Article I – Name

The name of this Chapter shall be The Institute of Internal Auditors, Toronto Chapter.

Article II – Chapter Purpose and Limitation

The purposes for which the Toronto Chapter is formed are as defined in the Certification of Incorporation of the Institute of Internal Auditors Inc. (The Global Institute), and date 30th of October, 1941. This Chapter's activities shall at all times consider the provisions of the By-laws of the Institute of Internal Auditors Inc., including resolutions made and incorporated in the Minutes of its meetings of its Board of Directors.

Article III – Chapter Membership

Section 1. The Chapter membership shall consist of persons duly admitted to any of the classes of membership as defined in the Institute of Internal Auditors North American Board Policy, and who are located in the Chapter area, and any others not located in the area, who, by written application, elect to become affiliated with the Chapter and otherwise qualify.

Section 2. Membership in the Toronto Chapter shall cease and terminate on transfer to another Chapter or because of resignation or termination for any of the causes set forth in the By-laws of the Institute of Internal Auditors Inc.

Article IV – Determination of Policies and Administration of the Chapter

Determination of the policies and the administration of the Chapter shall be vested in a Board of Governors.

Article V – Constitution of the Board of Governors

The Board of Governors of the Chapter shall be constituted as follows:

(a) The officers of the Chapter, which are the Chapter President, the Chapter Senior Vice-President, the Chapter Vice-President (Programs), the Chapter Vice-President (Administration), the Chapter Treasurer, and the Chapter Secretary;

(b) The most recent past Chapter President, not holding other office in the Chapter and who is still a member in good standing of the Chapter;
(c) Governors elected from members in good standing. The number of Governors may be established and revised from time to time by resolution of the Board of Governors appropriate to represent the Chapter membership; and,

(d) The Chair of the Board, an elected Governor not holding an officer role within the Chapter, appointed annually by the Board as defined by Article VI.

**Article VI – Executive Officers, Governors, Chair of the Board and Their Elected Term**

**Section 1.** The elective Executive Officers of the Chapter shall be the Chapter President, Chapter Senior Vice-President, Chapter Vice-President (Programs), Chapter Vice-President (Administration), Chapter Treasurer, and Chapter Secretary. No person shall hold more than one office at one time. The Officers shall hold office for one (1) two-year term, unless, at the discretion of the Board, the office is extended for one (1) additional year.

**Section 2.** Governors shall hold office for elected terms of 2 years per term. Terms should be staggered to preserve continuity. The Past President is not an elected position and requires election to the Board subsequent to the completion of his/her term as immediate Past President.

**Section 3.** No Governor may serve on the Board more than 6 consecutive years (3 consecutive 2 year terms). At the end of the 6 years the member must wait a minimum of 2 years before being eligible for re-election to the Board.

**Section 4.** The Chair of the Board will be appointed by the Board during the first meeting of the Board following the Annual General Meeting of the Chapter. The Chair of the Board will be appointed for a one year term and may not serve as the Chair of the Board for more than two consecutive terms, unless, at the discretion of the Board, the term is extended for one (1) additional year. In the unforeseen event that the Chair of the Board is unable to attend for all or part of a Board of Governors meeting, the Chair of the Governance Committee shall preside.

**Article VII – Election of Officers and Governors**

**Section 1.** Elections of Chapter Officers and Governors shall take place on the day of the Annual General Meeting of the Chapter.

**Section 2.** Nominations shall be made by the appointed Nominating Committee, and it shall be the duty of the Chapter Secretary to e-mail to Chapter Members and post on the Chapter’s website, not less than ten (10) days prior to the Annual General Meeting, such list of Nominees.

