

**ASBO INTERNATIONAL**  
**Bylaws**  
**(Approved by Membership September 2021)**

**Article I — Organization**

***Section 1. Name.***

The name of this organization is the Association of School Business Officials International.

***Section 2. Emblem and Seal.***

The Board of Directors of the Association shall regulate the use of the Emblem and the Official Seal.

***Section 3. Affiliations.***

The Board of Directors of the Association shall establish a policy setting forth the criteria to be used as a basis for other organizations to affiliate or disaffiliate with the Association.

***Section 4. Fiscal Year.***

The fiscal year of the Association shall begin on the first day of April and end on the last day of March in each year.

***Section 5. Audits and Financial Reports.***

- a. The Board shall appoint a CPA firm to audit the financial records of the Association.
- b. The Board shall publish the auditor's annual financial statement summary for the membership.

**Article II — Purpose**

***Section 1. Purpose.***

The purpose or purposes for which the Association is organized are:

- a. The Association of School Business Officials International is an association engaged exclusively to advance educational, scientific and charitable endeavors within the meaning of Section 501(c)(3) of the Internal Revenue Code by providing programs and services that promote the highest standards of school business management practices, continuing professional education and effective use of educational resources.
- b. This Association is not organized for the pecuniary profit of its directors, officers or members, nor may it issue stock nor declare nor distribute dividends, and no part of its net income shall inure to the benefit of any directors, officers or members.

## **Article III — Powers**

### ***Section 1. Powers.***

The Association has such power as may be needed to carry out the foregoing purposes as set forth in Article II hereof and such power shall not be limited except as provided herein.

## **Article IV — Membership**

### ***Section 1. Types.***

The rules and regulations for membership categories shall be set forth in the Membership Policy adopted by the Board of Directors.

All members are required to adhere to the Association's Code of Ethics.

### ***Section 2. Dues.***

The dues for each membership category shall be set by the Board of Directors.

### ***Section 3. Expulsion.***

The Board of Directors may revoke the membership of an individual member for cause after providing the member with due process. No member shall be expelled except by a two-thirds vote of the Board of Directors after a hearing at which the member whose expulsion is being considered was given an opportunity to be heard in his/her own defense.

## **Article V — Board of Directors**

### ***Section 1. Composition.***

The Board of Directors shall be composed of the three elected officers (President, Vice President, and Immediate Past President), and six Directors duly elected by the voting members of the Association. The Executive Director, who also serves as the Secretary-Treasurer, is a nonvoting ex-officio member of the Board.

### ***Section 2. Directors.***

Two Directors shall be elected annually by the voting members. The term of office shall be three years commencing January 1 following the election. An eligible candidate is one who:

- a. Has complied with the election rules as prescribed by the Board of Directors.

b. In the event that only one qualified member has announced their Director candidacy to the Chair of the Election Committee in accordance with the election rules as prescribed by the Board of Directors, then any qualified member may declare their candidacy in accordance with the Election Manual.

### ***Section 3. Officers.***

The officers of the Association shall be the President, Vice President, Immediate Past President and Executive Director.

- a. **President.** The President shall serve as Chair of the Board of Directors and the Executive Committee, represent ASBO at special meetings, and perform other duties assigned by the Board of Directors. The President shall automatically succeed to the office of Immediate Past President after having served a one-year term as President and shall serve a one-year term.
- b. **Vice President.** The Vice President shall be elected annually by voting members. The term of office shall be one year commencing January 1 following the election. An eligible candidate is one who:
  - i. Has been duly elected as Director (defined as a duly elected incumbent Director or past Director, including those who might have been elected to a one- or two-year seat on the Board as a result of the appointment process). In the event that only one qualified member has announced their candidacy to the Chair of the Election Committee in accordance with the election rules as prescribed by the Board of Directors, any duly elected incumbent Director or past Director is eligible to become a candidate for Vice President and must declare their candidacy as referenced in the Election Manual.
  - ii. Has complied with the election rules as prescribed by the Board of Directors.
  - iii. The Vice President shall assume the duties and responsibilities of the President in the absence of the President, and perform other duties assigned by the President and the Board of Directors.
  - iv. The Vice President shall automatically succeed to the office of President after having served a one-year term as Vice President and shall serve a one-year term.
- c. **Immediate Past President.** The Immediate Past President shall act as Parliamentarian and perform other duties as assigned by the President and Board of Directors. The Immediate Past President shall preside over the election process.
- d. **Executive Director.** The Executive Director shall serve as the administrative and chief executive officer of the Association. The Executive Director shall prepare the annual budget and submit it to the Board of Directors for approval.
  - i. The Executive Director, or his/her designee, shall keep a complete and accurate record of all meetings of the Board and of the Executive Committee and shall conduct the business of the Association pursuant to these Bylaws and Board Policy.
  - ii. The Executive Director shall perform any other duties not herein specified which may be outlined by the President.
  - iii. The Executive Director shall be responsible for the day to day business activities of the Association. The Executive Director receives all monies due the Association and deposits or invests such monies. The Executive Director shall implement Association policies, make such

