

# **CHAPTER BY-LAWS**

## **ARTICLE I - NAME**

This Chapter shall be known as The Institute of Internal Auditors, Inc., Dallas Chapter.

## **ARTICLE II - ADHERENCE TO CORPORATE CHARTER**

The Dallas Chapter is empowered to perform any and all acts which are defined in the Certificate of Incorporation and the by-laws of The Institute Of Internal Auditors, Inc., and shall do nothing which is inconsistent with their provisions and with the pronouncements and resolutions incorporated in the minutes of The Institute meetings and the meetings of the Board of Directors.

## **ARTICLE III - CHAPTER MEMBERSHIP**

### **Section 1.**

The Chapter membership shall consist of those duly admitted to any of the classes of membership, as defined in the by-laws of The Institute of Internal Auditors, Inc., and who are located in the chapter area, and who, by written request endorsed by the Secretary of the Chapter, if any, of the area in which they are located, elects to become affiliated with the Chapter.

### **Section 2.**

Membership in the Chapter shall cease and terminate on transfer to another Chapter area or cause of resignation or termination for any of the causes set forth in the by-laws of the Institute of Internal Auditors.

## **ARTICLE IV - BOARD OF GOVERNORS AND THEIR ELECTION**

### **Section 1.**

The determination of the policies of the Chapter shall be vested in the Board of Governors.

### **Section 2.**

The Board of Governors shall be constituted as follows:

- A. The officers of the Chapter: the Chapter President, the Chapter First Vice President, the Chapter Second Vice President, the Chapter Treasurer, and the Chapter Secretary.

- B. One 3-year Governor for each ten (10) regular members limited to a total of not more than eighteen (18) Governors, to be elected for a period of 3 years, one-third retiring each year, except that one-third of such.

Governors elected in the first year shall be elected to serve for one year and one-third shall be elected to serve for 2 years. If the number of elected Governors is not evenly divisible by three, the excess over an even division shall be, where applicable, one (1) elected for a one-year term and one (1) elected for a two-year term.

If membership is such as to limit the number of elected Governors to less than three, then elections shall be for the following terms: One Governor for a period of one year, a second Governor for a period of two years. Governors elected at the first meeting after the authorization of the Chapter may, at the discretion of the Board of Directors hold office for a period of one (1) full year beyond the unexpired part of the first year in which they were elected.

- C. The two most recent past Chapter Presidents not holding other offices in the Chapter and who are still members of the Chapter.

### **Section 3.**

Only members of the Institute and the Chapter shall be eligible for election to the Board of Governors.

The Nominations Committee shall prepare a list of candidates for election to the Board and present it to the membership at a monthly meeting. Nominations from the floor, if any, shall be accepted at the next monthly meeting at which time nominations will be closed. Elections will be held at the following monthly meeting (one meeting after elections are closed).

### **Section 4.**

Governors of the Chapter shall be elected at the election meeting designated by the Board of Governors each year, shall take office on June 1 following, and shall hold office until succeeded, unless the terms of office shall terminate or be terminated as provided in the by-laws of The Institute of Internal Auditors, Inc., or as provided elsewhere in these by-laws of the Chapter.

### **Section 5.**

Governors shall be elected by a majority vote of members voting in person or absentee at the meeting at which such election is held.

### **Section 6.**

Any Governor may be removed for a cause by a two-thirds vote of the Board, provided such Governor shall have been granted an opportunity for a hearing before the Board. The Board shall call a special meeting of the Chapter to be held within thirty (30) days from the date when any such removal is voted. At such special meeting, the Board

shall make a full and complete report of the action taken in removing the Governor or Governors and the reason for such action. At such meeting, the office or offices made vacant by such action by the Board shall be filled.

A Governor removed by the Board may be reelected by the members and, if so reelected, may not again be removed by the Board for the same offense. Any Governor may be removed by a two-thirds vote of the members of the Chapter present at any duly held meeting, provided notice of such proposed action shall be incorporated in the notice for the meeting. Such notice shall be sent to the Chapter members by the Chapter Secretary upon written petition of one-fifth of the members.

**Section 7.**

If the office of any Governor shall become vacant for reason of death, resignation, or otherwise, except as provided in Section 6 of this Article, the Board of Governors is empowered to fill such office of the unexpired term.

**Section 8.**

If the Institute or Chapter membership of any Governor shall for any reason terminate, that office as Governor shall become vacant.

**Section 9.**

The resignation of any Governor shall be tendered to the Board of Governors and may be acted on at any regular or special meeting of the Board.