**Section 3.** The report of the Nominating Committee shall be presented at a meeting of the Chapter preceding the Annual General Meeting, at which time further nominations may be made by any Member present at that meeting, or by communication addressed to, or received by the Chapter Secretary prior to the meeting, providing, however, such additional nomination is supported by a seconder and the nominee agrees in writing to accept the nomination.
Section 4. Written ballots, generally, shall be required only if the number of nominees exceed the number of positions to be filled either as Officer or Governor. The Chapter Secretary shall, where required, provide notice of the list of the Nominees and a ballot to each member at least ten (10) days prior to the Annual General Meeting. When required, voting by written ballots shall be delivered to the Chapter Secretary by mail or otherwise prior to the time of the Annual General Meeting. The ballots shall be counted at the Annual General Meeting, and the Officers and Governors shall be elected by a majority of ballots so cast. In the event of a tie, the Chapter Chair of the Board shall cast the deciding vote.

Section 5. The elected Officers and Governors of the Chapter shall take office on June 1, the start of the Chapter’s fiscal year, and shall hold office until May 31, the last day of the Chapter’s fiscal year, or until the election of his/her successor, unless his/her term 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.

Section 6. If Membership in the Chapter of any Officer or Governor shall for any reason terminate, his/her position shall automatically become vacant.

Section 7. The notice of resignation of any Officer or Governor shall be tendered to the Board of Governors and shall be acted on at any regular meeting or special meeting of the Board.

Section 8. Any Officer or Governor can be removed for cause by a two-thirds vote of a quorum of the Board of Governors, provided such Officer or Governor has been granted an opportunity for a hearing before the Board.

Section 9. If an office shall become vacant by reason of death, resignation or for cause, the Board of Governors is empowered to fill such office for the unexpired term, including transferring the responsibilities to another Chapter Officer(s) on an interim basis.

Article VIII – Powers and Responsibilities of the Board of Governors

Section 1. A minimum of 50% of the Board, the majority of which are non-Executive Officers, shall constitute quorum for purposes of conducting Board of Governor meetings.

Section 2. The Board of Governors shall meet at least four times annually at such times and places as it may elect. The Board of Governors shall meet within 30 days following the Annual General Meeting of the Chapter and institute such procedures as it deems necessary and to appoint committees to carry on the activities of the Chapter.

Section 3. The Board of Governors shall fix a time and place for each Annual General Meeting and any special meeting of the Board of Governors or of the Chapter, upon written petition of any three (3) members of the Board of Governors (including no more than one Chapter Executive member) or upon written petition by not less than ten per cent (10%) of the members in good standing of the Chapter. Should the Board fail to fix a time and place for the Annual General Meeting within a period of ten (10) months after the last Annual General Meeting, the Chapter President shall fix a time and place.
Section 4. At all meetings of the Board of Governors, the established quorum must be present to exercise all the powers of the Board of Governors.

The quorum of the Board of Governors can be established by:

(a) Actual number of Governors present in person or via conference call at the meeting;

(b) Proxies of members of the Board of Governors, who are unable to be present, provided that the said proxies are registered with the Chair of the Board prior to the start of the meeting.

Unless otherwise required by the by-laws, all proposed by-laws, amendments to the by-laws, financial statements, budgets, resolutions and other Chapter activities for the consideration of the Board of Governors at all meetings, shall be decided by a majority of the votes cast, either in person or in writing or by other communication facilities prior to the meeting.

Section 5. Notice of the meetings of the Board of Governors shall be provided by the Chapter 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 as a result of the meeting.

Section 6. The Executive Officers and Governors of the Chapter shall receive no salaries or fees for their services, except they may be reimbursed for expenses incurred in the performance of their official duties subject to the Expense Guidelines and/or approval of the Board of Governors.

Section 7. The President or Chair of the Board (in the absence of the President), are the only persons authorized to bind the chapter, and only with the explicit and written authorization of the Board.

Article IX – Duties of Officers and the Chair of the Board

Section 1. The Chapter President shall be the executive head of the Chapter and, when present, shall preside at all meetings of the Executive and Chapter Committees. He/she shall be responsible for the enforcement of these By-Laws, the resolutions and proceedings of the Institute of Internal Auditors Inc., and the resolutions of the Board of Governors of the Chapter. He/she shall keep the Chairman and the Board Directors of the Institute of Internal Auditors Inc., and the Board of Governors of the Chapter fully informed of the affairs of the Chapter and shall consult the Chairman and the Board Directors of the Institute of Internal Auditors Inc. and the Board of Governors of the Chapter, when necessary, concerning the business of the Chapter and its activities.

