

TEXAS ASSOCIATION OF COLLEGE AND UNIVERSITY AUDITORS

CONSTITUTION AND BYLAWS

Approved March 12, 2021

ARTICLE I – Name and Purpose

Section 1. The name of the organization shall be the Texas Association of College and University Auditors, hereafter referred to in the Constitution as the Association.

Section 2. The purpose of the Association is as follows:

- A. To unify and encourage cooperative relationships among auditors who are representatives of institutions of higher education in Texas, and affiliated higher education organizations;
- B. To promote the continuing professional development of the members of the Association through an annual conference or other means.
- C. To sponsor such other activities as may be useful in achieving the objectives in A and B.

ARTICLE II – Membership

Section 1. The membership of the Association shall consist of universities, colleges, and affiliated higher education organizations in Texas.

Section 2. Each Member organization’s chief audit executive or designated person shall be the official representative to the Association. Each representative shall give written notice on any change of official representation or any corrections to the mailing address. Upon receipt of such notification, the Association shall ensure that the required changes are made.

Section 3. Membership in the Association may be discontinued as follows:

- A. Resignation of a member organization in good standing can be effected by submitting notice in writing to the Association.
- B. Termination of a membership can be effected by the Administrative Board for due causes.

ARTICLE III – Voting

Section 1. Voting is a privilege of member organizations that support the Association’s annual conference or annual business meeting. At the annual conference or annual business meeting, each member organization will be entitled to one vote by the designated person in attendance for the member organization. The method of voting shall be subject to the discretion of the President (or Presiding Officer) of the Association. A majority vote of member organizations present at the time of the vote shall be recognized as a decision.

Section 2. At the discretion of the Administrative Board, all matters requiring a vote of the membership may be handled by mail, email, or fax rather than at the annual business meeting of the Association.

#### ARTICLE IV – Officers and Administrative Board

Section 1. The elective officers of the Association shall be a President, President-Elect, Secretary, Treasurer and three officers at large. Elective officers shall serve a three year staggered term which begins April 1 of each year. Only active internal auditors of a Member organization shall be eligible for election to these offices. No Member organization or system shall hold a majority of the elected officers at a time.

Section 2. The Administrative Board shall consist of the seven elective officers and shall be the governing body of the Association with full power of management, control of all its affairs and custody of all its property. The Administrative Board shall meet at least one time other than at the Annual Meeting. The date and place shall be decided by the President for the convenience of a majority of the officers. The Administration Board may meet and conduct business by phone or email.

Section 3. The President shall be executive head of the association and shall preside at all meetings of the membership and the Administrative Board. The President shall be responsible for the enforcement of the Association By-Laws, the execution of all resolutions and proceedings of the Association and the Board, the general supervision of all affairs of the Association and the performance of all other duties incident to this office, all of which shall be subject to the concurrence of the Administrative Board. In the absence or inability of the President to act, the President-Elect shall have the powers and shall perform the duties of the President. The President-Elect shall become President the following year. A new President-Elect shall be selected by a majority vote of the Board.

Section 4. The President may establish committees as considered necessary for the purposes of the Association.

Section 5. The Secretary shall keep minutes of all meetings.

Section 6. The President shall select a Nominations Chair to solicit the membership for nominations of eligible members to serve as officers on the Administrative Board. The Past-President will serve as the Nominations Chair unless there is no Past-President serving on the Administrative Board due to term limitations. The Nominations Chair may establish a nominations committee to assist with these duties if considered necessary.

Section 7. The Nominations Chair or committee shall solicit nominees from the chief audit executive/director of the Member organizations. There are no required qualifications to serve as an officer. Each chief audit executive/director shall select nominees based on the nominee's knowledge, skills, previous involvement with the Association, and other factors as considered relevant by the chief audit executive/director.

Section 8. Nominees for any vacant officer position shall be selected by the Administrative Board and submitted for vote to the Member organizations at the annual business meeting. In addition, other nominations can be made from the floor by any authorized representative of a Member organization during the annual business meeting. Voting on the nomination shall be in accordance with Article III.

