The Institute of Internal Auditors – Phoenix Chapter
Bylaws

As Revised March 28th, 2019
Institute of Internal Auditors
Phoenix Chapter Bylaws

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ARTICLE I – NAME AND LOCATION

Section 1
This Chapter of The Institute of Internal Auditors, Inc. (The “IIA”) shall be known as the Phoenix Chapter (the “Chapter”).

Section 2
The Chapter operates as a Chapter of The IIA, who’s Global Headquarters is located in Lake Mary, Florida, USA and is subject to all policies, practices, procedures, regulations, and bylaws made applicable by The IIA to its Chapters. These include but are not limited to: the Compact, and the North American Chapter Manual. In these bylaws, all articles and sections pertain to the Chapter unless specifically designated by The IIA.

ARTICLE II – ADHERENCE TO CORPORATE CHARTER

The Chapter is empowered to perform any and all acts which are defined in in the North American Chapter Compact and Bylaws of The IIA, and shall do nothing which is inconsistent with the provisions, pronouncements and resolutions incorporated in the minutes of The IIA meetings and those of the Board of Directors.

ARTICLE III – CHAPTER MEMBERSHIP

Section 1
The Chapter membership shall consist of those persons duly admitted to any of the classes of membership as defined in the Rules of Eligibility and Bylaws of the IIA and who are located in the Chapter’s jurisdiction. Additionally, any others formerly located in the Chapter’s jurisdiction who, upon written request, elect to remain affiliated with the Chapter.

Section 2
Membership in the Chapter shall terminate on transfer to another Chapter or because of resignation or termination for any of the causes set forth in the Bylaws of The IIA of Internal Auditors, Inc.

Section 3
The Chapter will maintain a minimum of 15 members in order to maintain status as a Chapter of The IIA.

ARTICLE IV – BOARD OF GOVERNORS AND THEIR ELECTION

Section 1
The governing body of the Chapter shall be the Board of Governors. The Board of Governors may establish such policies as it deems appropriate to the conduct of its affairs and/or the affairs and operations of the Chapter.
Section 2
Composition:

a. The Board of Governors shall be constituted of no more than 18 members as follows:

- The Officers of the Chapter: the President, the President-Elect, the Vice President Membership Officer, Vice President Programming Officer, Treasurer, and Secretary.
- A total of no more than twelve non-officer Governors (including the Past President, described in the bullet below) to be elected for a period of two years, half retiring each year.
- The most recent past Chapter President, not holding other office in the Chapter and who is still a member of the Chapter, is to serve for two years following their presidency.

b. Governors must possess at least one IIA-based designation. This requirement may be waived by a majority vote of the Board of Governors.

Section 3
Nominations of Officers and Governors shall be proposed by the Nominating Committee. In addition, nominations may be received by membership during the nominating period.

No less than sixty days prior to the election meeting in March, the President shall appoint, with the approval of the Board of Governors, a Nominating Committee.

The Nominating Committee shall present their nomination recommendations to membership during the February monthly meeting, detailing the candidates’ names and respective proposed Board positions.

Section 4
Governors of the Chapter shall be elected each year and shall hold office until the election of successors unless the term of office terminates or is terminated as provided in the Bylaws of The IIA of Internal Auditors, Inc., or as provided in the Bylaws of the Phoenix Chapter.

Section 5
Governors shall be elected by a majority vote of members present during a specially programmed election meeting held in March each year.

Section 6
A Governor may be removed for cause by a two thirds (2/3) vote of the Board of Governors provided such Governor was granted an opportunity for a hearing before the Board. The Board shall also call a special meeting of the Chapter to be held within thirty (30) days from the date of having taken such action. At this special meeting of the Board of Governors, the Board shall make a full and complete report of the action taken in removing the Governor(s) along with the reason(s). At the meeting, the office(s) made vacant shall be filled. A Governor removed by the Board may be re-elected by membership. Any Governor may be removed by a two-thirds (2/3) vote of membership present at any duly held meeting provided notice of such proposed action was incorporated in the notice for the meeting. Such notice shall be mailed electronically to Chapter membership by the Chapter Secretary, upon written petition of one-fifth (1/5) of the Chapter membership.
Section 7
If the office of any Governor shall become vacant by reason of death, resignation or otherwise, except as provided in Section 6 of this article, the Board of Governors is empowered to fill this office for the unexpired term.

Section 8
If a Governor's IIA membership terminates for any reason, the office shall automatically become vacant.