Section 2. The Chapter Senior Vice-President shall have such duties and powers as may be prescribed by the Board of Governors of the Chapter or delegated by the Chapter President. In the absence or disability of the Chapter President, he/she shall perform the duties of the Chapter President.
Section 3. The Chapter Vice-President, Programs shall perform such duties and powers as may be prescribed by the Board of Governors of the Chapter or delegated by the Chapter President. He/she shall have primary responsibilities for those committees related to education and professional development.

Section 4. The Chapter Vice-President, Administration shall perform such duties and powers as may be prescribed by the Board of Governors of the Chapter or delegated by the Chapter President. The position shall have primary responsibilities for those committees related to administrative and promotional activities of the Chapter.

Section 5. The Chapter Treasurer shall be charged with the custody of the funds of the Chapter, their proper disbursement and the preparation and maintenance of records that appropriately reflect activity and the financial position of the Chapter, in accordance with any and all rules prescribed by the Board of Governors. The Board of Governors of the Chapter may authorize the bonding of the Treasurer. At the termination of the Treasurer’s term of office, he/she shall turn over to the Board of Governors all funds, records, books and documents and all other property of the Chapter having to do with the financial or other transactions or business of the Chapter which have been compiled or created during his/her term of office.

Section 6. The Chapter Secretary shall perform those duties delegated by the Chapter President or prescribed by the Board of Governors of the Chapter. The person shall make and keep a true record of all meetings of the Board of Governors of the Chapter; provide each member of the Chapter Board of Governors with a draft copy of the minutes of each meeting, be responsible for the custody of the Chapter By-Laws and seal (if any), and oversee governance practices of the Chapter, including adherence to these By-Laws. At the termination of his/her term of office, he/she shall turn over to his/her successor all papers, books, documents, records and all other property of the Chapter which may have come into his/her possession or may have been compiled or created during his/her term of office.

Section 7. The Chair of the Board of Governors shall be the governing head of the Board and shall preside over all meetings of the Board of Governors. He/She shall be responsible for the enforcement of the governance of these By-Laws, the resolutions and proceedings of the Institute of Internal Auditors Inc., and the resolutions of the Board of Governors of the Chapter.

Article X – Board Committees and Duties

Section 1. There shall be the following standing Board Committees.

(a) An Audit Committee of the Board of Governors chaired by a Governor who may not serve the Chapter in any operational capacity, while chair of the committee. No Officer may serve on this committee. It shall be responsible for fulfilling all such duties normally assigned to Audit Committees, including but not limited to:
(1) Nominating an auditor of the Chapter’s accounts and records and operations; a licensed Public Accountant or a member in good standing who is neither an Executive Officer nor Governor of the Chapter; for election by the Members of the Chapter at each Annual General Meeting.

(2) Reviewing such audits and recommending the approval of the Audited Financial Statements by the Board.

(3) Arranging, reviewing, and reporting on such other audits of the Chapter’s operations as it feels necessary or as directed by the Chair or the Board of Governors of the Chapter.

The members of the Committee shall be appointed annually by the Board, or as necessary, to fill vacancies. The Chair of the Committee shall be recommended by the Chair of the Board and shall report to the Chair of the Board.

(b) A Governance Committee responsible for developing the Chapter’s approach to governance issues. The Committee shall comprise five (5) Governors and up to three (3) non-voting members comprising of current Chapter Executive Officers as appointed by the Chair of the Board. The members of the Committee shall be appointed annually by the Board, or as necessary, to fill vacancies. The Chair of the Committee shall be recommended by the Chair of the Board and shall report to the Chair of the Board.

