

**CHAPTER BYLAWS
THE INSTITUTE OF INTERNAL AUDITORS
CENTRAL MISSOURI CHAPTER**

ARTICLE I - NAME AND LOCATION

SECTION 1. This Chapter of the Institute of Internal Auditors, Inc. shall be known as the Central Missouri Chapter of the Institute of Internal Auditors, Inc., herein referred to as the Chapter.

SECTION 2. The principal office of the Chapter shall be established and maintained in Jefferson City, Missouri. The chapter shall maintain an official chapter postal address for general correspondence.

ARTICLE II - ADHERENCE TO CORPORATE CHARTER

SECTION 1. The Chapter is empowered to perform any and all acts which are defined in its Certificate of Incorporation and shall do nothing which is inconsistent with the provisions and with the pronouncements and resolutions incorporated in the minutes of the Chapter's meetings and those of the Board of Directors, herein referred to as the Board.

SECTION 2. The Chapter is empowered to perform any and all acts which are defined in the Certificate of Incorporation and Bylaws of the Institute of Internal Auditors, Inc., herein referred to as Institute, and shall do nothing which is inconsistent with the provisions and with the pronouncements and resolutions of the Institute.

ARTICLE III - CHAPTER MEMBERSHIP

SECTION 1. The Chapter's membership shall consist of those duly admitted to any of the classes of membership as defined in the rules of eligibility and Bylaws of the Institute and who are located in the Chapter's area and any others formerly located in the Chapter's area who, by written request, elect to remain affiliated with the Chapter.

SECTION 2. An individual's membership in the Chapter shall terminate on transfer to another Chapter's area or because of resignation or termination for any of the causes set forth in the Bylaws of the Institute.

ARTICLE IV - BOARD MEMBERS

SECTION 1. Determining policies of the Chapter shall be vested in the Board.

SECTION 2. The Board shall be constituted as the five primary officers, the "past-president" board member and two "At-Large" board members. Each person shall be considered a board member regardless of their position in the chapter and shall have a right to vote at each board meeting.

- a. The Officers of the Chapter are the President, the Vice President of Programs, the Vice President of Membership, the Secretary/Newsletter Editor, and the Treasurer.
- b. The Past-President Board member is the most recent Chapter Presidents who is not holding other office in the Chapter and who is still a member therein. If the past president agrees to hold a new office in the Chapter, the current president may appoint a member to serve as a board member as a replacement for the past-president board member.
- c. At-Large board members are board members selected from the membership. These At-Large board members may be requested by an officer or board member to serve or he or she may volunteer to serve in this capacity. These At-Large board members shall serve a term of one year, but may serve longer if approved by a majority of the board members and assuming no other member wishes to serve as an At-Large board member. The Board may elect to have less than the required number of Governors if all Governor positions cannot be filled in any one year.

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SECTION 3. Nominations shall be made by the Nominating Committee, if a Nominating Committee is created by the president. Absent a Nominating Committee, nominations may be taken from any chapter member.

SECTION 4. Terms will begin on June 1 and end on May 31.

SECTION 5. At-Large board members shall be approved by a majority vote of board members present during a meeting.

SECTION 6. Any past-president board member or At-Large board member may be removed for cause by a two-thirds vote of the Board, provided such board member shall have been granted an opportunity for a hearing before the Board. The Board shall call a special meeting of the Board to be held within thirty (30) days from the date when any such removal be voted. At such special meeting, the Board shall make a full and complete report of the action taken in removing the board member(s) and the reasons for such action. At such meeting, the office or offices made vacant by such action of the Board shall be filled. Any board member 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 mailed to the Chapter Members upon written petition of one-fifth (1/5) of the members.

SECTION 7. If the office of any past-president board member or At-Large Board member shall become vacant by reason of death, resignation, or otherwise, except as provided in Section 5 of this article, the Board is empowered to fill such office for the unexpired term.

SECTION 8: If the membership in the Institute of any board member shall for any reason terminate, his or her office shall automatically become vacant.

SECTION 9: The resignation of any board member shall be tendered to the Board and may be acted on at any regular or special meeting of the Board.

SECTION 10: The Board shall have the power to fix the time and place for each annual meeting and each special meeting of the Chapter if the president of the chapter fails to do so.

