

BYLAWS OF THE CALIFORNIA ASSOCIATION OF PUBLIC PROCUREMENT OFFICIALS, INC.

ARTICLE I

1. NAME, PRINCIPAL OFFICE AND PURPOSE

- 1.1. The name of this Corporation shall be California Association of Public Procurement Officials, Inc. (CAPPO) with the principal office of CAPPO within the boundaries of the State of California.
- 1.2. The purpose of this corporation is to advance the public procurement profession by providing educational opportunities designed to connect CAPPO members, promote best practices in government procurement, encouraging career advancement and pursuit of professional certifications.
- 1.3. In the context of its general purpose, CAPPO shall invest and manage its resources, and apply its resources in furtherance of its mission. CAPPO's resources are irrevocably dedicated to public benefit purposes and to the benefit of the membership as a whole. No part of the net earnings, properties, or assets of the Corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any Director or Officer of the Corporation. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the Corporation shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under Internal Revenue Code section 501(c)(3).
- 1.4. No substantial part of the activities of CAPPO shall consist of carrying on propaganda or otherwise attempting to influence legislation; it shall not participate or intervene in any campaign (including the publication or distribution of statements) on behalf of any candidate for public office; and, it shall not, except in an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described above.
- 1.5. This corporation is a nonprofit mutual benefit corporation organized under the California Nonprofit Mutual Benefit Corporation Law. Subject to California Corporations Code Section 7111, the purpose of the Corporation shall be to improve and promote the public procurement profession; to exchange knowledge; to research and publish best practices in public procurement; and to broaden generally the capabilities of the members of this Corporation.
- 1.6. The Corporation's fiscal year shall be from March 1 through February 28 (or 29).

- 1.7. The Corporation subscribes to high ethical standards in public procurement and hereby adopts NIGP, The Institute for Public Procurement Code of Ethics (as may be amended) as the ethical standards for CAPPO and its members.

ARTICLE II

2. POWERS AND LIMITATIONS

- 2.1. Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation Law and any other applicable laws, and subject to any limitations of the Articles of Incorporation or these Bylaws, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised by, or under the direction of, the Board. The Board shall exercise leadership in determining matters of policy and shall delegate to the corporate officers and/or employed executive or executives designated by the Board the authority to carry out the day-to-day business affairs of the Corporation, to implement Board policies, and to supervise the Corporation staff.
- 2.2. Without prejudice to the general powers set forth above, but subject to the same limitations, the Board shall have the following powers:
 - a) Appoint and remove, at the discretion of the Board, all corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the Articles of Incorporation, and these Bylaws; fix their compensation, if any; and require from them a bond or other security for faithful service, if deemed appropriate.
 - b) Consider the annual budget presented by any designated Board Committee, make such revisions in the budget as it may deem advisable, and approve a final form of budget.
 - c) Require annual written reports on operations from any Board Committees and from any executive officer and/or staff members as it deems appropriate.
 - d) If appropriate, based upon the nature and scope of the Corporation's activities, appoint an independent certified public accounting firm to audit the accounts of the Corporation, and receive such report upon the recommendation of the designated Board Committee.
 - e) Borrow money and incur indebtedness on the Corporation's behalf and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.
 - f) Change the principal office or the principal business office in California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; and, conduct its activities in or outside California.

ARTICLE III

3. INDEMNIFICATION

- 3.1. To the fullest extent permitted by law, the Corporation shall indemnify its Directors, officers, employees, and other persons described in Corporations Code section 5238(a) including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any “proceeding,” as that term is used in that section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. “Expenses,” as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.
- 3.2. On written request to the Board by any person seeking indemnification under Corporations Code section 5238(b) or section 5238(c), the Board shall promptly decide under Corporations Code section 5238(e) whether the applicable standard of conduct set forth in Corporations Code section 5238(b) or section 5238(c) has been met and, if so, the Board shall authorize indemnification.
- 3.3. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by those Code sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the Corporation for those expenses.
- 3.4. The Corporation shall have the right, and shall use its best efforts, to purchase and maintain insurance on behalf of its officers, Directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, Director, employee, or agent in such capacity or arising from the officer’s, Director’s, employee’s, or agent’s status as such.