business arrangements and other transactions as are feasible, practical, and in the best interest of the Association.

- iv. The Executive Director shall attend each and every session of the Association's annual meeting unless otherwise excused by the President. Upon leaving office, the Executive Director shall leave to the Association all of its money, books, and property.

#### **Section 4. Duty of Care.**

Unless otherwise provided by applicable law or these Bylaws, all powers vested by law in the Association shall be exercised by or under the authority of, and the business and affairs of the Organization shall be managed under the direction of, the Board of Directors.

- a. **Standard of Care; Justifiable Reliance.** A Director shall stand in a fiduciary relation to the Organization and shall perform his or her duties as a Director, including duties as a member of any committee of the Board of Directors upon which the Director may serve, in good faith, in a manner the Director reasonably believes to be in the best interests of the Organization and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:
  - i. One or more officers (as such term is defined herein) or employees of the Organization whom the Director reasonably believes to be reliable and competent in the matters presented;
  - ii. Counsel, public accountants or other persons or entities as to matters which the Director reasonably believes to be within the professional or expert competence of such person or entity; and
  - iii. A committee of the Board of Directors upon which the Director does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if the Director has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

- b. **Consideration of Factors.** In discharging the duties of their respective positions, the Board of Directors, committees of the Board of Directors and individual Directors may, in considering the best interests of the Organization, consider the effects of any action upon communities in which offices or other establishments of the Organization are located or in which it conducts charitable work or other work, and all other pertinent factors. The consideration of those factors shall not constitute a violation of subsection (b) hereof.
- c. **Presumption.** Absent breach of fiduciary duty, lack of good faith or self-dealing, any action taken as a Director or any failure to take any action shall be presumed to be in the best interests of the Organization.
- d. **Notation of Dissent.** A Director who is present (in person, by telephone, by video or by other similar means) at a meeting of the Board of Directors, or of a committee of the Board of

Directors, at which action on any corporate matter is taken, shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless the Director files a written dissent to the action with the secretary of the meeting before the adjournment thereof or transmits the dissent in writing to the Secretary immediately after the adjournment of the meeting. The right to dissent shall not apply to a Director who voted in favor of the action. Nothing in this section shall bar a Director from asserting that minutes of the meeting incorrectly omitted his or her dissent if, promptly upon receipt of a copy of such minutes, the Director notifies the Secretary in writing of the asserted omission or inaccuracy.

**Section 5. Quorum and Action by Directors.** A majority of the Directors in office must be present (in person, by telephone, by video or by other similar means) at a duly called meeting of the Board of Directors in order for there to be a quorum for the transaction of business. Except as otherwise provided herein, the acts of a majority of the Directors eligible to vote and present at a duly called meeting of the Board of Directors where a quorum is present shall be the acts of the Board of Directors.

- a. **Notice of Annual Meeting.** Notice of the annual meeting of the Members shall be given not less than thirty (30) days before the date of the meeting to each Member entitled to vote at such meeting.
- b. **Notice of Special Meetings.**
  - i. Except as otherwise required herein, notice of a special meeting of the Members shall be given not less than five (5) days nor more than sixty (60) days before the date of the meeting to each Member entitled to vote.
  - ii. Pursuant to Illinois law, notice of a special meeting of the Members shall be given not less than twenty (20) days nor more than sixty (60) days before the date of the meeting to each Member if the Members are to discuss and/or approve at such meeting any of the following:
    - a) the adoption of any plan for the merger or consolidation of the Organization;
    - b) the adoption of any plan for the division or conversion of the Organization;
    - c) the sale of all or substantially all of the assets of the Organization; or
    - d) the adoption of any plan for the dissolution or liquidation of the Organization.
- c. **Content.** Notice of a meeting of the Members shall specify the place, date and time of the meeting, the general nature of the business to be transacted at such meeting, and any other information required by any other provision of Illinois law, the Articles or these Bylaws.

