



CHAPTER BYLAWS

THE INSTITUTE OF INTERNAL AUDITORS

ARTICLE I – NAME AND LOCATION

- Section 1. This Chapter of The Institute of Internal Auditors (IIA) shall be known as The Institute of Internal Auditors of Dallas, Inc, (“The IIA Dallas Chapter”, “Chapter”), incorporated in the state of Texas. The Institute of Internal Auditors and its Chapters have been given a ruling from the Internal Revenue Service granting federal tax-exempt status under section 501(c) 6 as a not-for-profit organization.
- Section 2. The Chapter operates as a Chapter of The Institute of Internal Auditors (“The IIA”), whose Global Headquarters is located in Lake Mary, Florida, USA and is subject to all policies, practices, procedures, regulations, and bylaws made applicable by The Institute of Internal Auditors to its Chapters. These include but are not limited to: the Compact, North American Chapter Manual, and Chapter Treasurer’s Manual. In these bylaws, all articles and sections pertain to the Chapter unless specifically designated by The Institute of Internal Auditors.
- Section 3. The geographical area covered by the Chapter shall include those areas as defined when chartered by The Institute of Internal Auditors.

ARTICLE II - ADHERENCE TO CORPORATE CHARTER

The IIA Dallas Chapter is empowered to perform any and all acts which are defined in the North American Chapter Compact and [Bylaws](#) of The Institute of Internal Auditors and shall do nothing which is inconsistent with the provisions and with the pronouncements and resolutions incorporated in the minutes of The Institute of Internal Auditors meetings and those of the Board of Directors.

ARTICLE III - BOARD OF GOVERNORS

- Section 1. The governing body of this chapter shall be the Board of Governors. The Board is responsible for reviewing and approving the Chapter’s budget and strategic plan. Approval of any unbudgeted expenditures must also be approved by the Board. The Board in its entirety oversees the financial integrity and monitors performance against achievement of strategy and long term vision. The Board may establish such policies as it deems appropriate to the conduct of its affairs/or the affairs of their operation. Such policies shall be recorded in the Chapter Board Policy Manual. Such policies shall not conflict with these Bylaws.

Section 2. The Board of Governors shall be constituted as follows:

- a. **The Officers of the Chapter:** The Officers of the Chapter shall be a President, First Vice President, Second Vice President, Treasurer, Secretary, as well as any additional officers deemed necessary by the Chapter Board of Governors. With the exception of the two most recent Past Presidents, officers shall be elected by the members affiliated with the chapter and as prescribed by The *Bylaws* of The Institute of Internal Auditors and shall serve until their successors have been duly elected and have assumed office. Each elected officer shall take office on June 1 and serve for a term of one year or until a successor is duly elected and installed.
- b. **Governors of the Chapter:** One Governor for each hundred (100) regular members, limited to a total of not more than eighteen (18) Governors, to be elected for a period of 3 years, with one-third up for election and/or re-election each year. Each Governor will be encouraged to have an active role by participating on a committee on the board.
- c. **Past Presidents:** The two most recent Past Chapter Presidents who are not holding other officer positions in the Chapter and who are still members therein.

Section 3. Any member in good standing with The IIA whose affiliation is with this Chapter is eligible for nomination and election to any office. It is preferred the member has served as an active volunteer on a committee for a minimum of one year.

Section 4. Nominations will be made in accordance with these Bylaws and shall be made by the Nominating Committee. The Nominating Committee shall consist of a Nominations Chair with no fewer than 2 additional members. Elections shall be conducted and a slate of officers submitted to The Institute of Internal Auditors Global Headquarters by May 1 annually.

Section 5. Nominations shall be made by the Nominating Committee. 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 nominations are closed). The Nominations Committee shall comply with the reporting deadlines as defined within the annual chapter standards by the Institute of Internal Auditors.

Section 6. The Board of Governors shall meet a minimum of twice annually at a time and place determined by the Board and will be open for attendance by any IIA member in good standing whose primary affiliation is with this Chapter.

Section 7. Any act of the majority of the Board members present or participating at a meeting via teleconferencing, video conferencing or other means which Board members are audible at a meeting where a quorum is present shall be a valid act of the board. For the purposes of conducting a board meeting, a majority of currently serving Board members shall constitute a quorum.

Section 8. Special meetings (votes or resolutions) of the Board may be called by or at the request of the President or any two members of the Board via mail or electronic mail.

