

STATEMENT OF POLICY
FOR THE SECTIONS AND DIVISIONS OF THE
NORTH CAROLINA BAR ASSOCIATION
(Reference Article 9.4 of the Association's Bylaws)

1. Origination. Any committee or combination of committees of the North Carolina Bar Association ("Association") interested in establishing a new Section or Division with the same subject matter as the then existing committee(s) may request permission of the Board of Governors ("Board") to announce its intention to the Association membership. If permission is granted, the announcement shall be prepared and sent from the Bar Center. Upon verification to the Board that one hundred (100) or more members have evidenced their interest in the Section or Division formation by forwarding checks for Section or Division dues (minimum thirty dollars (\$30.00) per member, or such other amount as determined by the Board), the Section or Division shall become activated and authorized to organize the Section's or Division's structure and to adopt bylaws for approval by the Board.

The previously existing committee(s) shall be dissolved upon final approval by the Board of the Section's or Division's organization and proposed bylaws.

2. Jurisdiction. The jurisdiction of the Section or Division shall be within the corporate purposes of the Association and not in conflict with the jurisdiction of any other Section, Division, or committee. Section or Division activities at all times shall be subject to the control of the Board and conducted in accordance with any policies, rules, regulations, and guidelines adopted by the Board.

3. Membership Qualification. Qualification for membership in any Section or Division shall be membership in the Association, the payment of Section or Division dues, and any other qualifications duly required by the Section or Division, or by the Board.

4. Officers. The Chair and Vice-Chair (or Chair-Elect) of each Section or Division other than the Young Lawyers Division and the Senior Lawyers Division shall be appointed by the President. Each Section or Division, through its bylaws, shall provide for the election of such other officers as it may deem advisable.

Officers of the Section or Division shall serve a one-year term coinciding with the term of office of the officers of the Association. No Section or Division officer shall serve more than two consecutive terms in the same office except upon application to and approval by the Board.

The Chair and Vice-Chair (or Chair-Elect) of each Section or Division shall be invited to attend the regular meetings of the Board and to report on the activities of the Section or Division during such meetings if the Chair or Vice Chair (or Chair-Elect) of the Section or Division so desires.

5. Council. The Section or Division shall have a Council composed of the officers of the Section or Division and as many members as the Section or Division

bylaws shall deem necessary. The officers of the Section or Division, other than the Chair and Vice-Chair (or Chair-Elect), and the other members of the Section's or Division's Council shall be elected by the membership of the Section or Division. The Council shall be the governing body of the Section or Division, subject to the control of the Board, and shall hold meetings as needed.

6. Committees. The Section or Division Chair may designate such committees as deemed appropriate and shall establish the jurisdiction of the committees.

7. Annual Meeting. The Section or Division shall have at least one meeting each year for the entire membership of the Section or Division.

8. Reports. Each Section or Division shall submit to the Association (prior to the Annual Meeting of the Association) a written report of the activities of the Section or Division during the preceding year. Before the conclusion of the Annual Meeting of the Association, each Section or Division shall notify the Executive Director of its Council members and elective or elected officers for the coming year.

9. Budget. Before April 1st of each year, each Section or Division shall submit its proposed balanced budget for the next fiscal year to the Audit & Finance Committee of the Association for inclusion in the Association's proposed budget, which is then subject to review and approval by the Board.

10. Publications. The Section or Division may produce and distribute a newsletter or other publication in furtherance of its objectives. Any such publication shall be produced in consultation with the Director of Communications of the Association.

11. Continuing Legal Education. Each Section or Division shall appoint a Continuing Legal Education Committee, whose Chair shall be the Section's or Division's liaison to the Continuing Legal Education Committee of the North Carolina Bar Association Foundation, Inc. ("Foundation"). All continuing legal education programs shall be coordinated through and conducted in consultation with the Director of Continuing Legal Education and the Continuing Legal Education Committee of the Foundation.

12. Legislative Liaison Committee. Each Section or Division shall designate a Legislative Liaison Committee to deal with legislation introduced in the General Assembly pertaining to the Section's or Division's area of interest. The duties and activities of such designated Legislative Liaison Committee shall be governed by the existing Statement of Legislative Policy and Procedures of the Association.

