

SOUTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

BYLAWS

ARTICLE I – MEMBERSHIP

SECTION 1. All applications for membership shall be referred to the Board of Directors and the name of each applicant shall be mailed by the Executive Director to each member of the Association as soon as practical after an application is received. Any member objecting to the election of an applicant shall notify the Executive Director in writing, and state reasons for objections. At the expiration of 30 days' time from the mailing of such notices, the Executive Director shall notify the Board of Directors whether or not any objections have been received and said committee shall proceed to act on the application. The objection of any three members to the election of a member shall prevent the election. The name of the applicant who fails to be elected shall not be submitted again within 12 calendar months. All proceedings as to the election of members shall be considered confidential by the Board of Directors, and they are prohibited from giving out any information on the subject; provided, however, in case an applicant fails election the matter may be taken before a meeting of the Association.

SECTION 2. Resignation of members shall be in writing and may be offered at any time. Actions on such resignations and applications for reinstatement of resigned members shall be taken by the Board of Directors under such provisions as they may from time to time prescribe. The Board of Directors may make separate provision for action on resignations of members not in good standing or against whom disciplinary proceedings or investigations are pending and on applications for reinstatement persons whose resignation was accepted when in such classification.

ARTICLE II – DUTIES OF OFFICERS

SECTION 1. The duties of the President shall be those which usually pertain to the office. The President may call meetings when deemed necessary and shall do so upon the written request of any 10% of the voting members of the Association.

SECTION 2. In the absence of the President, the President Elect shall perform the duties and shall have the prerogatives of the President. In the absence of both the President and the President Elect at any meeting, the Vice President shall perform the duties and shall have the prerogatives of the President.

SECTION 3. The Secretary-Treasurer shall perform the customary duties of that office, subject to the direction of the Board of Directors.

SECTION 4. The Executive Director shall be responsible for the preparation and mailing of general communications of the Association or its officers to the membership or the public, including the Bulletin, notices of meetings, etc. This officer shall also

arrange for meetings of the Association and newspaper publicity in connection therewith, and shall perform such other duties as usually pertain to the office of Executive Director, under the direction of the Board of Directors. This officer shall have custody of the corporate seal and blank membership certificates of the Association and shall be responsible for delivery of same to any successors in office. This officer shall maintain headquarters for the Association in the city of Columbia or its environs and shall be reappointed from year to year to provide a continuity of organization so long as in the opinion of the Board of Directors this is feasible.

SECTION 5. The Officers shall be designated an Executive Committee of the Board of Directors to conduct the business of the Association between meetings of the full Board. This should not be construed as transferring the authority of the Board of Directors.

ARTICLE III – DUTIES OF EXECUTIVE COMMITTEE & BOARD OF DIRECTORS

SECTION 1. The Executive Committee shall manage the affairs of the South Carolina Association of Certified Public Accountants and oversee the activities of the committees and chapters. The Executive Committee shall perform the following duties and such other duties as specifically delegated by the Board of Directors:

- a. Implement policies promulgated by the Board of Directors and establish guidelines for the operation of the corporation consistent with said policies.
- b. Receive the recommended annual budget of the corporation prepared by the Finance Committee and after review and appropriate modifications submit a proposed final budget to the Board of Directors for action.
- c. Control expenditures in accordance with the approved budget. The Executive Committee may authorize additional expenditures in total not exceed five percent (5%) of budgeted revenues from all sources.
- d. Oversee the Executive Director as the chief operating officer of the Association.
- e. Oversee and coordinate the activities of all committees and chapters. The Executive Committee shall receive all committee reports and make recommendations to the Board of Directors for appropriate action.
- f. Represent the South Carolina Association in its relations with the American Institute of Certified Public Accountants or other state societies, other professional bodies, Federal and State governmental authorities and the public.
- g. Recommend changes to the Constitution and Bylaws of the South Carolina Association of Certified Public Accountants.
- h. Recommend nominations to the Council of the American Institute of Certified Public Accountants as needed.
- i. Recommend nominations to the South Carolina Board of Accountancy as needed.
- j. Serve as members of an Audit Committee as determined by the President.
- k. Attend South Carolina Board of Accountancy meetings as representatives of the Association as coordinated and instructed by the President.

SECTION 2. Meeting Attendance. Any member of the Executive Committee and/or Board of Directors who shall have been absent from three (3) consecutive meetings shall automatically vacate the seat. Any vacancy shall be filled as set forth in the Constitution.

