

ILLINOIS SOCIETY OF ENROLLED AGENTS BYLAWS

ARTICLE I

NAME, PRINCIPAL OFFICE, PURPOSES AND RESTRICTIONS

1.01 Name

The name of this Association is the Illinois Society of Enrolled Agents, Inc. The Association is an Illinois Business League.

1.02 Registered Office and Registered Agent

The principal office of the Association is 1001 E. Chicago Ave. Suite 119 Naperville IL 60540.

The registered agent of the association is Steven L. Heeley EA. The Board of Directors may change the location of the principal office, establish additional offices, or change the registered agent from time to time as may be determined by the Board of Directors.

1.03 Purposes

The purposes of the Association include:

- a. Advancement and improvement of all aspects of Enrolled Agency through meetings, communications, publications, education, programs, and activities;**
- b. Articulating and advocating the needs and interests of Enrolled Agents before legislative, administrative, and judicial branches of federal, state and local government;**
- c. Cooperating on behalf of Illinois Enrolled Agents with persons, and or businesses directly or through their organizations in matters involving the business and governmental affairs of Enrolled Agents;**
- d. Promulgating policies and activities for the betterment of all those individuals involved in any and all aspects of Enrolled Agency; and,**
- e. Assisting legislators and governmental agencies by explaining and clarifying proposed governmental actions which will impact Enrolled Agents and clients of Enrolled Agents.**

1.04 Restrictions

All policies and activities of the Association shall be consistent with:

- a. Applicable federal, state, and local antitrust, trade regulation or other legal requirements; and,**

- b. **Applicable tax exemption requirements.**

ARTICLE II

DEFINITIONS AND PARLIAMENTARY AUTHORITY

2.01 Affiliates

Affiliate means an organization chartered directly by this Association hereinafter called a Chapter. Such Chapter shall be:

- a. An organization comprised of Members residing or working within a geographic region of Illinois; or**
- b. An organization comprised of Members residing or working within an Illinois general metropolitan area; and**
- c. Each Chapter shall be organized, have officers, directors, and operate in conformity with rules and procedures established by the National Association of Enrolled Agents. All Members of a Chapter must be Members of the National Association of Enrolled Agents;**
- d. Geographical, Political, and Economic boundaries shall not prevent members from participating in the chapter of their choice.**

2.02 Circular 230

Circular 230 means the United States Treasury Department Circular 230, 31 Code of Federal Regulations Subtitle A, Part 10, as amended.

2.03 Member

Member shall mean Associate Member, Regular Member and Member Emeritus.

2.04 Notice

Any reference to the time a notice is given or sent in these bylaws shall mean the time such notice is deposited in the United States mail, postage prepaid; or the time such notice is delivered to a common carrier for transmission.

2.05 Parliamentary Authority

Unless otherwise specified in these bylaws, the rules contained in the current edition of Robert's Rules of Order Simplified Second Edition shall govern the Association in all cases to which they are not inconsistent with the law.

ARTICLE III

MEMBERS

3.01 Qualifications and Rights of Membership

The Association shall have three classes of Membership:

- **Member**
- **Member Emeritus**
- **Associate Member**

A Member shall generally be a Member of a Chapter whose charter includes either the geographic area of the Member's place of residence, employment, or practice. Contiguous Chapters may agree to allow Members to join each other's Chapter. The Member will be allowed to continue this non-geographic affiliation until such time as the Member chooses to rejoin the Chapter in the Member's geographic area.

3.02 Member

Membership in the Association is limited to those persons holding a current Enrollment Card issued by the United States Department of the Treasury, Internal Revenue Service, and such persons qualifying under Section 3.03 and 3.04 of these bylaws.

3.03 Member Emeritus

A Member Emeritus shall be a person who has been a Member for the preceding five (5) years, who is on "inactive retired status" under Circular 230. A Member Emeritus shall not be required to fulfill the requirements for continuing professional education (CPE). The Board may waive the requirement of membership for the preceding five years.

3.04 Associate Member

An Associate Member shall be such natural person who does not hold a current Enrollment Card issued by the United States Department of the Treasury, Internal Revenue Service; and is not otherwise censured, suspended, or disbarred.

Such Associates shall not:

- (1) Have the right to vote on any issue that comes before the Association.**
- (2) Hold elective office in the Association.**

3.05 Member Obligation to Follow Association Rules

Each Member of this Association agrees to be bound by these bylaws and any amendments thereto, and by the lawful actions of the Board or the voting Members of the Association.

