

# **THE PURCHASING MANAGEMENT ASSOCIATION OF CLEVELAND, INC.**

## **FORWARD**

In the fall of 1914, a small group of energetic purchasing agents assembled in downtown Cleveland to formulate plans for the organization of a "Purchasing Agents Association of Cleveland." The resulting organization has become one of the best and most progressive local purchasing associations in the best and most progressive local purchasing association in the national. Later, on June 1, 1968, the organization changed its name to the Purchasing Management Association of Cleveland Inc.

This organization was originally conceived by S. Holmes Mansfield and H. J. Richards. Present at the first meeting were S. H. Mansfield, President; H. E. Harmer, Vice President; H. J. Richards, Secretary; J. P. Selig, Treasurer; and Charles Messner, Assistant Secretary. Also present were D. C. Freer, A. E. Homan, D. G. Miller, George Beilstein and E. C. Williams.

The ideas and guiding principles upon which this organization was founded were Loyalty to his/her company, Justice to those with whom he/she deals and Faith in his/her profession.

In the fall of 1915, officers of the Cleveland Association learned that the National Association of Purchasing Agents was being formed in New York. By the end of 1916, Cleveland had affiliated with the National Association which by this time was composed of eight local associations with a total membership of 250 people. Today, Institute for Supply Management (hereafter referred to as ISM which replaced NAPM as the National organization on January 1, 2002) has 171 affiliated associations across the nation with a membership of over 40,000 and PMAC has a membership of over 600. Cleveland has gone a long way to help facilitate the development of the National Association, and has also provided three NAPM presidents.

In 1919 at the NAPM International Conference in Philadelphia, Frank L. Kulow, Purchasing Agent for Willard Storage Battery Company, was elected President, and during his term as National President, he was instrumental in the formulation of the Executive Committee which supplanted a Board of Directors in guiding the day to day progress of the National Association. During 1924, when the National Convention was held in Boston, A. G. Hopcraft was elected NAPM president, following many years of excellent work and ideas he gave to the Purchasing profession.

At the 1973 NAPM International Conference held in New York, Richard H. Sheppard, Manager of Purchases for Cleveland-Cliffs, was elected President of NAPM. During his term as President, Dick was the driving force behind the Certified Purchasing Manager (C.P.M.) Program, as well as a promoter of Commodity Committees.

In addition, the Cleveland Association has hosted four NAPM Conferences in Cleveland in 1923, 1934, 1950, and 1956.

The local Association coordinates the interests of its members and provides services and personal contacts that no other group can duplicate. Through ISM, this coordination of interests is expanded internationally to permit the development of services and activities which no local association could afford to adequately support. ISM activities follow broad fundamental lines; are of general interest and value to the members of all local groups and are available to all members who elect to participate in them.

## **ORGANIZATION**

The Cleveland Association is owned and operated by and wholly for its members.

Local Associations affiliated with ISM retain their independence in the selection and management of their local activities. There is no dictation from National to locals.

The Cleveland Association has a minimum of a President, Vice President, Secretary-Treasurer and at least two Directors who are responsible for the management of the local affiliate.

The ISM Board of Directors is responsible for the policies, activities and management of ISM.

ISM's members come from a diverse group of business interests having members from, but not limited to, large and small units of industrial, educational, utilities, and distribution organizations. On political, social, labor and even economic problems, the interests and opinions of its members or the policies of their companies would be divergent. Therefore, PMAC does not obligate or embarrass its members by committing them to, or representing them to be for or against any proposal of a controversial nature, except in cases where the ISM board may deem it advisable to state an opinion.

The Association freely and impartially presents information upon which the members may base their own determination, but recognizes their individual rights which place a corresponding limitation on representation by a professional association. Information on business and commodity trends, purchasing policies and procedures, as well as economic forecasts is offered from authoritative and representative sources. Recommendations on purchases are not made; that is an individual responsibility.

Members are never asked to give confidential information on prices, processes or transactions. The discussion of confidential information at meetings is expressly prohibited. Within those limitations, all members may contribute their knowledge and experience to the solution of the problems of others and participate in the values to be secured from such an exchange.

All meetings of the Cleveland Association or any of its subdivisions are open to any member who has a purchasing interest in the program under consideration. All services of the Association are available to all members impartially; that is true also of information regarding any policy, activity, or transaction of PMAC.

ISM headquarters is located at 2055 East Centennial Circle, Tempe, Arizona 85284. Founded in 1915, the Institute for Supply Management™ (ISM) is the largest supply management association in the world as well as one of the most respected. ISM's mission is to lead the [supply management profession](#) through its standards of excellence, research, promotional activities, and education. ISM's membership base includes more than 40,000 supply management professionals with a network of domestic and international affiliated associations. ISM is a not-for-profit association that provides opportunities for the promotion of the profession and the expansion of professional skills and knowledge.

ISM assists members with any individual purchasing problems; to furnish information regarding sources of supply for new or unusual requirements, processes, specification, standards, prices, trade customs or practices, purchasing policies or procedure, etc. A tremendous number of business publications, trade information, professional contacts and other research materials are available at the National office. The National office has an experienced staff supplemented by consultants and commercial agencies that specialize in the needed material and information. Along with this information, and with the knowledge and experience of other members freely given, the correct information can usually be secured.

