



# VOLUNTEER POLICIES AND PROCEDURES MANUAL

**REVISED 4/24/2025**

The following Texas Society of Certified Public Accountants (TXCPA) Bylaws provision for the *Volunteer Policies and Procedures Manual* was approved June 27, 2003.

## **ARTICLE XVI VOLUNTEER POLICIES AND PROCEDURES MANUAL**

- (1) The Board of Directors shall adopt a *Volunteer Policies and Procedures Manual* to provide guidelines and procedures by which the Society will function and operate.
- (2) The *Volunteer Policies and Procedures Manual* will be the Society's governing document except in cases in which it is inconsistent with the Articles of Incorporation or Bylaws of the Society. The manual may be amended by the vote of two thirds- of the members of the Board of Directors. Unless otherwise stated in the manual, policies and procedures of programs and services that must meet the requirements of the American Institute of CPAs (AICPA), Texas State Board of Public Accountancy (TSBPA) or other regulatory entities may be amended by the committee that implements the programs and services, provided all such amendments are promptly reported in writing to the Board of Directors.

Changes that will have an impact on Chapter operations will be shared with Chapters for a 30-day comment period prior to Board of Directors review and approval. (EB: 04/23/20)

KEY TO NOMENCLATURE.....	v
GUIDE TO THE MANUAL .....	v
Annual Meeting.....	6
Antitrust .....	6
Auditors (TXCPA), Committee Service.....	7
Awards.....	7
Board of Directors .....	13
Board of Directors Statement of Responsibilities .....	14
Brand, TXCPA .....	14
Budgetary Controls.....	15
Chair, Role and Responsibilities of.....	15
Chair (Immediate Past), Responsibilities of .....	16
Chair-elect, Responsibilities of .....	16
Chair-elect Nominee, Responsibilities of .....	16
Chapters.....	17
Chapter Awards .....	17
Chapter Size Groups.....	17
Chapter/Society Relationship .....	17
Chapter - Standards for Formation of a New Chapter.....	19
Committees and Conference Planning Groups .....	20
Compensation and Benefits.....	20
Conflict of Interest Policy.....	20
Contracting Authority.....	21
Coordinating Officers, Responsibilities of the Board of Directors as.....	21
Executive Committee.....	22
Expense Reimbursement, Volunteer .....	22
Financial Standards, Minimum.....	23
Fund Balance Guidelines.....	23
Investment Guidelines and Objectives.....	23
Leadership Council .....	24
Liability Insurance, Board of Directors Members .....	25
Liability Insurance, Members .....	25
Lifetime Members/Distinguished Members - State Board Action.....	25
Lobbyists, Contact With.....	25
Meetings Policy.....	25
Member Benefits Criteria Statement.....	26
Member Categories.....	26
Member Expulsion/Suspension Hearings.....	28
Member Grievance Policy.....	29
Member Mailing List Use .....	31
Members Suspended by Texas State Board of Public Accountancy .....	32
Peer Review Program, Qualifications of Reviewers.....	33
President & CEO, Responsibilities of.....	33
Secretary, Responsibilities of .....	33
Sexual Harassment Prevention and Investigation Procedure.....	34
Speaking Out for TXCPA .....	34
Staff Liaison (Committee), Expectations of.....	35
Strategic Planning Process.....	35
Task Forces .....	35
Treasurer, Responsibilities of .....	36
Treasurer-elect, Responsibilities of .....	36
Treasurer-elect Nominee, Responsibilities of.....	37
TXCPA CPA-PAC Political Activity .....	37
Whistleblower Policy.....	37

Committees.....	39
Committee Chair, Responsibilities of.....	41
Committee Member, Responsibilities of.....	41
Committee Staff Liaison, Responsibilities of.....	41
Audit Committee.....	42
Awards Committee .....	43
Branding and Community Outreach Committee .....	44
Business Valuations, Forensic and Litigation Services Committee .....	44
Chapter Coordinating Committee.....	45
Chapter Legislative Coordinators Committee.....	45
Compensation Committee.....	46
CPA-PAC Committee.....	46
CPA Practice Issues Committee .....	47
Diversity + Inclusion Committee.....	47
Editorial Board .....	48
Federal Tax Policy Committee .....	48
Finance Committee .....	50
Governance Committee.....	50
Investments Committee.....	51
Legislative Advisory Committee.....	51
Membership Committee .....	51
Nominations and Board Development Committee .....	51
Nominations Council.....	54
Peer Assistance Committee .....	57
Peer Review Committee .....	58
Professional Ethics Committee .....	59
Professional Standards Committee .....	60
Relations with IRS Committee .....	61
State Taxation Committee .....	61
Strategic Planning Committee .....	62
Texas Insurance Trust Committee.....	63
Conference Planning Groups.....	63

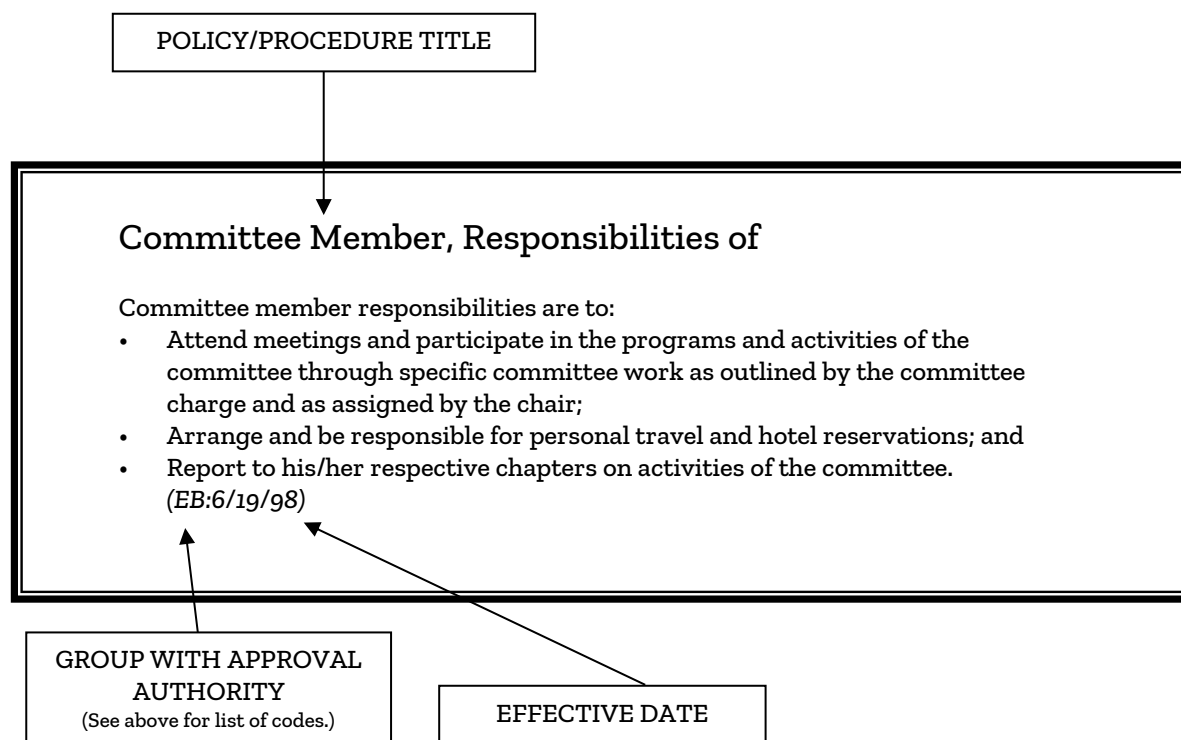
## KEY TO NOMENCLATURE

Term	Abbreviated Term
Chair .....	CHR
Chair-elect.....	CHR-E
Chair-elect nominee .....	CHR-EN
Board of Directors .....	BOD
*Executive Board .....	EB
*Leadership Council .....	LC
Committee .....	COMM
Committee chair .....	COMM-CHR
President & chief..... executive officer	CEO
Peer Review Committee .....	PRC

*\*The Executive Board transitioned to the Board of Directors on April 10, 2023*

*\*The Leadership Council was established April 10, 2023, as successor to the former Board of Directors.*

## GUIDE TO THE MANUAL



## Annual Meeting

Annual Meeting guidelines are as follows:

1. Purposes of the Annual Meeting are to transact the business of TXCPA, communicate to the membership, provide a forum to speak out, solicit input to the strategic plan and future direction of the organization, provide recognition of members, and provide fellowship among the members of TXCPA.
2. A minimal registration fee shall be charged to members and guests to attend. The registration fee will be waived for members of the TXCPA Leadership Council. (4/27/07)
3. The Annual Meeting should be in Texas or the four contiguous states in at least two out of every five years. After obtaining input from the Board of Directors on potential locations and review of proposals submitted, the president & CEO shall recommend a site to the Board of Directors for its approval, giving consideration to the accessibility and cost of airfare and lodging.
4. For programming purposes, all children's and spouses' programs, if provided, shall be budgeted to break even; staff shall plan and sponsor any CPE offered at the Annual Meeting with the assistance of the CPE director; the business portion of the Annual Meeting should be scheduled on two consecutive days.
5. The president & CEO shall be responsible for recommending the Annual Meeting budget to the Finance Committee and shall be accountable for all Annual Meeting costs, including direct administrative costs and all allocated costs.
6. The chair, chair-elect and president & CEO share input regarding those portions of the meeting over which the chair and chair-elect will preside. The chair shall be responsible for setting the agendas for the business meetings. The president & CEO will: establish the overall meetings schedule, confirm speakers, and approve all functions relating to continuing professional education and entertainment of all participants.
7. TXCPA's staff executes the meeting on-site and ensures that all events are arranged, contracted, confirmed, negotiated, priced, housed, transported, promoted, served and paid in accordance with TXCPA's policy, procedures, tradition and quality. (EB:11/7/03)

## Antitrust

Members and staff are required to be aware of potential violations of antitrust laws. Laws designed to prevent unfair competitive practices, such as price-fixing, include the Sherman Act, the Clayton Act, the Federal Trade Commission Act and the Robinson-Patman Act, as well as other state and federal statutes. The consequences for violating antitrust laws can be severe. Punishment for a conviction can include large fines to TXCPA, its members and staff. Volunteer leaders, staff and participating members may also face jail sentences for participating in antitrust activities. In addition, civil actions may be brought by private parties.

Members, volunteers, directors and staff are specifically prohibited from engaging in the following:

1. Participating in or promoting any activities or discussions to raise, lower, or stabilize prices or fees charged to customers or clients;
2. Participating in or promoting discussions to regulate production or the availability of services;
3. Participating in or promoting allocation of exclusive markets, customers or clients, or agreeing to divide territories;
4. Encouraging boycotts of competitors, suppliers, customers or clients; or
5. Assisting in monopolization of services.

In order to ensure that antitrust laws are observed by TXCPA members, volunteers, directors and staff at meetings, the following procedures shall be observed:

1. Fees, prices or billing rates shall not be discussed at any formal or informal meeting of TXCPA without TXCPA legal counsel present.

2. Features that can impact prices and fees, such as salaries, costs and profit margins shall not be discussed at any TXCPA meeting without TXCPA legal counsel present.
3. Discussions about customers and clients should not take place among competitors.
4. Statements about future plans regarding pricing, expansion or any action with competitive overtones are prohibited at any TXCPA meeting without TXCPA legal counsel present. Members are advised not to participate in discussions if other members have such discussions.
5. All TXCPA meetings shall be attended by a TXCPA staff member.
6. If a discussion is at-risk for antitrust violations, the attending TXCPA staff member shall request that the discussion should stop immediately. The request for the discussion to end shall be documented in the meeting minutes. If members continue the discussion, TXCPA staff present should end the meeting and excuse themselves from the meeting room. The minutes should reflect the staff's actions and show that they left the meeting.
7. TXCPA senior management or legal counsel should be alerted if any improper discussions or activities occur.
8. All TXCPA meetings should have agendas that are distributed in advance of a meeting or conference call.
9. All TXCPA meetings should have minutes prepared by staff which reflect the actions taken and decisions made during the meeting. Minutes should be distributed to the meeting participants.
10. If a member has a question about the legal aspects of TXCPA's activities, he or she should seek advice from TXCPA staff or legal counsel.

In order to ensure that antitrust laws are observed by TXCPA staff, the following procedures shall be observed:

1. In determining products and services to provide members, TXCPA staff members are prohibited from colluding with other groups to set prices, determine territories, boycott vendors, or any other activity that could be noncompetitive and/or a violation of antitrust laws. 'Other groups' may include other nonprofit organizations, state CPA societies, TXCPA chapters and any other organization. (CEO:8/7/12; EB:11/2/12; EB:11/3/17)

## **Auditors (TXCPA), Committee Service**

The selection of a firm to be the independent auditor of TXCPA and its affiliates does not preclude the partners or the employees of such firm from serving on Boards of Directors or committees, except as follows:

1. No partner of such firm, nor any employee assigned to an engagement for TXCPA and/or for its affiliates, shall serve, or shall have served, the Finance, Audit or Investments committees or the Board of Directors of TXCPA and/or its related entities during the period(s) covered by the audit report or during the period(s) of the engagement; and
2. A partner of such firm, or an employee assigned to an engagement for TXCPA and/or its related entities, shall prospectively inform the TXCPA chair or the chair of the committee on which he/she serves of his/her auditor relationship and shall refrain from voting, or influencing the vote, on any matter directly affecting the finances of TXCPA or its affiliates (not including chapters). (EB:8/09/02)

## **Awards**

TXCPA shall recognize, by appropriate awards, CPAs and others who contribute in a significant manner to the accounting profession and/or the community.

The Awards Committee is responsible for selecting qualified recipients of the following awards: Meritorious Service to the Accounting Profession in Texas; Distinguished Public Service; Outstanding Committee Chair; Young CPA of the Year; Sustained Contribution Award, Rising Stars and CPA 50-year Continuous Members. The Awards Committee recommends to the Leadership Council nominees for Distinguished Fellow and Honorary Member recognition. (EB:8/8/19)

In addition, the Awards Committee shall:

1. Select the TXCPA nominee for the AICPA Distinguished Public Service Award; and
2. Coordinate the selection of TXCPA nominees for other AICPA awards.

Other TXCPA groups responsible for the selection of specific award recipients are as follows:

1. Accounting Education Foundation shall select the Kenneth W. Hurst Award;
2. Chapter Coordinating Committee shall select recipients of the Outstanding Small Chapter and Outstanding Medium Chapter;
3. CPA-PAC shall select the recipients of the chapter awards among small, medium and large chapters, respectively, for both the Chapters with the Greatest Percentage of Members Contributing and the Chapters with the Highest Average Contribution per Contributor;
4. A judging panel including current members in education, past recipients and members from the Accounting Education Foundation shall select the recipient(s) of the Outstanding Educator Award(s);  
(EB:8/09/02)(EB:04/28/22)
5. Business and Industry Issues Subcommittee shall select the recipient of the Business & Industry Award.  
(EB:1/28/16)

The president & CEO will forward any additional award requests to the appropriate groups.

In addition, the following groups shall select TXCPA nominees for AICPA awards, including:

1. Accounting Education Foundation AICPA Outstanding Educator; and
2. Business and Industry Issues Subcommittee – AICPA Business and Industry Hall of Fame and AICPA Outstanding CPA in Government.

Procedures for soliciting nominations and selecting recipients as well as criteria for specific awards are provided by the TXCPA group responsible.

Nominations for awards shall be solicited from the Board of Directors, Leadership Council, committee chairs, chapter presidents and members at-large through announcements in TXCPA's website, official all member publications, other appropriate Society publications and chapter newsletters.

**Special Recognition Award:** The Special Recognition Award is presented by the TXCPA chair to honor TXCPA members who have performed an extraordinary service to the Society in a given year. It is presented when another TXCPA award does not provide recognition.

TXCPA's chair is responsible for selecting recipients of the Special Recognition Award(s) and may ask for recommendations from various Society groups or individual members.

Current TXCPA officers and committee members are ineligible for consideration for awards in which they are selecting recipients.

(EB:8/6/16)

**Budget:** The respective groups that select award recipients will be responsible for all expenses associated with the awards and/or recognition provided. (EB:10/28/00)

## **Awards Selected by TXCPA Awards Committee**

Multiple recipients may be designated for the same award only if all possess demonstrably equal qualifications and the criteria does not limit presentation to only one individual. An award should be made only if a qualified person



has been identified to receive it; therefore, an award need not be bestowed each year.

**Presentation:** Awards will be presented at the Annual Meeting with sufficient information about achievements to acknowledge the recipients receiving the award.

**CPA 50-year Continuous Members:** Bestowed on an individual who has distinguished himself/herself as a member of TXCPA for 50 continuous years.

**Distinguished Public Service:** Initiated to: (a) recognize TXCPA members who contribute responsibly as citizens of their respective communities and (b) encourage CPAs to actively participate in, and make substantial service contributions to, a broad scope of charitable and civic activities and to become leaders in their communities. The award is based on outstanding charitable, community and/or civic activities and other public service unrelated to regular duties performed as a member. Each nominee should possess obvious credentials of specific accomplishments in the community, civic and charitable efforts. *Only public service activities are recognized; professional service related to accounting organization or the profession is not considered in determining the award winner.*

**Criteria:** Some of the criteria to be considered in selecting a candidate for this award include:

1. CPA certificate;
2. Member of TXCPA in good standing;
3. Participation in community, charitable and other civic activities on the local, state or national level, especially in a leadership capacity and on an ongoing basis;
4. Responsibility for a public service project that had a significant positive effect on the community;
5. Encouragement of participation in, and/or implementation of, public service projects through written articles or other published materials; and
6. Service in an outstanding manner as an appointed or elected government official at the local, state or national level.

**Distinguished Fellow:** Given to an individual who has distinguished himself/herself within TXCPA.

**Criteria:** Some of the criteria to be considered in selecting this award recipient include:

1. A CPA and a member of TXCPA in good standing;
2. Shall have spent most of his/her career actively engaged in professional activities which emphasized the use of CPA competencies;
3. Shall have been an outstanding and recognized leader in his/her professional career;
4. Shall have been an outstanding and recognized leader in TXCPA, as well as a local chapter of the Society, probably having served as a committee chair, officer and member of the Leadership Council (Board of Directors prior to April 2023).
5. May also have been active in committees and/or offices of AICPA;
6. Shall have been an outstanding and recognized leader in his/her community and its civic, as well as social enterprises; and
7. Shall have demonstrated the above types of outstanding leadership on a consistent basis for a number of years before, and possibly after, his/her retirement from his/her working career.

**Honorary Member:** Presented to a person who is not eligible for regular TXCPA membership. While it might be appropriate to recognize an individual for a single act, honorary membership should be, in most instances, reserved for those who have benefited accountancy for a significant period.

**Criteria:** Some criteria that may be considered include:

1. Distinguished at least within the profession on a statewide basis in accountancy and need not be a resident of the state of Texas;
2. Significant, honorable and widely recognized work in executive or administrative activity of AICPA, the state societies or chapters thereof affecting the practice of accountancy. Employees of TXCPA or its chapters may be considered for this award only as they approach retirement status or if they have had a history of combined service of more than 30 years to AICPA, TXCPA and/or its chapters, or other state CPA societies;

3. Activities by individuals that directly benefit the profession in continuing professional education in a substantive way, elevating the competence and image of the profession;
4. Activities by members of other professions, legislators or governmental employees (elected or appointed) that enhance the practice of accountancy and benefit the public by their actions; and
5. Service by individuals of an exceptional nature or value to the Accounting Education Foundation, TXCPA, the Texas State Board of Public Accountancy (TSBPA), or the PAC committees of TXCPA or its chapters. (EB:4/25/08)

**Meritorious Service to the Accounting Profession in Texas:** Regarded as the highest honor bestowed by TXCPA. The service recognized shall be to the Society or a chapter thereof through direct participation in its affairs or otherwise, if circumstances justify. Service at the national level should only be considered as it relates to the member's contribution to Texas.