(c) A Nominating Committee, which will operate under the oversight of the Governance Committee: Consisting of the most recent Past President of the Chapter who is a member in good standing and not less than four (4) other Members of the Chapter in good standing and appointed by the Board of Governors, of whom three (3) shall not be members of the Board of Governors. For continuity, at least one member of the Nominating Committee should have served as a member of the Nominating Committee the previous year. To ensure objectivity and independence, no member appointed to the Nominating Committee can be a nominee for election as either a Governor or an Executive Officer. It shall be the duty of the Nominating Committee to prepare a list of nominees for election as Governors and Executive Officers of the Chapter and distribute said list to the Members of the Chapter, as provided in Article VII of these By-Laws. The Board of Governors shall provide the Nominating Committee with direction, including selection criteria, to ensure that, ongoing, there is appropriate diversity, continuity and capabilities on the Board of Governors.

(d) An Advocacy Committee responsible for developing the Chapter’s approach to advocacy with key stakeholders, and for coordinating advocacy efforts with other Canadian Chapters. The Committee shall comprise three (3) Governors and up to three (3) non-voting members comprising current Chapter Executive Officers as appointed by the Chair of the Board. The members of the Committee shall be appointed annually by the Board or as necessary to fill vacancies. The Chair of the Committee shall be recommended by the Chair of the Board and shall report to the Chair of the Board.

Section 2. There shall be such other Board Committees as may be appointed by the Chair of the Board or by the Board of Governors. The President and Secretary shall serve as ex officio members of ad hoc Board committees.
Section 3. The Chapter President and the Chapter Secretary shall be ex officio members of all Committees except that of the Audit Committee.

Section 4. A majority of Governors present of each Committee shall constitute a quorum at all meetings of Committees.

Section 5. Any member of any Committee may be removed at the discretion of those appointing such a member. If the Committee member is also an Executive Officer or Governor, Article VII, Section 8 may also apply.

Article XI – Executive Committees and Duties

Section 1. The Chapter shall have a fixed Committee structure that reports to the Chapter President, the various Executive Officers and the Chair of the Board when required. All committees will be determined at the beginning of the Chapter year and roles and responsibilities will be laid out in the annual committee plans.

Section 2. There shall be such other Chapter Committees as may be appointed by the President or by the Board of Governors. The President and Secretary may serve as members of all Chapter committees.

Section 3. A majority of members present of each Committee shall constitute a quorum at all meetings of Committees.

Section 4. Any member of any Committee may be removed at the discretion of those appointing such a member. If the Committee member is also an Executive Officer or Governor, Article VII, Section 8 may also apply.

Article XII – Annual General Meeting and Regular Meetings

Section 1. The Annual General Meetings of the Chapter shall be held not later than the thirty-first (31st) day of May each year.

Section 2. The fiscal year end of the Chapter shall be May 31st.

Section 3. At all regular meetings of the Chapter, a majority of those present or voting by proxy who are qualified to vote will decide all issues put at such meetings, except as it may be provided elsewhere in these By-Laws.

Article XIII – Rules of Procedure

Section 1. The rules governing procedure at all meetings of the Chapter, including meetings of the Board of Governors, Executive Officers and of Committees, shall be according to Robert’s Rules of Order so far as it is applicable and when not inconsistent with these By-Laws and of those of the Institute of Internal Auditors Inc.
Section 2. The Rules of Procedure may be suspended only by a two-thirds vote of persons present, qualified to vote and voting, at any meeting.

Section 3. All questions of interpretation of these By-Laws shall be decided by the Board of Governors of the Chapter.

Article XIV – Amendment of By-Laws

The By-Laws may be amended, repealed, or new By-Laws adopted by the Board of Governors subject to approval of the membership. Amendment of the By-Laws of the Chapter may be proposed in writing by any qualified Member at any Annual General Meeting or special meeting or at a meeting of the Board of Governors. If approved for consideration of the membership, by a majority vote of persons present and qualified to vote at such meetings, each proposed amendment to the By-Laws shall be submitted by surface or electronic mail to all Members of the Chapter, and if approved by majority ballot of the Members qualified to vote and voting, shall then be declared by the Chair of the Board to be effective.