Unless authorized the identity of a member or his company is never divulged in handling individual inquiries. In making surveys and compiling the information reported, the same confidential relationship is observed. This policy secures cooperation in the exchange of ideas and information and permits frank expression of opinion and experience.

The Association depends heavily upon the standards of ethical practice it sponsors and the services it gives to secure favorable recognition for the profession itself. Reference is made to ISM Standards of Conduct, copies of which are available from the ISM office.

To be a good supply management professional, you must think, read, and plan. No other outside assistance can be as helpful to you in doing that as the cooperation of supply management professionals with similar problems. Your local Purchasing Management Association, as a part of the Institute for Supply Management is your opportunity to strengthen your own position.

**BYLAWS OF THE  
PURCHASING MANAGEMENT ASSOCIATION  
OF CLEVELAND, INC.**

**ARTICLE I - NAME AND LOCATION**

**SECTION 1. Name.** The name of this Association shall be the Purchasing Management Association of Cleveland, Inc., a non-profit **501 (c) (6)** corporation organized and existing by the virtue of the laws of the State of Ohio (hereinafter referred to as the "Association" or "PMAC").

**SECTION 2. Location.** The principal office of the Association shall be located in the Greater Cleveland Area, State of Ohio, or in such other localities as may be determined by the Board of Directors.

**ARTICLE II – PURPOSES**

**SECTION 1. Purposes of the Association.** The fundamental goals of this Association are:

- (a) To foster and promote interchange of ideas and cooperation among its members.
- (b) To promote the study, development, and application of supply management and materials management, including improved procurement or purchasing methods and practices and all matters related to the foregoing (hereinafter referred to as "the supply management profession").
- (c) To collect and disseminate information by all lawful means of interest and benefit to its members, including surveys and reports of current business trends and other information of interest to the supply management profession.
- (d) To develop and encourage standards of personal and ethical conduct among persons engaged in the supply management profession.
- (e) To encourage and cooperate in the institution and development of educational courses, seminars, programs and materials on the subject of supply management and all materials related thereto.
- (f) To strive by all lawful means to promote and enhance the supply management profession.
- (g) To develop, sponsor, promote and encourage a professional certification program for persons engaged in the supply management profession.
- (h) To be affiliated with the Institute for Supply Management, Inc. (hereinafter referred to as ISM or National Association) and other associations or organizations of persons engaged in the supply management profession throughout the United States and all foreign countries.
- (i) To cooperate, collaborate and exchange information by lawful means with professional, trade and other associations and organizations of persons engaged in the supply management profession and to advance public relations with governmental agencies and the public in general concerning the supply management profession.
- (j) To do any other act or thing incidental to or connected with the foregoing purposes or in advancement thereof, but not for the pecuniary profit or financial gain of its members, directors or officers, except as otherwise permitted by the laws of the State of Ohio.

**SECTION 2. Compliance.** In the accomplishment of these purposes, it shall be the policy of the Association to comply at all times with all existing and future laws, including the antitrust laws and in furtherance of this policy, no activity or program shall be sponsored or conducted by or within the Association which in any manner whatsoever shall represent or be deemed a violation of any existing or future law, including the antitrust laws, all in accordance with the *ISM Statement of Antitrust Policy and Guide for Antitrust Compliance*, as amended from time to time by the Board of Directors of ISM.

**SECTION 3. Confidentiality.** This Association shall comply with all existing laws regarding disclosure or discussion of confidential prices or other confidential information.

### **ARTICLE III - AFFILIATION WITH ISM**

**SECTION 1. General.** The Association shall be affiliated with ISM in accordance with the procedures set forth in the ISM Bylaws, and the Association shall comply with ISM policy as it may be adopted from time to time by the ISM Board of Directors and the provisions of this Article III.

**SECTION 2. Conditions of Affiliation.** The Association shall be obligated as a condition of affiliation with ISM to comply with the following:

- (a) To be incorporated as a non-profit corporation in accordance with the laws of the State of Ohio and to be validly existing and in good standing during the period of its affiliation with ISM.
- (b) To cause these Bylaws to conform to the ISM Bylaws and ISM policy, including without limitation, the provisions hereof with respect to the purposes of the Association and eligibility for membership.
- (c) To perform all necessary procedures concerning the review and approval of all applications for membership in the Association and ISM.
- (d) To resolve all questions concerning eligibility for membership in the Association and ISM in a fair and impartial manner in accordance with procedures established from time to time by the Association.
- (e) To collect dues from members of the Association and to remit to ISM all dues required by Article IV of the ISM Bylaws.
- (f) To comply at all times with ISM Policy as it may be adopted from time to time by the ISM Board of Directors including without limitation, the *ISM Statement of Antitrust Policy and Guide for Antitrust Compliance*.
- (g) To obtain prior written approval of ISM with respect to any proposed amendments to these Bylaws.

**SECTION 3. Suspension or Termination of Affiliation.** The affiliation with ISM of the Association may be suspended by the ISM Affiliate Support Council and ratified by the ISM Board of Directors for violation of or failure to comply with the ISM Bylaws, including specifically, but without limitation, provisions respecting payment of dues, eligibility of members and observance of ISM policies as may be adopted by the ISM Board of Directors from time to time. Any charge of violation or failure to comply under this Section shall be first presented to the Affiliate Support Council. If the Affiliate Support Council shall determine that the charges are well founded, after the Association has been given reasonable notice of such charges and an opportunity to present a defense to the same, the charges shall be referred to the ISM Board of Directors for ratification together with the recommendations of the Affiliate Support Council. If the Association is suspended or terminated it may be reinstated by the ISM Affiliate Support Council and ratified by the ISM Board of Directors at any time subsequent to such suspension or termination upon a proper showing of good cause to justify a reinstatement of affiliation with ISM.

