Texas Society of Certified Public Accountants

VOLUNTEER POLICIES AND PROCEDURES MANUAL

REVISED 11/10/16

INTRODUCTION

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

ARTICLE XVI - *VOLUNTEER POLICIES AND PROCEDURES MANUAL*

(1) The Executive Board 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 Executive Board. Unless otherwise stated in the *Manual*, policies and procedures of programs and services that must meet the requirements of the AICPA, State Board, 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 Executive Board.

TABLE OF CONTENTS

KEY TO NOMENCLATURE iii
GUIDE TO THE MANUAL iii
POLICIES/PROCEDURES 4
Affiliate Members 5
Annual Meeting 5
Antitrust 5
Auditors (TSCPA), Committee Service 6
Awards 7
Board of Directors 10
Board of Directors Statement of Responsibilities 11
Budgetary Controls 11
Chairman, Role and Responsibilities of 11
Chairman (Immediate Past), Responsibilities of 12
Chairman-elect, Responsibilities of 12
Chairman-elect Nominee, Responsibilities of 13
Chapters 13
Chapter Awards 13
Chapter Size Groups 14
Chapter/Society Relationship 14
Chapter - Standards for Formation of a New Chapter 15
Committee 15
Committee Appointments Process 16
Committee Chair, Responsibilities of 16
Committee Member, Responsibilities of 17
Compensation and Benefits 17
Conflict of Interest Policy 17
Contracting Authority 18
Coordinating Officers, Responsibilities of the Executive Board as 18
Executive Board 18
Executive Director/Chief Executive Officer, Role of 19
Expense Reimbursement, Volunteer 19
Financial Standards, Minimum 21
Fund Balance Guidelines 21
Investment Guidelines and Objectives 22
Liability Insurance, Board of Directors Members 22
Liability Insurance, Members 23
Lifetime Members/Honorary Fellows - State Board Action 23
Lobbyists, Contact With 23
Logo (TSCPA), Adoption of 23
Meetings Policy 23
Member Benefits Criteria Statement 24
Member Mailing List Use 24
Members Suspended by Texas State Board of Public Accountancy 25
Nominations Guidelines 25
Peer Review Program, Qualifications of Reviewers 27
Professional Ethics Committee Procedures 27
Secretary, Responsibilities of 29
Sexual Harassment Prevention and Investigation Procedure 29
Speaking Out for TSCPA 31
Staff Liaison (Committee) Expectations of 32
Strategic Planning Process 32
Task Forces 32
Treasurer, Responsibilities of 33
Treasurer-elect, Responsibilities of 33
Treasurer-elect Nominee, Responsibilities of 34
TSCPA CPA-PAC Political Activity 34
Whistleblower Policy 34