SECTION 11: The Board shall meet on call of the President or upon written request to the President by three (3) members of the Board. At such meetings, a majority of Board members shall constitute a quorum for the transaction of business. Notice of the meetings of the Board shall be communicated to the membership, 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 the majority vote of board members present and voting will decide all issues except as provided elsewhere in these by-laws.

SECTION 13: The board members of the Chapter shall receive no salaries or fees for their services. Board members may be reimbursed for expenses incurred in the performance of their duties subject to such approval as may be determined by the Board.

ARTICLE V - OFFICERS

SECTION 1: The Officers of the Chapter shall be a President, Vice President of Programs, Vice President of Membership, Secretary/Newsletter Editor, and Treasurer. No person shall hold more than one office at a time. Each of these positions are also considered to be board members.

SECTION 2. Nominations shall be made by the Nominating Committee, if a Nominating Committee is created by the president. Absent a Nominating Committee, nominations may be taken from any chapter member.

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SECTION 3. Officers of the Chapter shall be elected or appointed at the last regular meeting preceding May 1 and shall assume their duties as of June 1. They shall hold office until their successors are identified unless the term of office terminates or is terminated as provided in the by-laws of the Institute or the Chapter.

SECTION 4. Officers may be elected by a majority vote of members present during a specially programmed election meeting if such election is called by the president. Officers may be appointed by the board if it is deemed to be in the best interests of the Chapter. If any ten (10) members disapprove of the method of appointing an officer, such disapproval shall be made in writing and delivered to the Chapter president. The chapter president shall create a nominating committee and conduct a vote of the membership to fill any disputed officer positions.

SECTION 5. An Officer may be removed by a majority vote of the Board, provided such Officer shall have been granted an opportunity for a hearing before the Board. The Board shall call a special meeting of the Board to be held within thirty (30) days from the date when any such removal be voted. At such special meeting, the Board shall make a full and complete report of the action taken in removing the Officer and the reasons for such action. At such meeting, the office made vacant by such action of the Board shall be filled. 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 mailed to the Chapter Members upon written petition of one-fifth (1/5) of the members.

SECTION 6. If an office becomes vacant, the Board is empowered to fill such office for the unexpired term.

SECTION 7. All Officers are eligible for successive terms. In order to provide consistency to the Chapter, the president is requested to complete two one-year terms.

SECTION 8: If the membership in the Institute of any Officer shall for any reason terminate, the office shall automatically become vacant.

SECTION 9: 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 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. The President shall have the power to fix the time and place for each regular or special board meeting, subject to Article IV, Section 10. The President may delegate the fixing of the time and place of training meetings to the Vice-President of Programs. The President shall be responsible for the enforcement of the Bylaws of the Institute, the Bylaws of the Chapter, and the resolutions and proceedings of the Board. The President shall keep the Board of the Chapter fully informed of the affairs of the Chapter. The President shall also consult with the Board of Directors of the Institute and the Board of the Chapter, whenever necessary, concerning the business of the Chapter and its activities. The President shall make and keep a true record of all meetings of the Board and shall be responsible for the custody of the Bylaws of the Chapter. The President shall also be responsible for the Chapter Administration Program (CAP) reporting to the Institute.

SECTION 2. The Chapter's Vice-President(s) shall have such duties and powers as may be prescribed by the Board or delegated by the Chapter's President. In the absence or disability of the President, the Vice-President of Programs shall perform the Chapter President's duties. The Chapter's vice presidents are the Vice President for Programs and the Vice President for Membership.

SECTION 3. The Chapter's Secretary/Newsletter Editor shall perform those duties delegated by the Chapter's President or prescribed by the Board. The Secretary/Newsletter Editor shall make reports as required by the Board or as required by the Secretary of the Institute. The Secretary/Newsletter Editor or designee 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/Newsletter Editor to keep the

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Board of Directors of the Institute (via publication of the chapter's newsletters), the Board, the Chapter's Officers, and members informed of the affairs of the Chapter. At the termination of the Secretary/Newsletter Editor's term, the Secretary/Newsletter Editor shall turn over to the Board all records, papers, books, documents, and all other property of the Chapter which might have come into his or her possession or have been compiled or created during the term of office.

