

THE CONSTITUTION OF THE NORTH CAROLINA TAX COLLECTORS ASSOCIATION

ARTICLE I

Section 1. The name of this organization shall be the North Carolina Tax Collectors' Association and hereinafter will be referred to as the "Association".

Section 2. The Association shall be an unincorporated non-profit organization of the North Carolina League of Municipalities, North Carolina Association of County Commissioners and the School of Government. The School of Government is hereby designated as the Advisor for the Association and the – School shall perform such services for the Association as may from time to time be mutually agreed upon by the Association's Board of Directors and the School of Government.

Section 3. The association is formed exclusively for charitable and educational nonprofit purposes as described in Article II and not for pecuniary profit or financial gain. No part of the assets, income, or profit of the association shall be distributable to, or inure to the benefit of, its members, directors, or officers except to pay reasonable compensation for services rendered and as provided upon liquidation in Article I, Section 4. The association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments for lawful debts and expenditures for the exempt purposes of the association and to accept money from any person, corporation, or organization to assist in carrying out its exempt purposes. The association shall not take steps which will serve to facilitate the transaction of specific business by its members or promote the private interest of any member, or engage in any activities which would constitute a regular business of a kind ordinarily carried on for profit.

Section 4. In the event of the liquidation or dissolution of the association, whether voluntary or involuntary, no director or officer or any private individual shall be entitled to any distribution or division of its remaining property or its proceeds except as herein provided. The balance of all money and other property which the association receives from any source, after the payment of all debts and obligations of the association, must be used or distributed exclusively for charitable purposes, as defined in Section 501(c) of the Internal Revenue Code of 1986 and the Regulations there under as the same now exist or as they may be hereafter amended from time to time. ¹

¹ Amended 4-17-08

ARTICLE II PURPOSES

Section 1. The purpose of this Association shall be to provide means whereby efficiency and improvement in the operation of the Tax Collectors' offices in the counties, cities and towns of the state of North Carolina, by:

- A. Promoting cooperation between the tax collectors through the interchange of experiences and methods of conducting their offices to the end that each may profit from the experiences of others
- B. Promoting periodical educational conferences or meetings of tax collectors of the counties, cities and towns of North Carolina for discussion of mutual problems and by research, discussion, and instruction, to find a solution for same;
- C. Promoting a closer business and social union among the tax collectors to better enable them to uphold the principles of good government and good citizenship.
- D. Promoting and conducting programs and activities as may be proper to enhance the welfare and progress of the tax collectors' offices.

ARTICLE III MEMBERSHIP

Section 1. Every county, city or town Tax Collector may become an active member of the Association by notifying the Secretary of his intention and by paying his membership dues for the current year.

Section 2. There shall be four classes of members: active, retired, honorary and associate.

- A. **Active Member:** Those individuals active in the Association shall be any tax collector serving in this capacity in his local political jurisdiction. Active members shall be subject to all the rules and regulations of this Association pertaining to dues, fees and participation in the Association's activities. Deputy collectors and/or tax clerks are eligible for active membership also.
- B. **Retired Member:** Previously active members who are retired, when they leave public employment or change duties, may continue their membership in the Association, if they so desire, by paying such dues as are regularly assessed by the Association, but shall not have voting rights, nor shall be eligible to hold office.
- C. **Honorary Member:** Retired past-Presidents of the Association shall automatically become honorary members upon their retirement from governmental service and shall be so recognized at the first Annual Meeting after such retirement, with no annual dues required, and provided that the retired past-Presidents who have heretofore retired are hereby included. Members who may not have served as a past President, in the opinion of the Board of Directors, have made such a distinct contribution to their local taxing unit and to the Association that his efforts deserve recognition, shall be eligible for honorary membership, which shall be

conferred for life, and no dues or fees of any kind shall be required. In addition to the retired past-Presidents, no more than one membership shall be conferred by the Association at its Annual Conference on the recommendation of the Board of Directors.

- D. Associate Members: This class of membership shall be available to those persons or organizations who are not directly involved in the duties of tax collection but are interested in the workings of the Association and are interested in the improvement of the methods of tax collection, and who subscribe to the objectives of this Association.

ARTICLE IV **VOTING RIGHTS**

Section 1. The right to vote is limited to Active members only, each member jurisdiction having one vote. One vote per jurisdiction is to keep fairness between large and small jurisdictions. The appointed tax collector shall gather the consensus of the jurisdiction before casting the vote for the jurisdiction. Should the appointed collector not be present, other active members may represent the jurisdiction. Notification of who will represent the jurisdiction must be made in advance of casting any vote.²

Section 2. In the interest of fair geographical representation, yet with sufficient flexibility that the primary criterion for holding office may be the merit of the individual, the Association shall be divided into four geographic districts, representing an even distribution of the membership as nearly as possible, with one member of the Board of Directors elected from each district and one member of the Board of Directors elected at large.