**Criteria:** Some of the criteria to be considered in selecting a candidate for this award might include:

1. CPA certificate;
2. Member of TXCPA in good standing;
3. Shall have spent most of his/her career engaged in professional activities which emphasize the use of CPA competencies;
4. Shall have been an outstanding and recognized leader in TXCPA, as well as the local chapter of TXCPA, probably having served as a committee chair, officer and member of the Leadership Council (Board of Directors prior to April 2023);
5. Shall have demonstrated the above types of outstanding leadership on a consistent basis for a number of years before, and possibly after, his/her retirement from his/her working career; and
6. Shall have been a spokesperson for the profession (last five years) through speeches or articles.

**Outstanding Committee Chair:** Presented in recognition of outstanding performance by a committee chair during the current year. Overall committee activity and impact should be considered in bestowing this award. Activity in a preceding year that has a significant impact on the current year's activity can be considered in making the selection of Outstanding Committee Chair if the chair is serving a second year as chair.

**Rising Star Award:** The Rising Star Award recognizes the innovation, professional dedication and community commitment of TXCPA's up-and-coming young CPA leaders age 40 and under.

Nominations may be submitted by TXCPA chapters and members.

**Recognition:** Recipients will be recognized at the Annual Meeting, profiled in an issue of *Today's CPA* magazine and recognized on the TXCPA website and in other TXCPA communications.

**Criteria:** Some of the criteria to be considered in selecting a candidate for this award might include:

1. Must be a CPA;
2. Must be a TXCPA Member; and
3. Age 40 and under as of the end of the current fiscal year. (EB:11/3/17)

**Sustained Contribution Award:** Presented to select members in good standing with at least 20 years of volunteer service on committees or boards of TXCPA, a TXCPA chapter or AICPA. The service does not have to be in consecutive years. The Awards Committee selects who will be honored each year. (EB:8/6/16)

**Young CPA of the Year:** Bestowed on a CPA who is a member of TXCPA. The individual, age 40 years or under as of the end of the current fiscal year, has made significant contributions to the accounting profession and the community and is a member of at least one other professional organization.

**Criteria:** Some of the criteria to be considered in selecting a candidate for this award include:

1. Professional achievement suggested:
  - a. If in public practice, became a supervisor, manager or partner;

- b. If not in public practice, management level in industry or government, active faculty member, administrative management position or started a successful business;
  - c. Written an article which has been published and is significant to the profession or the public; and
  - d. Significant speaking engagements.
2. Significant accomplishments within TXCPA or a local chapter:
  - a. Committee chair or officer;
  - b. Outstanding committee member; and
  - c. Chair or outstanding participant of a major TXCPA or local chapter function or seminar.
3. Community contributions and significant achievements:
  - a. Religious organization;
  - b. Chamber of Commerce;
  - c. Civic clubs; and
  - d. Charitable organizations.
4. Membership in at least one other professional organization, such as:
  - a. AICPA;
  - b. Institute of Management Accountants; and
  - c. American Accounting Association.
5. Demonstration of dedication to the profession through participation in professional activities.  
(EB:1/17/05)(EB:1/20/2022)

### **Outstanding Accounting Educator Award**

Outstanding Accounting Educator Award: The award recognizes Texas accounting educators who have demonstrated excellence in teaching and have distinguished themselves through active service to the accounting profession. The award gives profession-wide recognition to the recipients along with promoting role models in academe.

The award is funded by the Accounting Education Foundation.

An independent judging panel with representation of current members in education, past recipients and members from the Accounting Education Foundation will select the recipients from nominations submitted by Texas colleges, universities, community colleges, TXCPA chapters and members.

Only one award may be given in each category (community college, small, medium, and large university or college). Awards will not be given in categories where judges determine that the entries do not merit them.

Criteria: Some of the criteria to be considered in selecting a candidate for this award include:

1. Must be a full-time accounting educator at a Texas college, university or community college, where for three of the last five years the educator's primary responsibility has been teaching in the classroom. Recipient is not required to be a licensed CPA.
2. Excellence in classroom teaching as evidenced through an online video that supports and explains the teaching philosophy, innovation in the classroom, and pursuit of practical learning opportunities for students.
3. Contributions to the accounting profession as evidenced through involvement and accomplishments in professional accounting organizations, involvement and accomplishments in student accounting organizations, research accomplishments and publications. (EB: 11/3/17)(EB:4/28/22)

## **Awards Selected by the Chapter Coordinating Committee**

### Chapter Awards

The Chapter Coordinating Committee Steering Subcommittee is responsible for selecting the recipients of the following awards: Outstanding Small Chapter and Outstanding Medium Chapter. From time to time, a Most Improved Chapter Award may be presented.

Outstanding Chapter Award recipients will be selected on the basis of information provided on the Outstanding Chapter Award Entry Form.

Most Improved Chapter: Selected when appropriate to acknowledge a chapter that significantly advanced its services to members and the community in a given year.

Presentation: All chapter awards will be presented at the Annual Meeting with sufficient information about achievements to acknowledge the chapters receiving the award.

Recognition of Chapter Award Recipients: The chapter president whose leadership was instrumental in the chapter's receipt of the award will receive a plaque. The chapter will receive appropriate recognition.

All award recipients will be acknowledged by a brief account of accomplishments that resulted in receiving the award. Awards and their recipients will be publicized in appropriate TXCPA publications.

## **Awards Selected by the CPA-PAC**

### PAC Awards

All 20 TXCPA chapters are eligible for consideration. Two awards are given to the small chapters, two for the medium chapters, and two for the large chapters. Award categories are: (1) Highest Percent of Fundraising Goal and (2) Highest Percent Increase in Members Contributing.

Presentation: The PAC Awards will be presented at a meeting of the Leadership Council. (BOD:4/27/23)

Recognition: Recipients and relevant information is posted on the TXCPA and CPA-PAC website and included in appropriate TXCPA publications. (EB:11/3/17)

## **Awards Selected by the Business & Industry Issues Subcommittee**

### Business & Industry Award

Presented in recognition of CPAs who have spent their careers in B&I and have made significant contributions to the profession through the recruitment of others to the CPA profession. Members in B&I are recognized as those who work in general industry, government or education.

Selections will be made by members of TXCPA's Business and Industry Issues Committee from nominations submitted by TXCPA chapters and members.

Criteria: Some of the criteria to be considered in selecting a candidate for this award might include:

1. Must be a CPA;
2. Must be a TXCPA Member in good standing; and
3. Must be employed in business and industry

Recognition: Award winners will be recognized at the Annual Meeting. (EB:11/3/17)(BOD:4/27/23)

## **Awards Selected by the Accounting Education Foundation.**

### **Kenneth W. Hurst Fellows Award**

To qualify for the award, there should be contributions of at least \$5,000 during the five-year period ending with the end of each current fiscal year, by a member of the accounting profession or an individual on whose behalf there is contributed at least \$5,000 during this time period. The award will be presented to all members and individuals who qualify in this category without further approval by the AEF Board members.

Also, members of the accounting profession who have contributed outstanding service to the Accounting Education Foundation (AEF) over a period of five years will qualify for the award and will be selected as follows:

1. A committee of no more than three AEF Board members will be appointed by the chair of the Foundation each year to review candidates for the award and make recommendations.
2. The recipients will be selected by unanimous vote of the AEF Board members present and voting. (If it is known that an AEF Board member will be unable to attend the meeting, the liaison will contact for any objections to any of the proposed recipients.)
3. AEF Board members and officers of the Foundation serving in a current capacity will be ineligible to receive the award.

**Presentation:** The annual presentation will be made during the Society's Annual Meeting.

**Recognition:** Award recipients will be acknowledged with a brief account of accomplishments that resulted in receiving the award. Awards and their recipients will be publicized in articles in appropriate TXCPA publications and on the Society's website. TXCPA will provide chapters with articles concerning the award recipients for inclusion in chapter newsletters. When an award and related activity is considered newsworthy, new releases will be issued to the media. (EB:11/3/17)

## **Board of Directors**

The Board of Directors is TXCPA's chief governing body. It is subject only to the direction of the membership and to the restrictions defined by the Articles of Incorporation and the Bylaws. The Bylaws give the Board of Directors the general charge and control of the affairs, funds and properties of the Society; the Board of Directors shall carry out the objectives of the Society in accordance with the Bylaws.

In addition, the Board of Directors may not alter, amend or rescind any resolution or motion duly adopted at an official meeting of the Society members as dictated by quorum requirements. The Board of Directors shall not delegate the authority to: reverse a previous vote of the Board of Directors; remove or fill a vacant term of a Board of Directors member; vote on a proposal to amend the Bylaws; withdraw or modify a proposal; or designate the auditor or auditors [Bylaws, Article V (1)].

No member may serve on the Board of Directors if that member or that member's spouse is a member of the Texas State Board of Public Accountancy. (EB: 4/25/03)

The Board of Directors consists of fifteen (15) – twenty (20) directors, including the officers of TXCPA.

The principal function of the Board of Directors is to set policy for the Society and to make decisions on major issues.

The TXCPA Bylaws describe the responsibility of the Board of Directors as follows:

1. Prescribe requirements for membership [Bylaws, Article II (1)];

2. Determine categories and rules for affiliate membership [Bylaws, Article II (6)];
3. Determine all chapter districts [Bylaws, Article IV (1)];
4. Take disciplinary actions against members as necessary [Bylaws, Article III];
5. Approve changes to chapter bylaws [Bylaws, Article IV (4)];
6. Approve of each chapter's incorporation prior to filing with the Secretary of State [Bylaws, Article IV (6)];
7. Exercise general control of all Society affairs [Bylaws, Article V (1)];
8. Supervise funds and property of the Society [Bylaws, Article V (1)];
9. Remove a member of the Board of Directors for cause by a vote of at least two-thirds of the members of the Board of Directors [Bylaws, Article V (3)];
10. Select a member of the Executive Committee to act as chief elected officer in the event the chair or the chair-elect is temporarily unable or unwilling to act [Bylaws, Article VI (6)];
11. Remove a member of the Leadership Council for cause by a vote of two-thirds of the members of the Board of Directors [Bylaws, Article VIII (3)];
12. Recommend annual dues for CPA members [Bylaws, Article XII (1)];
13. Set annual dues for Affiliate and Student/Candidates [Bylaws, Article XII (1)];
14. Approve annual budget [Bylaws, Article XIII (2)];
15. Designate the Society auditor who is a member of the Society [Bylaws, Article XIII (3)]; (EB: 1/30/19)
16. Initiate a proposal to amend the Bylaws [Bylaws, Article XV (1)];
17. Approve changes to the Volunteer Policies and Procedures Manual [Bylaws, Article XVI (2)];
18. Suspend any section(s) of the *Code of Professional Ethics* by a two-thirds vote if deemed in possible conflict with Texas and/or U.S. laws [Bylaws, Article XX (2)];
19. Appoint two Board of Directors to serve on the Nominations and Board Development Committee [Bylaws, Article IX (4)];
20. Appoint members to fill any vacancies on the Nominations and Board Development Committee [Bylaws, Article IX (4)]; and
21. Appoint members to fill vacancies of Leadership Council Members-at-Large, with input from the Nominations Council [Bylaws, Article VIII (4)].  
(BOD:4/27/23)

## Board of Directors Statement of Responsibilities

A member serving on the Board of Directors is expected to sign the Board of Directors Statement of Responsibilities before commencement of his/her current term. Failure to do so could result in reconsideration of the member's service on the Board. Click on the following link for the Statement:

<https://www.tx.cpa/docs/default-source/member-content/txcpa-board-of-directors-statement-of-responsibility.pdf>  
(EB:11/12/2004) (EB:11/7/08)

## Brand, TXCPA

The TXCPA brand is more than our name and logo. It exists at the intersection of everything we do and say in person, at events, to our members, sponsors and across all media. It's how we talk about ourselves, how other people talk about us, and it's the emotional connection we make with our stakeholders. Our brand is the sum total of the experiences we deliver over time, and it represents the essence of who we are and what we stand for as an organization. The logo and complete visual identity shall be consistently utilized by all Society entities, including chapters, in adherence with the [TXCPA Brand Guidelines](#). Members in good standing may use the logo when representing themselves as members of TXCPA, but they may not use it as part of a company logo or emblem. (EB: 1/30/19) (EB: 04/23/20)

## Budgetary Controls

### Operating and Capital Budgets

All expenditures that are not within the current year's budget must be approved in advance (per occurrence) (EB: 11/3/17) as follows:

Position Authorized	Authorized Limit
President & CEO.....	Up to \$10,000
Society Chair.....	Up to \$50,000
(BOD: 4/27/23)	

Unrealized gains and losses on investments are not to be included in the operating budget. (EB:11/11/06)

## Chair, Role and Responsibilities of

The chair is the chief elected officer of the Society and is responsible to the Board of Directors. The chair will focus his/her efforts and attention on TXCPA programs and activities designed to enhance the effectiveness and reputation of the Society and the accounting profession. The chair is responsible for maintaining continuity of ongoing strategic objectives as set forth in the strategic plan.

The chair provides overall leadership regarding the volunteer activities of the members. The chair has final authority over, and responsibility for, all volunteer-related matters of the Society except for those specifically reserved by and to the Board of Directors and Leadership Council.

The chair is the chief spokesperson for the Society and will actively and personally promote a cohesive partnership with chapters and other organizations, including AICPA, other state societies, and regulatory and legislative bodies. He/she should put strong emphasis on maintaining a cooperative relationship between the Society and its chapters. He/she should be available to address target audiences outside the profession in an effort to enhance the image of both the profession and the Society among external groups.

Except as otherwise provided in the Bylaws, the chair is responsible for calling and conducting meetings and determining agendas of the Board of Directors, the Leadership Council and the members.

The responsibilities of the chair are to:

1. Serve as an officer of TXCPA;
2. Chair and report to the Board of Directors;
3. Chair the Executive Committee
4. Chair the Leadership Council;
5. Serve as the primary internal and external Society spokesperson;
6. Interact on a regular basis with the president & CEO, identifying current professional issues and proposed resolutions;
7. Work with the president & CEO to see that basic procedures and programs that will further the goals and objectives of the Society are planned, formulated and executed;
8. Make policy decisions on behalf of the Board of Directors when it is not timely to consult the Executive Committee or Board of Directors, in which case the chair should seek ratification of the Board of Directors at the next available opportunity;
9. Support and direct implementation of volunteer policies;
10. Communicate with the Board of Directors and Leadership Council regarding progress toward achieving the objectives of the Society;

11. Appoint and/or remove as necessary committee chairs and vice chairs (as needed) and all committee members (most of which will have been accomplished earlier as chair-elect), after obtaining input from staff;
12. Serve in an *ex officio* capacity for all committees and other legal entities of TXCPA;
13. Serve as chair of the Compensation Committee, which determines the compensation of the president & CEO and approves the compensation pool for staff;
14. Serve as a member on the Finance Committee
15. Work with the president & CEO to plan the Annual Meeting of Members and Leadership Council meetings which will take place during his/her year as chair. (EB:11/7/03)

## **Chair (Immediate Past), Responsibilities of**

TXCPA's immediate past chair serves on the Board of Directors and Leadership Council.

In his/her first year as past chair, he/she serves as the chair of the Nominations and Board Development Committee and Nominations Council for the Society and on the Compensation Committee, as well as on the Leadership Council. In his/her second year as past chair, the individual chairs the Awards Committee and may serve as a member on the Leadership Council. (EB:11/11/06) (EB: 1/30/19)(BOD: 4/27/23)

## **Chair-elect, Responsibilities of**

The responsibilities of the chair elect are to:

1. Serve as an officer of TXCPA;
2. Serve on the Board of Directors;
3. Serve on the Executive Committee;
4. Serve on the Leadership Council;
5. Serve on the Nominations and Board Development Committee and Nominations Council
6. In consultation with the president & CEO, approve committee appointments for his/her year as chair;
7. Serve on the Finance Committee;
8. Serve on the Compensation Committee;
9. Serve on the Strategic Planning Committee;
10. Attend the CPA-SEA Leadership Conference for state CPA society chairs-elect;
11. If possible, attend the AICPA Annual Meeting as a TXCPA representative;
12. Assume responsibilities as assigned by the chair. (EB:8/09/02)

## **Chair-elect Nominee, Responsibilities of**

The responsibilities of the chair elect nominee are to:

1. Attend Board of Directors meetings after the time of nomination;
2. Serve as an *ex officio* member on the Finance Committee;
3. Serve as a member of the Compensation Committee; and
4. Consult with the president & CEO regarding site selection for the Board of Directors meetings that will take place during his/her year as chair. (EB:8/09/02) (BOD: 4/27/23)



## Chapters

The local chapters are semi-autonomous organizations formed within the framework of the Society providing local presence and opportunity for participation by TXCPA members.

Coordination with TXCPA among the chapters is accomplished through the Chapter Coordinating Committee, which comprises chapter presidents, presidents-elect and executive directors. This committee is assisted by a staff liaison who is in frequent contact with the chapters. The committee reports to the Board of Directors on its activities, as well as chapters' activities through its assigned coordinating officers.

See Article IV of the Bylaws for further detail. (EB:11/7/03)

## Chapter Awards

See Awards

## Chapter Size Groups

Chapters are clustered by size in one of three groups: Small (Group I); Medium (Group II); and Large (Group III). In addition to networking opportunities among chapters, these groupings are utilized for (but not limited to): appointments to the TXCPA Chapter Coordinating Committee Steering Subcommittee, selection of Outstanding Chapter Awards and recommendation of other TXCPA awards to chapters, and conducting Chapter Roundtables.

Chapter size groups are:

Small (Group I)	Abilene; Brazos Valley; Rio Grande Valley; San Angelo; Southeast Texas; Texarkana; Victoria; Wichita Falls
Medium (Group II)	Central Texas; Corpus Christi; East Texas; El Paso; Panhandle; Permian Basin; South Plains
Large (Group III)	Austin; Dallas, Fort Worth; Houston; San Antonio (EB:4/25/03; 4/29/11; 11/30/15)

## Chapter/Society Relationship

TXCPA members are also members of a chapter. The chapters complement TXCPA's education of members regarding the Society's overall purpose, goals and objectives. Chapters often locally implement TXCPA-developed programs and services. Chapters also develop and execute a variety of local programs and services that complement those offered by TXCPA.

The chapters are authorized in the Society Bylaws and serve as an important contact with the members. Chapters should develop their business plans with objectives and activities to align with the Society's strategic plan. The activities of the chapters should be designed to advance the profession and the activities of the Society. (EB:4/26/03) (EB: 1/30/19)

Volunteer leadership and staff of both TXCPA and the chapters should nurture a positive relationship between and among their organizations. (EB:11/7/03)

## Chapter Violations

The procedure for changing a chapter's status to probation, suspension or revocation shall include inquiry, investigation, notification, a hearing and final determination.

**Inquiry:** The TXCPA Board of Directors may cause an inquiry upon receipt of a written, signed request or upon its own initiative. Inquiries of a chapter should not be personal in nature, rather focus on violations regarding the operation of the chapter. The inquiry will be reviewed by a duly appointed investigating body appointed by the Board of Directors for the purpose of determining whether there is a reasonable basis to believe that a chapter's affiliated status should be placed on probation, suspended or revoked. The investigating body may call on the individual(s) presenting the inquiry for additional information pertaining to the inquiry.

**Investigation:** The investigating body shall review the request for inquiry to determine if:

- A. The written request DOES NOT state allegations which, if sustained, would constitute grounds for probation, suspension or revocation, in which case the investigating body shall notify the TXCPA Board of Directors; or
- B. The written request DOES state allegations which, if sustained, would constitute a violation of the standards of TXCPA, in which case the investigating body shall notify the TXCPA Board of Directors and make inquiries of the CHAPTER and may make inquiries of any individual who may have knowledge of pertinent facts and circumstances.