**Section 10.**

The Board of Governors shall have the power to fix the time and place for each annual meeting and each special meeting of the Chapter.

**Section 11.**

The Board of Governors shall meet at least twice annually, at such times and places as it may elect. As soon as possible after the annual meeting, the Board of Governors shall meet and determine the number of Governors who shall constitute a quorum at all Board meetings in the Chapter year. At this meeting, at least half of the Board members must be present and voting. Notice of the meetings of the Board of Governors shall be sent by the Secretary or as the Board may otherwise direct, but no failure or defect of notice shall invalidate the meeting or any business transacted or action taken thereat.

**Section 12.**

At all meetings of the Board of Governors, the majority vote of the Governors present and voting will decide all issues except as provided elsewhere in these by-laws.

## **ARTICLE V - OFFICERS AND THEIR ELECTION**

### **Section 1.**

The elective officers shall be a Chapter President, a Chapter First Vice President, a Chapter Second Vice President, a Chapter Secretary, and a Chapter Treasurer.

Only members of the Institute and the Chapter shall be eligible for election to officer positions. No person shall hold more than one officer position at a time.

### **Section 2.**

The Nominations Committee shall prepare a list of candidates for election to the officer positions and present it to the membership at a monthly meeting. Nominations from the floor, if any, shall be accepted at the next monthly meeting at which time nominations will be closed. Elections will be held at the following monthly meeting (one meeting after elections are closed).

### **Section 3.**

Officers of the Chapter shall be elected at the election meeting designated by the Board of Governors each year, shall take office on June 1 following, and shall hold office until succeeded, unless the terms of office shall terminate or be terminated as provided in the by-laws of The Institute of Internal Auditors, Inc., or as provided elsewhere in these by-laws of the s Chapter.

### **Section 4.**

Officers shall be elected by a majority vote of members voting in person or absentee at the meeting at which such election is held.

### **Section 5.**

Any officer may be removed for a cause by a two-thirds vote of the Board of Governors, provided such officer shall have been granted an opportunity for a hearing before the Board. The Board shall call a special meeting of the Chapter to be held within thirty (30) days from the date when any such removal is voted. At such special meeting, the office or offices made vacant by such action by the Board shall be filled. The officer removed by the Board may be reelected, and, if so reelected, may not again be removed by the Board for the same offense.

Any officer may be removed by a two-thirds vote of the members of the Chapter present at any duly held meeting, provided notice of such proposed action shall have been incorporated in the notice for the meeting. Such notice shall be sent to the Chapter members by the Chapter Secretary upon written petition of one-fifth of the members.

### **Section 6.**

If any vacancy shall occur in any office by reason of death, resignation, or otherwise, except as provided in Section 5 of this Article, the Board of Governors is empowered to fill such office of the unexpired term of the office so vacated.

**Section 7.**

Officers shall be eligible for reelection, except that the President shall not serve successive terms.

**Section 8.**

If the Institute or Chapter membership of any officer shall for any reason terminate, that office shall become vacant.

**Section 9.**

Any resignation of any officer shall be tendered to the Board of Governors and may be acted on at any regular or special meeting of the Board.

**ARTICLE VI - DUTIES OF OFFICERS****Section 1.**

The Chapter President shall be the executive head of the Chapter and, when present, shall preside at all meetings of the Board of Governors. The Chapter President shall be responsible for the enforcement of the by-laws of The Institute of Internal Auditors, Inc., and these by-laws of the Chapter and the resolutions and proceedings of the Board of Directors and the Board of Governors.

The Chapter President shall keep the Chairman of the Board and the Board of Directors of the Institute and Board of Governors of the Chapter fully informed of the affairs of the Chapter and shall consult the Board of Directors of the Institute and the Board of Governors of the Chapter, when necessary, concerning the business of the Chapter and its activities.

**Section 2.**

The Chapter Vice Presidents shall have such duties and powers as may be prescribed by the Board of Governors or delegated by the Chapter President. In the absence or disability of the Chapter President, the Chapter First Vice President shall perform the duties of the Chapter President.

**Section 3.**

The Chapter Treasurer shall be charged with the custody of the funds of the Chapter and their proper disbursement, under any rules prescribed by the Board of Governors, and shall make periodic reports as required or requested by the Institute or the Board of Governors.

