



National Association of Educational Procurement, Inc.
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BYLAWS

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Amended and Restated March 1, 2005
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Article I. Name and Origin

The name of this corporation is the **National Association of Educational Procurement, Inc.**, and it may hereinafter be referred to as the "Association." The Association is incorporated under the Not-for-Profit Corporation Law of New York by a Certificate of Incorporation filed April 22, 1988, and has filed a Restated Certificate of Incorporation on August 31, 1993.

Article II. Purposes

The Association is organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986. Within this general limitation, the specific purposes for which the Association is organized and operated are to:

- 1) provide for the open interchange of information concerning the purchasing profession;
- 2) enhance the development and implementation of effective purchasing management among educational institutions;
- 3) actively encourage cooperative relationships among Member institutions;

- 4) maintain communications with NAEP regional groups;
- 5) promote adherence to the NAEP Code of Ethics;
- 6) provide opportunities for the personal professional growth of Members; and
- 7) encourage and facilitate research and investigation.

Article III. Membership

A) Classes, Qualifications, and Admission

- 1) **Definition of Terms.** For the purpose of this section, an "educational institution" is one which has a curriculum leading to an appropriate certificate or degree. The term "representative" shall refer to an individual representing an institutional Member of this Association.
- 2) **Voting Membership.** Voting Membership in the Association shall be limited to educational institutions of higher education and private college preparatory schools.

3) **Nonvoting Membership.** The Board of Directors may designate or approve the application of other organizations and individuals for one of the following classes of Nonvoting Membership in the Association. Nonvoting Members and their representatives may attend Association meetings but may neither vote nor serve as an Officer or Director of the Association.

- a) **Associate Membership.** Nonprofit organizations, including nonprofit hospitals, foundations, K-12 schools, or corporations that are concerned with education and entitled to exemption under Section 115(a) and Section 501(c)(3) of the Internal Revenue Code of 1986, and which are not private foundations by reason of Section 509(a)(1) or (2) of the Internal Revenue Code of 1986.
- b) **Individual Membership.** Emeritus Members, Honorary Members, Retiree Members, and Student Members.
- c) **Business Affiliates.** For-profit entities committed to supporting the work of the Association.

4) **Admission.** An institution, organization or individual becomes an active Voting or Nonvoting Member upon acceptance of application by the Board and payment of the appropriate dues.

B) Meetings

- 1) **Time and Place.** Meetings of Members may be held at such time and place within or without the State of New York as shall be determined from time to time by the Board of Directors, or when a special meeting is called by another party, as indicated in the notice of the meeting.
- 2) **Annual Meeting.** The time and place of the Annual Meeting of the Association shall be set by the Board. Notice of the Annual Meeting shall be sent to each Member at least sixty days prior thereto by publication in the **BULLETIN** of the Association or other adequate means.
- 3) **Special Meeting.** Special meetings of the Members may be called by the President, the Chief Executive Officer, the Board of Directors, or by the number of Voting

Members entitled to cast ten percent of the total number of votes at the meeting. (§603(c))¹

4) **Notice and Waiver of Notice.** Written or printed notice stating the place, day, and hour of the meeting and, in case of a special meeting, the person(s) calling the meeting and the purpose or purposes for which the meeting is called, shall be delivered not less than 10 or more than 50 days before the date of the meeting, either personally or by first class mail, to each Member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at its address as it appears on the records of the Association, with postage thereon prepaid. (§605(a))

Any Member may waive notice of any meeting of Members. Waiver of notice shall be effective whether given before, at, or after the meeting and whether given in writing or by attendance. Attendance by a Member at a meeting, by person or by proxy, is a waiver of notice of that meeting, except when such Member objects prior to the conclusion of the meeting to the transaction of business because the meeting is not lawfully called or convened.

5) **Quorum.** Except as otherwise set forth herein, Voting Members having at least a majority of the votes entitled to be cast and represented in person or by proxy shall constitute a quorum. The Members present at a meeting may adjourn the meeting despite the absence of a quorum.