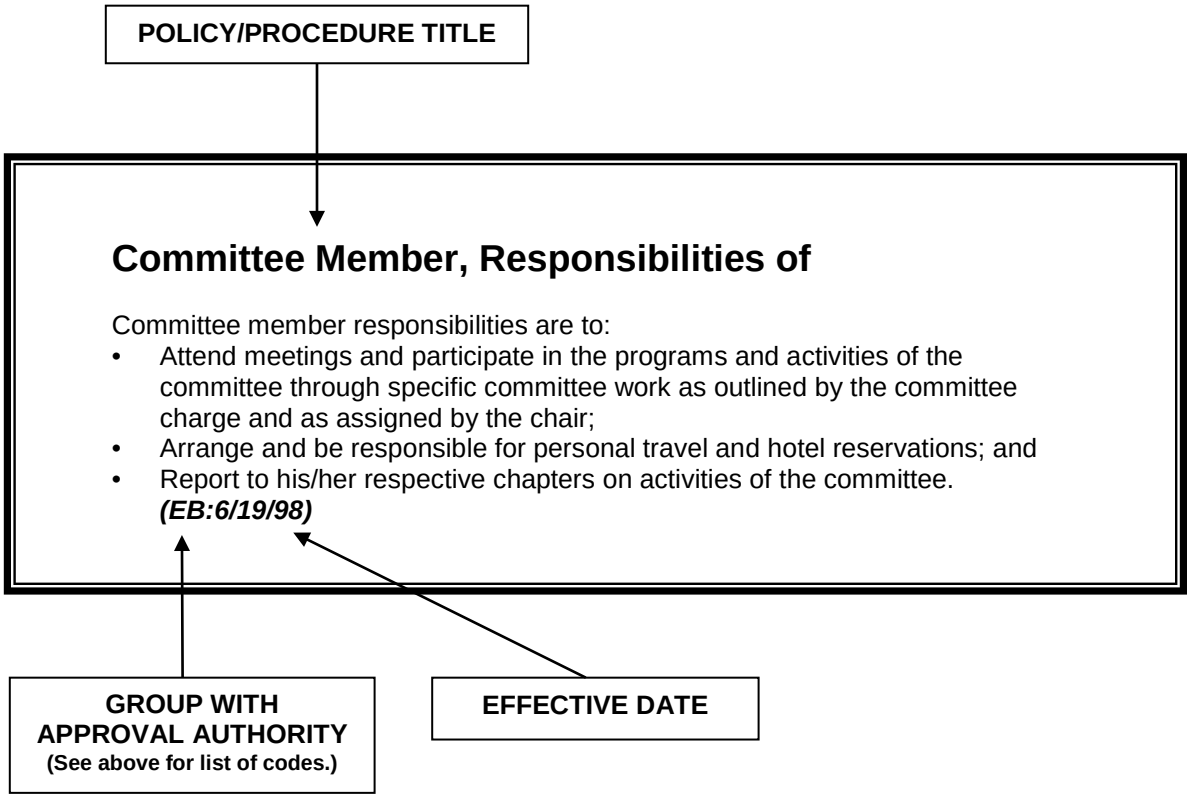
TABLE OF CONTENTS

COMMITTEE CHARGES
Advanced Estate Planning Conference Committee 36
Audit Committee 36
Awards Committee 37
Business and Industry Issues Committee 38
Business Valuations, Forensic and Litigation Services Committee 38
Chapter Coordinating Committee 39
Chapter Legislative Coordinators Committee 40
Compensation Committee 39
CPA-PAC Committee 40
CPA Practice Issues Committee 41
CPE Advisory Board 41
CPE Exposition Committee 41
Diversity and Inclusiveness Committee 42
Editorial Board 42
Energy and Communications Conference Committee 43
External Relations/Image Issues Committee 43
Federal Tax Policy Committee 43
Finance Committee 44
Financial Institutions Conference Committee 45
Health Care Conference Committee 45
History Committee 45
Information Technology Committee 46
Investments Committee 46
Legislative Advisory Committee 46
Membership Committee 47
Nominations Committee 48
Nonprofit Organizations Conference Committee 48
Peer Assistance Committee 49
Peer Review Committee 49
Professional Ethics Committee 50
Professional Standards Committee 50
Relations with Educational Institutions Committee 51
Relations with IRS Committee 51
Single Audits and Governmental Accounting Conference Committee 52
State Taxation Committee 52
Strategic Planning Committee 53
Texas CPA Tax Institute Committee 53
Texas School District Accounting and Auditing Committee 54
Texas State Taxation Conference Committee 54
Young CPAs and Emerging Professionals Committee 54

KEY TO NOMENCLATURE

Term	Abbreviated Term
Chairman	CHR
Chairman-elect	CHR-E
Chairman-elect nominee	CHR-EN
Board of Directors	BOD
Executive Board	EB
Committee	COMM
Committee chair	COMM-CHR
Executive director/chief executive officer	ED/CEO
Peer Review Committee	PRC

GUIDE TO THE MANUAL



POLICIES

Affiliate Members

The Board of Directors of the Society shall determine the dues to be paid for affiliate status, and the rights and privileges of affiliates, except that under no circumstances shall affiliates be entitled to vote or hold office in the Society. Affiliate members are prohibited by state law and TSCPA policy from implying or representing themselves as CPAs.

Categories:

International
The **International** Affiliate is defined as an accounting professional holding a valid and unrevoked certificate/license issued by a credentialing entity recognized by the Texas Society of CPAs. International Affiliate Members residing in Texas or within 100 miles (162 kilometers) of the Texas border will be members of a chapter. Affiliate members are prohibited by state law and TSCPA policy from implying or representing themselves as CPAs.

The Executive Board will have the authority to recognize the credentialing entities. Member bodies of the International Federation of Accountants are the recognized credentialing entities.

Academic
The **Academic** Affiliate is defined as a non-CPA high school or college/university educator who teaches business-related classes. Academic Affiliate members residing within the state of Texas shall be members of a local chapter. Affiliate members are prohibited by state law and TSCPA policy from implying or representing themselves as CPAs.

Non-CPA CGMA
The **Non-CPA CGMA** Affiliate is defined as a non-CPA who holds the CGMA (Chartered Global Management Accountant) designation issued by the AICPA in good standing. The affiliate membership would terminate if the individual no longer holds the CGMA designation. Affiliate members are prohibited by state law and TSCPA policy from implying or representing themselves as CPAs.

Non-CPA Employee
The **non-CPA Employee** Affiliate is defined as non-CPA employees who work for/are supervised by a current TSCPA Fellow member on a substantially full-time basis and are sponsored by that member. The affiliate membership would terminate if the person leaves employment and is no longer sponsored by a Fellow Member. Affiliate members are prohibited by state law and TSCPA policy from implying or representing themselves as CPAs.

Student
The **Student** Affiliate dues class includes two categories:

Students: Includes **part-time and full-time undergraduate and graduate students** from two-and four-year colleges or universities majoring in accounting, finance, or other business-related majors. Upon graduation, a student becomes a candidate.

Candidates: Includes college graduates pursuing CPA certification and those who have passed the Uniform CPA Examination but have not met the experience requirement for certification. A candidate member may continue in this status for five years after graduation or up to five years after they pass the CPA exam.

Student affiliate membership dues, if any, shall be prescribed by the Executive Board.
Other Requirements:

Academic, International Affiliate and non-CPA employee 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)***

Annual Meeting

Annual Meeting guidelines are as follows:

1. Purposes of the Annual Meeting are to transact the business of the Texas Society of Certified Public Accountants (TSCPA), 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, reward its Board of Directors members, and provide fellowship among the members of the TSCPA.
2. A minimal registration fee shall be charged to members and guests to attend. The registration fee will be waived for members of the TSCPA Board of Directors. ***(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 consultation with an Executive Board site selection task force, the executive director/CEO and TSCPA Meetings Department shall recommend a site to the Executive Board 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; the Meetings Department shall plan and sponsor any CPE offered at the Annual Meeting with the assistance of the Director, CPE; the business portion of the Annual Meeting should be scheduled on two consecutive days.
5. The executive director/chief executive officer (CEO) and Meetings Department 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.

The chairman, chairman-elect and executive director/CEO share input regarding those portions of the meeting over which the chairman and chairman-elect will preside. The chairman shall be responsible for setting the agendas for the business meetings. The executive director/CEO will: establish the overall meetings schedule; confirm speakers; and approve all functions relating to continuing professional education and entertainment of all participants.

TSCPA'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 TSCPA'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 TSCPA, 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 and staff are specifically prohibited from engaging in the following:

- Participating in or promoting any activities or discussions to raise, lower, or stabilize prices or fees charged to customers or clients;
- Participating in or promoting discussions to regulate production or the availability of services;

- Participating in or promoting allocation of exclusive markets, customers or clients, or agreeing to divide territories;
- Encouraging boycotts of competitors, suppliers, customers or clients; or
- Assisting in monopolization of services.

In order to ensure that antitrust laws are observed by TSCPA members at meetings, the following procedures shall be observed:

- Fees, prices, or billing rates shall not be discussed at any formal or informal meeting of the TSCPA without TSCPA legal counsel present.
- Features that can impact prices and fees, such as salaries, costs, and profit margins shall not be discussed at any TSCPA meeting without TSCPA legal counsel present.
- Discussions about customers and clients should not take place among competitors.
- Statements about future plans regarding pricing, expansion, or any action with competitive overtones are prohibited at any TSCPA meeting without TSCPA legal counsel present. Members are advised not to participate in discussions if other members have such discussions.
- All TSCPA meetings shall be attended by a TSCPA staff member.
- If a discussion is at-risk for antitrust violations, the attending TSCPA staff 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, TSCPA 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.
- TSCPA senior management or legal counsel should be alerted if any improper discussions or activities occur.
- All TSCPA meetings should have agendas that are distributed in advance of a meeting or conference call.
- All TSCPA 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.
- If a member has a question about the legal aspects of TSCPA's activities, he or she should seek advice from TSCPA staff or legal counsel.