**Section 6. Vacancies.**

- a. **President Vacancy.** If a President vacancy occurs on or before April 30, the Immediate Past President shall serve as Acting President until a special election can be held to elect a President. The special election should be scheduled as soon as practical and completed within 60 days. A

candidate for President shall have been duly elected to serve as Director and shall have complied with the election rules as prescribed by the Board of Directors.

- i. If a President vacancy occurs on or after May 1, the Immediate Past President shall serve as President for the balance of the President term.
- b. **Vice President Vacancy.** If a Vice President vacancy occurs on or before October 15, the Immediate Past President shall serve as Acting Vice President until a special election can be held to elect a Vice President.
  - i. If a Vice President vacancy occurs on or after October 16, the Immediate Past President shall serve as Acting Vice President until a special election can be held to elect a President. The newly elected President shall take office on January 1 or as soon as possible thereafter.
- c. The special election should be scheduled as soon as practical and completed within 60 days. A candidate for Vice President or President shall have been duly elected to serve as Director and shall have complied with the election rules as prescribed by the Board of Directors.
- d. **Director Vacancy.** In the event of a vacancy on the Board of Directors, the Board may appoint a member who meets all eligibility requirements to be a Director to fill such vacancy until the next election.

### ***Section 7. Resignation and Removal.***

A member of the Board of Directors may be removed with or without cause by a three-quarters vote of all Board members then in office (other than the Director proposed to be removed of the Board who shall not be allowed to vote) provided, however, that the Director to be removed is provided with advance notice of the meeting at which the removal is to be considered an opportunity to contest the proposed removal in writing or in person at a meeting of the Board, and final written notice of the Board's decision.

## **Article VI — Committees**

### ***Section 1. Executive Committee.***

The Executive Committee shall consist of the three voting officers: President, Vice President, and Immediate Past President. The Executive Director is an ex-officio nonvoting member and shall attend Executive Committee meetings as an invited guest. The Executive Committee shall exercise powers of the Board of Directors in the management and direction of the business and conduct of the affairs of the Association during the intervals between meetings of the Board of Directors. The Executive Committee shall serve as the Finance Committee. It shall keep a record of its proceedings and shall, after each meeting, report the same to the Board of Directors for its ratification at the next succeeding meeting of the Board.

Meetings of the Executive Committee in person, by phone, or other electronic means may be called by the President and one other officer of the Association on written, oral, or electronic notice to each

member of the Executive Committee not less than 24 hours prior to the meeting, or whenever practical. A majority of the members of the Executive Committee shall constitute a quorum. There shall be no vote by proxy at the meetings of the Executive Committee.

***Section 2. Committees.***

Members of these committees shall be appointed in accordance with policies established by the Board of Directors. The basic functions of the committees shall be to provide professional development programs and to conduct research in the field of school business administration.

***Section 3. Other Association Committees.***

The Board of Directors may establish such other committees as are necessary and appropriate.

**Article VII — Membership Meetings**

***Section 1. Annual Meeting.***

The annual meeting of the Members shall be held on or before December 31 of each year on such day and at such time and place as the Board of Directors shall designate.

***Section 2. Special Meetings.***

Unless otherwise prescribed by state law or by the Articles, special meetings of the Members may be held for any purpose or purposes and at any time on the call of the Chair of the Board of Directors (the “Chair”) or the President of the Corporation (the “President”), at the request in writing of a majority of the Board of Directors, or at the request in writing of at least thirty percent (30%) of the Members entitled to vote at such meeting. Such request shall state the purpose or purposes of the proposed meeting. If the Secretary shall fail or refuse to give notice of such meeting, then the notice may be given by the officer making the call or the Directors or Members making the request.

***Section 3. Quorum.***

At all annual and special meetings of the Association, a majority of the voting members present, subject to the decision of the presiding officer, shall constitute a quorum.

***Section 4. Meetings by Conference Call***

The Executive Committee or the Board of Directors may hold a meeting by conference telephone or similar communications equipment if all person participating in the meeting can hear each other at the same time. Any action taken by such means shall be of the same force and effect as if a regular meeting authorized by these Bylaws took place.

### ***Section 5. Action Taken Electronically***

Any action that could 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 approved in writing by all of the Directors. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and provides a written record of approval. All approvals evidencing the consent shall be delivered to the Secretary to be filed in the corporate records. The action taken shall be effective when all the Directors have approved the consent unless the consent specifies a different effective date. Any such consent approved in writing by all the Directors shall have the same effect as a unanimous vote of the Board of Directors.