3.05 CPE Requirements

Each Member shall fulfill CPE requirements as promulgated by the National Association and shall abide by the Code of Ethics, the Rules of Professional Conduct, and these bylaws.

3.06 Member Liability

No Member shall be personally or otherwise liable for any obligations of the Association or any Chapter.

3.07 Compensation

No person who holds office in the Association or its Chapters shall be employed by the Association except as an educational instructor. Members who serve in volunteer or elective positions for the Association shall do so without remuneration; however, the Board of Directors may allow reimbursement for actual and necessary expenses incurred for Association business.

Members, including officers of the Association, who teach at Association or Chapter seminars, prepare teaching materials for use at seminars, or prepare or produce materials which are sold by the Association or its Chapters, shall be paid the fair market value for their services, subject to the approval of the Board of Directors.

3.08 Association Records

All official correspondence, papers, and records in the possession of Members when serving as officers, directors, or members of committees are the property of the Association and shall be turned over to the Association upon the incumbents' completion of their tenure in office.

ARTICLE IV

MEMBERSHIP DUES AND ASSESSMENTS

4.01 Setting Annual Dues

The Board of Directors shall set the amount of the annual dues for membership. The amount of the annual dues shall be invoiced by the National Association. Notice of changes shall be disseminated to the membership no later than sixty (60) days after the Board has voted to change the annual dues or ninety (90) days prior to the close of the fiscal year, whichever occurs first.

4.02 Payment of Dues

Membership dues are due and payable annually. Such dues shall be remitted in accordance with the Bylaws of the National Association. Once remitted such dues shall remain the property of the Association unless membership is rejected upon application.

4.03 Assessments

The Board of Directors may, upon affirmative vote of two-thirds (2/3) majority, levy such additional assessments as are necessary to carry out the activities of the Association.

ARTICLE V

MEMBERSHIP STATUS

(Cessation, Suspension, Expulsion)

5.01 Cessation of Membership

A membership shall terminate upon:

- a. Resignation of Membership, on reasonable notice to the Association;**
- b. Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the Board; or**
- c. Occurrence of any event that renders a Member ineligible for membership, or failure to satisfy or to continue to satisfy membership qualifications.**

5.02 Failure to Pay Dues

a. Membership shall be suspended for nonpayment of dues or assessments on the thirtieth day (30) after the due date. Any such suspended member who shall not have corrected such deficiency shall be terminated on the Seventy-Fifth day (75) following.

b. Any Member whose membership is in jeopardy of termination under this section should be notified at least thirty (30) days prior to the potential date that membership will terminate.

c. Any Member terminated for nonpayment of dues within the previous six (6) months, whose record shows no complaints or charges pending before the Ethics and Professional Conduct Committee, may be eligible for reinstatement by forwarding a request for such to the Association with one year's dues.

d. Due to hardship or extenuating circumstances, the Board of Directors, may upon written request, waive any payment of dues and or assessments.

5.03 Status with Internal Revenue Service

a. Any Member whose enrollment to practice before the Internal Revenue Service (Service) is temporarily suspended for any reason by the issuing authority shall be automatically suspended from membership during the period of suspension to practice before the Service. Any Member whose enrollment to practice before the Service is permanently terminated by the issuing authority shall be automatically expelled from the Association.

b. Notwithstanding any other provision of these bylaws, any person whose enrollment to practice before the Internal Revenue Service is canceled by virtue of the issuance of a state license to practice as a Certified Public Accountant or admission to practice before the Bar of any state or higher jurisdiction, if said reason is the sole reason for cancellation of enrollment, shall be eligible for membership in the Association provided said person meets all other criteria of membership.

c. Notwithstanding any other provision of these bylaws, any person who is not allowed to practice before the Internal Revenue Service by virtue of acceptance of a position in government service, if said reason is the sole reason for not being able to practice before the Service, shall be eligible for membership in the Association provided said person meets all other criteria of membership.

5.04 Discipline

A Member may be disciplined (which may include private or public censure, suspension or expulsion) if:

a. A Member violates the Association's Bylaws, Code of Ethics, Rules of Professional Conduct or Circular 230.

b. A Member is determined by the Board of Directors to have been guilty of an act discreditable to the profession.

c. A Member is convicted of a felony or is adjudicated of unsound mind.

d. A Member purports to represent the official position of the Association without prior approval of the Board of Directors. Directors and Committee Chairs shall have the authority to represent the Association in matters regarding their respective positions.

Actions against a Member under this Section shall be processed in accordance with the Ethics and Professional Conduct Standing Operating Procedures adopted by the Association and incorporated into these bylaws by reference.

