



FLORIDA SOCIETY OF ASSOCIATION EXECUTIVES BYLAWS

ARTICLE I: MEMBERSHIP

SECTION 1. MEMBERSHIP CLASSIFICATIONS

There shall be the following classes of membership:

A. Executive Members

1. Executive Membership shall be available to any individual who serves as the executive or staff member (either as a W-2 employee or 1099 contractor paid directly by the association) of local, state, regional, national, or international trade, professional, technical, federation, business, charitable foundation or other voluntary membership association or who is employed by an association management company ("AMC"). An AMC shall be defined as a for-profit company that manages one or more associations. Should an Executive Member be employed by an association management company (either as a W-2 employee or 1099 contractor paid directly by the AMC), their membership of record must be listed as the association management company. Executive members shall be entitled to all rights and privileges of membership.
2. Executives of labor organizations exempt from federal income tax under SECTION 501(C) (5) of the Internal Revenue code shall not be approved for membership.

B. Associate Members Associate membership shall be available to a firm or corporation (individual office or individual property) or to any individual consultant engaged in selling, marketing, and/or promoting products or services to associations. A consultant is defined as anyone whose primary service involves the sale of intellectual property or expert advice to association or other membership organizations. Associate members shall be entitled to all rights and privileges of membership, except that their voting rights shall be limited to voting for a qualified individual from within this membership classification to hold office as Associate Director-at-Large as provided elsewhere in these Bylaws.

C. Retired Members Retired Membership shall be available to persons who have retired from all employment in the association management or related field, and who shall remain retired from gainful employment in any way connected with association management. Retired Executive members shall be entitled to all rights and privileges of Executive membership except to vote or hold office. Retired Associate members shall be entitled to all rights and privileges of Associate membership except to vote or hold office.

D. Student Members

Student membership shall be available to any full-time student actively enrolled in an accredited college or university. Student members shall be entitled to all rights and privileges of membership except the ability to vote or hold office

E. Honorary Members

The FSAE Board of Directors, hereafter referred to as the Board, may confer Honorary Membership upon persons who have performed outstanding work on behalf of association management and FSAE in furtherance of its purposes. Honorary members shall be entitled to all rights and privileges of membership except the ability to vote or hold office and are not required to pay membership dues.

SECTION 2. MEMBERSHIP PROCEDURES

A. Termination

Membership is considered terminated when at the date the membership expires it remains unpaid and after the grace period expires.

- B. Membership Status Changes** In the event that an Executive member ceases to be eligible for membership in the FSAE or their current membership category, they must notify the FSAE within 30 days. Executive Members may complete the remainder of the current paid membership term; however, upon renewal of their membership, they will be reclassified into the appropriate membership category as defined in Article 1, Section 1 of the FSAE Bylaws.

ARTICLE II: DUES, FEES AND FINANCES

SECTION 1. DUES

The Board shall establish dues for all classes of membership. All memberships shall begin on January 1 of each year and continue for the twelve months following.

SECTION 2. FISCAL YEAR

The fiscal year shall begin on January 1 and shall end December 31 of each year.

SECTION 3. TREASURER'S REPORT

The Treasurer's report of the FSAE accounts shall be presented at each FSAE Board of Directors meeting where the financials are presented.

SECTION 4. AUDIT

The FSAE accounts shall be audited annually by a Certified Public Accountant who shall provide a written financial report and commentary to the Board. At least every five (5) years, the Finance and Audit Committee shall solicit bids for audit services, and shall make a recommendation to the FSAE Board of Directors who shall select the FSAE audit firm.

ARTICLE III: OFFICERS AND DIRECTORS

SECTION 1. BOARD OF DIRECTORS:

The governance and management of the funds, properties and affairs of the Society shall be vested in a Board of Directors consisting of the Chair, Chair-Elect, Treasurer, Immediate Past Chair, Secretary, seven (7) Executive Member Directors-at-Large, two (2) Associate Member Directors-at-large, and the appointed non-voting President & CEO of the Society (who is the chief staff officer). Of the Executive Member Directors-at-Large, five (5) shall be elected by the membership and two (2) shall be appointed by the Board of Directors. Of the Associate Member Directors-at-Large, one (1) shall be elected by the membership and one (1) shall be appointed by the Board of Directors.