### **ARTICLE IV - MEMBERSHIP**

#### **SECTION 1. Regular Members.**

A person shall be eligible to be a regular member of this association who satisfies the eligibility requirements of a regular member of an affiliated association as defined in the Bylaws of the Institute for Supply Management, Inc., (ISM) as amended from time to time (see ISM Article III, Section 4 paragraph below). Regular members of this Association shall have the right to cast one (1) vote on all questions which require a vote of the regular members of this Association other than those regular members who, pursuant to the ISM Bylaws, as amended from time to time, do not have voting rights."

**ISM Bylaws, Article III, Section 4. Regular Members.** Any person interested in the supply management field shall be eligible to be a Regular Member of an Affiliated Association provided that such person (i) is not primarily engaged in sales activity; or (ii) does not solicit business on behalf of such person or his or her employer during meetings of any ISM activity, including without limitation, meetings of Affiliated Associations (including chapters) ISM Committees and ISM groups and forums. For the purposes of this section, "primarily" shall mean a majority of a person's time. However, no person shall be ineligible by reason of incidentally disposing of scrap, surplus stock, or equipment of the concern by which he or she is employed. The eligibility of an editor, secretary, or business manager employed by an Affiliated Association shall not be affected by reason of sales activity directly related to any magazine, bulletin, or other publication, or exhibit, product, show or similar activity sponsored by such association.

Regular membership in an Affiliated Association shall include, but not be limited to the following:

- (a) A person who is involved in the purchasing or materials process, including without limitation, purchasing, purchasing research, value analysis, inventory control, materials management, supply chain management, or any other activity or function which is related to the purchasing or materials process.
- (b) An editor, secretary, or business manager employed by an Affiliated Association.
- (c) A person with a full-time appointment as a teacher, research specialist, department head, director or dean of a college, university or other academic institution whose academic responsibility includes purchasing management or materials management or other related fields or subjects.
- (d) An unemployed Regular member whose dues are current.
- (e) A retired Regular member whose dues are current.
- (f) An undergraduate or graduate student enrolled full time in an accredited community college or four-year college or university.
- (g) A person who is engaged in the business of providing consulting services primarily in the field of purchasing management and materials management on condition that such person does not solicit members of an Affiliated Association for consulting engagements.
- (h) A person who has been a Regular member for a period of ten (10) years or more, has retired from all regular employment and has been approved for this category of Regular membership by a majority vote of the Regular members of the Affiliated Association of which he/she has been a member. A person who meets this category shall not be charged ISM and Affiliated Association dues.

**SECTION 2. Dual Member.** A Dual member is a person who has membership in two local affiliates. Since there is no provision in ISM for a member to hold more than one ISM membership, he or she is a Regular member of one local affiliate only, and Dual member of the second local affiliate. ISM will collect dues only from the local affiliate where he or she is a Regular member. Dues for a Dual membership are determined by the local affiliate. A Dual member may vote and hold office in either of the Affiliated Associations he/she belongs to.

**SECTION 3. Nonvoting Membership.** The Association shall have the following membership classes, which shall not represent membership in ISM, nor entitle any member of such class to vote or hold office in the Association nor to serve as chair of the Association's standing committees:

- (a) **Associate Members.** Associate membership is available to those persons who meet the eligibility and qualification standards as set forth in Section 1(a) and (b). < There must be one Regular member from a company before Associate members can be admitted. In the event there is only one Regular member and he/she should resign from the Association the Associate member must convert to Regular membership as otherwise all Associate memberships will be canceled at the end of the calendar year.> Associate members shall have all benefits provided by the local Association except, they will not be permitted to vote or hold office: shall not be included in membership in ISM and will

not receive ISM benefits. Associate members will not be permitted to be chair of a committee or be eligible for election to the Board of Directors of this Association. Associate members may convert to Regular membership upon payment of Regular membership dues pro-rated and ISM administrative fee.

- (b) **Honorary Members.** Upon unanimous approval of the Board of Directors present and voting an Honorary membership may be conferred upon an individual no longer qualified for Regular membership. Honorary membership may be awarded to a person in recognition of distinguished or unusual services rendered to the supply management profession or to this Association. Said individual must have been a member of ISM for a period of ten (10) years or more. The Board of Directors shall have the authority and duty to revoke the Honorary membership of any individual whenever they shall determine that continuation of the Honorary membership would be inconsistent with the policies and objectives of ISM or the Cleveland Association.

#### **SECTION 4. "Dues Free" Members**

- (a) Honorary members as described in Section 3(b) of this article shall be exempt from payment of dues and fees.
- (b) Student members as described in Section 1(f). The Board of Directors shall have the authority and duty to revoke student membership if it is determined full-time student status no longer exists. Students do not have voting privileges.
- (c) Life members as described in Section 1(h) are Regular members with voting privileges but, by definition are not charged ISM and Affiliated Association dues.
- (d) Educators/Academics as described in section 1(c).

