

MARYLAND ASSOCIATION OF  
CERTIFIED PUBLIC ACCOUNTANTS, INC.  
BYLAWS

ARTICLE 1. Name, Objects and Seal

Section 1. Name:

The name of this Association is the "Maryland Association of Certified Public Accountants, Inc."

Section 2. Mission:

The mission of the Association is to:  
Protect and further the interests of our members;  
Enhance the image of Certified Public Accountants; and  
Enable our members to conform to high standards of professional service; and  
Provide the necessary resources for members to thrive in a dynamic, rapidly changing environment.

Section 3. Seal:

The corporate seal of the Association shall be circular in form, and shall have displayed in its center the word "Incorporated" and on the outer rim the words, "Maryland Association of Certified Public Accountants."

ARTICLE 2. Membership

Section 1. Types of Membership:

Membership in the Association may be active, associate, life and/or such other classifications as may be created by the Board of Directors.

Section 2. Active Members:

Active Membership shall be limited to (a) persons holding certificates as Certified Public Accountants of Maryland; (b) persons holding certificates as Certified Public Accountants of other states or territories or of the District of Columbia (or the equivalent thereof from a foreign country); (c) other individuals as defined by the Board of Directors.

Section 3. Associate Member:

Associate Membership shall be limited to former members who are not currently residents of the State of Maryland. Any qualified member shall on his or her request be transferred to Associate Membership during his or her non-residence. Associate Members shall not be eligible to vote or hold office in the Association.

Section 4. Life Membership:

Life Membership may be conferred upon any member in good standing, in appreciation of 40 years faithful service to the Association. Election to Life Membership shall be by unanimous vote of the Directors present at any regularly called Board meeting. Life Members shall be entitled to vote and hold office but shall be exempt from payment of dues and assessments.

Section 5. Membership Application:

Each application for membership shall be in writing or electronic format and filed with the President/CEO of the Association and be accompanied by a non-refundable entrance fee. Such application shall state the applicant's full name; business connection, home and business address and such other information as may be required. It shall contain also the applicant's agreement to observe these bylaws. Tender and payment of the entrance fee and arrearages of dues upon reinstatement of any former member may be waived by the Board of Directors for good cause in each case.

Section 6. Action on Membership Application:

Each application received by the President/CEO shall be presented to the Board of Directors for approval. The affirmative vote of two-thirds of the Directors shall be necessary to elect.

Section 7. Membership Certificates:

Each active member shall receive a certificate of membership signed by the Chair and Secretary/Treasurer then in office. A member is requested to surrender his or her membership certificate to the President/CEO immediately upon cessation of his or her membership in the Association from any cause except death.

Section 8. Dues of New Members:

Dues shall be set by the Executive Committee and approved by the Board of Directors. Failure to pay dues will be grounds for termination of membership.

Section 9. Resignations:

Each resignation of membership shall be submitted to the Secretary/Treasurer in writing or electronic format and shall be presented to the Board of Directors for action at any regular meeting. No resignation shall be accepted if the member is not in good standing, unless so ordered by the Board of Directors.

Section 10. Terminations:

The Board of Directors may, in its discretion, terminate the membership of a member who fails to pay any financial obligation, other than dues, to the Association within 90 days after such debt has become due. Any membership so terminated may be reinstated by the Board of Directors, under such condition and procedures as it may prescribe.

ARTICLE 3. Officers

Section 1. Enumeration and Eligibility:

The officers of the Association shall be a Chair, a Chair-elect, a Secretary/Treasurer an Immediate Past-Chair, all of whom shall be active members in good standing and shall serve without compensation; and a President/CEO who shall be a full-time employee of the Association.

Section 2. Term:

The Chair, Chair-elect, and Secretary/Treasurer shall hold office for the fiscal year next following the year of their election and until their successors are elected and qualified. The President/CEO shall be selected by the Executive Committee and serve at its pleasure.

Section 3. Expenses:

The Association may reimburse expenses incurred by the officers in the discharge of their duties upon approval of the Board of Directors.

