

ASSOCIATION OF COLLEGE AND UNIVERSITY AUDITORS

BYLAWS AS OF September 10, 2023

ARTICLE I – NAME AND PURPOSE

Section 1. The name of this organization shall be the Association of College and University Auditors, Inc., “ACUA”.

Section 2. The purpose of ACUA is to:

- a) unify and encourage cooperative relationships and information exchange among internal auditors who are representatives of institutions of higher education and organizations affiliated with higher education.
- b) develop and provide high quality, affordable professional development and training for auditors in higher education.
- c) promulgate the need and value of a well-founded internal audit program as an essential component of governance and administration of institutions of higher education.
- d) represent the interest of auditors in higher education in emerging auditing issues.
- e) encourage and facilitate research and publications related to internal auditing in higher education, and
- f) sponsor such other activities as may enhance services to the members and foster synergy between higher education audit, compliance and risk management professionals.

Section 3. No part of the assets of ACUA, nor any income or gain there from, shall inure to the benefit of its members in the event of dissolution of this Association. If for any reason the purposes of ACUA shall become impossible to fulfill, the assets remaining after all liabilities and obligations have been paid, satisfied, and discharged, shall be distributed to an organization having exemption from federal income tax under section 501(c)(3) of the 1954 Internal Revenue Code as designated by the board of directors (the board) of ACUA.

ARTICLE II – MEMBERSHIP

Section 1. Membership is open to all institutions, scholars, students, and retirees dedicated to auditing, compliance, and risk management in higher education. ACUA welcomes and accepts all groups of people, specifically those identities that are marginalized, underrepresented, and not assumed to be accepted. ACUA shall have two classes of membership:

INSTITUTIONAL MEMBERS:

Audit, compliance, and risk functions, departments, business units, or individuals at institutions of higher education (including system offices) and the respective individual employees.

Non-Higher Education Entities are not eligible for membership under this category.

INDIVIDUAL MEMBERS:

Actively employed – Higher Education Institution: An individual member who is currently employed with an organization that is eligible for institutional membership, but the organization does not allow for an institutional membership to be paid by the organization even though the individual has an interest in auditing, compliance, and risk management in higher education.

Actively employed – Non-Higher Education Entity (NHE): An individual member who is not employed by

an institution of Higher Education but works at an entity dedicated to providing services related to auditing, compliance, and risk management in higher education.

Emeritus: An individual who is retired from an ACUA member institution and is earning no active compensation income in the field of higher education auditing or other related areas.

Section 2. Each institution shall designate an institutional representative to ACUA. An individual member may serve as the institutional representative if the institution does not have an institutional membership. Communications from ACUA shall be addressed to the institutional representative. Each institutional representative shall give written notice on the following matters to the ACUA executive office.

- a) Change of institutional representation.
- b) Change in the internal audit program or interest in the support and furtherance of the field of internal auditing in higher education which would affect the classification or eligibility for institutional membership in ACUA.

Section 3. All individuals that are actively employed by an institutional member and actively employed - Higher Education Institution individual members are eligible to hold office or serve as committee chairs. Activity employed NHE members are not eligible to vote, hold office, or serve as a committee chair but may serve as a committee member. Emeritus members are not eligible to vote or to hold office but may serve as a committee chair or a committee member.

Section 4. Admission to membership shall occur by notice after completion of ACUA's application, payment of dues, and approval of the membership application by ACUA's Membership Committee.

Section 5. Membership in ACUA may be discontinued as follows:

- a) resignation of a member in good standing;
- b) non-payment of dues; or
- c) termination by the board for due cause. In such cases, the president of ACUA shall give written notice of the board's action to the member stating the basis for termination of membership and the right to appeal this action by the method prescribed in these bylaws.

Section 6. A member that has had its membership terminated by action of the board for due cause may petition the ACUA president for submission of an appeal of this action to the Membership Committee. By appropriate means, the president shall then inform the board and assign to the Membership Committee Chair to further proceed in accordance with Membership Committee policy.

Section 7. A member is considered in good standing providing continued eligibility in any membership category (Article II, Section 1) and membership dues are paid and current.

ARTICLE III –MEETINGS

Section 1. At all meetings of the board, in order to conduct business, a majority of the board members shall constitute a quorum.

