

The Educational Foundation of The Georgia Society of CPAs

Operating Manual

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MISSION STATEMENT AND OBJECTIVES

The mission of the Educational Foundation of The Georgia Society of Certified Public Accountants, Inc. (Foundation) is to encourage the best and the brightest individuals in Georgia to become Certified Public Accountants.

The objectives of the Foundation are as follows:

1. Inform individuals about the breadth of opportunities provided by the CPA profession.
2. Provide financial incentives to students, starting at the junior level, seeking to enter the CPA profession.
3. Provide financial support to schools and/or educators at Georgia educational institutions that are educating individuals to enter the CPA profession.
4. Recognize excellence demonstrated by accounting students and educators in Georgia.
5. Raise funds to support programs.

The Foundation encourages all members of The Georgia Society of Certified Public Accountants, Inc. (Society) to participate in its activities and to support its objectives throughout their careers and beyond.

PURPOSE OF POLICIES AND PROCEDURES

This operating manual of the Foundation is designed to provide an overview of operations, functions, and relationships. It provides for the continuity of Foundation activities and for a smooth transition from one term of leadership to another.

The sectional format permits ready access to information concerning specific activities, functions and policies.

DISTRIBUTION

The operating manual is distributed to Members of the Board of Directors of the Foundation. It is available to other members of the Foundation and Society staff at all times in the Society's office and is readily available on the Society's website.

APPROVAL OF ADDITIONS AND CHANGES

Changes to the body of the operating manual may be approved or amended only:

1. By action of the Board of Directors or
2. By action of the Executive Committee after receiving a recommendation from a committee authorized under Article Eight of the bylaws.

Policies, procedures, and exhibits attached to this manual are not considered to be part of the body of the manual and may be changed at any time without Board approval with the exception of Appendix A

No part of this manual that is prescribed in the bylaws may be changed except as the bylaws are amended.

BYLAWS

See appendix A

FOUNDATION STRUCTURE

MEMBERS

In accordance with the Section 3.1 and 3.2 of the bylaws, the following are voting members of the Foundation:

1. Directors of the Foundation.
2. Council members of the Society.
3. Past Presidents of the Foundation.
4. Committee members of the Foundation.

A meeting of the members is required to be held annually in accordance with Section 3.3 of the bylaws.

BOARD OF DIRECTORS

The Board of Directors is the governing body of the Foundation (Section 4.1 of the bylaws). The Board includes those persons elected as directors by the Members of the Foundation and all past presidents of the Foundation (Section 4.2 of the bylaws). The Board shall carry out the objectives of the Foundation in accordance with the bylaws (Article Four of the bylaws).

The Board shall reserve for itself and shall not delegate the following powers:

1. Recommendation of amendment to the bylaws (Article Fourteen of the bylaws).
2. Approval of current and long-term budgets.

The Board of Directors is required by the bylaws to meet at least annually in accordance with Section 5.2 of the bylaws. Regular meetings can be held in accordance with Section 5.3 of the bylaws and Special meetings can be held in accordance with Section 5.4 of the bylaws.

Each member of the Board who is not an officer is expected to participate in the activities of at least one committee during each year.

EXECUTIVE COMMITTEE

The executive committee is defined in Section 8.1 of the bylaws as follows:

"By resolution adopted by a majority of the Directors in office, the Board of Directors shall designate from among its members an executive committee, which shall consist of five (5) or more Directors, including all officers of the Foundation, committee chairpersons of the Foundation, and the immediate past president of the Foundation, which executive committee, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the affairs of the Foundation; but the designation of any such executive committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it or him or her by law."

The executive committee meets as called by the President of the Foundation.

COMMITTEES

The bylaws of the Foundation provide for the following standing committees: the Executive Committee and the Nominating Committee. Other committees of the Foundation are designated by the Board under Sections 8.3 and 8.4 of the bylaws and special committees are designated by the President or the Board under Section 9.1 of the bylaws. The president appoints committee members in accordance with Article Eight of the bylaws. The president appoints the chairpersons of each of these committees (Section 9.3 of the bylaws).

The committees of the Foundation are essential to its progress, as they perform much of the work of the Foundation. They are vital to the continuity of the Foundation as a charitable organization. The committee chair has complete administrative responsibility for operating the committee in accordance with the bylaws and the operating manual of the Foundation.

The chair is responsible for calling meetings, organizing its work program, and effectively utilizing the committee members. In pursuing committee goals, the chairperson is expected to reach them as a result of a team effort, not through reliance upon a single member or a small group within the committee.

The effectiveness of committees is attributable to the fact that members generally are very cooperative and have a high degree of competence because of their training and experience. Any weakness in the performance of committees is possibly due to the limited coordination of effort between the committees. This condition may be improved through a well-established plan of communication. Therefore, three requisites of effective committee work are coordination, communication, and continuity.

OFFICERS

The officers of the Foundation are charged with the administration of the affairs of the Foundation. The officers are President, President-Elect, Secretary and Treasurer. The officers serve for a one-year term. See Article Seven of the bylaws.

The president is the chief executive officer of the Foundation. The president is charged with managing all activities and business of the Foundation and with seeing that all orders and resolutions of the Board are carried out. The president is also an ex-officio member of all committees. See Section 7.6 of the bylaws.

The president-elect performs the duties of the president in the absence of the president and fulfills other functions as requested by the Board and the president. See Section 7.7 of the bylaws.

The secretary is responsible for issuing notices of upcoming meetings of the members and the Board. The secretary also keeps minutes of all meetings of the members, Board, and Executive Committee. See Section 7.8 of the bylaws.

The treasurer is charged with the responsibility for all fiscal affairs of the Foundation. See Section 7.9 of the bylaws. The treasurer shall also perform the following functions:

1. Prepares the annual budget for the upcoming year for approval by the Board on or before its last meeting of the fiscal year.
2. Coordinates the preparation of the annual tax return of the Foundation and ensures that it has been filed.
3. Serves as chairman of the Foundation's Investment Committee

STANDING COMMITTEES

COMMUNICATION SUGGESTIONS FOR COMMITTEES

Committees beginning work in each year must seek answers to several questions before they can initiate their programs of work:

"What should we include in our agenda?"

"What did last year's committee work on?"

"What did last year's committee pass on to us?"

"What are other Foundation committees and Society committees, chapters and sections undertaking that will relate to our efforts?"

Communication as applied to committee work falls naturally into two groups: information and recommendation. In setting up its program for the year, a committee should seek and receive information from every available source: the president, the Executive Committee of the Foundation, the Board of Directors of the Society, and Members of the Foundation and members of the Society having special interest in the subject matter.

A good committee will usually envision greater objectives than it can attain in a single year. It may also conclude that a project justifies the attention of the Educational Foundation Board, the Council of the Society, or the members of the Foundation. Naturally, this calls for a means of communicating its recommendations. A committee should stand ready to receive and consider recommendations tendered it by the prior year's committee, the president, the Board, the Members of the Foundation, local chapters, and sections of the Society.

CONTINUITY AIDS

The need for continuity of effort within the fields of a given committee's activities from year to year cannot be overemphasized. The lack of such continuity and the lack of communication of one committee's information and recommendations to the following year's committee may result in considerable loss of time and effort in carrying forward the committee's work. The establishment of a line of communication will aid in minimizing this difficulty. Records should be maintained by the GSCPA staff that accumulates the following information for the Educational Foundation:

PLANS FOR THE CURRENT YEAR:

1. Projects brought forward from prior year
2. New projects undertaken

ACTIVITIES FOR THE YEAR:

1. Progress reports
2. Annual reports
3. Minutes and attendance record of committee meetings

OTHER DOCUMENTATION:

- | | |
|--------------|--------------|
| 1. Letters | 4. Forms |
| 2. Emails | 5. Brochures |
| 3. Templates | |

EXECUTIVE COMMITTEE

Section 81 of the bylaws

Purpose: To exercise the powers of the Board of the Foundation when the Board is not in session.

Composition and Term: The Executive Committee shall consist of five (5) or more Directors, including all officers of the Foundation, committee chairpersons of the Foundation, and the immediate past president of the Foundation.