ARTICLE 4. Authority and Duties of Officers

Section 1. Chair:

The Chair shall preside at all meetings of the Association and of the Board of Directors, and shall execute all orders, rules and regulations relating to the administration of the Association. The Chair shall also perform such other duties as usually pertain to the office of Chair.

Section 2. Chair-elect:

In the absence or disability of the Chair, the Chair-elect shall have and exercise all of the powers and prerogatives of the Chair. The Chair-elect shall automatically succeed to the office of Chair.

Section 3. Secretary/Treasurer:

The Secretary/Treasurer shall enter in the minute book all resolutions and proceedings at meetings, and the minutes shall be evidence of the facts stated. The Secretary/Treasurer shall conduct correspondence of the Association, issue all notice of meetings, have charge of the seal, and perform such other duties as usually pertain to the office of the Secretary/Treasurer.

The Secretary/Treasurer shall monitor the financial policies, investment policies and the accounting procedures, controls and financial reporting of the Association and shall consult with President/CEO and the independent auditors on such matters. The Secretary/Treasurer shall act in an advisory capacity to the Board of Directors and the President/CEO on all of the foregoing matters and shall report to the Board and Association membership to the extent he or she deems desirable or as directed.

Section 4. President/CEO

The President/CEO need not be a member of the Association. In the event the President/CEO is not a member of the Association, he or she shall agree, as a condition of his or her appointment, to comply with the Code of Professional Conduct. He or she shall serve as a full-time salaried officer, to administer the Association's offices and staff, to coordinate the activities of the Association, to act as a spokesman for the Association on related matters, and to perform such other services as may be assigned by the Executive Committee and/or the Board of Directors.

Section 5. Delegation of Duties:

In the performance of their duties the officers of the Association may utilize the services of any person employed, engaged or otherwise provided by the Association for such purposes.

ARTICLE 5. Election

Section 1. Mode and Time of Elections:

The officers, other than the President/CEO, who is employed by the Executive Committee, and directors shall be elected by voting members present in person or by proxy representation at the annual meeting each year.

Section 2. Nominations:

The Nominations Committee each year shall nominate one candidate for both of the offices to be filled (Chair-elect and Secretary/Treasurer) and candidates for directors. The committee should consider nominating members who are representative of membership classifications and demographics. Notice of such nominations shall be mailed or otherwise sent to all Active Members at least sixty days prior to the annual meeting. Additional nominations may be made by any member in good standing in the following manner:

A. The name of the nominee (and the office to which nominated) must be submitted to the Secretary/Treasurer of the Association at least thirty days prior to the annual meeting, and

B. The above nomination or nominations must be signed by at least 10 percent of the Association in good standing and must include a statement that the nominee has agreed to serve if elected.

The Secretary/Treasurer shall mail or otherwise send notification of such additional nomination to each member at least ten days prior to the annual meeting of the Association.

ARTICLE 6. Directors

Section 1. Membership:

The Board of Directors shall consist of the Chair, the Chair-elect, and the Secretary/Treasurer of the Association, the Immediate Past Chair of the Association, and seven members who are representative of membership classifications and demographics. In addition, one at-large member of the Board of Directors shall be a non-member of the Association. Any non-member of the Association shall agree, as a condition to his or her acceptance of election to the Board of Directors, to comply with the Code of Professional Conduct. Each year four of the eight directors, other than the officers, will be nominated and elected for a two-year term. The President/CEO shall be a member of the Board of Directors and shall have one vote.

Section 2. Powers:

The Board of Directors shall be the governing body of the Association and, except as otherwise provided in the bylaws, shall supervise and direct all of its affairs. The Board of Directors also shall have the power to fill for unexpired terms any vacancies occurring among the directors, officers or elected committees.

Section 3. Meetings and Procedure:

The Chair shall designate the time and place (including via teleconference or electronically) for any meeting of the Board of Directors, except that a meeting shall be held, on at least three days' written notice, within fifteen days from the receipt by the Chair of a petition for a meeting, signed by at least one-third of the membership of the Board. One-half the number of the members of the Board shall constitute a quorum and a majority of the members of the Board present and voting shall constitute a vote of the Board. The Board, through the Secretary/Treasurer, shall prepare minutes of its proceedings, which shall be read at the next meeting of the Board of Directors for approval.