- A.** A member may not serve two consecutive terms as Director-at-Large.
- B.** The Executive Member Directors-at-Large, whether elected or appointed, shall serve for three-year terms on a staggered-term basis. The Associate Member Directors-at-Large, whether elected or appointed, shall serve for a two-year term on a staggered-term basis. Individuals serving as Chair, Chair-Elect, Treasurer, Immediate Past Chair, and Secretary must have at least one-year break in service prior to applying for a director-at-large position.
- C.** No more than 2 individuals from an organization or the same Association Management Company (AMC) may serve on the Board of Directors at the same time, no more than 1 from the same organization or AMC on the Executive Committee at the same time, and no more than 3 individuals who are employed by any AMC can serve on the Board of Directors at the same time.
- D.** Transitional Provision. At the time of adoption of these amendments, all sitting Directors-at-Large shall complete the terms to which they were elected. The new allocation of elected and appointed Director-at-Large positions, as outlined in Article III, Section 1, shall take effect beginning with the next election and appointment cycle following adoption of these amendments. The Board of Directors shall determine, consistent with staggered terms, which seats will be designated as elected and which as appointed to implement this transition in an orderly manner.

SECTION 2. DUTIES

Officers shall perform the duties prescribed by these Bylaws, by the parliamentary authority adopted by FSAE and as the Board may, from time to time, prescribe.

SECTION 3. ELECTED OFFICERS

The elected officers of FSAE shall include the Chair, Chair Elect, Secretary and Treasurer who shall be Executive Members. They shall be elected by the Board of Directors as hereinafter provided and shall hold office for one year or until their successors shall have been duly elected and have assumed office. There will be no presumption of automatic ascension through the officer slate, except as provided for elsewhere in these Bylaws.

SECTION 4. VACANCIES

- A.** In the event the Chair is unable to complete his/her term of office, the Chair-Elect shall succeed to the office of Chair for the unexpired term. In the event the Chair-Elect cannot succeed to the office of Chair, the Board of Directors shall elect from among themselves an individual to serve in the office of Chair for the unfulfilled term.
- B.** If, the Chair-Elect succeeds to the office of Chair, the Board shall elect an individual to serve as Chair-Elect, that individual shall immediately assume the role of Chair-Elect to fulfill the unexpired term. This individual shall be eligible to serve another duly elected term of office.
- C.** If when the Chair-Elect succeeds to the office of Chair, and a regularly scheduled election has not been held, there shall be no individual serving as Chair-Elect until the next regularly scheduled election is held. If during this period, something shall render the Chair unable to serve, the position shall be filled by the Board of Directors until the next regularly scheduled election.
- D.** In the event a Board member is unable to fulfill his/her duly elected/appointed term, the Chair shall appoint a replacement for the remainder of that term, unless otherwise provided in these Bylaws.

SECTION 5. REMOVAL

An officer or Board member may be removed for cause by a two-thirds majority vote of the Board of Directors after notice and full hearing before the Board. The process for removal of an officer or Board member shall be stipulated in procedure approved by the FSAE Board.

SECTION 6. CHANGE OF EMPLOYMENT

- A.** When any officer or director whose employment changes his/her membership category as described in Article I, Section 1 of these Bylaws, and who is employed in any other industry or capacity not provided for in Section 1, the officer or director shall be ineligible to hold the position of officer or director of FSAE.
- B.** Any officer or director whose employment change causes non-compliance with Article III, Section 1, C, the officer or director who changed employment shall be ineligible to hold the position of officer or director of FSAE.
- C.** Any officer or director who has ceased to be employed in their former role and is currently unemployed while actively seeking employment in the same category he/she had before, may remain an officer or director of the FSAE for a period of one hundred eighty (180) days. If that person's employment circumstances are unchanged at the end of the one hundred eighty (180) day period, and in the case of extenuating circumstances, the Board may, at its discretion, extend the officer's or director's position for up to one hundred eighty (180) additional days, or to the end of his/her term whichever is less.

SECTION 7. QUORUM

A quorum of the FSAE Board shall consist of a majority of voting Directors as prescribed in these Bylaws. If a quorum is present, an affirmative vote of a majority of Directors present constitutes an act of the FSAE Board, unless a greater number is required by these Bylaws. A director present at a meeting is deemed to assent to actions taken unless they

object at the meeting's start, vote against, or explicitly abstain from the action.