13. Fiscal Arrangement. Each Section or Division shall have the power, subject to the approval of the Board, to determine Section or Division dues and make expenditures from such funds not inconsistent with the purposes of such Section or Division, but shall incur no obligation that is not currently payable from such funds. Section or Division dues shall be billed and collected by the Association and all collected dues and all other Section or Division funds shall be maintained by the Association. No disbursement of the funds of a Section or Division shall be made without authorization of the Section or Division.

Annual dues for each member of a Section or Division shall be not less than thirty dollars (\$30.00) per year (or such other amount as determined by the Board) payable when the annual dues of the Association are billed.

Any change in annual dues of a Section or Division shall be made with approval of the Board and any request for change must be presented to the Board at least by the spring meeting of the Board for the change to take effect in the upcoming fiscal year of the Association.

The Treasurer of the Association shall receive and maintain all collected dues and all other funds for each Section or Division. No Section or Division shall incur debt or legal obligation exceeding funds on hand.

At the end of each fiscal year, a Section or Division, without need to request action of the Board, may automatically carryover into the next fiscal year a portion of its unspent funds not to exceed the greater of (i) \$3,000, or (ii) the lesser of \$5,000 or ten percent of its dues budget ("Carryover Amount"). Any dues and other funds in the Section or Division account at the end of the fiscal year in excess of the Carryover Amount shall be automatically transferred to the general account of the Association.

14. Use of Section or Division Dues. Section or Division dues should be used to further the purposes of the Section or Division as stated in its bylaws and as stated in Article 1.2 of the Association's Bylaws, in a manner providing the broadest possible benefit to the membership of the Section or Division. No Section or Division dues may be used for political purposes or for any other purpose prohibited by the Board.

The Association recognizes its Sections and Divisions may wish to involve themselves with outside organizations whose missions are related to the area of interest of the Section or Division, and whose missions are aligned with the type of activities which are supported by the Association. Occasionally, a Section or Division will accrue funds available in the budget in excess of the allowable carryover amount and a Section or Division may wish to make a donation to such outside organization.

If a Section or Division desires to spend funds outside of the Association for a donation to such outside organization, or for the purchase of a service or item, which cumulatively exceeds \$500 in a fiscal year, the Chair of the Section or Division must make a written request to the Executive Committee for prior written approval. Such request must include the amount, name of the organization and sufficient explanation for the requested expenditure. All expenditure requests must be submitted to the Director of Finance of the Association by June 15 for payment from the current fiscal year's funds.

Criteria used by the Executive Committee when considering whether to approve a request, in its discretion, include whether the expenditure will be used to further one of the following purposes of the Association: (1) to study, improve or facilitate the administration of justice; (2) to build respect and understanding of the law; (3) to enhance the professional competence of lawyers; (4) to support the delivery of legal

services to eligible indigent communities; or (5) to support legally-related community service projects.

This policy does not apply to any donations by a Section or Division to the Foundation, which such donations are hereby permitted.

15. Nominations. Annually, the Chair of the Section or Division shall appoint a nominating committee of the Section or Division consisting of a least five members of the Section or Division, one of whom shall be the Immediate Past Chair, who shall be the Chair of the nominating committee. The nominating committee and its nominees should be representative of the entire Section or Division, and to this end, the Chair in appointing the committee and the committee in making its nominations are encouraged to consider, within appropriate legal limits, diversity in the appointees and nominees, such as geographical location, age, firm size, gender, race, and practice area.

Nominations of persons from the same firm to serve as officers or Council members at the same time should be discouraged. The nominating committee shall consider only dues paying members of the Section or Division for nomination as officers, Council members, or committee chairs.

No Council member shall serve more than two consecutive three-year terms or a total of three terms as a Council member except upon application to and approval by the Board. "Term" shall mean a three-year consecutive period of service on the Council.

No Section or Division officer shall serve more than two consecutive terms or a total of three terms in the same office except upon application to and approval by the Board.

The Chair and Vice-Chair (or Chair-Elect) of the Section or Division other than the Young Lawyers Division and the Senior Lawyers Division shall be appointed by the President. The Section or Division Chair shall, no later than March 1st of each year, forward recommendations for such offices to the then President-Elect of the Association. The Section or Division shall recommend its choice for each office, but may also recommend an alternate individual for each of the two offices, if desired.