ARTICLE IV 4. MEMBERSHIP

- 4.1. Membership: Membership shall be open to any person presently or formerly actively engaged in the field of government procurement in any city, county, or special districts, in the State of California, in one of the following classifications, providing no direct conflict of interest exists. The right to reject any application for membership or the renewal of any membership is hereby reserved to the Executive Board.
- 4.2. Types of Membership: There shall be five (5) types of membership in the Corporation, which shall be as follows:

Regular: Any actively employed state, county, municipal, special district, publicly owned utility, school or federal (while headquartered or physically reporting to an office within California) procurement agent or employee with other titles spending time in the procurement and/or materials' management function of the State of California, its political subdivisions, or Federal procurement within California.

Retired: Subject to the restrictions below, any retired member of this Corporation, upon payment of the annual retired membership fee, is eligible for this type membership.

Honorary: An Honorary Membership may be granted to living retired or former members of CAPPO or to living non-members upon determination of the Board of Directors.

Student: Any full time college student majoring in Procurement, Business or related field who does not hold a full-time employment in procurement or related field.

Associate: Any public procurement agent or employee with other titles spending time in the procurement and/or materials' management function of their employing agency or subdivision, which is located outside the boundaries of the State of California, or for members in good standing who no longer meet the regular membership requirements.

- 4.3 Voting Rights: The right to vote shall be limited to active regular, honorary, and retired members of the Association. Proxy voting shall not be authorized
- 4.4 Rejection of Members: The right to reject any application for membership or the renewal of any membership is hereby reserved to the Executive Board.
- 4.5 Delinquent Membership Service Fees: All membership service fees shall be payable annually in advance. Any member delinquent in the payment of fees, may be suspended from receiving Association services and voting privileges where applicable.
- 4.6 Transfers: In the event the membership service fee of an active member has been paid by the governmental agency by which such member leaves that agency, the vacant seat is eligible to transfer to an individual within the governmental agency who paid for the membership within the confines of the original membership terms.

In the event an active member leaves a government agency, who has purchased that membership individually (non-agency funds) that member may be permitted to carry that active membership with them to another governmental agency. If said member is not re-employed, the membership of such member shall be continued automatically for a the remaining membership period.

ARTICLE V

5. TERMINATION OF MEMBERSHIP

- 5.1. Termination of an Individual Member for Cause. Pursuant to the CAPPO Bylaws, the Board of Directors may suspend or revoke any individual membership.
- a) Such action may be taken only after examination of a written complaint by any active member of failure of another member to adhere to the professional standards of CAPPO.
 - b) The written complaint shall be forwarded to the affected party and to CAPPO President at least thirty (30) calendar days prior to a hearing.
 - c) The affected party is entitled to a hearing conducted by the CAPPO Board of Directors to be held in a manner mutually acceptable to all parties. The affected party may waive this right in writing.
 - d) Following the hearing, or subsequent to a written notice from the affected party waiving his/her rights for a hearing, the CAPPO Board of Directors shall determine its course of action. Such action requires a two-thirds (2/3) vote of the entire Board of Directors. The final decision shall be communicated in writing to the affected party.

ARTICLE VI

6. ELECTION OF OFFICERS AND DIRECTORS

6.1. Election of Officers

- a) The Secretary-Treasurer shall, by simple majority vote, be elected for the year following the Annual Conference. He/she shall be a member in good standing of CAPPO.
- b) All nominees shall be selected for nomination by their experience, qualifications and contributions to the Corporation. Secretary-Treasurer shall be elected from any eligible member in good standing that meets the qualifications defined by the board of directors.
- c) The nominee elected as Secretary-Treasurer shall serve on the Board of Directors for five (5) years in succession, as follows: the nominee shall serve a one-year term in each of the listed positions; Secretary-Treasurer, Second Vice-President, First Vice-President, President and Immediate Past President.
- d) It shall require a majority vote of those eligible members submitting timely and official ballots to elect an officer. If a candidate does not receive a majority vote, balloting shall continue among those members present and eligible to vote at the business session until one receives a majority.
- e) In case of vacancy in the office of President, the First Vice-President shall at once succeed to the office of President, and shall serve the remainder of the vacant term as well as the following year (their originally scheduled Presidential term). In case of vacancy in the offices of First Vice-President, Second Vice-President and Secretary-Treasurer, the position shall be filled by nomination and election at the next Annual

Conference. An appointee selected by the remaining Officers, from the most recent Past Presidents, shall serve in the interim to fill the vacancy.

- f) Past President's are not eligible to be a candidate for Secretary-Treasurer for a period of 5 years from the date of their last date of service as Immediate Past President, unless unanimous vote of the full Board waives this requirement.