6) **Voting and Proxies.** Each Voting Member shall have one vote in the affairs of the Association, which shall be cast by the Voting Member's designated representative. The Members shall take action by the affirmative vote of a majority of Voting Members present and entitled to vote, in person or by proxy, on the action except where a different vote is required by law, the Certificate of Incorporation, or these Bylaws. Notwithstanding the preceding sentence, Directors are elected by a plurality of the Voting Members present and entitled to vote, in person or by proxy, at a meeting at which a

¹ This citation and those that follow are due to the New York Not-for-Profit Corporation Law; bylaw provisions that are so cited are based closely on the Act and should not be amended without consulting legal counsel.

quorum is present, and District Directors are elected by a plurality of the Voting Members of the District present and entitled to vote, in person or by proxy, at a meeting at which a quorum is present, unless the Articles of Incorporation have provided otherwise.

A Voting Member may vote in person or by proxy. Every appointment of a proxy shall be in writing signed by the Voting Member's representative, or by causing his or her signature to be affixed to such writing by any reasonable means including but limited to an electronic or facsimile signature, and shall be filed with the Secretary of the Association at or before the meeting at which the appointment is to be effective. The appointment of a proxy shall be valid for no more than eleven (11) months, unless a longer period is expressly provided in the appointment. All questions regarding the qualification of voters, the validity of appointments of proxies, and the acceptance or rejection of votes shall be decided by the presiding Officer of the meeting.

- 7) **Rules.** Questions on procedure shall be resolved by Robert's Rules of Order when not in conflict with these Bylaws.

C) Dues

- 1) **Rate Schedule.** The Board of Directors shall determine from time to time the annual dues to be paid by Voting Members, based on the number of regularly enrolled (FTE) students at the institution. The Board shall also determine from time to time the annual dues to be paid by Nonvoting Members.
- 2) **Payment.** Invoices for dues shall be mailed by the Chief Executive Officer by January 1st of each year and payable by March 31st of the same year.

D) Termination

- 1) **Procedure.** Any Membership may be voluntarily terminated upon written notice to the Association. The Board may terminate any type of Membership for due cause, including nonpayment of dues.
- 2) **Appeal of Termination.** An institution which has had its Membership terminated for due cause by action of the Board may appeal the action to the full Voting Membership by a written request for such action directed to the

President. Upon receipt of such notice, the President shall inform the Board and Voting Members through the next regular issue of the Association's **BULLETIN** or other appropriate means. At the Association's next Annual Meeting, both the Board and the appellant shall present arguments relative to the termination action and the Voting Members present shall then vote to either sustain or revoke the Board's actions, with a simple majority deciding.

Article IV. Officers

A) Positions

The Officers of the Association shall be the President, Senior Vice-President, First Vice-President, Second Vice-President, Treasurer, Immediate Past-President and Secretary. Except for Secretary, each Officer must represent a Voting Member institution.

The Officers other than Secretary are elected by the Members pursuant to the procedures set forth in this Article. The Chief Executive Officer shall serve as Secretary as set forth in Article VI of these Bylaws.

B) Nomination

- 1) **Membership Participation.** With the concurrence of the Board, the President shall appoint a nominating committee as described in Article VII, section B, paragraph 3. Following appointment of the Nominating Committee by the President, the Chief Executive Officer shall announce the appointments to the Members through the **BULLETIN** or other appropriate means. The Members will be requested to recommend prospective candidates to fill vacancies.
- 2) **Selection Process.** The Nominating Committee shall solicit and receive advice from the Members with respect to prospective candidates for all elective offices. Not later than December 30, the Committee shall nominate one person for each of the offices of President, Senior Vice-President, and First Vice-President and two persons for the office of Second Vice-President. In every fifth year the Committee shall also nominate two persons for the office of Treasurer. The Committee shall secure the acceptance of each designee.

3) Nominating Committee Procedures.

