

# **BYLAWS**

## **California Association of Collectors, Inc.**

*Adopted October 4, 2011*

# Table of Contents

<u>TOPIC</u>	<u>PAGE</u>
<b>Article I. Identification</b>	
Section 1. Name	5
Section 2. Purpose and Objectives	5
Section 3. Corporate Seal	5
Section 4. Location of Principal Office	5
<b>Article II. Membership</b>	
Section 1. Classes	5
Section 2. Affiliation with ACA	5
<b>Article III. Active Members</b>	
Section 1. Qualifications	6
Section 2. Form of Application	6
Section 3. Election to Membership	6
Section 4. Privileges and Responsibilities	6
Section 5. Disciplinary Procedures	7
Section 6. Grievances and Appeals	8
Section 7. Suspension, Expulsion and Termination	9
Section 8. Resignation	10
Section 9. Reinstatement	10
<b>Article IV. Business Enterprise Membership</b>	
Section 1. Qualifications	11
Section 2. Business Enterprise Member	11
Section 3. Membership Rights and Responsibilities	11
Section 4. Dues	11
<b>Article V. Common Interest Membership</b>	
Section 1. Qualifications	12
Section 2. ACA Membership Requirement	12
Section 3. Election to Membership	12
Section 4. Privileges and Responsibilities	12
Section 5. Disciplinary Procedures	12
Section 6. Grievances and Appeals	12
Section 7. Termination	12
Section 8. Reinstatements	12
Section 9. Application	12
<b>Article VI. Associate Members</b>	
Section 1. Associate Members	13
Section 2. Privileges and Responsibilities	13
Section 3. Disciplinary Procedures	14
Section 4. Grievances and Appeals	14
Section 5. Terminations	14
Section 6. Reinstatements	14
Section 7. Application	14
<b>Article VII Vendor Members</b>	
Section 1. Qualifications	15
Section 2. Classes	15
Section 3. Form of Application and Election to Membership	15
Section 4. Privileges and Responsibilities	15
Section 5. Disciplinary Procedures	15
Section 6. Grievances and Appeals	15
Section 7. Termination	15
Section 8. Reinstatements	16

<b>Article VIII</b>	<b>Retired Members</b>	
Section 1.	Qualifications	17
Section 2.	Form of Application	17
Section 3.	Election to Membership	17
Section 4.	Privileges and Responsibilities	17
Section 5.	Disciplinary Procedures	17
Section 6.	Grievances and Appeals; Suspension, Expulsion and Termination, Resignation and Reinstatement.	17
<b>Article IX.</b>	<b>Honorary Life Member</b>	
Section 1.	Qualifications	18
Section 2.	Form of Application	18
Section 3.	Election to Membership	18
<b>Article X.</b>	<b>The Board of Governors</b>	
Section 1.	Composition	19
Section 2.	Duties and Powers	19
Section 3.	Meetings	19
Section 4.	Minutes	20
Section 5.	Voting Procedures	20
Section 6.	Terms of Office	20
Section 7.	Indemnification	20
Section 8.	Resignation	20
Section 9.	Removal from Office	20
<b>Article XI</b>	<b>Elected Officers</b>	
Section 1.	Composition	21
Section 2.	Eligibility for Office	21
Section 3.	Terms of Office	21
Section 4.	Duties and Powers	21
Section 5.	Indemnification	22
Section 6.	Resignation from Office	22
Section 7.	Removal from Office	22
Section 8.	Vacancies	22
<b>Article XII</b>	<b>Executive Committee of the Board of Governors</b>	
Section 1.	Composition	24
Section 2.	Duties and Powers	24
Section 3.	Meetings	24
Section 4.	Minutes	24
<b>Article XIII</b>	<b>Committees</b>	
Section 1.	Classes	25
Section 2.	Appointment	25
Section 3.	Names, Composition, Duties and Powers	25
Section 4.	Meeting	26
Section 5.	Annual Reports	26
Section 6.	Removal from Committees	26
Section 7.	Resignation from Committees	26
Section 8.	Filling Vacancies	26

<b>Article XIV</b>	<b>Meetings</b>	
Section 1.	Annual Convention	27
Section 2.	Special Sessions	28
Section 3.	General Sessions	28
<b>Article XV</b>	<b>Voting Procedures</b>	
Section 1.	Nominating Procedures	29
Section 2.	Committee on Elections	29
Section 3.	Voting Procedures	29
<b>Article XVI</b>	<b>Regions</b>	
Section 1.	Recognition	31
Section 2.	Organization	31
<b>Article XVII</b>	<b>Finance and Accounting</b>	
Section 1.	Fiscal Year	32
Section 2.	Systems of Accounts	32
Section 3.	Budget	32
Section 4.	Annual Report	32
Section 5.	Inspection Rights	32
Section 6.	Record of Members	32
<b>Article XVIII</b>	<b>Official Publication</b>	
Section 1.	Publications	33
Section 2.	Advertisements	33
<b>Article XIX</b>	<b>Rules of Order</b>	
Section 1.	Robert's Rules of Order	33
Section 2.	Parliamentarian	33
<b>Article XX</b>	<b>Amendment of Bylaws</b>	
Section 1.	Procedure	34
Section 2.	Procedure	34
Section 3.	Form	34

**California Association of Collectors, Inc.**  
**Bylaws**  
**Adopted October 4, 2011**

**ARTICLE I**

**IDENTIFICATION**

Section 1. Name.

The name of this association shall be the CALIFORNIA ASSOCIATION OF COLLECTORS, INC., and it shall be incorporated as a nonprofit corporation without capital stock; it is hereinafter referred to as the association.

Section 2. Purpose and Objectives.

A. To promote, stimulate, increase and improve the educational, social, economic and ethical welfare of the collection industry in the State of California and the public which it serves.

B. To apply the collective knowledge and experience of its members towards maintaining an ethical standard of collection service.

C. To encourage and promote the adoption of legislation favorable to the rights of collectors and the credit granting public, yet fair to the consumer public.

D. To gather and disseminate material relative to the collection profession which may be of value to members of the association and the general public.

Section 3. Corporate Seal.

The corporate seal of the association shall consist of two concentric circles, between which is the name of the association and "California," and in the center shall be inscribed, "Incorporated May 28, 1935," and such seal as impressed on the margin hereof is hereby adopted as the corporate seal of the association.

Section 4. Location of Principal Office.

The Principal Office of the association shall be located in the city designated by the Board of Governors.

**ARTICLE II**

**MEMBERSHIP**

Section 1. Classes.

There shall be in the association two classes of membership, namely voting and non-voting. Voting members shall consist of active members; non-voting members shall consist of all other qualified members.

Section 2. Affiliation with ACA.

The association is a "Unit Member" of ACA International, hereinafter known as ACA and by reason thereof every active member of the association shall be a member of ACA.

**ARTICLE III**  
**ACTIVE MEMBERS**

Section 1. Qualifications.

Active members are those members of the association who meet the requirements for membership in the ACA, and meet the qualifications of Article III, Section 1, of these bylaws.

Any person, firm or corporation engaged in the collection agency business and conducting such business under and pursuant to the laws of the State of California, shall be eligible for membership in this association, provided that:

- (1) Their business activity is sufficient to properly identify them as part of the collection industry.
- (2) The agency has discharged all past and present financial obligations to the association *and/or its related entities*.
- (3) The agency subscribes to and practices the Code of Ethics and Rules of Conduct adopted by the membership of this association.

Section 2. Form of Application.

Every application for membership in the association shall be in writing on the Official Application Form adopted by the Board of Governors.

Section 3. Election to Membership.

A. Membership shall be construed by the Association to mean that the person, firm, or corporation holding ownership is the member, and the member shall be represented by one designated representative to act on its behalf in association affairs. The designated representative shall be indicated on the initial application of membership and may be changed upon written notification to the Principal headquarters of the association.

B. Upon meeting all established requirements for membership by the ACA and required prepayment of initial dues, the application shall be considered granted and approved. The name of the applicant shall be added to the membership roll, and a Certificate of Membership shall be issued.

C. The Membership Certificate shall state:

1. The association is a nonprofit mutual benefit corporation that may not make distributions to its members except upon dissolution.
2. A copy of the restrictions on transferability of the membership are on file with the Principal Office and are open for inspection by a member upon written demand on the Principal Office at any reasonable time for the purpose reasonably related to such person's interest as a member.
3. The name of the member.
4. The class of membership.
5. The purpose of the association.

Section 4. Privileges and Responsibilities.

A. Financial Obligations.

No member of the association shall be in good standing or entitled to exercise or receive any privileges of membership who is in default 30 days in the payment of dues, assessments or other financial obligations due to the association and/or any of its related entities.

B. Dues.

1. To ACA:

In addition to the dues payable provided for in these bylaws, every active member shall pay dues to ACA or to the association covering his or her membership in the ACA.

2. To California Association of Collectors, Inc.:

a. With Application. The application for active membership shall be filed with the Principal Office of the association and shall be accompanied by payment of dues for a full fiscal year which shall, when membership is accepted by ACA, be prorated on a quarterly basis with the prorated amount to be applied to renewal dues at the beginning of the next fiscal year.

b. Prorated Schedule.