Additional Duties: Additional duties of the Executive Committee will include, but are not limited to the review and approval of nominations for the Howard Herman Distinguished Service Award.

HOWARD HERMAN DISTINGUISHED SERVICE AWARD:

The Howard Herman Distinguished Service Award is presented to an individual meeting the following criteria:

1. Demonstrates outstanding commitment to the Educational Foundation, accounting education and the accounting profession;
2. Gives outstanding service to the Educational Foundation, or could be recognized for a single accomplishment that came to fruition during the course of one year (the accomplishment must have resulted in a significant and profound impact on the Educational Foundation, accounting education and/or the accounting profession);
3. Demonstrates a longevity of distinctive service that is above service provided by his/her contemporaries (if applicable); and
4. Upholds the highest standards of accounting and/or education profession.
5. To administer this award, the Awards Committee performs the following activities:
6. Solicits nominations from the GSCPA membership throughout the year.
7. Reviews nominations and select the award winner; and
8. Present at a ceremony coinciding with the meetings of the Council of the Society and of the Foundation.

The Howard Herman Distinguished Service Award will adhere to the following guidelines:

1. The individual recognized should be someone in the accounting profession or an accounting educator and must be a member in good standings of The Georgia Society of CPAs;
2. The award may be given posthumously; and
3. No more than one award shall be given annually. However, it is not required to be given. This decision is left to the discretion of the Educational Foundation Awards Committee.

NOMINATING COMMITTEE

Section 8.2 of the bylaws

Purpose:

The nominating committee shall present the slate of officers to the Board of Directors (through the secretary) and the slate of regular elected Directors to the Members (through the secretary) at least 70 days prior to the annual meeting of Members. The slates of officers and Directors shall be communicated to their respective bodies at least 60 days prior to the annual meeting of Members.

Composition and Term:

The Nominating Committee shall consist of five (5) or more directors, including the president of the Foundation, the immediate past president of the Foundation, the president elect of the Foundation, and members appointed by the president of the Foundation. The president of the Foundation shall serve as chairperson. The nominating committee shall present the slate of officers to the Board of Directors (through the secretary) and the slate of regular elected Directors to the Members (through the secretary) at least 70 days prior to the annual meeting of Members. The slates of officers and Directors shall be communicated to their respective bodies at least 60 days prior to the annual meeting of Members.

PHILANTHROPY COMMITTEE

Purpose:

It shall be the function and purpose of the Philanthropy Committee to advise the Board of Directors; and the committee shall have such powers and perform such specific duties or functions, not inconsistent with the articles of incorporation of the Foundation or these bylaws, as may be prescribed for it by the Board of Directors. The committee will also raise funds to support the activities of the Foundation.

Composition and Term:

The Philanthropy Committee, which shall consist of at least four (4) individuals as follows:

1. Chairperson appointed by the president of the Foundation.
2. At least three (3) Directors.
3. Other individuals as appointed by the president of the Foundation

Activities:

1. Program development
2. Identify outside resources for assisting with program creation
3. Planning for solicitations
4. Target audience
5. Solicitation methodology
6. Time frame
7. Goals
8. Solicitation of contributions from members of the Society
9. Contributions made with annual dues payments
10. Annual Fund Solicitations
11. Endowment Fund Solicitations
12. Other Contributions
13. Increase member recognition by recognizing major donors to the Foundation
14. Increase Society member's participation

INVESTMENT COMMITTEE

Purpose:

It shall be the function and purpose of the Investment Committee to advise the Board of Directors; and the committee shall have such powers and perform such specific duties or functions, not inconsistent with the articles of incorporation of the Foundation or its bylaws, as may be prescribed for it by the Board of Directors.

Composition and Term:

The Investment Committee, which shall consist of at least four (4) individuals as follows:

1. Chairperson who is the Treasurer of the Foundation
2. President of the Foundation, and
3. A minimum of two (2) Directors, appointed by the president of the Foundation.

Activities:

1. Liaison with outside investment council regarding investment development
2. Guidelines for:
 - a. Policy on use of investment return, and
 - b. Investment return goals and strategies.
3. The investment policy of the Educational Foundation of The Georgia Society of CPAs is provided in [Appendix B](#)
4. The Endowment Investment Spending and Reserve Policy is provided in [Appendix C](#)

BYLAWS & OPERATIONS COMMITTEE

Purpose:

To maintain, interpret, and actively respond to suggestions or needs for changes to the Bylaws or operating manual of the Foundation.

Bylaws are the authoritative agreed-upon rules for conducting business necessary to enable the Foundation to function smoothly towards meeting its mission and objectives. The Operating Manual is designed to provide an overview of operations, functions, and relationships. It provides for the continuity of Foundation activities and for a smooth transition from one term of leadership to another.

Composition and Term:

The committee should consist of at least three members, who are appointed by the Executive Committee from the body of Foundation Board members in good standing.

Activities:

1. Provide at least one committee representative at each Board meeting to function as the knowledgeable expert on the Foundation bylaws, for the following purposes:
2. To quickly research any questions concerning proposed actions by the Board in relation to the bylaws.
3. To raise questions of concern if business proceedings appear to conflict with the bylaws.
4. To object to business proceedings that are in direct conflict with the bylaws.
5. Responsible for maintaining and distributing a current copy of the bylaws to each Foundation Board member annually at the fall board meeting and for maintaining a current copy on the Society's website.
6. The committee chair is responsible for authenticating the latest version of the bylaws.
7. The committee is responsible for maintaining historical written records of all proposed changes to the bylaws and the disposition of each proposal. Records should indicate the dates of consideration, purpose or intent of the proposed change, and voting results when presented to the board for approval. Pertinent major discussion points should also be recorded. Records should be housed at the Society's office for a minimum of five years.
8. Evaluate suggested changes to the bylaws and draft proposed changes to the bylaws as needed.
9. The committee shall have referred to it all proposed amendments to the bylaws of the Foundation.
10. The committee will deliberate and submit a written recommendation to the Executive Committee on the merits and consequences of each proposed change within 60 days of referral.
11. The committee will draft any amendments to the Foundation bylaws.
12. The Executive Committee is responsible for presenting each proposed amendment to the full body of board members.
13. Provide clarification of perceived ambiguity of bylaws statements.
14. Make the final determination should there be conflicting interpretations of the bylaws.
15. Accept assignments to propose rules to be incorporated into the bylaws as directed by the Executive Committee of the Foundation.

EDUCATIONAL ENGAGEMENT AND AWARDS COMMITTEE

Purpose:

To communicate to educators and students the resources and opportunities available to individuals preparing to enter the CPA profession and to institutions offering accounting programs.

Activities:

The committee is responsible for the following activities:

1. Host the Cash for Professional Awareness Program. This program provides financial resources to Georgia colleges and universities to support programs that encourage the selection of accounting as a career. The purpose of this program is to encourage new students to choose accounting not to reward those students that are already accounting majors.
2. Oversee the Academic Excellence Awards program. Certificates of Academic Excellence are presented to the undergraduate accounting major who is a senior with the highest overall GPA at each participating Georgia college and university. Specially designed certificates showing recipients' names are given to participating schools. A small monetary award is given to each student.
3. Select the recipient of the Outstanding Accounting Educator Award. This award is presented to an outstanding Georgia educator in the field of accounting who is a member in good standings with The Georgia Society of CPAs. The presentation is made at a ceremony coinciding with the meetings of the Council of the Society and of the Foundation. The award is also presented again at the annual conference of the GAEE which usually occurs the first week of February. The chairperson of this committee should also make arrangements with the honored educator to have the award presented a third time at the educator's institution. The Outstanding Accounting Educator Award Program has a twofold purpose:
 - i. To encourage the members of the faculty and administration of Georgia colleges and universities to provide a high level of education for those students who study accounting.
 - ii. To raise the level of awareness of Certified Public Accountants and the other members of the business community of the importance of accounting education.
 - iii. Engage the Georgia Association of Accounting Educators, including but not limited to financial support of their annual conference, as well as offering support in the way of speakers and educational materials made available through GSCPA.

