

*The North Carolina State Chapter of*

# ***PHI BETA LAMBDA***

**State Handbook**

**Section 4 – Constitution and By-Laws**

**2011-2012**

*A college-level national  
association for the  
professional development  
of business students*

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**State Handbook**

**Section 4 – CONSTITUTION AND BY-LAWS**

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**CONSTITUTION**

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**NORTH CAROLINA STATE CHAPTER  
PHI BETA LAMBDA  
ADOPTED IN ACCORDANCE WITH THE  
UNIFORM STATE CHAPTER CONSTITUTION  
FUTURE BUSINESS LEADERS OF AMERICA-PHI BETA LAMBDA, INC.**

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**ARTICLE I. NAME**

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The name of this organization shall be the North Carolina State Chapter of Phi Beta Lambda, hereafter referred to as "the Chapter."

**ARTICLE II. PURPOSE**

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The purpose of the Chapter shall be to further the goals of Phi Beta Lambda within the state of North Carolina. The Chapter shall provide opportunities for post-secondary students to develop business-related career competencies. Phi Beta Lambda is an integral part of the instructional program and in addition promotes a sense of civic and personal responsibility.

The specific goals of FBLA-PBL and the Chapter are to:

- Develop competent, aggressive business leadership.
- Strengthen the confidence of students in themselves and their work.
- Create more interest in and understanding of American business enterprise.
- Encourage members in the development of individual projects, which contribute to the improvement of home, business, and community.
- Develop character, prepare for useful citizenship, and foster patriotism.
- Encourage and practice efficient money management.
- Encourage scholarship and promote school loyalty.
- Assist students in the establishment of occupational goals.
- Facilitate the transition from school to work.

The Chapter shall not have any purpose nor engage in any activity inconsistent with the status of an educational and charitable organization as defined in Section 501Q (3) of the Internal Revenue Code of 1954 or any successor provision thereto, and none of these goals shall at any time be deemed or construed to be other than the public benefit purposes and objectives consistent with such educational and charitable status, nor shall the Chapter adopt goals or engage in any activity inconsistent with the goals and policies of FBLA-PBL, Inc.

**ARTICLE III. MEMBERSHIP**

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The membership of the Chapter shall consist of Phi Beta Lambda members residing within the state of North Carolina. Classes of membership identical to those established by FBLA-PBL, Inc., shall be established by the Chapter. Such classes, together with the voting and other rights of each are more specifically set forth in the Bylaws.

**ARTICLE IV. DUES AND FINANCE**

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**Section 1:** The Chapter may assess dues from the member in addition to dues assessed by FBLA-PBL, Inc.

**Section 2:** No part of the net earnings of the Chapter shall inure to the benefit of any member, sponsor, donor, creator, director, officer, employee, or any other private individual or the benefit of any corporation or organization, any part of the net earnings of which inure to the benefit of any private individual; provided, this shall not prevent payment of reasonable compensation for services actually rendered the Chapter in effecting its goals.

The Chapter shall not divert any part of its income or corpus to any member, sponsor, donor, creator, director, officer or employee; by lending any part of its income or corpus without receipt of adequate security and a reasonable rate of interest; by paying any compensation in excess of reasonable allowance for salaries, or other compensation for personal services actually rendered; by making any purchase of security or other property for more than adequate

## **SECTION 4 – CONSTITUTION AND BY-LAWS**

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consideration for money or money's worth; by selling any consideration for money or money's worth; or by engaging in any other transaction which, either directly or indirectly, results in such diversion of its income or corpus.

The Chapter shall not make any accumulation of its income unreasonable in amount or duration.