An active membership that was accepted during:

- (i) January, February or March of the membership year shall have seventy-five percent (75%) of the amount submitted used for the first year's dues;
- (ii) April, May or June of the membership year shall have fifty percent (50%) of the amount submitted used for the first year's dues;

(iii) July, August or September of the membership year shall have twenty-five percent (25%) of the amount submitted used for the first year's dues;

(iv) October, November or December shall have all of the amount submitted used for the next membership year's renewal dues; and

(v) The remaining percentage of the dues paid shall be retained by the association and applied to the next membership year's dues.

c. CAC Dues. All dues due to the association shall be paid to the association.

d. Renewal. At all renewal dates following the acceptance date of the membership, the members shall pay renewal dues assessed all active members.

e. Rate. Dues of active members of the association shall be based upon the total number of employees of such member who are actively engaged in collection agency activity, whether such employees are employed full time or part time, regardless of the capacity at the rate set by the Board of Governors.

f. Due Date. Except as otherwise provided, the dues of all active members of the association are payable annually, in advance, on the first day of the new membership year. The membership year shall commence on January 1, unless subsequently changed upon the direction of the Board of Governors.

g. Delinquent Dues. Upon good cause, the Board of Governors may toll the suspension or termination of a membership for the failure of a member to timely pay renewal dues or other obligations due the association. In such case, the Board of Governors may condition the renewal or tolling of suspension or termination on such terms as appropriate.

h. Notification of Change of Address. It is the obligation of the member to immediately notify the association office of any changes in address, telephone number, designated representative, or other information concerning a member of the association.

#### C. Assessments.

Assessments on active memberships may be levied by the Board of Governors and upon notice of such levy, payment shall be made on or before the due date prescribed.

#### D. Refunds.

In the event that dues, assessments or other financial obligations have been paid in advance by such member, no refund thereof shall be made upon termination, resignation or suspension of membership.

#### E. Voting Rights.

1. Every designated representative of an active member of the association in good standing shall have the right to register, participate and vote at an Annual Convention, Special Conference or General Session of the association.

2. Every active member of the association in good standing may shall be represented by the designated representative of the active membership, and said designated representative shall be entitled to vote upon any and all matters that may come before the Annual Convention, Special Conference or General Session of the association; provided, that such designated representative is duly registered thereat. For the purposes of the Annual convention, Special Conference or General Session of the association, the individual identified on the registration form shall be the designated representative who will cast the vote for the active member at such meeting.

#### 3. Proxies.

a. The designated representative of an active member in good standing, who is duly registered for the Annual Convention, Special Conference or General Session shall have the privilege of granting a proxy vote to any other designated representative of an active member.

b. The holder of a proxy must file in writing with the Vice President/Secretary of the association or the CAC Executive Director, his or her written proxy to vote in place and stead of the designated representative of an active member.

#### F. Participation Level.

An active member may attend and participate in events sponsored by the association as determined by the class of membership held and defined in these bylaws.

#### G. Publications.

The designated representative of an active member shall receive all the official publications of the association sent during the term of the membership.

### Section 5. Disciplinary Procedures.

A. Any active member of the association may be expelled as provided in these bylaws.

B. In addition to terminations of membership as otherwise provided for in these bylaws, any member of the association found guilty of improper, immoral, unethical or unprofessional conduct, or conduct violative of his or her duties as a member of the association, may be censured, suspended, or expelled from membership by vote of the Board of Governors.

Section 6. Grievances and Appeals.

A. Form In Place of Filing.

Charges against any member shall be specific, in writing, filed at the Principal Office of the association. When a complaint is received by the Principal Office, it shall be promptly referred to the Chairperson of the Grievance Committee and to the President.

B. The President may, at his or her discretion, make a written request to the chairperson of the Grievance Committee to investigate any member, and in any such case the written request shall be deemed a complaint.

C. Response to Complaint.

1. The committee shall promptly furnish a copy of the complaint to the accused and a written response shall be filed by the accused thereon within ten (10) days of having received the copy. The answer shall be specific in the denial admissions of the allegation and be filed with the Principal Office of the association, which shall forward it to the Chairperson of the Grievance Committee and to the President.

2. Upon written request of the accused within ten (10) days of having received the complaint, the chairperson may extend the time for the accused to reply for a period not to exceed an additional thirty (30) days. If no answer is received within the original ten (10) day period or extension as granted by the chairperson, a complaint may be deemed by the Grievance Committee to be true.

3. The Committee shall forward the answer from the accused to the complainant.

D. Investigation.

1. The Grievance Committee shall conduct such investigation of the charges as it may deem necessary, and the chairperson of the committee may request the President to appoint one or more active members to assist the committee in its investigation. The chairperson of the committee may, at his or her own discretion, make written request to the investigation.

2. The chairperson of the committee shall make the results of any such investigation available to the complainant and the accused. A copy of the results of the investigation shall be delivered by the chairperson to the President.

E. Hearings.

1. The Grievance Committee may set a time and place for hearing of the charges, giving notice hereof to the complainant, accused and President, at least ten (10) days in advance of such hearing. The hearings held by the Grievance Committee shall be informal and legal rules of evidence need not be observed.

F. Decision.

1. Following the failure of the accused to answer the charges, or following an investigation thereof, or hearing thereon, the Grievance Committee shall, by majority vote of its members, make its decision. Promptly after reaching its decision, the chairperson shall issue the written decision of the committee and shall serve the written decision on the complainant, respondent and President.

2. A summary of any evidence produced by investigation or at a hearing and a copy of the decision shall be filed with the Principal Office of the association.

3. The decision of the Grievance Committee shall be final unless the accused, within twenty (20) days after receipt of the Notice of Decision shall file with the Principal Office a Notice of Appeal.

G. Appeal.

1. Upon receipt of a Notice of Appeal, the Principal Office of the association shall deliver a copy thereof to the chairperson of the Grievance Committee, Board of Governors and President.

2. Upon receipt of the Notice of Appeal, the President shall schedule a hearing thereon at the next regularly scheduled Board of Governors meeting or at any special meeting called for that purpose by the Board. Notice of the hearing before the Board of Governors shall be given to the complainant, respondent and chairperson of the Grievance Committee by mail at least ten (10) days in advance of such hearing. Any hearing of the decision of the Grievance Committee before the Board of Governors shall be informal and legal rules of evidence need not be observed.

3. The Board of Governors shall review the record of any proceedings, or matters from which an appeal has been taken, and by majority vote of its members shall render a judgment and make such order as it deems proper. The decision of the Board of Governors shall be final.

4. Upon receiving the Notice of Appeal, the chairperson of the Grievance Committee shall forward all files, documents, evident or other materials relating to the matter on appeal to the President for dissemination to the members of the Board of Governors.

H. Compliance.

Should either party fail to comply with the decision of the Grievance Committee with regard to any complaint, the chairperson of the Grievance Committee shall request the committee, by majority vote, to recommend disciplinary measures to the Board of Governors.

I. Records.

The chairperson of the Grievance Committee shall keep in his or her possession all of the files in connection with all grievances for a period of one year. At the expiration of one year, files shall be deposited for safe keeping with the Principal Office of the association. No file shall be permitted to be examined by any member of the association other than Grievance Committee members and the President, except upon written authorization of the Board of Governors.

J. Executive Action.

The President is hereby charged with the execution and enforcement of any judgment rendered or order made by the Grievance Committee or the Board of Governors.

Section 7. Suspension, Expulsion and Termination.

A. Suspension.

Any member who shall fail, neglect or refuse to pay the annual dues, special assessment or any other financial obligation due the association and/or any of its related entities within ninety (90) days of may have its membership, rights and privileges, suspended at the direction of the Board of Governors.

B. Termination.

1. Termination of membership shall terminate the member's rights and privileges in the association but shall not affect the financial obligations of the member to the association and/or to any of its related entities which have accrued to the effective date of the termination.

2. Dues for each membership year shall be owing upon receipt of the renewal notice and delinquent if not paid on or before the commencement of the membership year. Payment of dues within the thirty (30) day period following the commencement of a membership year shall include, as part of the dues, an additional fifty (\$50.00) late fee. Failure to pay dues for a membership year, including the late fee if applicable, before the expiration of the thirty (30) day period following the commencement of the membership year, or failure to pay any other obligation due the association within sixty (60) days of the date first shall result in the automatic termination of membership, unless otherwise provided by the Board of Governors within the applicable thirty (30) or sixty (60) day period.

3. Loss of ACA Membership. Membership may be terminated if the membership in ACA is terminated effective 60 days following notice to the member.

4. Change in Ownership.

a. Membership in this association shall not be transferable. Upon change of ownership or controlling interest, the membership shall automatically terminate. When a change of ownership or controlling interest occurs, the member shall notify the CAC immediately. Upon review of the change, the CAC may confer membership upon the new owner as provided.

b. In all cases where a member is a sole proprietorship, a change in ownership shall be deemed to have occurred when the control, management, and/or assets of such proprietorship shall be transferred to one or more persons or entities other than the individual to whom they previously belonged.

c. In all cases where a member is a partnership, a change of ownership shall be deemed to have occurred when there is a change in the designation of the General Partner(s) or assets of the partnership shall be transferred to one or more persons or entities other than the original partners, partnership or either of them. The acquisition by one general partner of the shares of ownership previously held by one or more of the original partners shall not be construed as a change of ownership. However, a change in ownership will be deemed to occur where the partner who acquired the control, management and/or assets of the partnership was a limited, silent or inactive partner in the partnership which had held a membership in this association.

d. Transfer or sale of a business from one spouse to the other or to their children shall be considered as a change of ownership unless that spouse or the children who acquire the business shall have been a partner in fact or unless his or her previous association with the business had been on a management level. Acquisition of a collection business by a spouse or children through estate administration or inheritance will qualify the surviving spouse or children for membership in this Association. It shall not be deemed a change of ownership if a member office continues to be operated by the spouse or children, immediately following the death, retirement, or incapacitation of the family member who previously held controlling interest in the business.

e. In the case of a corporation, Limited Liability Corporation or other member entity that is not a partnership or a sole proprietorship, a change of ownership shall be deemed to have occurred when there is a transfer of twenty-five percent (25%) or more of the shares of stock, member interests, or other ownership interests of such entity.