**SECTION 5. Sales Activity.** The Affiliated Association may not admit to membership, or retain as a member, any person primarily engaged in the solicitation of orders, or who is in charge of, or who is primarily responsible for sales, even though such person may be otherwise eligible for membership; provided, however, that no person shall be ineligible by reason of incidentally disposing of scrap, surplus stock or equipment of the concern by which he or she is employed. For purposes of this Section 4, primarily shall mean a majority of a person's time.

The eligibility of an editor, secretary or business manager employed by the Affiliated Association shall not be affected by reasons of sales activities directly related to any magazine, bulletin, or other publication, or any exhibit, product show or similar activity sponsored by such association.

**SECTION 6. Admission of Members.** Application for Regular membership or Associate membership shall be submitted upon the appropriate "Application for Membership" form. An applicant must give adequate evidence of his eligibility in accordance with requirements of Section 1(a) and (b) of Article IV - Membership.

The Membership Committee Chair shall (in conjunction with PMAC officers) verify the status of eligibility of the applicant. Each membership application shall require a three-fourths vote by the Board of Directors present and voting. Applicant shall become a member immediately upon notification of his election and after payment of his initiation fee and first annual dues, as prescribed herein.

**SECTION 7. Denial of Membership.** The Association shall have the right to deny membership to any applicant who fails to satisfy the eligibility requirements for any class of membership provided; however, denial of membership shall occur only after the applicant has been advised of the proposed denial of membership and has been given the opportunity to submit proof in support of his or her eligibility for membership in the Association. An applicant denied membership in the Association shall be given written notice of such denial and shall be advised in writing that he or she may appeal the action taken by the Association to the Affiliate Support Council by filing a notice of intent to appeal to the Affiliate Support Council at least thirty (30) days prior to the next regularly scheduled meeting of the Affiliate Support Council. Upon receipt of a timely filed notice of appeal, the Affiliate Support Council shall consider the appeal and shall allow the applicant the opportunity to submit proof in support of the applicant's eligibility for membership in the Association. Except for rare and extraordinary circumstances, the decision of the Affiliate Support

Council concerning denial of membership shall be final and binding and the denial will not be considered by the Board of Directors of ISM.

**SECTION 8. Expulsion of Members.** The Association shall have the right to expel a member of any classification from membership in the Association for nonpayment of dues or for violation of the provisions of these Bylaws, the *ISM Bylaws*, the *ISM Policies*, the *ISM Policy Manual for National Groups and Forums*, the *ISM Standards of Conduct* or such other statements of policy as may be adopted by the Association or the ISM Board of Directors from time to time.

Expulsion for any reason other than nonpayment of dues shall occur only after the member has been advised of the proposed expulsion and the reasons therefore and has been given an opportunity to submit proof in support of continued membership in the Association. A member expelled from membership in the Association shall be given written notice of such expulsion and shall be advised in writing that he or she may appeal the action taken by the Association to the Affiliate Support Council by filing a notice of intent to appeal to the Affiliate Support Council at least thirty (30) days prior to the next regularly scheduled meeting of the Affiliate Support Council.

Upon receipt of a timely filed notice of appeal, the Affiliate Support Council shall consider the appeal and shall allow the expelled member the opportunity to submit proof in support of continued membership in the Association. The decision of the Affiliate Support Council concerning expulsion of a nonvoting member shall be final and binding and the expulsion will not be considered by the ISM Board of Directors. Except for rare and extraordinary circumstances, the decision of the Affiliate Support Council concerning expulsion of a regular member will likewise be final and binding and the expulsion will not be considered by the ISM Board of Directors.

**SECTION 9. Reinstatement.** A former member of the Association, whether a resigned or expelled member desiring reinstatement of membership, may be reinstated as a member of the Association upon showing proof of eligibility and paying all current year's dues [and an administration fee or similar charge which may be imposed by the Association from time to time].

The procedure for an appeal of an adverse determination to reinstate a former member shall be the same as provided in Section 7 of this Article, provided, however, an appeal to reinstate membership may not be taken in the same calendar year in which an appeal has been decided by the Affiliate Support Council concerning the expulsion of the same member seeking reinstatement.

**SECTION 10. Resignation.** Any member of the Association may resign by filing a written resignation with the Association, but such resignation shall not release the member so resigning of the obligation to pay any dues, or other charges theretofore accrued but unpaid.

**SECTION 11. Transferring.** Members who change employers and remain eligible for membership shall notify the PMAC office and shall file a new membership application at once, transferring to the new company affiliation, for processing and approval as in Section 6 hereof.

**SECTION 12. Non-Payment of Dues.** Any person elected to membership who has not paid the initiation fee and annual dues within 45 days after notice of election shall automatically be removed from the membership.

**SECTION 13. Membership Forfeiture.** A member shall forfeit membership immediately when that member ceases to be eligible for membership as herein described.

**SECTION 14. Nontransferability of Membership.** Membership in the Association shall be vested in the individual member of the Association and shall not under any circumstances be transferred or assigned to any other person by such member. The following exceptions apply:

- 1) One person to another in same affiliate when employer paid;
- 2) Transfer of a member from one affiliate to another affiliate.

## **ARTICLE V - GROUPS AND FORUMS**

**SECTION 1. Purposes and Organization.** Members of the Association having common interests as

purchasing managers or materials managers in a particular industry or commercial activity, or common interests in a certain classification of commodities or materials, may organize a Group/Forum to promote the interchange of ideas and discussion of mutual problems. The Board of Directors of the Association must approve all procedures and requirements for the formation, and operation of any Groups/Forums within the Association as a committee of the Association.