Section 9
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 10
The Board of Governors shall have the power to fix the time and place for each annual meeting and every special meeting of the Chapter.

Section 11
The Board of Governors shall meet at least four (4) times annually. Notice of the meetings of the Board of Governors shall be communicated electronically by the President or 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.

During all Board of Governors’ meetings, the majority vote of the Governors present will decide all issues except as provided elsewhere in the Bylaws of the Chapter.

A quorum of the Board of Governors is required to conduct business of the Chapter. Quorum is set at, at least half of the elected Board of Governors present during Board meetings throughout the year. Present is defined as attending the meeting in person or telephonically.

Section 12
The Governors of the Chapter shall receive no salaries or fees for their services. Governors may be reimbursed for expenses incurred in the performance of their duties subject to approval by the Board.

ARTICLE V – OFFICERS AND THEIR ELECTION

Section 1
The Elective Officers shall be a President, President-Elect, the Vice President Membership Officer, Vice President Programming Officer, the Treasurer, and the Secretary. No person shall hold more than one office at a time. Officers shall possess at least one IIA-based designation. This requirement may be waived by a majority vote of the Board of Governors.

Section 2
Nominations of Officers shall be proposed by the Nominating Committee. In addition, nominations may be received by membership during the nominating period.
Section 3
Officers of the Chapter shall be elected each March and shall assume their duties as of June 1 of the same year. They shall hold office until the election of successors unless the term of office terminates or is terminated as provided in the Bylaws of The IIA, or as provided in the Bylaws of the Chapter.

Section 4
Officers shall be elected by a majority vote of members electronically, virtually or present at a meeting called for this purpose.

Section 5
An Officer may be removed for cause by a two thirds (2/3) vote of the Board of Governors 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 thirty (30) days from the date of having taken such action. At this special meeting, the office(s) made vacant shall be filled. An Officer removed by the Board may be re-elected by membership. If re-elected, the Officer may not be removed by the Governors for the same offense.

Any Officer may be removed by a two-thirds (2/3) vote of membership present at any duly held meeting of the Chapter provided a notice of such proposed action was incorporated in the notice for the meeting. Such notice shall be mailed electronically to Chapter membership by the Chapter Secretary, upon written petition of one-fifth (1/5) of the Chapter membership.

Section 6
If vacancy occurs 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 for the unexpired term.

Section 7
All Officers may be eligible for re-election for successive terms.

Section 8
If an Officer's membership with The IIA for any reason terminates, the office shall automatically become vacant.

Section 9
An Officer's resignation shall be tendered to the Board of Governors and may be acted on at any regular or special Board meeting.

Section 10
The Chapter must put forth the nominated and elected Slate of Officers to their District Representatives, District Advisors, and The IIA HQ by May 1st of each year.
ARTICLE VI – 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 the enforcement of the Bylaws of The IIA, and the Bylaws of the Chapter and the resolutions and proceedings of the Board of Directors and of the Board of Governors; shall keep the Board of Directors of The IIA and the Board of Governors of the Chapter fully informed of the affairs of the Chapter; shall also consult with the Board of Directors of The IIA of Internal Auditors and the Board of Governors of the Chapter, whenever necessary, concerning the business of the Chapter and its activities.

Section 2
The Chapter's President-Elect 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 President-Elect shall perform the Chapter President's duties.

Section 3
The Vice President Membership Officer should oversee new member recruitment, new member onboarding, member recognition, and member retention and any other responsibilities as delegated by the President or Board of Governors. The VP of Membership will access membership and certification reports through The Institute of Internal Auditor's database and report to the Board of Governors on a regular basis current membership and certification growth/decline. The Vice President Membership Officer may utilize other chapter volunteers to form a membership committee to support their work. The membership officer should lead the committee.

Section 4
The Vice President Programming Officer should advise and support the professional training and development of the IIA chapter, including seminars, conferences and e-learning. The Programming Officer shall be responsible for:

- Overseeing all educational offerings of the Chapter, to include program planning and education alignment with The Institute of Internal Auditors.
- Overseeing registration, logistics, and content management for all member programs.
- The VP of Programming will report to the Board of Governors on a regular basis the strategic plan for chapter programming and the success of these programs.