**Notification:** A notification will be sent to the chapter representatives informing them of any and all inquiries made regarding the CHAPTER and shall specify the conduct which is the subject of the request. Within thirty (30) days of receipt of the investigating body's findings, the TXCPA President/CEO shall send notice of the determination by Certified Mail, Return Receipt Requested and via email, to appropriate representatives of the CHAPTER, as well as to the originator of the request. If the findings are to be sent to the TXCPA Board of Directors for review, the chapter will be informed of the date of the meeting to review the investigating body's findings. Chapter representatives are defined as the Chapter President, Chapter President-Elect, and Chapter Executive Director.

**Hearing:** At a time and place designated for a TXCPA Board of Directors meeting, representatives of the CHAPTER shall have an opportunity to be heard if they choose. A CHAPTER may choose to have the hearing in person or virtually. The CHAPTER shall be provided an opportunity to present its position verbally, present documents, argue the merits of its position, and to question any possible sanctions. It is the intent that CHAPTERS be afforded due process before any action is taken.

**Determination:** The TXCPA Board of Directors shall review the findings of the investigating body and evidence and arguments offered by the CHAPTER. It shall consider the gravity of the offense and shall take any action which it deems appropriate, which may include placing the CHAPTER on probation, suspending the CHAPTER's affiliated status or revoking the CHAPTER'S affiliated status. The determination of the TXCPA Board of Directors shall be by an affirmative vote of a majority of the TXCPA Board of Directors present and voting at the duly called meeting at which a quorum is present. The action of the TXCPA Board of Directors shall immediately be communicated to appropriate representatives of the CHAPTER by Certified Mail, Return Receipt Requested and via email.

- A. **Probation:** The TXCPA Board of Directors may place a chapter on probation for a period not to exceed ninety (90) days.
- B. **Suspension:** The TXCPA Board of Directors may suspend a chapter's affiliated status for a period not to exceed nine (9) months, which may result in limitations or a loss of all benefits and privileges as determined by the TXCPA Board of Directors. All TXCPA members affiliated with the CHAPTER shall be notified of such suspension.
- C. **Revocation:** The TXCPA Board of Directors may revoke a chapter's affiliated status. In the event that the CHAPTER'S affiliated status is revoked, the CHAPTER will cease to have the right to represent itself as an affiliated chapter of TXCPA and will lose all benefits and privileges therein. All TXCPA members affiliated

with the CHAPTER shall be notified of such revocation, and their chapter memberships will be reassigned to the closest geographic chapter or a successor chapter.

Reapplication: Any chapter that has had its status revoked may reapply for affiliated status one (1) year after the date of revocation. (EB: 4/23/21) (BOD: 4/27/23)

## Chapter – Standards for Formation of a New Chapter

Any change to existing chapter boundaries must be proposed in writing and sent to the attention of the TXCPA chair by July 1. (A proposal received after that date will be postponed to the next fiscal year.) The process will take place over two fiscal years.

Before the formal proposal is sent, the following pre-application steps must be completed:

1. If there are at least 250 members in the counties proposed to be moved, they are electronically surveyed by TXCPA staff to see how many are willing; and
2. The first four items below are included in a document that the proposers provide to the chapter president, chapter president-elect and executive director/secretary of each existing chapter from which members would be moved, to see whether the needs stated for a new chapter could be met within the existing structure.

After the steps are completed, the TXCPA chair will notify the proposers that they may move forward as follows.

The proposal document shall include all of the following:

1. Names of at least 20 current CPA members in good standing (who have been members for at least five years continuously) making the proposal;
2. A detailed explanation of members' needs for a new chapter in the affected area that cannot be addressed by existing chapters;
3. Names of the counties that would be moved from existing chapters;
4. The approximate number of members who would be moved (a minimum of 250 current members, distinguished fellows and lifetime members in good standing is required);
5. A three-year business plan;
6. The names of eligible members who have committed to serve as officers during the first three years after the chapter is created;
7. Proposed dues amounts for the first three years; and
8. A proposed three-year budget.

All names in the proposal are subject to eligibility verification by TXCPA staff. The TXCPA chair will determine whether the document meets criteria.

The proposed change will be communicated to the Boards of Directors of each chapter from which the proposed counties would be moved, by August 1.

The proposed change will be communicated to the TXCPA Board of Directors prior to consideration by the Board of Directors with the affected chapter(s) given the opportunity to state their case in person.

If all of the foregoing criteria have been met, the proposal will be placed on the agenda for a vote at the next meeting of the Board of Directors. At that meeting, there must be an affirmative vote of at least two-thirds of current Board members in attendance in order to approve the proposal.

If the proposal is approved by the Board of Directors as indicated, proposed Bylaws (that provide for four officers – president, president-elect, secretary and treasurer – and comply with TXCPA Bylaws) for the new chapter shall be sent to the president & CEO by June 1 for approval by the TXCPA Board of Directors at its next regularly scheduled meeting.

After Bylaws are approved by the TXCPA Board of Directors, all affected members will be notified by TXCPA and their chapter affiliation changed by November 1. After that date, they may meet and conduct business in accordance with their approved Bylaws. During April joint dues billing by TXCPA, they will be billed for dues in the new chapter at the rates approved by the new chapter's Board of Directors by February 1 of the second fiscal year of the process.

The new chapter will be in a probationary period for three fiscal years, subject to Board of Directors approval, and must submit annual financial reports to the TXCPA Board of Directors no later than two months after the end of each fiscal year. (MYB:1/28/15)

## **Committees and Conference Planning Groups**

*See Committees section beginning on page 39*

## **Compensation and Benefits**

Compensation and benefits programs for TXCPA employees are designed with the goal of providing remuneration that is fair, reasonable and competitive. The programs are intended to help TXCPA recruit and retain qualified staff while being cost-effective and affordable, ensuring that the interests of TXCPA members are considered. The responsibility for guiding and overseeing the formulation and application of staff compensation and benefits for TXCPA employees has been delegated to the Compensation Committee by the Board of Directors. The Compensation Committee will report to the Board of Directors on an annual basis the work and decisions of the committee.

As part of its responsibilities, the Compensation Committee will: oversee and review the salary grades for various staff positions established by the president & CEO, oversee and review the benefit programs provided to TXCPA employees, set the overall compensation budget for TXCPA each year, conduct a performance evaluation of the president & CEO each year and set the compensation of the president & CEO.

To assure competitive and appropriate levels of compensation for staff, the Compensation Committee will obtain information from relevant comparator groups, including other associations and nonprofit organizations, as well as other general industry companies, as appropriate. Information regarding compensation and benefit programs of other comparator groups will be obtained by employing independent compensation consultants on a periodic basis and at least every three years.

The guidelines described above apply consistently to all employees of TXCPA regardless of their level. TXCPA administers its compensation and benefit programs in accordance with Federal Wage and Hour Laws, and other applicable governmental guidelines. (EB:11/7/08)

## **Conflict of Interest Policy**

All TXCPA volunteers will make every effort to avoid any conflict between their own personal, company or firm interests and the interests of the Society, in all actions taken by them on behalf of the Society.

A volunteer should abstain from voting on issues, policies and decisions which could cause the member to benefit personally or cause the member's company or firm to benefit from the outcome of the vote.

Each officer and director of TXCPA shall be required to sign an annual statement that he/she understands the Conflict of Interest Policy and agrees to disclose to the chair any conflict or potential conflict of interest which may arise during his/her service. (See "Conflict of Interest Disclosure Statement.")

The disclosure of any conflict by volunteers should be in writing, confidentially addressed to the chair, and should describe the facts and circumstances relative to the potential conflict of interest. It will be the decision of the chair of the Society as to a resolution of the conflict, if a resolution is deemed necessary.

Any volunteer who is aware of a conflict of interest on his/her part and fails to report such shall be subject to appropriate disciplinary action by the Board of Directors or its designee. (EB:8/09/02) (EB:11/7/08)

Click on the following link for the Conflict of Interest Disclosure Statement:

<https://www.tx.cpa/docs/default-source/member-content/txcpa-board-of-directors-conflict-of-interest.pdf>

## **Contracting Authority**

All contracts entered into by TXCPA and its related entities (not including chapters), must be approved by the president & CEO or his/her designee. (EB:8/09/02)

## **Coordinating Officers, Responsibilities of the Board of Directors as**

Most of the members of the Board of Directors will be asked to serve as coordinating officers for one or more committees.

The duties of coordinating officers are as follows:

1. Serve as a catalyst to the committee(s), maintaining appropriate contact with the committee chairs and members to assure that each committee performs its assigned tasks;
2. Interpret Board of Directors policies for committees as required;
3. Encourage presentation of questions or recommendations to the Board of Directors;
4. Represent the committees at meetings of the Board of Directors;
5. Notify the chairs of any Board of Directors action that directly affects their respective committees with a copy to the committee chair and staff liaison(s);
6. Keep the Board of Directors informed of progress made by the committees;
7. Report on actions and activities of the Board of Directors at committee meetings; and
8. Be alert to the effectiveness of the chair, vice-chair and other members in order to offer consultation to the TXCPA chair-elect regarding committee appointments.

The coordinating officer is not expected to carry out any of the tasks assigned to the committees, their chairs or committee members.

A coordinating officer is expected to function as the advocate for the committee actions he/she brings to the Board of Directors. However, should the coordinating officer object to a committee or action to such an extent that the coordinating officer could not effectively advocate the position, he/she should advise the committee or chair and invite another representative to attend the Board of Directors meeting and advocate the committee's position. In this instance, the coordinating officer is free to express his/her personal opinion on the matter. (EB:11/7/03)

## Executive Committee

The Executive Committee will function for the Board of Directors between Board of Directors meetings and shall have all the powers of the Board of Directors except those specifically reserved to the Board of Directors itself.

The Executive Committee shall consist of the chair, chair-elect, treasurer and secretary.

## Expense Reimbursement, Volunteer

Society Chair, Chair-elect, Immediate Past Chair and Chair-elect Nominee: In token recognition of the substantial contribution of time and resources required of the chair and chair-elect during their tenures in office, all expenses relating to official travel by the chair, chair-elect, immediate past chair and chair-elect nominee and their spouses, subject only to the budget limitations for the year, are to be reimbursed by the Society. Travel expenses to be reimbursed shall include transportation (e.g., coach class airfare, personal automobile mileage allowance, taxi, and auto rental), meals, lodging and incidental expenses. Reimbursement of mileage as a travel expense will be at the prescribed IRS allowable rate, which may change from time to time. Original receipts of all expenditures, except for *de minimis* amounts defined from time to time by the IRS, must accompany requests for reimbursement. Arrangements for air travel should be made sufficiently in advance to obtain any discount fares available. All reimbursed spouse expenses in excess of \$600 in any calendar year will be documented on Form 1099 for tax purposes, as required by law. (EB:6/29/06)

It is contemplated that official travel shall include one or more visits to each chapter and numerous visits to the Society office, as well as all meetings of the Board of Directors, Leadership Council, AICPA & CPA SEA Leadership Conference and the Society's Annual Meeting of Members. The Annual Meeting of AICPA and any other travel in the interest of the Society, at the discretion of the chair and/or chair-elect, shall be included in official travel. (EB:4/27/07)

Any expenses incurred resulting from the position of immediate past chair or chair-elect nominee should be paid under the policy guideline of the chair and chair-elect. Expenses pertaining to other Society activities (not as a result of the immediate past chair or chair-elect nominee office) are not covered in this policy. (EB:6/29/06)

All official travel must not be preceded or followed by vacations as a group or by an officer and his/her spouse if it is clear that the site was chosen to facilitate a personal vacation.

Expense reports of the Society chair, chair-elect, immediate past chair and chair-elect nominee will be reviewed and approved by the president & CEO. (EB:6/29/06)

Board of Directors:

*See Meeting Expenses for Board of Directors under Meetings Policy*

Committee Members

*See expense reimbursement in Committees section beginning on page 35*

Coordinating Officers: In recognition of the substantial contribution of time and resources required of the coordinating officers, all expenses for in-person committee meetings not held in conjunction with the Board of Directors and Leadership Council may be reimbursed by the Society. Travel expenses to be reimbursed shall include reasonable transportation (e.g., coach class airfare, personal automobile mileage allowance, taxi, and auto rental), meals, lodging and incidental expenses. Reimbursement of mileage as a travel expense will be at the prescribed IRS allowable rate, which may change from time to time. Original receipts of all expenditures, except for *de minimis*

amounts defined from time to time by the IRS, must accompany requests for reimbursement. Arrangements for air travel should be made sufficiently in advance to obtain any discount fares available.

Reimbursement Requests: Requests for expense reimbursement should be submitted for approval in advance of the meeting. Original receipts of all expenditures, except for *de minimis* amounts defined from time to time by the IRS, must accompany expense reimbursement requests and should be submitted to the president & CEO of TXCPA. (EB:11/7/03) (EB:6/29/06)

## Financial Standards, Minimum

In order to maintain an appropriate financial position for the Society and related entities, the following minimum financial standards shall be maintained throughout each fiscal year.

Cash Balances: The Society and other affiliated entities each shall maintain a minimum cash and investment balance equal to three succeeding months' total forecasted expenses.

Capital Expenditures: Capital expenditures or financing for any Society entity must not violate the cash balances on a current or forecasted basis.

These standards should be reviewed and evaluated at least every three years. (EB:6/19/98) (EB:8/24/12)

## Fund Balance Guidelines

TXCPA will strive to maintain a fund balance that provides the liquidity to make strategic investments for the future, as well as to provide for an unexpected financial shortfall or other unexpected event. A portion of the fund balance should also allow TXCPA to deal with the market volatility of their investments that can happen from time to time. Based on the research of best practices within the broader association community, TXCPA has established the following guidelines for fund balances. If the fund balances fall below these guidelines, the TXCPA Finance Committee and Board of Directors will recommend a plan of action to return the fund balances to an adequate level.

### TXCPA

TXCPA will maintain unrestricted net assets equal to at least 50 percent of total expenses. Total expenses are defined as all operating expenses. (EB:4/28/17)

## Investment Guidelines and Objectives

The purpose of this statement is to establish the guidelines necessary for the management of TXCPA's investment portfolio. The principal and income of this portfolio will be available to fund the ongoing operations of TXCPA and related entities. The goal of the investment portfolio is to preserve and grow capital while maintaining purchasing power and liquidity.

The TXCPA investment portfolio should be invested according to the following guidelines:

1. Interest bearing checking, saving and money market accounts held at financial institutions which are members of FDIC or SIPC.

2. Certificates of deposit issued by federally insured financial institutions, including those obtained through brokerage firms.
3. Money market mutual funds that strive to maintain a constant dollar value.
4. U.S. Treasury securities and government agency securities.
5. Corporate debt securities in U.S. dollar denominated amounts. These securities must meet or exceed an investment grade credit rating from *at least one recognized rating agency*. These corporate debt securities are expected not to exceed 50 percent of the market value of the portfolio, with not more than five percent of the market value of the total portfolio in any one corporate issuer.
6. Diversified investment grade bond funds. It is understood these funds may not be 100 percent invested in investment grade securities and consideration should be given to the quantity and quality of the non-investment grade securities. When combined with the corporate debt securities in #5 above, these bond funds should not exceed 50 percent of the market value of the total portfolio and no more than five percent of the market value of the total portfolio should be with any one corporate issuer.
7. Equity securities in U.S. dollar denominated amounts. The equity securities should not exceed 60 percent of the market value of the total portfolio at the time of initial investment with not more than five percent of the market value of the total portfolio in any one corporate issuer at the time of initial investment.

The equity position will be evaluated semi-annually at May 31 and November 30. If the equity position exceeds 60 percent of long-term funds at these points in time, the Investment Committee will reallocate between equity securities and fixed income securities to bring the equity back down to 60 percent, or less. This allocation will be performed within 90 days of the dates above.

The investment portfolio shall be invested in accordance with the TXCPA Investment Guidelines and Objectives. The asset allocation of the investment portfolio shall be reviewed periodically by the Investment Committee, which will be responsible for monitoring the investment portfolio on an ongoing basis. This committee will consider the current economic, social and political conditions, outlook for interest rates, market volatility, business environment, and other pertinent investment factors for making its asset allocation recommendations. (EB:4/30/10)

## Leadership Council

The Leadership Council (the "Council") will provide strategic insight and feedback to support the viability, value and relevance of TXCPA

The Council shall consist of the following members:

1. Chair of the Board of Directors who shall serve as chair of the Council;
2. All past TXCPA volunteer presidents and chairs may serve at their own election and shall hold a valid, unrevoked and unexpired license with the State Board;
3. The members of the Board of Directors;
4. The president of each Chapter;
5. 45 members-at-large;
6. One extra member elected by each chapter for each complete unit of 200 CPA members of TXCPA with a minimum of one per chapter;
7. Chair of TXCPA's Strategic Planning Committee; and
8. Chair of the Accounting Education Foundation.

The TXCPA Bylaws describe the responsibility of the Council as follows:

1. Approve distinguished fellow and honorary members [Bylaws, Article II (5)];
2. Set CPA member dues [Bylaws, Article XII (1)];
3. Initiate amendments to Bylaws [Bylaws, Article XX (1)]; and
4. Review and make recommendations to proposed Bylaws changes put forth by members of the Board of Directors prior to Board vote [Bylaws, Article XX (1)]. (BOD: 4/27/23)



Except in the case of a TXCPA volunteer past chair or president, absence from three consecutive meetings of the Council by any member shall terminate his/her Council membership unless reasonable explanations are submitted and are accepted by the Board of Directors. (EB:11/7/03) (EB:8/25/06) (EB:08/24/07)

## **Liability Insurance, Board of Directors Members**

TXCPA carries Directors and Officers Liability policy (legal term) that includes an extension of coverage to all Board of Directors members.

This policy will pay, on behalf of the insured, all losses for which the insured shall be legally obligated to pay arising from any civil claim or claims first made against them because of a wrongful act while acting as a Board of Directors member of the Society, subject to certain exclusions and deductibles. The limit of liability is \$5,000,000 per loss per year. (EB:6/19/98)

## **Liability Insurance, Members**

This policy will pay, on behalf of the insured, all losses for which the insured shall be legally obligated to pay arising from any civil claim or claims first made against the because of a wrongful act while acting as a volunteer on behalf of the Society, subject to certain exclusions and deductibles. The limit of liability is \$5,000,000 per loss per year. (EB:6/19/98)

## **Lifetime Members/Distinguished Fellows - State Board Action**

In the event that TSBPA revokes the license of a lifetime member or distinguished fellow without prejudice for the non-payment of fees, the TXCPA status as a lifetime member or distinguished fellow will be retained. In the event an ethical complaint is lodged against a lifetime member or distinguished fellow it will be referred to the Ethics Committee for review. (EB:1/10/02) (EB:11/3/17)

## **Lobbyists, Contact With**

Contact with lobbyists may be authorized only by the chair, the president & CEO and/or the TXCPA managing director of governmental affairs. The chair, the president & CEO and/or the managing director of governmental affairs may authorize other individuals to interact with lobbyists. (EB:4/25/03)

## **Meetings Policy**

Committees

See Meetings in the Committees section

## Board of Directors

**Meeting Locations:** According to the TXCPA Bylaws, the TXCPA chair shall designate the time, place and agenda for meetings of the Board of Directors.