ARTICLE VI

MEMBERSHIP MEETINGS

6.01 Annual Meeting

An Annual Meeting of the Members (Annual Meeting) shall be held at a place and time selected by the Board of Directors.

6.02 Notice of Annual Meeting

The Secretary shall cause to be issued a Notice of Annual Meeting no less than Thirty (30) days prior to such time and date selected by the Board of Directors. Such notice shall include:

a. An agenda.

b. The report of the Nominating Committee to include a list of the nominees.

c. The text of any proposed bylaw changes with the analysis of the Bylaws Committee, including minority reports, if any.

6.03 Election of Officers and Directors

Officers and Directors of the Association shall be elected during the Annual Meeting of the Association. Nominations in addition to the Nominating Committee's report may be made from the floor in accordance with Illinois law.

6.04 Special Meetings

A Special Meeting of the membership may be called by a petition signed by ten percent (10%) of the Members as of the date the petition is received at the office of the Association.

The Secretary shall promptly attest that the number of signatures is sufficient to comply with the ten percent (10%) requirement and that the signatures appear valid.

The Secretary shall then issue a call to the Special Meeting with the agenda of topics to be considered. The meeting shall take place under Standing Rules for Special Meetings adopted by the Board.

A Special Meeting of the Association may be called for any lawful purpose. No business, other than the business the general nature of which is set forth in the Notice of Special Meeting, shall be transacted at a Special Meeting of the membership.

6.05 Quorum

A quorum shall be a majority of the Members registered for and whose attendance has been verified at the Annual Meeting. A quorum at a Special Meeting of the Members shall be ten percent (10%) of the Members of the Association.

If any Annual or Special Meeting of the membership of the Association is attended by fewer than twenty percent (20%) of the Members, only bylaws and those issues which were properly enumerated in the meeting notice shall be called for action.

6.06 Voting

Each Association Member is entitled to one vote on each matter to be decided at the Annual or Special Meeting of the Association. Cumulative and proxy voting is prohibited. Unless otherwise specified by these bylaws, or otherwise required by Illinois law, or otherwise in conflict with Robert's Rules of Order (Newly Revised), all matters to come before an Annual or Special Meeting of the

Association shall be decided by a majority of those registered to vote and whose attendance has been verified at the Meeting.

ARTICLE VII

DIRECTORS

7.01 The Board of Directors

The Board of Directors of the Association shall consist of six (6) directors at large, each of whom shall be a member, the Immediate Past President, and the officers of the Association.

7.02 Qualifications and Terms of Office

Only Members shall be eligible to serve as Members of the Board of Directors. Directors shall be elected to serve two (2) year terms. Three (3) Directors shall be elected during odd-numbered years and three (3) Directors shall be elected during even-numbered years.

7.03 Duties and Responsibilities

The Board of Directors shall be the governing body of the Association and shall have the authority and responsibility for the supervision, control and direction of the Association.

7.04 Removal of Directors

A Director shall be removed from office for unexcused absence at two (2) scheduled meetings of the Board per year.

7.05 Vacancies

If a Directorship becomes vacant for any reason, the Board of Directors shall select a Member to fill the vacancy until the next Annual Meeting at which time the membership shall elect a Director to serve the remaining term.

ARTICLE VIII

BOARD MEETINGS

8.01 Call of Meetings

A meeting of the Board of Directors may be called by the President, or upon written request of six (6) Members of the Board.

8.02 Time and Place of Meetings

The time and place for all meetings of the Board of Directors shall be fixed and determined by the President with the approval of the Board.

8.03 Notice of Meeting

Notice of a meeting in written or electronic format shall contain an agenda and be delivered to the Members of the Board and to the President of each Chapter no later than ten (10) days prior thereto by the Secretary, or Executive Director.

8.04 Open Meetings

All meetings of the Board of Directors shall be open to the Members except when an ethics or professional conduct issue, a personnel issue, or a lawsuit is before the Board. Members attending open Board meetings shall be heard.

8.05 Quorum

A quorum at a meeting of the Board of Directors shall be a majority of the Board.

8.06 Telephonic Meeting

Subject to the requirements of Illinois law, a meeting of the Board may be held by conference telephone or similar communications equipment. Such meeting shall be valid if (1) all Members of the Board have been notified, (2) a majority of the Members of the Board of Directors participate, and (3) all participants are in communication with each other.

8.07 Action by Unanimous Consent

Subject to the requirements of Illinois law, any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if all Members of the Board shall individually or collectively consent in writing to such action.