Section 8. Resignation.

A member may submit his, her, or its resignation from membership, elected office or appointed position by sending it in writing to the Principal Office of the association.

1. Such resignation shall be effective as of the date set forth in writing.
2. If no date is therein set forth, then upon the tenth (10th) day following its receipt, the resignation will become effective.

Section 9. Reinstatement.

After default in dues payment.

Any membership suspended or terminated for nonpayment of dues, assessment, or other financial obligations, may be reinstated at the discretion of the Board of Governors upon payment of all back dues, fees, assessments or other financial obligations owed to the association related entities and/or the ACA, and a one hundred (\$100.00) reinstatement fee to the association up to the date of termination, plus any such current amounts.

Article IV  
BUSINESS ENTERPRISE MEMBERSHIP

Section 1. Qualifications

There shall be a class of membership in the Association that is designated as a "Business Enterprise Member." Qualifications for membership as a Business Enterprise Member are as follows:

- (1) Each person, corporation, partnership or entity to be included within the Business Enterprise Membership meets all of the Qualifications of an Active Member specified in Article III, Section 1 above.
- (2) The total business operation of the person, corporation(s), partnership(s) or entity(ies) in the collection industry shall constitute the "Business Enterprise" as defined in this Article.
- (3) The Application for Membership shall identify which office or business entity from which the person, corporation, partnership, or entity engages in the debt collection activities is the "Main Office" which shall exercise all rights and duties of the Member.
- (4) All provisions of Article III, except as otherwise expressly provided in this Article, shall apply to the application for and membership of a Business Enterprise Member.

Section 2. Business Enterprise Member

A business enterprise member shall be that person, partnership(s), corporation(s), or entity(ies) which have more than one office, each or which qualifies as a member under Article III, and each of which office, partnership(s), corporation(s) or entity(ies) are under the same ownership [ defined to be common voting majority ownership or 51% or more of ownership of all offices, partnership(s), corporation(s) or entity(ies)].

Section 3. Membership Rights and Responsibilities

- (1) The Main Office designated in the application shall be designated as the Member of the association and ACA. None of the other related offices, partnerships, corporations, or entities may exercise any of the rights and responsibilities of Membership, but may participate in association events as authorized by the Board of Governors.
- (2) The Business Membership shall have all rights, duties, and responsibilities of an Active Member pursuant to Article III of these bylaws.
- (3) All provisions of Article III shall be equally applicable to the Business Enterprise Member, except as expressly provided to the contrary in this Article, and are incorporated into this Article IV by this reference. Included, without limitation, by this reference are the provisions for Form of Application; Election to Membership; Privileges and Responsibilities; Assessments; Voting Rights; Participation Level; Publications; Disciplinary Procedures; Grievances and Appeals; Suspension; Expulsion and Termination; Resignation; and Reinstatement.

Section 4. Dues

The Board of Governors shall establish a separate dues structure for Business Enterprise Members that is based upon the total business enterprise of all of the offices and related entities.

Article V  
COMMON INTEREST MEMBERSHIP

Section 1. Qualifications

There shall be a class of membership in the Association that is designated as a "Common Interest Member." Qualifications for membership as a Common Interest Member are as follows:

- (1) A Common Interest Member applicant shall be a person or business entity which has general business operational issues in common with the collection industry and not eligible for other classes of membership.
- (2) A Common Interest applicant shall have such similar common business interests that its participation in programs, services, or products offered to Active Members shall be enhanced by the inclusion of the Common Interest Member Applicant. An example of such common business interest would be a business with employees of similar nature such that they would qualify to participate in a Workers' Compensation Insurance program with Active Members.

Section 2. ACA Membership Requirement.

This member shall not be required to be a member of the ACA.

Section 3. Election to Membership.

Upon verification of information contained in the application for membership and payment of the required dues to the Principal Office of the association, the applicant shall be considered elected to membership.

Section 4. Privileges and Responsibilities.

A. Financial Obligations.

- (1) Initial Dues. This member shall be subject to the payment of initial dues at a rate set by the Board of Governors that are to be submitted with the application for membership.
- (2) Renewal Dues. This membership shall be subject to the payment of annual renewal dues at a rate set by the Board of Governors which are to be paid on or before an annual anniversary date as established by the date on which the original application for membership was accepted by the association.
- (3) Refunds. In the event that financial obligations have been paid in advance by such member, no refund thereof shall be made upon such termination.

B. Voting Rights.

This member shall have no voting powers.

C. Participation Level.

This member may attend and participate in all events sponsored by the association as determined by the class of membership held and defined by these bylaws or specified by the Board of Governors.

Section 5. Disciplinary Procedures.

Any member of the association may be expelled as provided in these bylaws.

Section 6. Grievances and Appeals.

The same procedure as specified in Article III, Section 6 of these bylaws shall apply to this class of membership.

Section 7. Termination.

Termination of membership shall terminate the member's rights and privileges in the association, but shall not affect the financial obligations of the member to the association, which have occurred to the effective date of the termination.

Section 8. Reinstatements.

Any membership terminated for nonpayment of financial obligations may be reinstated at the discretion of the Executive Committee upon payment of all owed financial obligations up to the date of termination, and any such currently owed amounts.

Section 9. Application.

Application for membership shall be made in the form as established by the Association.

## ARTICLE VI

### ASSOCIATE MEMBERS

#### Section 1. Associate Members

##### A. Qualifications:

There shall be a separate class of membership in the Association that is designated as an "Associate Member". Qualifications for membership are as follows:

1. An Associate Member applicant shall be a person or business entity interested in the collection industry and not eligible for other classes of membership. Members, may be, but are not limited to the following groups:
  - a. A creditor applicant shall be a person, corporation, partnership or entity that extends credit or loans money directly to a customer and shall not include an assignee of a Creditor Member.
  - b. An attorney applicant shall be an attorney who works in the accounts receivable industry, and does not represent consumers in claims between consumers and third-party debt collectors, credit grantors or those substantially engaged in the asset buying industry as defined in the ACA International Standard Operating Procedures, and not otherwise qualified for membership under Article III of these bylaws.
  - c. A governmental agency or entity applicant that collects debts for itself or another agency within the same governmental entity as the Associate member.
  - d. Any person or entity that is licensed or otherwise authorized to operate as a collection agency in any state, district or other governing unit of the United States other than California but not conducting business as a collection agency in California.
  - e. Except those qualifying for associate membership in paragraph 1(d) above, an applicant for Membership under Article VI may not be engaged, directly or indirectly, in the collection of debts on behalf of itself as an assignee of a debt or on behalf of third parties. Indirect involvement in the collection of debts includes collection activities by another entity under common ownership, management or control with the applicant.
2. The total number of Associate members shall not exceed 20% of the Active Members calculated as of January 1<sup>st</sup> of each calendar year. During any period of time that membership has been granted to the maximum number of Associate Members allowed under this section, the Association shall not admit any additional Associate Members. Applications received during a period when there is the maximum number of Associate Members shall be held by the Association, if requested by the applicant, without the requirement for payment of dues. When the number of Associate Members is less than the 20% maximum as computed pursuant to this paragraph, the Association shall notify the person(s) submitting the application and provide the opportunity, starting with the application first retained and proceeding chronologically, to be granted an Associate membership.

##### B. ACA Membership Requirement.

Except for an applicant described in Paragraph 1(d) above (a "Non-Resident member"), an associate member shall not be required to be a member of ACA. A Non-Resident member shall comply with any membership requirements of the ACA for the ACA unit in which the Non-Resident member is an active member.

##### C. Election to Membership.

Upon verification of information contained in the application for membership and payment of the required dues to the Principal Office of the association, the applicant shall be considered elected to membership.

#### Section 2. Privileges and Responsibilities.

##### A. Financial Obligations.

###### 1. Dues.

- a. Initial Dues. This member shall be subject to the payment of initial dues at a rate set by the Board of Governors that are to be submitted with the application for membership.
- b. Renewal Dues. This membership shall be subject to the payment of annual renewal dues at a rate set by the Board of Governors which are to be paid on or before an annual anniversary date as established by the date on which the original application for membership was accepted by the association.
- c. Refunds. In the event that financial obligations have been paid in advance by such member, no refund thereof shall be made upon such termination.

##### B. Voting Rights.

This member shall have no voting powers.

C. Participation Level.

This member may attend and participate in all events sponsored by the association as determined by the class of membership held and defined by these bylaws, or specified by the Board of Governors.

Section 3. Disciplinary Procedures.

Any member of the association may be expelled as provided in these bylaws.

Section 4. Grievances and Appeals.

The same procedure as specified in Article III, Section 6 of these bylaws shall apply to this class of membership.

Section 5. Termination.

Termination of membership shall terminate the member's rights and privileges in the association, but shall not affect the financial obligations of the member to the association or any of its related entities, which have occurred to the effective date of the termination.