SCHOLARSHIP AND SUPPORT COMMITTEE

Purpose:

1. To review the guidelines for the scholarship and support programs and propose changes as necessary
2. To communicate the results of the scholarship and support programs to the Society's membership

Scholarship Eligibility Requirements:

1. Scholarship applicants MUST meet the following minimum eligibility requirements:
 - a. Resident of the state of Georgia as defined as:
 - i. A U.S. citizen or eligible Permanent Resident Alien as well as being a legal resident of Georgia.
 - ii. A Legal residence is defined as not only present or recent physical presence in Georgia, but also the subjective element of intent to remain in Georgia indefinitely and to return here when temporarily absent.
 - b. Enrolled during the period the scholarship funds are to be used in an accounting program at an accredited senior college or university;
 - c. Enrolled in a minimum of six semester hours (ten quarter hours) beyond the sophomore level during the period scholarship funds are to be used;
 - d. Maintain an overall grade point average of 3.0 (on a 4.0 scale) or above or an accounting grade point average of 3.0 (on a 4.0 scale) or above.
2. Scholarship awards may be used for tuition, books, room and board, supplies, and other expenses associated with the cost of obtaining a college education.

MATCHING FUNDS PROGRAM

Purpose:

1. The matching funds program (previously known as the chapter scholarship program) provides academic scholarship awards to encourage students in Georgia senior colleges and universities accredited by The Southern Association of Colleges and Schools to complete the educational requirements for becoming certified public accountants. This program also provides grants to educational institutions to support their accounting programs.
2. The Foundation matches the funds provided by chapters of the Society for student scholarships and/or for support of accounting programs of educational institutions at a rate approved and budgeted by the Board of Directors.

Guidelines:

1. The Educational Foundation Liaison of the Society is the contact person for all printed materials publicizing the Foundation. All scholarship requests received by the Liaison directly from applicants should first be forwarded to the appropriate chapter. It is appropriate for chapters to receive scholarship requests directly from students and institutions in their areas.

2. The matching funds program runs from September 1 through January 31 of each fiscal year. Chapters should apply to the Foundation for matching funds at least four weeks prior to the date on which the funds are to be awarded. Chapters may request matching funds for student scholarships and/or institutional support. The amount matched by the Foundation depends upon the availability of funds, the conformity of the request to the award criteria, and the chapter's adherence to its selection criteria in previous awards.
3. All requests for fund allocations should be sent to the Society's Foundation Liaison for forwarding to the chair of the Scholarship and Support Committee.
4. The sponsoring chapter is expected to be actively involved in the award process. Suggested activities for the chapter officers and members are:
 - a. Overseeing the recipient selection;
 - b. Presenting the award either at a chapter meeting or joint chapter-college function;
 - c. Publicizing presentation of the award in local news media; and
 - d. Furnishing the Society with a press release and black and white glossy photograph for inclusion in the various news media sponsored by the Society, such as **Current Accounts** or the Society's website.

Foundation Procedures:

The Educational Foundation's Board of Directors will approve a total amount for the matching funds scholarship and support program as part of its normal budgeting process. The amount available to each individual chapter is determined by the Board of Directors. The Scholarship and Support Committee will send each chapter president a letter inviting the chapter to participate in the matching funds program. The mailing should include the following additional items:

1. A description of the matching funds program and participation criteria;
2. Recommended chapter procedures for awarding scholarships and support;
3. A Request for Matching Scholarship/Support form; and
4. A Scholarship Application form

FOUNDATION SCHOLARSHIP PROGRAM

Purpose:

The purpose of the Foundation Scholarship Program is to provide foundation-level scholarships to students who were not able to obtain a Matching Funds Program scholarship or any other scholarship program offered by the Foundation.

Funding:

Funds for foundation-level scholarships are provided by amounts budgeted by the Board, by unused matching funds program monies, endowment fund earnings and by other fundraising activities of the Foundation.

Matching of Foundation level scholarships by the chapters is encouraged but is not mandatory.

Guidelines:

Students applying for a foundation-level scholarship must meet the same eligibility requirements as detailed above.

Foundation Procedures:

1. Scholarship and Support Committee seeks recommendations for scholarship recipients from chapters, Society members, and educational institutions. Each year, the Committee will send information about the scholarship application to chapters, accounting offices and educators at colleges in the state of Georgia accredited by the Southern Association of Colleges and Schools, and GSCPA student members. Individuals that complete a scholarship application must do so by the deadline designated by the scholarship committee. The scholarship application is fully electronic and housed at www.thiswaytocpa.com, a website created and maintained by the AICPA. A link can be found at foundation.gscpa.org.
2. Scholarship and Support Committee will select foundation-level scholarship recipients. The recipients should be publicized in various news media.

NAMED SCHOLARSHIP PROGRAM

Purpose:

The Educational Foundation offers companies and firms the opportunity to sponsor a named scholarship to be awarded annually to a qualified student, as selected by the Foundation's Scholarship & Support Committee. The named scholarships allow the Foundation to recognize large contributors and award high-achieving students with a special named scholarship.

Guidelines:

1. Students that apply for a foundation-level scholarship will be automatically considered for a named-scholarship. Students must meet the same eligibility requirements as detailed above
2. The minimum for firms or companies to contribute for a named scholarship is \$2,000 annually.
3. If firms or companies would like to designate the institution from which the recipient of their named scholarship will be selected, they must state so in writing before or at the time of sending funds to the Educational Foundation liaison.

Foundation Procedures:

1. The procedures for recruiting applicants for Named Scholarships is the same process as recruiting students to apply for Foundation-level scholarships.
2. The Scholarship and Support Committee will evaluate the applications and determine the scholarship recipient for each named scholarship. If a named scholarship is designated to a specific institution and there are no qualified applications from that institution, the chair of the scholarship and support committee will contact the donor for resolution. To maximize exposure during spring honors day and/or academic excellence award ceremonies, the recipient should be named as soon as possible after the deadline date.
3. The Educational Foundation Liaison is responsible for contacting the firms/companies that offer named scholarships each year to obtain the scholarship funds and determine if the firm/company will continue their respective named scholarship.
4. Prior to the Scholarship & Support Committee meeting in which they select the scholarship recipients, the Educational Foundation liaison will prepare a listing of named scholarships to award and their respective dollar amounts.

APPENDIX A

BYLAWS of
The Educational Foundation
of
The Georgia Society of Certified Public Accountants, Inc
Incorporated Under the Laws of the State of Georgia

Approved May 3, 2013

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ARTICLE ONE
Name, Location, and Offices

- 1.1 Name.** The name of this corporation shall be “Educational Foundation of the Georgia Society of Certified Public Accountants, Inc.,” hereinafter designated as the “Foundation.”
- 1.2 Registered Office and Agent.** The Foundation shall maintain a registered office in the State of Georgia, and shall have a registered agent whose address is identical with the address of such registered office, in accordance with the requirements of the Georgia Nonprofit Corporation Code.
- 1.3 Other Offices.** The principal office of the Foundation shall be located in the City of Atlanta, Fulton County, Georgia. The Foundation may have other offices at such place or places, within or outside the State of Georgia, as the Board of Directors may determine from time to time or the affairs of the Foundation may require or make desirable.

ARTICLE TWO
Purposes and Governing Instruments

- 2.1 Nonprofit Corporation.** The Foundation shall be organized and operated as a nonprofit corporation under the provisions of the Georgia Nonprofit Corporation Code.
- 2.2 Charitable Purposes.** The Foundation is a voluntary association of individuals and organizations the purposes of which, as set forth in the articles of incorporation, are exclusively charitable within the meaning of section 501(c)(3) of the Internal Revenue Code. In furtherance of such purposes, the Foundation shall have full power and authority:
- A. To promote and participate in such civic and charitable pursuits and projects as the Board of Directors may deem appropriate.
 - B. To perform all other acts necessary or incidental to the above and to do whatever is deemed necessary, useful, advisable, or conducive, directly or indirectly, as determined by the Board of Directors, to carry out any of the purposes of the Foundation, as set forth in the articles of incorporation and these bylaws, including the exercise of all other power and authority enjoyed by corporations generally by virtue of the provisions of the Georgia Nonprofit Corporation Code (within and subject to the limitations of section 501(c)(3) of the Internal Revenue Code).
- 2.3 Mission.** The Mission of the Foundation is to encourage the best and the brightest individuals in Georgia to become Certified Public Accountants.
- 2.4 Governing Instruments.** The Foundation shall be governed by its articles of incorporation, its bylaws, and its Members.