ARTICLE IV: DUTIES OF OFFICERS AND DIRECTORS

SECTION 1: The Chair shall preside at all meetings of the Board of Directors and shall at all times direct the affairs of the Society. The Chair shall serve as a non-voting, ex-officio member of all FSAE Committees unless otherwise noted in the Bylaws. The Chair shall perform other such duties as are incidental to the office of Chair, or as may be prescribed by the Board of Directors, or as may be stipulated in the FSAE Policies & Procedures.

SECTION 2: The Chair-Elect shall preside at meetings of the membership and the Board in the Chair's absence. The Chair-Elect shall also direct the affairs of the Society should the Chair become incapacitated during the term of office for a period in excess of thirty (30) days, for as long a period as is required due to the Chair's incapacitation. The Chair-Elect shall perform other such duties as are incidental to the office of Chair-Elect, or as may be prescribed by the Board of Directors, or as may be stipulated in the FSAE Policies & Procedures.

SECTION 3: The Secretary shall, among other things, be responsible for reviewing the minutes taken at all meetings of the Society's Board of Directors. These records shall be kept in the perpetual files of the Society and made available for inspection at the request of any member. The Secretary shall certify the results of all elections of Officers and Board members. The Secretary shall ensure that appropriate filings are made when revisions to the Society's Articles of Incorporation and Bylaws are made.

SECTION 4: The Treasurer shall, among other things, be responsible for developing the budget, monitoring the accurate accounting and reporting of all monies received and expended by the Society. All monies received shall be deposited in the bank or depository designated by the Board of Directors and shall be paid out as prescribed by the Board of Directors or its designate. The Treasurer shall perform other such duties as are incidental to the office of Treasurer, or as may be prescribed by the Board of Directors, or as may be stipulated in the FSAE Policies & Procedures.

SECTION 5. It shall be the duty of members of the FSAE Board of Directors to uphold the governing and operational documents of the Society, assuring at all times that the Society is managed in the most effective manner and in compliance with existing state and federal laws. Directors shall support the initiatives of the Society to the fullest extent and shall be in attendance at all Board meetings unless excused by the Chair.

SECTION 6: It shall be the duty of the President & CEO to keep the records of the Society, to be in charge of the overall operation of the Society at the Direction of the Board of Directors, to manage the staff, and to carry out the duties described in the President & CEO job description and other assignments delegated by the Board of Directors. The President & CEO shall perform other such duties as are incidental to the position, or as may be prescribed by the Board of Directors, or as may be stipulated in the FSAE Policies and Procedures.

ARTICLE V: NOMINATIONS AND ELECTIONS

SECTION 1: ELIGIBILITY

A. Officer Eligibility

1. Chair Elect: The Chair-Elect shall have a minimum of three (3) years of Active Engagement with the Society prior to nomination and shall, prior to taking office, have served a full term in an elected position on the FSAE Board of Directors.
2. Treasurer and Secretary: The Treasurer and Secretary shall each have a minimum of three (3) years of Active Engagement with the Society prior to nomination and shall, within the preceding five (5) years, have served as Chair of an FSAE or Foundation Committee or in an elected position on the FSAE Board of Directors.

B. Board of Director Eligibility

1. All Directors, whether Executive or Associate Members, shall have a minimum of two (2) years of Active Engagement with the Society prior to nomination and shall, within the preceding five (5) years, have served on or chaired an FSAE or Foundation Committee or served in an elected position on the FSAE Board of Directors.

C. Active Engagement

1. For purposes of these Bylaws, "Active Engagement" shall mean: Current membership in good standing, with membership maintained for at least two (2) of the last five (5) years (three (3) of the last five (5) years for Officers); attendance at a minimum of two (2) in-person FSAE events within the last five (5) years; and attendance at a minimum of one (1) FSAE Annual Conference within the last five (5) years (two (2) for Officers).
2. The Nominating Committee may, in its discretion, waive the requirements of Active Engagement due to extenuating circumstances. Such waiver authority shall not extend to the remaining eligibility requirements set forth in Sections A and B.

SECTION 2. NOMINATIONS PROCEDURES

A. Nominating Committee

1. The FSAE Chair shall appoint a Nominating Committee as prescribed in Article VII, Section 12.
2. The Nominating Committee shall recruit nominees to fill available Director positions, from among the Executive and Associate Membership of the Society and shall ensure that nominees have met established prior service requirements as are stipulated in the Society's operational procedures.
3. The Nominating Committee shall submit to the FSAE Board of Directors a list of candidates who meet the minimum criteria for officers established by the FSAE Board of Directors in policy.