- a) The task of the Nominating Committee is to consider eligible candidates, determine which are willing and able to serve, and then to nominate a slate of qualified individuals to present to the Members. The slate shall consist of two candidates for the office of Second Vice-President, two candidates for the office of Treasurer in years in which the office of Treasurer is vacant, and one candidate for each of the remaining offices.
- b) By November 15, the Nominating Committee Chair shall contact each sitting Director other than the Treasurer and the Immediate Past-President, to determine if they are prepared to serve in the next highest office.
- c) The Chair shall consult with Committee Members and prepare a list of the Directors who indicate they are willing to serve another year and all other eligible individuals who have been suggested by the Membership for each available office.
- d) Not earlier than November 15 or later than December 1, the Chair shall provide the Members of the Committee and the Chief Executive Officer with a copy of the complete list.
- e) The role of the Chief Executive Officer is to advise the Committee and the Board on the technical eligibility of the individuals under consideration. The Chief Executive Officer may provide other information if specifically requested.
- f) By December 10, the Chair shall convene a meeting of the Nominating Committee to consider the potential candidates and approve a slate of candidates for presentation to the Members.

- 4) **Report of Nominating Committee.** The chair of the Nominating Committee shall transmit the Committee's conclusions to the President and Chief Executive Officer by December 30.

C) Election

- 1) **Meeting of the Members.** The Board of Directors shall set a date for a meeting of the

Members for the special purpose of electing Officers and District Directors. Such meeting shall be held no later than the first Tuesday in March.

- 2) **Mailing of Proxies.** The Chief Executive Officer shall, not later than the first Tuesday in February, prepare and mail to each Voting Member a notice of the meeting and an official proxy statement which shall show all offices to be filled, the names of the persons representing the Voting Members chosen by the Nominating Committee to fill those offices, and space to permit a Voting Member to direct its proxy how to vote for each candidate, including writing in another's name as a choice for the office so designated. The proxies shall be returnable to a designated representative of a Voting Member who has been appointed by the Board to serve as a teller to receive and count the proxies.

- 3) **Announcement.** The Chief Executive Officer shall immediately notify the newly elected Officers and the Board of Directors of the results of the election and shall announce the results to the Members in the **BULLETIN** or by another adequate means.

- 4) **Tie Vote.** In the event of a tie vote, the Chief Executive Officer at the meeting of the Members, in the presence of a witness, shall flip a coin to determine the winner.

- 5) **Immediate Past-President.** The President of the Association, at the conclusion of the term of office, shall immediately succeed to the office of Immediate Past-President.

- D) **Terms of Office.** The term of office of all Officers shall commence at the close of the Annual Meeting next following their election and shall terminate at the Annual Meeting next following upon the qualification of their successors, except that the Treasurer shall serve a five-year term ending in 1993, 1998, etc. The Treasurer may not serve consecutive terms.

- E) **Duties.** The duties of the various Officers of the Association shall be those stipulated in these Bylaws and other such duties as are customarily assumed by Officers of organizations in accordance with limitations established by the Board of Directors.

- 1) The **President**, who must have served one term on the Board within the past five years, shall:

- a) Exercise general supervision over the affairs of the Association;
 - b) Preside at meetings of the Members and the Board of Directors;
 - c) Prepare the agenda and program for meetings of the Board of Directors and Members;
 - d) Provide the Board of Directors whenever feasible with agendas and all reports pertinent to the business of the Association at least ten days prior to any scheduled meeting of the Board of Directors;
 - e) Appoint chairpersons and Members of committees, with the advice and consent of the Board of Directors;
 - f) Communicate regularly with the other Officers of the Association and with the Chief Executive Officer; and
 - g) Delegate duties to the Officers and through the Chief Executive Officer to the staff of the Association.
- 2) The **Senior Vice-President** shall assist the President, serve as President in the event of the President's absence, and perform other duties as may be assigned by the Board upon recommendation of the President.
 - 3) The **First Vice-President** shall perform such duties as may be assigned by the Board upon recommendation of the President.
 - 4) The **Second Vice-President** shall perform such duties as may be assigned by the Board upon recommendation of the President.
 - 5) The **Treasurer** shall:
 - a) Be responsible for all funds received by the Association or any of its committees, and such funds shall be disbursed only by the Treasurer's direction and authority.
 - b) Keep correct and complete records of account, make annual financial reports as required by the Board of Directors, and ensure all such records are available to be inspected by any Member in accordance with New York law (§621); and
 - c) Perform such other duties as may be assigned by the Board upon recommendation of the President.
 - 6) The **Immediate Past-President** shall serve as Chair of the Nominating Committee and perform such other duties as may be assigned by the Board upon recommendation of the President.
 - 7) The **Secretary** shall attend all meetings of the Board of Directors and of the Members and shall maintain records of, and whenever necessary, certify all proceedings of the Board of Directors and of the Members. The Secretary shall keep the books of the Association, when so directed by the Board of Directors or other person or persons authorized to call such meetings, shall give or cause to be given notice of meetings of the Members and of meetings of the Board of Directors, and shall also perform such other duties and have such other powers as the Board of Directors may prescribe from time to time.
- F) **Records.** Each Officer shall maintain and transmit to his or her successor a file of information and procedures designed to provide continuity and effectiveness for the transfer of responsibilities.
 - G) **Removal.** Any Officer may be removed from office only by a majority vote of the Voting Members, but his or her authority to act as an Officer and meet with the Board may be suspended by the Board of Directors for cause. (§714(a))
 - H) **Vacancies.** Any vacancy in an Officer's position, other than the Immediate Past-President, caused by death, resignation, or removal by the Board shall be filled by appointment for the unexpired term by the remaining Members of the Board. A vacancy in the office of Immediate Past-President will be filled by the most recent preceding President who is both qualified and willing to accept the appointment.

Article V. Board of Directors

- A) **Responsibility.** The Board of Directors shall supervise the management of the Association, determine its policies within the limit of its Restated Certificate of Incorporation, as amended, and Bylaws, actively pursue its purposes, and have discretion in the distribution of its funds. It

may adopt such rules and regulations for the conduct of its business as shall be deemed advisable and may, in the execution of its powers, appoint such agents as it may consider necessary.

B) Directors

1) **Number.** The Board shall consist of twelve voting Directors, including *ex officio* Directors. The President, Senior Vice-President, First Vice-President, Second Vice-President, Treasurer and Immediate Past-President shall serve as *ex officio* voting Directors. The six remaining Directors shall be elected by the Members of each of the Association's six Districts (the "District Directors"). Each District Director shall represent a Voting Member institution.

2) **Nomination and Election: NAEP Districts and District Nomination Committees.**

a) For the purpose of electing District Directors, the NAEP Regional Groups described in Article X of these Bylaws shall be classified into six Districts as follows (including any new or reorganized Regional Groups resulting from restructuring within individual Districts):

District I shall consist of the Upstate NY and New England Regional Groups;

District II shall consist of the Metro NY/NJ, DE/PA/WV, and DC/MD/VA Regional Groups;

District III shall consist of the Carolinas, Florida, Kentucky, and TAGM Regional Groups;

District IV shall consist of the IWAG, Michigan, Ohio, and Indiana Regional Groups;

District V shall consist of the Minnesota/Dakota, MINK, and TOAL Regional Groups; and

District VI shall consist of Northwest, Pacific, Rocky Mountain, and Canada Regional Groups.

b) The sitting Regional President or Presidents within each District shall serve as the District Nomination Committee for that District. Each Committee shall select one regional President to serve as the Committee Chair.

c) Each District Nomination Committee shall solicit and receive advice from the Membership of its Regional Groups with respect to prospective candidates. Each

Committee shall consider eligible candidates from Voting Members within its District, determine those willing and able to serve, and transmit to the Chief Executive Officer on or before December 30 of each year its nomination of one or two candidates for election.

d) District Director elections shall take place pursuant to the same procedures as defined for the election of Officers in Article IV.C of these Bylaws.

