

THE INSTITUTE OF INTERNAL AUDITORS  
PALM BEACH COUNTY CHAPTER  
CHARTER AND BYLAWS

As Accepted by the Board of Governors on August 16, 2005

As Amended by the Board of Governors on September 20, 2011

ARTICLE I – NAME

This chapter of The Institute of Internal Auditors shall be known as the Palm Beach County (PBC) Chapter.

ARTICLE II – ADHERENCE TO CORPORATE CHARTER

The PBC Chapter is empowered to perform any and all acts that are defined in the Articles of Incorporation and the Bylaws of The Institute of Internal Auditors, Inc. (IIA) and shall do nothing which is inconsistent with the provisions and with the pronouncements and resolutions incorporated in the minutes of IIA meetings and those of the Board of Directors of the IIA.

ARTICLE III – CHAPTER MEMBERSHIP

Section 1. The chapter membership shall consist of those duly admitted to any of the classes of membership as defined by the Rules of Eligibility and Bylaws of IIA and who are located in the chapter's area and any others formerly located in the chapter's area who are active members of the IIA who, by 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 IIA.

ARTICLE IV – BOARD OF GOVERNORS AND THEIR ELECTION

Section 1. Determining 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 president, the vice president(s), the treasurer, the secretary, the assistant treasurer and the assistant secretary,
- (b) A minimum of three (3) governors at large, One-half of such governors elected each year shall be elected to serve for one year, and one-half shall be elected to serve for two years. If the number of elected governors is equal to three, elections shall be for the following terms: one governor for a period of one year and two governors for a period of two years.

- (c) At least one nonvoting IIA student member representative from one or more Palm Beach County college or university, and
- (d) A maximum of two (2) most recent past chapter presidents who are not holding any other office in the chapter and who are still members therein.

Section 3. Nominations shall be made by the Nominating Committee. In addition, nominations may be made from the floor.

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 IIA or as provided in the Bylaws of the PBC Chapter.

Section 5. Governors with voting privileges shall be elected by a majority vote of members during a specially programmed election meeting or by a majority of respondents who vote through the use of an electronic ballot distributed to all members who have agreed to allow chapter contact by e-mail. Non-voting (Student) Governors shall be appointed by the elected Board of Governors based on criteria officially approved by vote by the Board of Governors.

Section 6. A governor may be removed for cause by a two-thirds vote of the Board of Governors provided this governor was granted an opportunity for a hearing before the Board of Governors.

The Board of Governors shall call a special meeting of the chapter (in person, tele-conference or virtual) to be held 30 days from the date upon which any such removal will be voted. At this special meeting, the office(s) made vacant shall be filled. The governor removed by the Board may be re-elected by the members. If re-elected, the governor may be removed by a two-thirds vote of the members present at any duly held meeting of the chapter provided a notice of such proposed action was incorporated in the notice for the meeting. The secretary shall mail this notice to the members upon written petition of one-fifth of the members.

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 through any regular, special or virtual meeting.

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 of Governors and may be acted on at any regular, special, or virtual meeting of the Board of Governors.

Section 10. The Board of Governors shall have the power to fix the time and place for each annual, special, or virtual 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. A quorum consists of five (5) governors, which must include either the president or at least one vice-president, at all Board meetings during the year. Notice of the meetings of the Board of Governors shall be mailed or emailed 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. Meetings can be held in person or electronically (tele-conferencing, email, or webcast). The secretary will collect, tabulate and communicate to the Board of Governors all electronic or physical votes. The secretary will secure electronic votes and attach such supporting documentation to the chapter minutes.

Section 12. At all meetings of the Board of Governors, the governors present to vote, providing a quorum exists physically or virtually, will decide all issues except as provided elsewhere in these Bylaws.

Section 13. For all votes conducted exclusively electronically (e-mail, Internet, etc.), the vote shall be approved if over 50% of the members of the Board of Governors indicate an affirmative vote.

Section 14. 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 ELECTIONS

Section 1. The elective officers shall be a president, vice president(s), secretary, treasurer, assistant treasurer and assistant secretary. No person shall hold more than one office at a time.

Section 2. Nominations shall be made by the Nominating committee and, in addition, may be made from the floor.

Section 3. Officers of the chapter shall be elected each March, but no later than April 15, and shall assume their duties as of June 1 each 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 IIA or as provided in the Bylaws of the PBC Chapter.

Section 4. Officers shall be elected by a majority vote of members at a meeting called for this purpose or by a majority of respondents who vote through the use of an electronic ballot distributed to all members who have agreed to allow chapter contact by e-mail.