B. Board of Directors

1. The FSAE Board of Directors shall approve a slate for the available elected Board of Director positions. The Board reserves the right to request further consideration of candidates by the Nominating Committee or remove candidates from the slate by majority vote of the Directors. Once the Board approves a final slate of proposed Directors, that slate will be sent to the FSAE membership for vote pursuant to Article V, Section 3
2. The FSAE Board of Directors shall also appoint two (2) Executive Member Directors-at-Large and one (1) Associate Member Director-at-Large from the Director candidates screened by the Nominating Committee. Said appointments shall be conducted by ballot and may be conducted electronically by mail, or at a called meeting of the FSAE Board of Directors. If appointment is to be held at a called meeting of the FSAE Board of Directors, notice shall be provided to the Board of Directors a minimum of 15 days prior to the meeting and proxy voting shall not be allowed. For each Director position, the candidate with the majority of votes cast shall be duly appointed.
3. The FSAE Board of Directors shall elect officers from the officer candidates screened by the Nominating Committee. Said election shall be conducted by ballot and may be conducted electronically by mail, or at a called meeting of the FSAE Board of Directors. If election is to be held at a called meeting of the FSAE Board of Directors, notice of said election shall be provided to the Board of Directors a minimum of 15 days prior to the meeting and proxy voting shall not be allowed. For each officer position, the candidate with the majority of votes cast shall be duly elected.

SECTION 3. ELECTIONS PROCEDURES

Voting for election may be done by printed ballot or electronic means; the Board of Directors shall designate the voting method. Elections shall be held through a ballot to each Member as indicated below, listing the names and background information of all persons nominated. The ballot for election shall be provided to each member's electronic or mailing address as recorded in the official membership files of the Society, pursuant to policy established by the FSAE Board of Directors.

A. All Executive Members in good standing shall be entitled to vote in elections for the five (5) elected Executive Member Directors.

B. All Associate Members in good standing shall be entitled to vote in elections for the one (1) elected Associate Director at Large.

- C. All voting members of the FSAE Board of Directors shall be entitled to vote in elections for the elected officers and appointed directors of the Society.

SECTION 4. ASSUMPTION OF OFFICE

Officers and directors shall assume office during the Annual Conference of the year of his/her election to office. The Chair Elect shall, automatically and without additional election, assume the office of Chair during the Annual Conference of the year following his/her term of service as Chair Elect.

ARTICLE VI: MEETINGS

SECTION 1. SPECIAL MEETINGS

The Board may call special membership meetings at any time as deemed necessary upon the written request of any fifteen (15) Executive Members. The business to be transacted at such special membership meeting shall be stated in the notice thereof, and no other business may be considered at that time. Notice of each special meeting shall be mailed or transmitted electronically to all members at least two (2) weeks prior to the date scheduled for the meeting.

SECTION 2. QUORUM

Five (5) percent of the Executive Members in good standing shall constitute a quorum for the transaction of business at a membership meeting. If a quorum is not present at any meeting, a majority of the Executive Members present may adjourn the meeting from time to time as may be necessary.

ARTICLE VII: COMMITTEES

SECTION 1. STANDING COMMITTEES

The FSAE Standing Committees shall include:

- A. Annual Conference
- B. Associate Advisory
- C. Awards
- D. Education
- E. Executive
- F. Finance and Audit
- G. Government Affairs
- H. Governance
- I. Membership
- J. Nominating
- K. Personnel
- L. Young and Emerging Professionals

SECTION 2. ANNUAL CONFERENCE

The Annual Conference Committee shall serve as ambassadors to assist in promoting attendance, marketing strategy, securing sponsorships, and providing logistical support during the Annual Conference. The Committee shall be comprised of a Chair appointed by the FSAE Chair and committee members from within the Executive and Associate member categories, who shall be appointed by the FSAE Chair following consultation with the Committee Chair.

SECTION 3. ASSOCIATE ADVISORY COMMITTEE

The Committee will work in concert with the FSAE Board of Directors and executive staff of FSAE to advance the Society's efforts on behalf of the association, profession and industry. The Committee shall be comprised of a Chair from within the Associate member category, who shall be recommended by the Committee and appointed by the FSAE Chair; and members who shall be appointed in accordance with the Committee Operational Document. In addition to the associate members comprising the committee, there will be one Executive member selected by the Committee, and one Executive member appointed by the FSAE Chair to represent the FSAE Board of Directors.