**SECTION 2. Regular Members and Associates.** The Regular membership of any Group/Forum within the Association shall consist only of persons who are Regular members of the Association. Any Group/Forum may have Associate members who are not Regular members of the Association, provided such Associate members meet the eligibility standards set forth in Section 1 of Article IV and provided, further, that at least one member of the same company holds a Regular membership in the Association. Membership in the Association as a nonvoting member shall be required for election as an Associate member of a Group/Forum and Associate members of a Group/Forum shall not vote or hold office in the Group/Forum.

**ARTICLE VI - DUES AND ADMINISTRATIVE CHARGES**

**SECTION 1. Amount.** The amount of annual dues for Regular members and each class of nonvoting members of the Association shall be determined from time to time by the Board of Directors of the Association and a vote of the members of the Association. Annual dues for Regular members of the Association shall include an amount equal to the annual dues in effect from time to time for membership in ISM. The Association may deduct from payments to ISM amounts equivalent to dues for Regular members whose qualifications for membership are set forth in Section 1(d) of Article IV on condition that the ISM Board of Directors has waived all ISM dues with respect to such members.

**SECTION 2.** Notwithstanding the provisions of Section 1 of this Article, Regular members employed by the same employer at any location within the United States (the "Employer") shall, if elected by the Employer by written notice to ISM, be eligible for a discount against the amount of ISM dues described in Section 1 of this Article and Affiliated Association dues in effect from time to time based upon the number of Regular members employed by such Employer (the "Employer Discount"). The amount of the Employer Discount which shall initially be included in ISM Policy (subject; however, to change by the Board of Directors as authorized in this Section 2 shall be as follows:

Number of Regular Members Employed by <u>Employer</u>	Discount Against ISM and Affiliated Association <u>Dues</u>
50 or more	25%

Note: Above discount amended by ISM Board of Directors, August 25, 2005.

The Board of Directors of ISM shall be authorized to determine the amount of the Employer Discount described in this Section 2 by a vote of two-thirds (2/3) of all the members of the Board of Directors: provided, however, (i) the Board of Directors shall not vote upon any proposed change in the amount of the Employer Discount unless such proposal has been presented to and considered by the Board at the regularly scheduled meeting of the Board immediately preceding the regular meeting of the Board at which such proposal is voted upon by the Board; and (ii) a written notice of any change in the amount of the Employer Discount as authorized by this Section 2 shall be mailed to the ISM members not less than ninety (90) days prior to the effective date of such change.

**SECTION 3. Payment.** Dues for Regular and nonvoting members in the Association shall be assessed on a calendar year basis and shall be payable in advance on January 1 of each year. (Members elected to membership in the Association at any time during a calendar year shall be required to pay a proportionate amount of the annual dues in effect at the time of their election to membership, which amount shall be payable commencing on the first of the month in which they are elected to membership in the Association.)

**SECTION 4. Schedule of Dues.** The Association shall include as part of their Bylaws, Exhibit A, Schedule of Annual Dues, for each category of membership. This schedule shall not preclude the Association from causing a change in the amount of any dues set forth on such schedule during any calendar year provided such change is made effective on or after the date such change is approved by the Association in accordance with

these Bylaws.

## **ARTICLE VII - BOARD OF DIRECTORS**

**SECTION 1. Management.** The management of this Association shall be vested in an elected Board of Directors consisting of at least five voting members, who shall authorize all expenditures of funds, accept or reject all applications for membership, and direct all Officers and committees in their work.

**SECTION 2. Eligibility.** To qualify to be considered to be a nominee for the Board of Directors, a Regular member must:

- be a member of PMAC or ISM for a period of two (2) consecutive years
- have served as a member of at least one PMAC committee
- understand the responsibilities of a Director/Officer
- have the endorsement/backing of his or her employer

**SECTION 3. Term of Office.** Members of the Board of Directors shall serve for the two-year period for which they were elected. When elected to complete the vacated term of a previous Director, such new Director shall serve only until the completion of the vacated term.

**SECTION 4. Vacancies.** Vacancies on the Board of Directors may be filled by nominations made from the floor at the next regular meeting of the Association, after such vacancy is created; the nominees to be voted upon by ballot at the same meeting, and the candidate or candidates receiving the highest number of votes shall be declared elected for the unexpired term or terms. See section 5 for the alternative method.

**SECTION 5. Appointments.** The President may, with Board approval, appoint a qualified member to fill a vacated or expired Director's term,.

**SECTION 6. Quorum/Voting.** A quorum of the Board of Directors shall consist of not less than one more than half of the total voting members including the President. A quorum is necessary to vote on any business acted upon by the Board of Directors. Per Roberts Rules of Order (reference Article 9, Section 5), the President does not vote except in the cases listed below.

- The President is entitled to vote when the vote is by ballot (but not after the tellers have commenced to count the ballots)
- The President is entitled to vote in all other cases where the vote would change the result. Examples of this include casting a vote to create a tie or casting a vote to break a tie.

**SECTION 7. Motions.** All motions from the floor affecting the welfare of the Association must be submitted to the Board of Directors for consideration at its next regular meeting, the Board shall report its findings at a subsequent regular meeting.