Section 3. The district divisions shall be based on the North Carolina League of Municipalities alignment. The Association's districts to be composed as follows: District I - League Districts I, II, and III; District II - League Districts IV, V and VI; District III - League District VII, VIII and IX; District IV - League Districts X, XI and XIII (see attached map); and one At Large Director.

ARTICLE V **OFFICERS AND TERMS**

Section 1. The right to hold office is reserved for Active members only.

Section 2. The officers of the organization shall be President, Vice-President, Secretary, Treasurer. . No two officers shall be from the same geographic district (as outlined in Article IV - exception being the Immediate Past-President and Secretary.) Five members shall be elected Directors, one from each of the four aforementioned districts and one at large, and together with the officers shall constitute the Board of Directors. The position

² Revision approved 4-17-08

of advisor shall be filled by a representative of the School of Government. All officers shall be Active members. The officers and directors of the Association shall serve terms of one-year each or until their successors are elected and take office. Officers and directors may be elected and may serve for additional and/or successive terms of office.

Section 3. The immediate past-President shall serve as an ex-officio member of the Board of Directors and as such has no vote.

Section 4. In the event of a vacancy in the office of President, the Vice-President shall advance to the office of President; in the event of a vacancy in the office of Vice President, Secretary or the next lower rank shall advance one office. In the event of a vacancy in the office of Treasurer more than 90 days prior to the Annual Meeting, the Board of Directors shall be empowered to fill such vacancy. If the vacancy occurs 90 days or less prior to the Annual Meeting, such vacancy shall remain unfilled until nomination and election is made at the Annual Meeting. In this instance, the duties of the Secretary and Treasurer would be executed by the Secretary without interruption.

In the event of a vacancy in the office of Director more than 90 days prior to the next Annual Meeting, the Board shall be empowered to fill the vacancy. If the vacancy occurs 90 days or less prior to the Annual Meeting, such vacancy shall remain unfilled until nomination and election is made at the Annual Meeting.

Section 5. The officers and directors shall begin their terms of office immediately preceding the adjournment of the meeting at which they are elected.

Section 6. At the discretion of the Board of Directors they may appoint a Recording Secretary to serve as staff to the Association and may be compensated as determined by the Board. This position is not required to be a member but must have experience in Tax Collection criteria for employment. This is a non voting appointment.

ARTICLE VI **DUTIES OF OFFICERS AND DIRECTORS**

Section 1. The President shall be the chief executive officer of the Association. He/she shall preside at all meetings of the Association and shall be Chairman of the Board of Directors. He/she shall issue the call for regular or special meetings of the Association. He/she shall appoint all committees and designate their chairman. He/she is an ex-officio member of all committees established by the Association or the Board of Directors. It shall be the duty of the President to see that all committees function and he/she shall cooperate with each committee chairman to that end. he/she shall perform such other duties as may from time to time be assigned by the Board of Directors.

Section 2. If for any reason the President is unable to perform their duties, the Vice-President next in rank shall occupy his position and perform the duties having the same authority as the President.

Section 3. The Secretary shall be responsible to see all records of the Association are duly recorded, in a book maintained for that purpose, all proceedings of the Association and the Board of Directors. He/she shall keep an accurate record of membership in the Association. This person shall work in conjunction with the Treasurer to ensure all legal requirements are met as it relates to IRS code and NC Department of Revenue tax code.

Section 4. The Treasurer shall keep an accurate record of all monies received by the Association and shall, when required, report the present financial status to the Association at its Annual Meeting. He/she shall also present a financial report to the Association at its Annual Meeting. He/she will disburse monies only upon approval of the Board of Directors. Working on conjunction with the Secretary of the Association this person shall ensure that all legal requirements are met as it relates to IRS code and NC Department of Revenue tax code.

Section 5. The Board of Directors of the Association shall govern the affairs of the Association during the period between Annual Meetings and shall from time to time make recommendations to the Association concerning the conduct of the Association's business and affairs. The Board of Directors shall have the authority to fix and to assess dues for membership. Honorary members shall be exempt from all dues.