3) **Terms of Office.**

a) The District Directors first elected from Districts 1 and 4 shall serve a one-year term, those first elected from Districts 2 and 5 shall serve a two-year term, and those first elected from Districts 3 and 6 shall serve an initial three-year term. All initial terms shall commence at the close of the 2002 Annual Meeting and District Directors subsequently elected shall serve for rotating three-year terms.

b) No person may serve as a District Director for more than one full three-year term without a break in service.

c) A District Director's eligibility to serve on the Board in that capacity shall end if his or her status as the representative of an NAEP Voting Member within the District terminates for any reason. Any vacancy occurring by such ineligibility may be filled by appointment for the unexpired term by the Board, following a nomination by the District Nomination Committee.

C) Meetings

1) **Time and Place.** Meetings of the Board of Directors, regular or special, may be held at such a place within or without the State of New York as may be prescribed by the President or a majority of the Board of Directors; provided, however that newly elected Directors shall hold the first meeting of the Board immediately after the Annual Meeting of the Association following their election.

2) **Notice and Waiver of Notice.**

a) Written or printed notice stating the place, day, and hour of the meeting shall be delivered not less than ten or more than

fifty days before the date of the meeting, either personally or by mail, fax or electronic means to each Director.

b) Notice of a meeting need not be given to any Director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her. (§711(c))

3) Quorum and Voting. A majority of the twelve voting Directors fixed by these Bylaws shall constitute a quorum for the transaction of business, and the act of the majority of the Directors present at meeting at which a quorum is present shall be the act of the Board of Directors. (§707, 708)

4) Telephone or Video Meetings. Any or all of the Directors may participate in a meeting of the Board of Directors or a committee of the Board by means of conference telephone or similar means of communication equipment allowing all persons participating in the meeting to hear each other at the same time. Such participation shall constitute presence in person at the meeting. (§708(c))

5) Action in Writing in Lieu of a Meeting. Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all Members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the Members of the Board or committee shall be filed with the minutes of the proceedings of the Board or the committee. (§708(b))

Article VI. Chief Executive Officer

A) Appointment and Status. The Board shall appoint a Chief Executive Officer and shall control the term of office, fix the salary, and provide all necessary funds and facilities for the proper performance of the Chief Executive Officer's assigned responsibilities.

B) Duties. The Chief Executive Officer shall:

1) Supervise and manage the Association and its affairs under the control of the Board of Directors;

2) Advise the Board on matters concerning the administration of the Association but shall have no vote;

3) Attend the meetings of the Association and Board and serve as its Secretary;

4) Prepare minutes of the proceedings of the Board of Directors and of any committee having the authority of the Board;

5) Distribute the minutes of such meetings to the Board of Directors and Members;

6) Keep at the Association's principal office a record of the names and addresses of its Members, and of the Board of Directors, and allow such records to be inspected by any Member in accordance with applicable law (§621); and

7) Perform such other duties as determined by the Board of Directors.

Article VII. Committees

A) Committees With Board Authority. The Board of Directors, by resolution adopted by a majority of the entire Board, or the Bylaws may designate and appoint one or more standing committees, each consisting of three or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Association, subject to the limitations of applicable law. (§712 (2))

B) Committees Without Board Authority.

1) Designation by Board. Other committees not having and exercising the authority of the Board of Directors in the management of the Association may be designated and appointed by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present.

2) Appointment by President. When authorized by Board resolution, the President shall appoint the Membership of committees designated by the Board, with the consent of the Board. (§712(c))

3) Nominating Committee.

With the concurrence of the Board, the President shall before November 1 of each year appoint a Nominating Committee of seven representatives including and chaired by the Immediate Past-President of the Association.

- C) Procedures and Reports.** The provisions of these Bylaws shall apply to committees and the Members thereof to the same extent they apply to the Board of Directors and Directors. This shall include, without limitation, the provisions with respect to meetings and notice thereof, absent Members, written actions, and valid acts. Each committee shall keep regular minutes of its proceedings and report the same to the Board of Directors.