Section 6. Reinstatements.

After Default in Dues Payment.

Any membership terminated for nonpayment of financial obligations, may be reinstated at the discretion of the Executive Committee upon payment of all owed financial obligations up to the date of termination, and any such currently owed amounts.

Section 7. Application.

Application for membership shall be made in the form as established by the Association.

## ARTICLE VII

### VENDOR MEMBERS

#### Section 1. Qualifications.

##### A. Business Requirement.

1. A Vendor Member applicant shall be the person, corporation, partnership or entity that is engaged in a business that provides goods or services to collection agencies.
2. An applicant for Vendor Membership may not be engaged, directly or indirectly, in the collection of debts on behalf of itself as an assignee of a debt or on behalf of third parties. Indirect involvement in the collection of debts includes collection activities by another entity under common ownership, management or control with the applicant, but shall not prohibit membership as a Vendor Member if the other entity is an Active Member.

##### B. ACA Membership Requirement.

This member shall not be required to be a member of the ACA.

#### Section 2. Classes.

The CAC Board of Governor's is authorized to establish various classes of membership with varying benefits awarded to each class.

#### Section 3. Form of Application and Election to Membership.

##### A. Form of Application.

Every application for membership in the association shall be in writing on the official application form for Vendor Membership as adopted by the Board of Governors.

##### B. Election to Membership.

Upon verification of information contained in the application for membership and payment of the required dues to the Principal Office of the association, the applicant shall be considered elected to membership.

#### Section 4. Privileges and Responsibilities.

##### A. Financial Obligations.

###### 1. Dues.

- a. Initial Dues. This member shall be subject to the payment of initial dues at a rate set by the Executive Committee which are to be submitted with the application for membership.
- b. Renewal Dues. This membership shall be subject to the payment of annual renewal dues at a rate set by the Executive Committee which are to be paid on or before an annual anniversary date as established by the date on which the original application for membership was accepted by the association.
- c. Failure to Pay. No member of the association shall be in good standing or be entitled to exercise or receive any privileges of membership who has not renewed by the contract due date or has any financial obligations owing the association or any of its related entities.

###### 2. Assessments. This member shall not be subject to the payment of assessments.

###### 3. Refunds. In the event that financial obligations have been paid in advance by such member, no refund thereof shall be made upon such termination.

##### B. Voting Rights.

This member shall have no voting powers.

##### C. Participation Level.

This member may attend and participate in all events sponsored by the association as determined by the class of membership held and defined by these bylaws.

#### Section 5. Disciplinary Procedures.

A. Any member of the association may be expelled as provided in these bylaws.

B. In addition to terminations of membership as otherwise provided for in these bylaws, any member of the association found guilty of improper, immoral, unethical or unprofessional conduct, or conduct violative of his or her duties as a member of the association, may be censured, suspended, or expelled from membership by the Executive Committee.

#### Section 6. Grievances and Appeals.

The same procedure as specified in Article III, Section 6 of these bylaws shall apply to this class of membership.

#### Section 7. Termination.

Termination of membership shall terminate the member's rights and privileges in the association, but shall not affect the financial obligations of the member to the association which have occurred to the effective date of the termination.

Section 8. Reinstatements.

After Default in Dues Payment.

Any membership terminated for nonpayment of financial obligations, may be reinstated at the discretion of the Executive Committee upon payment of all owed financial obligations up to the date of termination, and any such currently owed amounts.

## ARTICLE VIII

### RETIRED MEMBERS

#### Section 1. Qualifications.

##### A. Business Requirement:

Any person who has retired from full-time, active employment or management of a collection agency and has been an active member or the designated representative for an active membership to the association for at least five years, and is not engaged in, have an interest in an agency engaged in or otherwise participate in the business of a collection agency, shall be eligible to apply for a Retired Membership.

##### B. ACA Requirement.

A retired member shall not be required to be a member of the ACA.

#### Section 2. Form of Application.

Every application for membership in the association shall be in writing on the official application form adopted by the Board of Governors.

#### Section 3. Election to Membership.

Upon verification of information contained in the application for membership and payment of the required dues to the Principal Office of the association, the applicant shall be considered elected to membership.

The membership certificate shall state that:

1. The association is a nonprofit mutual benefit corporation which may not make distributions to its members except upon dissolution.
2. A copy of the restrictions on transferability of the membership are on file with the Principal Office and are open for inspection by a member upon written demand on the Principal Office at any reasonable time for a purpose reasonably related to such person's interest as a member.
3. The name of the member.
4. The class of the membership.
5. The purpose of the association.

#### Section 4. Privileges and Responsibilities.

##### A. Dues.

1. Initial Dues. This member shall be subject to the payment of dues at a rate as set by the Board of Governors which are to be submitted with the application for membership.
2. Renewal Dues. This member shall be subject to the payment of annual dues at a rate set by the Board of Governors.
3. Failure to Pay. Failure to pay a financial obligation due to the association shall result in the suspension and/or termination of the member's rights and privileges in the association, but shall not affect the financial obligations of the member to the associations member may attend and participate in all events sponsored by the association as determined by the class of membership held and defined by these bylaws.
4. Assessments. This member shall not be subject to the payment of assessments.
5. Refunds. In the event that dues, assessments or other financial obligations have been paid in advance by such member, no refund thereof shall be made upon such termination.

##### B. Voting Rights.

This member shall have no voting powers.

##### C. Participation Level.

This member may attend and participate in all events sponsored by the association as determined by the class of membership held and defined by these bylaws.

##### D. Publications.

This member shall receive all the official publications of the association sent during the term of the membership.

##### E. Financial Obligations.

No retired member of the association shall be in good standing or be entitled to exercise or receive any privileges of membership whose membership has been suspended or terminated.

#### Section 5. Disciplinary Procedures.

Any retired or non-resident member of the association may be expelled as provided in these bylaws.

#### Section 6. Grievances and Appeals; Suspension, Expulsion and Termination; Resignation and Reinstatement.

The provision specified in Article III, sections 6, 7, 8 and 9 of these bylaws shall apply to this class of membership.

**ARTICLE IX**  
**HONORARY LIFE MEMBER**

Section 1. Qualifications.

A. Business Requirement.

Honorary life membership may be conferred upon any person who has been an active member of the Associations for at least 25 years, who is no longer engaged in the collection agency business, and who has made noteworthy achievement in, contribution to, and furtherance of the association and the collection profession.

B. ACA Membership Requirement.

This member shall not be required to be a member of the ACA.

Section 2. Form of Application.

The Board of Governors, at its sole discretion, may design and require any form of application it may wish to be used.

Section 3. Election to Membership.

The Board of Governors, at its sole discretion, may grant the designation Honorary Life Member to persons of distinction whom they deem meet the qualifications set forth in these bylaws.

A. Nomination.

A candidate for Honorary Life Member must be nominated by a current Active Member of the Association. The nomination must be seconded by the Executive Committee before submission to the Board of Governors.

B. Certification.

The Board of Governors, at its sole discretion, may cause an Honorary Life Member Certificate to be issued.

C. Voting Rights.

This member shall have no voting powers.

D. Participation Level.

This member may attend and participate in events sponsored by the association as determined by the class of membership held and defined by these bylaws. All fees and charges for such event shall be at the same rate as for the Active Members of said class.

E. Publications.

This member shall receive all the official publications of the association sent during the term of the membership.

F. Revocation of Membership

The Board of Governor's has the power and right to revoke the Honorary Life Membership of any individual or company at any time with or without cause.

## ARTICLE X

### THE BOARD OF GOVERNORS

#### Section 1. Composition.

A. The Board of Governors of the association, hereinafter known as the "Board," shall be composed of the President, President Elect/Chief Financial Officer, the Vice President/Secretary, the Member at Large, the National Directors, each retiring President of the association for one year next succeeding his or her official term, and the President and/or Representative(s) of each region of the association.

#### B. Regions.

1. The elected Presidents and additional representative(s) of each region of the association shall be the representative(s) of his or her region as a member of the Board.

2. If such President or additional representative(s) is/are unable to attend any meeting of the Board, the chapter, pursuant to the provisions of its own bylaws or constitution, may select any active member of that region in good standing as an alternate.

3. The alternate shall present his or her credentials in writing to the Vice President/Secretary and upon approval thereof by the Board, he or she shall be seated as a member of the Board in the place and stead of the Region President or representative(s) for that meeting.

4. Regions with dues paying members that exceed twenty (20) in number, but less than forty (40) members, shall be entitled to one (1) additional representative.

5. Regions with dues paying members that exceed *forty* (40) in number, but less than seventy (70), shall be entitled to two (2) additional representatives.

6. Regions with dues paying members that exceed seventy (70) in numbers shall be entitled to three (3) additional representatives.

7. The maximum number of additional representatives allowable for any one region, notwithstanding the number of members, is three (3) representatives.

#### C. Past Presidents.

Each past President of the association, with the exception of the retiring past President, shall be a member of the Board with the title, "Governor Emeritus", with no voting privileges.

#### Section 2. Duties and Powers.

##### A. Control of Association Business.

The Board of Governors shall:

1. Have general supervision of the officers, committees and affairs of the association.

2. Have full power and authority, in the interval between Annual Conventions, to do all acts and perform all functions that the association itself might do or perform, except that it shall have no power to amend these bylaws.