**Section 3:** The Chapter shall not use any income for purposes other than the objects set forth in this Constitution or invest any income in any manner, which might jeopardize the fulfillment or carrying out of its objects. The Chapter shall not devote a substantial portion of its activities to carrying on propaganda or otherwise attempting to influence legislation, and in no event shall the Chapter engage in any legislative activities other than those in direct furtherance of the Chapter's state objectives. The Chapter shall not participate in or intervene in any political campaign on behalf of any candidate for public office. In general, the Chapter shall not act in any way or engage in any activity, which might affect its right or the right of FBLA-PBL, Inc., and the Chapter shall be so operated as to be entitled to and receive all tax exemptions, federal or local, which may be granted to charitable, scientific, or educational associations or foundations.

## **ARTICLE V. ORGANIZATION**

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**Section 1:** The Chapter is a subsidiary of the Future Business Leaders of America-Phi Beta Lambda, Inc. As an integral part of FBLA-PBL, Inc., the Chapter shall have goals and engage in activities consistent with the organization's status as a charitable and educational organization as defined in Section 501(c)(3) of the Internal Revenue Code of 1954. Reports shall be submitted to FBLA-PBL, Inc., as requested.

**Section 2:** The Chapter shall be governed by an Executive Council which shall serve as the policymaking body for the Chapter, and which shall be subject to this Constitution, the Phi Beta Lambda Bylaws, and the Board of Directors of FBLA-PBL, Inc.

**Section 3:** The Chapter shall adopt a set of Bylaws consistent with this Constitution, which shall include the powers and duties of the Executive Council, officers and elections, meetings of the Chapter, and any other provisions necessary for the orderly administration of the Chapter.

**Section 4:** The Chapter shall maintain such relationship with Phi Beta Lambda local chapters within the state of North Carolina as shall be approved by the Executive Council. The Chapter has applied to the Internal Revenue Service for a group tax exemption ruling on behalf of the local chapters within the state; the tax number is 23-7147582.

**Section 5:** Upon dissolution, all the assets of the Chapter shall be and remain the assets of FBLA-PBL, Inc.

## **ARTICLE VI. EMBLEMS AND INSIGNIA**

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The Chapter emblems shall be the emblems of the national organization. Only members in good standing may use official emblems and insignia.

## **ARTICLE VII. AMENDMENT**

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This Constitution is a mandatory Constitution drafted by FBLA-PBL, Inc. for adoption by its state chapters and shall be un-amendable without the written consent of FBLA-PBL, Inc. Should amendments be required for the purpose of qualifying or retaining qualification under Section 501 (c)(3) of the Internal Revenue Code of 1954 or any successor provision thereto, such amendments, as approved by the Board of Directors of FBLA-PBL, Inc., shall become a part of this Constitution with or without the consent of the Chapter.

**BYLAWS**

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**NORTH CAROLINA STATE CHAPTER  
PHI BETA LAMBDA**

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**ARTICLE I. NAME**

---

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**ARTICLE II. PURPOSE**

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The purpose of the Chapter shall be to further the goals of Phi Beta Lambda within the state of North Carolina. The Chapter shall provide opportunities for post-secondary and college students to develop business-related career competencies. Phi Beta Lambda is an integral part of the instructional program and in addition promotes a sense of civic and personal responsibility.

The specific goals of FBLA-PBL and the Chapter are to:

Develop competent, aggressive business leadership. Strengthen the confidence of students in themselves and their work. Create more interest in and understanding of American business enterprise. Encourage members in the development of individual projects, which contribute to the improvement of home, business, and community. Develop character, prepare for useful citizenship, and foster patriotism. Encourage and practice efficient money management. Encourage scholarship and promote school loyalty. Assist students in the establishment of occupational goals. Facilitate the transition from school to work.

**ARTICLE III. MEMBERSHIP**

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**Section 1:** Phi Beta Lambda membership shall consist of members of chartered local chapters. These members shall hold membership in their state and national chapters. Individual members shall be recognized only through the North Carolina State Chapter of Phi Beta Lambda.