ARTICLE THREE
Member

3.1 Members of the Foundation. Members of the Foundation shall consist of the following:

- A. Directors of the Foundation.
- B. Council members of the Georgia Society of Certified Public Accountants, Inc. ("Society").
- C. Past Presidents of the Foundation.
- D. Committee members of the Foundation.

Members of the Foundation, as defined above are herein referred to as "Members" (uppercase M) and not "members" (lowercase M).

3.2 Voting Members. Voting Members of the Foundation shall consist of all of the Members listed in Section 3.1.

3.3 Annual Meeting: Notice. The annual meeting of the Members shall be held at the principal office of the Foundation or at such other place as the Board of Directors shall determine on such day and at such time as the Board of Directors shall designate. Unless waived as contemplated in Section 6.2, notice of the time and place of such annual meeting shall be given by the secretary either personally or by telephone or by mail or by electronic communication not less than ten (10) nor more than seventy (70) days before such meeting.

3.4 Special Meetings: Notice. Special meetings of the Members may be called by or at the request of the president of the Foundation or the president of the Society or by one-third of the directors of the Foundation in office at that time. Notice of the time, place, and purpose of any special meeting of the Members shall be given by the secretary either personally or by telephone, mail, or electronic communication at least five (5) days before such meeting and shall specify the reason for the call of the special meeting.

3.5 Meetings. The President of the Foundation shall preside over all meetings of the Members. Subject to the provisions of the charter with respect to the incorporators, the Members shall elect directors at every annual meeting of the Members and at any other meeting of Members.

3.6 Waiver. Attendance by a Member at a meeting shall constitute waiver of notice of such meeting, except where a Member attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called. See also Article Six ("Notice and Waiver").

3.7 Quorum. At meetings of the Members, the presence of twenty-five (25) Members excluding past presidents of the Foundation and past presidents of the Society shall be necessary to constitute a quorum for the transaction of business.

3.8 Vote Required for Action. Except as otherwise provided in these bylaws or by law, the act of a majority of the Directors present at a meeting at which a quorum is present at the time shall be the act of the Board of Directors.

ARTICLE FOUR
Board of Directors

4.1 Authority and Responsibility of the Board of Directors.

- A. The supreme authority of the Foundation and the government and management of the affairs of the Foundation shall be vested in the Board of Directors; and all the powers, duties, and functions of the Foundation conferred by the articles of incorporation, these bylaws, its members, state statutes, common law, court decisions, or otherwise, shall be exercised, performed, or controlled by or under the authority of the Board of Directors.
- B. The governing body of the Foundation shall be the Board of Directors. The Board of Directors shall have supervision, control, and direction of the management, affairs, and property of the Foundation; shall determine its policies or changes therein; and shall actively prosecute its purposes and objectives and supervise the disbursement of its funds. The Board of Directors may adopt, by majority vote, such rules and regulations for the conduct of its business and the business of the Foundation as shall be deemed advisable, and may, in the execution of the powers granted, delegate certain of its authority and responsibility to an executive committee. Under no circumstances, however, shall any actions be taken which are inconsistent with the articles of incorporation and these bylaws; and the fundamental and basic purposes of the Foundation, as expressed in the articles of incorporation and these bylaws, shall not be amended or changed.
- C. The Board of Directors shall not permit any part of the net earnings or capital of the Foundation to inure to the benefit of any Member, director, officer, trustee, or other private person or individual except as contemplated in Section 2.2.
- D. The Board of Directors may, from time to time, appoint, as advisors, persons whose advice, assistance, and support may be deemed helpful in determining policies and formulating programs for carrying out the purposes and functions of the Foundation.
- E. The Board of Directors is authorized to employ such person or persons, including an executive director or officer, attorneys, trustees, directors, agents, and assistants, as in its judgment are necessary or desirable for the administration and management of the Foundation, and to pay reasonable compensation for the services performed and expenses incurred by any such person or persons.

4.2 Regular Board of Directors. Subject to the provisions of the charter, the Board of Directors shall consist of the following:

- A. Elected Directors. There shall be no fewer than fifteen (15) elected Directors nor more than twenty-one (21) elected Directors, which number shall include the president, the vice president, the secretary, and the treasurer of the Foundation.
- B. All past presidents of the Foundation, who shall have full voting privileges.

The Board of Directors is authorized to fix the precise number of Directors by resolution adopted from time to time by a majority of the Directors then in office. Each elected member of the Board of Directors shall serve a three-year term.

4.3 Manner of Election and Term of Office. The regular elected Directors shall be elected at the annual meeting of the Members of the Foundation by a vote of a majority, in accordance with the provisions of Article Three of these bylaws. Each Director shall take office as of the close of such

annual meeting and shall continue in office for a term fixed by the Members at the time of election but shall not exceed three (3) years or until his or her successor has been elected and has qualified or until his or her earlier death, resignation, retirement, disqualification, or removal. There shall be no limitation on the number of successive terms of office for which a Director may serve. The terms of the elected Directors shall be arranged in a manner that not more than seven shall expire simultaneously. The regular elected Directors shall be elected from nominations submitted by the nominating committee and from nominations submitted in writing by any ten (10) Members. All nominations must be submitted in writing to the Members of the Foundation (through the secretary) at least thirty (30) days prior to the annual meeting of the Members.

- 4.4 Removal.** Any elected Director may be removed either for or without cause at any regular, special, or annual meeting of the Board of Directors, by the affirmative vote of a majority of all the Directors then in office if notice of intention to act upon such matter shall have been given in the notice calling such meeting. A removed Director's successor may be elected at the same meeting to serve the unexpired term.

Any elected Director shall automatically be removed from office after having missed two consecutive meetings of the Board of Directors. Such Director shall be notified of this action in writing by the secretary of the Foundation. If a satisfactory reason for such absence is received no later than thirty days after notification, then the president of the Foundation may request reinstatement of the Director so removed. The Board of Directors or the Executive Committee may at its next meeting by an affirmative majority vote allow a Director coming under this section to continue to serve, otherwise the vacancy is filled under Section 4.5.

4.5 Vacancies.

- A. Any vacancy in the Board of Directors, other than one created by the expiration of a term or by authorization of an increase in the number of Directors, may be filled by appointment of the president of the Foundation. A Director so appointed shall serve until the end of the next annual meeting of Members, and at such time a Director shall be elected for the remainder of the unexpired term, or
- B. Any vacancy not filled under Section 4.5(a) in the Board of Directors arising at any time and from any cause, including the authorization of an increase in the number of Directors, may be filled for the unexpired term at any meeting of the Board of Directors by the affirmative vote of a majority of the Directors then in office. Each Director so elected shall hold office until the expiration of his or her term, or the unexpired term of his or her predecessor, as the case may be, or until his or her successor is elected and qualifies.

- 4.6 Compensation.** No Director shall receive any monetary payment from the Foundation as a loan, gift, award of compensation for services, or any other purposes whatever, except reimbursement for actual expenses incurred in carrying out the Foundation's purposes.

