

THE NATIONAL EDUCATION FINANCE ACADEMY, INC.

THE CONSTITUTION

ARTICLE I – NAME

This organization shall be called the National Education Finance Academy, Inc., hereinafter referred to as NEFA.

ARTICLE II - PURPOSE

The purpose of the NEFA shall be to improve education by promoting interest in and understanding of education finance principles and policies including the impact on the education of all students participating in worldwide public and private education.

This purpose shall be carried out by holding scholarly meetings for the presentation and discussion of education finance issues, by stimulating the teaching of education finance, by disseminating scholarly research, issuing publications and providing other information on education finance subjects, broadly construed. NEFA shall serve as a clearinghouse for information on research and publications and provide other member-related services.

ARTICLE III - MEMBERSHIP

SECTION 1. Qualifications. Membership in NEFA shall be open generally to individuals within the education community. There shall be no restrictions on membership. NEFA's goals include encouraging as broad a representation as possible relative to financial, legal, political, and social perspectives on the improvement of education for all persons.

SECTION 2. Nondiscrimination. No distinction shall be made within NEFA regarding membership on the basis of race, color, creed, religion, national origin, sex, sexual orientation, age, or disability.

SECTION 3. Membership Dues.

Subdivision 1. Amount. The dues and membership classifications of members shall be fixed by the Board of Trustees.

Subdivision 2. Date Due. All dues shall be payable to NEFA before the anniversary date of membership or such other time as set by the Board of Trustees.

ARTICLE IV - OFFICERS**SECTION 1. Board of Trustees.**

Subdivision 1. Authority. The governance authority of NEFA shall be vested in a Board of Trustees, subject only to the restrictions of the Constitution and Bylaws.

A. Bylaws and Policies. The Board shall regulate the operation of NEFA by the adoption of resolutions, motions, policies, and bylaws. The Bylaws of NEFA shall be regularly reviewed and amended when necessary.

B. Executive Director. The Board of Trustees shall appoint an Executive Director and establish the compensation for that position. The Executive Director shall serve as a non-voting member of the Board of Trustees. The Executive Director shall serve at the pleasure of the Board.

C. Annual Budget. The Board of Trustees shall establish an annual budget for NEFA.

Subdivision 2. Membership. The Board of Trustees shall consist of the President, President-Elect, Vice President, Immediate Past President, and nine Trustees. These thirteen positions shall be held by thirteen different persons.

Subdivision 3. Meetings. The Board of Trustees shall hold an annual meeting at the time of the annual conference and other special meetings at the call of the

President, or upon the call of a majority of the members of the Board of Trustees of NEFA.

Action taken at any special meeting shall be limited to the established agenda unless a majority of the total Board votes, either in person, in writing, or electronically, to waive this requirement. At all meetings a quorum for action shall consist of a majority of the Board. The affirmative vote of a majority of the Board members present and voting at each meeting shall be required for the passage of any motion unless otherwise required by this Constitution. By a two-thirds vote, the Executive Committee may authorize the Board to vote by mail, telephone, facsimile, or email, and to hold meetings by conference telephone call or other electronic meeting methods. All meetings of the Board of Trustees at the annual conference, except for executive sessions, are open to any NEFA member. By a majority vote of the Board of Trustees, the Board may adjourn to executive session for any reason. Minutes of the executive session may be taken but will not be released to the membership. No vote of the Board of Trustees shall be taken in an executive session. All votes of the Board of Trustees shall take place only during an open meeting. Minutes of the Board of Trustees' meetings will be provided to any NEFA member upon request to the Executive Director.

SECTION 2. Executive Committee.

Subdivision 1. Authority. The administration and supervision of NEFA activities, including the authority to enter into contracts on behalf of NEFA, shall be vested in the Executive Committee, subject only to the restrictions of the Constitution and Bylaws and the directives of the Board of Trustees. These responsibilities may be delegated, but the Executive Committee must retain ultimate responsibility.

Subdivision 2. Membership. The Executive Committee shall consist of the President, President-Elect, Vice President, Immediate Past President, and the Executive Director. Any motion that fails to receive a majority, including a tie, fails.

Subdivision 3. Meetings. The Executive Committee shall meet at least once each year at the call of the President, or upon the call of any three members of the Executive Committee. A quorum shall consist of a majority of the Executive Committee, and a majority of the votes of the Committee shall be required for the passage of any motion. The Executive Committee may meet by telephone conference call or electronically, if each member of the Committee has received 24 hours' advance notice of such meeting.