**Section 2:** Membership shall consist of the following classes:

Active members shall be students enrolled in business and/or business-related fields who accept the purpose of Phi Beta Lambda and subscribe to its creed. Active members shall pay dues as established by Phi Beta Lambda and may participate in state and national events in accordance with the guidelines of the State and National Awards Programs, serve as voting delegates to the State and National Leadership Conferences, hold state and national office, and otherwise represent their respective state and local advisers. Approval of changes in the definition of Active Members by the national association shall automatically effect a change in this section.

Professional Division Members shall be those individuals holding current membership status with both the NCPBL Professional Division and the FBLA-PBL National Professional Division. Professional Division members shall pay dues as established by the state and national Professional Divisions, but shall not compete in events, serve as voting delegates, or hold offices reserved for student members.

Honorary Life Members may be recommended by the membership and shall be accepted upon approval by the Executive Council. They shall be persons who are assisting in the advancement of business and office education and/or who are rendering outstanding service to Phi Beta Lambda. Honorary Life Members shall not vote or hold office and shall not be required to pay dues.

**ARTICLE IV. DUES AND FINANCE**

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**Section 1:** Each local chapter shall pay annual state membership dues of ten dollars (\$10.00) per member. State membership dues shall be the same in amount as national membership dues; therefore, a change in national membership dues will automatically effect a change in state membership dues without the need for a Bylaws Amendment.

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**Section 2:** The annual membership dues set by the National Chapter shall be ten dollars (\$10.00) per member. Approval of changes in the amount of national dues shall automatically effect a change in this Section.

**Section 3:** The fiscal year of the Chapter shall be July 1 through June 30.

**Section 4:** A financial review to ensure accountability and adequate record keeping shall be made annually by a committee appointed by the State Council of two advisers and a Professional Division member who were not members of the Council during the fiscal year of the records being reviewed. The Committee will provide a report to the Executive Council and a yearly financial statement will be provided local chapters. (April 2008)

**Section 5:** The Chapter's finances shall be handled in the following manner:

- A. Funds shall be kept on deposit in any approved bank in North Carolina.
- B. Checks are to be signed by at least two of the following individuals: State Adviser(s), Directors, and/or Secretary/Treasurer.
- C. The Secretary/Treasurer shall ensure that a detailed record of receipts and disbursements of all funds is maintained as approved by the State Adviser.
- D. All bills shall be presented to the State Adviser for payment.
- E. All checks shall be made payable to North Carolina Phi Beta Lambda.

## ARTICLE V. ORGANIZATION

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**Section 1:** The State Chapter shall be an association of local chapters within the state of North Carolina, each operating in accordance with a charter granted by FBLA-PBL, Inc. Only chapters which have received charters and numbers issued by FBLA-PBL, Inc., and which are currently in good standing, shall be referred to as chapters of "Phi Beta Lambda."

**Section 2:** The State Chairman of FBLA-PBL shall approve a State Adviser (or Advisers) to provide continuity in administration of the Chapter. The State Adviser(s) will be elected by the NCPBL Local Chapter Advisers at the State Leadership Conference with no chapter having more than two advisers voting. The term of office for the State Adviser shall be a six-year term. At the end of the fifth year, the position will be open for candidates interested in serving the next term. A serving State Adviser(s) may be eligible for reconsideration. All candidates must submit materials to a nominating committee by December 30th. The nominating committee shall be comprised of one local chapter adviser from each region, and two professional members appointed by the State Executive Council, and as ex-officio, non-voting members, the State President and the State Chairman. The State Chairman must approve of all candidate(s) prior to submitting candidate(s) names to the local chapter advisers.

The nominating committee shall distribute the application form(s) of the candidate(s) to each active local chapter's lead adviser two weeks prior to the SLC. Local chapter advisers, with no chapter having more than two advisers voting, shall vote for the State Adviser at the SLC. A majority vote of local chapter advisers in attendance at the NCPBL SLC is needed. The outcome of the voting process will be announced at the NCPBL State Leadership Conference during the business session and the new State Adviser's name will be sent to the State Chairman of FBLA-PBL and National FBLA-PBL will be notified.