Section 2. At all meetings of ACUA membership, in order to conduct business, a quorum will be the number of voting members (see Article III, Section 3) present at the time of the meeting. Voting members shall be properly notified of agendas for membership meetings, including date, time and location, 30 days prior. A minimum of one membership meeting of ACUA shall be held each year for all members. The exact date and location of membership meetings shall be determined by the board and can be held virtually.

Section 3. Each institutional representative of an institutional member and each individual member actively employed by a Higher Education Institution shall be entitled to vote on all matters brought before a duly called membership meeting of ACUA. The institutional representative may, by notifying the

secretary/treasurer in writing prior to the beginning of the meeting, designate an individual from the member institution to cast a proxy vote. The method of voting shall be at the discretion of the board.

Section 4. If any elective officer is absent, a pro tem appointment may be made by the president. In the absence of the president, the vice president shall act as president pro tem.

Section 5. The president, with the assistance of the executive director, shall set the agenda for all meetings.

Section 6. Motions of no confidence in any officer may be initiated by two or more board members. No confidence motions must be presented to the board and the executive director of ACUA. Upon receipt of such motion, the president must instruct the secretary to ballot the motion to the voting board members within one month of receiving the motion. The board member named in the no confidence motion is not eligible to vote. No confidence motions must pass by a three-quarters majority of the eligible board members. Officers removed by a no confidence motion may not be reappointed or stand for re-election.

ARTICLE IV – FINANCES

Section 1. The fiscal year of ACUA shall be January 1 through December 31.

Section 2. The proposed budget for each fiscal year, as approved by the board, shall be presented to the membership. The board may propose a deficit budget if requirements established pursuant to Article IV, Section 8 are met.

Section 3. All members shall pay dues. The amount of dues shall be determined by the board and will be communicated to the membership the year prior to the increase.

Section 4. Fees for educational activities of ACUA shall be established and approved by the board.

Section 5. The secretary/treasurer shall ensure that an accurate and complete set of books and records of account are kept which may be inspected by any member, or a member's agent or attorney, for any proper purpose at any reasonable time. The secretary/treasurer must be one of the signatories on all ACUA bank and investment accounts.

Section 6. The secretary/treasurer shall give bond for the proper performance of assigned duties, in such amount, and with such surety as the board may require the premium of such bond to be paid by ACUA. The board may also require a bond for employees or contractors performing financial services for the Association.

Section 7. ACUA's officers or committee members shall receive no compensation for their services as officers or committee chairs; however, they shall be entitled to reimbursement for authorized expenditures incurred in connection with the performance of their duties for ACUA.

Section 8. ACUA shall strive to keep unencumbered cash and unrestricted fund balances to provide for uncertainties, compliance with changes in laws, and other unforeseen liabilities. Any other reserves kept by ACUA for specific purposes shall be in addition to this balance. The board shall determine a prudent level of the unencumbered cash and unrestricted fund balances to be held in reserve as specified in the board-approved reserve and investment policy.

ARTICLE V – NOMINATIONS AND ELECTIONS

Section 1. An annual election shall be held to elect officers who have been nominated in accord with these bylaws.

Section 2. Individuals associated with member institutions, or individual members in good standing actively employed by a Higher Education Institution, shall be eligible to stand for election for officer or at-large position on the board. Only members in good standing may continue to hold office. No representative shall hold more than one elected office at a time.

Section 3. Nominating procedures shall be as follows:

- a) The nominating committee shall solicit the membership for nominations of eligible members to serve on the board as board member at-large and for the office of secretary/treasurer. A slate of one or more names shall be approved by the board and recommended to the members for each open position.

- b) The nominating committee shall propose one or more nominees for vice president to the board for approval and recommendation to the membership. The position of president will automatically be filled by the preceding year's vice president.
- c) Nominations may also be made by signature petition of 25 institutional representatives for any elective position (board member at-large, secretary/treasurer or vice president). The petition must be presented to the chair of the nominating committee by a date determined by the board.
- d) After approval by the board, the membership shall be notified.

Section 4. Ballots and information about the candidates shall be distributed to all institutional representatives of institutional members and individual members in good standing actively employed by a Higher Education Institution no later than 90 days prior to the annual fall board meeting of ACUA. The institutional representative of each institutional member and individual members actively employed by a Higher Education Institution shall be entitled to cast one vote for each open position.

Section 5. Nominees shall be elected by a plurality of votes cast.

Section 6. The membership shall be notified of the election results 45 days prior to the annual fall board meeting.