Section 5
The Chapter's Treasurer shall be charged with the custody of the funds of the Chapter and their proper disbursement under the rules prescribed by the Board of Governors. The Treasurer shall make periodic reports as required by the Treasurer of The IIA and any other reports that the Board of Governors may require. 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 turn over to the Board of Governors all funds, records, papers, books, documents and all other equipment and property of the Chapter having to do with the financial or other transactions or business of the Chapter which might have come into the Treasurer’s possession or might have been compiled or created during their term of office.
Section 6
The Chapter’s Secretary shall perform those duties delegated by the Chapter’s President or prescribed by the Board of Governors. The books of account shall be kept under the Secretary’s jurisdiction. The Secretary shall make reports as required by the Board of Governors or as required by the Secretary of The IIA of Internal Auditors, Inc. The Secretary shall notify each member of the Chapter of all meetings and shall do any and all other things normally required by a Chapter’s Secretary to keep the Officers and the Board of Directors of The IIA of Internal Auditors, Inc. and the Board of Governors and the Chapter’s officers and members informed of the affairs of the Chapter. The Board of Governors may authorize the bonding of the Secretary. At the termination of the term of office, the Secretary shall turn over to the Board of Governors all records, papers, books, documents and all other property of the Chapter which might have come into the Secretary’s possession or might have been compiled or created during their term of office.

Section 7
If the President, and the President-Elect is absent from any meeting of the Chapter or of the Board of Governors, and no one authorized to perform his or her duties is present or if the Secretary is absent, a substitute Chairman or Secretary pro tem or both as may be needed, shall be appointed by a majority vote of the members present.

Section 8
The Officers of the Chapter shall receive no salaries or fees for their services. Officers may be reimbursed for expenses incurred in the performance of their duties, subject to approval by the Board of Governors.

ARTICLE VII - COMMITTEES
Section 1
There shall be these standing committees appointed by the Board of Governors:

a. An Audit Committee made up of at least 3 members, one of which is the Treasurer, one of which is a Board of Governor, and at least one member, not an Officer or Governor.

b. A Nominating Committee of at least three 3 members, which will consist of the President of the Chapter who will serve as chairperson, one current Governor (who is not eligible for re-election during their term) and at least one member not currently on the Board of Governors. No member of the Nominating Committee shall be eligible for any Office by action of the Nominating Committee.

c. A Membership Committee of at least 3 members, which will consist of the Vice President Membership Officer, at least one Board of Governor, and at least one chapter member. The Membership Committee should utilize other chapter volunteers as appropriate to support their work. The membership officer should lead the committee in its formal recruitment and retention plan. All committee members should be aligned around the chapter recruitment and retention goals for the year.

There shall be such other committees as may be authorized and directed by the President, the Board of Governors, or by the members in regular or special meetings. The Chairs of these committees may be appointed by the President subject to approval by the Board of Governors.
Section 2
The Chapter President shall be an ex-officio member of all committees.

Section 3
Any member of any committee may be removed at the discretion of those appointing such members.

Section 4
A majority of each committee shall constitute a quorum thereof.

ARTICLE VIII – ANNUAL MEMBER MEETING
Section 1
The Chapter March meeting of each year shall be considered the annual meeting for the conduct of required business. Said meeting shall be convened on or before the 31st day of the month.

Section 2
The Chapter Year’s fiscal period will begin on June 1. The Officers elected at each annual meeting shall assume office on June 1 following their election with terms ending on May 31 of the following calendar year.

ARTICLE IX – CHAPTER MEETINGS
Section 1
The Chapter shall hold regular monthly membership meetings on such dates as may be set by the Board of Governors. The Board of Governors may authorize individual cancellations or postponements of Chapter meetings when circumstances dictate. Social activities, if open to all members, may be considered as Chapter meetings.

Section 2
At all Chapter meetings, a majority vote of members present and voting will decide all issues except as provided elsewhere in these Bylaws. Present means to be physically present at the meeting.

Section 3
The Chapter must deliver quality education to our members through a minimum of 8 CPEs on an annual basis.

ARTICLE X – RULES OF PROCEDURE
Section 1
The rules of procedure at meetings held by the Board of Governors, and of Committees, shall be according to the Robert’s Rules of Order. The standing rule of order is: US Law; Chapter Bylaws; Roberts Rules of Order; Standing Rules; and then Customs.

Section 2
The Rules of Procedure may be suspended by 50% vote of those present and voting at any meeting.
ARTICLE XI — CHAPTER FINANCES
All funds of the Chapter shall be deposited in accounts to the credit of the Chapter in such banks, trust companies, or other depositories as determined by the Board of Governors. The officer(s) authorized to open such accounts must be authorized by the Board of Governors before the account is established.

