

# **BY-LAWS OF THE PENNSYLVANIA ASSOCIATION OF PUBLIC EMPLOYEE RETIREMENT SYSTEMS**

## **PAPERS**

### **ARTICLE ONE Name and Location**

**Section 1.1 Name.** The name of this organization shall be the Pennsylvania Association of Public Employee Retirement Systems, Inc., a Pennsylvania not-for-profit corporation, and shall be known by the acronym “PAPERS.”

**Section 1.2 Location.** PAPERS shall have its address as P.O. Box 6817, Harrisburg, PA, 17112 and at such other locations as the Board of Directors may from time to time determine. The Board of Directors may elect to amend this paragraph by choosing a new address at the time of their first meeting at the inaugural annual conference.

### **ARTICLE Two Purpose**

**Section 2.1 Purpose.** PAPERS is an organization designed to serve the needs of all public employee retirements systems in the Commonwealth of Pennsylvania. The primary purpose of PAPERS is to provide an educational forum that leads to improved performance and management of the public employee retirements systems in the state. The Association will function as a central resource for educational purposes and act as a networking agent for all public plan staff and board members in the State. PAPERS will provide the State’s public retirement systems with educational conferences, seminars, newsletters, operational handbooks, referral systems and an internet based website for items of interest, membership information and updates.

### **ARTICLE Three Membership**

**Section 3.0 Nondiscrimination.** The Pennsylvania Association of Public Employee Retirement Systems admits members and participants of any race, religion, color, national and ethnic origin to all the rights, privileges, programs and activities generally accorded or made available to members or participants at the forums and other meetings conducted by the Association.

**Section 3.1 Membership.** PAPERS shall have three separate and distinct classes of membership.

**Section 3.1.1 Participating Members.** Participating members shall consist of any public pension plan in the State of Pennsylvania; or public agency, authority, board or commission whose office has significant regulatory supervision, oversight or administrative responsibility for public pension funds in Pennsylvania.

**Section 3.1.2 Associate Members.** Associate members shall consist of any public or private corporation, partnership, organization or individual that regularly conducts business with at least one public pension system in the State of Pennsylvania.

**Section 3.1.3 Affiliate Members.** Affiliate members shall consist of any business or organization which does not conduct business directly with the pension fund of any state, county, municipal, borough or other public entity in the State of Pennsylvania, during the affiliate membership term. Only the Board of Directors by majority vote shall be empowered to accept affiliate members.

**Section 3.2 Membership Dues.** The Board of Directors shall establish the annual dues and all other organizational fees for membership in PAPERS. Nothing herein shall prevent the Board of Directors from requiring that members make capital contributions to PAPERS.

**Section 3.3 Membership Registration and Approval.** The Executive Director shall be responsible for managing the registration process. All applications for membership registration must be made to the Executive Director. Requests for membership must be approved by the Board of Directors or its designee.

**Section 3.4 Suspension and Expulsion of Members.** Membership of a Participating, Associate or Affiliate Member may be suspended or terminated by the Board of Directors under such terms and conditions as the Board of Directors deems just if the member fails to adhere to resolutions passed by the Board of Directors or the member no longer satisfies the requirements of a Participating, Associate, or Affiliate membership. Membership of an Associate or Affiliate Member may be revoked for failure to pay dues or other organizational fees within 60 days after written notice of payment due is sent. A suspended member shall not enjoy any of the rights and privileges of membership effective immediately upon expulsion. Any member may at any time terminate any membership by notice in writing.

## **ARTICLE Four**

### **Member Meetings**

**Section 4.1 Annual Meeting.** At least one annual meeting shall be held at a time and place by the Board of Directors in the second calendar quarter of each year.

**Section 4.2 Special Meetings.** Special meetings of the members may be called by the PAPERS Board of Directors.

**Section 4.3 Location of Meetings.** The location of any meeting shall be established by the PAPERS Board of Directors and shall be stated in the notice of the meeting to the members.

**Section 4.4 Attendance.** Participating, Associate and Affiliate members may send any members, staff or other employee of the public retirement system to the annual meeting and any concurrent PAPERS conference.

**Section 4.5 Notice.** Notice in writing of the time, place and agenda of any meeting shall be given to each Participating, Associate and Affiliate member not less than thirty days before the first day of the meeting. The record date to establish which members are entitled to notice, as well as any other rights at any meeting of the members, shall be determined by the Executive Director, always subject to the authority of the Board of Directors.