Section 4. Removal of Director:

If any elected director is absent from three consecutive meetings of the Board of Directors, he or she shall be deemed to have resigned, and the remaining directors shall have the power, by majority vote, to elect a member to fill the vacancy for the unexpired term. The Board of Directors may re-elect the member deemed to have resigned.

ARTICLE 7. Auditor

Section 1. Selection:

The Auditor shall be selected by the Board of Directors.

Section 2. Duties:

The Auditor shall examine and report on the financial statements of the Association for the current fiscal year unless otherwise directed. Such examination shall be conducted in accordance with generally accepted auditing standards and procedures.

ARTICLE 8. Committees

Section 1. Executive Committee:

The Executive Committee shall be composed of the Chair, Immediate Past Chair, Chair-elect, and Secretary/Treasurer. The duties of the Executive Committee shall be to review proposed changes in Association policies and operations and such other items as directed by the Chair. The President/CEO shall be an ex-officio member of the Executive Committee.

Section 2. Committee on Nominations:

The Committee on Nominations shall consist of the Immediate Past Chair of the Association, who shall serve as chair, three members at large and five members elected from existing MACPA communities (chapters or committees) elected at the annual meeting. The Committee's duties are as stated in Article 5, Section 2.

Section 3. Other Committees and Task Forces:

The Chair shall appoint committees and task forces as are considered necessary for the proper conduct of the affairs of the Association. The Chair and the President/CEO shall be ex-officio members of all appointed committees.

Section 4. Special Committees:

Special committees may be appointed by the Chair from time to time as he or she deems necessary.

Section 5. Duties of Committees:

The duties of the several committees shall be such as are provided for in these bylaws or are assigned to them by the Association or by the Chair with the approval of the Board of Directors.

ARTICLE 9. Meetings of Membership

Section 1. Number:

There shall be an annual meeting of members at which officers and directors shall be elected and such other business shall be transacted as may come before the meeting. Special meetings of the members may be called by the Chair or by the Board of Directors, and shall be called by the Secretary/Treasurer within 30 days upon receipt of a written request of at least five percent of the members of the Association in good standing.

Section 2. Time, Place and Agenda:

The Board of Directors shall designate the time, place and agenda for the annual meeting or any other meeting, which it may call. The Chair shall designate the time, place and agenda for all other meetings.

Section 3. Notice of Meetings:

Notices of meetings shall be mailed or otherwise sent to each member not less than 10 days prior to each meeting. Each notice shall state the place, date and hour of the meeting (including meetings conducted via tele-conference or electronically), and so far as practicable shall outline the business to be transacted. Where appropriate, proxy ballots shall accompany meeting notices.

Section 4. Formation of Chapters:

The Board of Directors may authorize the organization of chapters in various parts of the State of Maryland, define the chapter area, and designate the manner in which the affairs of the chapter shall be conducted.

ARTICLE 10. Conduct of Meetings

Section 1. Order of Business:

The order of business shall be as follows:

1. Roll Call.
2. Approval of minutes of Preceding Meeting and Confirmation.
3. Approval of Communications and Motions relative thereto.
4. Reports of Officers and action thereon.
5. Reports of Committees and action thereon.
6. Unfinished Business.
7. New Business.
8. Elections.
9. Adjournment.

Section 2. Rules of Order:

The proceedings of the Association shall be governed by "Robert's Rules of Order" insofar as these do not conflict with the bylaws.

Section 3. Voting:

Voting at each regular or special meeting shall be by members present in person or by proxy representation.

Section 4. Quorum:

At least 25 Active Members of the Association in good standing shall constitute a quorum for the transaction of business at any meeting of the Association. A smaller number may adjourn the meeting to a specified future time and place.

ARTICLE 11. Entrance Fee and Annual Dues

Section 1. Entrance Fee:

The entrance fee for membership shall be determined by the Board of Directors and shall be payable when the membership application is filed.

Section 2. Annual Dues:

Each member shall pay annual dues, which shall be payable on or before July 31 of each fiscal year, in such amounts as are determined by the Board of Directors. For dues purposes, the Board may classify members according to such factors as it determines to be relevant and prescribe dues of a different amount for each class so created.

