

## **2020-662-1, *Directors Holding Over Under AIPSC When There Is No Annual Meeting***

### **QUESTION**

I belong to a professional association that holds an annual membership meeting. The parliamentary authority is *AIPSC*. We have a board of directors consisting of four officers and seven directors-at-large. According to the bylaws, the directors “serve two-year staggered terms,” three elected in odd years and four elected in even years. There is no “or until their successors are elected” holdover provision and no provision saying when the two-year terms begin or end. The annual meeting is required to be held in May. This year’s annual membership meeting was scheduled for May, but members were told not attend due to the COVID-19 health care crisis because public gatherings were forbidden by gubernatorial order. The organization has a small quorum by design, and it was arranged for a bare quorum to appear at the meeting time, date, and location originally noticed, and continue the annual members meeting to meet again at a date six months later. Do the four directors elected in 2018 continue their service until the continued meeting?

### **OPINION**

In regard to officers’ terms, *AIPSC*, p. 184, provides: “Officers are not always elected with the regularity or at the precise time prescribed by law or the bylaws. The ordinary rule in such cases is that the incumbents continue to hold office until their successors are elected or appointed.” In other words, under *AIPSC*, unlike under *RONR*, unless the bylaws clearly provide otherwise, officers hold over beyond the end of their stated terms until their successors are elected, for example if there is an incomplete election that cannot be completed before the adjournment of the annual meeting.

*AIPSC* does not, however, specifically address directors’ holding over after expiration of their terms, *AIPSC*, pp. 195–96.

In this situation of a question not directly addressed in the text, *AIPSC*, p. 277, indicates that, “the answer to the question may lie in an analogy to another similar situation covered by the text, or it may be found by relying on the fundamental principles detailed in Chapter 2.” While the positions of officer and director are in many ways similar, *AIPSC*, p. 195, explicitly states that provisions regarding officers in *AIPSC* do not apply to directors unless specifically included. *AIPSC* does say that in a case like this, where there is no specific statement in the bylaws as to when terms begin and end, both officers and directors follow the same rule: “An election becomes effective immediately if the candidate is present and does not decline.” *AIPSC*, p. 170. In this case, because of the meeting cancellation, new directors and officers are not elected, so there is no specific time when the outgoing officers’ and directors’ terms should end.

Further, *AIPSC* does consider board continuity to be an important factor, *AIPSC*, p. 196. The principles behind allowing holdover terms for officers and for directors are the same, the need for organizational continuity when plans to hold an annual election at a particular time do not work out. Allowing directors to hold over until their successors are elected upholds the fundamental parliamentary principle that the purpose of parliamentary procedure is to facilitate the orderly transaction of business. *AIPSC*, p. 7. Therefore, the Committee is of the opinion that under *AIPSC*, directors can also hold over until the next election when their successors are elected. That can be either at a special election before the next annual meeting, as proposed in

this case, or at the next annual meeting if no special meeting or mail ballot election (if permitted by the bylaws) is held before that date.