot, the Secretary shall include in the call for the next Board meeting all properly presented proposals to adopt, amend, or rescind

Bylaws. A simple majority affirmative vote of the Board members voting in person or through remote means is required to adopt, amend, or rescind Bylaws.

3. Mail Ballots. When the Board of Directors orders a mail ballot on proposals to adopt, amend or rescind the Bylaws, the Secretary shall submit such amendments to the Fellow members in writing. Ballots shall be valid and counted only if received within the time specified by the Board of Directors which shall not be less than thirty days after date of mailing the ballot form. A majority of the votes received in the affirmative shall constitute approval of said proposals.

4. Verification. The Secretary shall verify the results of the mail ballot, and ballots shall be available for inspection by any member in good standing for a period of sixty (60) days. The final adoption or rejection of the proposed amendments shall be noticed to all members of the Society.

Original Bylaws adopted May 23, 1972. Revisions adopted:

April 24, 1974	June 1, 1990
June 19, 1975	June 6, 1991
June 23, 1977	June 17, 1995
June 27, 1980	October 25, 1995
June 18, 1981	July 29, 1997
June 26, 1982	July 17, 1998
June 22, 1983	October 1, 1999
June 21, 1985	April 26, 2000
June 17, 1986	February 20, 2002
June 19, 1987	May, 2006
June 1, 1989	April, 2007
April 24, 1990	