Article VIII. Registered Office and Agent

- A) Designation.** The Secretary of State is designated as agent for the Association upon whom process against the Association may be served in the State of New York. The Association's primary business address, the address where its books and records shall be kept, and the address to which the secretary may send any such services of process is 5523 Research Park Drive, Ste. 340, Baltimore, MD 21228.
- B) Change.** Any change of the Association's registered office or agent shall be authorized by resolution duly adopted by the Board of Directors and the submission of a statement to the Department of State of the State of New York. (§803(1))

Article IX. Finances

- A) Control.** All funds of the Association shall be deposited with the Treasurer and shall be under the control of the Board of Directors. The Chief Executive Officer and the Treasurer shall be authorized signatories on the bank accounts of the Association, along with other persons designated by the Board of Directors.
- B) Fiscal Year.** The fiscal year of the Association shall run from January 1 to December 31.
- C) Audit.** The financial records of the Association shall be audited annually by a Certified Public Accountant and a report submitted to the Board of Directors for approval.

- D) Loans.** No loans shall be made by the Association to its Directors or Officers. (§716)

- E) Compensation of Officers.** Each Director and Officer of the Association shall be entitled to be reimbursed for necessary expenses incurred in the performance of corporate duties, but not for the value of their services rendered to the Association in such capacity except that the Chief Executive Officer of the Association shall be entitled to reasonable compensation for such officer's services to the Association.

- F) Nonprofit Status.** This Association is not organized for profit and shall have no capital stock. No part of the net earnings, gains or assets of the Association shall inure to the benefit of or be distributed to its Directors, Officers, other private individuals, or organizations organized and operated for a profit.

- G) No Personal Liability.** The Directors, Officers, and employees of this Association shall not be personally liable for the payment of any debts or obligations of this Association of any nature whatsoever, nor shall any of the property of any Director, Officer, or employee be subject to the payment of the debts or obligations of this Association to any extent whatsoever.

- H) Bonds.** The Treasurer, and any other Officers or employees, at the discretion of the Board, shall give bond for the proper performance of assigned duties in such amount and with such surety as the Board may require, the premium on such bond to be paid by the Association.

Article X. Regional Groups

- A) Group Exemption Letter.** Regional Groups of NAEP Members may qualify for exemption from Federal income taxes under section 501(c)(3) of the Internal Revenue Code by meeting the requirements for inclusion in the Group Exemption Letter issued by the Internal Revenue Service to the Association. A copy of the Group Exemption Letter shall be provided to any NAEP regional president on request.

- B) Exemption Requirements.** These requirements include:

- 1) Obtaining a Federal Employer Identification Number;
- 2) Adopting Articles of Association in the form prescribed by the Association;

- 3) Adopting Bylaws consistent with the Articles of Association;
- 4) Complying with the reporting requirements established by the Association from time to time; and
- 5) Being approved by inclusion in the Group Exemption letter by the Association and the Internal Revenue Service.

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Article XI. Amendment

A) Certificate of Incorporation. Except as otherwise set forth in these Bylaws, the Association's Certificate of Incorporation may be altered, amended or restated by the Board of Directors to omit or include any provision which could be lawfully omitted or included at the time of such amendment, provided that the Members of the Association shall approve all such amendment(s) before the same shall become effective. Any number of amendments, or an entire revision or restatement of the Certificate, may be voted upon at a meeting of the Board of Directors or approved by action in writing where due notice of the proposed amendment has been given and shall be adopted upon the affirmative vote of a majority of all Directors entitled to vote on the proposed amendment or revision and upon the approval of a majority of the Members present and entitled to vote, in person or by proxy, at a meeting of the Members. (§ 802(a))

B) Bylaws. A proposed amendment to, or an entire revisions or restatement of, the Bylaws must be endorsed by representatives of at least twenty Voting Members and submitted in writing by mail to the President. Any such proposed amendments, revision or restatement may be voted upon at a meeting of the Board of Directors or approved by an action in writing where due notice of the proposed amendment has been given and shall be adopted upon the affirmative vote of a majority of all Directors present and entitled to vote on the proposed amendment or revision and upon the approval of at least two-thirds of the Members present and entitled to vote, in person or by proxy, at a meeting of the Members at which at least fifteen percent of the total eligible Voting Members of the Association are present, in person or by proxy.

C) Notification of Results. The Chief Executive Officer shall report the results of any such proposed amendments to the Membership in the **BULLETIN** or other appropriate means.