SECTION 3. Duties of Individual Officers.

Subdivision 1. Officers Generally. The duties of the officers and of the Executive Director of NEFA shall be those ordinarily appertaining thereto.

Subdivision 2. Specific Duties.

A. President. The President shall serve as the presiding officer of the Board of and of the Executive Committee.

B. President-Elect. The President-Elect shall serve as a member of the Executive Committee, acting as the presiding officer of the Board of Trustees and the Executive Committee in the absence of the President, and assist the President in the general operation of NEFA. Additionally, the President-Elect is chair of the Membership Committee.

C. Vice President. The Vice President shall serve as a member of the Executive Committee and be responsible for long-range planning activities for NEFA.

D. Immediate Past President. The Immediate Past President shall serve as a member of the Executive Committee and the Board of Trustees and shall chair the Nominating Committee.

E. Director. Each director of record shall serve on the Board of Trustees.

F. Executive Director. The Executive Director shall serve as the recording secretary for all meetings of NEFA, including the annual meeting and the meetings of the Board of Trustees and of the Executive Committee. The Executive Director shall conduct the daily operations of NEFA at the direction of the Executive Committee and the Board of Trustees. The Executive Director shall be responsible for the employment of personnel and for their assignment and dismissal.

SECTION 4. Elections.

Subdivision 1. Officers Overall. Each office must be held by a different person. Each officer must be a member of NEFA. No one person may hold the same office for two full consecutive terms, i.e., no one person may succeed him or herself for a full term for the same position. However, a person may hold successive different positions or may hold the same position if separated in time.

Subdivision 2. Election Procedures. The Nominating Committee shall be appointed by the President from among Past-Presidents. The Nominating committee shall select the slate in advance for the Office of Vice President and Trustees for election at the annual meeting. Said slate shall be announced prior to the election at which time additional nominations will be accepted from the floor. The names for those persons nominated from the floor will be added to the ballot. The President will appoint an elections subcommittee to count the ballots if there are additional nominees and the election cannot be completed by acclamation. Those eligible nominees with the highest number of votes of those voting shall be elected to office. The election committee may not be comprised of any person who is on the ballot for election at the time the committee counts votes.

Subdivision 3. Specific Elections.

A. President. At the conclusion of the President's term of office, the President-Elect automatically assumes the office of President.

B. President-Elect. At the conclusion of the President-Elect's term of office, the Vice President automatically assumes the office of the President-Elect.

C. Vice President. At the annual meeting the Vice President shall be elected. Eligible candidates must be current NEFA members and have completed at least one term on the NEFA Board of Trustees.

D. Immediate Past President. At the conclusion of the President's term of office, the President automatically assumes the office of Immediate Past President.

E. Trustee. At the annual meeting of the membership, three Trustees shall be elected.

Subdivision 4. Terms of Office. Each officer shall serve a one-year term, commencing at the time of election. Each trustee shall serve a three-year term, commencing at the time of election. Trustees may not serve consecutive terms.

Subdivision 5. Vacancies and Succession. These provisions apply to all situations, except automatic expiration of a term, in which an office becomes vacant (i.e., through death, resignation, incapacity, or unusual succession). Each successor shall hold said office until the unexpired term is filled through regular election procedures.

A. President. The President-Elect succeeds the President.

B. President-Elect. The Vice President succeeds the President-Elect.

C. Vice President. The Executive Committee shall appoint a successor to the office of Vice President.

D. Immediate Past President. The Executive Committee shall appoint a Past President as a successor to the office of Immediate Past President.

E. Trustee. The Board of Trustees shall appoint a new Trustee.

ARTICLE V - COMMITTEES

SECTION 1. Standing Committees. In addition to the Executive Committee, there shall be the following specially designated standing committees: (a) Membership Committee; (b) Publications Committee; (c) Conference Program Committee; and (d) Nominating Committee.

SECTION 2. Appointment: Terms. With the exception of the Nominating Committee, the President, with the advice and approval of the Executive Committee, shall appoint the chair of each of the standing committees from the members of NEFA. The term of each appointment shall be one year.

SECTION 3. Ad Hoc Committees. Ad Hoc Committees may be established by the Board or the President with duties and terms as deemed appropriate. Members of such committees shall be appointed by the President.

