

## **FINANCE ADVISORY BOARD**

### **By-Laws**

*(Amended April 21, 2006)*

#### **ARTICLE I: NAME**

The name of this Organization shall be the Finance Advisory Board.

#### **ARTICLE II: MISSION AND SCOPE OF ACTIVITIES**

The mission and scope of activities of the Finance Advisory Board shall be to (1) advise the Department of Finance on matters such as: curriculum development and enhancement, graduate placement, workshop offerings and executive development, faculty development and external relations and (2) participate in the annual nomination and selection of a distinguished financial executive who will be recognized as the "Outstanding Financial Executive of the Year" by the Finance Advisory Board and the KSU Chapter of the Financial Management Association National Honor Society.

#### **ARTICLE III: MEMBERSHIP OF BOARD**

##### **SECTION I - Nominations**

1. Generally, individuals must be nominated for membership by a present member of the Board, a member of the faculty of the Department of Finance of the College of Business Administration, the Dean of the College of Business Administration, or the President of Kansas State University. Normally, nominations for membership will be acted upon by the full Board at its annual meeting.
2. The Executive Committee, acting on behalf of the full Board, is authorized to name up to three new members to the Board in the interim between annual Board meetings. Such action by the Executive Committee must be by unanimous vote of the Committee. The Board will be advised as to such action.

##### **SECTION II - Eligibility for Office**

1. Membership qualifications

A Board member must be a corporate sector executive serving as a chairman of the board, president, chief executive officer, chief operating officer, chief financial officer, controller, treasurer or vice president, or the equivalent of one of the above in the public sector, a principal or a partner in an investment house or accounting or consulting firm, or an academic of significant standing. (This requirement may be waived by the Board's President.)

2. Membership Discontinuance Due to a Failure to Pay Dues

A Board member relinquishes his/her membership when he/she fails to pay his or her annual dues for two consecutive years. Extenuating circumstances should be brought to the attention of the President or the Executive Committee of the Board who can make exceptions to this procedure.

### 3. Designation of Accounts as Delinquent

A member's account will be designated as delinquent if his/her dues are not received by the time of the Board's annual meeting.

## SECTION III - Size of the Board and Term of Office

The Finance Advisory Board shall consist of 40 members, not including Distinguished Executive Fellows. A maximum of five additional memberships may be approved, in anticipation of normal turnover in membership. There is no limit on the term of membership.

## SECTION IV - Responsibilities

The responsibilities of the Finance Advisory Board are to:

1. Help increase the Department's outreach to corporate and public-sector executives, solidifying their relationship with Kansas State University.
2. Help increase the interaction between the faculty and the corporate world, providing Board members the opportunity to seek independent thought on corporate finance issues, and providing the faculty the ability to seek external validation for the relevance of theoretical concepts taught in finance courses.
3. On an annual basis, nominate, and subsequently elect one individual as the "Outstanding Financial Executive of the Year" to be inducted into the University's "Financial Executive Hall of Fame."
4. Identify areas where the Department has, or should acquire, expertise to offer management-level workshops or executive development programs.
5. Help attract prominent business persons to the campus as guest lecturers.
6. Help identify areas of competitive advantage for Kansas State graduates.
7. Explore the possibilities for, and assist with, summer or semester-long faculty internship programs in corporate divisions or governmental agencies.
8. Help identify contemporary issues in Finance to which students should be exposed.
9. Review and provide input relevant to the Department's curriculum.
10. Promote the image of the Department of Finance and Kansas State University.

## SECTION V – Dues

1. Membership dues for regular members, beginning with fiscal year 2006-2007 are \$700 per year, payable to the Kansas State University Foundation. Annual dues may be revised upon a simple majority approval of the Board members attending the annual meeting. The dues may be paid from either a corporate or a personal account.
2. Annual dues for associate members in their first year shall be \$300 less than the dues for regular members. In each subsequent year, associate member dues will be adjusted to enable the associate member to be a regular member after three years of associate membership. When dues for regular members are adjusted, new and continuing associate member dues will be adjusted accordingly to enable the associate member to attain regular member status after a total of three years.

## SECTION VI - Use of Dues

The Department will use the Finance Advisory Board membership dues to offset the direct costs associated with the business and the meetings of the Board. Any remaining funds will be used to enhance the educational, research and service programs of the Department. An accounting of all proceeds will be provided the Board at each of its annual meetings.

## SECTION VII - Distinguished Executive Fellows

The Board is empowered to designate select members who choose to retire from their positions (which qualify them as eligible for membership to the Board) as Distinguished Executive Fellows. Distinguished Executive Fellow members will retain their full membership benefits but are not required to pay dues.