**Meeting Expenses:** TXCPA will cover the cost of hotel accommodations necessary for Board members to attend all meetings of the Board of Directors (two nights for a two-day meeting, one night for a one-day meeting), as well as group meals during the meeting. All other expenses in connection with their attendance at Board of Directors meetings (including transportation, incidental expenses and other lodging and meals) shall be the individual's responsibility of Board member. For meetings lasting more than one day, there will be at least one meal provided for members and spouses or guests. (EB:4/27/07) (EB: 1/30/19)

**Reimbursement for Board members** is limited to those for whom lack of reimbursement would constitute a sufficient financial burden to interfere with the performance of their responsibilities with TXCPA and its affiliated entities (not including chapters). Such reimbursed expenses are limited to transportation costs (e.g., coach class airfare, personal automobile mileage allowance, taxi and auto rental). Original receipts of all expenditures must accompany requests for reimbursement. (BOD: 1/27/25)

Board members requesting travel reimbursement under the parameters outlined above are to seek approval for reimbursement prior to the meeting. Requests should be submitted to and approved by the chief financial officer. Members approved for reimbursement must submit a brief memo, attaching either an original airfare receipt or a mileage statement. Arrangements for air travel should be made sufficiently in advance to obtain any discount fares available. There will be no disclosure of names of members to whom reimbursement is made. It is the intent that requests for reimbursement come only from Board members who qualify for reimbursement under this policy.

**Meeting Conflicts:** Committees will not hold meetings during the same time period that the Board of Directors is meeting, or three days before or after, except by approval of the appropriate coordinating officer. The three day requirement will be waived during meetings of the Leadership Council and the Annual Meeting of Members.

**Cancellation Policy:** TXCPA must pay the facility or vendor for guaranteed meals. If a confirmed member does not attend or cancels after the guarantee is made (usually 72 hours before the event), TXCPA may bill the member for the cost of the guaranteed meal(s). (EB:11/7/03)

## Member Benefits Criteria Statement

Vendors and services offered to TXCPA members through the Member Benefits Program should meet the following criteria:

1. A large number of members could obtain the product or service at a better price than on their own.
2. The product or service should be consistent with TXCPA's professional image.
3. Commissions associated with products should be evaluated (revenue sharing).
4. All benefits should be evaluated periodically as to their effectiveness.
5. In all instances, the Member Benefit Program vendor should meet the following qualifications:
  - a. When mailing advertising information to TXCPA members, vendors must agree that the solicitation will be limited to the approved product or service.
  - b. When provided the membership list on mailing labels or by electronic means, vendors must use the list only as approved in writing by TXCPA.
  - c. Vendors must agree to promote the product or service in some capacity to TXCPA members and pay for all out-of-pocket costs associated with the promotion.
  - d. All vendors must receive prior approval from TXCPA for all advertising and promotions.
  - e. All services will be offered to TXCPA members, the TXCPA office, chapter offices and employees of TXCPA and its chapters. With certain vendors, services can be offered to TXCPA members' clients.

- f. Changes to the program must be reflected in the agreement between the parties.
- 6. Conflicts with other groups providing products or services to CPAs should be considered. (EB:6/19/98)

## Member Categories

### CPA Member Categories

#### CPAs

CPAs holding valid and unrevoked certificates issued by the State Board of Public Accountancy of any state or territory of the United States or District of Columbia, whether or not engaged in the public practice of accountancy, and not meeting the requirements of a retired, lifetime, 40-year member, or honorary member. Also open to accounting professionals holding a valid and unrevoked certificate or license issued by a foreign credentialing entity recognized by TXCPA. (EB:4/28/22)

#### Retired CPAs

CPA members who hold a retired license status with the Texas State Board of Public Accountancy. (EB:4/28/22)

#### Legacy Members

CPA members how have obtained 40 consecutive years of membership in TXCPA subsequent to May 31, 2015. (EB:4/28/22)

#### Lifetime Members

A CPA member who has obtained 40 consecutive years of membership in TXCPA prior to June 1, 2015. (EB:4/28/22)

#### Distinguished Fellows

Any CPA member who, in the opinion of the Leadership Council, has performed outstanding service to the Society may be nominated for as a distinguished fellow by the Awards Committee, subject to the approval by a vote of the members present at the next Leadership Council meeting. Distinguished fellows shall not be required to pay dues or other assessments, but shall be eligible to hold offices and to vote at meetings. (EB:4/28/22)

### Affiliate Member Categories:

The Board of Directors of the Society shall determine the dues to be paid for affiliate membership categories. The Board of Directors also determines the rights and privileges of affiliates. Under no circumstances shall non-CPA affiliates be entitled to vote or hold office in the Society. Affiliate members are prohibited by state law and TXCPA policy from implying or representing themselves as CPAs.

#### Business and Accounting Educators

High School or college/university educators who teach business-related classes on a part-time or full-time basis. CPAs and non-CPAs are eligible for this member category. (EB:4/28/22)

#### Faculty Ambassadors

CPA or non-CPA full-time college or university accounting educator who has completed the application process with TXCPA for the academic year. Only one faculty ambassador will be approved for each campus. (EB:4/28/22)

#### Accounting and Finance Professionals

Open to industry-related credential holders, non-CPA professionals working with and sponsored by a TXCPA CPA member, and non-CPA professionals holding a bachelor's degree who work in the accounting/finance function in an

organization. Former CPAs who hold a license that was revoked for a non-administrative reason are not eligible to join TXCPA in any non-CPA member category. (EB:4/28/22) (BOD: 1/24/24)

Related credential holders to include: Attorneys, Chartered Financial Analysts (CFA), Certified Financial Planners (CFP), Certified Fraud Examiners (CFE), Chartered Global Management Accountant (CGMA), Certified Information Systems Auditors (CISA), Certified Information Technology Professionals (CITP), Certified Internal Auditors (CIA), Certified Management Accountants (CMA), Certified Valuation Analyst (CVA), and Enrolled Agents (EA). (EB:4/28/22)

## Associates

Individuals who are not a licensed CPA, do not qualify for any other membership category and offers a related service or product for accounting and finance professionals. (EB:4/28/22)

## Honorary Members

Any person who, in the opinion of the Board of Directors, has rendered distinguished service to the profession, but who is not a member may be nominated by unanimous vote of the Board of Directors for honorary membership, subject to the approval by unanimous vote of the members present at the next general meeting of the Society. Honorary members shall not be required to pay dues or other assessments, nor shall they be eligible to hold office or to vote at meetings, but all other privileges of the Society shall be extended to them. (EB:4/28/22)

Other Requirements:

All affiliate members must make the following assertions upon application for membership:

I hereby certify that the information provided is correct to the best of my knowledge and belief, that I have never been convicted by any court or other body of a felony or a misdemeanor under the laws of the state or the United States or in any jurisdiction, and that I have never been suspended or expelled from any professional organization. If you have been so convicted, suspended or expelled, please attach statement giving details. I will abide by the [Bylaws](#) and the Code of Professional Ethics of the Texas Society of Certified Public Accountants upon acceptance. (EB:06/30/06) (EB:8/25/06) (BOD:1/27/09)

## **Students/Candidates:**

Student/Candidate member dues, if any, are prescribed by the Board of Directors.

Students: Includes part-time and full-time undergraduate and graduate students from two- and four-year colleges or universities enrolled in a business-related field of study, excluding those who have earned a CPA or related credential. Upon graduation, a student becomes a candidate. (EB:4/28/22)

Candidates: Non-CPA members who have graduated within the past five years and are pursuing a CPA license or those who are within five years of passing the CPA exam but not yet certified. (EB:4/28/22)

## **Member Expulsion/Suspension Hearings**

1. A member has 30 days from the notice of expulsion/suspension to request a hearing.
2. The hearing shall be conducted by the Board of Directors or a committee appointed by the TXCPA Chair.
3. Upon receipt of a request for a hearing, the TXCPA President/CEO or their designee shall communicate with the member and provide notice of date, time, and location of the hearing.
4. TXCPA Chair has discretion to appoint a committee of their choosing to conduct a hearing.
  - a. A committee of 3 or 5 members is preferred.
  - b. TXCPA Chair shall name the committee and the committee chair.

- c. Committee members shall sign a conflict of interest form stating that there is no conflict between them, their service on the committee, and the member in question.
  - d. If appropriate, the Chair may require a non-disclosure or confidentiality form to be completed by all committee members.
  - e. The committee shall meet in person at a location determined by the committee chair.
5. Before the in-person hearing, the committee may send communications to the member detailing the process of the hearing.
6. The committee may conduct a formal interview of the member prior to the hearing. All interviews shall be conducted in accordance with the interview process adopted by the Professional Ethics Committee and detailed in the JEEP interview procedures.
7. The committee may propose written questions to the member prior to the hearing seeking additional evidence, clarification, explanation, or any other information that may be useful to the committee in rendering a recommendation on expulsion or suspension. The committee shall provide sufficient time for the member to respond to the committee's questions. The committee shall receive all written communications at least seven (7) business days prior to the in-person hearing.
8. Hearing
  - a. The purpose of the hearing is to provide the committee and TXCPA information to make a transparent and fully informed decision regarding the member's expulsion or suspension.
  - b. The hearing is intended for the committee to propound questions, seek information, and gather any additional evidence that the member may have in contesting their expulsion or suspension.
  - c. The hearing shall focus exclusively on the member's conduct, actions, and factors that are the basis of the expulsion or suspension determination.
  - d. The member and the committee may have counsel present.
  - e. The member and the committee may agree that the hearing should be conducted in an informal process.
  - f. The hearing shall not be audio or visually recorded by either party. The committee may designate one person to take notes at the hearing.
  - g. If required by the parties or the circumstances, the committee may follow the formal rules used by the AICPA for disciplinary hearing. (AICPA Rules of Procedures and Practice 2009)
  - h. After the in-person hearing, the committee shall draft a report directed to the Board of Directors stating its recommendation on expulsion or suspension. The committee shall include the reasons for the decision. The committee shall have ten (10) business days to draft a report and send it to the Board of Directors.
9. Upon receipt of the report issued by the committee, the Board of Directors shall take up the matter of expulsion/suspension at its next meeting or next specially called meeting. The Board of Director's decision shall be final as to the member's status with TXCPA.
10. The process for a committee hearing adopted in these Policies shall also be used for a hearing conducted by the Board of Directors. (BOD: 1/24/24)

## Member Grievance Policy

### Purpose

TXCPA members and TXCPA staff are committed to being professional, ethical, honest, and upholding the highest standards. TXCPA is governed by its Bylaws and its *Volunteers Policies & Procedures Manual*. All TXCPA members and staff are responsible for understanding and abiding by all provisions of the Bylaws and Policies & Procedures. This policy's purpose is to provide a process for the good faith review of member complaints, promoting the resolution of disputes, and protecting the integrity and openness of TXCPA. In addition, this grievance policy is established to assist TXCPA and its members in upholding the Society's Bylaws and Policies & Procedures.

### Scope

# *POLICIES*

---

This grievance policy is intended to address TXCPA member concerns relating to the following areas: products or services provided by or secured by TXCPA for members; financial and organizational issues involving TXCPA; staff personnel issues; management issues; and TXCPA member behavior.

To the extent possible, and in the best interests of TXCPA, TXCPA members, and staff, a member that has a complaint relating to any of the foregoing areas, shall attempt to address the concerns informally. A member that cannot resolve the matter informally shall have the opportunity to address the matter formally and pursuant to the procedures outlined below.

## **Grievance Process**

All complaints under this policy shall be submitted in writing (or email) to the appropriate person or department depending upon the area of concern. Written complaints shall include:

1. Name and full contact information of the member making the complaint;
2. A full and detailed description of the issue that is the basis of the complaint, including, but not limited to the individuals involved; date(s), time and place of the alleged complaint; and the basis of the alleged complaint (what Bylaws, Policies & Procedures, or other practice/guidance/rule was violated);
3. Any supporting documentation; and
4. Any proposed suggestions to address the alleged grievance.

A complaint concerning a product or service that TXCPA provides to its members, either directly or through a contracted entity, shall be addressed to the TXCPA Chief Operating Officer.

A complaint concerning a TXCPA organizational or financial issues or TXCPA staff issue shall be addressed to the TXCPA President & CEO.

A complaint concerning the TXCPA President & CEO shall be addressed to the TXCPA Chair.

A grievance concerning an issue relating to another TXCPA member(s) actions, conduct, or behavior in their role as a member of TXCPA shall be addressed to the TXCPA Director of Government Affairs and Special Counsel. A grievance about a member's practice, business, and business ethics or complaint about the Rules of Professional Conduct are not addressed in this grievance policy. Practice, business ethics issues and rules of professional conduct are addressed by and will be referred to the Professional Ethics Committee.

All written complaints received relating to TXCPA organizational and financial issues or products or services shall be handled as follows:

1. Within five (5) business days of receiving the complaint, TXCPA shall provide written acknowledgement of the complaint to the member.
2. To the extent possible, TXCPA shall attempt to informally address the matter and provide a resolution to the member.
3. If a matter relating to TXCPA's organizational or financial matters or a product or service cannot be addressed informally, the President & CEO or COO shall meet with the complainant and the staff/department to resolve the matter. The complainant and TXCPA staff shall use their best efforts to resolve the matter in a timely manner.
4. If the complainant and TXCPA are unable to resolve the matter, either the complainant or TXCPA staff leadership may refer the matter to the TXCPA Chair for further consideration. A complaint about TXCPA organizational or financial issues or products or services should be presented to the Chair only when the matter cannot be resolved.
5. The Chair may appoint a panel of members to review the complaint and to provide recommendations to the Board of Directors for consideration.
6. The panel shall send a recommendation to the Board of Directors for consideration at its next scheduled meeting.

7. The Board of Directors may adopt, reject, or modify the panel's recommendation. All decisions by the Board of Directors are final.

All member complaints concerning the TXCPA President & CEO shall be handled as follows:

1. Within five (5) business days of receiving the complaint, the TXCPA Chair shall provide written acknowledgement of the complaint to the member. The TXCPA Chair shall also notify the Board of Directors of the complaint.
2. The Chair shall attempt to resolve the matter in a timely and informal process.
3. The Chair may appoint a panel of the Board of Directors to address the complaint.
4. Within sixty (60) days of the appointment of a panel, the panel shall conduct a hearing or meeting to address the matter.
5. To the extent possible, the panel's meeting or hearing shall be modeled on the hearing process established to address a member's appeal of membership suspension or termination.
6. The panel shall send a recommendation to the full Board of Directors for consideration at its next scheduled meeting.
7. The Board of Directors may adopt, reject, or modify the panel's recommendation. All decisions by the Board of Directors are final.

All member written complaints received relating to TXCPA staff member shall be handled as follows:

1. Within five (5) business days of receiving the complaint, TXCPA shall provide written acknowledgement of the complaint to the member. The President & CEO shall inform the staff member's department manager about the details of the complaint.
2. A written formal complaint received about a TXCPA staff member shall be immediately forwarded to a designated human resources representative. The HR representative shall then immediately inform the TXCPA staff member about the complaint.
3. A designated HR representative shall independently interview both the complainant and the TXCPA staff member to ascertain the facts of the allegation.
4. The HR representative shall, in coordination with the TXCPA staffer member's manager, prepare a recommendation with a proposed course of action, if any, to address the allegation and the complainant's concerns to be presented to the President & CEO.
5. All procedures, investigations, and actions concerning the TXCPA staffer's actions shall be conducted in accordance with TXCPA employment policies and all Texas and federal employment laws.
6. A complaint relating to the conduct of TXCPA staff is considered a staff personnel matter under the President & CEO's duties and responsibilities.

All written complaints received relating to the conduct or action of another TXCPA member(s) shall be handled as follows:

1. Within five (5) business days of receiving the complaint, TXCPA shall provide written acknowledgement of the complaint to the member.
2. A written formal complaint received about a TXCPA member's actions or conduct shall be shared with the Chair of the Board and President & CEO. In addition, the Chair shall inform the Board of Directors about the complaint against another member.
3. The Chair may appoint a member panel to address the complaint. The panel may consist of members of the Board of Directors, non-Board members, or a combination thereof.
4. Within sixty (60) days of the appointment of a panel, the panel shall conduct a hearing or meeting to address the matter.

5. To the extent possible, the panel's meeting or hearing shall be modeled on the hearing process established to address a member's appeal of membership suspension or termination.
6. The panel shall send a recommendation to the Board of Directors for consideration at its next scheduled meeting.
7. The Board of Directors may adopt, reject, or modify the panel's recommendation. All decisions by the Board of Directors are final. (BOD: 1/24/24)

## **Member Mailing List Use**

Use of TXCPA Membership Mailing List - General Policy: The TXCPA membership mailing list is the property of TXCPA and is to remain under its exclusive jurisdiction. Mailing lists may be sold to outside organizations under the direction of the president & CEO.

To resolve all matters pertaining to use or availability of TXCPA membership mailing lists, the president & CEO shall have the right to impose whatever restrictions he/she may deem appropriate under the circumstances. Appeals may be made to the chair for final resolution.

Use of TXCPA Membership Mailing List - Today's CPA: As an incentive to first time and renewing vendors, advertising representatives may offer a portion of the list on a onetime, special mailing basis only. Each sale will be evaluated on an individual basis by the member benefits administrator and/or the director of marketing and communications. Members will be assured of quality promotional mailings, but will have the option of electing not to participate in such mailings. (EB:8/09/02)

Use of TXCPA Membership Mailing List for TXCPA Member Benefits Vendors: Approved vendors in the Member Benefits Program may receive the membership mailing list as needed to promote the designated Member Benefits Program. The list may take the form of labels, hard list or electronic means. Additionally, the president & CEO shall be made aware of all promotions related to the use of TXCPA's membership mailing list.

Member Email Address Use: Member email addresses are the property of TXCPA and are to remain under its exclusive jurisdiction. Email addresses are not to be sold to outside organizations or provided for advertisers, affinity partners or member benefit vendors. TXCPA may authorize its affiliated entities to use member email addresses for appropriate purposes to disseminate information to members.

TXCPA Chapter Use of Member Information: TXCPA chapter use of TXCPA member information, including mailing and email addresses, is restricted to each chapter's members only unless permission by TXCPA and such chapter is granted.

(EB:6/13/02) (EB:11/11/06)

## **Members Suspended by Texas State Board of Public Accountancy**

Any TXCPA member whose license has been suspended by the Texas State Board of Public Accountancy (TSBPA) may have his/her membership suspended in TXCPA by the Board of Directors as set forth in Bylaws Article III(4A)(1).

Each suspended CPA will be notified by TXCPA that his/her TXCPA membership will be suspended in 30 days, with the exception of those members who are currently under professional ethics investigation.

If the member has paid his/her current TXCPA dues, he/she will automatically be reinstated upon notification from TSBPA that he/she has satisfied their requirements. Such notification will be in the form of the minutes of the TSBPA board meetings.



If the member has not paid his/her current TXCPA dues, he/she will not be reinstated until such time as TSBPA has notified TXCPA that the CPA has met the necessary requirements for reinstatement and the CPA's TXCPA dues have been paid. (EB:11/11/06)

## **Peer Review Program, Qualifications of Reviewers**

A reviewer in the Peer Review Program administered by TXCPA must comply with all qualifications established by AICPA's Peer Review Board and published in the Standards for Performing and Reporting on Peer Reviews. These qualifications include, but are not limited to, membership in AICPA. Consequently, all reviewers must be members of AICPA in order to meet the qualifications of a reviewer for TXCPA administered reviews. (PRC:6/19/98)

## **President & CEO, Role of**

The president & CEO serves as chief executive officer of the Society and is responsible to, and serves at the pleasure of, the Board of Directors. The president & CEO implements and administers staff policies and procedures and assures that staff provides appropriate support of volunteer policies and procedures established by the Board of Directors. He/she acts as a liaison between the TXCPA staff, TXCPA membership, and the local chapters and provides continuity for a constantly changing elected leadership and other volunteers.