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

- In determining products and services to provide members, TSCPA 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, TSCPA chapters, and any other organization. ***(ED/CEO:8/7/12; EB: 11/2/12)***

Auditors (TSCPA), Committee Service

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

- No partner of such firm, nor any employee assigned to an engagement for the TSCPA and/or for its affiliates, shall serve, or shall have served, the Finance, Audit or Investments committees or the Executive Board of the TSCPA and/or its related entities during the period(s) covered by the audit report or during the period(s) of the engagement; and
- A partner of such firm, or an employee assigned to an engagement for the TSCPA and/or its related entities, shall prospectively inform the TSCPA chairman 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 the Texas Society or its affiliates (not including chapters). ***(EB:8/09/02)***

Awards

TSCPA 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 Chairman; Young CPA of the Year; Sustained Contribution Award ***(EB: 8/6/16)*** and CPA 50-year Continuous Fellows. The Awards Committee recommends to the members nominees for Honorary Fellow and Honorary Member recognition.

In addition, the Awards Committee shall:

- select the TSCPA nominee for the American Institute of CPAs' (AICPA) Distinguished Public Service Award; and
- coordinate the selection of TSCPA nominees for other AICPA awards.

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

- Accounting Education Foundation shall select the Kenneth W. Hurst Award;
- Chapter Coordinating Committee shall select recipients of the Outstanding Small Chapter, Outstanding Medium Chapter, and Outstanding Large Chapter;
- 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;
- Relations with Educational Institutions shall select the recipient(s) of the Outstanding Educator Award(s); and CPE Advisory Board shall select the recipient of the CPE Conference Committee Award. ***(EB:8/09/02)***
- Business & Industry Issues Committee shall select the recipient of the "Business & Industry Award." ***(EB: 1/28/16)***

The executive director/CEO will forward any additional award requests to the appropriate groups.

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

- Relations with Educational Institutions Committee - AICPA Outstanding Educator; and
- Business and Industry Committee – 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 TSCPA group responsible.

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

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

A member of the Awards Committee or current officer of TSCPA shall not be eligible for award consideration by the committee. ***(EB: 8/6/16)***

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.

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

appropriate Society publications and chapter newsletters.

Criteria for selection for specific awards are as follows:

Meritorious Service to the Accounting Profession in Texas: Regarded as the highest honor bestowed by TSCPA. 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.

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

- CPA certificate;
- Member of TSCPA in good standing;
- Shall have spent most of his/her career engaged in professional activities which emphasize the use of CPA competencies;
- Shall have been an outstanding and recognized leader in the Texas Society of CPAs as well as the local chapter of the TSCPA, probably having served as a committee chair, officer and Board of Directors member;
- 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
- Shall have been a spokesperson for the profession (last five years) through speeches or articles.

Distinguished Public Service: Initiated to: (a) recognize TSCPA members who contribute responsibly as citizens of their respective communities, and (b) encourage certified public accountants 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 organizations or the profession is not considered in determining the award winner.*

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

- CPA certificate;
- Member of the Texas Society of CPAs in good standing;
- 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;
- Responsibility for a public service project that had a significant positive effect on the community;
- Encouragement of participation in and/or implementation of public service projects through written articles or other published materials; and
- Service in an outstanding manner as an appointed or elected government official at the local, state or national level.

Honorary Fellow: Given to an individual who has distinguished himself/herself within the Texas Society of CPAs. Some of the criteria to be considered in selecting this award recipient include:

- A CPA and a member of the Texas Society of CPAs; in good standing
- Shall have spent most of his/her career actively engaged in professional activities which emphasized the use of CPA competencies;
- Shall have been an outstanding and recognized leader in his/her professional career;
- Shall have been an outstanding and recognized leader in TSCPA as well as a local chapter of the Society, probably having served as a committee chair, officer and member of the Board of Directors;
- May also have been active in committees and/or offices of the AICPA;
- Shall have been an outstanding and recognized leader in his/her community and its civic as well as social enterprises; and
- 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.

Outstanding Chairman: 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 Chairman if the chair is serving a second year as chair.

Young CPA of the Year: Bestowed on a CPA who is a member of TSCPA. The individual, age 39 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.

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

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

Sustained Contribution Award: Presented to select members in good standing with at least 20 years of volunteer service on committee or boards of TSCPA, a TSCPA 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)***

CPA 50-year Continuous Fellows: Bestowed on an individual who has distinguished himself/herself as a member of TSCPA for 50 years.

Honorary Member: Presented to a person who is not eligible for regular TSCPA 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.

Some criteria that may be considered include:

- Distinguished at least within the profession on a statewide basis in accountancy and need not be a resident of the state of Texas;
- Significant, honorable, and widely recognized work in executive or administrative activity of the AICPA, the state societies or chapters thereof affecting the practice of accountancy. Employees of TSCPA 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 thirty years to AICPA,TSCPA and/or its chapters, or other state CPA societies;
- Activities by individuals that directly benefit the profession in continuing professional education in a substantive way, elevating the competence and image of the profession;
- 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
- Service by individuals of an exceptional nature or value to the Accounting Education Foundation, TSCPA, the Texas State Board of Public Accountancy (TSBPA), or the PAC committees of TSCPA or its chapters. ***(EB: 4/25/08)***

Recognition of All Award Recipients: 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 articles in appropriate TSCPA publications and the Society's Web site. TSCPA 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.

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

Board of Directors

The Board of Directors is TSCPA'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)].

The Board of Directors consists of the following members:

- all past presidents elected prior to June 1998;
- all past chairmen;
- all members of the Executive Board;
- the president of each local chapter (term concurrent with tenure of office);
- Strategic Planning Chair;
- thirty-six Board of Directors members elected at-large by Society members at the Election Meeting of Members/Midyear Board of Directors Meeting (three-year terms except as necessary to maintain a general pattern of one-third of the at-large directors' terms expiring each year);
- one extra Board of Directors member to be elected by each local chapter for each unit of 200 fellow and honorary fellow members of the Society, or portion thereof as of May 31 of the previous year, in its designated area (three-year terms with one-third of elected members retiring each year); chapters may elect less than their maximum allowed; and
- president of TSCPA Accounting Education Foundation.