ARTICLE FIVE
Meetings of the Board of Directors

- 5.1 Place of Meetings.** Meetings of the Board of Directors may be held at any place within or outside the State of Georgia as set forth in the notice thereof or in the event of a meeting held pursuant to waiver of notice, as may be set forth in the waiver, or if no place is so specified, at the principal office of the Foundation.
- 5.2 Annual Meeting: Notice.** The annual meeting of the Board of Directors shall be held at the principal office of the Foundation or at such other place as the Board of Directors shall determine on such day and at such time as the Board of Directors shall designate. Unless waived as contemplated in Section 6.2, notice of the time and place of such annual meeting shall be given by the secretary either personally or by telephone, mail, or electronic communication not less than ten (10) nor more than seventy (70) days before such meeting.
- 5.3 Regular Meetings: Notice.** Regular meetings of the Board of Directors may be held from time to time between annual meetings at such times and at such places as the Board of Directors may prescribe. Notice of the time and place of each such regular meeting shall be given by the secretary either personally or by telephone, mail, or electronic communication not less than seven (7) nor more than thirty (30) days before such regular meeting.
- 5.4 Special Meetings: Notice.** Special meetings of the Board of Directors may be called by or at the request of the president or by one-third of the Directors in office at that time. Notice of the time, place, and purpose of any special meeting of the Board of Directors shall be given by the secretary either personally or by telephone, mail, or electronic communication at least five (5) days before such meeting and shall specify the reason for the call of the special meeting.
- 5.5 Waiver.** Attendance by a Director at a meeting shall constitute waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called. See also Article Six ("Notice and Waiver").
- 5.6 Quorum.** At meetings of the Board of Directors, eleven of the Directors then in office shall be necessary to constitute a quorum for the transaction of business,
- 5.7 Vote Required for Action.** Except as otherwise provided in these bylaws or by law, the act of a majority of the Directors present at a meeting at which a quorum is present at the time shall be the act of the Board of Directors. Adoption, amendment, and repeal of a bylaw are provided for in Article Fourteen of these bylaws. Vacancies in the Board of Directors may be filled as provided in Section 4.6 of these bylaws.
- 5.8 Action by Directors without a Meeting.** Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by a majority of the Directors then in office. Such consent shall have the same force and effect as a majority vote at a meeting duly called. The signed consent, or a signed copy, shall be placed in the minute book.

- 5.9 Telephone and Similar Meetings.** Directors may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.
- 5.10 Adjournments.** A meeting of the Board of Directors, whether or not a quorum is present, may be adjourned by a majority of the Directors present to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting which was adjourned. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.
- 5.11 Proxies.** Directors may not vote by proxy at any meeting of the Board of Directors.
- 5.12** A director may vote in person, by telephone or by other electronic means by which all directors may be contemporaneously informed of this vote.

ARTICLE SIX

Notice and Waiver

- 6.1 Procedure.** Whenever these bylaws require notice to be given to any Director or Member the notice shall be given in accordance with this Section 6.1. Notice under these bylaws shall be in writing unless oral notice is reasonable under the circumstances. Notice may be communicated in person, by telephone, telegraph, teletype, electronic communication, or other form of wire or wireless communication; or by mail or private carrier. If these forms of personal notice are impracticable, notice may be communicated by a newspaper of general circulation in the area where published, or by radio, television, or other form of public broadcast communication. Written notice, if in a comprehensible form, is effective at the earliest of the following:
- A. When received or when delivered, properly addressed, to the addressee's last known principal place of business or residence;
 - B. Five days after its deposit in the mail, as evidenced by the postmark, if mailed with first-class postage prepaid and correctly addressed;
 - C. On the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; or
 - D. Two days after being transmitted by electronic, wire, or wireless communication, if transmitted to the last known address/site on record with the Foundation.

Oral notice is effective when communicated if communicated in a comprehensible manner.

In calculating time periods for notice, when a period of time measured in days, weeks, months, years, or other measurement of time is prescribed for the exercise of any privilege or the discharge of any duty, the first day shall not be counted but the last day shall be counted.

- 6.2 Waiver.** A Director or Member may waive any notice before or after the date and time stated in the notice. Except as provided herein, the waiver must be in writing, signed by the Director entitled to the notice, and delivered to the Foundation for inclusion in the minutes or filing with the corporate records. A Director's or Member's attendance at or participation in a meeting waives any required notice to him or her of the meeting unless the Director or Member at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

ARTICLE SEVEN

Officers

- 7.1 Number and Qualifications.** The officers of the Foundation shall consist of a president, a president elect, a secretary, and a treasurer. The Board of Directors may from time to time create and establish the duties of such other officers or assistant officers as it deems necessary for the efficient management of the Foundation, but the Foundation shall not be required to have at any time any officers other than a president, a secretary, and a treasurer.
- 7.2 Election and Term of Office.** Such officers shall be elected annually by the Board of Directors of the Foundation after the annual meeting. Such officers shall serve for terms of one (1) year and thereafter until their successors have been elected and have qualified, or until their earlier death, resignation, removal, retirement, or disqualification. The officers shall be elected from nominations submitted by the nominating committee and from nominations submitted in writing by any six (6) Members. All nominations must be submitted in writing to the Board of Directors (through the secretary) at least thirty (30) days prior to the annual meeting of Members. Any other officers or assistant officers appointed by the Board of Directors under Section 7.1 of these bylaws shall serve at the will of the Board of Directors and until their successors have been elected and have qualified, or until their earlier death, resignation, removal, retirement, or disqualification.
- 7.3 Other Agents.** The Board of Directors may appoint from time to time such agents as it may deem necessary or desirable, each of whom shall hold office during the pleasure of the Board of Directors, and shall have such authority and perform such duties and shall receive such reasonable compensation, if any, as the Board of Directors may from time to time determine.
- 7.4 Removal.** Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors, by the affirmative vote of two-thirds of all the Directors then in office, whenever in its judgment the best interests of the Foundation will be served thereby. However, any such removal shall be without prejudice to the contract rights, if any, of the officer or agent so removed.
- 7.5 Vacancies.** A vacancy in any office arising at any time and from any cause may be filled for the unexpired term at any meeting of the Board of Directors.
- 7.6 President.** The president shall be the chief executive officer of the Foundation and shall preside at all meetings of the Board of Directors and Members. The president shall also serve as a member, with right to vote, of the executive committee of the Board of Directors and as a voting member, ex officio, of any and all other committees of Directors. He or she shall be authorized to enter into any contract or agreement and to execute in the corporate name, along with the secretary, any

instrument or other writing; and he or she shall see that all orders and resolutions of the Board of Directors are carried into effect. He or she shall have the right to supervise and direct the management and operation of the Foundation and to make all decisions as to policy and otherwise which may arise between meetings of the Board of Directors, and the other officers and employees of the Foundation shall be under his or her supervision and control during such interim. He or she shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe.

7.7 President elect. The president elect, unless otherwise determined by the president or by the Board of Directors, shall, in the absence or disability of the president, perform the duties and have the authority and exercise the powers of the president. The president elect shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or as the president may from time to time delegate.

7.8 Secretary.

- A. The secretary shall attend all meetings of the Board of Directors and Members and record all votes, actions, and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the executive and other committees when required.
- B. The secretary shall give, or cause to be given, notice of all meetings of the Board of Directors and Members.
- C. The secretary shall keep in safe custody the seal of the Foundation and, when authorized by the Board of Directors or the president, affix it to any instrument requiring it. When so affixed, it shall be attested by his or her signature or by the signature of the treasurer or an assistant secretary.
- D. The secretary shall be under the supervision of the president. He or she shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or as the president may from time to time delegate.

7.9 Treasurer.

- A. The treasurer shall have custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements of the Foundation and shall deposit all monies and other valuables in the name and to the credit of the Foundation into depositories designated by the Board of Directors.
- B. He or she shall be authorized to sign checks, drafts, and other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Foundation, and statements and reports required to be filed with government officials or agencies. The treasurer shall disburse the funds of the Foundation as ordered by the Board of Directors, and prepare financial statements each month or at such other intervals as the Board of Directors shall direct.
- C. If required by the Board of Directors, the treasurer shall give the Foundation a bond (in such form, in such sum, and with such surety or sureties as shall be satisfactory to the Board of Directors) for the faithful performance of the duties of his or her office and for the restoration to the Foundation, in case of his or her death, resignation, retirement, or removal from office of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Foundation.

- D. The treasurer shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or as the president may from time to time delegate.