ARTICLE VII **COMMITTEES**

Section 1. The President shall have the power to appoint the following Committees: Program Committee, Joint Legislative Committee, Resolutions Committee, Nominations Committee, Spring Conference Committee, Summer Conference Committee, Site Selection Committee, Publication/Publicity Committee, Collections Procedure Manual Committee, Scholarship Fund Committee, DVM Committee, Awards Committee, Certification Committee, and Education Committee. Each Committee shall consist of five (5) members, one from each of the four districts and one at-large. Committee members shall serve a one-year term with the exception of the Certification Committee and shall be eligible for re-appointment.

Section 2. The President shall have the power to appoint special committees as may be deemed necessary for the proper transaction of Association business.

ARTICLE VIII **COMMITTEE DUTIES**

Section 1. The Program Committees: These committees will include the Spring and Summer Conference Committees. The committees shall plan appropriate and timely programs for the Annual Meeting and other meetings of the Association. These programs should deal with items of interest relevant to the education, performance, and operation of tax collectors' offices throughout North Carolina, also programs pertaining to proposed legislation or recently enacted legislation. New procedures in the operation of tax collection should be included. This Committee is also charged with the responsibility of obtaining speakers and/or entertainment for banquets and other events.

Section 2. The Joint Legislative Committee shall review pending legislation as it relates to tax collectors and work with the North Carolina Association of Assessing Officers. This Committee is also charged with the responsibility of presenting proposed legislation from the Association to the General Assembly of North Carolina and/or the Property Tax Study Commission. They are also urged to attend meetings of the Property Tax Study Commission and any other like commission as deemed necessary.

Section 3. The Resolutions Committee shall prepare resolutions on items referred to it by the Board of Directors. The membership is to be advised to refer items to this Committee. Resolutions should include, but not be limited to; retired or retiring members, deceased members, honorary members, proposed legislation, instructors, institutions and anything worthy of the Association's consideration.

Section 4. The Nominations Committee shall prepare and present a slate of officers to the Association at the Annual Meeting for the offices of President, Vice-President, Secretary and Treasurer and five (5) Directors. The slate of officers must be presented to the membership for a vote. Additional nominations may be made from the floor.

Section 5. The Awards Committee shall review and screen candidates for the Tax Collector of the Year award, and an Outstand Employee of the Year award, and any other award deemed appropriate for presentation by the Association. The procedure for selecting each of the awards are as follows:

1. Procedures for Tax Collector of the Year Award

A. Standards and qualifications:

1. The nominee for this award should be selected on the basis of individual leadership in county or municipal government, as evidenced by outstanding performance of duties and responsibility of office and performance of services of value to other counties or municipalities of the state.

B. Procedures:

1. Nominations for this award to be presented to the awards committee, by any member of the Association, no later than October first each year. It shall be the responsibility of the Awards Committee to select a worthy recipient annually.
2. The award is to be presented at the Annual Meeting of the North Carolina Tax Collectors Association banquet dinner.. Award to be given for the preceding calendar year.
3. Chairman of the Awards Committee will provide appropriate award and make presentation during the Annual Meeting of the Association.
4. Chairman of the Awards Committee will notify the recipient's governing body and chief administrator of the Association's selection. This notification shall be confidential.

C. Publicity Arrangements:

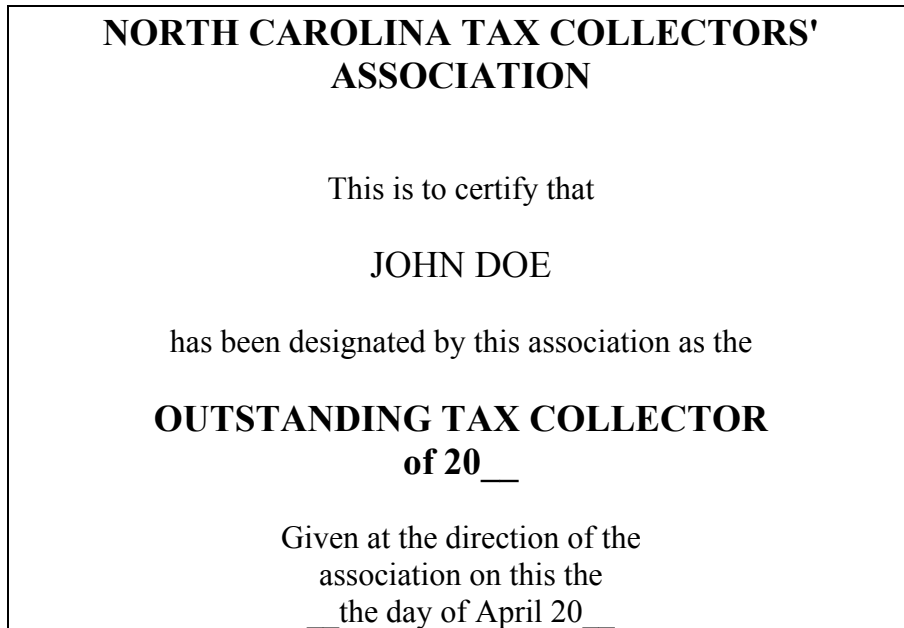
1. Publicity arrangements are to be handled by the Awards Committee. Publicity is to include, but is not limited to the following:
 - a. provide photographer to make picture of recipient.
 - b. provide picture along with appropriate write up to hometown newspaper for immediate release
 - c. Coordinate with the NCTCA webmaster to add appropriate material to the association's website.