SECTION 4. Ex Officio. The President shall be an *ex officio* member of every committee without voting privileges, with the exception of the Executive Committee of which the President is a regular voting member.

ARTICLE VI - ANNUAL CONFERENCE

SECTION 1. Setting of Annual Conference . The location, date, and time of the annual conference shall be established by the Executive Director with approval of the Executive Committee

ARTICLE VII - FINANCES

SECTION 1. Dues. Members shall pay dues annually in an amount determined by the Board of Trustees and payment of such dues shall be a condition of continued membership unless such dues payment is waived based on criteria established by the Trustees.

SECTION 2. Duties: Executive Director. The Executive Director shall receive monies, keep accounts, authorize the drawing of checks, and render the results of

an annual outside audit to the Board of Trustees, and provide a summary report to the members at the annual meeting.

SECTION 3. Receipt of Monies. All monies due to NEFA shall be paid to the NEFA. Unless they are received with contrary stipulations, all monies accepted shall be maintained in the name of NEFA for withdrawal by the Executive Director of NEFA and shall be expended only in accordance with the purposes thereof.

SECTION 4. Revenue Expenditures. All NEFA revenue derived from dues, assessments, sale of publications, gifts, grants, or from any other source shall be used for the work of NEFA and shall be expended only in accordance with the purposes thereof.

SECTION 5. Expenses: Approval. Expenses of NEFA, including expenses of committees, shall be a charge against the income of NEFA subject to approval by the Board of Trustees via the approval of the budget and subsequent budget revisions.

ARTICLE VIII - CONSTITUTIONAL AMENDMENTS AND REVISIONS

SECTION 1. Formulation. The Board of Trustees, by a majority vote, may submit proposals for amendment of the Constitution, as it may elect, to the regular membership for vote. Proposals may be drafted either by the Board or by any member. However, where a majority of the current membership submit a proposal in writing to the Board of Trustees, such proposal must be submitted to the membership for vote.

SECTION 2. Amendments.

Subdivision 1. Notice. Proposed amendments, together with the comments of the Board of Trustees, shall be provided to the regular members by the Executive Director at least 30 days before (a) the date of the annual meeting or (b) the date of a ballot sent to the entire membership.

Subdivision 2. Adoption. Amendments shall pass (a) by a two-thirds affirmative vote of the members present at the annual meeting or (b) by approval of two-thirds of those members returning a ballot. Changes that are adopted shall be effective immediately unless otherwise specified.

ARTICLE IX - DISSOLUTION OF NEFA

SECTION 1. Notice: Vote. NEFA may be dissolved only upon the vote of two-thirds of the then current membership, upon one year's notice.

SECTION 2. Dispositions of Assets. Upon the dissolution of NEFA, the Board of Trustees shall, after paying or making provision for the payment of all the liabilities of the corporation, dispose of all the assets of the corporation exclusively for the purposes of NEFA in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, or scientific purposes, as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Trustees shall determine. Any such assets not so disposed of shall be disposed of by the Court of General Jurisdiction of the County in which the principal 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.

Upon the dissolution of this corporation, after the payment or provision of all of the liabilities of this corporation, all of the assets of this corporation shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the IRS code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. The designated successor in interest for the National Education Finance Academy shall be the Educational Law Association, presently situated at 2121 Euclid Ave., Cleveland, Ohio, 44115. Any such assets not so disposed of shall be disposed of by the Circuit Court of the county in which the

principal 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. In no event, however, may the assets to be disposed of be distributed to or for the benefit of any member, director, trustee, officer or other private person, other than as reasonable payment for services rendered by such person.

ARTICLE X - LIMITATIONS UPON ACTIVITIES

No part of the net earnings of NEFA shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that reasonable compensation may be paid for services rendered. No part of the activities of NEFA shall be the conducting of propaganda or otherwise attempting to influence legislation; and NEFA shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these Articles, NEFA shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law); or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

ARTICLE XI - BYLAWS

This Constitution shall be implemented through Bylaws providing general rules and procedures not inconsistent herewith. Such Bylaws shall be adopted by vote of a two-thirds affirmative vote of the Board of Trustees. Revisions of the Bylaws shall be made by a two-thirds affirmative vote of the Board of Trustees. In the event of inconsistencies between this Constitution and the Bylaws, the Constitution shall control.