Section 9. Notice of meetings of the Board of Governors shall be mailed or sent electronically by the Secretary or Chapter Administrator, or as the Board may otherwise direct thirty (30) days prior to each regular meeting or ten (10) days prior to each special meeting. Such notice may be mail or electronically mailed.

Section 10. Voting rights of the Board of Governors shall not be delegated to another Governor or Officer.

ARTICLE IV – OFFICERS AND THEIR ELECTION

- Section 1. Each elected Chapter Officer shall take office on June 1 and serve for a (1) year term. Chapter Presidents should be Certified Internal Auditors.
- Section 2. Nominations shall be made by the Nominating Committee, and in addition, may be made electronically, virtually, or from the floor at a meeting called for this purpose. In the event of electronic vote, a voting window must be established not to exceed two (2) weeks leading up to the Annual Meeting and shall close at 5:00PM the day prior to the Annual Meeting. Proxy voting is not permitted. The Officers elected at each annual meeting will be included on the official Slate of Officers provided to The IIA on May 1 annually and will take office on June 1 following their election with terms ending the following May 31.
- Section 3. No person shall hold more than one office at a time.
- Section 4. Officers shall be elected by a majority vote of members present at an in person meeting called for this purpose or an electronic vote, if deemed necessary by the Board of Governors.
- Section 5. An Officer may be removed by a two-thirds vote of the Board provided such Officer was 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 Officer's removal date. At such special meeting the office or offices made vacant by such action by the Board shall be filled. Except in the cases of ethical misconduct, moral turpitude, or dereliction of duty, the officer removed by the Board may be reelected and may not again be removed by the Board for the same reason which precipitated the initial removal.
- Section 6. If the position of any Officer shall become vacant by reason of death, resignation, or otherwise, except as provided in Section 5 of this article. The Board of Governors is empowered to fill this office for the unexpired term. However, a vacancy in the office of the President shall be filled for the balance of the term by the First Vice President or the Immediate Past President, as determined by the majority vote of the Board of Governors. In the event the First Vice President or the Immediate Past President is unable to serve in this capacity, the remainder of the term may be filled by a qualified candidate determined by the majority vote of the Board of Governors.
- Section 7. If an officer's IIA membership terminates for any reason, the office shall automatically become vacant.
- Section 8. The resignation of any Officer shall be tendered to the Board and may be acted on at any regular or special meeting of the Board.

ARTICLE V - GOVERNORS AND THEIR ELECTION

- Section 1. The Governors elected at each annual meeting take office on June 1 following their election with terms ending on May 31. Each elected Governor shall serve for a term of three (3) years.
- Section 2. Nominations shall be made by the Nominating Committee
- Section 3. Governors shall be elected by a majority vote of members electronically, virtually or present at a meeting called for this purpose. In the event of an electronic vote, a voting window must be established not to exceed two weeks leading up to the Annual Meeting and closing by 5:00PM the day before the Annual Meeting. Proxy voting is not permitted.

- Section 4. A Governor may be removed by a two-thirds vote of the members of the Board provided such Governor was 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 Governor's removal date. At such special meeting the office or offices made vacant by such action by the Board shall be filled. Except in the cases of ethical misconduct, moral turpitude, or dereliction of duty, the Governor removed by the Board may be reelected, and if so reelected, may not again be removed by the Board for the same reason which precipitated the initial removal.
- Section 5. If the office of any Governor shall become vacant by reason of death, resignation, or otherwise, except as provided in Section 4 of this article, the Board of Governors is empowered to fill this office for the unexpired term.
- Section 6. If a Governor's IIA membership terminates for any reason, the office shall automatically become vacant.
- Section 7. The resignation of any Governor shall be tendered to the Board and may be acted on at any regular or special meeting of the Board.
- Section 8. The Board of Governors shall have the power to establish the time and place for each annual and special meeting of the Chapter.

ARTICLE VI – CONFLICT OF INTEREST

- Section 1. Officers and Governors should act at all times in the best interest of their chapter and not for personal or third-party gain or financial enrichment. When encountering potential conflicts of interest, Officers or Governors shall identify the conflict and, as required, remove themselves from all discussion and voting on the matter. Specifically, members of the Board of Governors shall not:
- a. Place (or appear to place) one's own self-interest or any third party interest above that of the chapter.
 - b. Provide goods or services to their chapter as a paid vendor. This may be waived after full disclosure to, and advance approval by the Board of Governors.
 - c. Engage in any outside business, professional or other activities that conflict with, and /or would directly or indirectly materially adversely affect the chapter.
 - d. Abuse their position by improperly using the Chapter's staff, membership information, service, equipment, resources, property, or events for their personal or third-party gain.