D. Financing Awards:

1. The award will be purchased from Association funds.

E. Selection of Award:

1. The award will resemble the following:



2. Procedures Award for Outstanding Tax Employee of the Year

A. Standards and qualifications:

1. The nominee for this award should be selected on the basis of being an employee of an Appointed Collector within any area or division of a local government tax department within North Carolina. An employee being nominated should promote improvements, and enhancements to the area of tax collections and/or internal office

procedures; willingness to provide new and creative ideas to the area of collection techniques; challenge their self and other tax employees to promote the best customer service to citizens of North Carolina; motivated to set high standards for other employees to follow.

B. Procedures:

1. Nominations for this award should be presented to the Awards Committee's chairperson in written form, by the date set forth by the Awards Committee chairperson. The nomination should be presented in letter form explaining reason for the nomination. Additional information may be included, such as, reference letters.
2. Nominations can be made by tax appointed tax collector; a city and county managers or assistant managers; in addition to peers and/or colleagues from within the tax association's membership.

C. Awards Committee:

1. It will be the duty of the Awards Committee to select a worthy recipient annually for the award. Should no nominations be submitted the award will not be awarded for that particular year. The award will be presented at the Annual Meeting of the North Carolina Tax Collectors Associations banquet. The award will be given for the preceding calendar year.
2. The chairperson of the Awards Committee will notify the appointed tax collector of the recipient's jurisdiction of the selection. This notification will verify the recipient is on good standing based on the information presented to the Awards committee. This notification shall be confidential until the award is presented to the recipient.
3. The chairperson of the Awards Committee will provide the appropriate award and make the presentation during the Annual Meeting of the Association banquet.³

D. Financing Awards:

1. The awards will be purchased from Association funds.

E Selection of Award:

1. The award will resemble the following:

³ Revision approved 4-17-08

**NORTH CAROLINA TAX COLLECTORS'
ASSOCIATION**

This is to certify that

JOHN DOE

has been designated by this association as the

**OUTSTANDING TAX EMPLOYEE
of 20__**

Given at the direction of the
association on this the
__the day of __

3. William A. Campbell Award

A. Standards and qualifications:

1. The William A. Campbell award is only given at the discretion of the presiding President of the Tax Collectors' Association. The award may be given to any member of the association based on their exemplary efforts and dedication to the area of tax collections.

B. History & Procedures:

1. The North Carolina Tax Collectors' Association 1997 in recognition of the exceptional accomplishments that William A. Campbell has made in advancing the science and art of property taxation in North Carolina.

William (Bill) Campbell work and assisted the School of Government from 1965 through 2006 with special emphasis on ad valorem property taxation. Through his

many years of service, Mr. Campbell was the primary point person within the State of North Carolina to answer all questions concerning local government taxation. Mr. Campbell worked closely with the North Carolina General Assembly to craft new legislation, local government Commissioners and Managers to promote taxation, and local government tax employees to provide education on tax laws and general practices on taxation. Mr. Campbell served with distinction the office of Secretary of the NC Tax Collectors' Association from 1972 until his retirement in 2006. Mr. Campbell traveled throughout the state and work many long hours to promote, educate, and up hold the laws to the highest standards for taxation.

2. The award is to be presented at the annual meeting banquet dinner by the presiding president. The award for the William A. Campbell should remain confidential until presented at the annual banquet.

3. The award will be purchased from Association funds.

C. Selection of Award:

1. The award will resemble the following:

<p style="text-align:center">THE WILLIAM A. CAMPBELL AWARD</p> <p style="text-align:center">Presented to</p> <p style="text-align:center">(Name of Recipient)</p> <p style="text-align:center">This award is given in honor of William A. Campbell in recognition of exceptional accomplishments in advancing the science and art of property tax collection in North Carolina, by order of the president of the North Carolina Tax Collectors' Association</p> <p style="text-align:center">(Date the award is given)</p>
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Section 6. Certification Committee: This committee will work with the School of Government in review and acceptance or denial of all applications of individuals applying for the designation of Tax Collector, Deputy Tax Collector, or Assistant Tax Collector. The ex-officio President will serve as the Chair of this committee. Further, appointments to this committee will be for a three year period with two members rotating out each year.