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

The Texas Society *Bylaws* describe the responsibility of the Board of Directors as follows:

- Prescribe requirements for membership [*Bylaws,* Article II (1)];
- Nominate honorary fellow members and honorary members [*Bylaws,* Articles II (3) & (4)];
- Determine categories and rules for affiliate membership [*Bylaws,* Article II (5)];
- Determine all chapter districts [*Bylaws*, Article IV (1)];
- Approve of each chapter's incorporation prior to filing with the Secretary of State [*Bylaws*, Article IV (6)];
- Exercise general control of all Society affairs [*Bylaws*, Article V (1)];
- Supervise funds and property of the Society [*Bylaws*, Article V (1)];
- 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 VI (3)];
- Select a member of the Board of Directors to act as chief elected officer in the event the chairman (or the Executive Board members or chairman-elect designated by the Executive Board) is temporarily unable or unwilling to act [*Bylaws*, Article VI (5)];

- Approve the three members to the incoming Executive Board appointed by the chairman-elect [*Bylaws*, Article VII (1)];
- Remove a member from the Executive Board for failure to perform the duties provided for within the *Bylaws* [*Bylaws*, Article VII (2)];
- Set annual dues [*Bylaws*, Article XI (1)];
- Approve annual budget [*Bylaws*, Article XII (2)];
- Annually designate the Society auditor who is a member of the Society [*Bylaws*, Article XII (3)];
- Initiate a proposal to amend the *Bylaws* [*Bylaws*, Article XV (1)]; and
- 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 XV (2)].

Except in the case of a past chairman or a past TSCPA president elected prior to June 1998, absence from three consecutive meetings of the Board of Directors by any director shall terminate his Board of Directors membership unless reasonable explanations are submitted by the director and are accepted by the Executive Board. ***(EB:11/7/03) (EB: 8/25/06)(EB: 08/24/07)***

Board of Directors Statement of Responsibilities

A member serving on the Board of Directors under *Bylaws* Article V(2)(c), (e), or (f) is expected to sign the Board of Directors Statement of Responsibilities as approved by the Executive Board 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: http://infonet.tscpa.net/docushare/dsweb/Get/Document-4467/Board+of+Directors+Statement+of+Responsibilities.pdf
(EB:11/12/2004; EB 11/7/08)

Budgetary Controls

OPERATIONAL BUDGETS
All expenditures that are not within the current year's budget must be approved in advance as follows:

POSITION AUTHORIZED	AUTHORIZED LIMIT
Executive Director/CEO	Up to $10,000
Society Chairman	Up to $50,000
Executive Board	$50,000 to $250,000
Board of Directors	Over $250,000

Unrealized gains and losses on investments are not to be included in the operational budget beginning with the 2004-2005 fiscal year. ***(EB: 11/11/06)***

Chairman, Role and Responsibilities of

The chairman is the chief elected officer of the Society and is responsible to the Board of Directors and the Executive Board. The chairman will focus his/her efforts and attention on TSCPA programs and activities designed to enhance the effectiveness and reputation of the accounting profession.
The chairman is responsible for maintaining continuity of ongoing Strategic objectives as set forth in the *Strategic Plan*.

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

The chairman is the chief spokesperson for the Society and will actively and personally promote a cohesive partnership with chapters, other organizations including the 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 chairman is responsible for calling and conducting meetings and determining agendas of the Board of Directors, the Executive Board and the members.

The responsibilities of the chairman are to:
- Serve as an officer of TSCPA;
- Chair and report to the Board of Directors;
- Chair the Executive Board;
- Serve as the primary internal and external Society spokesperson;
- Interact on a regular basis with the executive director/CEO, identifying current professional issues and proposed resolutions;
- Work with the executive director/CEO to see that basic procedures and programs that will further the goals and objectives of the Society are planned, formulated and executed;
- Make policy decisions on behalf of the Board of Directors when it is not timely to consult the Executive Board or Board of Directors, in which case, the chairman should seek ratification of the Board of Directors or Executive Board at the next available opportunity;
- Support and direct implementation of volunteer policies;
- Communicate with the Board of Directors regarding progress toward achieving the objectives of the Society;
- 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 chairman-elect), after obtaining input from staff;
- Serve in an *ex officio* capacity for all committees and other legal entities of the TSCPA;
- Serve as chair of the Compensation committee, which determines the compensation of the executive director/CEO and approves the compensation pool for staff; and
- Work with the executive director/CEO to plan the Midyear Board of Directors Meeting and Annual Meeting which will take place during his/her year as chairman. ***(EB:11/7/03)***

Chairman (Immediate Past), Responsibilities of

TSCPA's immediate past chairman serves on the Board of Directors.

In his/her first year as past chairman, he/she serves as the chair of the Committee on Nominations and on the Compensation Committee, as well as, on the Executive Board. In his/her second year as past chairman, the individual chairs the Awards Committee. ***(EB:11/11/06)***

Chairman-elect, Responsibilities of

The responsibilities of the chairman-elect are to:
- Serve as an officer of TSCPA;
- Serve on the Board of Directors;
- Serve on the Executive Board;
- Appoint three nominees to the incoming Executive Board with the approval of the Board of Directors;

appoint one member to the incoming Committee on Nominations;
- In consultation with the executive director/CEO, approve committee appointments for his/her year as chairman;
- Serve on the Finance Committee;
- Serve on Compensation Committee;
- Serve on the Strategic Planning Committee;
- Serve as trustee of the Accounting Education Foundation, TSCPA;
- Attend the CPA-SEA Leadership Conference for state CPA society presidents (chairmen)-elect;
- If possible, attend the AICPA Annual Meeting as TSCPA representative;
- Assume responsibilities as assigned by the chairman. ***(EB:8/09/02)***

Chairman-elect Nominee, Responsibilities of

The responsibilities of the chairman-elect nominee are to:
- Attend Executive Board meetings after the time of nomination;
- Serve on the Finance Committee;
- Serve as member of the Compensation Committee; and
- Consult with the executive director/CEO and TSCPA Meetings Department regarding site selection for the Midyear Board of Directors Meeting and Annual Meeting that will take place during his/her year as chairman. ***(EB:8/09/02)***

Chapters

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

Coordination with TSCPA among the chapters is accomplished through the Chapter Coordinating Committee, which is comprised of chapter presidents, president-elects and executive directors. This committee is assisted by a staff liaison who is in frequent contact with the chapters. The committee reports to the Executive Board 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

The Chapter Coordinating Committee Steering Subcommittee is responsible for selecting the recipients of the following awards: Outstanding Small Chapter, Outstanding Medium Chapter, and Outstanding Large 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 TSCPA publications.