ARTICLE EIGHT

Committees of Directors

- 8.1 Executive Committee.** By resolution adopted by a majority of the Directors in office, the Board of Directors shall designate from among its members an executive committee, which shall consist of five (5) or more Directors, including all officers of the Foundation, committee chairpersons of the Foundation, and the immediate past president of the Foundation, which executive committee, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the affairs of the Foundation; but the designation of any such executive committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it or him or her by law.
- 8.2 Nominating Committee.** By resolution adopted by a majority of the Directors in office, the Board of Directors shall designate from among its members a nominating committee, which shall consist of five (5) or more Directors, including the president of the Foundation, the immediate past president of the Foundation, the president elect of the Foundation, and members appointed by the president of the Foundation. The president of the Foundation shall serve as chairperson. The nominating committee shall present the slate of officers to the Board of Directors (through the secretary) and the slate of regular elected Directors to the Members (through the secretary) at least 70 days prior to the annual meeting of Members. The slates of officers and Directors shall be communicated to their respective bodies at least 60 days prior to the annual meeting of Members.
- 8.3 Other Committees of Directors.** Other committees, each consisting of two (2) or more Directors and any other members appointed, not having and exercising the authority of the Board of Directors in the management of the Foundation may be designated by a resolution adopted by a majority of Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be appointed by the president of the Foundation. Any member of any committee may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Foundation shall be served by such removal.
- 8.4 Advisory and Other Committees.** The Board of Directors may provide for such other committees, including committees, advisory groups, boards of governors, etc., consisting in whole or in part of persons who are not Directors of the Foundation, as it deems necessary or desirable, and discontinue any such committee at its pleasure. It shall be the function and purpose of each such committee to advise the Board of Directors; and each such committee shall have such powers and perform such specific duties or functions, not inconsistent with the articles of incorporation of the Foundation or these bylaws, as may be prescribed for it by the Board of Directors. Appointments to and the filling of vacancies on any such other committees shall be made by the president of the Foundation, unless the Board of Directors otherwise provides. Any action by each such committee shall be reported to the Board of Directors at its meeting next succeeding such action and shall be subject to control, revision, and alteration by the Board of Directors, provided that no rights of third persons shall be prejudicially affected thereby.

- 8.5 Term of Appointment.** Each member of a committee shall continue as such until the next annual meeting of the Board of Directors and until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.
- 8.6 Chairperson.** One member of each committee shall be appointed chairperson thereof by the president of the Foundation.
- 8.7 Vacancies.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.
- 8.8 Quorum.** Unless otherwise provided in these bylaws or in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum; and the act of a majority of members present at a meeting at which a quorum is present shall be the act of the committee.
- 8.9 Rules.** Each committee may adopt rules for its own government, so long as such rules are not inconsistent with these bylaws or with rules adopted by the Board of Directors.

ARTICLE NINE

Special Committees

- 9.1 Special Committees.** The president or the Board of Directors shall appoint such other committees, subcommittees, or task forces as may be necessary or desirable and which are not in conflict with other provisions of these bylaws; and the duties of any such committees shall be prescribed by the president or the Board of Directors upon their appointment. It shall be the sole function and purpose of each such special committees, subcommittees, or task forces to advise the president and the Board of Directors and they shall as so prescribed upon their appointment.
- 9.2 Term of Appointment.** Each member of a committee shall continue as such until the next annual meeting of the Board of Directors or until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.
- 9.3 Chairperson.** One member of each committee shall be appointed chairperson thereof by the president of the Foundation.
- 9.4 Vacancies.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.
- 9.5 Quorum.** Unless the Board of Directors directs otherwise, a majority of the whole committee shall constitute a quorum; and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.
- 9.6 Rules.** Each committee may adopt rules for its own government, so long as such rules are not inconsistent with these bylaws or with rules adopted by the Board of Directors.

ARTICLE TEN
Distributions and Disbursements

- 10.1 Distributions and Disbursements.** The Board of Directors, not less frequently than annually, shall:
- A. Determine all distributions to be made from net income and principal of the Foundation (including funds held by trustees, custodians, or agents of the Foundation) pursuant to provisions of the articles of incorporation, these bylaws, and the donors' directions if and to the extent applicable as provided herein;
 - B. Make, or authorize and direct the respective trustees, custodians, or agents having custody of funds of the Foundation to make, payments to organizations or persons to whom payments are to be made, in such amounts and at such times and with such accompanying restrictions, if any, as it deems necessary to assure use for the charitable purposes and in the manner intended; and
 - C. Determine all disbursements to be made for administrative expenses incurred by the Foundation and direct the respective trustees, custodians, or agents having custody of funds of the Foundation as to payments thereof and funds to be charged.
- 10.2 Vote Required for Determinations.** All such determinations shall be made by the affirmative vote of a majority of Directors present at a meeting duly called at which a quorum is present, unless otherwise expressly provided in these bylaws or by direction of the donor as a condition of the gift.
- 10.3 Distribution of Capital.** Determinations may be made to distribute capital from funds given without directions as to principal or income, as well as pursuant to directions expressly permitting use of principal; but the Board of Directors shall inform the trustee, custodian, or agent having custody of the funds of the Foundation as far in advance as the Board of Directors deems practicable so as to permit the trustee, custodian, or agent to adjust its investment policies accordingly, and may, upon advice from the trustee, custodian, or agent as to how the desired distribution and any necessary liquidation of investment can be accomplished most economically, adjust its directions for distributions so far as it deems practicable accordingly.
- 10.4 Determination of Effective Agencies and Means for Carrying Out the Charitable Purposes of the Foundation.** The Board of Directors shall gather and analyze facts and conduct such investigation and research as from time to time may be necessary or desirable in order to determine the most effective agencies and means for carrying out the charitable purposes and functions of the Foundation, and may direct disbursements for such fact gathering and analysis, investigation, and research from funds given for such purposes or from funds given without designation as to purpose. Disbursements for other proper administrative expenses incurred by the Board of Directors, including salaries for such professional and other assistance as it from time to time deems necessary or desirable, shall be directed to be paid so far as possible, first from any funds designated for such purposes, and any balance out of income of the funds of the Foundation or such of its principal as is not specifically restricted against such use.
- 10.5 Furtherance of Charitable Purposes.** In furtherance of the charitable purposes and functions of the Foundation, when needs therefor have been determined and with appropriate provisions to assure use solely for such purposes, the Board of Directors may direct distributions to such persons,

organizations, governments, or governmental agencies as in the opinion of the Board of Directors can best carry out such purposes and functions or help create new qualified charitable organizations to carry out such purposes and functions.

ARTICLE ELEVEN

Contracts, Checks, Deposits, and Funds

- 11.1 Contracts.** The Board of Directors may authorize any officer or officers, agent or agents of the Foundation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Foundation. Such authority must be in writing and may be general or confined to specific instances.
- 11.2 Checks. Drafts. Notes. Etc.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Foundation shall be signed by such officer or officers, agent or agents, of the Foundation and in such other manner as may from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the treasurer.
- 11.3 Deposits.** All funds of the Foundation shall be deposited from time to time to the credit of the Foundation in such banks, trust companies or other depositories as the Board of Directors may select.
- 11.4 Gifts.** The Board of Directors may accept on behalf of the Foundation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Foundation.

ARTICLE TWELVE

Indemnification and Insurance

- 12.1 Indemnification.** In the event that any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, seeks indemnification from the Foundation against expenses, including attorneys' fees (and in the case of actions other than those by or in the right of the Foundation, judgments, fines and amounts paid in settlement), actually and reasonably incurred by him or her in connection with such action, suit, or proceeding by reason of the fact that such person is or was a Director, officer, employee, trustee, or agent of the Foundation, or is or was serving at the request of the Foundation as a director, officer, employee, trustee, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise, then, unless such indemnification is ordered by a court, the Foundation shall determine, or cause to be determined, in the manner provided under Georgia law whether or not indemnification is proper under the circumstances because the person claiming such indemnification has met the applicable standards of conduct set forth in Georgia law; and, to the extent it is so determined that such indemnification is proper, the person claiming such indemnification shall be indemnified to the fullest extent now or hereafter permitted by Georgia law.
- 12.2 Indemnification Not Exclusive of Other Rights.** The indemnification provided in Section 12.1 above shall not be deemed exclusive of any other rights to which those seeking indemnification may be

entitled under the articles of incorporation or bylaws, or any agreement, vote of members or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, trustee, or agent, and shall inure to the benefit of the heirs, executors, and administrators of such a person.