Section 3. Waiver of Dues and Entrance Fees:

The Board of Directors, in its discretion, may excuse the payment of current dues by members, and the tender and payment of the entrance fee and arrearages of dues upon reinstatement of former members.

Section 4. Reinstatement to Membership:

(a) A person who has resigned in good standing under the terms of Article 2, Section 9, may be reinstated provided the applicant shall submit with his or her application the entrance fee provided in Section 1.

(b) A person whose membership has been forfeited for non-payment of dues may be reinstated provided the applicant shall submit with his or her application the amount of dues owing at the time he or she forfeited his or her membership, plus the entrance fee provided in Section 1.

(c) Applications for reinstatement to membership under this section shall then be handled in the same manner as applications of new members under Article 2.

ARTICLE 12. Fiscal Year and Budget

Section 1. Fiscal Year:

The fiscal year of the Association shall begin on the first day of July and end on the thirtieth day of June following.

Section 2. Annual Budget:

The Board of Directors shall approve the annual budget and may amend the budget from time to time during the year.

Section 3. Report to the membership:

Promptly after the completion of the audit for each fiscal year, the Secretary/Treasurer shall report the results to the Board of Directors and membership.

ARTICLE 13. Amendments

Section 1. Procedure:

The bylaws or the charter of the Corporation may be amended only through the following procedures:

(a) An amendment to the bylaws or the charter of the Corporation may be proposed at any time by any Special Committee duly appointed by the Chair, with the approval of the Board of Directors, or by five percent of the members of the Association in good standing, provided that such proposal shall be made in writing addressed to the Secretary/Treasurer of the Association and signed by all members submitting said proposed amendment(s).



(b) The Secretary/Treasurer shall submit such proposed amendment(s) and send it to the membership within sixty days after the date of receipt thereof with notice that ballots are to be returned to the Secretary/Treasurer not later than thirty days after the date of sending.

(c) Ballots must be received from at least five percent of the active members entitled to vote and an affirmative vote of the majority of the members voting shall be required for the approval of the proposed amendment(s).

(d) Amendment(s) shall become effective as soon as they are approved unless: (1) a specific effective date is provided in the resolution of approval; or (2) subsequent acceptance by a state agency is required. In such circumstances, the amendment(s) will become effective on such effective date or upon acceptance by the appropriate state agency.

#### ARTICLE 14. Code of Professional Conduct

##### Section 1. Preamble:

The reliance of the public and the business community on sound financial reporting and advice on business affairs imposes on our members an obligation to maintain high standards of technical competence, professional responsibility and integrity. To this end, a member of the Maryland Association of Certified Public Accountants shall at all times maintain independence of thought and action, hold the affairs of clients in strict confidence, strive continuously to improve professional skill, comply with professional standards, promote sound and informative financial reporting, uphold the dignity and honor of the accounting profession, and maintain high standards of personal conduct.

##### Section 2. Rules of Ethical Conduct:

In further recognition of the public interest and his or her obligation to the profession, a member agrees to comply with the laws and regulations in Maryland governing Certified Public Accountants and the rules of ethical conduct set forth in the Code of Professional Conduct of the American Institute of Certified Public Accountants, as currently and subsequently amended (the "Code"). (References in the Code to the American Institute of Certified Public Accountants (the "AICPA") and to its members and associates should be considered, for purposes of this Article, as reference to the Maryland Association of Certified Public Accountants and its members.) The enumeration of these rules in the Code should not be construed as a denial of the existence of other standards of conduct not specifically mentioned, including Statements on Standards for Tax Services.

Section 3. Committee of Professional Ethics:

(a) The Committee on Professional Ethics shall be appointed by the Chair and shall consist of seven members who shall have been members of the Association or other state societies for at least five years. Each member shall serve for a three-year term and no more than three members' terms shall expire concurrently. After serving two consecutive three-year terms, a person cannot be reappointed to the committee for at least three years. Five members shall be licensed CPAs who have been in public practice for at least five years and three of those members shall currently be in public practice.