Section 9. The Administrative Board shall establish and approve nominating procedures which shall include a summary of the duties of each officer.

#### ARTICLE V – Finances

Section 1. The financial operation of the Association shall be on the basis of a balanced budget. No financial obligation shall be incurred by any officer or committee except as authorized by the Administrative Board. The proposed budget for each year will be established by the Administrative Board. The fiscal year of the Association shall be January 1 to December 31.

Section 2. The Treasurer shall keep the financial records, meeting attendance, tax filings, required records, and continuing education certificates.

Section 3. The Treasurer, President, and President-Elect shall have signature authority over all bank accounts. The Secretary will monitor and review bank activity on a periodic basis.

Section 4. A minimum balance of \$10,000 shall be maintained in the Association's bank account. The balance of the bank account may fall below \$10,000 if deemed necessary by a majority of the Administrative Board. If the account balance falls below \$10,000, the Administrative Board shall work to return the balance to \$10,000 as soon as is practical.

Section 5. Conference fees will be established by the Administrative Board with consideration of the total need for funds.

Section 6. The Association shall keep an accurate and complete set of books and records of account which may be inspected by any member, or a member's agent or attorney, for any purpose at any reasonable time.

Section 7. No part of the assets of this Association, nor any income or gain there from, shall inure to the benefit of its members in event of dissolution of this Association. If for any reason the purpose of this Association shall become impossible to fulfill, the assets remaining after all liabilities and obligations have been paid, satisfied and discharged, shall be distributed as designated by the Administrative Board of the Association.

#### ARTICLE VI – Annual Business Meeting

Section 1. The Association will hold an annual business meeting. The exact date and site shall be determined by the Administrative Board. The purpose of the meeting will be to nominate and elect officers, approve financial statements, approve minutes, and conduct any other business necessary.

Section 2. Notification of the annual business meeting shall be at least sixty days prior to the meeting.

#### ARTICLE VII – Constitutional Amendments and Bylaws

Section 1. All questions of interpretation of the Association’s Constitution and By-Laws shall be decided by a majority of the Administrative Board.

Section 2. All proposed revisions or amendments of the Association’s Constitution and By-Laws, together with related comments and/or recommendations, shall be submitted to the Administrative Board for their review. Those proposed amendments, which bear the approval of a majority of the Board, shall be submitted in writing to the membership by the Association at least thirty days prior to the annual business meeting, or during the year by mail, email, or fax.

Section 3. Amendments to the Association’s Constitution and By-Laws must be approved by a two-thirds vote of the members in attendance and voting at the annual business meeting, or during the year by mail, email, or fax. Voting shall be accomplished in accordance with the voting procedures outlined in Article III.

#### ARTICLE VIII – Limitations on Liabilities and Indemnification

Section 1. No officer, member of the Administrative Board, or committee member shall be liable to the Association for the acts or failure to act on the part of any other officer, member of the Administrative Board, or committee member of the Association; nor shall any officer, member of the Administrative Board, or committee member be liable for his acts or failure to act under the Constitution or By-Laws, except in such cases wherein the officer, member of the Administrative Board, or committee member is negligent in the performance of the duties of the office.

Section 2. Every officer, member of the Administrative Board, or committee member shall be indemnified by the Association against all reasonable expenses and liabilities incurred by such officer, member of the Administrative Board, or committee member in connection with the defense of any action, suit, or proceeding brought by any party other than the Association in which he or she may become involved by reason of being or having been an officer, member of the Administrative Board, or committee member of the Association, except in such cases where such officer, member of the Administrative Board, or committee member shall be adjudged in such action, suits, or proceeding to be liable for gross negligence or willful misconduct in the performance of the duties of the office.

Section 3. In the event of a settlement, the indemnification provided for in Section 2 shall apply only when the Administrative Board approves such settlement and reimbursement as being in the best interest of the Association.