Terms of office shall commence at the conclusion of the NCPBL State Leadership Conference of a given year, and end at the conclusion of the National Leadership Conference of the year the term is complete, allowing for a transition period.

The current State Adviser shall serve through the 2008 SLC (as Amended April 8, 2006).

**Section 3:** The State Adviser (or advisers) shall have the authority to appoint up to five directors to assist in carrying out specific functional tasks of the state chapter. Appointments may be made for two-year terms, and each appointment is subject to the approval of the State Executive Council.

**Section 4:** Each local chapter shall have an adviser who will be a faculty member or a staff person, as sanctioned by the local chapter's college administration, as appropriate. A local chapter may have as many special-emphasis groups under the chapter charter as it deems necessary to meet the interests of all students. The local chapter of Phi Beta Lambda shall assume full responsibility for coordinating the program of these interest groups (as Amended April 17, 2004).

**Section 5:** The State Chapter shall consist of three geographic regions Eastern, Central, and Western. The regions shall be defined by the Executive Council.

**Section 6:** The State Committee shall be comprised of the State Adviser and the State Directors. No more than two State Committee members may be from the same institution. If the State Adviser or a director position becomes vacant, the State Executive Council shall select a person to complete that term of office with appropriate approvals as stated in Section 2 and 3.

## **ARTICLE VI. EXECUTIVE COUNCIL**

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**Section 1:** The North Carolina Phi Beta Lambda Executive Council is composed of the State Chairman, State Committee (State Adviser(s) and State Directors), State Officers, the Professional Division Officers, one local chapter adviser for each state officer, and the NCPBL Foundation, Inc., President (or designee) as a non-voting member (unless already represented on the Council). State Committee or State Professional Division Officers who serve in the capacity of local chapter adviser will also serve as the local chapter adviser for their officer on the Executive Council. All members are expected to participate in Executive Council activities. Local advisers who approve members to run for a state office are expected to participate in Executive Council activities. Should the local chapter adviser who approves a member to run for office no longer hold that capacity or not be able to attend a meeting, another adviser from that chapter may attend (as Amended April 17, 2004; April 8, 2006).

**Section 2:** The State President shall be empowered to call meetings with the approval of the State Chairman and/or State Adviser(s).

**Section 3:** The State President shall preside at all Executive Council meetings.

**Section 4:** The Executive Council shall represent and act for the Chapter as the occasion may demand and plan for the overall welfare of the Chapter.

**Section 5:** Quorum. The quorum for all State Executive Council meetings (regular or called) shall be a majority of State Executive Council members of record (as Amended April 17, 2004; April 8, 2006).

**Section 6:** State Executive Council meetings shall be held four times a year: Initial Meeting (at North Carolina Phi Beta Lambda State Leadership Conference), Spring (usually May or June), Fall (usually August or September), and Winter (usually January or February) (as Amended April 17, 2004).

**Section 7:** The Executive Council plans and implements, under the guidance and direction of the State Chairman and State Adviser(s), and State Committee, the total program of leadership development activities, state leadership training sessions, and the North Carolina Phi Beta Lambda State Leadership Conference (as Amended April 17, 2004).

## **ARTICLE VII. OFFICERS AND ELECTIONS**

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**Section 1:** Elected State Officers. The following Phi Beta Lambda State Officers shall be elected by the voting delegates at the annual North Carolina Phi Beta Lambda State Leadership Conference: President, Eastern Region Vice President, Central Region Vice President, Western Region Vice President, Secretary/Treasurer, and Historian.

**Section 2:** Qualifications for State Office.

- A. Only active members are eligible to hold state office.

