



**Association of Educational Purchasing Agencies, Inc.**

**(AEPA)**

**BYLAWS**

# Association of Educational Purchasing Agencies, Inc.

## (AEPA) BYLAWS

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# Association of Educational Purchasing Agencies, Inc.

## (AEPA)

### BYLAWS

ADOPTED July 27, 2007

#### ARTICLE 1. Membership of the Organization

##### SECTION 1.1 Membership

The Association of Educational Purchasing Agencies, Inc. (AEPA), a Nevada corporation, is a membership organization and its affairs shall be managed exclusively under the authority of its Board of Directors of the AEPA (Board).

##### SECTION 1.2 Limitation of Membership

AEPA will designate one member agency (hereinafter "Member") per state that is operating legally under the rules and regulations of that Member's state. Any additional educational entities that wish to participate in AEPA will negotiate with the authorized Member within that entity's state and participate through that Member in a manner in which the entity and Member agree, providing such agreement is not in conflict with any Board Policies or Procedures of AEPA. The Member will be the only communication link between AEPA and the non-Member entity in that Member's state.

##### SECTION 1.3 Membership Application

To become a Member of AEPA, a prospective member agency will submit to the President of AEPA an approved *Memorandum of Understanding and AEPA Application for Membership*, both signed by authorized Officers of the prospective member, making known their request for membership to AEPA.

##### SECTION 1.4 Membership Approvals

Membership must be approved by a majority vote of the total membership.

##### SECTION 1.5 Termination of Membership

Membership in AEPA may be terminated at the request of the Member or at any time by a vote of the majority of the total membership.

##### SECTION 1.6 Fiscal Liability

No Member shall be responsible for the debts, obligations or representations of any other Member.

## **ARTICLE 2. Board of Directors**

### **SECTION 2.1 Number of Directors**

The Board shall be composed of not more than two Directors per Member.

The Board shall increase or decrease the number of Directors with the addition or loss of Members. However, no action by the Board in increasing or decreasing the number of Directors shall have the effect of shortening any Director's term of office unless his/her membership terminates.

### **SECTION 2.2 Identification of the Board**

The Member may change its Director(s) at will.

### **SECTION 2.3 Action by Unanimous Written Consent**

If and when the Directors shall severally or collectively consent in writing to any action to be taken by AEPA, such action shall be as valid corporate action as though it had been authorized at a meeting of the Board. Consent in writing shall include email transactions.

### **SECTION 2.4 Power to Make Bylaws**

The Board shall have power to make and amend any Bylaw or Bylaws, providing that the Board shall not make or alter any Bylaw or Bylaws fixing the qualifications, classifications or term of office of any Director of the then-existing Board.

### **SECTION 2.5 Power to Elect Corporate Officers**

The Board shall elect from among the Directors a President, one or more Vice-Presidents, a Secretary and a Treasurer for the Corporation.

### **SECTION 2.6 Power to Elect Other Officers and Appoint Agents**

The Board shall have power to elect such other Officers and appoint agents as the Board may deem necessary for transactions of the business of the Corporation.

### **SECTION 2.7 Removal of Officers and Agents**

Any Officer or agent may be removed by the Board whenever in the judgment of the Board the business interests of AEPA will be served thereby. Removal shall be by a vote of the majority of the total membership.

### **SECTION 2.8 Power to Fill Vacancies**

The Board shall have power to fill any vacancy in any office occurring for any reason whatsoever.

### **SECTION 2.9 Delegation of Powers**

For any reason deemed sufficient by the Board, whether occasioned by absence or otherwise, the Board may delegate all or any of the powers and duties of any office to any other Officer or Director, but no Officer or Director shall execute, acknowledge or verify any instrument in more than one capacity.

### **SECTION 2.10 Power to Require Bonds**

The Board at its expense may require any Officer or agent to file with AEPA a satisfactory bond conditioned for faithful performance of his or her duties.

## SECTION 2.11 Compensation

The compensation, if any, of Directors, Officers and agents shall be fixed by the Board.

## SECTION 2.12 Duties

The Board shall have the control and general management of the affairs and business of AEPA. In performing duties a Director must do so in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner that the Director reasonably believes to be in the best interests of the mission, goals and purposes of the organization. An individual who has special skills or expertise has a duty to use such skills or expertise.