16. Guidelines for Committee Chairs. In order to help facilitate the functioning of Section or Division business, it is recommended that committee chairs for the Section or Division follow these guidelines:

(a) A complete committee list should be prepared identifying all committee members. The committee should draft a brief statement of its objectives for the year and a schedule for completing work;

(b) Committees should meet regularly and a brief report should be prepared following each meeting and circulated to committee members, as well as the Section or Division Chair and Vice-Chair (or Chair-Elect);

(c) The Section or Division Chair and Vice-Chair (or Chair-Elect) should be copied on all committee correspondence and notified of all committee meetings. The

committee Chair, or a designee, should be prepared to report on the status of the work of the committee at each Council meeting; and

(d) If a significant report or recommendation is to be made to the Council at one of its meetings, a summary of that recommendation should be prepared in advance of the Council meeting so that it may be sent to Council members in the Council mailing. This mailing is sent to Council members usually two weeks prior to the Council meeting with the reminder notice, agenda, and other pertinent materials.

THEREFORE: In the exercise of its authority to dissolve, consolidate, and divide Sections or Division, should the Board:

(a) Dissolve a Section or Division, its dues and other funds shall be forfeited to the general account of the Association;

(b) Consolidate two or more Sections or Divisions, the respective dues and other funds shall be combined; or

(c) Divide a Section or Division into two or more Sections or Divisions, the respective dues and other funds of the original Section or Division shall be prorated according to the number of members in each newly created Section or Division.

Revised June 27, 2009
Revised June 25, 2011
Last Revised June 20, 2014

PROCEDURES FOR FORMING A SECTION OR DIVISION

1. Any committee or combination of committees of the North Carolina Bar Association (“Association”) may request permission of the Board of Governors (“Board”) to contact all members of the Association and thereby announce the proposed formation of a Section or Division concerned with the same subject matter as the then existing committee(s).

2. If permission is granted by the Board, the announcement shall be prepared and sent from the offices of the Association and shall state the amount of annual Section or Division dues (not less than thirty dollars (\$30.00) per member or such other amount adopted by the Board). A minimum of one hundred (100) members shall be required to evidence their interest to participate as members of the proposed Section or Division by forwarding their checks in the appropriate amount payable to the North Carolina Bar Association and marked “for provisional dues – Section or Division on _____.”

3. Upon verification to the Board of compliance with the minimum requirements, the Section or Division shall become activated and authorized to organize the Section or Division structure and to adopt bylaws for approval by the Board. The provisional dues previously paid shall be credited to Section or Division membership for the next ensuing Association year beginning on July 1st. The members of the Section or Division may continue to recruit members. The previously existing committee(s) shall be dissolved upon final approval by the Board of the Section’s or Division’s organization and bylaws.

4. Following final approval of the Section or Division formation by the Board, Section or Division dues shall be collected by the Association with its annual dues.

5. Should the Board fail to approve the formation of a proposed Section or Division, all provisional dues shall be refunded.

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STATEMENT OF POLICY
FOR THE COMMITTEES OF THE
NORTH CAROLINA BAR ASSOCIATION
(Reference Article 10.11 of the Association's Bylaws)

1. Functions and Responsibilities. The function and responsibilities of the standing committees created in Article 10.1 of the Bylaws of the North Carolina Bar Association ("Association"), and any other committee created by the Board of Governors ("Board") pursuant to Article 10.8 of the Bylaws, shall be set out in writing and maintained with the records of the Association. The functions and responsibilities of each committee established by the President under Article 10.9 of the Bylaws shall similarly be defined in writing.

2. Organization of Committees. Each committee may adopt, amend, and repeal such rules for its own governance as it may deem advisable, not inconsistent with the Bylaws, with any resolution of the Association, the Board, or the Executive Committee, or with those portions of this Statement of Policy phrased in mandatory terms.

3. Composition of Committees and Selection of Members. The Board shall determine the number of members of each committee it creates. The President may add to any committee such additional associate members as may appear appropriate. The terms of office of all associate members shall expire at the adjournment of the Annual Meeting of the Association next following their appointment.