Section 7. Education Committee: This committee shall be made up of two representatives from each district and one at large. The charge of this committee is to provide educational seminars in conjunction with the School of Government covering changes in legislation or educational needs as determined by poll of the membership.

Section 8. Site Selection Committee: This committee will be responsible for researching and making recommendations to the executive committee for locations to hold the annual spring tax conferences. The committee chair will work with hotel and/or additional location providers to prepare a contact to the President of the association.

Section 9. Scholarship Committee: This committee will be responsible for providing information about the association's scholarship possibilities and receiving applications. This committee is responsible for review and evaluating all applications received and for selecting recipients for scholarship funds. The chair of the committee will present all recipient names be awarded scholarship funds at the business session of the annual conference.

Section 10. Publication/Publicity Committee: This committee will be responsible for printing and publishing of association material. The committee will assist with advertising awards received by members of the tax association.

Section 11. Collections Procedures Manual Committee: This committee is responsible for maintaining and updating the Tax Collection Procedures Manual. This committee will work closely with the School of Government and the North Carolina Department of Revenue.

Section 12. DMV Committee: This committee is responsible for reviewing and assisting the North Carolina Department of Revenue and the North Carolina Division of Motor Vehicles (NC DMV). This committee will review any issues and assisting in making improvements to the flow of information between the tax association and the NC DMV.

ARTICLE IX **QUORUM**

Section 1. A majority of the members of the Board of Directors shall constitute a quorum sufficient for the conduct of the business of the Association and the affirmative vote of a majority of those present, a quorum being present, shall be sufficient to carry any question being considered.

Section 2. The members of the Association in attendance at a meeting of the organization shall constitute a quorum sufficient for the conduct of business of the Association and the affirmative vote of a majority of those present shall be sufficient to carry any question being considered.

ARTICLE X **AMENDMENTS**

Section 1. Amendments to this Constitution may be made by active members of the Association at any regular meeting thereof, or at any special meeting called for that purpose: provided, however, that no such amendment shall be considered unless and until a copy of the proposed amendment has been furnished to each active member of the Association and to the School of Government at least thirty (30) days prior to the meeting at which the same is to be acted upon. A quorum being present, an affirmative vote of the majority of the active members present shall be sufficient to adopt such amendment.

ARTICLE XI **CONFLICT OF INTEREST POLICY**

Section 1.

Purpose

To protect the interests of the North Carolina Tax Collectors Association (“association”, hereafter) when it contemplates entering into a transaction or arrangement that might benefit the private interest of a member, officer or director of the association or might result in a possible excess benefit transaction.

This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2.

Definitions

A. Interested Person

Any board of director, executive committee member, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

B. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which the association has a transaction or arrangement,
2. A compensation arrangement with the association or with any entity or individual with which the association has a transaction or arrangement, or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the association is negotiating a transaction or arrangement.
 - a. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 3, item B, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3.

Procedures

A. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the board of directors, president, or chairperson of the committee to which the governing board has delegated powers to considering the proposed transaction or arrangement.

B. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the meeting while the determination of a conflict of interest is discussed and voted upon. The board of directors, president, or committee chairperson along with members shall decide if a conflict of interest exists.

B. Procedures for Addressing the Conflict of Interest

1. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
2. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
3. After exercising due diligence, the governing board or committee chairperson shall determine whether the association can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee chairperson shall determine by a majority vote of the disinterested members whether the transaction or arrangement is in the association's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

D. Violations of the Conflicts of Interest Policy

1. If the governing board, president, or committee chairperson has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board, president or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4.

Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5.

Compensation

1. A voting member of the board of directors or executive committee member who receives compensation, directly or indirectly, from the association for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the association for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the board of directors, executive committee member, or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the association, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 6.

Annual Statements

Each director, executive committee member, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

1. Has received a copy of the conflicts of interest policy,
2. Has read and understands the policy,
3. Has agreed to comply with the policy, and
4. Understands the association is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7.

Periodic Reviews

To ensure the association operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
2. Whether partnerships, joint ventures, and arrangements with management organizations conform to the association's written policies, are properly recorded, reflect reasonable

investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Section 8.

Use of Outside Experts

When conducting the periodic reviews as provided for in Section 7, the association may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.⁴

Date of last revision: April 17, 2008

Signature of two officers

⁴ Amended 4-17-08