Budget: The Chapter Coordinating Committee budget will include all expenses related to award recognitions. ***(EB: 8/27/04)***

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 TSCPA Chapter Coordinating Committee Steering Subcommittee and CPE Foundation Advisory Board, selection of Outstanding Chapter Awards and recommendation of other TSCPA 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; 11/3015)

Chapter/Society Relationship

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

The chapters are authorized in the Society *Bylaws* and serve as an important contact with the members. It is desirable that the chapters develop their objectives and plan their activities with the Society's *Strategic Plan* in mind, and that the chapter's strategic plan complement that of TSCPA. The activities of the chapters should be designed to advance the profession and complement the activities of the Society.
TSCPA will refer to all of its local chapters as the "(geographic location) Chapter of the Texas Society of Certified Public Accountants" in all TSCPA publications, media releases, awards and other official communications. **(*EB:4/26/03)***

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

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 TSCPA chairman 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:

- If there are at least 250 fellow members in the counties proposed to be moved, they are electronically surveyed by TSCPA staff to see how many are willing; and
- the first four items below are included in a document that the proposers provide to the president, 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 TSCPA Chairman will notify the proposers that they may move forward as follows.

The proposal document shall include all of the following:

- names of at least 20 current CPA members in good standing (who have been members for at least 10 years continuously) making the proposal;
- a detailed explanation of members' needs for a new chapter in the affected area that cannot be addressed by existing chapters;
- names of the counties that would be moved from existing chapters;
- the approximate number of members who would be moved (a minimum of 250 current Fellow, Honorary Fellow and Lifetime members in good standing is required);
- a five-year strategic plan;
- the names of eligible members who have committed to serve as officers during the first three years after the chapter is created;
- proposed dues amounts for the first five years; and
- a proposed five-year budget.

All names in the proposal are subject to eligibility verification by TSCPA staff. The TSCPA chairman 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 TSCPA Executive Board prior to consideration by the Board of Directors with the affected chapter(s) given the opportunity to state their case in person. The TSCPA Executive Board should endorse the change in boundaries by a simple majority prior to sending to the Board of Directors for approval as described below.

If all of the foregoing criteria have been met, the proposal will be placed on the agenda for a vote at the Midyear Board of Directors Meeting in January or February of that fiscal year. 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 TSCPA Bylaws) for the new chapter shall be sent to the assistant secretary by June 1 for approval by the TSCPA Executive Board at its next regularly scheduled meeting.

After Bylaws are approved by the TSCPA Executive Board, all affected members will be notified by TSCPA 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 TSCPA, 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 five fiscal years, subject to Executive Board approval, and must submit annual financial reports to the TSCPA Executive Board no later than two months after the end of each fiscal year. ***(MYB-1/28/15)***

Committee

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 Executive Board or Board of Directors has the authority under the provisions of the *Bylaws* to designate and charge committees.
(EB:8/09/02)

Committee Appointments Process

The basis for selecting committee personnel is found in the Society *Bylaws* under Article VIII (5).

It is desirable that the concept of committee service is a sought-after privilege rather than an automatic right as part of Society membership.

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

A member will be appointed to a committee 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.

Vacancies may occur during the year due to resignation, lack of participation, or the need for more volunteers or a particular expertise to execute the work of the committee. These vacancies may be filled by the chairman with input from the executive director/CEO. ***(EB:8/09/02)***

Committee Chair, Responsibilities of

Each committee will be supported by TSCPA staff. The 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 TSCPA; 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:

- Schedule committee meetings;
- Conduct meetings in accordance with *Robert's Rules of Order*;
- Determine how the committee might assist in achieving overall objectives of TSCPA detailed in the *Strategic Plan;*
- Assign program activities to volunteers and monitor their activity;
- Forward committee action items to the Executive Board;
- Forward a committee program report to the coordinating officer for report to the Executive Board; and
- Report to the committee on actions taken by the Executive Board. ***(EB:8/09/02)***

Committee Member, Responsibilities of

Committee member responsibilities are to:

- 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 chair;
- Arrange and be responsible for personal travel and hotel reservations. ***(EB:8/09/02)***

Compensation and Benefits

Compensation and benefits programs for TSCPA employees are designed with the goal of providing remuneration that is fair, reasonable and competitive. The programs are intended to help TSCPA recruit and retain qualified staff while being cost-effective and affordable, ensuring that the interests of TSCPA members are considered. The responsibility for guiding and overseeing the formulation and application of staff compensation and benefits for TSCPA employees has been delegated to the Compensation Committee by the Executive Board. The Compensation Committee will report to the Executive Board 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 executive director/CEO, oversee and review the benefit programs provided to TSCPA employees, set the overall compensation budget for TSCPA each year, conduct a performance evaluation of the executive director/CEO each year and set the compensation of the executive director/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 non-profit 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 TSCPA regardless of their level. TSCPA 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 volunteers of the Texas Society of CPAs 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 TSCPA shall be required to sign an annual statement that he or she understands the Conflict of Interest Policy and agrees to disclose to the chairman any conflict or potential conflict of interest which may arise during his or her service. (See “Conflict of Interest Disclosure Statement”).

The disclosure of any conflict by volunteers should be in writing, confidentially addressed to the chairman, and should describe the facts and circumstances relative to the potential conflict of interest. It will be the decision of the chairman 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 Executive Board or its designee. ***(EB:8/09/02) (EB: 11/7/08)***

POLICIES

Click on the following link for the Conflict of Interest Disclosure Statement:
http://infonet.tscpa.net/docushare/dsweb/Get/Document-4468/Conflict+of+Interest+Disclosure+Statement.pdf

Contracting Authority

All contracts entered into by the Texas Society of CPAs and its related entities (not including chapters), must be approved by the executive director/CEO or his/her designee. ***(EB:8/09/02)***

Coordinating Officers, Responsibilities of the Executive Board as

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

The duties of coordinating officers are as follows:

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

The Executive Board is the working arm of the full Board of Directors. The Executive Board 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.