ARTICLE VII - DUTIES OF OFFICERS

Section 1. The Chapter's President is the executive head of the chapter and, when present, shall preside at all meetings of the Chapter and of the Board of Governors. The President shall be responsible for:

- Enforcement of the *Bylaws* of The Institute of Internal Auditors and the *Bylaws* of The IIA's Dallas Chapter and the Chapter's resolutions and proceedings.
- Keeping the Board of Directors of The Institute of Internal Auditors and the Board of Governors of the chapter fully informed of the affairs of the chapter, and shall also consult with the Board of Directors of The Institute of Internal Auditors and the Board of Governors of the chapter, whenever necessary, concerning the business of the Chapter and its activities.
- The Chapter First Vice President assumes the duties of the Chapter President in the event of the President's absence, disability, or death.

Section 2. The Chapter's First Vice President shall have such duties and powers as may be prescribed by the Board of Governors or delegated by the Chapter's President. In the absence or disability of the President, the First Vice President shall perform the Chapter President's duties.

The Chapter's Vice Presidents will be responsible for managing various committees and will have duties and powers as prescribed by The Board of Governors or delegated by the Chapter's President through normal course of business.

Section 3. The Chapter's Treasurer shall be responsible for:

- The custody of the financial reports and funds of the Chapter.
- Proper disbursement of Chapter funds, and the establishment of proper accounting procedures (including segregation of duties) for the handling of Chapter funds under the rules prescribed by The Institute of Internal Auditors and the Chapter's Board of Governors.
- Making a report to the Board of Governors a minimum of twice (2) annually. Additional reports may be required of the Treasurer by the Board of Governors.
- The Treasurer shall be designated as the disbursing officer of the Chapter and have no authority to receive application fees or dues, as this authority is reserved for the Treasurer of The Institute of Internal Auditors.

The Board of Governors of the Chapter may authorize the bonding of the Chapter Treasurer.

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

Section 4. The Officers and the Governors of the Chapter shall receive no salaries for their services.

Section 5. Other Officer positions other than those specified in these Bylaws may be established, and their duties specified by the Chapter's Board of Governors.

ARTICLE VIII – COMMITTEES

- Section 1. There shall be these standing committees appointed by the Board of Governors:
- a. An Audit Committee of at least three (3) members of the Board of Governors. The Audit Committee shall operate according to the Audit Committee Charter which shall be reviewed and ratified by the Board of Governors. The Audit Committee will also be responsible for ensuring an audit of the Chapter's financial statements and financial controls is performed at least annually by a qualified person who is not an Officer or Governor of the Chapter. The Audit Committee must be independent of any Chapter Officer or Governor, including an employment relationship. The Audit Committee is responsible for acknowledging, investigating and reporting on any financial complaint or grievance against Officers, Governors, or any Committee of the Chapter.
 - b. A Nominating and Elections Committee of at least five (5) members. The immediate past President shall chair the Committee. The Nominations and Elections Committee shall consist of the immediate past Chapter President, the current Chapter President and others as deemed necessary by the Chairperson of the Nominations and Elections Committee. The Nominations and Elections Committee is responsible for vetting candidates against objective criteria for the positions being filled. With the exception of the Committee Chairman, current Governors may not serve on the Nominations and Elections Committee and no member of the Nominations and Elections Committee may be a candidate for any position elected by the Chapter membership during the year they serve on the Committee. The Committee shall be responsible for establishing methods for absentee voting and presiding over the election.
 - c. A Governance Committee of at least three (3) Governors. The Governance Committee shall establish criteria for a Board evaluation process, as approved by the Board of Governors, which shall be conducted by the President annually. The Governance Committee is responsible for acknowledging and reporting on any complaint or grievance against Officers, Governors, or any Committee of the Chapter. Governance Committee members should be free of conflicts in all matters. Should a member of the Governance Committee have a real or perceived conflict in the matter, they must recuse themselves from the investigation, deliberation and decision on the issue. Depending on the nature of the issue, the report may be made to the Board or to the Membership at a general meeting. The Governance Committee is also responsible for a periodic review of the Bylaws as required by the Institute of Internal Auditors.
- Section 2. There may be other committees authorized and directed by the Board of Governors or by the Members in regular or special meetings. The members of these committees are appointed by the President, the Board of Governors, or the Members.
- Section 3. The Chapter President is an ex-officio member of all committees except the Audit Committee.
- Section 4. Any member of any Committee can be removed at the discretion of those appointing the member, with the exception of the Audit Committee.
- Section 5. The majority of each Committee constitutes as quorum.
- Section 6. The Board of Governors acting with the President may institute any procedure which it deems necessary to appoint committees to carry on the activities of the Chapter.