6.2. Election of Directors

- a) The governing body of Board of Directors shall consist of the following Officers: President, First Vice President, Second Vice President, Secretary/Treasurer and Immediate Past President. The governing body of Board of Directors shall also consist of no less than four (4), and no more than seven (7) directors. The total governing board of directors of this corporation will not exceed more than twelve (12) individuals. All nominees shall be selected for nomination based on their qualifications. Two (2) Directors shall be elected each year. One (1) from the southern part of the state and one (1) from the northern part of the state. Nominees' region will be determined by the location of the agency where they are employed at the time of the election as described in Paragraph 5.1.a).
- b) The standard term for the office of Director of this Corporation is two years. The number of terms that a Director (other than a Director who is a Director by virtue of being an Officer of the Corporation) can consecutively serve shall be limited to two. A term of one year or more as provided for in subsection (e) above, shall constitute one of the two consecutive terms allowable.
- c) It shall require a majority vote of those eligible members submitting timely and official ballots to elect Directors. In the event of a tie the winner of a coin toss will determine the winner of the Board position.
- d) In case of vacancy in the office of Director of this Corporation, the President will select and appoint, subject to ratification by a majority of the other Board members at the next Corporation Executive Board Meeting, a qualified, as prescribed in subsection (c) above, member to serve as Director until the conclusion of the next Annual Conference.
 - (i). If the term of office for the Director vacated would have expired at the conclusion of the next Annual CAPPO Conference, elections at the Conference for a regular two-year term will be conducted normally as prescribed in subsections (b) and (c).
 - (ii). If the term of the office for the Director vacated would ordinarily have one additional year of the term remaining, then elections at the Conference will be conducted to elect two (2) Directors from the portion of the State so affected. From among the candidates nominated, the nominee receiving the highest number of votes shall receive the two-year term of office and the nominee receiving the second highest number of votes shall receive the one-year term of office.

ARTICLE VII

7. DUTIES OF OFFICERS

7.1. Right to Hold Office: The right to hold office and to be elected to the Executive Board is reserved for actively employed regular members in good standing.

7.2. President

- a) All meetings of the Corporation and the Board of Directors shall be called to order and presided over by the President or, in the absence of the President, by the First Vice-President, or in the absence of both the President and First Vice-President, the Second Vice-President, or in the absence of all previously named, by the Secretary-Treasurer of the Corporation.
- b) The President shall, as soon as possible after being elected and with the advice of the other elected officers, appoint the chair of the standing committees as listed in 7.1.b. The President shall also be an ex-officio member of all committees except the Nominating Committee. The President shall have the power and shall appoint such additional committees as may be necessary.
- c) The President shall arrange the order of business for the Annual Conference and shall perform such other duties as normally pertain to the office of the President.

7.3. First Vice-President

The First Vice-President shall, during the absence of the President, possess all powers and perform the duties of the President. The First Vice-President shall assist in the promotion of any or all phases of the Corporation's program.

7.4. Second Vice-President

The Second Vice-President shall, during the absence of the President and First Vice President, possess all the powers and perform the duties of the President. The Second Vice President shall, at the direction of the President, assist in the promotion of any or all phases of the Corporation's program.

7.5. Secretary-Treasurer

The Secretary-Treasurer shall keep a record of proceedings of the Annual Conference and of all meetings of the Board of Directors. The Secretary-Treasurer shall oversee the financial accounts of the Corporation, attend all audits and present a financial report at the Annual Conference.

7.6. Immediate Past President

The Immediate Past President shall chair the Nominating Committee. In addition, the Immediate Past President shall chair the Bylaws/Policies & Procedures Committee and ensure that the Board Policy and Procedures Manual and the Bylaws are updated and correct. The Immediate Past President shall assume the duties as chair of the Membership Committee.

7.7. Each officer shall be responsible for the appointment of all committees necessary to plan and conduct the Annual Conference to be held during their respective term as President and shall decide their duties and responsibilities.

ARTICLE VIII

8. DUTIES OF BOARD OF DIRECTORS

8.1. Right to Hold Office: The right to hold office and to be elected to the Board is reserved for actively employed regular members in good standing.

8.2. Board Composition

The elected officers designated in Article IV, the Immediate Past President, and four (4) elected Directors shall constitute the Corporation's Board. The President shall chair the Board.

8.3. Executive Board

The President, First Vice President, Second Vice President, Treasurer-Secretary, and Immediate Past President make up the Executive Board of the Corporation.

8.4. Meeting of Board of Directors

The Board shall meet at the call of the President or at such time and places designated by it. The Board shall meet at least once a year. A quorum shall consist of not fewer than two (2) less than the official membership number of the Board at the time of the meeting. In no case shall this number be fewer than five (5).