The president & CEO functions in an advisory and administrative capacity in the recommendation, establishment, execution, and continuity of TXCPA programs and activities. He/she forecasts current and future requirements for budget and finance, staffing, facilities, and equipment necessary to accomplish programs and to meet objectives of TXCPA, and reviews proposed programs to determine their impact on human and financial resources. The president & CEO may approve new programs within constraints as outlined in the Budgetary Controls policy.

The president & CEO assists and advises the Board of Directors, committees and members by monitoring key issues, programs and trends within the profession.

Specific responsibilities of the president & CEO are defined in his/her job description as approved by the Board of Directors. (EB:8/09/02)

## **Secretary, Responsibilities of**

It shall be the duty of the secretary to:

1. Serve as an officer of TXCPA;
  2. Serve as a member of the Board of Directors;
  3. Serve on the Executive Committee;
  4. Serve as a member of the Leadership Council;
  5. Approve and sign the minutes of all meetings of the membership, the Board of Directors and the Leadership Council;
  6. Determine that Board of Directors and Leadership Council members have met attendance requirements as prescribed by the Bylaws; and
  7. Oversee the maintenance of, and revision to, the Bylaws of the Society, related entities and local chapters.
- (EB:8/09/02) (BOD: 4/27/23)

## Sexual Harassment Prevention and Investigation Procedure

TXCPA is committed to providing an environment free from sexual harassment. Sexual harassment in any manner or form is expressly prohibited. All claims of sexual harassment will be promptly and thoroughly investigated. Anyone who violates TXCPA's policy is subject to disciplinary action commensurate with the severity of the offense, up to and including termination of employment or expulsion from membership.

### Definitions:

**Sexual harassment:** Generally speaking, sexual harassment includes unwelcome touching or verbal conduct of a suggestive nature, as well as requests for sexual favors. There are two types of sexual harassment:

1. "Quid pro quo" sexual harassment occurs when sexual favors are requested or demanded as a condition of employment or as a basis for employment decisions affecting that employee; and
2. "Hostile work environment" occurs when there is verbal or physical conduct of an offensive nature that permeates the work environment so much that it interferes with an employee's work performance and seriously affects his/her psychological well-being. Conduct which may constitute a hostile work environment may include verbal sexual innuendoes, suggestive comments or jokes of a sexual nature. In addition, the display of sexually suggestive objects or pictures may contribute to a hostile work environment, as well as unwanted physical contact of any kind.

### Scope:

This policy applies to all TXCPA employees, officers, directors, volunteers, members and spouses who participate in TXCPA events and activities. Not only does the scope of this policy include the offices of TXCPA, but also includes offsite meetings, conferences and business-related social functions.

### Preventive Measures:

The following actions may constitute sexual harassment; therefore, employees, officers, directors, volunteers, members and spouses should refrain from this type of behavior:

1. Verbal sexual innuendoes;
2. Suggestive comments;
3. Jokes of a sexual nature (verbal, written, pictures or drawings);
4. Display of sexually suggestive objects or pictures;
5. Obscene gestures;
6. Questions and comments concerning an individual's sexual behavior;
7. Unwanted physical contact of any kind; and
8. Any comment or suggestions that indicate that a sexual favor would enhance an employee's career with the organization.

### Procedure:

Any individual who feels that he/she has been subjected to sexual harassment should immediately notify the TXCPA president & CEO. If the individual is not comfortable discussing the issue with the president & CEO, he/she may discuss it with the chair of the Board.

An investigation of the allegations will be conducted. The investigation shall be conducted in confidence with communication to members and other staff members only on a need-to-know basis.

If the investigation reveals that the complaint is valid, the organization will take prompt action to stop the harassment immediately and to prevent its reoccurrence.

No adverse action shall be taken in retaliation against persons making a complaint or participating in an investigation. (EB & CEO:11/7/03) (EB:11/3/17)

## **Speaking Out for TXCPA**

One of the expressed goals of TXCPA is to speak on behalf of its members when such action is in the best interest of its members and serves the cause of CPAs in Texas, as well as the public interest.

Presentation of the Society's views on appropriate matters to AICPA, to the business community, to the media, to the Texas Legislature and U.S. Congress, to state and federal agencies, to standard-setting bodies, or to the public at large is an essential part of a program of service and meaningful communications. However, it can be an effective part only when carried out in an orderly manner consistent with a clearly stated policy.

The purpose of this statement is to clarify the authority and responsibility of individuals or groups in expressing such opinions while they are associated in an official capacity with TXCPA.

Speaking out refers to any statement, written or oral, which (i) purports to express an opinion on any matter by a member or employee of the Society in such member's or employee's capacity as a representative of the Society, or (ii) is set forth as the position of CPAs in Texas.

Speaking out does NOT refer to factual statements (articles, interviews, speeches, etc.) that address technical accounting or tax issues, provided the statements are not presented as the opinion of TXCPA.

Nothing in this policy statement is intended to limit or preclude normal and routine correspondence of the TXCPA Board of Directors, committees, chapters, chapter committees, member sections and staff. Nor is this statement intended to restrict any individual from expressing his/her personal views; however, anyone holding a position of leadership in TXCPA should recognize the probability that his/her personal views might be considered an official position.

Board of Directors:

The TXCPA Board of Directors may make statements on behalf of TXCPA at any time.

Chair and President & CEO:

The chair and president & CEO have authority to prepare responses to matters requiring a prompt reply. Furthermore, the chair and president & CEO may delegate this authority as to any single matter to any member whenever the chair and president & CEO believe such person has the requisite professional expertise and skills to speak out on such matter. (EB:11/3/17)

Committees and Task Forces:

See *Speaking Out in Committees* section beginning on page 35.

## **Staff Liaison (Committee), Responsibilities of**

See *Committee Staff Liaison, Responsibilities of* in *Committees* section beginning on page 35.

## **Strategic Planning Process**

# *POLICIES*

---

The strategic plan provides TXCPA with an approved direction for achieving its mission. TXCPA's Bylaws, Article XVII recognizes the role of the strategic plan within the organization, as well as the responsibility of the Board of Directors to recommend, approve, oversee, evaluate and report on status of the strategic plan.

The Strategic Planning Committee monitors progress in achieving the objectives of the plan. The committee recommends strategic plan changes to the Board of Directors for its approval. (EB:11/7/03)

## **Task Forces**

Certain circumstances may dictate that a short-term objective of the Society would best be accomplished within the structure of a task force. A task force will be sunset when a specific job is accomplished and will not require staff support unless approved by the president & CEO.

The Board of Directors has the sole authority to designate and charge task forces, or it may choose to delegate some authority to specific officers, committees, or staff. (EB:8/09/02)

## **Treasurer, Responsibilities of**

The treasurer shall oversee the funds, accounts and fiscal affairs of the Society and its related entities (not including chapters), subject to direction or review by the Board of Directors. The treasurer shall furnish such reports and statements as the Board of Directors may direct. In the event the treasurer is temporarily unable or unwilling to act, the treasurer-elect shall furnish reports and statements as directed by the Finance Committee or Board of Directors. (BOD: 4/27/23)

It shall be the duty of the treasurer to:

1. Serve as an officer of TXCPA;
2. Serve as a member of the Board of Directors;
3. Serve on the Executive Committee;
4. Serve as a member of the Leadership Council;
5. Chair the Finance Committee;
6. Serve on the Audit Committee;
7. Provide a comprehensive financial report of TXCPA's financial condition and operating results at both the Leadership Council meetings and Annual Meeting of Members;
8. Serve as a member of the Compensation Committee;
9. Serve as trustee for the TXCPA Insurance Trust;
10. Provide oversight regarding administration of the budget and present the financial statements with explanation of budget variances to the Board of Directors;
11. Approve the expense reports of the president & CEO;
12. Coordinate with the appropriate TXCPA staff in financial matters;
13. Bring to the attention of the Board of Directors, on a timely basis, anticipated deviations from the approved budget. (Additional approvals may be necessary if expenditures will exceed the budgeted amounts in accordance with the Budgetary Controls Policy. (EB:8/09/02)

## **Treasurer-elect, Responsibilities of**

The treasurer-elect will become familiar with all financial reporting of all entities of the Society.

The treasurer-elect will:

1. Serve on the Board of Directors;
2. Serve on the Leadership Council;
3. Serve on the Finance Committee;
4. Serve on the Compensation Committee;
5. Serve as an ex officio member on the Audit Committee;
6. Serve on the Strategic Planning Committee;
7. Serve as trustee for the TXCPA Insurance Trust; and
8. Submit a proposed annual budget to the incoming Board of Directors for approval.

The treasurer-elect will present the budget to the Finance Committee for its recommendations prior to presentation to the Board of Directors for final approval.(EB:8/09/02)

## **Treasurer-elect Nominee, Responsibilities of**

The treasurer-elect nominee serves on the Compensation Committee and as an ex officio member on the Finance Committee. (EB:6/19/98) (BOD:4/27/23)

## **TXCPA CPA-PAC Political Activity**

The CPA-PAC is by its nature involved in political activity, including making political contributions to candidates for legislative and statewide offices. Certain laws administered by the Texas Ethics Commission prohibit corporations, including non-profit corporations and professional associations, from engaging directly in such political activity, but do allow such organizations to organize and administer a political action committee. Under these laws, TXCPA is permitted to pay for the costs to organize, administer and raise funds for the PAC. TXCPA is not permitted to pay for political contributions or other costs related to support of a particular candidate nor meetings or events that result in contributions of other benefits to specific candidates.

It is the policy of the CPA-PAC to pay for all political contributions or other costs related to support of a particular candidate from PAC funds. TXCPA or TXCPA chapter funds may be used to pay for all administrative costs related to the CPA-PAC, including meeting costs and preparing and delivering committee contributions. TXCPA employees may participate in CPA-PAC meetings and deliver committee contributions. (EB:8/24/12) (EB:8/23/08)

## **Whistleblower Policy**

The purpose of this policy is to provide a procedure for TXCPA employees, officers, directors, volunteers and members to report good-faith concerns about alleged accounting and financial improprieties, illegal or dishonest conduct and/or misuse of TXCPA assets.

### **Notification Procedures**

If an employee, officer, director, volunteer or member has a good-faith concern, he/she should submit the concern to TXCPA's treasurer, who serves as the compliance officer for investigating and resolving all reported concerns. A concern may be submitted anonymously. It is preferred that a concern is submitted in writing, but an oral report to the treasurer is acceptable.

# *POLICIES*

---

A concern should describe specifically the nature of the concern and should include documentary evidence, if available.

A concern shall be considered "good-faith" if the report is made without malice or consideration of personal benefit and the member has a reasonable basis to believe the report is true. A report does not have to be proven true to be made in good faith. Good faith will be considered to be lacking when the report is known by the reporting member to be malicious or false.

## **Investigation Procedures**

The treasurer, serving as compliance officer, shall be responsible for investigating concerns and shall be responsible for ensuring appropriate actions are taken. Depending on the nature of the concern, the treasurer may consult with the TXCPA Audit Committee, TXCPA Board of Directors, TXCPA management, as well as outside consultants, investigators, fraud examiners or legal counsel.

## **Confidentiality**

When a concern is reported, the information shall be considered confidential to the extent that confidentiality does not hinder the investigation. TXCPA cannot guarantee confidentiality of the concern. Disclosure of the concern and the person filing the concern will be made to the appropriate parties on a need-to-know basis. If an officer, director or member is being investigated as a result of a concern that has been filed, he/she may be given the circumstances of the concern. Such disclosure may allow the officer, director or member to deduce who filed the concern. In addition, identification of the person filing the concern may be necessary to perform the investigation, to allow law enforcement to perform an investigation, or if the person accused of impropriety is entitled to the information as a matter of legal right in disciplinary proceedings.

## **Protection of Whistleblower**

If an employee, officer, director, volunteer or member reports a good-faith concern, without malice or information that is known to be false, the employee, officer, director, volunteer or member shall not suffer retaliation for his/her disclosure. (EB:11/7/08) (EB:11/3/17)

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

## Committees

The committees of the Society are essential to its progress. They assist in achieving the objectives of the Society's strategic plan. They perform much of the Society work, contributing to the profession's programs and maintaining relations with influential outside groups. Working with staff liaisons, committees have a responsibility to promote and communicate activities and results to Society members. The Board of Directors has the authority under the provisions of the Bylaws to designate and charge committees. (EB:8/09/02)

### Appointment Process

The basis for selecting committee personnel is found in the Society Bylaws under Article IX (6).

TXCPA relies on volunteers to fill committee positions. In addition to a desire for service on a particular committee, the member's related experience, as well as the need for appropriate member demographic balance on the committee, is considered.

A committee chair shall be appointed for all committees by the TXCPA chair-elect no later than March 31, and will begin their term June 1. With the exception of committees with an alternate composition, a committee chair will be appointed for a one-year term and may be reappointed for an additional two terms. In special circumstances a committee chair may be eligible to serve more than three consecutive terms with approval by the president & CEO and the individual who will be chair during the service year in which the committee chair is being appointed. (EB:11/3/17)

Members will be appointed to a committee for a one-year term (with the exception of committees with an alternate composition) with the understanding that the member may be reappointed for an additional two terms only if his/her record of involvement and participation has been commendable. In appropriate circumstances when specific expertise is needed, a member may serve more than three consecutive terms on a committee with approval by the president & CEO and the chair-elect or individual who will be chair during the service year in which the member is being appointed. (EB:11/3/17)

New volunteer applications are accepted annually during an open call for volunteers and as vacancies occur. Returning and new volunteers are recommended by the incoming committee chair and staff liaison and approved by the chair-elect.

Vacancies may occur during the year due to resignation, lack of participation, the need for more volunteers or the need for a particular expertise to execute the work of the committee. These vacancies may be filled with approval by the president & CEO and the chair or individual who will be chair during the service year in which the member is being appointed. (EB:8/09/02)

### Meetings

1. All in-person meetings shall be held in Texas unless scheduled in conjunction with the Annual Meeting or Leadership Council meetings taking place outside of the state.
2. The meetings should be organized in such a manner to minimize travel time and maximize meeting time.
3. Every effort should be made to determine if a virtual meeting would be acceptable to optimize time required of volunteers and minimize costs.
4. Guests may be invited to attend the meetings at the discretion of the committee chair.

### Meeting Expenses

Reasonable meeting expenses for such items as lunches, breaks, audio/visual equipment, meals and related expenses for the staff liaison(s) will be borne by the Society.

### Expense Reimbursement

Reimbursement for committee members is limited to those for whom lack of reimbursement would constitute a

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

sufficient financial burden to interfere with the performance of their responsibilities with TXCPA and its affiliated entities (not including chapters). Such reimbursed expenses are limited to transportation costs (e.g., coach class airfare, personal automobile mileage allowance, taxi and auto rental). Original receipts of all expenditures must accompany requests for reimbursement. (EB:6/29/06 and 4/27/07)

Committee members requesting travel reimbursement under the parameters outlined above are to seek approval for reimbursement prior to the meeting. Requests should be submitted to and approved by the chief financial officer. Members approved for reimbursement must submit a brief memo, attaching either an original airfare receipt or a mileage statement. Arrangements for air travel should be made sufficiently in advance to obtain any discount fares available. There will be no disclosure of names of members to whom reimbursement is made. It is the intent that requests for reimbursement come only from committee members who qualify for reimbursement under this policy.

Committees should be aware of the following policies:

1. Travel, telephone, mailing costs and other expenses incidental to committee meetings, Board of Directors and Leadership Council meetings are a personal obligation of the committee members; such obligations should be recognized at the time of acceptance of the appointment to a committee.
2. Expense of mailings and printing of brochures or manuals and/or other materials for committee projects are to be requested as items in the committee's budget each year; expenses of this nature should be incurred only through the TXCPA administrative office.

These reimbursements are not available to committee members attending meetings held in conjunction with the Society's Leadership Council Meetings or Annual Meeting of Members since all members are expected to attend these meetings at their own expense. (EB:6/29/06 and 4/27/07)

In the event that a TXCPA volunteer attends an AICPA meeting as an official representative of TXCPA, the expenses should be budgeted by the committee or entity that the volunteer represents. Unbudgeted travel reimbursement for such meetings must be requested as a budget variance under the Budgetary Controls policy.

## Speaking Out

The Federal Tax Policy Committee, Professional Standards Committee, Peer Review Committee, Relations with IRS Committee and State Taxation Committee chairs, or their designee, may speak on behalf of their respective committee subject to the following conditions:

1. They may speak only on matters directly related to their committee or task force activity;
2. A committee or task force statement must be approved by either of the following: (a) by a two-thirds majority of members present in person or by proxy at a committee, section or task force meeting; or (b) by mail ballot or email ballot if approved by all of the members; and
3. The committee or task force statement must make clear that it is being presented only on behalf of the related group and not on behalf of the Society. Expression of views may take the form of: discussion papers; articles for publications; comments to AICPA entities of interest to the steering committee, committee or task force; press releases; or presentations to legislatures or other regulatory bodies.

The following disclaimer must accompany any verbal or written expression: *"The views expressed herein are written on behalf of the [issuing body] of the Texas Society of CPAs. The [committee or task force] has been authorized by the Texas Society of CPAs' Board of Directors to submit comments on matters of interest to the [committee or task force] membership. The views expressed in this statement/document have not been approved by the Texas Society of CPAs' Board of Directors and, therefore, should not be construed as representing the views or policy of the Texas Society of CPAs."* (EB:11/11/06) (EB:11/3/17)

## Quorum/Voting

Unless stated otherwise, a quorum for any meeting should consist of at least a majority of members appointed. Every action or recommendation made by a majority of committee members present at a meeting duly held at which a quorum is present is the act of the committee. (EB:11/3/17)



# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

## Committee Chair, Responsibilities of

Each committee will be supported by TXCPA staff. The committee chair should rely on the professional staff to:

1. Recommend and implement programs to help the committee achieve its objectives and the overall objectives of TXCPA;
2. Execute the administrative and other functions requiring their specific expertise; and
3. Provide information on policies, past programming, budgets, activities of the Society overall, etc.

The chair's responsibilities are to:

1. Work with the staff liaison to schedule committee meetings, following the recommended timing before Board of Directors meetings;
2. Conduct meetings in accordance with *Robert's Rules of Order*;
3. Determine how the committee might assist in achieving overall objectives of TXCPA detailed in the strategic plan;
4. Assign program activities to volunteers and monitor their activity; and
5. Report to the committee on actions taken by the Board of Directors. (EB:8/09/02)

## Committee Member, Responsibilities of

Committee member responsibilities are to:

1. Attend meetings and participate in the programs and activities of the committee through specific committee work as outlined by the committee charge and as assigned by the committee chair;
2. Arrange and be responsible for personal travel and hotel reservations. (EB:8/09/02)

## Committee Staff Liaison, Responsibilities of

Assignment of staff liaisons to committees is the responsibility of the president & CEO. The role of the staff liaison is to be well informed of TXCPA activities and policies, to advise the committee of such, and to recommend and implement approved programs.