SECTION 3. The Executive Committee and/or the Board of Directors can take action by written ballot. Items to be balloted shall be restricted to matters approved by a two-thirds (2/3) vote of the Executive Committee or Board of Directors; confined to the matters stated in the notice of such ballot; and limited to matters that do not require more than a majority vote. An affirmative written ballot of three-quarters (3/4) of the members of the Executive Committee or Board of Directors must be received in the corporation principal office within fifteen (15) days of the date of the ballot for the ballot to be valid.

ARTICLE IV – MEETINGS

SECTION 1. The Annual Meeting of the Association shall be held not earlier than October 1st of each year. The Executive Director shall communicate the place and date of these meetings to the membership at least 60 days in advance.

SECTION 2. A quorum for the transaction of any business at any meeting of the Association shall be constituted of not less than 50 resident members of the Association.

SECTION 3. Special meetings may be called only with not less than 10 days' written notice. The notice thus promulgated shall include the special purpose for which the meeting is called.

ARTICLE V – ELECTION

SECTION 1. The membership of the Nominating Committee which presents nominees at the Annual Meeting of the membership of the Association will be the five most immediate past presidents of the SCACPA who are still active members and who are still in South Carolina.

- (a) The most senior of the five past presidents shall act as chairman of the Nominating Committee.
- (b) Should the most senior of the five be unable to serve as chairman, the committee will choose a chairman from the remaining four. In the event one member is unable to attend and vote, the chairman shall fill the open term from the remaining qualified past presidents.
- (c) Any member nominated for an officer position must have served at least one year on the Board of Directors.
- (d) Each of the Chapter areas may present to the Nominating Committee names of any member or members such Chapter area may wish to recommend for consideration by the Nominating Committee as nominee for any elective office of the Association. Such names shall be determined at a regular meeting of the Chapter by voice vote among the Chapter

members. The Nominating Committee shall be bound to consider the members recommended for the specific office. However, once the Nominating Committee has considered such recommendations, they shall be free to nominate a slate of officers from the state membership as a whole.

- (e) The Nominating Committee shall then proceed to agree upon and present to the members at the Annual Meeting of the membership at last one nominee for each elective office of the State Association.
- (f) Nominations may be made and accepted from the floor by any member of the Association desiring to do so; provided, however, the nominee has been contacted and expressed willingness to serve. The presiding officer shall allow a reasonable time for such nominations before entertaining a motion that nominations be closed.
- (g) These procedures shall likewise apply to the annual selection of nominees for the Board of Directors.

SECTION 2. The President-elect, Vice President, Secretary-Treasurer, and Board members, other than South Carolina's elected member of Council of the American Institute of Certified Public Accountants, area chapter representatives, and Executive Director, shall be elected by vote; the President appointing tellers, and a majority of votes of membership present shall be necessary for an election. The member elected to the office of President-elect shall hold that office for one year and shall assume the office of President in the following year. Area chapter representatives shall be elected at the chapters' annual meetings in the appropriate years.

ARTICLE VI – DUES

SECTION 1. Dues and initiation fees shall be set by vote at a meeting of the membership without prior notice of change, and shall remain as set until changed at a subsequent meeting. Incoming members shall pay dues and special assessments prorated to the next annual date.

SECTION 2. Dues or special assessments may be waived or abated for good cause by the Board of Directors.

SECTION 3. Special assessments may be levied upon approval of a majority vote at any duly called meeting of the Association, provided that at least ten (10) days' written notice of the proposed levy has been properly promulgated. This section shall not apply to life members.

ARTICLE VII – EXPULSION OR SUSPENSION OF MEMBERS

SECTION 1. Membership in the Association shall be rendered liable for suspension without a hearing should there be filed with the secretary of the Association a

declaration by any court of competent jurisdiction that a member is insane or otherwise incompetent, or a judgment of conviction imposed upon any member for:

- (a) A crime defined as a felony under the law of the convicting jurisdiction;
- (b) The willful failure to file any tax return which he or she, as individual taxpayer, is required by law to file;
- (c) The filing of a false or fraudulent income tax return on his or her, or a client's behalf;
- (d) The willful aiding in the preparation and presentation of a false and fraudulent income tax return of a client; and shall be terminated in like manner upon the similar filing of final judgment of conviction.

SECTION 2. Membership in the Association shall be suspended without a hearing should a member's certificate as a certified public accountant, or license or permit to practice as such or to practice public accounting be suspended as a disciplinary measure by the South Carolina State Board of Accountancy, but such suspension of membership in the Association shall terminate upon reinstatement of the certificate. Membership in the Association shall be terminated without hearing should such certificate, license, or permit be revoked, withdrawn, or cancelled as a disciplinary measure by the said State Board of Accountancy.