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

The Executive Board identifies issues, and considers and decides matters brought before it by members, committees, officers and others. With a view of the needs of the profession, the Executive Board is responsible for review and approval of *Strategic Plan* objectives.

The Executive Board is expected to perform the following duties:

- Review the annual budget, as recommended by the Finance committee and staff, prior to presentation for ultimate approval by the Board of Directors;
- Throughout the year, review performance against the budget and, through the treasurer, report such at each Board of Directors meeting and make such recommendations as it deems appropriate;
- Initiate recommendations to the Board of Directors regarding matters worthy of consideration;
- Screen and amplify for Board of Director's consideration and approval recommendations made by committees;
- Take disciplinary action against members as necessary under *Bylaws* Article III;
- Approve changes to chapter *Bylaws;*
- Approve changes to *TSCPA Volunteer Policy and Procedures Manual;*
- Prescribe requirements and dues for Student Affiliate members; and
- In addition to the chairman-elect, treasurer and treasurer-elect, three members of the Executive Board will be appointed by the chairman to serve on the Finance Committee. ***(EB:11/11/06)***

Executive Director/Chief Executive Officer, Role of

The executive director serves as chief executive officer of the Society and is responsible to, and serves at the pleasure of, the Executive Board. The executive director/CEO also serves as TSCPA's assistant secretary. In accordance with the Texas Non-Profit Corporation Act (or successor statutes), the assistant secretary shall serve in the capacity of TSCPA's "president" when required to fulfill all legal requirements.
The executive director/CEO implements and administers staff policies and procedures and assures that staff provides appropriate support of volunteer policies and procedures established by the Executive Board and Board of Directors. He/she acts as a liaison between the TSCPA staff, TSCPA membership, and the local chapters and provides continuity for a constantly changing elected leadership and other volunteers.
The executive director/CEO functions in an advisory and administrative capacity in the recommendation, establishment, execution, and continuity of TSCPA 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 TSCPA, and reviews proposed programs to determine their impact on human and financial resources. The executive director/CEO may approve new programs within constraints as outlined in the Budgetary Controls policy.

The executive director/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 executive director/CEO are defined in his/her job description as approved by the Executive Board. ***(EB:8/09/02)***

Expense Reimbursement, Volunteer

Society Chairman, Chairman-elect, Immediate Past Chairman and Chairman-elect Nominee: In token recognition of the substantial contribution of time and resources which are demanded of the chairman and chairman-elect during their tenures in office, all expenses relating to official travel by the chairman, chairman-elect, immediate past chairman and chairman-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, 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 Executive Board, Board of Directors, Leadership Conference and the Society's Annual Meeting, and Mid-Year Board Meeting. The Annual Meeting of the American Institute of CPAs, and any other travel in the interest of the Society, at the discretion of the chairman and/or chairman-elect, shall be included in official travel. ***(EB: 4/2707)***

Any expenses incurred resulting from the position of immediate past chairman or chairman-elect nominee, should be paid under the policy guideline of the chairman and chairman-elect. Expenses pertaining to other Society activities (not as a result of the immediate past chairman or chairman-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 chairman, chairman-elect, immediate past chairman and chairman-elect nominee will be reviewed and approved by the Executive Director/Chief Executive Officer. ***(EB: 6/29/06)***

Committee Members: Reimbursement for committee 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 the TSCPA and its affiliated entities (not including chapters). Such reimbursed expenses are limited to transportation costs including air travel costs at actual coach fare or mileage at the prescribed IRS allowable rate, which may change from time to time. ***(EB: 6/29/06 and 4/27/07)***

Committee members requesting travel reimbursement under the parameters outlined above are to 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 incident to committee meetings and Board of Directors 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 TSCPA administrative office.

These reimbursements are not available to committee members attending meetings held in conjunction with the Society's Midyear Board of Directors Meeting 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 TSCPA volunteer attends an AICPA meeting as an official representative of TSCPA, 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.

Executive Board Members: TSCPA will cover the cost of hotel accommodations necessary for Executive Board members to attend all meetings of the Executive Board (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 Executive Board meetings (including transportation, incidental expenses and other lodging and meals) shall be the individual responsibility of Executive Board members. ***(EB: 4/27/07)***

Coordinating Officers: In token recognition of the substantial contribution of time and resources demanded of the coordinating officers during their tenure in office, all expenses of official travel by coordinating officers may be reimbursed by the Society with the exception of Board of Directors, Executive Board and Annual Meeting attendance. Travel expenses to be reimbursed shall include reasonable transportation, 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.

Legislative Regional Coordinators: Each legislative regional coordinator may be reimbursed for out-of-pocket expenses, including transportation (e.g., coach class airfare, personal automobile mileage allowance, taxi, and auto rental), lodging, meals and entertainment. Original receipts of all expenditures, except *de minimis* amounts defined from time to time by the IRS, must accompany requests for reimbursement. ***(EB: 10/28/00)***

Reimbursement Requests:
Reimbursement requests are sent to the Controller of TSCPA, Dallas, TX.
(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 CPE Foundation shall maintain a minimum cash and investment balance equal to two succeeding months' forecasted indirect expenses plus one succeeding month's forecasted direct expenses.

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

Current Ratio: Each Society entity shall maintain a current ratio of one-to-one. This ratio shall be computed without regard to "deferred revenue."

Capital Expenditures: Capital expenditures or financing for any Society entity must not violate the Cash Balances or Current Ratio Standards 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

TSCPA and the TSCPA CPE Foundation 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 TSCPA and the TSCPA CPE Foundation 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, TSCPA has established the following guidelines for fund balances. If the fund balances fall below these guidelines, the TSCPA Finance Committee and Executive Board will recommend a plan of action to return the fund balances to an adequate level.

<u>TSCPA</u>

TSCPA will maintain unrestricted net assets equal to at least 50% of net expenses. Net expenses are defined as all operating and program expenses net of directly related program revenues such as Peer Review and publication advertising.