The President shall determine the number of members of each committee that he or she establishes under Article 10.9 of the Bylaws.

In appointing members of committees, care shall be exercised so that the opportunity to participate in the affairs of the Association is extended to as many members as possible. Ordinarily, no person should be appointed to more than one committee if the nature of the committees is such that the demands made upon their members are likely to conflict. The President-Elect is encouraged to consult the Chair of each committee and the person he or she intends to appoint as successor to that Chair before selecting those persons he or she will appoint to that committee.

4. Chair. Ordinarily, no person should serve more than two successive terms as Chair of a committee. The Chair of each committee shall be invited to attend meetings of the Board, without regard to whether the committee has a report to make to the Board, in order that committee Chairs may keep abreast of all the various activities of the Association and the actions of the Board.

5. Meetings. Each committee should hold a meeting as soon as practical after the adjournment of the Annual Meeting of the Association, and, in any event, before the fall meeting of the Board. At this meeting, the committee should ordinarily plan its work for the ensuing year. Thereafter, such meetings as are necessary for the committee to carry out its assigned functions as determined by a majority of the regular members of

the committee or as directed by the President. Meetings should be scheduled after consultation with the staff liaison to the committee, so that the committee will be assured of having adequate meeting space and so that conflicts with other meetings may be avoided. Any meeting of the committee where the members are not gathered at the same location may be held by teleconference or any other electronic means through which the members participating in the meeting may hear and directly communicate with each other.

The Chair of each committee shall appoint a person to act as secretary at each meeting.

Notices of meetings should be sent by the Association to the committee members approximately a week before the scheduled meeting and such notice should contain a proposed agenda for the meeting.

6. Voting. A committee may vote by mail, electronic means, or telephone upon any matter that properly comes before the committee at a meeting. A record of any vote taken in this manner shall be made by the Chair and preserved with the minutes of the committee.

7. Minutes and Records. Each committee should maintain the following records:

(a) Minutes of each meeting;

(b) A record of those attending each meeting; and

(c) Such other records as are necessary to preserve the record of the committee's activities and the actions it takes. In addition, a file of all committee correspondence should be maintained. All of these materials should be turned over by the committee Chair to his or her successor. Duplicate records of committee minutes and attendance of members should be maintained by the staff liaison to the committee. Copies of all correspondence, meeting notices, and other written communications related to the work of any committee should be sent to the President, President-Elect, Executive Director, staff liaison assigned to the committee, and the Board liaison to the committee, if one is assigned.

8. Reports. Each committee should submit:

(a) A written report to the Board at least two weeks prior to the fall meeting of the Board, outlining its projected program for the year;

(b) A report of its year's activities at least two weeks prior to the meeting of the Board immediately preceding the Annual Meeting of the Association.

In addition, each committee may submit such other written reports as deemed appropriate. All such reports should be submitted in a timely manner so that they may be sent to members of the Board in order to receive their attention prior to the meeting at which the report is to be considered. This is particularly important in the case of any

report proposing affirmative action of the part of the Board. The presentation of matters to the Board where this provision has not been complied with shall be in the discretion of the President.

All requests to make an oral presentation to the Board shall be directed to the President. Such requests should ordinarily be limited to those instances in which Board action is being requested. The committee Chair should, however, be prepared to respond at the meeting of the Board to any questions concerning the committee's written report.

9. Expenditure of Funds. No committee shall expend or commit any funds of the Association without the prior approval of the President, the President-Elect in the absence or unavailability of the President, the Executive Committee, or the Board. Any request for authorization of major expenditures not provided for in the budget of the Association shall be brought to the attention of the Audit & Finance Committee before the expenditure is submitted for approval. Notice of approval of expenditures not provided for in the annual budget shall immediately be transmitted in writing to the Treasurer.

10. Legislative Liaison Subcommittee. Each committee of the Association, as appropriate, may designate a Legislative Liaison Subcommittee to deal with legislation introduced in the General Assembly touching on or affecting the committee's area of interest. The duties and activities of the committee and such subcommittees shall be governed by the existing Statement of Legislative Policy and Procedures of the Association.

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