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- B. Only those applicants who are present at the North Carolina Phi Beta Lambda State Leadership Conference and officially certified by the Officer Candidate Screening Committee shall be eligible.
- C. To be considered for a state office in Phi Beta Lambda, an applicant shall:
  - 1. have at least one full school year remaining in his or her educational program,
  - 2. be approved by the local chapter and its adviser(s),
  - 3. submit an officer application form to the State Adviser(s) prior to the filing deadline.
  - 4. candidates for Secretary/Treasurer must possess the capability to record minutes of meetings in an accurate and timely manner as well as to produce them according to acceptable business standards. In addition, candidates for this office must have a working knowledge of financial record keeping and reporting.
  - 5. candidates for the office of Historian must demonstrate web page knowledge by submitting a two- to three-page web design stating qualifications for the office.

### **Section 3:** Nominations. Nominations shall be made as follows:

- A. A local chapter may nominate two candidates for state office. In the event both candidates win, only the candidate winning the higher office may serve unless either or both candidates are unopposed. Candidates for state office must be selected by a two-thirds vote of the members of their local chapters.
- B. Nominations shall not be received from the floor at the State Leadership Conference.
- C. If no nominations are received for an office, the Executive Council will appoint a qualified person.

### **Section 4:** Elections.

- A. The President, Secretary/Treasurer, and Historian shall be elected annually at a general session of the North Carolina Phi Beta Lambda State Leadership Conference by the local voting delegates. The Vice Presidents shall be elected annually at a regional session of the North Carolina Phi Beta Lambda State Leadership Conference by the local voting delegates in each region.
- B. Each chapter in good standing shall be entitled to send voting delegates from its active membership to the North Carolina Phi Beta Lambda State Leadership Conference in accordance with the following:
  - Under 50 members--2 voting delegates
  - 50-100 members--3 voting delegates
  - Over 100 members--4 voting delegates
- C. Voting shall be done by official voting delegates from each local chapter represented at the North Carolina Phi Beta Lambda State Leadership Conference using the following procedure:
  - 1. A roll call of chapters will be made to verify voting delegates.
  - 2. Voting shall be by ballot of official voting delegates in attendance.

**Section 5:** Term of Office. State Officers shall be elected for one year, and their term of office shall begin at the close of the North Carolina Phi Beta Lambda State Leadership Conference at which they are elected.

**Section 6:** Vacancy in Office. A vacancy in any office, other than that of President, shall be filled by appointment of the Executive Council. Should the office of President become vacant, the Vice President from the President's region shall automatically become President.

**Section 7:** Removal from Office. In the event that an elected or appointed State Officer does not carry out the duties and responsibilities assigned that office, and in the event that a State Officer does not conduct himself or herself in an exemplary manner which upholds the high ideals of Phi Beta Lambda, the officer is subject to removal from State Office by the Executive Council. Absence from an Executive Council meeting may constitute reason for removal from office.

**Section 8:** Running for National Office. A candidate for a PBL national office must be endorsed by the State Executive Council prior to submitting nomination materials. Members wishing to be endorsed must submit to the State Adviser a letter of interest including qualifications, platform and campaign basics, and education plans for the next year, a transcript, and a letter of recommendation from their chapter adviser. The Council will review completed applications and make a decision on endorsing and making the nomination. Candidates will be assisted throughout the campaign by the Council.

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**ARTICLE VIII. DUTIES OF STATE OFFICERS**

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**Section 1:** President. It shall be the duty of the president to preside over all Executive Council meetings at which time plans will be made for the North Carolina Phi Beta Lambda State Leadership Conference, various state projects and activities, and other business as necessary to conduct the affairs of the Chapter. The President shall appoint all special committees as deemed necessary and shall serve as ex-officio member of these committees. The President shall promote chapter organization as well as chapter activities. It shall be the duty of the outgoing President to oversee and ensure the delivery of the annual business report for the state chapter with the outgoing state officer team.