TSCPA CPE Foundation

The TSCPA CPE Foundation will maintain unrestricted net assets equal to at least 50% of total expenses. Total expenses are defined as all direct expenses of CPE programming plus indirect/operational expenses. ***(EB: 8/24/12)***

Investment Guidelines and Objectives

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

The TSCPA 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% of the market value of the portfolio, with not more than 5% 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% 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% of the market value of the total portfolio and no more than 5% 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% of the market value of the total portfolio at the time of initial investment with not more than 5% 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% 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%, or less. This allocation will be performed within 90 days of the dates above.

The investment portfolio shall be invested in accordance with the TSCPA 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)**

Liability Insurance, Board of Directors Members

TSCPA 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

With regard to any civil claim or claims first made against TSCPA members because of a wrongful act while acting in a TSCPA or chapter volunteer capacity, all members are insured under TSCPA's General Liability Insurance policy with excess coverage provided under the Umbrella Liability Insurance policy. The limit of liability is $10,000,000 per loss per year. ***(EB:6/19/98)***

Lifetime Members/Honorary Fellows- State Board Action

In the event that the TSBPA (Texas State Board of Public Accountancy) revokes the license of a lifetime member or honorary fellow without prejudice for the non-payment of fees, the TSCPA status as a lifetime member or honorary fellow will be retained**.** ***(EB:1/10/02)***

Lobbyists, Contact With

Contact with lobbyists may be authorized only by the chairman, the executive director/CEO and/or the managing director, regulation and legislation of the Texas Society of CPAs. The chairman, the executive director/CEO and/or the managing director, regulation and legislation may authorize other individuals to interact with lobbyists. ***(EB:4/25/03)***

Logo (TSCPA), Adoption of

The TSCPA logo consists of several series of the number "one" put together to form arrows to indicate growth, concentration, and progress. The logo will be consistently utilized by all Society entities in the format described in the *Logo Update* (approved by the Executive Board in August 1994).

To communicate to TSCPA members that the state organization and its 20 chapters function as one organization in delivering services to CPAs in Texas, TSCPA chapters are encouraged to use the TSCPA logo as part of their chapter name. If a chapter does use the TSCPA logo, they are required to follow the format described in the *Logo Update*.

The logo design, without the name of the organization, may be used as a professional designation by TSCPA members. The design may not be used as a logo for one's business. ***(EB:8/09/02)***

Meetings Policy

Committees:
Meeting Locations:
1. All meetings shall be held in Texas.
2. The meetings should be organized in such a manner to minimize travel time and maximize meeting time.

Meeting Expenses:
Reasonable meeting expenses for such items as lunches, breaks, audio/visual equipment, and travel, lodging, meals and related expenses for the staff liaison(s) will be borne by the Society. **Original** receipts of all expenditures must accompany requests for reimbursement.

Executive Board:
Meeting Locations:
According to the TSCPA Bylaws, the TSCPA chairman shall designate the time, place and agenda for meetings of the Executive Board.

Meeting Expenses:
If the Executive Board has meetings lasting more than one day, there will be a meal allowed for members and spouses or guests, as well as a hospitality suite provided for use by the TSCPA members, spouses and/or guests.

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

Cancellation Policy:
TSCPA 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), TSCPA 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 TSCPA 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 TSCPA'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 TSCPA members, vendors must agree that the solicitation will be limited to the approved product or service.
    b. When provided membership list on mailing labels or magnetic tape, vendors must use the list only as approved in writing by TSCPA.
    c. Vendors must agree to promote the product or service in some capacity to TSCPA members and pay for all out-of-pocket costs associated with the promotion.
    d. All vendors must receive prior approval from TSCPA for all advertising and promotions.
    e. All services will be offered to TSCPA members, the TSCPA office, chapter offices and employees of TSCPA and its chapters. With certain vendors, services can be offered to TSCPA members' clients.
    f. Changes to the program must be approved by TSCPA.
6. Conflicts with other groups providing products or services to CPAs should be considered. ***(EB:6/19/98)***

Member Mailing List Use

Use of TSCPA Membership Mailing List - General Policy: The TSCPA membership mailing list is the property of the TSCPA and is to remain under its exclusive jurisdiction. Mailing lists may be sold to outside organizations under the direction of the executive director/CEO. Use of the mailing list by the Texas CPE

Foundation is to be restricted to matters pertaining to education for benefit of the membership of the TSCPA.

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

Use of TSCPA 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 one-time, 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 TSCPA Membership Mailing List for TSCPA 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 magnetic tape. Additionally, the executive director/CEO shall be made aware of all promotions related to the use of TSCPA's membership mailing list.

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

TSCPA Chapter Use of Member Information: TSCPA chapter use of TSCPA member information, including mailing and e-mail addresses, is restricted to each chapter's members unless permission from another chapter is granted.
(EB: 6/13/02) (EB: 11/11/06)

Members Suspended by Texas State Board of Public Accountancy

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

Each suspended CPA will be notified by TSCPA that his/her TSCPA 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 TSCPA dues, he/she will automatically be reinstated upon notification from the 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 current TSCPA dues, he/she will not be reinstated until such time as TSBPA has notified TSCPA that the CPA has met the necessary requirements for reinstatement and the CPA's TSCPA dues have been paid. ***(EB: 11/11/06)***

Nominations Guidelines

The Committee on Nominations shall operate according to the following guidelines:

Composition of the Committee: The composition of the Committee on Nominations is set forth in TSCPA's *Bylaws* Article VIII(3).

POLICIES

Meetings of the Committee: The Committee on Nominations shall meet no later than September 30 each year. Meetings of the Committee on Nominations require at least 14 days advance notice. Information packages shall be prepared by the staff liaison and sent to the members of the committee five working days prior to the scheduled meeting. ***(EB: 11/7/03)***

Selection of the Chair of the Committee on Nominations: The immediate past TSCPA chairman shall automatically serve as chair of the next year's Committee on Nominations. A vice chair for the subsequent year shall be identified by the current Committee on Nominations as part of the nominations process.

Methods for Seeking Candidates:
Candidates for all positions including the Committee on Nominations: Announcement of the commencement of the nominations process should be communicated to chapter boards of directors and the general membership in May. Recommendations from chapters and nomination ballots from the general membership are to be submitted to the staff liaison to the Committee on Nominations not later than the first business day following August 1, of each year.***(EB: 11/2/12)*** Requests to the general membership should be communicated in *Today's CPA* and via the TSCPA Web site. Submissions, including letters of endorsement, received after the first business day following August 1, will not be considered for nominations. Candidates should be contacted prior to the Committee on Nominations meeting 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 Committee on Nominations, but rather to the chair of the Committee on Nominations at the TSCPA offices in Dallas.