**Section 4.6 Quorum and Voting.** Participating members present in person who, as of the record date, represent 10% of the Participating members entitled to vote at a meeting of the members, shall constitute a quorum, provided a greater amount is not required by Pennsylvania law. Participating members shall not be entitled to vote by proxy. No quorum shall be required to adjourn the meeting. Each public pension plan shall have one designated Participating member or alternate entitled to cast one vote in person on each agenda item voted on at that meeting. Associate and Affiliate members shall not be entitled to vote. Any action to be taken shall require a plurality of the votes cast by members' representatives present in person at the time the vote is held.

**Section 4.7 Termination of Member.** Failure of a member to pay outstanding dues may result in termination with notice at the sole discretion of the Executive Director.

## **ARTICLE Five Board of Directors**

**Section 5.1 Authority.** The management of the affairs of PAPERS shall be vested in the Board of Directors, which shall have all authority expressly conferred by law, the certificate of incorporation and these by-laws, subject to the day-to-day management duties and powers set forth herein.

**Section 5.2 Numbers.** The Board shall consist of not more than eleven members and at least five and the Board shall have authority to expand its membership at any time in accordance with the provisions set forth herein.

**Section 5.3 Qualifications and Constitution of the Board.** The Board may consist of representatives from State, County, Municipal and Authority Retirement systems, and systems geographically dispersed across the State of Pennsylvania with at least one member from Retirement Systems in the Central, Eastern and Western parts of the State.

**Section 5.4 Term of Office.** Subject to the removal provisions set forth below, all directors shall serve terms as determined by the inaugural board of directors, and amended as necessary by future boards, as each sees fit.

**Section 5.5 Chairman.** By a majority vote of the members present, the Board shall elect a Chairman, who shall serve for one year, and may be re-elected to a maximum of three terms. The Chairman shall be empowered to call special meetings of the Board and determine when and where Board meetings shall be held.

**Section 5.6 Resignations and Vacancies.** Any member of the Board of Directors who ceases to be a member during his or her term shall be succeeded by a person appointed by the Board to serve the remainder of the term. Any director who ceases to qualify in accordance with Section 5.3 shall immediately tender his resignation to the Board.

**Section 5.7 Meetings.** A regular annual meeting of the Board shall be held at the time and place of the annual meeting for members. Additional meetings shall be held at the time and place determined by the Board. Written notice of the meetings shall be given by the Secretary at least 10 business days before the meeting and an agenda shall also be supplied by the Secretary, Executive Director or their agents. Board members may participate in any Board meeting by telephone, except for the meeting scheduled concurrently with the annual meeting. A majority of the Board members constitute a quorum for the transaction of business by the Board. In the event of an emergency, a meeting shall be held as soon as practicable and notice shall be given by the most practical method possible under the circumstances. Those members present physically or by telephone or any other method in which their vote may be recorded may adopt emergency by-laws, procedures or resolutions for the duration of the emergency in the best interests of PAPERS and its members.

**Section 5.8 Consent Agreement.** The Board may take any act within its authority by consent agreement provided all Board members agree to the act in writing.

**Section 5.9 Removal of Directors.** Any director who has been absent for three successive meetings will automatically be removed as a member of the Board of Directors, unless at least six members of the Board of Directors decide otherwise, at a meeting or by consent. In the event a Director of one of the public pension funds is removed, that fund shall be entitled to appoint another Board member, in accordance with Section 5.3 above.

**Section 5.10 Fees and Compensation.** Members of the Board of Directors shall not receive compensation for their services, but may receive reimbursement for expenses under procedures established by the Board.

**Section 5.11 Board Members Emeritus.** Former Board members may be given Emeritus status by the Board, with the right to attend meetings, serve on Committees, and make presentations to the Board and any other rights or duties at the Board's discretion, except for the right to vote on any resolution of the Board.

**Section 5.12 Annual Reports.** The Board of Directors, or its agent or designee, shall present an annual report to the members. The report shall be verified by the President and Treasurer or by a majority of the Directors in accordance with Pennsylvania law.

## **ARTICLE Six**

### **Officers**

**Section 6.1 General.** The officers of PAPERS shall be President, Vice President, Secretary and Treasurer.

**Section 6.2 Elections.** All officers shall be appointed by the Board of Directors at such times and by such methods as the Board of Directors may prescribe.

**Section 6.3 President.** The President shall be the Chairperson of the Board of Directors and shall be generally responsible for management of the Association. The President shall be responsible, through the Executive Director, or his or her agents or designees, for executing all Board resolutions and shall have such other responsibilities and powers as conferred by the Board.

**Section 6.4 Vice President.** The Vice President shall assume the duties of President in the event the President is disabled, incapacitated or otherwise unable to perform the responsibilities or exercise the powers of the office. The Vice President shall exercise any other powers and perform any other duties assigned to him or her by the Board.