**SECTION 8. Expenditures.** The Board of Directors shall manage and control the business of this Association and shall make all appropriations from its funds. It is not empowered to authorize any expenditure nor to pledge the credit of this Association at any time to an amount which shall exceed the sum of the current assets of the Association which are not otherwise appropriated.

**SECTION 9. Meetings.** The regular meeting of the Board of Directors shall be held at a minimum of four times per year (at least one time per quarter). Meetings of the Board of Directors may be held more frequently at the discretion of the President.

**SECTION 10. Removal.** Eligibility to remain on the Board of Directors of this Association shall be reviewed by the Board immediately when:

- (a) Board member does not meet the requirements of Regular membership per Article IV, Section 1.

- (b) Notified by Board member that he/she must resign from the Board for reason(s) of paragraph (a). At the first regular Board meeting after notification the Board shall establish an effective date of resignation no later than the end of the Association year; i.e., May 31st.
- (c) A Board member affected by paragraph (a) and (b) and who becomes re-eligible per Article IV - Membership, Section 1 and Article VIII, Section 2 shall re-apply for membership before the established effective date of resignation. And, if re-elected to membership, shall automatically be reinstated to the Board of Directors of the Association if his/her term has not expired and he/she so desires.

## **ARTICLE VIII - OFFICERS**

**SECTION 1. Officers and Election.** Immediately following the April election, the Board of Directors shall meet and elect, from its own members, a President, (First) Vice President, Second Vice President (optional), and Secretary-Treasurer. The newly elected officers shall assume office June 1, and shall serve for one year or until the election or qualification of their successors.

- (a) The officers of the organization are not automatically selected based on succession to the next level (i.e. vice-president becomes president, etc.), but are elected freely by the Board of Directors.
- (b) The election of officers should be done by ballot to preserve the integrity of the voting process.

**SECTION 2. Vacancies.** Vacancies in the office of Vice President(s) and Secretary-Treasurer shall be filled by Presidential appointment with Board approval for the unexpired term from members of the Board of Directors.

**SECTION 3. Duties of the President.** The President shall be chief executive officer and chair of the Board of Directors, and shall exercise general supervision over the executive affairs of the Association. These duties include appointment, with Board approval, and supervision of a paid executive secretary who will administer the PMAC office and hire and supervise additional required staff. Changes to the job description and compensation rate for the executive secretary shall be subject to Board approval upon recommendation from the President. The President shall preside at all meetings of the Association membership and of the Board of Directors and shall be a member ex officio, of all Association committees. The President shall have, in addition, the duties made incumbent upon the office by any other provision of these Bylaws and which may be assigned by the Board of Directors.

**SECTION 4. Appointments.** The President, within thirty days after election, shall appoint the chairs of standing committees, and such other committees, consisting of two or more members, as may be deemed necessary by the Board of Directors.

**SECTION 5. Duties of The First (and Second) Vice Presidents.** The First (and Second) Vice Presidents shall perform such duties as may be assigned from time to time by the President and Board of Directors of the Association. In the absence of the President, the First Vice President, or in his absence, the Second Vice President, shall assume and execute all the duties of the President. In case the President and both Vice Presidents are absent or unable to perform their duties, the Board of Directors shall appoint a President pro tempore.

**SECTION 6. Duties of the Secretary-Treasurer.** The Secretary-Treasurer shall (in conjunction with the PMAC Executive Secretary) be the custodian of all monies to the Association, and shall be responsible for the deposit of all monies in the name of this Association in such bank or banks as may be designated by the Board of Directors. The Secretary-Treasurer shall be responsible for the correct accounting of all monies received and pay all bills, orders, claims and demands and make all disbursements authorized by the Board of Directors. These provisions shall apply except as modified by ARTICLE X, Section 4 hereof.

The Secretary-Treasurer shall sign all checks or drafts drawn upon the treasury of this Association which shall also be countersigned by the President or, in the absence or disability of the President, by the Executive Secretary.

The Secretary-Treasurer shall render a true and complete signed report of the financial condition of this Association at the April meeting and to the Board of Directors at each regular Board meeting. The books and accounts shall be at all times open to inspection by any member of the Association.

The Secretary-Treasurer shall give bond for the proper performance of the duties in such amount and with such surety as the Board of Directors may require. The premium on such bond is to be paid by this Association. The Secretary-Treasurer shall deliver over to the successor in office all moneys, books, documents, vouchers, and any other property belonging to this Association.

The Secretary-Treasurer shall (in conjunction with the PMAC Executive Secretary) attend and be responsible to suitably record, in permanent form, the proceedings of all meetings of this Association and the Board of Directors and shall perform such other duties as may be assigned by the Board of Directors. The Secretary-Treasurer shall be responsible for the Seal and keep a proper record of the membership and such other records and books of account as may be necessary to record suitably the business of this Association.

**SECTION 7. Compensation for Services Rendered.** No member of the Board of Directors shall receive any salary, pay or other compensation for any activity or service performed in conjunction with their inherent duties as Board members.

**ARTICLE IX - MEETINGS OF THE ASSOCIATION MEMBERS**

**SECTION 1. Regular Meetings.** The regular meetings of this Association, unless otherwise provided for by the Board of Directors, shall be held on the third Thursday of each month, or at such time and place as shall be from time to time designated by them. The April meeting shall be considered the Annual Meeting.