SECTION 4. AWARDS COMMITTEE

The Awards Committee shall develop and implement the annual awards program. The Committee shall consist of a

Chair, appointed by the FSAE Chair, who shall be an FSAE Executive member who is also a member of the FSAE Board, the award recipients in all categories from the prior year; and three additional Executive members, all of whom will be appointed by the FSAE Chair following consultation with the Committee Chair.

SECTION 5. EDUCATION COMMITTEE

The Education Committee shall develop and implement the education agenda for FSAE. The Committee shall be comprised of a Chair appointed by the FSAE Chair and committee members from within the Executive and Associate member categories, who shall be appointed by the FSAE Chair following consultation with the Committee Chair.

SECTION 6. EXECUTIVE COMMITTEE

The Executive Committee shall have the authority to act on behalf of the Board of Directors when it is not feasible to convene a meeting of the Board of Directors, or when otherwise noted in the Bylaws. A two-thirds (2/3) vote by the members of the Executive Committee shall be required for adoption of any proposed motion(s). All actions taken by the Executive Committee must be reported to the full Board of Directors at their next meeting. The Executive Committee shall consist of members as stipulated in Article VII, Section 6 of the Articles of Incorporation.

SECTION 7. FINANCE AND AUDIT COMMITTEE

The Finance and Audit Committee shall work with the President & CEO to prepare the FSAE annual budget for submission to and approval by the FSAE Board. The Committee shall at least every five (5) years solicit bids for an annual audit, and shall make a recommendation to the FSAE Board, who shall approve the selection of the audit firm. The Committee shall review the annual audit, and shall report to the FSAE Board relating to items such as: the integrity of the audited financial statements, financial reports and other financial information; systems of internal controls; and auditing, accounting and financial reporting policies. The Committee shall at minimum annually review the FSAE Investment Policy and make recommendations to the FSAE Board; and shall perform such other duties in connection with FSAE finances as the Board may determine from time to time. The FSAE Finance and Audit Committee shall consist of the FSAE Treasurer, who shall serve as Chair, four Executive members serving on the FSAE Board of Directors, and two Executive members not serving on the FSAE Board of Directors and who have experience in financial management of non-profit organizations, who shall be appointed by the FSAE Chair following consultation with the Committee Chair.

SECTION 8. GOVERNMENT AFFAIRS COMMITTEE

The Government Affairs Committee shall identify the legislative and regulatory issues that affect the association management profession and inform the FSAE members of such issues; and shall maintain a strong understanding of and/or experience in legislative and regulatory issues. The Committee shall consist of a Chair appointed by the FSAE Chair and committee members from within the Executive and Associate member categories, who shall be appointed by the FSAE Chair following consultation with the Committee Chair.

SECTION 9. GOVERNANCE COMMITTEE

The Governance Committee is responsible for ensuring that the operational foundation of the Society is sound and functioning effectively; shall annually review the Articles of Incorporation and Bylaws and make recommendations to the FSAE Board for necessary amendments; shall annually review the policy documents of the Society and make recommendations to the FSAE Board for necessary changes; and shall perform other duties as prescribed by the FSAE Board of Directors. The Committee shall consist of a Chair who shall be an FSAE Executive member who serves on the FSAE Board appointed by the FSAE Chair, and six additional committee members that shall include two FSAE Board members who are Executive members, two Executive members at large, the Chair of the Associate Advisory Committee or their representative, and an additional Associate member at large, who shall be appointed by the FSAE Chair following consultation with the Committee Chair. Members of the Committee shall serve staggered terms so that a minimum of three members are retained as committee members each year.