**Section 6.5 Secretary.** The Secretary of PAPERS shall have general oversight responsibility of: a) the recording of minutes of the meetings of members and Board of Directors, b) sending required notices of meetings and c) performance of such other functions and exercise of such other powers consistent with the office, or as prescribed by the Board of Directors.

**Section 6.6 Treasurer.** The Treasurer shall have general oversight responsibility of all funds and securities of PAPERS and shall present a report of the finances of the Association at the annual meeting and at such other times as required by the Board of Directors.

**Section 6.7 Other Officers.** Nothing herein shall prevent the Board of Directors from establishing such other officers as it deems necessary to carry out the purpose, management and administration of PAPERS.

## **ARTICLE Seven**

### **Management and Administration**

**Section 7.1 Executive Director.** The executive director shall manage the day-to-day operations of PAPERS. The Executive Director, or his or her agents or designees, shall be responsible for carrying out all managerial directives or resolutions of the Board of Directors or the officers. The Executive Director, or his or her agents or designees, shall manage the annual meeting as well as other PAPERS meetings, printing and distributing newsletters, creating operational handbooks, producing conferences for the Association, maintaining membership status and communications, recruiting and enrolling new PAPERS members, maintaining the PAPERS web site, providing customer support services, and such other powers and duties authorized by the Board of Directors or members. The Executive Director, or his or her agents or designees, shall also keep appropriate, complete and accurate books or records of account and a membership register, including the members' representatives' names, addresses and classes of each member...

## **ARTICLE Eight**

### **Powers of Execution**

**Section 8.1 Contracts.** The Executive Director as authorized by the Board shall have authority to execute contracts, leases and other instruments approved by the Board in the name of PAPERS.

**Section 8.2 Funds.** All checks for payment from PAPERS funds shall be signed by such officers or other persons as the Board of Directors may designate. The Executive Director shall generally have the right to sign checks to distribute funds.

## **ARTICLE Nine**

### **Committees**

**Section 9.1 General.** The Board may establish such committees, as it deems necessary to insure the efficient operation of the organization.

**Section 9.2 Audit Committee.** The Chairperson of the Board shall serve as the Chairman of the Audit Committee and shall appoint at least two other members of the Board to serve on the Committee. The Committee shall have oversight of the PAPERS financial statements and shall review them with the Executive Director in addition to any other powers and duties delegated by the Board. The Audit Committee shall report on the financial status of PAPERS at least once a year, at the annual meeting.

**Section 9.3 Meetings.** Committee meetings shall be held in accordance with the provisions set forth in Section 5.7.

## **ARTICLE Ten Indemnification**

**Section 10.1 Indemnification.** PAPERS shall, to the maximum extent permitted by the Pennsylvania Not-for-Profit Corporation Law (“NPCL”), indemnify and defend its members, directors, officers and administrators against expenses, judgments, fines, settlements, and other monetary amounts actually and reasonably incurred in connection with any proceeding, whether criminal, civil or investigative, arising in any way out of acts or obligations of PAPERS. PAPERS shall provide to any such member, director, officer or administrator, expenses, including attorneys’ fees, to the maximum extent provided by the NPCL. No such member, director, officer, or administrator, shall be indemnified or defended by PAPERS for any act of failure to act in contravention of these by-laws, the certificate of incorporation or any resolution of the Board of Directors or any Committee. The Board has the authority to authorize PAPERS to purchase D&O coverage to protect the Board

## **ARTICLE Eleven Amendments**

**Section 11.0 Adoption and Amendment of By-laws** The Board shall have the right to adopt and amend the by-laws by a 2/3 majority until the membership of PAPERS grows to 100 participating members at which time the authority for by-law ratification and amendments shall revert to section 11.1 of the Article Eleven.

**Section 11.1 Changes to these By-laws.** The Board of Directors shall be empowered to adopt, amend, annul, modify, or appeal any by-law by a 2/3 majority vote by Participating members attending the annual meeting. Notice of any changes to the By-laws must be made at least 10 business days in advance of the annual meeting.

## **ARTICLE Twelve Miscellaneous**

**Section 12.1 Subventions.** PAPERS may be authorized by a resolution of the Board of Directors to accept subventions from members or nonmembers on terms and conditions not inconsistent with the NPCL and to issue certificates therefore.

**Section 12.2 Dissolution of Corporation.** Upon dissolution of the corporation, assets shall be distributed for one or more purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or

shall be distributed to the federal government, or to a state or local government for a public purpose. Any such assets not so disposed of by a court of Competent Jurisdiction of the County in which the principle office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine which are organized and operated exclusively for such purposes.