3. In the interval between Annual Conventions, may present any question to the membership of the association by mail, electronic mail or fax and the vote cast by mail, electronic mail or fax shall be valid and binding; provided, however, such votes are conducted as provided in these bylaws.

4. Meet at least once each fiscal year of the association.

##### B. Counsel and Staff Appointments.

The Board of Governors may contract for the services of Legal Counsel, a Legislative Advocate, an Accountant, and Administrator or other employees or services as needed.

#### Section 3. Meetings.

##### A. A Notice of Meetings Shall:

1. Be sent by the Principal Office of the association to each active member of the Board and any other person entitled to such notice, at least twenty (20) days in advance of such meetings.

2. With the consent of the Executive Committee, be waived in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein and shall be equivalent to the giving of such notice. All such waivers shall be filed at the Principal Office of the association and made part of the minutes of the meeting.

##### B. Quorum.

1. At any meeting of the Board, one-third (1/3) of the members thereof shall constitute a quorum.

2. The acts of the majority of the members of the Board present at a meeting thereof, at which a quorum is present shall be the acts of the Board.

3. In the absence of a quorum of the Board at any Annual Convention, the members of the association immediately elect members of the Board pro tempore, sufficient in number to make a quorum, who shall serve during said convention or until a quorum of regular elected members of said Board appear.

C. Regular Meetings.

The Board shall have a minimum of two (2) regularly scheduled meetings, the details as to time and place to be determined by the Board, provided that they conform to the following limitations:

1. One within seventy-two (72) hours before, during or after the Annual Convention.
2. One after four (4) month adjournment of the Annual Convention, but no later than eight (8) months after adjournment of the Annual Convention.

D. Other Meetings.

Members of the Board may participate in a meeting through use of a conference telephone or similar communications equipment, so long as all members' participation constitutes presence in person at such meeting.

Section 4. Minutes.

The Board of Governors shall cause, within sixty (60) days, the minutes of any meeting, including an emergency telephone conference, to be submitted to the members of the Board for their approval either by mail, electronic mail or fax or at the next Board meeting, whichever shall occur first.

Section 5. Voting Procedures.

A. Voting in Person. The procedures as detailed in Section 3 (B) of this article shall apply.

B. Voting by mail, electronic mail or fax

1. Except as these bylaws provide otherwise, the Board is permitted to conduct by mail, electronic mail or fax any and all association business that shall arise between regularly scheduled meetings of the Board, and to vote by mail, electronic mail or fax on such matters as are thus presented.
2. In such cases, a majority vote of voting members of the Board shall be required to approve any matter presented to it.
3. Such written votes shall be filed with the minutes of the proceedings of the Board.

Section 6. Terms of Office.

The Chapter Presidents and additional representatives shall be duly elected by each chapter per their chapter bylaws to hold office until his or her successor is elected, qualified and installed.

Section 7. Indemnification.

A. Every officer and employee of the association shall be indemnified by the association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him or her in connection with any proceeding to which he or she may be made a party, or in which he or she may become involved, by reason of his or her being or having been an officer, Board member or employee of the association, or any settlement thereof, whether or not he or she is an officer, Board Member or employee at the time such expenses are incurred, except in such cases wherein the officer, Board Member or employee is adjudged guilty of willful misfeasance in the performance of his or her duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Governors approved such settlement and reimbursement as being for the best interest of the association.

B. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such officer or employee may be entitled.

Section 8. Resignation.

The provisions of Article III, Section 8 are incorporated herein by this reference and shall apply to a resignation of a member of the Board of Governors.

Section 9. Removal from Office.

A member of the Board of Governors may be removed from office by a vote of a majority in number of all members of the Board.

## ARTICLE XI

### ELECTED OFFICERS

#### Section 1. Composition.

The elective officers of the association shall be President, President Elect/Chief Financial Officer, Vice President/Secretary, Member at Large, and one or more National Directors, not to exceed the maximum number allowed by the ACA.

#### Section 2. Eligibility for Office.

- A. One person may not hold more than one elective office in the association at the same time.
- B. The following persons, in good standing, are eligible for nomination and election to any elective office of the association.
  1. Any active member, general partner of an active member or shareholder of an active member holding at least five percent (5%) of the voting stock of an active member who is registered at the Annual Convention, Special Conference or General Session at which the election is to occur.
  2. Alternatively, a designated representative of an active membership who has served as an employee of that membership continuously for the three (3) year period immediately prior to the election.
  3. Or, any person who is holding the office of President, President Elect/Chief Financial Officer, or Vice President/Secretary of the association at the time of the election.
  4. A person who is holding or concluding a term as the Immediate Past President or an elected officer, not including as a National Director, is not eligible to serve as the Member at Large until at least eleven months have passed during which time that person has not been an elected officer.

#### Section 3. Terms of Office.

- A. The President, President Elect/Chief Financial Officer, Vice President/Secretary, Member at Large, and appropriate number of National Directors of this association shall be elected during the annual business meeting of this association.
- B. The term of office of all persons elected at an Annual Convention shall commence at the adjournment of such Annual Convention.
- C. Such officers, except National Directors, shall continue in office until the adjournment of the next succeeding Annual Convention and until their successors are elected and qualified.
- D. The President Elect/CFO, upon election, shall automatically be elected as a National Director, to serve as such until the adjournment of the fourth (4th) Annual Convention next succeeding the Annual Convention at which he or she is elected, and until his or her successor is elected and qualified. No National Director may serve more than one consecutive four (4) year term.

#### Section 4. Duties and Powers.

- A. The President shall:
  1. Have such powers and duties as are usually exercised by such an officer.
  2. Be the Executive Officer of the association and preside at the Annual Convention, Special Sessions, General Sessions, meetings of the Board of Governors and meetings of the Executive Committee.
  3. Be a member of all committees and may act as chairperson of the Legislative Council.
  4. Have the power to call Special Sessions or General Sessions of the association and Special Meetings of the Board of Governors or any committee.
  5. Appoint, subject to the approval of the Board of Governors, and except as otherwise provided in these bylaws, the members of Standing and Special Committees.
  6. Create additional ad hoc committees and Specific issue Task Forces as deemed necessary.
  7. Make, subject to the approval of the Board of Governors, and except as otherwise provided in these bylaws, appointments to fill vacancies on Standing, Special and Ad Hoc Committees and Specific Issue Task Forces.
  8. Deal with other matters as may be placed in his or her charge by the Board of Governors or membership.
  9. Serve as a National Director.
- B. The President Elect/Chief Financial Officer shall:
  1. In the absence of the President have the powers and duties of the President.
  2. Become the President in the event the President's office is vacated or in the event it is impossible for the President to carry out his or her responsibilities.
  3. Cause to be collected and disbursed all the funds of the association.
  4. Cause to be kept regular accounts which shall be open to inspection at all times by the President or any active member of the Board of Governors.
  5. Make a written report at each Annual Convention showing the amounts of money received and disbursed since the previous Annual Convention; included will be a statement of all assets and liabilities of the association pursuant to these bylaws.
  6. Perform all other duties incidental to the officer or as assigned to him or her by the President of the association, or the Board of Governors of the General Assembly.

7. Serve as a National Director.
- C. The Vice President/Secretary shall:
  1. In the absence of both the President and the President Elect have the powers and duties of the President.
  2. Act as Unit Activities Coordinator and as such he or she shall become the liaison between the local chapter host committee for Annual Conventions or Conferences, the Executive Committee and the association's staff.
  3. Participate with the professional staff person designated to effect solicitation of bids, participate in site selection, attend planning sessions and be knowledgeable in all the aspects of meeting planning for the association.
  4. Cause to be kept a record of the proceedings of the Annual Convention, Special Conference and meetings of the Board of Governors.
  5. Cause to be sent by the Principal Office of the association notices to members of the Board of Governors of the time and place of regular and special meetings of such Board and any other persons who should be so notified.
  6. Perform all other duties incidental to the office or as assigned to him or her by the President of the association or the Board of Governors of the General Assembly.
- D. The Member at Large shall:
  1. Participate in all Executive and Board of Governors meetings and all conventions or sessions of the association.
  2. Perform all other duties as assigned to him or her by the President of the association or the Board of Governors of the General Assembly.
- E. The National Directors shall:
  1. Attend as the official representatives of the association the Annual Convention of the ACA and participate in any other meeting of the ACA National Board of Directors.
  2. If a National Director is unable to attend an ACA Annual Convention or participate in a meeting of the ACA National Board of Directors, but desires to continue in that office when the reason for the inability to attend or participate no longer exists, then that National Director shall notify the President in writing that he or she is resigning from that position on a temporary basis and specify the time period for which he or she is unable to attend or participate. The President shall appoint a member to fill the vacancy for the time period specified in the resignation, subject to approval by the Executive Committee.
  3. Each National Director shall be reimbursed for actual, necessary expenses incurred by him or her not to exceed the amount authorized by the Board of Governors during his or her term of office.

Section 5. Indemnification.

- A. Every officer and employee of the association shall be indemnified by the association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him or her in connection with any proceeding to which he or she may be made a party, or in which he or she may become involved, by reason of his or her being or having been an officer or employee of the association, or any settlement hereof, whether or not he or she is an officer or employee at the time such expenses are incurred, except in such cases wherein the officer or employee is adjudged guilty of willful misfeasance in the performance of his or her duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Governors approved such settlement and reimbursement as being for the best interest of the association.
- B. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such officer or employee may be entitled.