ARTICLE IX – PAID STAFF

Paid staff such as Administrators, Executive Directors, and/or Events Managers, etc., may be employed by the Chapter to serve at its discretion. Duties and compensation shall be determined by the Board of Governors. Paid staff shall not have voting privileges and must adhere to the standards and qualifications established by The Institute of Internal Auditors.

ARTICLE X – MEETINGS OF MEMBERS AND VOTING

- Section 1. Regular meetings will be held at times and places as determined by the Chapter's Board of Governors.
- Section 2. Special meetings may be called by the President or by any two Board of Governor members within thirty (30) days of receipt of a written request signed by twenty (20) percent of the Chapter members. The business to be transacted at any special meeting shall be stated in the notice thereof. At special meetings, a quorum shall consist of ten (10) percent of members entitled to vote. In the event the quorum is not present, those in attendance may adjourn the meeting without further notice. If a quorum is present, the majority vote shall be the act of the members.
- Section 3. All meeting notices shall be sent by mail, electronic mail, or electronic media, to each member a minimum of twenty (20) days preceding the meeting.
- Section 4. Each member shall have one (1) vote and may take part in a vote in person or by participation in an electronic vote (determined by the Board of Governors). Proxy voting is not permitted. Unless otherwise specified within these Bylaws, a majority vote of members present and voting, in person or electronically, shall govern.
- Section 5. Proposals to be offered to the membership for a vote via mail or electronic mail rather than in person shall be first approved by the Board of Governors unless the proposal has been endorsed by a minimum of twenty (20%) percent of the voting members, in which case, Board approval shall not be necessary.
- Section 6. The Board of Governors with or without cause may cancel any meeting.

ARTICLE XI - ANNUAL BUSINESS MEETING

An annual meeting of the members shall take place at a date, time and place designated by the Board of Governors. At the annual meeting the members shall elect officers, board of governors, and conduct required chapter business. The slate of candidates should be announced to all members at least 30 days prior to the election. Chapters should plan their annual business meeting accordingly to allow time for new officer(s) to schedule their attendance to the annual training conference in April and to meet the required submission of officer slates due May 1 annually.

ARTICLE XII – RULES OF PROCEDURE AT MEETINGS

- Section 1. The rules of procedure at meetings of The Institute of Internal Auditors, the Board of Governors, and of committees shall be according to Robert's Rules of Order so far as applicable and when not inconsistent with these Bylaws.
- Section 2. The rules of procedure may be suspended by two-thirds vote of those present and voting at any meeting.

ARTICLE XIII – RULES OF DISBURSEMENTS

Section 1. All disbursements will be in accordance with the Board approved Delegation of Authority.

ARTICLE XIV - AMENDMENTS TO BYLAWS

All deletions, and draft changes must be approved in advance by The Chapter Board of Governors prior to being submitted to Chapter membership for approval. Upon this approval these Bylaws may be amended/voted on by the members at any regular or special meeting, via returned mail, or returned electronic mail by two thirds vote of members eligible to cast a ballot, provided that written notice of the proposed change has been sent in writing a minimum of thirty (30) days previous to the date of said meeting or ballot deadline.

ARTICLE XV- DISSOLUTION

The chapter shall use its funds only to accomplish the objectives and purposes specified in these Bylaws. No part of said funds shall inure, or be distributed to the members of the chapter. On dissolution of the chapter, any funds remaining shall be forwarded to The Institute of Internal Auditors Global Headquarters in Lake Mary, Florida.

ARTICLE XVI – IDEMNIFICATION

Nothing herein shall constitute members of The Institute of Internal Auditors as partners for any purpose. No member, Officer, agent, or employee of this organization shall be liable for the acts or failure to act on the part of any member, Officer, agent, or employee of The Institute. Nor shall members, Officers, agents or employees be liable for their acts or failure to act under these Bylaws, excepting only acts or omissions to act arising out of their willful misfeasance.

ARTICLE XVII – ADOPTION OF BYLAWS

ADOPTED AND APPROVED by the Board of Governors on this 31 day of March 2019.
ADOPTED AND APPROVED by the Dallas IIA Members on this 21 day of May 2019.