Section 5. An officer may be removed for cause by a two-thirds vote of the Board of Governors provided this officer was granted an opportunity for a hearing before the Board of Governors.

The Board of Governors shall call a special meeting of the chapter (in person, tele-conference or virtual) to be held 30 days from the date upon which any such removal will be voted. At this special meeting, the

office(s) made vacant shall be filled. The officer removed by the Board may be re-elected by the members. If re-elected, the officer may be removed by a two-thirds vote of the members present at any duly held meeting of the chapter provided a notice of such proposed action was incorporated in the notice for the meeting. The secretary shall mail the notice to the members upon written petition of one-fifth of the members.

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 are eligible for re-election for successive terms, but the president is eligible for re-election for only one successive term.

Section 8. If an officer's membership in IIA terminates for any reason, 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.

## 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 the Board of Governors. The president shall be responsible for the enforcement of the Bylaws of IIA and the Bylaws of the chapter and the resolutions and proceedings of the Board of Directors and the Board of Governors; shall keep the Board of Directors of 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 IIA and the Board of Governors of the chapter, whenever necessary, concerning the business of the chapter and its activities.

Section 2. The chapter's vice president(s) 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 vice president(s) shall perform the chapter president's duties.

Section 3. The chapter's treasurer and assistant 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. Checks may be drawn on a bank account with a single signature. The chapter's treasurer and assistant treasurer shall be the primary signatories of the disbursement account. In the event of the treasurer's or assistant treasurer's absence, another officer (excluding the current chapter president) will be authorized to sign chapter checks as dictated in a formal chapter resolution to be approved and read into the minutes at a Board of Governors meeting (regular, special or virtual) and provided to the appropriate banking institution where the chapter banking account is maintained.

The treasurer shall make periodic reports as required by the treasurer of IIA and any other reports that the Board of Governors may require. The treasurer and assistant treasurer shall be the disbursing officers of the chapter. The Board of Governors of the chapter may authorize the bonding of the chapter treasurer and/or assistant treasurer. At the termination of the treasurer's and assistant treasurer's terms of office, they shall turn over to the Board of Governors all physical and electronic 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 their possession or might have been compiled or created during their terms of office.

Section 4. The chapter's secretary and assistant 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 and assistant secretary's jurisdiction. The secretary and/or assistant secretary shall make reports as required by the Board of Governors or as required by the secretary of IIA. The secretary or assistant 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 IIA and the Board of Governors and the chapter's officers and members informed of the affairs of the chapter. This can be accomplished through regular mail or electronic mail. The Board of Governors may authorize the bonding of the secretary and/or assistant secretary. At the termination of the terms of office, the secretary and assistant secretary shall turn over to the Board of Governors all physical and electronic records, papers, books, documents and all other property of the chapter which might have come into their possession or might have been compiled or created during their terms of office.

Section 5. If the president is absent from any meeting of the chapter or of the Board of Governors, and no one authorized to perform his/her duties is present or if the secretary is absent, a chairman or secretary pro tem or both as may be needed shall be appointed by a majority vote of the members present.

Section 6. The officers of the chapter shall receive no salaries for their services. Officers may be reimbursed for expenses incurred in the performance of their duties, subject to approval of 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 of one member, not an officer or governor.

(b) A Nominating Committee consisting of the president and at least two other members. Other than the president, this committee shall not contain a majority of members who are also represented on the Board of Governors. This committee shall be appointed by the Board of Governors.

Section 2. The Board of Governors shall have the authority to establish and dissolve such standing or special committees as may be necessary, as well as establish any additional committees as deemed appropriate. The President shall appoint the Chairperson of any such standing or special committee and report the names of all members to the Board of Governors. The President, with the consent of the Board of Governors, may remove for cause the Chairperson of any standing or special committee.

#### ARTICLE VIII – AMENDMENTS TO BYLAWS

Section 1 – These Bylaws may be amended and approved at any regular, special, or virtual (including by email) Board meeting of the Chapter by two-thirds vote of Officers and Governors voting, provided that written notice of the proposed change(s) and of the meeting has been communicated (mailed or emailed). Upon approval by the Board, the amended bylaws will be presented to the general membership for ratification by two-thirds vote of members voting, provided that written notice of the proposed change(s) has been communicated to the membership. If the voting occurs via web-based or other electronic media, the general membership will be given a voting period of one week.

#### ARTICLE IX – DISSOLUTION

Section 1 – 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. Upon dissolution of the chapter, any funds remaining shall be forwarded to the Institute headquarters.