Specific committee staff liaison responsibilities include:

1. Monitor changes, trends and current issues relative to the committee activities, and report on significant items at each meeting;
2. Implement staff action items and programs generated by committee activity;
3. Participate in discussion of committee activities;
4. Recommend and seek the chair's approval of the agenda for all meetings;
5. Coordinate all meeting arrangements with the appropriate staff;
6. Disseminate meeting notice at least four weeks before the meeting, if possible;
7. Submit budgets for committee activity through TXCPA budget process;
8. Monitor the cost effectiveness of programs;
9. Provide committee activity report and Board of Directors agenda items, if applicable, to coordinating officer prior to each Board of Directors meeting;
10. Take minutes at all meetings of the committee assigned, develop list of action items and distribute to all committee members. Minutes will be distributed prior to the next meeting in the approved format without the necessity of chair's approval. Corrections or additions to minutes will be made at the next meeting;
11. Maintain committee files; and
12. Make all committee minutes available via the designated electronic medium. (CEO:11/7/03)

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

## Audit Committee

### Purpose

Provide oversight of financial reporting, the audit process, and the system of internal controls. The committee will review significant accounting and reporting issues and recent pronouncements to determine the potential impact on the financial statements. The committee will review the results of the audit with management and the external auditors, including matters required to be communicated under generally accepting auditing standards. (EB:11/3/17)

### Responsibilities

1. Oversee the annual audit.
  - a. Adhere to good practices for audit committees, which generally include:
    - i. Providing communication between the Board of Directors, management and the independent auditor;
    - ii. Annually assess the independence of committee members and the independent auditors;
    - iii. Report to the Board of Directors on significant activities; and
    - iv. Meet two to four times per year or more frequently as circumstances require.
  - b. Evaluate the performance of the independent auditors and make a recommendation for the selection of auditors to the Board of Directors. To achieve this responsibility, the committee should consider:
    - i. Comments on the performance of the public accounting firm by appropriate management;
    - ii. Level of participation by management personnel in the audit examination, the mix of skills and experience of the staff, and staff rotation policy;
    - iii. Proposed audit fee, the independent auditors' engagement letter and explanations for fee changes;
    - iv. Public accounting firm's credentials, capabilities and reputation; latest peer review conducted pursuant to a professional quality control program; and any significant litigation problems or disciplinary actions; and
    - v. Whether a request for proposal from the current firm and other firms should be made.
  - c. Review with management and the independent auditor the results of the annual audited financial statements of the Society and related comments prior to their submission to the Board of Directors. This would include:
    - i. Obtaining explanations for significant variances in the financial statements between years;
    - ii. Determining that no new accounting policies were adopted or an explanation of any such changes;
    - iii. Inquiring about significant accounting accruals, reserves or estimates that have material impact on the financial statements;
    - iv. Inquiring of management and independent auditor if there were any significant financial reporting issues discussed during the accounting period and if so, how they were resolved;
    - v. Considering meeting privately with the independent auditor to request his/her opinion on various matters;
    - vi. Asking the independent auditor what the greatest concerns were and if anything else should be discussed with the committee that has not been raised or covered elsewhere;
    - vii. Reviewing the letter of management representations given to the independent auditor and inquire whether he/she encountered any difficulties in obtaining the letter or any specific representation therein; and
    - viii. Discussing with management and independent auditor the substance of any significant issues raised by counsel concerning litigation, contingencies, claims or assessments.
2. Review with the independent auditors any proposed changes to accounting principles or procedures prior to their adoption by the Society.
  - a. Review the independent auditor's management letter and discuss implementation with management.
  - b. Review the scope of the examination of the annual financial statements with the independent auditors. Specific inquiries should be made as to:
    - i. Extent to which planned audit scope can be relied upon to detect fraud or weaknesses in internal control;
    - ii. Steps planned to review EDP procedures and controls; and

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

- iii. Any areas that require special attention by the Board of Directors.
  - 3. Audit Firm Independence - The partners/shareholders or employees of the firm selected as independent auditor of TXCPA are not precluded from serving on committees, councils or Boards of Directors, except as follows:
    - a. During the period(s) covered by the audit report or during the period(s) of the engagement, no partner/shareholder or employee of such firm shall serve on the following:
      - i. Board of Directors;
      - ii. Finance Committee;
      - iii. CPA-PAC Committee;
      - iv. Accounting Education Foundation;
      - v. TXCPA Insurance Trust; and
      - vi. Audit Committee
- (EB:11/3/17)

## Composition

Two members of the Finance Committee and three members of the Leadership Council shall be selected to serve on the Audit Committee. Additionally, the treasurer and treasurer-elect shall serve as non-voting *ex officio* members.

(EB:11/7/03) (EB:11/9/07)

## Awards Committee

### Purpose

Recognize CPAs and others for their contributions to the accounting profession and community. Through the awards process, give recognition to deserving persons whose activities can serve as a model of inspiration for members according to the *Volunteer Policies and Procedures Manual*.

### Responsibilities

- 1. Annually select qualified recipients of TXCPA awards as authorized by the Board of Directors. These awards shall include: Meritorious Service to the Accounting Profession in Texas; Distinguished Public Service; Outstanding Committee Chair; Rising Stars; Young CPA of the Year; and CPA 50-year Continuous Members. The Awards Committee recommends nominees for Distinguished Fellow and Honorary Member recognition to the Leadership Council.
  - a. Solicit nominations and select TXCPA award recipients according to the "Awards" procedure in the *Volunteer Policies and Procedures Manual*.
  - b. Recognize award recipients during TXCPA's Annual Meeting or Leadership Council meetings.
  - c. Publicize award recipients through articles in appropriate TXCPA publications, chapter newsletters, and news releases to appropriate outside media.
  - d. Recommend additional award categories to the Board of Directors.
- 3. Coordinate the selection of TXCPA nominees for other AICPA awards.
- 4. Special Recognition Awards will be determined by the TXCPA chair, who may invite the input of the Awards Committee.

### Composition

The committee shall be comprised of 13 members appointed through the TXCPA committee appointment process. Members shall serve a 2-year term staggered so half rotate off each year. The committee chair shall be the former TXCPA chair whose term ended two years prior to the committee's service year and will then serve as a member of the committee for their second year. Members should consist of individuals knowledgeable of TXCPA activities during the year being considered for awards and include a demographic representation of TXCPA's members. Recipients recognized in the current year shall be considered for participation on the committee for the next service year. (EB:10/28/00) (EB:11/3/17) (EB:11/9/18)

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

## Branding and Community Outreach Committee

### Purpose

Provide input for the promotion, protection and management of TXCPA's brand and make recommendations for programs and initiatives designed to increase awareness and visibility of Texas CPAs and TXCPA in communities across the state.

### Responsibilities

1. Provide input and feedback on TXCPA branding initiatives.
2. Serve as brand ambassadors in chapters and at TXCPA meetings and events to help drive continuous awareness of TXCPA's brand.
3. Review and recommend community outreach (service and education) initiatives to be implemented at both the state and chapter levels.

### Composition

The committee chair and members-at-large are appointed through the TXCPA committee appointments process and should reflect a cross section of the membership. Appointments will be based on criteria including but not limited to area of practice, experience, and geographic representation. The committee chair serves a two-year term and is selected in accordance with TXCPA committee appointment procedures. (EB: 11/07/19)

## Business Valuations, Forensic and Litigation Services Committee

### Purpose

Explore issues and make recommendations to serve the specific needs of members in the areas of business valuations, forensic accounting and litigation services.

### Responsibilities

1. Identify trends, needs, events and issues that are pertinent to TXCPA members with an interest in business valuation, forensic accounting and litigation services.
2. Discuss, identify and communicate services TXCPA can provide to its members relative to the trends, needs, events and issues identified above.
3. Provide creativity and innovation for the initiation and development of new services to TXCPA members in business valuation, forensic accounting and litigation services.

### Composition

The committee is comprised of 15 members, including the committee chair. Members serve three-year, staggered terms. Members are appointed through the TXCPA committee appointments process and should reflect a cross section of the membership. Appointments will be based on criteria including but not limited to area of practice, experience, and geographic representation. (EB:6/29/06) (EB:11/3/17)

## Chapter Coordinating Committee

### Purpose

Enhance and support the vitality of chapters and their grassroots efforts, promote cooperation and communication between and among chapters and the state level of TXCPA, and facilitate the chapters' ability to collaborate with and enhance the work of the Society. (EB:11/3/17)

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

## Responsibilities of the full committee

1. Provide a conduit for cooperation and dialogue between chapter- and state-level leaders and staff, and for the dissemination of relevant information.
  - a. Host a meeting each year that includes all members of this committee and appropriate state-level leaders, volunteers and staff. The primary purpose of the meeting is to discuss relevant issues and share ideas.
  - b. Host a meeting each year to provide information to chapter leaders about their state- and chapter-level responsibilities.
  - c. Use available technology to disseminate information and gather feedback throughout the year.
2. Develop and implement projects that focus on a mutual commitment to member service.
  - a. Implement the Outstanding Chapter Awards program. (See Outstanding Chapter Awards policy.) Periodically study the policy and process for the Awards program, and recommend changes the group considers to be necessary.
  - b. Periodically study:
    - i. cross-representation between the state and chapter levels of TXCPA;
    - ii. the number and size of chapters (see Chapter Size Groups policy); and
    - iii. current mechanisms at both levels for delivery of service to members and develop recommendations for improvement.

## Responsibilities of the steering subcommittee

1. Plan and participate in meetings of the committee and training events for chapter leaders.
2. Select Outstanding Chapter Awards recipients (see Outstanding Chapter Awards policy) and maintain the confidentiality of selections until they are announced.
3. Each member of the subcommittee should:
  - a. promote cooperation between and among chapters and TXCPA;
  - b. stay informed about current issues affecting the profession and the organization; and
  - c. serve as a conduit for positive communication between the chapter and state levels as requested.

## Composition

Committee - all chapter presidents, presidents-elect and president-elect nominees, and steering subcommittee; chapter executive directors/secretaries and coordinating officer serve as an *ex officio* member.

Steering Subcommittee - appointed by TXCPA chair: a committee chair, five members from small chapters, four from medium-sized chapters and three from large chapters, all of whom have been chapter presidents. The committee chair can – but does not have to – be one of those 12. (EB:4/25/03) (EB:8/5/11) (EB:4/28/17)

## Chapter Legislative Coordinators Committee

### Purpose

To coordinate an effective legislator relationship and contact program among TXCPA's 20 chapters.

### Responsibilities

1. Identify and train key persons for statewide legislators.
2. Follow up with key persons during session as needed (i.e., after a key person alert).
3. Working with chapter public affairs chairs, monitor legislative races, assist in determining contribution amounts and coordinate delivery of PAC checks with key persons.
4. Gain an in-depth understanding of issues being supported or opposed by TXCPA and be prepared to, individually or along with a key person, articulate the Society's position to legislators within the chapter's area.
5. Attend TXCPA's Grassroots Seminar, Legislative Briefing and Day at the Capitol in preparation for legislative session.

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

## Composition

The committee shall be comprised of a chair appointed by the TXCPA chair-elect. The TXCPA chair-elect will work collaboratively with chapter leaders to appoint at least one member from each chapter to serve as legislative coordinator. Each committee member must be knowledgeable and experienced in TXCPA's Governmental Affairs program and served as a TXCPA/chapter key person. (EB:11/4/16)

## Compensation Committee

### Purpose

To guide and oversee the formulation and application of staff compensation and benefits for TXCPA employees.

### Responsibilities

1. Oversee and review the salary grades for various staff positions established by the TXCPA president & CEO.
2. Oversee and review the benefit programs provided for TXCPA employees.
3. Set the overall compensation budget each year.
4. Conduct a performance evaluation of the president & CEO by July of each year. The chair will be responsible for gathering the data and delivering the evaluation.
5. Set the compensation of the president & CEO.
6. Report annually to the Board of Directors.

### Composition

The current chair acts as chair of the committee. Other members of the committee are the immediate past chair, chair-elect, chair-elect nominee, treasurer, treasurer-elect, and treasurer-elect nominee. (EB:8/22/03) (EB:6/28/07) (EB:11/7/08)

## CPA-PAC Committee

### Purpose

To operate an effective Political Action Committee on behalf of TXCPA.

### Responsibilities

1. Establish fundraising goals and raise PAC funds.
2. Allocate PAC donations received from members 75 percent to chapter funds and 25 percent to the statewide fund.
3. Assist candidates on a nonpartisan basis to understand and support the protection of the public interest through maintaining high moral, ethical and professional standards for the accounting profession.
4. Establish guidelines for PAC contributions and endorsements.
5. Coordinate with chapters, key persons and other appropriate parties to interview selected candidates in an effort to help determine who should receive CPA-PAC contributions and endorsements.
6. Evaluate and recommend contributions for specific legislative races.
7. Coordinate cooperative campaign contributions between chapters and statewide candidates when specific chapter or statewide funds are insufficient.
8. Evaluate statewide races and authorize CPA-PAC contributions.
9. Report PAC activity to the membership.
10. Educate members regarding the CPA-PAC endorsed candidates and the election issues that impact the accounting profession and its ability to serve its employers, clients and the public.
11. Encourage members' contribution of time and money to candidates for political office in Texas. (EB:11/7/03)

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

## Composition

CPA-PAC Committee composition is spelled out in the [CPA-PAC Bylaws](#), Article V, section 3(c).

The steering committee shall be comprised of the committee chair (appointed by the TXCPA chair), the vice-chair (appointed by the committee chair), and the chairs of the Chapter Legislative Coordinators Committee and Legislative Advisory Committees, the managing director of governmental affairs and not more than eleven members appointed by the chair of the Society with the approval of the TXCPA Board of Directors. In addition, the TXCPA president & CEO will serve in an *ex officio* capacity. (EB:11/3/17)

## CPA Practice Issues Committee

### Purpose

Explore issues and make recommendations regarding the specific needs of members in public practice, focusing on members' ability to provide quality services to their clients and the public; and providing support to the enhancement of their professional careers.

### Responsibilities

1. Identify trends, needs, events and issues that are pertinent to TXCPA members working in public practice.
2. Discuss, identify and communicate services TXCPA can provide to its members relative to the trends, needs, events and issues identified above.
3. Provide program topic ideas to TXCPA CPE staff for quality CPE programs specifically directed to members in public practice.
4. Develop ideas to increase greater participation in TXCPA leadership roles by public practice members. (EB:1/22/04)

### Composition

Members are appointed through the TXCPA committee appointments process and should reflect a cross section of the membership. Appointments will be based on criteria including but not limited to area of practice, experience, and geographic representation. The committee chair is selected in accordance with TXCPA committee appointment procedures. The coordinating officer serves as an *ex officio* member. (EB:11/3/17)

## Diversity + Inclusion Committee

### Purpose

Explore issues and make recommendations regarding diversity/inclusiveness in three areas: 1) recruiting into the accounting profession in Texas, 2) increasing membership and participation in TXCPA, and 3) helping CPAs serve a diverse public.

### Responsibilities

1. Review various publications, demographic information, websites and other sources in order to understand trends, needs, and issues relating to diversity and inclusiveness.
2. Discuss the possible appropriate response(s) to the issues identified by the above review and recommend appropriate actions.
3. Consider and recommend ways and means to improve the recruitment and retention of minority group members.
4. Develop ideas to inspire greater participation in TXCPA leadership roles by minority group members.
5. Provide creativity and innovation for the initiation and development of new services to assist CPAs

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

in all areas of practice in serving a diverse public. (EB:11/12/2004) (EB:8/6/16)

## Composition

Members are appointed through the TXCPA committee appointments process and should reflect a cross section of the membership. Appointments will be based on criteria including but not limited to area of practice, experience, and geographic representation. The committee chair is selected in accordance with TXCPA committee appointment procedures. The coordinating officer will serve as an *ex officio* member. (EB:11/3/17)

## Editorial Board

### Purpose

Provide oversight and review for TXCPA's magazine, *Today's CPA*. Enable the continued development of a magazine that is accurate, relevant, fair, timely, readable and appealing.

### Responsibilities

1. Recommend topics, articles and authors for *Today's CPA*.
2. Review articles for the magazine in a timely manner.
3. Regularly evaluate the editorial content and format of the magazine.
4. Make recommendations to the staff to enhance the appeal of *Today's CPA*.
5. Write articles for the magazine (on a volunteer basis).

### Composition

Members are appointed through the TXCPA committee appointments process and should reflect a cross section of the membership. Appointments will be based on criteria including but not limited to area of practice, experience, and geographic representation. The committee chair serves a two-year term and is selected in accordance with TXCPA committee appointment procedures. The committee chair may be reappointed for an additional two-year term if approved by the chair-elect and president & CEO. (EB:11/7/03) (EB:11/3/17) (EB: 1/30/19)

## Federal Tax Policy Committee

### Purpose

The objective of the committee is to serve as the representative voice of Texas CPAs to the United States Congress, the Department of the Treasury, and the IRS on actual and proposed federal tax legislation, regulations, and administrative pronouncements affecting our members and the public with its primary focus on issues of tax administration that impact CPAs as tax practitioners. The committee should solicit input from TXCPA members on federal tax matters and communicate concerns and responses through appropriate channels, including AICPA and legislative and tax authorities. The committee should be cognizant of the activities and initiatives of the various AICPA tax committees. The committee should provide a valuable source of information to TXCPA members on the effects of pending legislation, regulations and administrative decisions.

### Responsibilities

1. Communicate to TXCPA members the opportunities to provide input on various federal tax legislative and agency proposals and provide a portal for them to do so.
2. Comment, when appropriate, on federal tax legislation, regulations and administrative decisions, and communicate such comments to TXCPA members and other interested parties via available TXCPA media.
3. Coordinate efforts and initiatives related to federal taxation with AICPA and other state societies as appropriate.



# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

4. Identify TXCPA member candidates for appointment to various AICPA tax committees and support their appointment. Establish a continuing effective process to enhance AICPA tax appointment for TXCPA members. (EB:8/13/10)

## Subcommittees

The committee has established five subcommittees and one task force to monitor issues for federal tax regulation and administration, to identify and discuss issues of concern and develop responses for inclusion in comments letters. A chairperson is appointed for each subcommittee by the committee chairperson.

Comments Subcommittee: Identifies, and if appropriate, effectively responds to issues within the committee's defined scope:

1. Tier 1 – that directly impact CPAs' tax practices and standards
  - a. Federal tax legislative proposals, federal regulations and other federal administrative pronouncements, actions and policies affecting CPAs in the client and non-client tax practice of public accountancy
  - b. Professional standard pronouncements affecting CPAs in the client and non-client tax practice
2. Tier 2 – that are germane to Texas CPAs
  - a. Federal tax legislative proposals, federal regulations and other federal administrative pronouncements, actions and policies that uniquely affect Texas residents and businesses, such as the oil and gas industry
1. Tier 3 – of a broad impact
  - a. Federal tax legislative proposals, federal regulations and other federal administrative pronouncements, actions and policies that have a broad and important impact on U.S. taxpayers

The Comments Subcommittee chair will serve as ex officio member of TXCPA's Relations with IRS Committee.

Communications Subcommittee: Provides member outreach to inform, enhance membership and advocate grassroots action.

Coordination Subcommittee: Establishes a dialogue with AICPA tax committees/staff and other state CPA societies in an effort to benefit from exchange and mobilize other interests. The subcommittee chair also receives and reports on any letters to U.S. Congress involving federal tax matters

International Tax Subcommittee: Identifies international tax issues impacting a significant number of Texas CPAs. It monitors U.S. federal income tax regulatory activity and laws impacting Texas CPAs dealing with cross-border transactions; identifying issues and making recommendations to simplify and clarify international tax provisions, including disclosure rules; and serving as a subject matter expert and resource in the area of international taxation.

Energy Tax Subcommittee: Evaluates how certain proposed oil and gas legislation, if passed, would impact the Texas economy. (EB:1/25/09; EB:8/13/10) (EB:11/3/17)

Taxpayer First Act Task Force: Monitors the IRS' implementation of provisions in the Taxpayer First Act of 2019 signed into law July 1, 2019.

## Conflict of Interest

A conflict of interest is defined as an actual or perceived interest that results in, or has the appearance of resulting in, personal, organizational or professional gain. Committee members are obligated to always act in the best interest of TXCPA and its members. This obligation requires that any member, in the performance of organization duties, seek only the furtherance of TXCPA's mission. Any possible conflict of interest shall be disclosed by the member concerned to the committee chair and staff liaison.

Any member employed by a U.S. government agency or other organization that is granted authority by statute or other regulations to regulate accountants is deemed to have an inherent conflict and therefore will not be appointed to the committee.