Section 7. Any challenge to the final vote count must be presented to ACUA's president no later than 30 days following the announcement of the election results and must be accompanied by a petition bearing the signatures of 25 ACUA institutional representatives or individual members that are actively employed. In the event of such a challenge, the board shall retain an independent referee to conduct an investigation and recount the ballots, if necessary. The results of such an investigation and/or recount shall be considered conclusive and final.

ARTICLE VI – OFFICERS AND THE BOARD

Section 1. The officers of ACUA shall be the president, vice president, secretary/treasurer and immediate past president. Together with the five (5) at-large board members, they constitute the board.

Section 2. The terms of office shall be: vice president, president and immediate past president, successive one-year term in each position for an aggregate maximum three-year term; secretary/treasurer, two-year term with the option of being elected for a second term; board members-at-large, three years. The term of office of each newly elected officer and at-large board member shall commence at the end of the annual fall conference following his or her election. With the exception of the secretary/treasurer, board members shall not be eligible to serve successive full terms in the same capacity.

Section 3. The board shall be the governing body of ACUA with full power of management, control of all its affairs and custody of all its property. The board shall meet at least twice a year, with one meeting to be held at the annual fall conference and others at sites suggested by the president and approved by the board. The board may take any action within its powers by mail, telephone, or other electronic communications that it could take at any regular or special meeting.

Section 4. The board may appoint through a majority vote an individual to fill any vacancy on the board for the remainder of the term.

Section 5. The board shall have the power to adopt, revise, or eliminate the official seal and/or other representative symbols of ACUA.

Section 6. The board may accept donations on behalf of ACUA.

ARTICLE VII – DUTIES OF THE OFFICERS AND BOARD MEMBERS-AT-LARGE

Section 1. The board shall meet at designated dates and times as set by the president. A quorum of board members must be present to conduct business. A quorum is a majority of the board members.

Section 2. The president shall be the executive officer of ACUA and shall preside at all meetings of the membership and the board. In the absence or inability of the president to act, the vice president, and secretary/treasurer (in that order) shall have the powers and shall perform the duties of the president. The president shall have the following duties:

- a) Enforce ACUA's bylaws and policies;
- b) Execute all resolutions and proceedings of ACUA and the board;
- c) Execute all contracts other than those delegated to the executive director for the day-to-day operation of the Association. The president shall approve all contracts executed by the executive director. The president may delegate contract and transaction signature authority, subject to the approval of the board.
- d) Supervise all affairs of ACUA;
- e) Perform all other duties incident to this office, subject to the approval of the board;
- f) Appoint a parliamentarian for official meetings;
- g) Appoint committee chairs and assign duties to the at-large board members; and
- h) Serve as ex-officio member of all committees, except the audit and nominating.

Section 3. The vice president shall assist committee chairs of all committees as needed. He/she shall assist the president, serve as the president in the event of the president's absence or inability to act, and perform such other duties as assigned by the president or the board. The vice president shall also be responsible for originating, receiving, and processing proposed amendments to the bylaws.

Section 4. The secretary/treasurer shall have the following duties:

- a) Ensure that accurate membership records of ACUA are maintained by the management firm;
- b) Maintain accurate minutes of membership and board meetings;
- c) Assure the fulfillment of approved operational and fiscal reporting requirements and the adherence to appropriate fiscal policy;
- d) In conjunction with the executive office and president, prepare a budget for submission to the board;
- e) Assure the preparation of the annual financial statements and oversee any external audits and the preparation and filing of the tax returns; and
- f) Chair the investment and finance committee.

Section 5. The immediate past president shall be responsible for constituting the annual nominating committee and providing leadership in evaluating the candidacy of individuals who express interest in assuming board positions. The immediate past president will also coordinate the election process and assist with other duties as may be assigned by the current president in areas where past experience and guidance can benefit the Association.

Section 6. The board members-at-large shall perform duties and tasks assigned by the president as deemed necessary in the administration of ACUA. Board members-at-large shall be assigned as liaisons to the various committees and shall be responsible for monitoring their activities and coordinating their reporting to the board.

ARTICLE VIII – COMMITTEES

Section 1. The Executive Committee shall consist of the officers of ACUA plus the executive director in an ex officio non-voting capacity. The Executive Committee is authorized to act on behalf of the full board between board meetings and all of its actions shall be subject to ratification by the board.

Section 2. Committee chairs shall be appointed by the president and announced at ACUA's annual fall conference. The Audit Committee Chair must be approved by the board and shall serve a two-year term.