SECTION 3. A member or associate member failing to pay annual dues or any subscription, or other sum owed to the Association, within six months after such debt has become due, shall automatically cease to be a member of the Association, unless in the opinion of the Board of Directors it is not in the best interest of the profession that the membership be terminated in this way. The Board of Directors shall report any membership so cancelled at the next annual meeting.

SECTION 4. Membership may also be suspended for refusing or neglecting to give effect to any decision of the Association and being held by the Association to have been guilty of an act discreditable to the Profession.

ARTICLE VIII – RULES OF PROCEDURE

SECTION 1. The rules of procedure as laid down in "Robert's Rules of Order Newly Revised" shall govern at all meetings of the Association.

ARTICLE IX – ACCOUNTS

SECTION 1. The President shall appoint a CPA who is a member of the Association, to audit the accounts of the Association for the current fiscal year and report thereon.

SECTION 2. This audit report shall be submitted to the Board of Directors and available to the membership by June 1.

SECTION 3. The fiscal year of the Association shall be the calendar year.

SECTION 4. Until a budget is adopted for the fiscal year, the Association will operate its affairs as if the expenditures budget for the immediately preceding year had been adopted for the current year.

ARTICLE X – CODE OF CONDUCT

SECTION 1. The Code of Conduct of the American Institute of Certified Public Accountants, in whatever form as is currently recognized as the official code, shall be recognized as applying to the members of this Association. Where a reference is made to members of the American Institute of Certified Public Accountants, this reference will be construed to apply to members of the South Carolina Association of Certified Public Accountants. The Code of Conduct as currently recognized is hereby made a part of the bylaws of this Association by reference, except that in case of any conflict between the Code and these Bylaws, the Bylaws of the Association shall prevail.

ARTICLE XI – COMPLAINTS

SECTION 1. (a) Whenever member of the Association, whether or not a member of the American Institute of Certified Public Accountants, shall be the subject of a complaint alleging violation of these Bylaws or the Association's Code of Conduct, said complaint shall be investigated in accordance with the terms of any then existing agreement between the Association and the American Institute of Certified Public Accountants.

(b) In further event that as a result of the investigation of a complaint a hearing is required to dispose of a charge or charges of violation of these Bylaws or the Association's Code of Conduct, the hearing shall be conducted under the terms of the aforesaid agreement, the then operative rules of the Joint Trial Board Division of the AICPA and then operative joint ethics enforcement procedures in effect by virtue of the agreement between the Association and the American Institute of Certified Public Accountants.

SECTION 2. All committees, boards, and other bodies of the Association are hereby empowered to carry the provisions of section 1(a) and (b) 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 Association and the AICPA at the time of such action.

SECTION 3. Notice of the result of final action in every disciplinary matter under Section 2 and Article VII, Sections 1 and 2, shall be published in a membership periodical of the South Carolina Association. In the case of action taken under Section 2, the notice shall be in a form approved by the chairman of the hearing panel which took the last action in the matter.

In the case of action under Article VII, Sections 1 and 2, the notice shall disclose the name of the member involved. No such publication shall be made until such decision, suspensions or termination shall have become effective according to any then governing rules.

ARTICLE XII – ORDER OF BUSINESS

SECTION 1. The order of business at meetings of the membership shall be as follows:

- (a) Roll Call
- (b) Confirmation of minutes of proceedings at last meeting.
- (c) Reading of communications and motions relative thereto.
- (d) Presentation of budget for the ensuing year. (Annual Meeting)
- (e) Reports of officers.
- (f) Unfinished business.
- (g) Reports of standing committees.
- (h) Reports of subcommittees.
- (i) Adoption of budget for the ensuing year. (Annual Meeting)
- (j) Election of Officers. (Annual Meeting)
- (k) New Business.

Special features may take any place in the order of business at the discretion of the Board of Directors.

ARTICLE XIII – CHAPTERS AND AUXILIARIES

SECTION 1. Twenty-five or more members of this Association in one area of the State may, upon written approval of the Board of Directors of the Association, organize a Chapter of the Association. Such Chapter shall be styled and known as “_____ Chapter of the South Carolina Association of Certified Public Accountants.” Each chapter may organize an auxiliary chapter after first notifying in writing that intent to the Board of Directors of the Association. The Chapter will sponsor and assume all responsibility for the actions of its auxiliary chapter.