## Composition

---

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

The committee consists of up to 30 members, including the chair, coordinating officer, the chair of the Relations with IRS Committee as an *ex officio* member, each of whom is either a partner or manager in a public practice firm, a controller or higher financial accounting officer specializing in tax of an organization in industry, or a taxation professor in an accounting department of an accredited college or university. Members' backgrounds should include diverse, tax and industry expertise and education and extensive experience in federal taxation. Members serve one-year terms on the committee at the pleasure of the TXCPA chairperson with the advice of the Federal Tax Policy Committee chair and staff liaison. The committee chair will serve a two-year term. The former chair agrees to remain one additional year for continuity. A vice-chair should be in place to assist and to presumably succeed the chair. (EB:11/3/17)

## Finance Committee

### Purpose

Provide financial oversight for the organization. This includes review of interim financial statements with management, setting financial goals and policies of the organization, working with staff to recommend an annual operating budget and recommending member dues amount to the Board of Directors.

### Responsibilities

1. Review any material deviations from budget.
2. Determine that the Society and related entities are on a sound financial basis.
3. Report on the interim financial statements at the Board of Directors meeting.
2. Make recommendations regarding financial policies and dues amounts.

### Composition

Treasurer, as chair; treasurer-elect; chair, chair-elect; and two additional members of the Board of Directors to be appointed by the chair and one member of the TXCPA Investments Committee who will serve as a communication link between the two committees. The chair-elect nominee, as soon as nominated and treasurer-elect nominee, as soon as nominated will serve as *ex officio* members. (EB:11/7/03) (EB:8/24/12) (BOD:4/28/23)

## Governance Committee

### Purpose

The Governance Committee is a standing committee of TXCPA that will review and make recommendations on governance policies and procedures, consider governance impacts by proposed organizational changes and establish and manage a framework for evaluating board performance.

### Responsibilities

1. Regularly review the Society's Bylaws and Policies and Procedures Manual and recommend changes as needed to the Board of Directors.
2. Annually review and provide input on the Board of Directors' current composition and selection criteria and competencies for the Board of Directors utilized by the Nominations and Board Development Committee.
3. Review the Society's committee structure, including responsibilities and composition, and make recommended changes as needed.
4. Establish a framework to measure the Board of Directors' effectiveness and to identify areas for

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

improvement and present the results and recommendations to the Board.

## Composition

The committee will be comprised of former chairs, former Board of Directors and current Board of Directors. The committee chair and members are appointed by the chair of the Board. Members will serve a two-year term, staggered so no more than half rotate off each year. The president/CEO and chair of the Board or chair-elect may serve as ex officio members. (EB: 11/07/19)

## Investments Committee

### Purpose

Invest available funds within the TXCPA Investment Guidelines and Objectives and review the investment results. The committee also makes recommendations regarding the Investment Guidelines and Objectives.

### Responsibilities

1. Review strategies for the various investment activities of TXCPA and its related entities.
2. Review and make recommendations regarding the TXCPA Investment Guidelines and Objectives.
3. Provide direction on the investment of available funds within TXCPA Investment Guidelines and Objectives.
4. Review the investment results to ensure that the appropriate policies and guidelines are followed, and that the stated objectives are being met. Institute appropriate action if objectives are not being met. (EB:11/7/03)  
(EB:04/30/10)

### Composition

The committee will consist of at least seven or more members, appointed by the chair of TXCPA. One member of the committee, as determined by the TXCPA chair, will also serve on the TXCPA Finance Committee and serve as a communication link to that group. (EB:8/24/12) (EB: 1/30/19)

## Legislative Advisory Committee

### Purpose

Develop, communicate and implement, with approval of Society leadership, TXCPA's state-level legislative agenda, including issues involving the profession's licensing and regulation, civil justice and taxation, as well as general business economic issues. (EB:11/3/17)

### Responsibilities

1. Identify future legislative issues to be dealt with on behalf of the CPA profession.
  - a. Prioritize issues.
  - b. Establish timeframes.
  - c. Report and recommend positions and actions to the Board of Directors.
2. Working through the Legislative Advisory Executive Committee (LAEC), develop proposed action plans for the pursuit of specific issues to be addressed in real time during legislative sessions.
3. Working through the LAEC, monitor progress and take appropriate action on proposed legislation, including:
  - a. coordinating action plans and activities with other TXCPA groups, such as the State Taxation Committee and outside groups such as the Accountants' Coalition;
  - b. coordinating activities with the chapter legislative coordinators to assure that TXCPA's key persons are properly educated and utilized to deliver the TXCPA legislative message to Texas lawmakers;
  - c. developing and implementing grassroots programs, as appropriate, to involve TXCPA's membership in activities that would facilitate the successful passage or defeat of legislation. Such programs may include an

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

external relations emphasis in order to inform outside target audiences of TXCPA's intention to protect the interests of Texas and its residents; and

- d. collaborating with outside groups on issues involving general business matters; e.g., Texas Association of Business and Chambers of Commerce, Texans for Lawsuit Reform, Texas Civil Justice League and Texas Taxpayers and Research Association.
4. The Legislative Advisory Executive Committee provides day-to-day monitoring, oversight and decision-making with respect to TXCPA's legislative program.
5. Coordinate the review of bills which have relevance to the accounting profession and which have been proposed by other groups.
6. Develop procedures for the review of bills proposed in the Texas Legislature, identifying important items relevant to the accounting profession, including accounting/financial impact on the profession's employers and clients.
7. Identify a pool of members working in both practice and industry who are responsible for the review of bills, coordinating such activity.
8. Working through the LAEC, determine appropriate response to bills including, but not limited to, possible testimony before legislative committees hearing bills.
9. Communicate the committee's activities to TXCPA members and, when appropriate, target outside audiences. (EB:11/3/17)

## Composition

The committee will be comprised of CPAs who are appointed through the TXCPA committee appointments process. Members should have experience on regulatory and legislative issues and represent a cross-section of the membership. The committee chair is selected in accordance with TXCPA committee appointment procedures.

The chair of the Legislative Advisory Committee shall serve as a member of the CPA-PAC Steering Committee and Legislative Advisory Executive Committee. The Legislative Advisory Executive Committee is comprised of three or more Legislative Advisory Committee members appointed by, and including, the TXCPA chair and is responsible for day-to-day monitoring, oversight and decision-making with respect to TXCPA's legislative program, as well as rapid response to unanticipated legislative initiatives that arise during session. (EB:11/7/03) (EB:11/3/17)

## Membership Committee

### Purpose

Recruit and retain a TXCPA membership focused on all persons licensed to practice accounting in Texas, college students and candidates who are pursuing an accounting education and CPA certificate, as well as other affiliate membership categories. Develop resources and programs to attract and retain members and identify areas of opportunity to strengthen the member value proposition.

### Responsibilities

1. Identify potential new programs and services that would assist in the development of the TXCPA membership.
2. Review and recommend membership recruitment and retention strategies.
3. Provide a conduit for cooperation and dialogue between chapter and state level leaders and staff and for the dissemination of relevant membership information
4. Research the professional needs and issues of specific member segments including young CPAs (40 years and under), emerging professionals (students and candidates), and members in Business and Industry, and develop opportunities to meet those needs.

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

## Subcommittees

The committee will establish two subcommittees to address the needs and enhance the value proposition of specific member segments including those in business and industry, young CPAs and emerging professionals.

Business and Industry Subcommittee: Research issues and make recommendations regarding the specific needs of members in business, industry and government.

New CPAs and Emerging Professionals Subcommittee: Explore the professional needs and issues of TXCPA's new CPAs (40 years and under or licensed in the past five years) and emerging professionals (students/candidates). Support existing programs and develop new resources to meet these needs. (BOD: 1/24/24)

## Composition

The committee chair and members are appointed through the TXCPA committee appointment process and should represent a cross-section of the membership. Chapter Membership Committee chairpersons, Young CPA Committee chairpersons, and Chapter Business and Industry Committee chairpersons will serve as *ex officio* members. The coordinating officer will serve as a non-voting *ex officio* member.

Subcommittees: Subcommittee chairs will be appointed by the Membership Committee chair. Members of the subcommittees will consist of the correlating Chapter committee chairpersons and members-at-large from the Membership Committee appointed by the Membership Committee chair. (EB:1/20/03) (EB:11/3/17) (EB: 11/07/19)

## Nominations and Board Development Committee

### Purpose

Nominate candidates for TXCPA officers, Board of Directors and at-large members of the Nominations and Board Development Committee.

### Responsibilities

1. As prescribed by the Bylaws, this committee nominates candidates for the officers of the Society, Board of Directors and at-large members of the Nominations and Board Development Committee.
2. Nominations for all positions shall be based on the following factors:
  - a. Consideration of all relevant factors, including the demographics of Society membership; and
  - b. Consideration of candidates' ability to best perceive and advance the interests of the Society.
3. The activities of the committee shall include, among other matters, the following:
  - a. Address inquiries to officers, directors, chapter presidents and other members, inviting suggestions for nominations.
  - b. Meet as a committee one or more times prior to the Midyear Leadership Council Meeting to determine nominations for elections.

(EB:8/25/06) (EB:8/21/09) (BOD:4/27/23)

### Composition

The composition of the Nominations and Board Development Committee shall include:

1. The immediate past chair of the Board of Directors who shall serve as chair of the committee;
2. The chair-elect of the Board of Directors;
3. 2 additional members of the Board of Directors; and
4. 3 at-large members.

### Terms

Board of Director and at-large members may serve up to three (3) consecutive terms of one (1) year. (BOD:6/19/98) (BOD:4/28/23)

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

## Nominations Council

### Purpose

Nominate candidates for TXCPA members-at-large of the Leadership Council and Nominations Council and recommend candidates for AICPA Council.

### Responsibilities

1. As prescribed by the Bylaws, this committee nominates candidates for TXCPA members-at-large of the Leadership Council and Nominations Council. The Nominations Council shall also recommend candidates for consideration as members from Texas to serve on the AICPA Council.
2. Nominations for all positions shall be based on the following factors:
  - a. Consideration of all relevant factors, including the demographics of Society membership; and
  - b. Consideration of candidates' ability to best perceive and advance the interests of the Society.
3. The activities of the committee shall include, among other matters, the following:
  - a. Address inquiries to officers, directors, chapter presidents and other members, inviting suggestions for nominations.
  - b. Meet one or more times prior to the Midyear Leadership Council Meeting to determine nominations for elections.

(BOD: 4/27/23)

### Composition

The composition of the Nominations Council shall include:

1. The immediate past chair of the Board of Directors who shall serve as chair of the committee;
2. Nominations and Board Development Committee members; and
3. 8 members-at-large.

At least five (5) of the members of the Nominations Council shall come from chapters other than Houston, Dallas, Fort Worth, Austin and San Antonio.

(BOD: 4/27/23)

### Terms

Members-at-large shall be elected for a term of one (1) year.

(BOD:4/28/23)

### Nominations and Board Development Committee and Nominations Council Guidelines

The Nominations and Board Development Committee and Nominations Council shall operate according to the following guidelines:

Meetings of the Committee: The Nominations and Board Development Committee and Nominations Council shall meet no later than October 5 each year to select candidates for positions each is responsible for. Meetings of the Nominations and Board Development Committee and Nominations Council require at least 14 days advance notice. Information packages shall be prepared by the staff liaison and loaded to the online software platform at least five working days prior to the scheduled meeting. (EB:11/7/03) (EB: 11/8/19)

Should the chair of the Nominations and Board Development Committee and Nominations Council not be able to serve, the chair-elect of the Board of Directors shall serve as the chair of the Committee and Council. If both individuals are unavailable or unwilling to serve, the Nominations and Board Development Committee shall designate a member to serve as chair of the Committee and Council meetings. (BOD:4/28/23)

### Methods for Seeking Candidates:

*Candidates for all positions:* Announcement of the commencement of the nominations process should be communicated to chapter boards of directors and the general membership in May. Nominations from chapters and from the general membership are to be submitted no later than the first business day following August 31 of each

## COMMITTEES AND CONFERENCE PLANNING GROUPS

---

year. (BOD:8/3/2023) Nominations must be submitted by a current member of TXCPA and should be submitted by someone other than the nominee. (EB:11/2/12) (EB: 11/8/19) Requests to the general membership should be communicated in TXCPA publications and via the TXCPA website. Submissions, including letters of endorsement, received after the first business day following August 31, will not be considered for nominations. Candidates should be contacted prior to the Nominations and Board of Development Committee and Nominations Council meetings to confirm that they can and will serve if nominated.

**Position Statement on Campaigning.** Chapters should be notified that organized letter-writing campaigns and/or other methods of electioneering are not encouraged. Communiqués from the general membership should not be sent to individual members of the Nominations and Board Development Committee or Nominations Council, but rather to the staff liaison to each group marked attention to the chair of the Nominations and Board Development Committee and Nominations Council.

**Mechanics of Decision-making:** A simple majority of those present is required for planning meetings. When voting is required, two-thirds of the committee/council membership shall constitute a quorum. After review and discussion, any member may request a secret ballot.

The chair is considered a voting member of the Nominations and Board Development Committee and Nominations Council. The suggested order of selection of nominees is as follows: chair-elect, treasurer-elect, secretary, Board of Directors, Nominations and Board Development Committee members-at-large, Leadership Council members-at-large, Nominations Council members-at-large, and AICPA Council. (BOD:4/28/23)

Members of the current Nominations and Board Development Committee and Nominations Council shall not be eligible for nomination for any positions for which they are nominating.

The current-year TXCPA chair-elect shall automatically be named for the one-year AICPA Council designee position and the current TXCPA chair shall automatically be named for a three-year term on the AICPA Council when possible. The names of these two individuals, along with the names of any other members that the Nominations Council nominates for a three-year AICPA Council term, shall be forwarded to the AICPA Nominating Committee for its consideration.

**Information to be Gathered:** Desired biographical information should include the following:

**Chair-elect candidates:** TXCPA service history, including AICPA, TSBPA and chapter service records, if available, employment, community service activities, one-page statement of his/her ability to best perceive and advance the interest of the Society. (EB:11/11/05). Prior to the Nominations and Board Development Committee meeting, interviews will be set up by the staff liaison with each chair-elect candidate and the committee members at the discretion of the committee. Specific questions for the candidates will be formulated with input by the committee members and finalized by the chair. Information gathered by the staff liaison for the chair-elect candidates, including a recent photo, will be included in the materials loaded online at least five days prior to the interviews.

**Other positions:** TXCPA service history, including AICPA, TSBPA and chapter service records, if available, and condensed biographical sketch.

### Qualifications:

The following qualifications should be considered for nominees. These qualifications will be communicated on the nomination form and in position descriptions used for promotion of nominations. Nominees that do not meet the minimum requirements will be ineligible for consideration.

### Chair-elect:

- Minimum Requirements
    - o Must be a current member of TXCPA in good standing
    - o Should have demonstrated leadership experience and service at the local, state, or national level.
- (BOD:1/27/25)

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

- Preferred Requirements
  - o Current or past member of the TXCPA Board of Directors, Leadership Council (includes Executive Board prior to April 2023) or have served in a leadership role in another professional organization such as AICPA, Texas State Board of Public Accountancy, etc. (BOD:8/3/2023)

## Treasurer-elect

- Minimum Requirements
  - o Must be a current member of TXCPA in good standing
  - o Should have demonstrated leadership experience and service at the local and/or state level (BOD:8/3/2023) (BOD:1/27/25)
- Preferred Requirements
  - o Current or past member of the TXCPA Board of Directors (Executive Board prior to April 2023)
  - o Current or past member of the TXCPA Leadership Council (Board of Directors prior to April 2023)

## Secretary

- Minimum Requirements
  - o Must be a current member of TXCPA in good standing
  - o Should have demonstrated leadership experience and service at the local and/or state level. (BOD:1/27/25)
- Preferred Requirements
  - o Current or past member of the TXCPA Leadership Council (Board of Directors prior to April 2023)

## Board of Director member

- Minimum Requirements
  - o Must be a current member of TXCPA in good standing
- Preferred Requirements
  - o Current or past member of the TXCPA Leadership Council (Board of Directors prior to April 2023)
  - o Should have experience and service at the local and/or state level (i.e., chapter or state committee service, chapter board member, chapter president)

## Leadership Council at-large member

- Minimum Requirements
  - o Must be a current member of TXCPA in good standing
- Preferred Requirements
  - o Should have experience and service at the local and/or state level (i.e., chapter or state committee service, chapter board member, chapter president)

## Nominations and Board Development Committee member at-large

- Minimum Requirements
  - o Must be a current member of TXCPA
- Preferred Requirements
  - o Current or past member of the TXCPA Leadership Council (Board of Directors prior to April 2023)
  - o Current service at the local and/or state level with an understanding of the TXCPA strategic direction and volunteer leadership (i.e., chapter or state committee service, chapter board member, chapter president)

## Nominations Council member at-large



# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

- Minimum Requirements
  - o Must be a current member of TXCPA
- Preferred Requirements
  - o Current or past member of the TXCPA Leadership Council (Board of Directors prior to April 2023)
  - o Current service at the local and/or state level with an understanding of the TXCPA strategic direction and volunteer leadership (i.e., chapter or state committee service, chapter board member, chapter president)

## AICPA Council

- Minimum Requirements
  - o Must be a current member of TXCPA and AICPA in good standing
- Preferred Requirements
  - o Should have experience and service at the local, state or national level (i.e., chapter or state committee service, chapter board member, chapter president, AICPA Committee)

The Nominations and Board Development Committee and Nominations Council shall consider demographic data for all positions and attempt to seek balance and diversity with the slate of nominees but must use judgment in selecting the individuals who will best represent the interests of the Society.

Involvement of Chapters: All chapters are highly encouraged to nominate candidates from their chapters, or other chapters, for all positions. (BOD:4/28/23)

Confidentiality of Discussions: It should be noted and reconfirmed with the committee members that all Nominations and Board Development and Nominations Council discussions are to be considered confidential and that views expressed will not be communicated outside the groups. After all nominees have agreed to serve if elected, the entire slate of nominees may be made public.

The outgoing committee and council chair shall be free to discuss procedural activities with the incoming committee and council chair without divulging confidentiality.

Confidentiality of Written Materials: Biographical resource information shall be made available to the chair-elect upon request.

Minutes: The report of the Nominations and Board Development Committee and Nominations Council meeting to the president & CEO shall constitute the minutes of the meeting. Each member shall sign the official report. (EB:1/20/2003) (EB:11/7/08) (EB:11/11/11)

## Peer Assistance Committee

### Purpose

Inform Texas CPAs and accounting students about chemical dependency and mental health issues. Motivate affected CPAs to seek help and assist in their recovery.

### Responsibilities

1. Promote the Accountants Confidential Assistance Network (ACAN) to Society membership via articles, personal stories and chapter presentations.
2. Recruit CPAs in recovery to participate in ACAN support groups and to mentor others.
3. Receive referrals of CPAs and CPA-Candidates from TSBPA to provide confidential assistance and monitoring.
4. Provide training for ACAN mentors and evaluate the success of the mentoring process.

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

5. Review the annual ACAN budget and receive regular financial and activity reports.
6. Report ACAN program results to TSBPA and to the Peer Assistance Foundation trustees. Report program status to TXCPA Board of Directors.
7. Identify support needs of CPAs in recovery. Make recommendations to TXCPA leadership and TSBPA to provide such support in order to maintain the integrity of the CPA designation.

## Composition

Members are appointed through the TXCPA committee appointments process and should reflect a cross section of the membership. Appointments will be based on criteria including but not limited to area of practice, experience, and geographic representation. The committee chair serves a two-year term and is selected in accordance with TXCPA committee appointment procedures. (*Peer Assistance Committee, with ratification by CEO:10/5/98*) (EB:11/3/17)

## Peer Review Committee

### Purpose

Administer the Peer Review Program according to the requirements of AICPA and TSBPA respectively.