The duties of the Board shall include:

- 2.12.1. Establishing basic organizational and management Bylaws, Policies and Procedures;
- 2.12.2. Establishing, reviewing and approving program objectives and performance measures and significant transactions;
- 2.12.3. Hiring an independent auditor and reviewing and approving auditing and accounting principles and practices used in preparing the organization's financial statements;
- 2.12.4. Reviewing and approving the organization's budget and financial objectives, as well as investments, joint ventures and business transactions;
- 2.12.5. Establishing such policies as self dealing, compensation of key employees and conflict of interest policies as deemed appropriate;
- 2.12.6. Establishing and overseeing a compliance program to address regulatory and liability concerns;
- 2.12.7. Ensuring that any salaries, wages, together with fringe benefits or other forms of compensation paid to or provided to an employee, Officer or Director do not exceed a value which is reasonable and commensurate with the duties and working hours associated with such employment and with the compensation ordinarily paid persons in similar positions with similar duties. In so doing, the Board shall make inquiry into and consider the compensation paid to individuals in other organizations similarly situated; and
- 2.12.8. At its discretion, the Board may designate a committee to perform any of the above duties.

## **ARTICLE 3. Meetings**

### **SECTION 3.1 Place of Meetings**

Any or all meetings of the Board of AEPA may be held within or outside the State of Nevada, provided that no meeting shall be held at a place other than the registered office of the Corporation, except pursuant to a resolution adopted by the Board.

### **SECTION 3.2 Annual Meeting**

An Annual Meeting of the Board shall be held in the month of March or April, the purposes of which shall be the validation of a Board, annual financial review, election of Officers and transacting any other business properly brought before it.

### **SECTION 3.3 Notice of Annual Meeting**

At least three (3) months prior to the date fixed by Section 3.2 of this Article for the holding of the Annual Meeting of the Board, written notice, including the time and place of such meeting, shall be mailed or emailed, as herein provided, to each Member of the Board entitled to vote at such meeting.

### **SECTION 3.4 Delayed Annual Meeting**

If, for any reason, the Annual Meeting of the Board shall not be held during the months of March or April, such meeting may be called and held as a special meeting, and the same proceedings may be had there as at an Annual Meeting, provided that the Notice of such meeting shall be the same herein required for the annual meeting, namely, not less than a three (3) month notice.

### **SECTION 3.5 Order of Business at Annual Meeting**

The order of business at the Annual Meeting of the Board shall be as follows:

- 3.5.1. Roll Call
- 3.5.2. Reading Notice and Proof of Mailing
- 3.5.3. Reading of Minutes of Last Meeting
- 3.5.4. Report of President
- 3.5.5. Report of Secretary – validation of the Board
- 3.5.6. Report of Treasurer – annual financial report
- 3.5.7. Election of Officers
- 3.5.8. Transaction of Other Business

Transaction of other business mentioned in the Notice, or other business or issues which a majority of the Directors present decide should be added to the Agenda.

- 3.5.9. Adjournment

In the absence of any objection, the presiding officer may vary the order of business at his or her discretion.

**SECTION 3.6 Regular Meeting of the Board**

A Regular Meeting of the Board shall be held in conjunction with the December meeting of Association of Educational Service Agencies (AESA). Should the December meeting of AESA not occur, the Regular Meeting of the Board shall be at such time and place as the Board shall determine. Three (3) month Notice of regular meetings of the Board shall be required.

**SECTION 3.7 Special Meeting of the Board**

Special meetings of the Board may be called by a majority of the Directors with three (3) months Notice by mail or email. Action taken at any such meeting shall not be invalidated for want of notice if such notice shall be waived as provided in Section 3.9 hereof.

**SECTION 3.8 Notices and Mailings**

All Notices required to be given by any provision of these Bylaws shall state the authority pursuant to which they are issued (such as "by order of the President," or "by order of the Board" as the case may be). Notice may be given by United States mail and shall be deemed duly served when the same has been deposited in the United States mail, first class, with postage fully prepaid, plainly addressed to the addressee at his or her last address appearing upon the records of AEPA. Notice may also be provided by email sent to the addressee's last email address appearing on the records of AEPA provided such notice is verified by receipt.