Article XV – Liability Insurance

The IIA provides its chapters with two types of insurance: General Liability Insurance and Directors’ & Officers’ Liability Insurance.

General Liability Policy:
- The General Liability Policy has a endorsement listing the individual chapters of the IIA to its Commercial General Liability Policy
- Coverage Territory: Individual chapters of the IIA located within Canada and the United States (including its territories and possessions)
- Excluded from coverage territory include chapters located in Aruba, Bahamas, Barbados, Bermuda, Cayman Islands, Curacao, Guyana, Jamaica, Trinidad & Tobago and Turks & Caicos.
- The policy provides Bodily Injury and Property Damage Liability.
  - The insurance applies to “bodily injury” or “property damage” only if caused by a occurrence that takes place in the “coverage territory”.
- The policy liability limit is $1M per occurrence and a $2M aggregate
- The policy definition on who is insured includes “volunteer workers” only while performing duties related to the conduct of business activities.
  - Examples of performing duties related to the conduct of chapter business activities are meetings, seminars, conferences and other chapter-sponsored events.

Directors’ & Officers’ Liability Policy (D&O):
- The D&O Policy has an endorsement covering “all duly constituted chapters of The Institute of Internal Auditors, Inc located worldwide”.
- The insurance covers all directors, officers and volunteers who conduct activities explicitly on behalf of the chapter, within Canada, the United States and its territories, as well as Aruba, Bahamas, Barbados, Bermuda, Cayman Island, Curacao, Guyana, Jamaica, Puerto Rico, Trinidad & Tobago, and Turks & Caicos.
Coverage is available for chapter activities performed principally for the purposes and activities of its members including networking events, speakers for training in various aspects of auditing, and the promotion of these activities through newsletters, chapter Web pages, etc.

- The policy covers personal injury wrongful acts, employment practices liability and publishers liability.
- The combined maximum aggregate limit of liability for all claims each policy year is $5M.

Amounts listed above are USD unless otherwise stated.

**GENERAL LIABILITY POLICY**

- The General Liability Policy has an endorsement listing the individual chapters of The IIA to its Commercial General Liability Policy.
- Coverage Territory: Individual chapters of The IIA located within Canada and the United States (including its territories and possessions).
- Excluded from coverage territory include chapters located in Aruba, Bahamas, Barbados, Bermuda, Cayman Islands, Curacao, Guyana, Jamaica, Trinidad & Tobago and Turks & Caicos.
- The policy provides Bodily Injury and Property Damage Liability.
  - The insurance applies to "bodily injury" or "property damage" only if caused by an occurrence that takes place in the "coverage territory."
- The policy liability limit is $1M per occurrence and a $2M aggregate.
- The policy definition on who is insured includes "volunteer workers" only while performing duties related to the conduct of business activities.
  - Examples of performing duties related to the conduct of chapter business activities are meetings, seminars, conferences and other chapter-sponsored events.

**DIRECTORS’ & OFFICERS’ LIABILITY POLICY (D&O)**

- The D&O Policy has an endorsement covering “all duly constituted chapters of The Institute of Internal Auditors, Inc. located worldwide.”
- The insurance covers all directors, officers and volunteers who conduct activities explicitly on behalf of the chapter, within Canada, the United States and its territories, as well as Aruba, Bahamas, Barbados, Bermuda, Cayman Islands, Curacao, Guyana, Jamaica, Puerto Rico, Trinidad & Tobago, and Turks & Caicos.
- Coverage is available for chapter activities performed principally for the purposes and activities of its members including networking events, speakers for training in various aspects of auditing, and the promotion of these activities through newsletters, chapter Web pages, etc.
- The policy covers personal injury wrongful acts, employment practices liability and publishers liability.
- The combined maximum aggregate limit of liability for all claims each policy year is $5M.
- A Certificate of Insurance can be provided to an event venue upon a chapter’s request. (Contact ChapterRelations@theiia.org).