All indebtedness or obligations issued on behalf of the Chapter shall be signed by such Officer(s) of the Chapter in such a manner as determined by the Board of Governors.

All checks, drafts, or other orders for the payment of money issued on behalf of the Chapter shall be signed by such Officer(s) of the Chapter in such a manner as determined by the Board of Governors.

All expenditures shall be made on the basis of an approved budget, or by special order of the Board of Governors.

Section 1
Bank accounts shall be maintained for Chapter purposes as follows:

a. General Account. This checking account shall be used for the operation of the Chapter. This Account shall include the minimum balance to cover normal Chapter operations.

b. Special Accounts. Any special accounts needed for a special purpose or project must be authorized by the Board of Governors before the account is established.

c. Investment / Savings Accounts. Excess funds shall be maintained in an account that bears interest or dividends. Acceptable accounts include those invested in US Government Securities, Time Certificates of Deposit, or other lower risk investments with insured funds and guaranteed returns. These accounts and investments must be authorized by the Board of Governors before they are established.

Section 2
The Treasurer shall submit to the Board of Governors for approval no later than September 30 of each Chapter year a break-even or revenue-positive basis budget, unless otherwise decided by the Board of Governors with written rationale provided to The IIA for the operations covering the Chapter year. All expenditures during the year shall be within the limits of the budget unless expressly approved by the Board of Governors.

Section 3
The duties of the Treasurer, regarding all Chapter funds and related bank accounts, shall be to maintain the following permanent records:

a. Disbursements Record Book. Checks or other forms of disbursement shall be issued in prompt payment for all approved bills. Appropriate detailed documentation, including itemized invoices, should be retained for each payment.

b. Receipts Book. A receipt shall be prepared for all monies received by the Chapter. Receipts shall be deposited promptly into the Chapter bank account, and the deposit slip retained for documentation purposes.
c. **Budgets and Accounts.** A general ledger account shall be established for each budgeted item on the annual Chapter budget. Receipts and disbursements shall be entered into these accounts.

d. **Accounting.** The Chapter accounts shall be maintained on an accrual basis for accounting for the assets, equipment, property, liabilities, funds received, disbursed and invested by the Chapter. Reports from the Treasurer should display cash balances and how they have changed by Chapter receipts, disbursements and investments.

e. **Approvals.** All disbursements must be approved by the Chapter President.

**Section 4**
Under the direction of the President, and in coordination with the Audit Committee, an independent review of the Chapter’s financial activities on an annual basis shall be performed by an independent certified audit or accounting professional (e.g. CPA, CMA or CIA), in a manner consistent with the requirements outlined in the Chapter Manual and reporting documents developed by The IIA and shall issue a report on their findings to the Board of Governors.

**Section 5**
No Officer or Governor, Committee Member or Committee Chair is authorized to obligate the Chapter in any way regarding finances, programing, or solicitation of outside assistance without the approval of the Board of Governors. Nor shall any Committee Member or Committee Chair promote independent programs that would financially obligate the Chapter.

**Section 6**
The Chapter must submit their financials (including both the Independent Review and their Board approved budget) to HQ utilizing the required template.

**ARTICLE XII – AMENDMENTS TO BYLAWS**
The Bylaws may be amended at any regular or special meeting of the Chapter by a two thirds (2/3) vote of members present and voting, provided that written notice of the proposed change and of the meeting has been communicated at least ten (10) days previous to the date of said meeting.

**ARTICLE XIII – LIMITATION ON LIABILITIES AND INDEMNIFICATION**

**Section 1**
Nothing herein shall constitute the members of the Chapter as partners for any purpose. No member, officer or agent of this organization shall be liable for the acts or failure to act on the part of any other member, office or agent of the Chapter, nor shall any member, officer or agent be liable for their act, or failure to act under these by-laws, excepting only acts or omissions to act arising out of his/her willful misfeasance.

**Section 2**
Any Officer or Governor of the Chapter, or former Officer or Governor of the Chapter shall be reimbursed against the reasonable expenses actually and necessarily incurred by him/her in connection with the defense of any action, suit, or proceeding in which they, or any of them are made parties or a party by reason of having been an Officer or Governor of the Chapter, except in relation to matters as to arising out of their willful misfeasance.
ARTICLE XIV – INTERPRETATION OF BYLAWS
All questions of interpretation of the Bylaws shall be decided by a majority vote of the Board of Governors.

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 IIA Global Headquarters located in Lake Mary, Florida, USA.