Section 6. Resignation from Office.

Except to the extent expressly provided in paragraph E-2 above for a National Director, the provisions of Article III, Section 8 are incorporated herein and shall apply to the resignation of an elected officer.

Section 7. Removal From Office.

Elected Officers may be removed from office by a two-thirds (2/3) majority vote of the active members.

Section 8. Vacancies.

- A. President: Should the office of the President become vacant, the President Elect shall automatically exercise all powers, duties, rights and responsibilities of the President's office to serve as such until his or her successor is elected and qualified.
- B. President Elect/Chief Financial Officer: Should the office of the President Elect/Chief Financial Officer become vacant, the Vice President/Secretary shall automatically exercise all powers, duties, rights and responsibilities of the President Elects/Chief Financial Officer's office to serve as such until his or her successor is elected and qualified.
- C. Vice President/Secretary: Should the office of the Vice President/Secretary become vacant, the President shall appoint an active member as interim Vice President/Secretary and the Executive Committee shall, within thirty (30) days after such vacancy occurs, nominate and submit the names of three (3) active members to the Board of Governors who thereafter, by majority vote, elect one of the three (3) nominees to the office of Vice President/Secretary. The person thus elected shall serve until his or her successor is elected and qualified.

D. Member at Large: Should the office of the Member at Large become vacant, the President shall appoint an active member as interim Member at Large and the Executive Committee shall, within thirty (30) days after such vacancy occurs, nominate and submit the names of three (3) active members to the Board of Governors who thereafter, by majority vote, elect one of the three (3) nominees to the office of Member at Large. The person thus elected shall serve until his or her successor is elected and qualified.

E. Immediate Past President: Should the office of Immediate Past President become vacant, the remaining members of the Executive Committee shall nominate, from the Past Presidents of the Association who are active members, candidates to fill the office of Immediate Past President for the remainder of the term. The successor to Immediate Past President shall be selected by at least three of the remaining members of the Executive Committee, and in the event that three members of the Committee cannot agree on a successor within 30 days of the vacancy, the list of candidates shall be submitted to the Board of Governors, which shall select the person to fill the vacancy by a majority vote.

F. National Directors. Should the office of a National Director become vacant, except for a temporary vacancy as provided in Article XI, Section 4, E, 2

1. If a vacancy is for a National director who was also serving a term as the President, Immediate Past President, or President-Elect, then the person selected to fill the vacancy for the office of President, Immediate Past President, or President-Elect shall also automatically be selected to fill the office of National Director for the remaining term of that office.
2. If the vacancy is for a National Director not identified in paragraph F-1 above, then the President shall appoint a member to fill the vacancy, subject to approval by the Executive Committee.

## ARTICLE XII

### EXECUTIVE COMMITTEE OF THE BOARD OF GOVERNORS

#### Section 1. Composition.

- A. The President, the President Elect/Chief Financial Officer, and the Vice President/Secretary and Member at Large shall be the elected officers that shall constitute the Executive Committee of the Board of Governors.
- B. The Immediate Past President of the association shall serve on this committee.
- C. The President shall act as chairperson of the Executive Committee and the Vice President/Secretary shall be its secretary.

#### Section 2. Duties and Powers.

##### Control of Association Business.

- A. The Executive Committee shall have, and may exercise, all the authority and powers vested in the Board of Governors during the interval between meetings of the Board, subject to such limitations as may be adopted by the Board, and further subject to Section 7212 of the California Nonprofit Mutual Benefit Corporation Law.
- B. With the exception of matters relating to legislation, the Executive Committee of the Board of Governors of this association may not have the power to amend or rescind any decisions voted upon by the general membership at an Annual Convention, Special Conference or General Session without calling for the vote of the general membership.
- C. In the interval between Annual Conventions, Special Conferences, or General Sessions, the Executive Committee may present any question for vote to the membership of the association by mail, electronic mail or fax, and the vote cast by mail, electronic mail or fax shall be valid and binding.
- D. The Executive Committee or the Legislative Council may ask the general membership for a non-binding advisory vote on legislative matters.

#### Section 3. Meetings.

##### A. Notice of Meetings.

Meetings, including an emergency telephone conference of the Executive Committee, may be called by the President or any two (2) members of the committee.

##### B. Quorum.

The presence of three (3) members of the committee, or the participation of three (3) members in an emergency telephone conference, shall constitute a quorum for the transaction of business. The affirmative vote of at least three (3) members shall be necessary for approval of any question.

#### Section 4. Minutes.

The Executive Committee shall cause, within sixty (60) days, the minutes of any meeting, including an emergency telephone conference, to be submitted to the members of the Executive Committee for their approval either by mail, electronic mail or fax or at the next Executive Committee meeting, whichever shall occur first.

## ARTICLE XIII

### COMMITTEES AND APPOINTED REPRESENTATIVES

#### Section 1. Classes.

##### A. Standing Committees.

1. Standing committees created by these bylaws for the accomplishment of the purpose and objective of the association shall be of a continuing character.
2. Each member thereof shall serve as such until the purpose for which the committee was created shall have been accomplished and the committee dissolved or until the next Annual Convention of the association at which new members to the committee are appointed.

##### B. Special Committees.

1. Special committees are created by the President, upon resolution of the Board or the General Membership and shall be established for the accomplishment of a specific purpose.
2. Each member thereof shall serve as such until the purpose for which the committee is dissolved, or until the next Annual Convention of the association at which new members to the committee are appointed.
3. Composition. Each special committee shall consist of a chairperson and such number of members as may be designated by the President or by the resolution creating it.

##### C. Voting.

All members of the standing and special committees and the legislative council, including the chairpersons, are voting members for all matters placed before the committees and council.

#### Section 2. Appointment.

The President shall, with the approval of the Board of Governors:

Appoint designated representatives of active members of the association to all standing committees, special committees and legislative council and shall designate the chairperson thereof. Employees of active members of the association may also be appointed to serve on committees and legislative council but shall not comprise more than one-third (1/3) of the member on any committee or legislative council.

#### Section 3. Names, Composition, Duties and Powers.

##### A. Standing Committees.

1. There shall be in the association the following standing committees: Auditing, Budget & Finance, Bylaws & Resolutions, Grievance & Arbitration, Legislative Council, Membership, Publications and Nominations.
2. Unless these bylaws provide otherwise, each standing committee shall consist of three (3) or more active members, including the chairperson thereof.

##### B. Duties and Responsibilities of Standing Committees.

1. The Audit Committee shall:
  - a. Have at least one member who is a past President of the association.
  - b. At least semiannually audit the books of the association and report its findings to the Board of Governors.
  - c. Seek the prior approval of the Board of Governors to retain a Certified Public Accountant or licensed public accountant or firm, or either, to assist it in the auditing of the books of the association and in making its report to the Board of Governors.
2. The Budget & Finance Committee shall:
  - a. Include in its composition the President Elect/CFO and at least one past President of the association.
  - b. Act as an advisory committee to the Board.
  - c. Have its actions, recommendations and conclusions reported to the Board for their approval.
  - d. Hold at least one meeting during the year to prepare a proposed annual budget for the ensuing fiscal year.
  - e. Present the proposed budget for the ensuing fiscal year for approval to the Board at their Organizational Meeting that is held within seventy two (72) hours before, during or after the Annual Convention.
  - f. Hold additional meetings at such times and places as the President may direct.
3. The Bylaws & Resolutions Committee shall:
  - a. Make appropriate recommendations to the Board for additions and amendments to the bylaws.
  - b. Propose appropriate standing rules and resolutions to the board or to a meeting of the general membership.
4. The Grievance & Arbitration Committee shall:

Receive, study and investigate all complaints referred to it against any person who is a member of the association at the time a complaint is lodged.

5. The Legislative Council shall:
  - a. Meet on the date, at the time and in the place as designated by the chairperson.
  - b. During its meetings, and as appropriate between meetings, receive reports from the association's Legislative Advocate and Legal Counsel.
  - c. During its meetings, and as appropriate between meetings, receive other reports as requested to be sent to them by the chairperson.
  - d. Cause formal minutes to be kept of its meetings.
  - e. The legislative council shall consist of 18 members appointed each for a three year term, in addition to the other members specified in these bylaws. These eighteen members shall be organized into three separate classes of six members each, so that in any given year there will be a class of six new members appointed and twelve existing members continuing under existing terms.
    - (i) Upon expiration of a term on the legislative council, whether a full three year term or a shorter term as member appointed to fill a vacancy, a member shall not be eligible for appointment to the legislative council until after the expiration of at least 11 months following the expiration of the member's prior term.
    - (ii) Appointments to fill a vacancy on the legislative council shall be for the remaining portion of the three year term of the member being replaced, and shall constitute a new three year term.
    - (iii) In addition to any other provisions of these bylaws, a member of the legislative council shall be removed and replaced if they miss two meetings within any continuous twelve month period.
    - (iv) One exempt position on the board shall exist for which the three year term limitation and the eleven month period provided in paragraph (ii) shall not apply and the President may appoint any member to the position of chair or vice chair of the legislative council.
6. The Membership Committee shall:
  - a. Conduct all membership campaigns and, by all proper means within its power, increase the membership of the association.
  - b. Conduct all membership campaigns in cooperation with the Principal Office of the association and the Membership division of ACA
7. The Editorial Advisory Committee shall:
  - a. Have as its chairperson the designated representative of an active member of the association.
  - b. Meet throughout the year to develop themes for the official publication of CAC, recommend articles, and review potential articles for publication.
8. The National Relations Committee shall:
  - a. The Chair of the committee shall be the Immediate Past President of the Association.
  - b. Review all national issues and develop CAC's position on such issues.
  - c. Develop strategy to influence decisions on a national level.
  - d. Meet as necessary to conduct such business.
9. The Nominations Committee shall:
  - a. Receive all nominations and written consents for candidates to elected office and certify in its report the eligibility of the candidates.
  - b. Make a report of its proceedings to the membership at the first session of the next Annual Convention at a time to be designated by the President.