SECTION 2. Any member of this Association residing in a Chapter area is eligible for membership in such Chapter. Any member of the Association not resident in a Chapter area may become attached to a local Chapter of his choice. No member may belong to more than one Chapter of the Association at the same time.

SECTION 3. All Chapters shall be governed by uniform bylaws which designate the powers and authority of the Chapters. The Chapter bylaws shall be drafted and administered by the Board of Directors of the Association or by a committee appointed for such purposes by the Board of Directors.

SECTION 4. If a member of any local chapter shall cease to be a member of the Association, he or she shall at once cease to be a member or associate of such local Chapter, and his or her name shall be removed from the roll thereof.

ARTICLE XIV – AMENDMENTS

SECTION 1. The Bylaws of this corporation shall be made, altered, or rescinded by a vote of two-thirds (2/3) of all members of the Board of Directors present at any regular or special meeting of the Board of Directors or by the unanimous written consent of all members of the Board of Directors. Any change of the Bylaws at a meeting of the Board of Directors must be preceded by written notice at least fifteen (15) days prior to the meeting stating the proposed amendment and the reasons therefore.

SECTION 2. When an amendment to the Bylaws is adopted in accordance with Section 1, the amendment shall be published and mailed to all members.

SECTION 3. Except as otherwise provided, a proposal to amend the Bylaws may be made by a petition of not less than ten percent (10%) of the voting members. The proposal shall be submitted to the Board of Directors for consideration as provided by Section 1. If rejected, the proposed amendment shall be submitted to all voting members of the corporation for vote by mail ballot. If at least two-thirds (2/3) of those voting approve such a proposal, it shall become effective as an amendment to the Bylaws. On any mail vote, no less than twenty-five percent (25%) of all voting members shall cast a ballot to constitute a valid action. Mail ballots may be considered valid and counted only if received in the corporation principal office within sixty (60) days from the date of mailing the ballot to the members. Any mail ballot must be preceded by a written notice at least thirty (30) days prior to the ballot stating the proposed amendment, the reasons thereof and Board of Directors and/or Executive Committee recommendation(s).

SOUTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

CONSTITUTION

ARTICLE I – NAME – OBJECTIVES

SECTION 1. The name of this Association shall be the South Carolina Association of Certified Public Accountants, Incorporated.

SECTION 2. The objectives of this Association are (a) to unite in one body the Certified Public Accountants of South Carolina; (b) to foster a practical code of professional ethics for members of the Association; (c) to encourage a higher standard of accounting technique by Association members; (d) to encourage legislation to protect the public and the accounting profession by ensuring that only qualified persons be permitted to practice as Certified Public Accountants in South Carolina; (e) to promote by all proper means the interest of the accounting profession, including education of the public concerning Certified Public Accountants' purposes, responsibilities, and limitations.

ARTICLE II – MEMBERSHIP

SECTION 1. The following qualifications are necessary for membership in this Association:

- (a) Good moral character.
- (b) Possession of a certificate as a Certified Public Accountant issued under the rules and regulations of the South Carolina Board of Accountancy.
- (c) Sponsorship (by signature on the application form) of a member of the Association in good standing.

SECTION 2. The following qualifications are necessary for associate membership in this Association:

- (a) Good moral character.
- (b)(1) Possession of a certificate as a Certified Public Accountant issued by a state, District of Columbia, a territory or possession of the United States of America, or a similar certificate issued by a foreign body having responsibility for governing accounting and auditing matters, or
- (b)(2) Completion of examination for obtaining a license as a Certified Public Accountant regardless of fulfilling any requirements with respect to experience, or
- (b)(3) Employment in an accounting capacity, pursuing CPA certification, and supervised by a member of the association.
- (c) Sponsorship (by signature on the application form) of a member of the Association in good standing.

An associate member will relinquish membership upon the removal of any of the above qualifications or upon the issuance of a certificate by the South Carolina Board of Accountancy for certification as a Certified Public Accountant.

The privileges of associate members shall be the same as for members except that associate members shall not vote nor hold office.

International Associate membership is available to all Certified Public Accountants or chartered accountants, or the equivalent, who are members of the associations belonging to the International Federation of Accountants.

SECTION 3. The following qualifications are necessary for professional affiliate membership in this Association:

- (a) Good moral character.
- (b) Non-CPA employee of a South Carolina CPA firm or individual practitioner.
- (c) Sponsorship (by signature on the application form) of a member of the Association in good standing.

SECTION 4. The following qualifications are necessary for academic affiliate membership in this Association:

- (a) Good moral character.
- (b) Non-CPA teaching accounting related subjects at the college or university level.
- (c) Sponsorship (by signature on the application form) of a member of the Association in good standing.