**SECTION 3.9 Waiver of Notice**

Notice of the time, place and purpose of any meeting of the Board may be waived in writing, either before, during or after such meeting has been held.

**ARTICLE 4. Quorum**

**SECTION 4.1 Quorum**

A majority of the total number of Members shall constitute a quorum. A quorum shall be required to take action at any meeting of the Board, unless otherwise stated.

**ARTICLE 5. Voting, Elections and Proxies**

**SECTION 5.1 Who Is Entitled to Vote**

Though at every meeting of the Board each Director shall be entitled to vote upon each item of business properly submitted to a vote, votes shall be counted as follows:

- 5.1.1. If two directors of one Member vote for against a proposition, the vote shall be recorded as one vote.
- 5.1.2. If two Directors representing one Member do not agree on the vote, that Member's vote will be registered as an abstention.
- 5.1.3. If a Member is represented only by one Director at the meeting, that Director's vote shall count as one vote.

**SECTION 5.2 Elections**

Election of Officers shall be held annually at the spring meeting. Nominations for Officers shall be solicited by a nominating committee of three (3) Member representatives appointed by the AEPA President in advance of the meeting and from the floor prior to the vote. A person shall be elected to an office upon receipt of a majority vote. When there are two or more nominees for a position, there shall be a private written ballot counted by a committee of Directors.

**SECTION 5.3 Proxies**

Proxy voting is not allowed

**SECTION 5.4 Majority Voting**

A majority of those Members constituting a quorum is required to take official action unless otherwise stated.

**SECTION 5.5 Electronic Voting**

The President may use electronic voting when, in his or her opinion, it is not practical to hold the vote during membership meetings. An electronic vote will require that a motion be made and seconded. The motion, along with the name of the Member representatives who made the motion and seconded it, will be included in the email. A majority of the total membership is required to pass the motion.

**ARTICLE 6. Corporate Officers**

**SECTION 6.1 President**

The President shall be elected by and from the membership of the Board. He or she shall be the Chief Executive Officer (CEO) of AEPA. He or she shall have general and active management of the business of AEPA and shall see that all orders and resolutions of the Board are carried into effect. He or she shall be an ex-officio member of all committees and shall have the general powers and duties of supervision and management usually vested in the office of president of a corporation. The President is elected for a two-year term and will serve at the direction of the Board. The President shall be responsible for general operations of AEPA including, but not limited to, facilitating meetings, and fostering communication.

**SECTION 6.2 Vice Presidents**

At least one Vice President shall be elected by the Board. Such Vice Presidents (indicated as First Vice President, Second Vice President, Third Vice President), in the order of their position rank, shall perform the duties and exercise the powers of the President during the absence or disability of the President. The President and Vice President may not be from the same Member.

### SECTION 6.3 Secretary

The Secretary shall be elected by the Board and shall be invited to attend all meetings of the Board, and shall preserve the books of AEPA true minutes of the proceedings of all such meetings and record keeping including minutes of the meetings. If the Secretary is not in attendance, the President or meeting chair shall appoint a secretary pro-temp for that meeting. The minutes of the meeting will be distributed to all Members and placed on the AEPA website within 30 days of the meeting. The Secretary shall safely keep in his or her custody the seal of the Corporation and shall have the authority to affix the same to all instruments where its use is required. He or she shall give all notices required by statute, bylaw or resolution. He or she shall perform such other duties as may be delegated by the Board or by the President. The Secretary may not be from the same Member as the President or Vice Presidents.

### SECTION 6.4 Treasurer

The Treasurer shall have custody of all corporate funds and securities and shall keep in books, belonging to AEPA, full and accurate accounts of all receipts and disbursements; he or she shall deposit all monies, securities and other valuable effects in the name of AEPA in such depositories as may be designated for that purpose by the Board. He or she shall disburse the funds of AEPA as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors at the regular meetings of the Board, and whenever requested by them, an account of all his or her transactions as Treasurer and of the financial condition of AEPA. If required by the Board, he or she shall deliver to the President, and shall keep in force, a bond at the expense of AEPA in form, amount and with a surety or securities satisfactory to the Board, conditioned for faithful performance of the duties of his or her office, and for restoration to AEPA in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and property of whatever kind in his or her possession or under his or her control belonging to AEPA. The Treasurer may not be from the same Member as the President, Vice President(s) or Secretary.

