
Proposed Amendment: 2024 – 3

Proposed by: Executive Committee and Constitution and Bylaws Committee

Reviewed by the C&B Committee: September 6, 2024

Summary

Amends: Charter

Notes: 1) This is a charter change requiring a three-quarters majority affirmative vote for passage.
2) Boxed material remains unchanged.

Rationale: These changes will simplify the charter. All sections removed are either not necessary, duplicative of other sections, or moved to the constitution. The 2021 convention approved changes to the charter (including the name change) and we need to approach Congress to approve those changes. The following changes will prevent us from amending the charter again for the foreseeable future.

Proposed Amendment to the Charter

TITLE 36 UNITED STATES CODE CHAPTER 1901: RESERVE ORGANIZATION OF AMERICA.

◆ Section 190101: Organization

Federal Charter — Reserve Organization of America (in this chapter, the 'corporation') is a federally chartered corporation.

Perpetual Existence — Except as otherwise provided, the corporation has perpetual existence.

◆ Section 190102: Purposes — The purposes of the corporation are to support and promote the development and execution of a military policy for the United States that will provide adequate national security.

◆ Section 190103: Membership

(a) Eligibility — Eligibility for membership in the corporation is as provided in the constitution and bylaws of the corporation.

◆ Section 190104: Governing body

(a) Annual Meeting — The corporation shall hold an annual meeting.

(b) ~~National Executive Committee~~ — Governing Body

~~1. The national executive committee is the governing body of the corporation.~~

2. ~~The national executive committee~~ The governing body is as defined in the constitution of the corporation. ~~consists of the president, president elect, the last past president, 3 vice presidents, 3 junior vice presidents, a minimum of 3 national executive committee members and the executive director. Each of these individuals, except the president elect and executive director, has one vote on each matter decided by the committee.~~

(c) Officers

1. ~~The governing documents of the corporation shall prescribe the method of election or appointment of the corporation's officers, the titles and terms of the offices which they shall hold, and the manner in which vacancies shall be filled. The officers of the corporation are a president, 3 vice presidents, 3 junior vice presidents, a minimum of 3 national executive committee members, an executive director, a national treasurer, a judge advocate, and other officers specified in the constitution as decided at the national convention.~~
2. ~~The national officers of the corporation shall be elected and take office at the annual national convention, except for the executive director, the national treasurer and judge advocate, and other national officers specified in the constitution, who shall be appointed by the national executive committee.~~
3. ~~The elected officers shall hold office for one year or until their successors have been elected and qualified.~~

(d) Vacancies

1. ~~Except for the positions of president, president elect and last past president, a vacancy on the national executive committee shall be filled by the existing members of the committee. An individual appointed by the committee to fill a vacancy serves until the next national convention when the individual's successor shall be elected for the unexpired term, if any, caused by the vacancy.~~
2. ~~If the president is absent or the office of president is vacant, the national vice president of the same service as the president shall act as president.~~

◇ Section 190105: Powers

1. The corporation may: do any other lawful act necessary and proper to carry out the purposes of the corporation.
2. ~~adopt and amend a constitution and bylaws;~~
3. ~~adopt and alter a corporate seal;~~
4. ~~adopt and alter emblems and badges;~~
5. ~~acquire, own, lease, encumber and transfer property as necessary to carry out the purposes of the corporation;~~
6. ~~publish a magazine, newspaper and other publications;~~
7. ~~establish, regulate and discontinue subordinate departmental subdivisions and local chapters;~~
8. ~~sue and be sued; and~~
9. ~~do any other act necessary and proper to carry out the purposes of the corporation.~~

◇ Section 190106: Exclusive right to name, seals, emblems and badges

The corporation and its subordinate entities ~~departmental subdivisions and local chapters~~ have the exclusive right to use the name "Reserve Organization of America" and seals, emblems and badges the corporation adopts.