8.5. Open Meeting

Meetings of the Board of Directors shall be open to the membership; however the Board may consider certain items in closed session if the President rules them to be confidential in nature and in the best interest of the Corporation and its membership.

8.6. Business of the Board

- a) The Board of Directors shall attend to such matters as may be referred to it. It shall be responsible to the membership for conduct of programs in accordance with the Bylaws and Board Policy.
- b) The Board may, a quorum being present, by a vote of no less than two-thirds (2/3) of the Board members present, recall any elected or appointed Officer or Director for inefficiency, neglect of duty or unsatisfactory conduct, provided it shall first give the Officer or Director involved an impartial hearing.
- c) The Board shall, upon presentation of a petition signed by one-third of the eligible membership of the Corporation, consider the recall of any elected Officer or Director.

ARTICLE IX

9. COMMITTEES

9.1. Committees will be appointed or named by the President.

It shall be the duty of each committee chair to coordinate the activities of that committee. Each committee chair shall, through the medium of the official publication or correspondence, keep the membership informed of the activities of the committee and the progress being made. Each committee chair shall be responsible for the appointment of the balance of the committee and shall notify the President as soon as the appointments are complete.

ARTICLE X 10. MEETINGS

10.1. Annual Meeting:

The regular meeting of the Corporation, to be conducted at the Annual Conference, shall be held at such time and place as approved by the Board of Directors. Failure to hold an annual meeting shall not invalidate elections or other corporate action otherwise properly conducted. All Annual Conferences shall be planned and supervised by the Board of Directors or a committee appointed for that purpose, and such planning and supervision shall include a business and educational program and all matters pertaining to the Conference.

10.2. Conference Quorum

Five percent (5%) of the Corporation's eligible voting membership as defined in the Bylaws, Article IV, shall constitute a quorum at any regularly scheduled Conference meeting or via electronic voting.

10.3. Resolutions Changing Bylaws

All resolutions intent on changing the Bylaws except those mentioned in Article X, must be received by the Bylaws Committee chair not less than ninety (90) days prior to each Annual Conference. The chair shall cause said resolutions to be published in the official publication and on the official web site in the last quarter preceding the Annual Conference.

10.4. Chapter Meetings: Chapter organization and meeting schedules shall be determined by the chapter membership, and each chapter shall select a presiding officer (Chair). The presiding officer shall be a regular member, and shall act as the liaison representative between the officers of CAPPO and the chapter.

ARTICLE XI 11. AMENDMENTS TO THE BYLAWS

Amendments to the Bylaws can only be made by a simple majority vote of those eligible members submitting timely and official ballots. Resolutions concerning revision to the Bylaws must be announced in the official publication and posted on the official web site (or in any other means approved by the Board) in the last quarter, based on a calendar year, preceding the Annual Conference. An electronic ballot shall be sent to all members eligible to vote. It shall be transmitted during the month of December and announced in the official publication in the last quarter of the calendar year containing the resolutions concerning revisions to the Bylaws (or in any other means approved by the Board). There shall also be a link to the ballot through the CAPPO website. Electronic ballots shall be retrieved at the Annual Conference when directed by the President during the business meeting. The Bylaws Committee Chair shall certify the results to the Board of Directors and to the members present at the Annual Conference at the Business Session on the last day of the Conference. Ballots shall be purged and deleted/destroyed following the end of that Conference.

ARTICLE XII

12. ANNUAL MEMBERSHIP FEES AND ASSESSMENT

12.1. Annual Membership Fee

Annual membership fees and cycle shall be established and subject to change by action of the Board of Directors.

ARTICLE XIII

13. DEPOSIT OF FUND AND BUDGETARY CONTROL

13.1. Name of Fund

All monies of this Corporation shall be deposited in the name of the California Association of Public Procurement Officials, Inc.

13.2. Budgetary Responsibilities

The Board shall adopt a balanced budget that includes itemization of income and expenditures at its first Board meeting after installation.

Certificate of Secretary-Treasurer

I, the undersigned, being the Secretary-Treasurer of the California Association of Public Procurement Officials, Inc. hereby certify that the above Bylaws were adopted as the Bylaws of this corporation on May 28, 1981 and amended pursuant to a vote of the membership, effective as of February 21, 2020. The Bylaws are, as of the date of this certification, the duly adopted and existing Bylaws of this Corporation.

IN WITNESS WHEREOF, I have set my hand this 9.7.20.

A handwritten signature in blue ink, appearing to read "Cliff C. Christ", is written over a horizontal line.