## SECTION VIII - Associate Membership

Graduates from Kansas State University for at least 5 years are eligible for membership on the Board with reduced dues as indicated in ARTICLE III, SECTION V (Paragraph 2). An associate member must be a corporate sector executive serving as assistant controller, assistant treasurer, senior analyst, associate, financial manager, senior financial analyst, vice president or assistant vice president or the equivalent of one of the above in the public sector, in an investment house, accounting or consulting firm or an academic of significant standing. (This requirement may be waived by the Board's President). The nomination procedure for associate membership will follow ARTICLE III SECTION I (Paragraph 1) in these By-Laws.

## ARTICLE IV: OFFICERS AND DUTIES OF OFFICERS

### SECTION I - Officers

The officers of this Board shall be:

President  
President-Elect  
Vice President  
Secretary  
Treasurer  
Past President

### SECTION II - Duties of Officers

1. President: The President shall serve as the Chair of the Board. The President shall preside at all meetings held for the purpose of transacting business; preserve order, and appoint all committees. The President will have the power to call special meetings when necessary or at the written request of two-thirds (2/3) of the Board members. The President shall impartially enforce all rules and regulations and ensure that each officer and each committee perform its duties.
2. President-Elect: The President-Elect shall serve as a Vice President, and shall succeed the current President after the completion of his term. In the event that the office of the President becomes vacant, the President-Elect will assume the office of the President and perform all such duties as are usually incident to the office.

3. Vice President: The Vice President shall assist the President, and preside should both the President and President-Elect be absent, or whenever called upon by the President.
4. Treasurer: The Treasurer shall oversee the collecting, receipt, and maintenance of custody of all monies payable to this Board.
5. Secretary: The Secretary shall keep the records of this Board and record the minutes of each regular and special meeting. The minutes of each preceding meeting shall be presented at each regular meeting. The Secretary shall at all times keep for inspection by any member a list of Board members and members of the Executive Committee. The Secretary shall notify all Board members of the regular meetings and of special meetings of this Board.

## ARTICLE V: MEETINGS

### SECTION I - Time and Location

1. The Board will hold its annual meetings on a Friday during the month of April on or near the campus of Kansas State University. The meeting will normally commence in the morning and will conclude with a banquet in the evening.

### SECTION II - Procedures

1. All meetings shall be conducted according to Roberts Rules of Order.
2. A majority of the Board shall constitute a quorum.
3. Except as otherwise specifically provided herein, a majority of those present and voting at a meeting at which a quorum is present shall decide all questions.

## ARTICLE VI: COMMITTEES

### SECTION 1 - Standing Committees

1. The Executive Committee will be the only Standing Committee of the Finance Advisory Board.
2. The Executive Committee shall meet at least once per calendar year. Meetings may be held by conference telephone call provided that all members attending the meeting can hear one another.
3. A majority of the Executive Committee shall constitute a quorum. A majority of those present and voting at a meeting at which a quorum is present shall decide all questions.
4. The membership and responsibilities of the Executive Committees shall be as follows:
  - Membership - The Committee shall consist of the President, President-Elect, Vice President, Secretary, Treasurer, and Past President. The Head of the Department of Finance shall be an Ex Officio member.
  - Responsibilities - The Committee may meet in the interim between the regular meetings of the Board and shall have all of the powers of the Board, provided, however, that no previous action of the Board shall be reversed. A specific responsibility of the Committee will be to establish appropriate criteria for the awarding of the "Outstanding Financial Executive of the Year" recognition. The Committee will also be responsible for seeking and reviewing nominations and for selecting the

recipient.

## SECTION II - Election of Executive Committee

The Board is governed by an Executive Committee of six, elected by the membership to two-year terms at its annual meetings. (The exception of this would be for the inaugural meeting of the Board, at which two members will be elected to one-year terms and three to regular two-year terms.) The Executive Committee shall elect one of its members as President who will assume the leadership of the Board until a successor has been chosen in a like manner.

## **ARTICLE VII: ADOPTION OF BY-LAWS**

These By-Laws were unanimously adopted by the Finance Advisory Board on April 3, 1992, (and amended April 21, 2006) at Manhattan, Kansas State University

## **ARTICLE VIII: INTERPRETATION AND AMENDMENT OF BY-LAWS**

### SECTION I - Interpretation

All question of construction and interpretation of these By-Laws shall be resolved by the Board and its decision shall be final and binding.

### SECTION II - Amendments

These By-Laws may be amended or repealed, in whole or in part, by the Board.