#### Section 4. Meetings.

Committees shall meet as directed by their chairperson or at the request of the President of the Board of Governors.

#### Section 5. Annual Reports.

Each standing committee and special committee shall place on file with the Principal Office of the association a written report covering a summary of its activities and recommendations for the future at least thirty (30) days prior to the date of the Annual Convention.

#### Section 6. Removal From Committees.

With the consent of the President first obtained, a committee chairperson may remove a member from with standing or special committee. The President shall have the power to remove the chairperson from his or her appointed position at any time.

#### Section 7. Resignation From Committees.

The provisions of Article III, Section 8 are incorporated herein and shall apply to the resignation of any committee member or other appointed position.

#### Section 8. Filling Vacancies.

Filling vacancies on standing, special or ad hoc committees, specific issue task forces, or Legislative Council will be done by the President and approved by the Board of Governors or the Executive Committee when the Board of Governors is not in session.

## ARTICLE XIV

### MEETINGS

#### Section 1. Annual Convention.

##### A. Notice of Meeting.

1. The annual meeting of this association shall be held at a time and place to be fixed by the Executive Committee.
2. It shall be held at approximately the same time each year.
3. Notice of the annual meeting shall be sent via first-class mail, electronic mail or fax to each active member at least twenty (20) days before the date of the meeting.
  - a. The notice shall state the place, date, and time of the meeting and those matters which the Board, at the time the notice is given, intends to present for action.
  - b. Any other proper matter may be presented at the meeting for action by the active member subject to Section 3 of this Article.
  - c. The notice shall include the names of all those who are nominees for an elective office at the time the notice is prepared.

##### B. Waiver of Notice

1. The transactions of any meeting of members, however, called and noticed, and wherever held, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if either before or after the meeting, each of the persons entitled to vote, not present at the meeting, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof.
2. All such waivers, consents and approvals shall be filed at the Principal Office of the Association or made a part of the minutes of the meeting.

##### C. Proxies.

Proxies may be used as allowed for in Article III and Article XIII of these bylaws.

##### D. Quorum.

1. At any Annual Convention, five percent (5%) of the Active Members as of January 1<sup>st</sup> of each year, present in person or by proxy, in good standing and qualified to vote shall constitute a quorum; but a smaller number may adjourn any such meeting to a subsequent time.
2. A majority of the qualified voting members, which constitutes a quorum, voting affirmatively on any matter at the Annual Convention shall constitute an act of the members.
3. When the meeting is adjourned to another time or place, notice need not be given of the continued meeting if the time and place thereof are announced when the adjournment is taken and the adjournment is for less than forty-five (45) days. At the continued meeting, the Active Members may transact any business which might have been transacted at the original meeting.

##### E. Order of Business.

The Order of Business shall be determined by the duly adopted agenda for the meeting.

##### F. Transaction of Business.

1. Voting shall be by voice vote of the Active Members qualified to vote unless a written ballot shall be ordered upon motion made, seconded and carried by a majority vote of the Active Members present and voting.
2. Business matters which may be considered at the Annual Convention are:
  - a. Referrals from the Board.
  - b. Appeals from the Board by ten (10) or more Active Members registered at the Convention or Conference.
  - c. Additions or amendments to the Bylaws.
  - d. Resolutions which have met the requirements of these Bylaws.
  - e. Election of Officers.
  - f. Matters specified in the call of an Annual Convention.

##### 3. Resolutions.

- a. A resolution may be submitted by any Active Member in writing to the Chairperson of the Bylaws and Resolutions Committee within twenty-four (24) hours of the Annual Convention of the Association or to the Executive Committee during the Annual Convention.
- b. The Bylaws & Resolutions Committee will consider any resolution, upon its own volition and make its recommendations before the adjournment of the Annual Convention. If the proposed resolution is submitted during the Annual Convention, the Executive Committee will review said resolution and determine if it should be placed on the agenda as new business on an emergency basis.

##### G. Minutes.

Minutes shall be kept as required in Article X, Section 4 of these Bylaws.

Section 2. Special Sessions.

A. Notice of Meetings.

1. Special sessions of the Association may be called by the Board or by a petition in writing signed by at least five percent (5%) of the Active Members of the Association filed at the Principal Office of the Association.
2. The Principal Office of the Association shall give each Active Member at least twenty (20) days written notice of the time and place of such special session and the purpose(s) for which the conference is called.
3. The President shall promptly call a Special Session fixing the time and place thereof not less than thirty-five (35) nor more than ninety (90) days after receipt by him or her of a certified copy of the resolution of the Board of Governors, or after receipt by him or her of a petition by the Active Members.

B. Waiver of Notice, Proxies, Quorum, Order of Business and Minutes.

The provisions of Article X# IV, Section 1B, C, D, E, and G shall apply to special conferences, are incorporated herein, the term "Special Session" is substituted for "Annual Convention" therein.

C. Transaction of Business.

No business shall be transacted at any Special Conference of the Association except the business specified in the call therefore.

Section 3. General Sessions.

A. Notice of Meetings, Waiver of Notice, Proxies, Quorum, Order of Business, Transaction of Business, and Minutes.

The provisions of Article XIV, Sections 1A, B, C, D, E, F and G shall apply to General Sessions, are incorporated herein and the term "General Session" is substituted for "Annual Convention" therein.

## ARTICLE XV

### VOTING PROCEDURES

#### Section 1. Nominating Procedures.

##### A. The nomination procedures shall be:

1. All candidates certified in the report of the Nominating Committee shall be placed in nomination during the first session of the Annual Convention.
2. At the next session of the Annual Convention the name of any candidates for elective office may be received in nomination from the floor with the written consent of the candidate being presented to the Chairperson of the Nominating Committee by the nominator.

##### B. Campaigns.

Nominating speeches on behalf of all candidates shall be governed by Rules of Order as adopted by the Board of Governors and disclosed to the candidates by the Chairperson of the Nominating Committee in their report. Equal time shall be allotted to each candidate.

#### Section 2. Committee on Elections.

##### A. The Committee on Elections shall:

1. Be appointed by the President at the First Session of the Annual Convention. The Committee on Elections shall be comprised of not less than three (3) nor more than seven (7) Active Members, none of whom shall be a holder or, nor a candidate for elective office, and the President shall designate the Chairman thereof.
2. The Committee on Elections shall supervise and conduct such elections as the Board of Governors or President shall specify.

#### Section 3. Voting Procedures.

##### A. Ballots.

1. When all candidates have been nominated, the Secretary shall cause an official ballot to be prepared in sufficient quantity to meet the requirements of the election.
2. The ballots prepared shall reflect absolute equality between candidates regardless of whether nominated by the Nominating Committee or from the floor, and when more than one name has been proposed for an office, the names shall appear on the ballot in alphabetical order.
3. Ballots shall be ready for distribution to the Active Members prior to the opening of the polls.

##### B. Time and Place of Voting.

1. The voting place shall be such place as may be designated and announced by the President at the Annual Convention.
2. With the approval of the Executive Committee, the polls shall open and close at the time and on the date as designated by the President.

##### C. Proxies.

1. Any Active Member in good standing being registered at the Annual Convention or Session, shall have the privilege of granting a written proxy to vote to any Designated Representative of an Active Member that is registered at the Annual Convention or Session.
2. Such person must file with the Vice President/Secretary written evidence of his or her proxy to vote in place and stead of the Active Membership.

##### D. Voting.

1. While the ballots are being cast, there shall be present at the polling place:
  - a. An alphabetical list of all Active Members in good standing.
  - b. A listing of those Active Members registered for the Annual Convention.
  - c. Two or more members of the Committee on Elections who shall act as Judges of the elections.
2. Before receiving a ballot a person wishing to vote shall give his or her name to one of the Judges so that he or she can be certified as satisfying the voting requirements as specified in these Bylaws.
3. The voting member shall make a mark indicating his or her choice of the candidates and shall then hand the ballot to one of the Judges.
4. The Judge will then mark that the Active Member has voted.
5. The Judge will then cause the ballot to be identified as an official ballot and shall deposit it in the ballot box.
6. No ballot not stamped or otherwise identified by one of the Judges as an official ballot shall not be counted.
7. Canvassing the Ballot. Voting shall stop promptly at the hour designated by the President and the following procedures followed:
  - a. The ballot box shall be promptly turned over to the Committee on Elections.
  - b. The Committee shall at once count the ballots.
  - c. The Chairman of the Committee on Elections shall certify the result of the vote to the Vice President/Secretary who shall announce such results at the time and place designated by the President.