- 12.3 Insurance.** To the extent permitted by Georgia law, the Foundation may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee, trustee, or agent of the Foundation, or is or was serving at the request of the Foundation as a Director, officer, employee, trustee or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust or other enterprise.

ARTICLE THIRTEEN

Miscellaneous

- 13.1 Books and Records.** The Foundation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Members, Board of Directors and committees having any of the authority of the Board of Directors. The Foundation shall keep at its registered or principal office a record giving the names and addresses of the Directors and any other information required under Georgia law. The Foundation shall also have an audit of its financial statements performed annually.
- 13.2 Corporate Seal.** The corporate seal (of which there may be one or more exemplars) shall be in such form as the Board of Directors may from time to time determine.
- 13.3 Fiscal Year.** The Board of Directors is authorized to fix the fiscal year of the Foundation and to change the same from time to time as it deems appropriate.
- 13.4 Internal Revenue Code.** All references in these bylaws to sections of the Internal Revenue Code shall be considered references to the Internal Revenue Code of 1986, as from time to time amended, to the corresponding provisions of any applicable future United States Internal Revenue Law, and to all regulations issued under such sections and provisions.
- 13.5 Construction.** Whenever the context so requires, the masculine shall include the feminine and neuter, and the singular shall include the plural, and conversely. If any portion of these bylaws shall be invalid or inoperative, then, so far as is reasonable and possible:
- A. The remainder of these bylaws shall be considered valid and operative; and
 - B. Effect shall be given to the intent manifested by the portion held invalid or inoperative.
- 13.6 Table of Contents. Headings.** The table of contents and headings are for organization, convenience and clarity. In interpreting these bylaws, they shall be subordinated in importance to the other written material.
- 13.7 Relation to Articles of Incorporation.** These bylaws are subject to, and governed by, the articles of incorporation.

- 13.8 Relation with Georgia Society of Certified Public Accountants, Inc.** These bylaws recognize that this Foundation has been formed upon the initiative of the Georgia Society of Certified Public Accountants, Inc., a nonprofit Georgia Corporation, therein and herein called the “Society.” The provision of these bylaws establishing positions for or imposing duties upon officials of the Society shall become operative when and only when the Society certifies to the Foundation that the Society has elected permanently to accept, and that the officials of the Society shall be permanently bound by, all of the provisions of these bylaws with respect to officials of the Society.

ARTICLE FOURTEEN

Amendments

- 14.1 Power To Amend Bylaws.** The Members shall have the power to alter, amend, or repeal these bylaws or adopt new bylaws.
- 14.2 Conditions.** Action by the Members with respect to bylaws shall be taken by an affirmative vote of two-thirds of all Members cast at a meeting held after thirty days notice to the Members as defined in Sections 6.1 and 6.2.

ARTICLE FIFTEEN

Tax-Exempt Status

- 15.1 Tax-Free Status.** The affairs of the Foundation at all times shall be conducted in such a manner as to assure the Foundation’s status as an organization qualifying for exemption from taxation pursuant to section 501(c)(3) of the Internal Revenue Code.

APPENDIX B

Investment Policy Statement
For
Educational Foundation for the Georgia Society of CPA's
October 15, 2007

I. Statement of Purpose

The purpose of this Investment Policy Statement (IPS) is to provide guidelines and a general framework that will be utilized by Capital Directions Investment Advisors, LLC, the Foundation's Investment Advisor (IA), to effectively supervise, monitor, and evaluate the investment assets in your account(s). This JPS is designed to provide the trustee's a written document of the Foundation's income needs, liquidity requirements, investing time horizon and tax considerations.

II. Client Information

Income Needs

The trustee's have indicated that the Foundation awards annual scholarships from the dividend and interest generated by the portfolio. Scholarships will not exceed dividends and interest earned.

Liquidity

IA directs the custodian to include only investments that are priced daily and can be sold without limitations. Therefore, account holdings are extremely liquid or extremely marketable. The Foundation's portfolio can be readily valued at any time.

Time Horizon

The Foundation's assumed investing time horizon is 5 years or longer. Accordingly, its investment strategy is long-term in nature.

Tax Considerations

The Foundation is a tax-exempt entity under the Internal Revenue Code; accordingly, tax considerations will not be factored into the investment decision-making process.

III. Investment Strategy

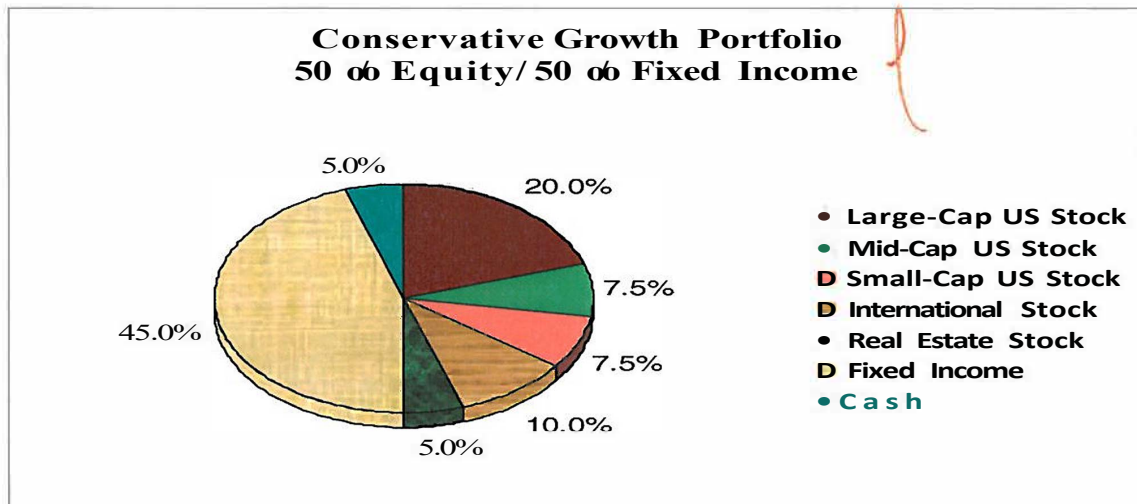
Statement of Objectives

The Foundation has chosen to invest in the *Conservative Growth* Portfolio. The portfolio consists of the following accounts:

<u>Account Name</u>	<u>Account Number</u>
Educational Foundation of GA Society of CPA's	3171-8933

The Foundation's assets will be invested in a portfolio strategy that seeks moderate long-term capital appreciation through a diversified global investment strategy.

The portfolio is evenly allocated between stocks and fixed-income securities. The portfolio's large position in fixed-income securities is intended to provide current income, if desired, and reduce volatility; however, because of the percentage invested in equities the portfolio may still experience moderate short- and mid-term principal volatility. The Foundation's goal is to earn the highest possible rate of return commensurate with its risk tolerance, return requirement, and portfolio constraints. To reduce portfolio risk, the Foundation's investments will be diversified across a broad array of asset classes and investment styles, as follows:



Equity Investment Evaluation & Selection Criteria

Primarily passive, asset-class mutual funds will be used to implement the Foundation's asset allocation strategy. All investment funds will be evaluated and chosen using the following criteria:

1. Funds must closely follow the desired asset class.
2. Total internal fund expenses must be reasonable (internal expenses include management fees, administrative expense, 12(b)-1 fees, transaction, and estimated trading costs).
3. Fund providers must show reasonable experience, have a qualified management team, embrace a highly disciplined investment philosophy, provide adequate information, and be administratively feasible for the custodian to trade and hold.
4. No-load or load-waived mutual funds will be used.
5. Institutional funds, which typically have high minimum investment levels and, consequently, lower fees and expenses, are preferred to retail funds available to the general public that generally have higher fees and expenses. Detailed information about the funds employed in the portfolio strategies is available in the prospectuses; please read them carefully.