SECTION 10. MEMBERSHIP COMMITTEE

The Membership Committee is responsible for evaluating the FSAE membership structure; developing ongoing recruitment and retention programs; and promoting FSAE membership. The Committee shall consist of a Chair appointed

by the FSAE Chair and committee members from within the Executive and Associate member categories, who shall be appointed by the FSAE Chair following consultation with the Committee Chair

SECTION 11. NOMINATING COMMITTEE

The Nominating Committee shall develop a strategy for identifying members for leadership positions with the Society and preparing them to assume those roles; shall recruit members to serve the Society's Board of Directors; and shall ensure procedures established in the Articles of Incorporation and Bylaws relative to nominations and elections are followed. The Committee shall be appointed by the FSAE Chair and shall consist of a Chair, and seven members that shall include: two Executive members serving on the FSAE Board of Directors; two Executive members who have served on the FSAE Board of Directors within the previous four years; two Executive members who are not serving on the Board of Directors; and the Chair of the Associate Advisory Committee who will serve as a non-voting, ex-officio member of the Committee. The immediate Past Chair of FSAE shall serve as Chair of the Committee. If the immediate Past Chair of FSAE is not available to serve, the most immediate Past Chair of FSAE that is still active shall be appointed to Chair the Committee.

SECTION 12. PERSONNEL COMMITTEE

The Personnel Committee shall conduct the annual review of the President & CEO; make recommendations for compensation of the President & CEO; provide an orientation with FSAE Board members relative to personnel policies and interaction; and address any personnel issues involving FSAE staff. The Committee shall be comprised of the FSAE Chair, Chair-Elect and Past Chair. The FSAE Chair shall serve as Chair of this committee.

SECTION 13. YOUNG AND EMERGING PROFESSIONALS COMMITTEE

The FSAE Young and Emerging Professionals Committee identifies emerging professionals in the membership and develops/continues programs that encourage engagement of emerging professionals within FSAE and generate opportunities for networking, education and professional growth. The Committee shall be comprised of a Chair appointed by the FSAE Chair and committee members from within the Executive and Associate member categories, who shall be appointed by the FSAE Chair following consultation with the Committee Chair.

SECTION 14. OTHER AD HOC COMMITTEES

Other committees may be appointed by the FSAE Chair from time to time as deemed necessary. The FSAE Chair shall appoint the Chair of those Ad Hoc Committees and committee members of Ad Hoc Committees following consultation with the Committee Chair.

ARTICLE VIII: STAFF

SECTION 1. PRESIDENT & CEO

The Board is empowered to hire and establish compensation for the President & CEO. The Board may terminate the employment of the President & CEO by a two-thirds (2/3) vote of the Board. The President & CEO shall serve as an ex-officio non-voting member of the Board and Executive Committee. The President & CEO is empowered to hire, fire, and manage staff.

SECTION 2.

The President & CEO shall serve as a non-voting, ex-officio member of all committees, task forces and work groups of the Society.

ARTICLE IX: PARLIAMENTARY AUTHORITY

SECTION 1. RULES

The rules contained in the latest edition of *Robert's Rules of Order Newly Revised* shall govern the proceedings of FSAE in all cases to which they are applicable and in which they are not inconsistent with these Bylaws or with any special rules of order that FSAE may adopt.

ARTICLE X: AMENDMENTS

SECTION 1.

Amendments to the Bylaws shall be made in the manner prescribed in the Articles of Incorporation.

ARTICLE XI: OFFICIAL SEAL

SECTION 1.

The Seal of the Corporation shall be circular in form containing in the center “Organized in 1959” encircled by the words, “Florida Society of Association Executives, Inc.” and including the words, “Corporation Not for Profit.”

ARTICLE XII: INDEMNIFICATION

SECTION 1.

FSAE shall indemnify its directors, officers, committee members, and employees for reasonable attorney fees and justifiable expenses stemming directly from liabilities which are deemed by the Board to have been incurred as a result of legal proceedings to which an indemnified person is made a party by reason of the individual's service as an FSAE director, officer, committee member or employee at the time an actionable cause arose. This indemnification shall not apply if an FSAE director, officer, committee member or employee is deemed by a hearing officer, court or the FSAE Board to have been guilty of willful malfeasance, misfeasance or nonfeasance in the performance of his or her duties or obligations to the FSAE. In order to properly indemnify its directors, officers, committee members or employees FSAE may purchase adequate insurance to cover the indemnification authorized by this Article.

ARTICLE XIII: DISSOLUTION

SECTION 1.

Upon dissolution of FSAE, the Board shall be obliged to ensure that all of FSAE's just debts and claims are paid. At the completion of such payments, the Board shall select recipients and distribute any remaining funds to one or more regularly organized and qualified charitable, scientific or educational organizations which have been ruled exempt by the Internal Revenue Service under SECTION 501 (c) 3 of the Internal Revenue Code.