8. Unanimous Ballot. In any case where one candidate has been nominated for an office there may be made a motion that the Vice President/Secretary shall be instructed to cast a unanimous ballot.
9. Run-Off Elections.
  - a. In the event no candidate receives a majority of the votes cast for an office, a run-off election shall be held between the two candidates receiving the greatest and second greatest number of votes.
  - b. The run-off election shall be conducted pursuant to these Bylaws.
10. Determination of Vote.
  - a. In each case the candidate receiving a majority of the votes cast shall be declared elected.
  - b. All those elected shall take office immediately upon the closing of the Annual Convention or Session at which they were elected and serve until their successors are elected and qualified.
  - c. Tie Vote.
    - (i) In the event of a tie vote for candidates to any elective office, the Board of Governors shall specially convene at a time and place to be designated by the President and shall determine, by written ballot of the members of the Board of Governors present and voting, which of said candidates shall stand appointed by the Board of Governors.
    - (ii) Any member of the Board of Governors who is a candidate in said tie vote shall disqualify himself or herself and shall abstain from voting.
11. Voting.
  - a. Whenever a ballot by mail, electronic mail or fax is conducted, there shall be by mail, electronic mail or fax to the Designated Representative of each Active Membership entitled to vote a ballot enabling such Active Member to vote his or her preferences.
  - b. Such ballot shall set forth the proposed action; provide an opportunity to specify approval or disapproval of any proposal; indicate the number of responses needed to meet the quorum requirements; the percentage of approvals necessary to pass the measures as submitted and the time by which the ballot must be received in order to be counted.
  - c. The Board of Governors may make such additional rules and regulations for conducting such ballot by mail, electronic mail or fax as it may deem appropriate in the interest of insuring a complete, accurate and secure ballot.
  - d. The ballot shall be mailed, electronic mail or faxed to the Principal Office of the Association where they shall be held until the time specified for the return thereof shall have expired.
  - e. No returned ballot received by the Principal Office after the date specified for the return thereof shall be counted.
  - f. All returned ballots shall be turned over to the Chairperson of the Committee on Elections, and the Committee, or a majority of the members thereof, shall certify the results of said ballot to the Vice President/Secretary of the Association, or his or her representative, who shall announce such results at a time and place designated by the President.
  - g. Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified 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 to approve at a meeting at which the total number of votes cast was the same as the total number of votes cast by ballot.

## ARTICLE XVI

### REGIONS

#### Section 1. Recognition

##### A. Existing Regions.

All Regions now organized and such other Regions as may hereafter be organized in accordance with the rules and regulations contained in these Bylaws, shall be recognized officially as part of the Association, provided that each Region, in order to remain in good standing, shall at all times consist of not less than three (3) Active Members of the Association who are in good standing.

##### B. With Bylaws.

1. Bylaws of any Region shall not be in conflict with the Bylaws of the Association.
2. Bylaws of a Region shall establish rules for its individual government, but must contain the following provisions:
  - a. No member of a region shall be qualified to hold office in any other Region.
  - b. The President of the Region shall be the official representative of such Region except that if the President is unable to attend any meetings of the Board of Governors, the Region may, pursuant to the provisions of its own Bylaws or Constitution, select an Alternate to represent such Region.
  - c. In the event that any person is, at the time of his or her election as an Elective Officer of the Association, the President of his Region, then such person cannot represent his Region on the Board of Governors.
  - d. Such Region shall, upon qualification of its President to such elective office, select an alternate, pursuant to the terms of its own Bylaws or Constitution.

##### C. Without Bylaws.

In the event that an application for recognition as a Region is filed before the members desiring to organize such Region shall have adopted a Code of Bylaws or Constitution, such members shall file with the application a statement, in writing, signed by such members, to the effect that:

Until a code of Bylaws or Constitution is adopted by the Region, such Region will conform to and abide by the provisions of the Bylaws of the Association.

#### Section 3. Organization.

Any five (5) or more Active Members of the Association in good standing may apply for recognition by the Association as a Region.

The application shall:

- A. Be submitted in writing to the Principal Office of the Association.
- B. Be signed by all persons desiring to organize such Chapter.
- C. Be accompanied by a copy of its Code of Bylaws or Constitution.
- D. Contain an agreement on the part of the persons signing the same that in the event the Association grants recognition to such Region, such Chapter will abide by the Bylaws of the Association.
- E. Be transmitted promptly by the Principal Office to the President
- F. The President shall promptly submit the same to the Board of Governors.
- G. Notice of such application shall be published in the official monthly publication of the Association.
- H. If such Chapter will not be in conflict with any other Region and if the Bylaws thereof are not in conflict with any of the provisions of the Bylaws of the Association, the Board of Governors shall promptly accept or reject the application.
- I. The Principal Office shall notify the applying Active Members of the acceptance or rejection of their application.

## ARTICLE XVII

### FINANCE & ACCOUNTING

#### Section 1. Fiscal Year.

The fiscal year of the Association, and of each Chapter, shall begin on the first day of July and end on the last day of June each year.

#### Section 2. System of Accounts.

The Board of Governors shall cause an efficient system of accounting to be installed and maintained.

#### Section 3. Budget.

All appropriations of funds of the Association shall be made by the Board of Governors based upon the approved budget. No expenses shall be incurred by any officer or any committee in excess of an appropriation therefore, without the approval of the Board of Governors or the Executive Committee when the Board is not in Session.

#### Section 4. Annual Report.

An annual financial report shall:

- A. Be prepared not later than one hundred twenty (120) days after the close of the corporation's fiscal year.
- B. Be compiled in accordance with Section 8321 of the California Nonprofit Mutual Benefit Corporation Laws.
- C. Include a statement of any transactions with interested persons and of indemnification pursuant to Section 8322 of the California Nonprofit Mutual Benefit Laws.
- D. Be available to Active Members after they are notified at the annual convention of their right to receive a copy of the annual financial report.

#### Section 5. Inspection Rights.

- A. An Active Member in good standing may inspect and copy the Association's record of Active Members, which is located at the Principal Office of the Association at reasonable times, upon five (5) business days prior written demand upon the Principal Office for a purpose reasonably related to such person's interest as an Active Member; such demand shall state the purpose for which the inspection rights are requested.
- B. In the alternative, an Active Member in good standing may obtain from the Principal Office of the Association a copy of the record of Active Members upon tender of a reasonable charge and ten (10) days prior written demand; provided, however, the copy is sought for a purpose reasonably related to such person's interest as an Active Member; such demand shall state the purpose for which the copy of the record of Active Members is requested.
- C. The financial records and minutes of the meeting of the Board, and the committees of the Board, shall be open to inspection upon the written demand on the Principal Office by any Active Member at any reasonable time, for a purpose reasonably related to such person's interest as an Active Member.
- D. Every Active Member of the Board of Governors shall have the absolute right to inspect and copy all books, records and documents of every kind.
- E. Any inspection under this Article may be made in person or by agent or attorneys and the right of inspection includes the right to copy and make extracts at their own expense.

#### Section 6. Record of Members.

A record of the members giving their names, addresses and the class of membership held by each shall be kept at the Principal Office of the Association.

## ARTICLE XVIII

### OFFICIAL PUBLICATION

#### Section 1. Publications.

The Association shall publish an official publication under the direction of the Editorial Advisory Committee to be used as the official medium of communication of the Association. The Editor-in-Chief shall be the Editor and the Association shall be the Publisher of the publication.

#### Section 2. Advertisements.

Space may be sold in the publication for Advertisements.

## ARTICLE XIX

### RULES OF ORDER

#### Section 1. Robert's Rules of Order.

In all questions of order and parliamentary procedure not covered by their Bylaws, "Robert's Rules of Order Newly Revised" shall govern.

#### Section 2. Parliamentarian.

The President may appoint any person as Parliamentarian who is well versed in recognized parliamentary law to advise the presiding officer at any meeting concerning rules or order and procedure.

## ARTICLE XX

### AMENDMENT OF BYLAWS

#### Section 1. Procedure.

These bylaws may be amended at any Annual Convention of the Association, or at any Special Session of the Association called for the purpose, by a vote of two-thirds of the Active Members present and voting. Before any proposed amendment may be voted upon:

- A. The proposed amendment shall be filed with the Principal Office at least sixty (60) day prior to the date of any Annual Convention or Special Session.
- B. The Principal Office of the Association shall have caused notice of such proposed amendment to be given to each Active Member of the Association either:
  1. By mailing/electronic mailing or faxing a copy of such proposed amendment to each Active Member at least twenty (20) days prior to the date of any Annual Convention, Special Session or General Session.
  2. By causing a copy of any such proposed amendment to be published in the official monthly publication of Association in an edition thereof which will be received by each member at least twenty (20) days prior to the date of any Annual Convention, Special Session or General Session.
- C. Proposed bylaw amendments may be submitted either by an Active Member directly to the Principal Office of the Association or to the Bylaws Committee for consideration. All recommendations or proposals of the Bylaws Committee shall be presented to the Executive Committee. The Executive Committee shall review, revise, comment and present the recommendations or proposals to the Board of Governors. The Board shall review, and modify if necessary, all such proposed amendments. Proposed bylaw amendments approved by the Board of Governors shall be transmitted by the Executive Committee to the Principal Office of the Association for publication and notice as provided in these bylaws.

#### Section 2. Procedure.

In those instances where the bylaws must be amended only for the purpose of conforming to the bylaws of the ACA, they may be amended by a majority vote of the Board of Governors.

#### Section 3. Form.

No proposed amendment of these bylaws shall be received or considered, whether in the report of the Bylaws Committee or otherwise, unless the entire article sought to be amended is presented at the same time, showing the article as it will read if the proposed amendment is adopted.