### **Article VIII — Voting**

The Annual Election shall be conducted according to the election rules as prescribed by the Board of Directors. All voting members, as defined in Board Policy, shall be eligible to receive one vote. The votes shall be tabulated and verified by the Election Committee Chair and the results shall be announced in accordance with the election rules prescribed by the Board of Directors.

### **Article IX — Indemnification**

#### ***Section 1. Limitation of Liability.***

To the fullest extent permitted by Illinois law, a Director or Officer shall not be personally liable to the Association or others for monetary damages for any action taken or any failure to take any action, unless the Director or Officer has breached or failed to perform the duties of his office and such breach or failure constitutes self-dealing, willful misconduct or recklessness. The provisions of this Section 1.01 hereof shall not apply with respect to the responsibility or liability of a Director or Officer under any criminal statute or the liability of a Director or Officer for the payment of taxes pursuant to local, state or federal law.

#### ***Section 2. Indemnification.***

- a. **Indemnification.** The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a Director or Officer or an employee, seconded, contractor, representative or agent of the Association, or is or was serving, at the request of the Association, as a Director or Officer or as an employee, seconded, contractor, representative or agent of another corporation, partnership, association, joint venture, trust or other enterprise, against expenses (including attorneys' fees), amounts paid in settlement, judgments, and fines actually and

reasonably incurred by such person in connection with such action, suit or proceeding, provided, however that no indemnification shall be made in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted self- dealing, willful misconduct or recklessness.

- b. **Advance of Expenses.** Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding shall be paid by the Association in advance of the final disposition of such action, suit, or proceeding, upon receipt of an undertaking by or on behalf of the Director, Officer, employee, secondee, contractor, representative or agent to repay such amount if it shall be ultimately determined that he or she is not entitled to be indemnified by the Association as authorized in this Article.
- c. **Indemnification Not Exclusive.** The indemnification and advancement of expenses provided by this Article shall not be deemed exclusive of any other right to which persons seeking indemnification and advancement of expenses may be entitled under any agreement, vote of the Board of Directors, or otherwise, both as to actions in such persons' official capacity and as to their actions in another capacity while holding office, and shall continue as to a person who has ceased to be a Director, Officer, employee, secondee, contractor, representative or agent and shall inure to the benefit of the heirs, executors, and administrators of any such person.
- d. **Insurance, Contracts, Security.** The Association may purchase and maintain insurance on behalf of any person, may enter into contracts of indemnification with any person, and may create a fund of any nature which may, but need not be, under the control of a trustee for the benefit of any person, and may otherwise secure, in any manner, its obligations with respect to indemnification and advancement of expenses, whether arising under this Article or otherwise, whether or not the Association would have the power to indemnify such person against such liability under the provisions of this Article.

### ***Section 3. Effect of Amendment.***

Any amendment, repeal or modification of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a Director or Officer or any right of any person to indemnification from the Association with respect to any action or failure to take any action occurring prior to the time of such amendment, repeal or modification.

## **Article X — Policy Manual and Bylaw Amendments**

### ***Section 1. Policy Manual.***

To supplement the Official Bylaws of the Association, there shall be constituted and maintained a Policy Manual containing additional rules, regulations, and procedures approved by the Board, to be used in managing the affairs of the organization.

### ***Section 2. Bylaw Amendments.***

Amendments to the Bylaws are submitted to the Bylaws Committee and made by the Board of Directors. If a majority of the Board approves the proposed amendments, they shall then be voted upon by the eligible membership as part of the Annual Election, provided advance notice is given to the membership in an ASBO International publication. If a majority of the Board does not approve a proposed amendment, it will be tabled and reconsidered the succeeding year by the Bylaws Committee. If a majority of the Board does not approve a resubmitted proposed amendment, it will be presented to the members for voting. Bylaw amendments require a two-thirds majority of the votes cast for passage. All amendments shall become effective upon approval by the membership.

## **Article XI — Dissolution and Liquidation**

### ***Section 1. Dissolution and Liquidation.***

No member, officer, or any private individual shall be entitled to share in the distribution of any of the assets of the Association on its dissolution or liquidation. In the event of such dissolution or liquidation, the assets of the Association, after payments of debts and obligations, shall be transferred to an organization with federal tax exemption for charitable and educational uses and purposes similar to those of this Association, which is not a private foundation within the meaning of the federal tax laws. The exempt organization shall be designated by the final Executive Committee of the Association.