(b) The Chair shall appoint the chair of the Committee for a two-year term. Only persons with at least one year of experience on the Committee are eligible for appointment as chairman. The chairman may schedule meetings (in person, via tele-conference or electronically) at any time so long as each member is given at least five days notice. Committee meetings shall only be attended by committee members unless for committee business purposes, the chairman requests others to attend. Five members constitute a quorum for Committee hearings involving the appearance of an accused member. Four members constitute a quorum for all other Committee meetings.

(c) The Committee shall interpret the Code. Anyone may request a ruling or interpretation so long as such request is in writing. Official opinions, rulings or interpretations issued by the committee must be in writing.

(d) The Committee shall keep minutes of all meetings and proceedings. No information from these minutes or proceedings may be released without written authorization from the Board of Directors.

Section 4. Trial and Punishment for Violations:

(a) Whenever a member of the Association, whether or not he or she is a member of the AICPA, shall be charged with violating these bylaws or any Code of Professional Conduct promulgated hereunder, the said charge shall be initiated in accordance with the terms of any then subsisting agreement between the Association and the AICPA relating to ethics enforcement.

(b) In further event that a hearing is required to dispose of such charge or charges, the hearing shall be conducted under the terms of the aforesaid agreement, the then operative rules of the Joint Trial Board Division of the AICPA and the then operative joint ethics enforcement procedures in effect by virtue of the agreement between the Association and the AICPA.

(c) Under such conditions and by such procedure as the AICPA Council may prescribe, a hearing panel of AICPA's Trial Board may take whatever action is prescribed by the then operative rules of the Joint Trial Board Division of the AICPA and the then operative Joint Ethics Enforcement Procedures in effect by virtue of the agreement between the Association and the AICPA whenever a member of the Association, whether or not he or she is a member of the AICPA, fails to cooperate with the Professional Ethics Division in any disciplinary investigation of the member or partner or employee of the firm.

Cooperation is defined as not making a substantive response to interrogatories or a request for documents from the AICPA Ethics Committee, or by not complying with the educational and remedial or corrective action determined to be necessary by the Ethics Committee within thirty (30) days after the posting of such interrogatories or request for documents or directive to take CPE or corrective action, by registered or certified mail, postage pre-paid, to the member at his or her last known address shown on the records of Maryland Association of Certified Public Accountants.

(d) All committees, boards, and other bodies of the Association are hereby empowered to carry the provisions of Section 4(a) and (b) into effect by acting jointly and in cooperation with the appropriate bodies of the AICPA under the agreements, rules and procedures in effect between the Association and the AICPA at the time of such action.

(e) Membership in the Association shall be suspended without a hearing should there be filed with the Secretary/Treasurer of the Association a judgment of conviction imposed upon any member for:

(1) a crime defined as a felony (or its equivalent) under the law of the convicting jurisdiction;

(2) the willful failure to file any income tax return which he or she, as an individual taxpayer, is required by law to file;

(3) the filing of a false or fraudulent income tax return on his or her, or a client's behalf; or

(4) the willful aiding in the preparation and presentation of a false and fraudulent income tax return of a client.

Membership in the Association shall be terminated without a hearing should there be filed with the Secretary/Treasurer of the Association a final judgment of conviction imposed on any member for the aforementioned acts.

Membership in the Association shall be suspended without a hearing should a member's certificate as a certified public accountant, or license or permit to practice as such or to practice public accounting be suspended as a disciplinary measure by the Maryland State Board of Public Accountancy or any other State Board of Accountancy or should any other professional license held by a member be suspended as a result of a disciplinary measure by a regulatory body, but, such suspension of membership in the Association shall terminate immediately upon reinstatement of the certificate. Membership in the Association shall be terminated without hearing should such certificate, license, or permit be revoked, withdrawn, or cancelled as a disciplinary measure by the Maryland State Board of Public Accountancy or any other State Board of Accountancy or should any other professional license held by a member be revoked, withdrawn or cancelled as a result of a result of a disciplinary measure by a regulatory body.

(f) Notice of the result of final action in each disciplinary matter under Section 4 may be published. The notice shall be in a form approved by the Board of Directors of the Association and may disclose the name of the member involved if the Board so decides by a majority of the members present and voting at the meeting at which the action is taken.