Section 3. The standing committees established for assuring the ongoing operations and governance of the Association shall be: Audit; Communications; Diversity and Inclusive Leadership; Executive; Investment and Finance; Membership; Nominating; and Professional Education.

In addition, the president, with the concurrence of the board, is authorized to establish on an ad hoc basis such other committees for programmatic or operating purposes as appropriate for the conduct of the business of the Association. The president also has the authority to disband any committee established under this authority by the current or any prior president.

Section 4. The composition of each committee shall be a chair and other members, as necessary, except as follows:

- a) The Audit Committee shall not include officers or other committee chairs.
- b) The Investment and Finance Committee Chair shall be the secretary/treasurer.
- c) The Nominating Committee shall consist of a chair, who will be the immediate past president, and a minimum of two representatives of institutional members, individual members, or emeritus members.
- d) Annually the president will assign each committee a designated member of the board to assist the chair in creating synergy among ACUA activities and strategic direction

Section 5. The duties of the standing committees shall be:

- a) Audit Committee – evaluates internal controls of ACUA’s administrative and financial processes and ensures that ACUA’s financial statements are audited by an independent public accounting firm or subject to internal audits developed in consultation with the secretary/treasurer. This consultation shall not override the authority of the audit committee to conduct any review of the Association’s finances or operations at the committee’s discretion.
- b) Communications Committee – compiles, edits, and publishes ACUA’s journal and is also responsible for oversight of the ACUA website, social media presence, and on-line networking platforms.
- c) The Diversity and Inclusive Leadership Committee – creates and sustains a forum for dialogue on issues directly related to diversity and inclusion and generates and pursues opportunities to increase representation of diverse populations throughout the ACUA membership and leadership as well as maintaining a welcoming and affirming environment.
- d) Executive Committee – manages ACUA’s affairs between board meetings.
- e) Investment and Finance Committee – executes the board-approved investment and reserve policy to achieve the investment objectives of ACUA which are conservation of principal, reasonable income return and long-term appreciation, without undue risk. The committee is also responsible for ensuring fiscal policy and control structures are up to date and followed.
- f) Membership Committee – promotes membership interests, conducts surveys of member opinions, coordinates membership drives, evaluates membership marketing, and other tasks to promote membership.
- g) Nominating Committee – conducts the nominations process for the annual election of officers and at-large board members as prescribed in these bylaws.
- h) Professional Education Committee – provides coordination and oversight activities for ACUA educational activities; recruits and oversees all aspects of volunteers working on educational activities; provides direction and oversight to the executive office for administrative and logistical matters for educational activities; and proposes budgets for board approval for educational activities.

Section 6. Any member of any committee (except audit) may be removed at the discretion of the appointing authority. In the case of the Audit Committee, removal of the chair must be approved by the board.

ARTICLE IX – PARLIAMENTARY AUTHORITY

Section 1. The current edition of Robert’s Rules of Order Newly Revised shall be the parliamentary authority for all meetings of ACUA. These bylaws and any special rules or procedures shall supersede the parliamentary authority.

ARTICLE X – AMENDMENT OF BYLAWS

Section 1. These bylaws shall be consistent with the aims and purposes of ACUA.

Section 2. All questions of interpretation of the bylaws shall be decided by the board.

Section 3. The vice president shall submit all proposed amendments of the bylaws to the board. Notice of proposed amendments which gain the approval of the board shall be submitted in advance to the membership.

Section 4. Amendments to the bylaws must be adopted by a two-thirds vote at a membership meeting, or by other generally accepted means.

ARTICLE XI – INDEMNIFICATION

Section 1. No officer, member of the board, or committee member shall be liable for the acts or failure to act on the part of any other officer, member of the board, or committee member of ACUA; nor shall any officer, member of the board, or committee member be liable for his acts or failure to act under these bylaws, except in such cases wherein the officer, member of the board, or committee member is negligent in the performance of the duties of the office.

Section 2. Every officer, member of the board, or committee member shall be indemnified by ACUA against all reasonable expenses and liabilities incurred by such officer, member of the board, or committee member in connection with the defense of any action, suit, or proceedings brought by any party other than ACUA in which he or she may become involved by reason of being or having been an officer, member of the board, or committee member of ACUA, except in such cases where such officer, member of the board, or committee member, or former officer, member of the 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 board approves such settlement and reimbursement as being in the best interest of ACUA.