### Responsibilities

Oversee the administration of the AICPA Peer Review Program for firms enrolled in the AICPA Peer Review Program and TXCPA Peer Review Program whose main offices are located in Texas.

1. With assistance from the TXCPA staff, recommend budgets and fee structures to carry out the review program.
2. Serve as the report acceptance committee for peer reviews whose specific responsibility is defined in AICPA's "Standards for Performing and Reporting on Peer Reviews."
3. Suggest TXCPA's policy for execution of the Peer Review Program. (EB:1/22/04)

### Composition

**Committee:** The committee consists of a minimum of 18 to a maximum of 24 members, including the chair and vice-chair. Members are appointed through the standard TXCPA process with criteria based on standards established by the AICPA Peer Review Board.

Each member of the committee is charged with the responsibility to oversee the administration, acceptance and completion of peer reviews listed in AICPA's "Standards for Performing and Reporting on Peer Reviews," Paragraph 132 – 135 and related interpretations.

Any member of the Society's or AICPA Ethics Committee or a member of any state board of accountancy or other regulatory agency or an individual performing enforcement related work for any of the above is prohibited from serving as a member of the Peer Review Committee.

Members will be appointed to a three-year term with the understanding that the member may be reappointed for additional three-year terms if his/her record of involvement and participation has been commendable. The chair will be appointed to serve a two-year term subject to annual appointments and can be reappointed as chair for an additional two-year term. A vice chair will be appointed annually and ordinarily will succeed the chair.

**Subcommittee:** Members are selected by committee chair. Current subcommittees include: Executive and Reviewer Evaluation (EB:1/26/06) (EB:1/26/09)

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

## Professional Ethics Committee

### Purpose

The committee's primary goal is that each member of TXCPA acts ethically. The primary objective in reaching this goal is ensuring that Society members abide by the current TXCPA Code of Professional Ethics. (The Code of Professional Ethics consists of both the AICPA Code of Professional Conduct and the TSBPA Rules of Professional Conduct.) The activities of the committee are focused on achieving this objective. (EB:11/3/17)

### Responsibilities

1. Promote understanding of, and voluntary compliance with, the TXCPA Code of Professional Ethics.
  - a. Assist TXCPA members in evaluating their responsibilities to the public, their clients, their employers and regulatory authorities, and communicate such responsibilities to targeted audiences.
  - b. Monitor legislative, regulatory and policy-making bodies for developments and changes in professional ethics, and develop comments and recommendations that represent the interest of the TXCPA members.
  - c. Maintain liaison with representatives of selected standard-setting bodies and groups that share common interests.
  - d. Review complaints concerning the ethical behavior of TXCPA members and act upon such complaints in accordance with the Joint Ethics Enforcement Program (JEEP) specified in the contractual agreement between TXCPA and AICPA.
  - e. Communicate committee activities and professional ethics information and issues to TXCPA membership through Society and chapter publications, TXCPA's website and other communications vehicles.
2. Study and develop TXCPA commentary on proposed AICPA and TSBPA rules and to any interpretations and rulings to their respective codes of professional conduct.

### Composition

Committee composition is based upon current needs, should reflect a cross section of the membership and include 1-2 practicing attorneys. Due to the experience and skill sets necessary to conduct investigations, member candidates will submit a resume or vita with their application. The committee chair is selected in accordance with TXCPA committee appointment procedures and generally serves two or more years due to the training involved. The coordinating officer will serve as an *ex officio* member.

(EB:11/7/03) (EB:11/3/17)

**Authority:** The authority of the Professional Ethics Committee is set forth in the TXCPA Bylaws, Article IX, Section (2). It reports to the Board of Directors. The committee's area of authority includes all professional ethics case investigation and disposition decisions involving TXCPA members.

**Voting:** All committee members carry one equal vote. Case disposition and committee action decisions are made by voice or a show-of-hands vote at in-person meetings, or tabulating of voice votes during conference calls.

A motion may carry with a majority vote of those present at a scheduled meeting. One-third of current committee members constitutes a quorum. No proxy votes are permitted unless so directed by the committee chair by mail notice to all committee members at least 30 days in advance.

**Confidentiality:** The committee adheres to the confidentiality policies of the TXCPA/AICPA Joint Ethics Enforcement Program (JEEP). The identity of members involved in ethics investigations is confidential because:

1. Individuals are considered to be innocent of any violation of the TXCPA or AICPA Code of Professional Ethics until the committee issues a finding otherwise; and
2. Members should be given the opportunity to benefit from disciplinary measures without the stigma that might result from their name being known or published, unless the violation is of sufficient gravity to warrant disciplinary action.

TXCPA Publishes in TXCPA Publications:

---

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

1. The names of those expelled from membership by action of the Board of Directors; and
2. The names of those found to be in violation of the TXCPA *Code of Professional Ethics* by an authorized hearing panel of the Joint Trial Board or under terms of a Settlement Agreement promulgated by the JEEP program.

The committee exchanges disciplinary information on a confidential basis with AICPA as outlined under the rules and procedures of the Joint Trial Board. Material contained in certain case files may be shared on a confidential basis with the current TXCPA chair, chair-elect, president & CEO, coordinating officer and TXCPA general counsel designated by the president & CEO.

**Correspondence and Files:** All correspondence relating to potential or ongoing cases is to be marked "Personal and Confidential." Committee members are responsible for securing active case files in their possession. All committee member files are to be destroyed when an investigation is dismissed or closed.

Any individual having knowledge of potential, active or past case information who discusses or disseminates such information to unauthorized individuals will be subject to disciplinary action.

The following is not all-inclusive, but indicates some of the documents considered confidential by the committee:

1. Inquiries from members about professional matters;
2. Complaints or allegations of professional misconduct;
3. All material pertaining to investigations and establishment of *prima facie* cases of violations of Codes of TXCPA, AICPA or other appropriate bodies;
4. Committee correspondence related to disciplinary activities of TXCPA or AICPA;
5. Minutes of committee meetings; and
6. Drafts of proposed pronouncements, including the *Code of Professional Ethics*, until approved for distribution.

**Involvement of TXCPA Leadership:** The Professional Ethics Committee chair should promptly advise the TXCPA chair and president & CEO of a member of the Board of Directors or Leadership Council under investigation.

Ethics investigations are kept as confidential as possible for a number of reasons (see "Confidentiality"). From time to time during the investigation of cases, events will occur which should be brought to the attention of the TXCPA chair and president & CEO. These include, but are not limited to, the following situations:

1. Respondent has threatened legal action against TXCPA; and
2. Respondent is in litigation involving issues related to a TXCPA investigation and it appears to be likely that Professional Ethics Committee records may be subpoenaed in such litigation, regardless of whether the investigation is being deferred pending completion of such litigation.

In the aforementioned situations or others considered appropriate by the Professional Ethics Committee chair, the chair shall bring the matter to the attention of the TXCPA chair and president & CEO and provide copies of relevant material from the case investigation file. The chair may elect to bring the matter to the confidential attention of the Board of Directors for action and/or it may be discussed with general counsel. (EB:6/19/98) (EB:11/3/17)

## Professional Standards Committee

### Purpose

The objective of the committee is to respond to exposure drafts of proposed accounting and auditing standards, rules and regulations issued by FASB, GASB, FASAB, SEC, AICPA (including those pertaining to ethics), the OMB, the GAO and any other accounting and auditing standard-setting bodies that have an impact on the practice of accountancy in Texas.

### Responsibilities

1. Response process, including:
  - a. Identifying exposure drafts to be responded to;

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

- b. Assigning responsibility to draft comment letters;
  - c. Monitoring the process of projects;
  - d. Establishing standards of quality and clearance; and
  - e. Assuring that those standards are met.
2. Disseminating to members information about new standards and issues regarding compliance with existing standards. (EB:11/3/17)

## Composition

The committee consists of at least 18 members, including the chair, plus any qualified staff function members, each of whom is either a partner or manager in a public practice firm, a controller or higher financial accounting officer of an organization in industry or government, or a professor in an accounting department of an accredited college or university. Members' backgrounds should include extensive experience in the application of accounting and reporting standards. Members are appointed through the TXCPA committee appointments process. The committee chair is selected in accordance with TXCPA committee appointment procedures and will serve a two-year term. The coordinating officer will serve as an *ex officio* member. (EB:11/11/06) (EB:8/23/13) (EB:11/3/17) (EB: 1/30/19)

## Relations with IRS Committee

### Purpose

Build and maintain alliances with appropriate external target audiences in order to exchange ideas of mutual interest and concern, expressing CPA positions, and initiating collaborative efforts.

### Responsibilities

1. Sponsor joint liaison meetings between representatives of TXCPA and IRS management in Texas IRS districts.
2. Represent TXCPA at the annual Midstates Region of IRS/State CPA Society Liaison Meeting.
3. Provide guidance concerning TXCPA representation on IRS Texas district's practitioner (CPA and non-CPA) liaison committees.
4. Collect and disseminate minutes and other information derived from all liaison meetings to TXCPA members.

### Composition

Members are appointed through the TXCPA committee appointments process and should reflect a cross section of the membership. Appointments will be based on criteria including but not limited to area of practice, experience, and geographic representation. The committee chair is selected in accordance with TXCPA committee appointment procedures. (EB:1/22/04) (EB:11/3/17)

## State Taxation Committee

### Purpose

Monitor and, as appropriate, respond to the development of state tax legislation, rule-making and administrative proceedings.

### Responsibilities

1. Review, comment on and, when appropriate or upon request, recommend a position to the Legislative Advisory Committee and TXCPA chair regarding all proposed state-level tax legislation, proposed rules and regulations which would appear to call for new taxes, and changes in current taxes or tax procedures.
2. When requested by TXCPA leadership, act as a resource and/or provide expert witness testimony before

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

legislative committees.

3. Communicate with members regarding technical aspects, new developments and administration of Texas taxes through Society and chapter publications, as well as the TXCPA website.
4. Work with appropriate TXCPA and chapter organizations to provide speakers to internal and external audiences regarding the legislative, administrative and technical aspects of Texas taxes.
5. Monitor broad-based Texas tax issues including, but not limited to, court cases and hearing decisions, etc., and when appropriate, communicate significant information to the Legislative Advisory Committee and TXCPA chair.
6. Maintain liaison with the Office of the Texas Comptroller of Public Accounts and other tax authorities to enhance the fairness, efficiency and effectiveness of the administration of the tax laws.

## Composition

The committee shall, for the most part, consist of tax-oriented practitioners. Members are appointed through the TXCPA committee appointments process and should reflect a cross section of the membership. Appointments will be based on criteria including but not limited to area of practice, experience, and geographic representation. The committee chair is selected in accordance with TXCPA committee appointment procedures. (EB:11/7/03) (EB:11/3/17)

## Strategic Planning Committee

### Purpose

TXCPA Bylaws, Article XVII, sets forth the role of the strategic plan and charges the Strategic Planning Committee with the responsibility of reporting on the plan's implementation to the Board of Directors.

### Specific Strategies and Actions to Achieve Purpose

1. Maintain a dynamic strategic plan to provide direction to TXCPA.
  - a. Periodically review the TXCPA strategic plan for the purpose of determining if the strategic plan is guiding the Society activities, structure, mission, and objectives, and is responding to the environment in which both the Society and the profession function; propose such changes as the committee deems appropriate.
  - b. Provide a forum for gathering data to assist with updating and monitoring the strategic plan.
2. Monitor TXCPA strategic plan implementation, providing a system for TXCPA groups and individuals, both volunteer and staff, to report current and future activities in measurable terms concerning the implementation of the respective plan goal(s) for which they are responsible. Recommend plan modifications to the Board of Directors.
  - a. Staff will designate individuals or groups who will be responsible for achieving strategic plan goals, with the advice and consent of the committee member responsible for monitoring the implementation of the strategic plan.
  - b. If necessary, meet with individuals and representatives of groups responsible for achieving specific plan goals to respond to questions concerning goals and the implementation of related strategies and actions.
3. Assure communication of strategic planning activity to members.
4. Report activity to the Board of Directors.

### Composition

TXCPA chair-elect, treasurer-elect, treasurer-elect nominee, president & CEO and members-at-large, appointed by the president & CEO and chair-elect, who possess strategic planning expertise and who represent the various diverse interests within TXCPA. (EB:6/18/99) (EB:11/11/06)

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

## Texas Insurance Trust

### Purpose

Establish and maintain the Fund to provide insurance products including, but not limited to, life, accident, and health to qualified members of the Society, their employees and their families. The Trust shall have the responsibility to review and monitor all insurance policies, products, plans, etc., that are offered to the Society, its members, their employees and their families. Any of such insurance as the trustees may determine shall be provided through one or more insurance policies issued by insurance carriers.

### Responsibilities

1. Make and enforce such rules and regulations, including any requirements for eligibility of subscribers and participation in the Trust, as the trustees deem necessary or proper for the efficient administration of the Trust, and to require the subscribers to furnish such information and assistance as the trustees deem necessary or advisable.
2. Construe and interpret the Trust, to supply any omissions therein, to reconcile and correct any errors or inconsistencies, to decide any questions in the administration and application of the Trust, and to make equitable adjustments for any mistakes or errors made in the administration of the Trust.
3. Appoint such agents, counsel, accountants, and consultants as the trustees deem necessary for the proper administration of the Trust.

### Composition

TXCPA treasurer, treasurer-elect, chief financial officer, nine at-large members nominated by a majority of the trustees and approved through the Society's committee appointment process, at least five of whom must have expertise in insurance matters, and at least three of whom must purchase insurance through the Trust. The at-large members shall serve a minimum six-year term with rotation, if any, on a staggered basis. The trustees will determine rotation of added members. (EB:1/30/19)

The trustees shall elect one member to act as chair, to serve for such periods as the trustees shall determine (generally the chair serves two years). (EB:11/3/17)

## Conference Planning Groups

Conference Planning Groups will work to plan and execute education conferences for members on various topics.

Conference Planning Groups will be appointed for:

Accounting Education Conference

CPAs By the Bay

CPE Expo

Energy Conference

Nonprofit Organizations Accounting and Auditing Conference

Single Audits and Governmental Accounting and Auditing Conference

Summit

Texas School District Accounting and Auditing Conference

### Composition

The conference planning group chair and members are appointed through the TXCPA volunteer appointments process and should reflect a cross section of the membership. Appointments will be based on criteria including but not limited to area of practice, experience, and geographic representation.

# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

## Responsibilities of Conference Planning Group Chairs:

1. Work with the staff liaison to schedule conference planning meetings
2. Conduct meetings in accordance with *Robert's Rules of Order*;
3. Determine how the conference planning group might assist in achieving overall objectives of TXCPA

## Responsibilities of Conference Planning Group Members

1. Recommend topics and subject matter experts for the conference
2. Assist with outreach to potential speakers
3. Attend and participate in conferences (onsite when held in person)
4. Provide onsite support such as introduction of speakers, moderation of sessions, registration support, etc.
5. Assist as needed in identification of topics for development of new course modules and conferences in the appropriate curriculum
6. Make recommendations on how to engage members outside the conference environment (BOD:4/24/25)

## Appointment Process

Similar to committees, in addition to a desire for service on a particular planning group, the member's related experience, as well as the need for appropriate member demographic balance on the planning group, is considered.

A chair shall be appointed for all conference planning groups by the TXCPA chair-elect or individual who will be chair during the service year in which the member is being appointed for a one-year term and may be reappointed for an additional two terms. In special circumstances a chair may be eligible to serve more than three consecutive terms with approval by the president & CEO and the individual who will be chair during the service year in which the conference planning group chair is being appointed.

Members will be appointed to a conference planning group for a one-year term with the understanding that the member may be reappointed for an additional two terms only if his/her record of involvement and participation has been commendable. In appropriate circumstances when specific expertise is needed, a member may serve more than three consecutive terms on a planning group with approval by the president & CEO and the chair-elect or individual who will be chair during the service year in which the member is being appointed.

New volunteer applications are accepted annually and as vacancies occur. The call for conference planning groups volunteers will be held annually consistent with the learning calendar. Returning and new volunteers are recommended by the incoming conference planning chair and staff liaison and approved by the chair-elect or individual who will be chair during the service year in which the member is being appointed.

Vacancies may occur during the year due to resignation, lack of participation, the need for more volunteers or the need for a particular expertise to execute the work of the group. These vacancies may be filled with approval by the president & CEO and the chair or individual who will be chair during the service year in which the member is being appointed. (BOD:4/24/25)

## Meetings

1. All in-person meetings shall be held in Texas unless scheduled in conjunction with the Annual Meeting or Leadership Council meetings taking place outside of the state.
2. The meetings should be organized in such a manner to minimize travel time and maximize meeting time.
3. Every effort should be made to determine if a virtual meeting would be acceptable to optimize time required of volunteers and minimize costs.
4. Guests may be invited to attend the meetings at the discretion of the conference planning chair.

## Quorum/Voting

Unless stated otherwise, a quorum for any meeting should consist of at least a majority of members appointed. Every action or recommendation made by a majority of conference planning group members present at a meeting duly held at which a quorum is present is the act of the conference planning group. (EB:11/3/17)



# COMMITTEES AND CONFERENCE PLANNING GROUPS

---

## Meeting Expenses

Reasonable meeting expenses for such items as lunches, breaks, audio/visual equipment, meals and related expenses for the staff liaison(s) will be borne by the Society.

## Expense Reimbursement

Reimbursement for conference planning members is limited to those for whom lack of reimbursement would constitute a sufficient financial burden to interfere with the performance of their responsibilities with TXCPA and its affiliated entities (not including chapters). Such reimbursed expenses are limited to transportation costs (e.g., coach class airfare, personal automobile mileage allowance, taxi and auto rental). Original receipts of all expenditures must accompany requests for reimbursement.

Conference planning group members requesting travel reimbursement under the parameters outlined above are to seek approval for reimbursement prior to the meeting. Requests should be submitted to and approved by the chief financial officer. Members approved for reimbursement must submit a brief memo, attaching either an original airfare receipt or a mileage statement. Arrangements for air travel should be made sufficiently in advance to obtain any discount fares available. There will be no disclosure of names of members to whom reimbursement is made. It is the intent that requests for reimbursement come only from conference planning members who qualify for reimbursement under this policy.

Conference Planning Groups should be aware of the following policies:

1. Travel, telephone, mailing costs and other expenses incidental to planning meetings, Board of Directors and Leadership Council meetings are a personal obligation of the conference planning group members; such obligations should be recognized at the time of acceptance of the appointment to a group.
2. Expense of mailings and printing of brochures or manuals and/or other materials for conference planning projects are to be requested as items in the group's budget each year; expenses of this nature should be incurred only through the TXCPA administrative office.

These reimbursements are not available to conference planning group members attending meetings held in conjunction with the Society's Leadership Council Meetings or Annual Meeting of Members since all members are expected to attend these meetings at their own expense. (EB:6/29/06 and 4/27/07)

## Responsibilities of conference planning group staff liaisons:

Assignment of staff liaisons to conference planning groups is the responsibility of the president & CEO. The role of the staff liaison is to be well informed of TXCPA activities and policies, to advise the conference planning group of such, and to recommend and implement approved programs.

## Staff liaison responsibilities include:

1. Monitor changes, trends and current issues relative to the conference planning group activities, and report on significant items at each meeting;
2. Implement staff action items generated by conference planning group activity;
3. Participate in discussion of conference planning group;
4. Coordinate with the chair on the agenda for all meetings;
5. Coordinate all meeting arrangements with the appropriate staff;
6. Disseminate meeting notice at least four weeks before the meeting, if possible;
7. Take minutes at all meetings of the conference planning group assigned, develop list of action items and distribute to all group members. Minutes will be distributed prior to the next meeting in the approved format without the necessity of chair's approval. Corrections or additions to minutes will be made at the next meeting;
8. Maintain conference planning group files; and
9. Make all conference planning group minutes available via the designated electronic medium.