**SECTION 2. Special Meetings.** Special meetings may be called for a special purpose at the direction of the President or Board of Directors, or upon the written petition of twenty percent of Regular membership. Written notice of any such meeting must be mailed to all members at least one week in advance and shall set forth object of such meeting.

**SECTION 3. Order of Business.** The order of business for regular meetings shall be at the discretion of the President. In the absence of the President and both Vice Presidents, the Secretary-Treasurer shall preside over the meeting, or in the event of his absence, the remaining members of the Board of Directors may elect a chair.

**SECTION 4. Quorum.** A quorum for the transaction of business shall consist of not less than ten percent of the Regular membership.

**SECTION 5. Parliamentary Rules.** Except as otherwise provided in these Bylaws, all questions of order shall be decided in accordance with "Robert's Rules of Order."

**SECTION 6. Voting.** On all questions or issues presented for a vote at any regular meeting or any Special meeting of the Association membership, each Regular member in attendance whose dues are paid shall be entitled to cast one vote. Except as otherwise required by these Bylaws, all questions or issues presented for a vote of the Association membership shall be authorized by the Board of Directors. Affirmative votes cast in favor of any such action shall be at least equal to the quorum required by Section 4 of this Article.

**ARTICLE X - COMMITTEES**

**SECTION 1. Standing Committees.** There shall be the following standing committees:

- |                          |            |
|--------------------------|------------|
| Communication            | Marketing  |
| Professional Development | Membership |

**SECTION 2. Special Committees.** The President with the approval of the Board of Directors of the Association, shall appoint such other special committees, sub-committees or task forces as may be deemed necessary and which are not in conflict with other provisions of these Bylaws, and the duties of any such special committees shall be prescribed by the Board of Directors upon their appointment (e.g., Nominating, Investment Advisory, Budget & Audit, Special Events, etc.).

**SECTION 3. Nominating Committee.** A committee of at least three (3) members (not more than one (1)

of which shall be a member of the Board of Directors) shall be appointed by the President each year. The committee shall solicit, refine, evaluate and develop a list of qualified candidates to fill anticipated future vacancies on the Board of Directors. Candidate must qualify in accordance with Article VII Section 2 above. An appropriately sized list of qualified candidates shall be presented to the President for reading at the March regular meeting as the committee's recommended candidates for election. The list of nominees so presented shall be mailed by the secretary to the members at least one (1) week prior to the April meeting.

**SECTION 4. Investment Advisory Committee (optional).** The President may appoint an Investment Advisory Committee if needed each year to serve for a one-year term. The chair of this committee shall be appointed from the Board of Directors, and be assisted by two other Board members including the Secretary-Treasurer. This committee shall present to the Board of Directors, a recommended investment pattern, and is hereby authorized to make investments in accordance with such Board approved programs. This committee shall submit a written report of the results of their investment activities at least quarterly to the Board of Directors.

**SECTION 5. Budget and Audit Committee.** A Budget and Audit Committee consisting of the Secretary-Treasurer as chair, the (First) Vice President, and one – two other members shall be appointed by the President each year. The committee shall prepare a budget covering the entire next fiscal year at a time designated by the President and shall maintain a study of the financial status of the Association, including its budget, reserves, investment, and future financial program. The committee shall make such reports and recommendations to the Board of Directors as said Board may request. The committee may also submit at any time recommendations it may deem necessary or appropriate for the financial welfare of PMAC.

All records related to the finances of this Association shall be audited annually by a certified public accountant within five (5) months after the close of each fiscal year. The auditor, or firm of auditors, shall be selected by the Board of Directors.

**SECTION 6. Special Events Committee.** The Special Events Committee shall consist of volunteers from the membership. This committee shall serve a one-year term.

It shall be the responsibility of the Special Events Chair to be the liaison between all special activities and the PMAC Board of Directors. Such responsibility shall require periodic reports to the Board of Directors as requested by them or the President. Details of the specific events of this committee are set forth in the Officers Manual.

**SECTION 7. Bylaws Committee.** The President shall annually appoint a minimum of three members to insure the currency and accuracy of PMAC Bylaws and their compatibility with the Bylaws of ISM. The committee will make recommendations and appropriate changes to the Board of Directors when requested by the President.

**SECTION 8. S. Holmes Mansfield Award Committee.** The President shall annually appoint a minimum of three past award recipients to evaluate written candidate nominations and bestow award as warranted.

## **ARTICLE XI - ANNUAL ELECTION**

At the regular meeting in April there shall be elected by ballot from among the voting members present, Directors to fill vacancies created by expiring terms. Such Directors shall serve for a two-year period. As the terms of Directors expire, an equal number should be elected for a term of two years. Newly elected Directors shall assume office June 1.

The list of qualified candidates developed by the Nominating committee (see Article X, Section 3 above) shall be presented to the membership for voting purposes to fill openings on next year's Board of Directors. Further nominations may be made from those in attendance. Only Regular members shall be eligible for nomination. Said nominees must be present, attest that they meet the eligibility requirements of Article VII, Section 2 above and are willing to serve, if elected.

Voting at the April meeting shall be by written ballot and a plurality of votes by Regular members present and voting shall elect. Only Regular members in good standing shall have the right to vote at the annual election.

For all elections, the President shall appoint a minimum of three members, preferably past presidents, to act as tellers, who shall distribute and collect the ballots, count the votes and report their findings.

## **ARTICLE XII - FINANCES**

**SECTION 1. Fiscal Year.** The fiscal year of the Association shall begin on January 1 of each year and terminate on December 31 of the same year.