The Chapter Treasurer shall be the disbursing officer of the Chapter. In the case of seminars or special events involving the collection of fees, the Treasurer can delegate to a member the collection of fees and disbursements thereof under the rules prescribed by the Board of Governors. Under such circumstances, the member shall report to the Treasurer the fees collected and disbursements made with supporting papers. These records would then be included as part of the Treasurer's records.

The Chapter Treasurer shall not have the authority to receive monies for Institute fees and dues, which authority is reserved for the Institute.

The Board of Governors of the Chapter may authorize the bonding of the Chapter Treasurer. At the termination of the Chapter Treasurer's term of office, he or she shall turn over to the Board of Governors all funds, records, papers, books, and documents and all other property of the Chapter having to do with financial or other transactions or business of the Chapter which may have come into his or her possession or may have been compiled or created during his or her term of office.

#### **Section 4.**

The Chapter Secretary shall perform those duties delegated by the Chapter President or prescribed by the Board of Governors. The Chapter Secretary shall make reports as required by the Board of Governors or as required by the Institute. He or she shall notify each member of the Chapter of all meetings and shall do any and all other things normally required by a Chapter Secretary to keep the Board of Governors and the Chapter officers and members informed of the affairs of the Chapter.

The Board of Governors may authorize the bonding of the Chapter Secretary. At the termination of his or her office, the Chapter Secretary shall turn over to the Board of Governors all records, papers, books, and documents, and all other property of the Chapter which may have come into his or her possession or may have been compiled or created during his or her term of office.

#### **Section 5.**

If at any meeting of the Chapter or the Board of Governors the Chapter President is absent and no one authorized to perform his or her duties is present, or if the Chapter Secretary is absent, then a President pro-tem or Secretary pro-tem, or both, as may be needed, shall be appointed by a majority vote of the members present and voting.

#### **Section 6.**

The officers of the Chapter shall receive no salaries for their services except the Chapter Secretary where the Board of Governors so directs. Officers may be reimbursed for the expenses incurred in the performance of their duties subject to such approvals as may be determined by the Board of Governors.

## **ARTICLE VII - COMMITTEES**

### **Section 1.**

There will be these standing committees appointed by the Board of Governors:

- A. An Audit Committee of one member, not an officer or Governor.
- B. A Nominations Committee of at least three members. The Nominations Committee shall consist of past Chapter Presidents, the current Chapter President, and others as deemed necessary by the Chairperson of the Nominations Committee.
- C. An Elections Committee of no more than five members. The Committee shall not include more than one Governor and one officer and shall be responsible for establishing methods for absentee voting and presiding over the election.

### **Section 2.**

There shall be other committees as may be authorized and directed by the Board of Governors, by the Chapter officers, or by the members in regular or special meetings. The members of such committees shall be appointed by the Chapter officers or by the Board of Governors.

### **Section 3.**

The Chapter President and the Chapter Secretary shall be members ex-officio of all committees, excepting the Audit Committee and the Nominations Committee.

### **Section 4.**

Any member of any committee may be removed at the discretion of those appointing such member, with the exception of the Audit Committee.

### **Section 5.**

The majority of each committee shall constitute a quorum thereof.

### **Section 6.**

The Board of Governors may institute any procedure that it deems necessary to appoint committees to carry on the activities of the Chapter.

## **ARTICLE VIII - ANNUAL MEETING AND MEETINGS OF MEMBERS**

### **Section 1.**

The annual meeting of the Chapter shall be the last meeting and shall be held on or before the 31<sup>st</sup> day of May each year.

### **Section 2.**

The Chapter year will commence on June 1st of each year.

**Section 3.**

At all Chapter meetings, a majority vote of members present and voting will decide all issues except as provided elsewhere in these by-laws.

**ARTICLE IX - RULES OF PROCEDURE****Section 1.**

The rules of procedure at meetings of the Chapter, of the Board of Governors, and of committees, shall be according to Robert's Rule of Order, so far as is applicable and when not inconsistent with these by-laws.

**Section 2.**

The rules of procedure may be suspended by two-thirds vote of those present and voting at any meeting.

**ARTICLE X - DISSOLUTION**

The Chapter shall use its funds only to accomplish the objectives and purposes specified in these by-laws. No part of said funds shall inure or be distributed to the members of the Chapter. Upon dissolution of the Chapter, any funds remaining shall be forwarded to the Institute.

**ARTICLE XI - AMENDMENTS TO BY-LAWS**

These by-laws may be amended or repealed at any regular or special meeting of the Chapter by a two-thirds vote of members present and voting, provided that notice of the proposed change and of the meeting has been sent at least seven days previous to the date of said meeting.