The privileges of affiliate members shall be the same as for members except that affiliate members shall not vote nor hold office.

SECTION 5. A member may become a life member of this Association provided he or she has been a member of this Association for at least 30 consecutive years, and (a) has attained the age of 68 or (b) has rendered distinguished service to the accounting profession in the judgment of the Board of Directors.

SECTION 6. Those applying who are engaged in the practice of public accounting as a proprietor, partner, or shareholder or as an employee who has been licensed as a CPA for more than two years, are practicing in firms that are enrolled in SCACPA-approved practice-monitoring programs.

SECTION 7. The following are educational and quality review requirements for retention of membership.

- (a) SCACPA members shall complete continuing professional education established by the Board of Directors.
- (b) SCACPA members shall engage in the practice of public accounting only with a firm that is enrolled in a SCACPA-approved practice-monitoring program.

SECTION 8. Students in accounting at South Carolina institutions of higher education may join as student members, the benefits, restrictions, and annual dues which will be determined by the Board of Directors.

ARTICLE III – OFFICERS

SECTION 1. The Officers of this Association shall be:

- (a) President
- (b) Vice President
- (c) Secretary-Treasurer
- (d) President-elect
- (e) Immediate Past President
- (f) Executive Director

SECTION 2. There shall be a Board of Directors of the Association composed of the President, Vice President, Secretary-Treasurer, President-elect, immediate Past President, Executive Director (when a qualified member of the Association), the elected member from South Carolina to the Council of the American Institute of Certified Public Accountants, at least three but not more than six at large members, and a representative of each chapter area. In order to provide for a continuity of office, the expiration of the terms of office of not more than one-third of such members shall occur in any one year. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of its business. The Board of Directors shall meet at the call of the President.

SECTION 3. The President-elect, Vice President, Secretary-Treasurer, immediate Past President, and members of the Board of Directors, other than South Carolina's elected member of Council of the American Institute of Certified Public Accountants and Executive Director, shall serve for the fiscal year(s). Such election shall be by vote. The member elected to the office of President-elect shall hold that office for one year and shall assume the office of President in the following year.

SECTION 4. The President shall appoint such committees (as not otherwise provided for by this Constitution and its Bylaws) and their chairmen as are deemed necessary. Persons so appointed shall serve at the pleasure of the President. The President shall serve as an ex-officio member of all committees he shall appoint. Each committee shall be subject to the call of its chairman and a majority of each committee shall constitute a quorum for the transaction of its business.

SECTION 5. Vacancies occurring in elective positions of the Association may be filled, for the unexpired term of the position, by a majority vote of the remaining members of the Board of Directors.

SECTION 6. The Editor of the Association's publications shall be appointed by the Board Directors.

SECTION 7. The Executive Director, not necessarily a member of the Association, shall be appointed by the Board of Directors. He or she shall be subject to the direction of the Board of Directors who shall fix compensation and who may for good and sufficient reason terminate his or her services.

ARTICLE IV – VOTES

SECTION 1. Each member as defined in Article II, Section 1, shall be entitled to one vote. Votes must be cast in person. No member shall be entitled to vote at any meeting when his dues shall be over sixty days in arrears.

ARTICLE V – CORPORATE SEAL

SECTION 1. The corporate seal of the Association shall be circular in form, containing the words “South Carolina Association of Certified Public Accountants.”

ARTICLE VI – CERTIFICATE OF MEMBERSHIP

SECTION 1. Upon admission to membership by the South Carolina Association of Certified Public Accountants, every member shall be entitled to a certificate of membership therein, and the members so receiving such certificates shall agree in writing, prior to receipt of such certificate, to the surrender of same to the Association in event of the termination of their membership thereon, for any cause, except death.

ARTICLE VII – CHAPTERS AND AUXILIARIES

SECTION 1. Chapters and auxiliaries of the South Carolina Association of Certified Public Accountants may be formed as provided in the Bylaws of the Association.

ARTICLE VIII – AMENDMENTS

SECTION 1. Amendments to this Constitution may be made by an affirmative vote of three-quarters (3/4) of the members of the Board of Directors present and voting at any regular or special meeting of the Board, provided that in any instance notice of any such amendment shall be mailed by the Executive Director to each voting member of the corporation at least fifteen (15) days prior to any such meeting.

SECTION 2. When an amendment to the Constitution is adopted in accordance with Section 1, the amendment shall be published and mailed to all members.

(As last amended November 5, 2002)