Fixed Income Investment Evaluation & Selection Criteria

The Foundation's fixed income allocation will be invested in primarily passive, asset-class mutual funds following the same basic criteria as described above. However, if the dollars invested in the fixed income allocation are significant IA may choose to invest the fixed income portion of the portfolio in a ladder portfolio of individual bonds. All bonds will be evaluated and chosen using the following criteria:

1. Credit quality will be investment grade, with emphasis on AA, AAA, pre-refunded and escrowed-to-maturity bonds.
2. Maturities will generally vary from 2 to 10 years with approximately equal amounts maturing each year to mitigate interest rate risk.
3. Types include Tax-free Municipal Bonds, Taxable Municipal Bonds, US Treasury Securities, US Agency Securities, Corporate Bonds, Mortgage-Backed Securities and Certificates of Deposit.
4. Special attention is paid to call and redemption provisions.

Limitations on Investment Holdings

The Foundation has not placed any restrictions on this account as to the sale or purchase of any specific security or asset class.

IV. Tracing Procedures

Sell Trading, Liquidations, and Account Distributions: In order to efficiently effect required sell trades for account liquidations and distributions, IA requests at least eight (8) business days notice, with instructions documented in writing. This time period is required to calculate sell trades, communicate instructions to the custodian, wait for trading and subsequent security settlement, and finally, await delivery to you via check, direct deposit to bank account, or electronic bank wire. Failure to provide trading instructions according to these terms may cause the investor to incur additional fees and expenses.

V. Rebalancing Strategy

Due to short-term market fluctuations and/or transactions within the accounts, the actual asset allocation may vary at times from the pre-determined Asset Allocation Policy. In certain extreme cases, the percentage allocation for a particular asset class may vary significantly. When market conditions cause your actual asset mix to change from the target percentages established for the Foundation's portfolio, the portfolio may need to be rebalanced to take advantage of short-term market volatility and maintain the long-term risk/return balance it desires. When market fluctuations cause an asset class to deviate from its target allocation the portfolio may be rebalanced if the associated transaction costs and/or tax consequences are deemed to be reasonable and justified.

VI. Custody, Recordkeeping and Tracing

The Foundation has directed IA to use Charles Schwab & Co., Inc. for custodial services through its Institutional Service Group. Schwab will charge a commission or transaction charge for buying and selling securities. This charge is in addition to the fees charged by IA. Schwab will provide the Foundation monthly account statements and annual tax information, remit requested distributions, and implement IA's transaction instructions via an electronic network. The Foundation, at all times, retain free and clear ownership of the individual securities in its account. This assures it may always pledge, hypothecate, or unilaterally request from the mutual fund, the withdrawal of mutual fund shares. Furthermore, the Foundation will receive from the custodian(s) all fund communications including proxies, which will be its responsibility to vote.

VII. Notification of Changes in Financial Situation

IA asks Foundation to immediately notify it of any material changes in financial situations that could affect its risk tolerance, time horizon, liquidity needs, income needs, return requirements, tax situation, or other unique needs and circumstances. Such events may include but are not limited to change in taxable income, relocation, significant change in investment strategy for other assets not supervised by IA, and situations that may impact your financial requirements. IA will contact the Foundation: i.) at least annually to determine whether there have been any changes in its financial situation or investment objectives, and to determine whether it wishes to impose any reasonable restrictions on the management of the account or modify an existing restriction in a reasonable manner; and (ii) at least quarterly to remind you in writing to notify IA if there have been any changes in your financial situation or investment objectives, or if the Client wishes to impose or clarify an investment restriction.

VIII. Procedures for Modifying This Investment Policy

Review and modification of this IPS is possible as desired, without charge.

IX. Acceptance of Investment Policies and Guidelines

Please signify your acceptance of the complete foregoing Investment Policy Statement (IPS) by signing the appropriate space provided below both personally and/or as trustee.

Signature - Treasure, *f!ibd;w,* Date, *Ltl/i 1/p7*



APPENDIX C

Endowment Investment Spending and Reserve Policy

Educational Foundation of the Georgia Society of CPAs, Inc.

May 2009

Revised: May 2017

1. The endowment funds of the Educational Foundation are to be managed in accordance with the *Investment Policy Statement (October 2007)* adopted by the Foundation Board of Directors.
2. The Educational Foundation utilizes the services of a Registered Investment Advisor (RIA) instead of a stockbroker for several reasons, including fiduciary responsibility (An RIA has an enforceable fiduciary responsibility to recommend only investments that fit the client's needs) and fee structure (RIAs are not allowed to charge commissions and management fees are directly tied to asset values). The current RIA for the Foundation's endowment assets is Capital Directions Investment Advisors, LLC. The current investment custodian is Charles Schwab.
3. The minimum Foundation named endowment shall be \$50,000 with contributions less than that being credited to the Foundation's general endowment.
4. Each Foundation endowment shall consist of Donor Contributions, Earnings, and Unrealized Gains/Losses:
 - a. All contributions for a given endowment shall be credited to **Donor Contributions** and will remain there in perpetuity. At a minimum, contributions shall be deposited with the investment custodian on a monthly basis;
 - b. An endowment's **Earnings** shall consist of interest, dividends, and *realized* gains/losses, net of expenses (e.g., management fees) and withdrawals (e.g., scholarship awards); and
 - c. Any fluctuation in the market value of the endowment shall be maintained in a separate account called **Unrealized Gains/Losses**. **Unrealized Gains/Losses** are added (or subtracted) to the endowment's **Earnings** when calculating scholarship amounts.
5. Earnings and unrealized gains/losses shall be allocated to each fund monthly on a pro rata basis using the funds' fair market values as of the end of the prior month (i.e., based on prior month ratio of Specific Fund FMV / Total Portfolio FMV):
 - a. A pro rata approach is not used for amounts withdrawn to award scholarships. A fund's earnings shall be reduced by the full amount of any scholarships awarded in the fund's name.
6. Reserve Policy. The Executive Committee shall annually set an **Accumulated Earnings Reserve Requirement Percentage** based upon the recommendation of the Board's Investment Committee. This percentage will be applied to the weighted 6 year moving average of the endowment's fair market value, measured as of May 31 of the previous fiscal year. (See section 7 on weighted 6 year moving average) The amount calculated, as noted above, will be the **Accumulated Earnings Threshold**. No scholarships may be awarded from an endowment until the endowment has **Accumulated Expendable Income** greater than its **Accumulated Earnings Threshold**.

7. Spending Policy.

Accumulated Income is an endowment's cumulative earnings, including unrealized gains/losses (earnings since the fund's inception).

Accumulated Expendable Income is that portion of an endowment's cumulative earnings including unrealized gains/losses (earnings since the fund's inception), as adjusted for inflation, available for reserves and scholarship spending. (Donor Contributions will be adjusted on an annual basis for inflation using the Higher Education Price Index (HEPI) to help ensure these contributions are providing continual real dollar support on a perpetual basis.)

Currently Expendable Maximum shall be calculated as a percentage of the weighted 6 year moving average of the endowment's fair market value, measured as of May 31 of the previous fiscal year (The percentage applied to the weighted 6 year average FMV shall be commonly referred to as the endowment **Spending Policy**.) (The calculation of the weighted moving average of the endowment's fair market value shall have more recent years more heavy weighted than later years) For investments less than six years old, the percentage shall be based on the that investment's average annual fair market value since its inception.

The Executive Committee shall set the endowment **Spending Policy** annually based upon a recommendation from the Board's Investment Committee.

All endowment scholarship amounts will be determined annually as part of the budgeting process. The **Maximum Scholarship Amount** should not exceed the lesser of the **Currently Expendable Maximum** or the **Accumulated Expendable Income** less the **Accumulated Earnings Threshold**. The Executive Committee can reassess the scholarship amounts based on the endowment's fair market value measured as of November 30 of the current fiscal year (using the same method indicated in 6a above) and will increase or decrease the scholarship amounts as may be prudent given changing market conditions. Scholarship amounts will be communicated to the endowment donors after they are reassessed based on November 30 fair market values.

8. Budgeting Policy. The minimum suggested scholarship amount shall be \$500. Once the budget has been approved, the investment advisor shall be notified of the total amount that will be needed to fund endowed scholarships and when those funds will be needed. The investment advisor will be notified of any changes required if the scholarship amounts are reassessed based on November 30 fair market values.
9. An annual endowment report shall be provided to endowment benefactors, where possible.