**SECTION 2. Appropriations.** Appropriations from the funds of this Association shall be made only by the Board of Directors. It shall not contract indebtedness in excess of cash and demand deposits and securities in the treasury not otherwise appropriated.

**SECTION 3. Indemnification.** PMAC shall indemnify and hold harmless officers and directors against any action or proceeding whether civil or criminal for any action or omission made or verbalized while acting in his/her official capacity.

**SECTION 4. Personal Liability.** The Directors of this incorporated Association shall not be personally liable to the Association or its members for damages for any breach of duty in his or her official capacity; provided, however, that this provision shall not limit or eliminate the liability of any director if a judgment or other final adjudication adverse to him or her establishes that his or her acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

## **ARTICLE XIII - DISCIPLINE**

**SECTION 1. Officers and Directors.** Any Officer or Director may be removed from office for lack of acceptable participation in assigned or required duties. Such action may be presented to the Board of Directors by the President or any other Board member, and become effective upon a 75% affirmative written vote of those Board members present and voting.

It shall be the responsibility of the party recommending removal of an Officer or Director to convey to the President and that specific individual a written notice of at least thirty (30) days, stating that such removal action is contemplated and will occur if the improper actions or lack of actions are not corrected on a permanent basis.

Such persons have full opportunity to respond to charges in person at the said meeting before final vote is taken.

**SECTION 2. Attendance at Board Meetings.** Due to the importance of each member of the Board of Directors, it is expected that no Board member shall accumulate more than a total of two (2) unsubstantiated absences from Board meetings during the elected year. The Board of Directors will determine what constitutes an unsubstantiated absence. Decisions regarding this matter will be determined by the President.

## **ARTICLE XIV - DISSOLUTION**

**SECTION 1. Dissolution.** The Association may be dissolved upon adoption of a plan of dissolution and distribution of assets adopted by the Board of Directors and approved by the Regular members of the Association in accordance with the laws of the State of Ohio.

**SECTION 2. Dedication of Funds.** The Association shall use its funds only to accomplish the objectives and purposes specified in these Bylaws and no part of said funds shall inure, or be distributed to the members of the Association. On dissolution of the Association, any funds remaining shall be distributed to one or more regularly organized and qualified organizations engaged in the promotion or education of the purchasing and materials management professions to be selected by the Board of Directors and approved by Regular members of the Association.

## **ARTICLE XV - EMERGENCIES**

The Board of Directors is granted in this section, the authority to override these Bylaws on an emergency

basis, only when circumstances are such that a provision herein would be violated were it not for such an emergency waiver. In no event, however, shall this provision be used by the Board of Directors as a routine means of circumventing the provisions of these Bylaws.

An emergency shall be defined as any event which, in the opinion of the Board, will or may cause irreparable damage to the Association or one of its members through the strict interpretation of these Bylaws. For an emergency waiver of these Bylaws to become effective on a one-time, spot situation basis, it will be necessary for unanimous Board approval of the remedy for the specifically defined emergency. Without such unanimous Board approval an emergency waiver shall not be permitted.

## **ARTICLE XVI - AMENDMENTS**

These Bylaws may be amended at any regular meeting of the Association, provided the proposed Amendments shall have been submitted in writing to all members at least one week prior to the regular meeting. An affirmative vote of two-thirds of the Regular members present and voting (10% of the Regular membership shall constitute a quorum) is required for passage of an Amendment(s).

## **EXHIBIT A - SCHEDULE OF ANNUAL DUES**

1. **Initiation Fee.** The initiation fee of \$30.00 (from which \$20.00 will be paid to ISM as administrative fee) shall be paid by Regular members and \$10.00 shall be paid by Associate and Dual members after notification of having been voted to membership has been received. Should an Associate or Dual member convert to Regular membership, he/she will not be required to pay a second initiation fee.
2. **Dues.** The annual dues for Regular, Associate, and Dual members shall be determined each year by the Board of Directors, effective January 1 of the upcoming year. Any dues changes recommended by the Board shall be presented and substantiated to the membership for approval by a vote of those members present and voting per Article 6, section 1, The annual dues for Associate and Dual members shall be payable in advance, due on the first of January each year. The amount assessed per Regular member by ISM will be paid by the Cleveland Association.
3. **Pro-Ration of Dues.** Upon election, Regular, Associate, and Dual members shall pay dues in advance at the proportional rate, dating from the first of the month in which they are elected to the close of the year.
4. **Nonpayment of Dues.** A Member of the Association whose dues are 60 days in arrears may be expelled from membership in the Association and ISM upon notice by the Association to such member, such expulsion to be effective upon the date of such notice. A member expelled from membership for nonpayment of dues may be reinstated upon full payment of all delinquent dues plus payment of an administrative fee of \$50.00.

## **STATEMENT OF ANTITRUST POLICY**

It shall be the express policy and intention of ISM to comply at all times with all existing laws, including the antitrust laws, and in furtherance of this policy, no activity or program will be sponsored or conducted by or within ISM or any association affiliated with ISM which in any manner whatsoever will represent or be deemed a violation of any existing law, including the antitrust laws. This statement of policy will be implemented by the publication of the "ISM Policy Guide for Antitrust Compliance" which will be made available to all members of the Association.

Approved at  
Regular Meeting  
November 16, 2006