### SECTION 6.5 Term of Office

The term of office for all Officers shall be two (2) years or until their successors have been duly elected and qualified. Election of the President and Treasurer shall be in odd-numbered years, and the Vice President(s) and Secretary in the even-numbered years. Election of Officers shall be held at the Annual Meeting of the Board or at a special meeting called for that purpose.

### SECTION 6.6 Additional Officers

Additional Officers may be elected at the determination of the Board.

### SECTION 6.7 Resignation

Any Officer of AEPA may resign at any time by giving written notice to the Officers of the Board. Such resignation shall take effect at the time specified therein; and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

## **ARTICLE 7. Indemnification**

### **SECTION 7.1 Indemnification**

The Corporation will indemnify each Member, Director and Officer of AEPA, and their heirs, legal representatives and assigns, against expenses, costs and attorney's fees actually and reasonably incurred in connection with the defense of any action, suit or proceeding, civil or criminal, in which the Member, Director or Officer is made a party by reason of being or having been a Member, Officer or Director of AEPA. The indemnification may include any amounts paid to satisfy a judgment or to compromise or settle a claim. The Member, Director or Officer will not be indemnified if he or she is adjudged to have been guilty of willful misconduct or recklessness in the performance of his or her duty to AEPA.

## **ARTICLE 8. Corporate Seal**

### **SECTION 8.1 Seal**

The Board shall provide an appropriate seal bearing the name of the Corporation, which shall be the corporate seal. It shall be in the custody of the Secretary, and shall be affixed to documents as authorized by these Bylaws, the President or by the Board.

### **SECTION 8.2 Failure to Affix Seal**

The failure to affix the corporate seal shall not have any effect on the validity of any document.

## **ARTICLE 9. Execution of Instruments**

### **SECTION 9.1 Checks and Drafts**

All checks, drafts and orders for payment of money shall be signed in the name of AEPA and shall be countersigned by such Officers or agents as the Board shall from time to time designate for that purpose.

### **SECTION 9.2 Contracts, Conveyances or Other Instruments**

When the execution of any contract, conveyance or other instrument has been authorized without specification of the executing Officers, the President, or any Vice President, and the Secretary, may execute the same on behalf of AEPA and may affix the corporate seal thereto. The Board shall have power to designate the Officers and agents who shall have authority to execute any instrument on behalf of AEPA.

## **ARTICLE 10. Power of Board to Borrow Money**

### **SECTION 10.1 Borrowing Money**

The Board shall have no power or authority to borrow money.

**ARTICLE 11. Adoption, Amendments and Precedence of Bylaws**

SECTION 11.1 Adoption

These AEPA Bylaws are adopted by the Board of Directors on this 27<sup>th</sup> day of July, 2007.

SECTION 11.2 Amendments

These Bylaws may be amended, altered, added to or repealed by the affirmative vote of two-thirds (2/3) of the total membership, providing the amendment, alteration, addition or repeal is proposed at an annual, regular or special meeting of the Board and adopted at a subsequent meeting.

SECTION 11.3 Precedence

Articles of Incorporation shall take precedence over the Bylaws. The Bylaws shall take precedence over the Board Policies and Procedures.

I hereby certify that the foregoing Bylaws of the Association of Educational Purchasing Agencies, Inc., a Nevada Corporation, consisting of 13 pages, are the Bylaws of this Corporation, adopted by its Board of Directors on July 27, 2007.

\_\_\_\_\_  
Secretary

ATTEST:

\_\_\_\_\_  
President

STATE OF INDIANA    )  
                                  )  
COUNTY OF CLARK    )

On this \_\_\_\_\_ day of \_\_\_\_\_ in the year 2007 before me personally appeared Max Luft and Pam Clover, to me known to be (or proven to me on the basis of satisfactory evidence) the persons named in, and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_