ARTICLE IX

OFFICERS

9.01 Officers of the Association

The officers of the Association shall be a President, 1st & 2nd Vice Presidents, a Secretary, and a Treasurer each of whom shall be members.

The officers shall have such authority and responsibility customary for their office, and in accordance with the law, bylaws, Standard Operating Procedures and Policies of the Association.

9.02 Election of Officers

Each officer shall be elected by the Members at the Annual Meeting to serve for a one-year term. Officers shall serve from the time of their installation until their successors have been duly elected, installed, and assumed their office respectively.

9.03 Removal of Officers

An officer may be removed from office for unexcused absence at two (2) regularly scheduled meetings of the Board.

9.04 Vacancies

If because of disability, resignation, or cause, any office becomes vacant, the Board shall appoint Member(s) to serve the remainder(s) of any such term.

9.05 President

The President shall be the Chief Executive Officer of the Association.

9.06 Treasurer

The Treasurer shall be the Chief Financial Officer of the Association. The Treasurer or his designee shall:

- 1. Receive funds of the Association and deposit same in the name of the Association in such depository institution as the Board may select;**
- 2. Maintain complete records and books of account of all the financial affairs and transactions of the Association;**
- 3. Render a report and account to the Board relative to the administration thereof upon request of the Board.**

9.07 Executive Director

The Board of Directors shall engage an Executive Director, who shall perform such duties as are prescribed by the Board of Directors.

The Executive Director shall be considered an officer for all purposes except that if such Executive Director is not a Member of the Association, such Executive Director shall not be entitled to vote on Association issues and, therefore may not vote on matters reserved for Members.

The Executive Director is an ex-officio non-voting Member of the Board of Directors. The Executive Director shall be authorized by contract.

ARTICLE X

COMMITTEES

10.01 Committees

The Board of Directors shall establish procedures for the creation and operation of standing committees and task force committees as it deems appropriate. All committee Chairs and committee Members shall be Members.

10.02 Nominating Committee

The Board of Directors shall select a Nominating Committee consisting of not less than three (3) Members. Not later than thirty (30) days prior to the Annual Meeting, or the close of the spring meeting of the Board, whichever comes first, the Committee shall submit a report to the Board of Directors nominating at least one Member for each vacant officer and director position. Nominations shall not close until no nominations are received from the floor of the Annual Meeting.

10.03 Executive Committee

The President, 1st Vice President, 2nd Vice President, and Executive Director shall constitute an Executive Committee and such Executive Committee shall have such powers and authorities as delegated by the Board of Directors.

The Executive Committee, if any, shall report at each meeting of the Board of Directors. The existence of an Executive Committee shall not relieve the Board, or any individual Director, of responsibility imposed on Directors by the Articles of Incorporation, these Bylaws, or the laws of the State of Illinois.

10.04 Special Committees

No later than the second Board of Directors meeting of the current term of office, the President shall nominate, for Board of Directors confirmation, an:

a. Audit Committee to audit or cause to be audited the books and records of the corporation for the prior year. The Audit Committee report shall be

delivered in writing to the Board of Directors and shall be presented to the membership.

b. **Ethics and Professional Conduct Committee** which shall consist of no less than three (3) Members. Members of this Committee may also be Non-Members of the Board.

c. **Such other committees as may be deemed necessary by the President and or the Board of Directors.**

10.05 Standing Committees

No later than the second Board of Directors meeting of the current term of office, the President shall nominate, for Board of Directors confirmation, the Chair of the following standing committees:

- a. **Bylaws Committee**
- b. **Convention Committee**
- c. **Finance and Budget Committee**
- d. **Government Relations & Legislative Affairs Committee**
- e. **Membership Committee**

10.06 Reports and Recommendations

Reports and recommendations of committees shall be submitted in writing to the Board of Directors. Each committee shall make an annual written report to the Members at the Annual Meeting.

10.07 Past Presidents' Advisory Council

Past presidents of the Association shall comprise the "Past Presidents' Advisory Council."

ARTICLE XI

FISCAL YEAR

11.01 Fiscal Year

The fiscal year of the Association shall be July 1 through June 30; or such other period as determined by the Board of Directors.

ARTICLE XII

CHAPTERS AND REGIONS

12.01 Authority to Charter Chapters

The authority to charter Chapters resides with the Board of Directors. Such Chapters are affiliates as defined in Article II.

12.02 Bylaws

The Bylaws of each Chapter shall conform to the Bylaws of the Association.

12.03 Charters

A Charter shall be issued to each Chapter bearing the Seal of the Association and the signatures of the President and the Secretary. The acceptance of said Charter by the Chapter shall be deemed to constitute ratification of and acceptance of the Bylaws of the Association.