**Section 2:** Regional Vice Presidents. It is the duty of regional Vice Presidents, acting under the direction of the President, to oversee the welfare and promotion of the Phi Beta Lambda organization in their regions of the state. In case the office of the President becomes vacant, the Vice President from the President's region succeeds to the presidency and assumes those duties of the President. Vice Presidents shall promote local chapter membership growth and chapter recruitment. In addition, regional Vice Presidents will preside over regional meetings.

**Section 3:** Secretary/Treasurer. It shall be the duty of the Secretary/Treasurer to perform the tasks common to such an office, such as keeping accurate records of the sessions of the North Carolina Phi Beta Lambda State Leadership Conference and of the meetings of the Executive Council. The Secretary/Treasurer shall maintain the permanent files of all minutes and shall send a synopsis of actions taken during State Executive Council meetings to the State Historian for publication in the state newsletter. The Secretary/Treasurer shall work with the State Adviser(s) as custodian of the funds of the Chapter. The Secretary/Treasurer shall ensure that a summary record of all receipts and disbursements is maintained and shall make an annual report on such matters at the end of the fiscal year and other supplementary reports as may be directed by the Executive Council, State Adviser(s), or State Chairman.

**Section 4:** Historian. The Historian is responsible for publishing the state newsletter and maintaining the state chapter web site. The Historian collects information from each local chapter and checks for correctness of form and grammar. The Historian should have basic web development experience. The Historian will be responsible for composing content for the web page and ensuring that the web site is accurate and up to date.

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**ARTICLE IX. MEETINGS**

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**Section 1:** Local chapters shall hold their meetings monthly or more often throughout the school year and at such time and place as may be decided upon by the executive council of the local chapter.

**Section 2:** The annual Fall Leadership Development Conference shall be held in October or November at a time and place to be approved by the Executive Council, upon recommendation of the Leadership Development Director and the State Adviser (as Amended April 8, 2006).

**Section 3:** The North Carolina Phi Beta Lambda State Leadership Conference shall be held annually at least 45 days prior to the National Leadership Conference at a time and place to be approved by the Executive Council upon recommendation of the State Awards Program Director and the State Adviser (as Amended April 8, 2006).

**Section 4:** Quorum. The quorum for all business meetings of the North Carolina Phi Beta Lambda State Leadership Conference shall be a majority of the registered voting delegates.

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**ARTICLE X. RULES, REGULATIONS, AND POLICIES**

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**Section 1:** Such rules, regulations, and policies as are deemed necessary for the proper conduct of the Chapter shall be adopted.

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**Section 2:** No rules, regulations, and policies shall be adopted which are contrary to the state and national constitutions.

**Section 3:** In all meetings, the most current edition of Robert's Rules of Order shall serve as the parliamentary authority.

### ARTICLE XI. AMENDMENTS

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**Section 1:** Proposed amendments to the Bylaws shall be submitted in writing by local chapters or State Executive Council members to the State Adviser and State Secretary/Treasurer at least 7 days prior to an Executive Council meeting. Proposed amendments will be forwarded to the Executive Council members within two business days. Proposed amendments shall be reviewed by the Executive Council and submitted to local chapters for consideration with recommendations from the Executive Council (as Amended April 17, 2004; April 8, 2006).

- A. Amendments may be adopted by one of two ways:
  - 1. A two-thirds vote of local chapter voting delegates in attendance at the North Carolina Phi Beta Lambda State Leadership Conference,
  - 2. A two-thirds vote of local chapter voting delegates by mail.
  
- B. No amendment shall be in conflict with the ethics or rules of Future Business Leaders of America-Phi Beta Lambda, Inc. The Board of Directors of Future Business Leaders of America-Phi Beta Lambda, Inc., may enact, without the consent of the Association or its members, any amendments required to qualify, or to retain qualification, as a charitable and education organization as defined in the Internal Revenue Code of 1954 or any successor thereto, and such amendments shall automatically become a part of these bylaws.