SECTION 4. The Chapter's Treasurer shall be charged with the custody of the funds of the Chapter and their proper receipt and disbursement under the rules prescribed by the Board. The Treasurer is authorized to maintain a checking account (interest bearing or non-interest bearing) and certificates of deposit at the sole discretion of the Treasurer. The Treasurer shall make periodic reports as required by the Treasurer of the Institute and any other reports which the Board may require. The Treasurer shall be the disbursing Officer of the chapter. Unless specifically authorized by the international organization, the Treasurer shall not have the authority to receive monies for application fees and dues for which authority is reserved to the international office of the Institute. The Board of the Chapter may authorize the bonding of the Chapter Treasurer. At the termination of Treasurer's term, the Treasurer shall turn over to the Board 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 the Treasurer's possession or have been compiled or created during the Treasurer's term of office.

Invoices and other charges within the approved budget are payable upon approval by an officer of the chapter. Expenditures of \$500 or less that are not included in the approved budget are subject to concurrence by the Chapter President and the Chapter Treasurer before the expenditure is made.

The Treasurer is responsible for ensuring the financial statements are reviewed by the Chapter's Financial Statement Committee and that the reviewed financial statements are submitted to the Institute in adherence to their schedule.

SECTION 5. If the President is absent from any meeting of the Chapter or of the Board, and no one authorized to perform the President's duties is present or if the Secretary/Newsletter Editor is absent, a chairman or Secretary pro tem or both 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 their expenses incurred in the performance of their duties.

ARTICLE VII - COMMITTEES

SECTION 1. There shall be these standing committees appointed by the Board or the President.

- a. A Financial Statement Committee of one member, not an Officer or Board Member. The objective of this Committee is to conduct a review of Chapter records as soon as possible after the close of each Chapter year. Such review should culminate in a properly completed financial statement listing the receipts, disbursements, and ending fund balances (by bank account) for the fiscal year. The financial statement should be signed by the Treasurer and the member that reviewed the financial statement.

SECTION 2. The President shall recommend to the Board other Committees as necessary to maintain the operations of the Chapter. The Committees may submit periodic reports to the Board, such as budgets and goals.

SECTION 3. Any member of any Committee may be removed at the discretion of those appointing such member.

SECTION 4. The majority of each Committee shall constitute a quorum thereof.

ARTICLE VIII - INTERPRETATION OF BYLAWS

SECTION 1. All questions of interpretation of the Bylaws shall be decided by the Board.

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ARTICLE IX - AMENDMENT OF BYLAWS

SECTION 1. Amendment of the Bylaws of the Chapter may be proposed at a meeting of the Board. For the purposes of this section only, a meeting of the board may take place in a traditional personal setting or through teleconference or email exchange. If approved by a majority vote of the board members present at these meetings, each proposed amendment to the Bylaws shall be submitted to all members of the Chapter for their vote. After a pre-determined length of time (said time to be no shorter than 5 working days) and if less than one-third of the members disapprove of the amendments, the amendments will be considered to be approved by negative ratification. Negative ratification is a voting process that assumes each member is in favor of the amendments unless the member contacts the chapter (by whatever means deemed reasonable by the board) and voices an opposition to the proposed amendment. If approved by negative ratification, it shall then be declared by the President of the chapter to be effective and said amendments shall be incorporated into the bylaws accordingly.

ARTICLE X - RULES OF PROCEDURE

SECTION 1. The rules of procedure at meetings of the Chapter, of the Board, and of Committees shall be according to Robert's Rule of Order so far as applicable and when not inconsistent with these Bylaws.

SECTION 2. The rules of procedure may be suspended by two-third (2/3) vote of those present and voting at any meeting.

ARTICLE XI - LIMITATION ON LIABILITIES AND INDEMNIFICATION

SECTION 1. Nothing herein shall constitute members of the Chapter as partners for any purpose. No member, Officer, board member, agent, or employee of this organization shall be liable for the acts or failure to act on any part of any other member, Officer, board member, agent, or employee of the Chapter. Nor shall members, Officers, board members, 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.

SECTION 2. Officers or board members of the Chapter or former Officers or board members of the Chapter shall be reimbursed against the reasonable expenses actually and necessarily incurred 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 Officers or board members of the Chapter except in relation to matters as to which such Officers or board members or former Officers or board members shall be adjudged in such action, suits, or proceeding to be liable for gross negligence or misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability.

ARTICLE XII - 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 unless approved by the Board. Upon dissolution of the Chapter, any funds remaining shall be forwarded to Institute Headquarters.