◇ Section 190107: Restrictions

(a) *Profit* — The corporation may not engage in business for profit.

(b) *Stock* — The corporation may not issue stock.

(c) *Political Activities* — The corporation, or any of its members action on its behalf, ~~or an officer or member as such~~ may not contribute to, support or assist a political party or candidate for public office.

(d) *Distribution of Income or Assets* — The income or assets of the corporation may not inure to the benefit of or be distributed to any of its members. ~~, an officer or member. except on dissolution or final liquidation of the corporation.~~

(e) *Loans* — The corporation may not make a loan or advance to an officer or member of the national executive committee. Members of the national executive committee who vote for or assent to making a loan or advance to an officer and officers who participate in making the loan or advance, are jointly and severally liable to the corporation for the amount of the loan or advance until it is repaid.

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- ◇ Section 190108: Headquarters — The headquarters of the corporation shall be in ~~the District of Columbia~~ such place as determined by the governing body.
- ◇ Section 190109: Records and inspection
 - (a) *Records* — The corporation shall keep:
 1. correct and complete records of account;
 2. minutes of the proceedings of the governing body and formal meetings of the members, including any annual meeting.; ~~its annual meetings, national executive committee and other national entities of the corporation;~~ and
 - ~~3.~~ at its principal office, a record of the names and addresses of its members, ~~entitled to vote.~~
 - (b) *Inspection* — A member entitled to vote or an agent or attorney of the member, may inspect the records of the corporation for any proper purpose, at any reasonable time, and upon reasonable notice.
- ◇ Section 190110: Service of Process
 - (a) Registered Agent ~~District of Columbia~~ — The corporation shall have a ~~designated~~ registered agent in the District of Columbia to receive service of process for the corporation. Notice to or service on the agent is notice to or service on the corporation.
 - (b) ~~States, Territories and Possessions — As a condition to the exercise of any power or privilege granted by this chapter, the corporation shall file, with the secretary of state or other designated official of each State, territory or possession of the United States in which a subordinate department or local chapter is organized, the name and address of an agent in that State, territory or possession on whom legal process or demands against the corporation may be served.~~

◇ Section 190111: Liability for Acts of Officers and Agents — The corporation is liable for the acts of its officers and agents acting within the scope of their authority.

~~◇ Section 190112: Distribution of Assets on Dissolution or Final Liquidation — On dissolution or final liquidation of the corporation, any assets remaining after the discharge of all liabilities shall be divided equally among the then active officers and members.~~

◇ Section 15: (Repealed by P.L. 88-504, Sec 4(12), 78 Stat 637. See below.)

AUDITS OF FEDERALLY CHARTERED CORPORATIONS

(P.L. 88-504, 78 Stat 635, as amended, 36 USC Secs 1101-1103)

- ◇ Section 1: Definitions — The term "private corporations established under Federal Law" as used in this Act means the following organizations:
 - (41) Reserve Organization of America.
- ◇ Section 2: Annual Audit — The accounts of private corporations established under Federal law shall be audited annually in accordance with generally accepted auditing standards by independent certified public accounts or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files and all other papers, things or property belonging to or in use by the corporation and necessary to facilitate the audits shall be made available to the person or persons conducting the audits; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents and custodians shall be afforded to such person or persons.
- ◇ Section 3: Report to Congress — The report of each such independent audit shall be submitted to the Congress not later than six months following the close of the fiscal year for which the audit was made. The report shall set forth the scope of the audit and include such statements as are necessary

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to present fairly the corporation's assets and liabilities, surplus or deficit with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the corporation's income and expenses during the year including the results of any trading, manufacturing, publishing or other commercial-type endeavor carried on by the corporation, together with the independent auditor's opinion of those statements. The report shall not be printed as a public document, except as part of proceedings authorized to be printed under the Act of March 2, 1931, chapter 378, section 1, as amended (44 USC Sec 1332 which is not applicable to the Reserve Organization of America).