12.04 Dues and Application Fees

No Chapter may collect dues or application fees without prior approval of the Board of Directors of the Association.

12.05 Membership Requirements

Each Chapter shall require its Members to maintain membership in the National Association of Enrolled Agents and the Illinois Society of Enrolled Agents.

12.06 Officers and Directors

Chapters shall have a President, a Secretary, and such other officers and directors as may be required for the successful operation of the Chapter.

12.07 Withdrawal of Charter

Authorization to operate as a Chapter may be withdrawn whenever the Board of Directors in good faith determines that any of the following events have occurred:

- a. Failure to serve the Members.**
- b. Failure to maintain membership in relation to the Member-prospect base;**
- c. Failure to abide by Association Bylaws;**
- d. Unethical conduct unbecoming of the profession.**

Such withdrawal under this section shall be predicated upon a thorough investigation by the appropriate committee. The Chapter shall receive notification that such withdrawal is under consideration and shall benefit from the principles of due process. Chapters reserve the right to appeal any decision of the Board of Directors of the Association to the membership at the Annual Meeting. A Chapter may terminate by surrender of its charter, with notice of such, in writing.

12.07 Association and Chapter Liability

Chapters are solely liable for any debts or obligations incurred unless prior written consent from the Association has been obtained from the Board of Directors. The Association shall be solely liable for debts and obligations incurred by the Association.

ARTICLE XIII

INDEMNIFICATION AND INSURANCE

13.01 Indemnification

To the fullest extent permitted by law, the Association shall indemnify and hold harmless any and all past, present, or future Directors and Officers, as identified and defined in these bylaws, and, in its discretion and in accordance with law, may indemnify and hold harmless any agent or employee of this Association of and from all liabilities, expenses, and counsel fees reasonably incurred in connection with all claims, demands, causes of action, and other legal proceedings to which they may be subjected by reason of any alleged or actual action or inaction in the performance of the duties of such Director, Officer, employee or agent on behalf of the Association.

The provisions of this article shall be interpreted and applied subject to and in conformance with the provisions of Illinois law and shall be in addition to and exclusive of any other rights to which any Director, Officer, employee or agent may be entitled by law.

13.02 Insurance

The Association shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of all its agents, including officers, directors and employees, against any liability asserted against or incurred by the agent in such capacity arising out of the agent's status as such.

ARTICLE XIV

DISSOLUTION

14.01 Dissolution

The dissolution or winding up of the Association shall follow the requirements of the Illinois Corporation Law. Upon dissolution, it shall be the obligation of the Treasurer to ensure that all just debts and claims against the Association are paid. Any funds remaining after payment of all debts and obligations shall be distributed to one or more regularly organized and qualified charitable, educational, scientific or philanthropic organizations exempt from taxation under Section 501 of the Internal Revenue Code. Such organizations are to be selected by the Board of Directors.

ARTICLE XV

AMENDMENT OF BYLAWS

15.01 Amendment

Amendments to these bylaws that have been properly noticed may be made at any Annual Meeting or Special Meeting of the Members by a majority vote of the Members voting. Amendments may also be made by mail ballot.

15.02 Amendment Proposals

Proposals to amend these bylaws may be made by Members of the Association or by the Board of Directors. All proposed amendments by Members shall be signed by ten (10) Members and presented to the Bylaws Committee. The Bylaws Committee shall prepare an analysis of the proposed amendment(s) and submit the analysis to the Board of Directors with the recommendation for consideration. If the Bylaws Committee recommends the proposed bylaw amendment(s) be submitted to the membership for vote, the Board shall cause a notice of the proposed bylaw amendment(s) together with the analysis of the Bylaws Committee to be included in the Call to Convention or submitted to the membership for mail ballot. If the Bylaws Committee concludes the proposed amendment(s) is not appropriate for submission to the membership and the Board agrees, the proponents of the measure shall be so notified. Proponents of such amendment(s) shall have the option of resubmitting the proposed amendment with the signature of

Twenty-Five (25) Members, in such case it shall be submitted to the membership.

Notwithstanding other provisions of this Article, the Board of Directors is authorized to adopt bylaw amendments related to housekeeping corrections only. The authority of the Board is strictly limited to:

- 1. Renumbering sections after the membership has adopted a bylaw change.**
- 2. Correcting typographical errors for publication.**
- 3. Making necessary grammatical corrections to published proposals or adopted amendments provided there is no change to the intent of the proposals or amendments.**