Mechanics of Decision-making: A simple majority of those present is required for planning meetings. When voting is required, eight voting members shall constitute a quorum. After review and discussion, any member may request a secret ballot.

The chair and vice chair are considered voting members of the committee; however, the chair shall vote only in the event of ties. The suggested order of selection of nominees is as follows: chairman-elect, treasurer-elect, secretary, Executive Board members, Board of Directors members-at-large, Committee on Nominations, and AICPA Council.

Members of the current Committee on Nominations shall not be eligible for consideration for any positions for which they are nominating.

The current year TSCPA chairman-elect shall automatically be named for the one-year AICPA Council designee position and the current TSCPA chairman shall automatically be named for a 3-year term on the AICPA Council. The names of these two individuals, along with the names of any other members that the committee nominates for a 3-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:

Chairman-elect candidates: TSCPA 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 Committee meeting, interviews will be set up by the staff liaison with each chairman-elect candidate and the committee members at the discretion of the committee. Specific questions for the candidates will be formulated by the committee members and finalized by the chair. Information gathered by the staff liaison for the chairman-elect candidates, including a recent photo, will be mailed to the committee members five days prior to the interviews.

Other Executive Board positions: TSCPA service history, including AICPA, TSBPA and chapter service records, if available, and condensed biographical sketch.

Board of Directors members-at-large: TSCPA service history and condensed biographical sketch.

Committee on Nominations candidates: TSCPA service history and condensed biographical sketch.

Demographics: The Committee on Nominations shall consider demographic data for all positions and attempt to seek balance with the slate of nominees, but must remember the committee charge mandates the use of judgment in selecting the individuals who will best represent the interests of the Texas Society.

Involvement of Chapters: All chapters are encouraged to recommend a candidate for chairman-elect, regardless of the candidate's chapter affiliation. It is considered acceptable for chapters to share their recommendations for the chairman-elect position with other chapters.

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

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

Confidentiality of Written Materials: All reference material shall be returned to the staff liaison. Biographical resource information shall be made available to the chairman-elect upon request.

Minutes: The Committee on Nominations report to the assistant secretary 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 Review Program, Qualifications of Reviewers

A reviewer in the Peer Review Program administered by TSCPA must comply with all qualifications established by American Institute of Certified Public Accountants' Peer Review Executive Committee 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 TSCPA administered reviews. ***(PRC:6/19/98)***

Professional Ethics Committee Procedures

Goals and Objectives: The committee's primary goal is that each member of the Texas Society of CPAs acts ethically. The primary objective in reaching this goal is ensuring that Society members abide by the current *TSCPA 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.

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

Structure: The Professional Ethics Committee members are appointed through the TSCPA committee appointments process. The TSCPA Executive Board coordinating officer assigned to the Professional Ethics Committee is an *ex officio* member. The committee chair is selected in accordance with TSCPA committee appointments procedures.

Subcommittees: Standing and *ad hoc* subcommittees may be added as the need arises after prospective approval of the Executive Board. The chair and members of all subcommittees are appointed by the Professional Ethics Committee chair.

Enforcement Subcommittee: Members of the Enforcement Subcommittee are recommended by the committee chair during the TSCPA committee appointments process and either have several years' experience on the Professional Ethics Committee or possess special expertise. The Professional Ethics Committee chair appoints the chair of the subcommittee.

This subcommittee:

- Recommends TSCPA Professional Ethics Committee policies and procedures that are in harmony with existing ethics enforcement agreement(s) between TSCPA and other body(ies); and
- Reviews all new complaints to determine whether it appears that, if information received were to be proven correct, one or more rules of the TSCPA Code of Professional Ethics in force at the time of alleged violation would have been violated.

Communication and Education Subcommittee: The chair and the members of this subcommittee are appointed by the Professional Ethics Committee chair. This subcommittee:

- Enhances statewide consistency and quality of chapter efforts to assist members and the public with responses to ethics questions; and
- Circulates a compendium of responses to Ethics Committee members for their respective chapter committees' reference and education.

Meetings: From time to time, guests may be invited to attend meetings at the discretion of the committee chairman.

Voting: All committee members carry one equal vote. Case disposition and committee action decisions are made by voice, written or a show-of-hands vote at scheduled meetings.

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 chairman by mail notice to all committee members at least 30 days in advance.

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

- Individuals are considered to be innocent of any violation of the TSCPA or AICPA Code of Professional Ethics until the committee issues a finding otherwise; and
- 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.

TSCPA Publishes in *Today's CPA*:

- The names of those expelled from membership by action of the Executive Board; and
- The names of those found to be in violation of the *TSCPA 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 the 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 TSCPA chairman, chairman-elect, executive director/CEO, coordinating officer and TSCPA general counsel designated by the executive director/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 turned over to the committee staff liaison for destruction

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:

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

Involvement of TSCPA Leadership: The Professional Ethics Committee chair should promptly advise the TSCPA chairman and executive director/CEO of a member of the Executive Board 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 TSCPA chairman and executive director/CEO. These include, but are not limited to, the following situations:

- Respondent has threatened legal action against the TSCPA; and
- Respondent is in litigation involving issues related to a TSCPA 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 TSCPA chairman and executive director/CEO and provide copies of relevant material from the case investigation file. The chairman may elect to bring the matter to the confidential attention of the Executive Board for action, and/or it may be discussed with general counsel. ***(EB:6/19/98)***

Secretary, Responsibilities of

The secretary serves as an officer of TSCPA.

The secretary shall approve and sign the minutes of all meetings of the membership, the Board of Directors, and the Executive Board.

The secretary should determine that Board of Directors members have met attendance requirements as prescribed by the *Bylaws*.

The secretary oversees the maintenance of and revision to the *Bylaws* of the Society, related entities and local chapters.
(EB:8/09/02)

Sexual Harassment Prevention and Investigation Procedure

(Excerpt from the *Staff Policies and Procedures Manual*)

TSCPA is committed to providing a workplace 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 TSCPA'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.

- "*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
- "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 or 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 TSCPA employees as well as members and spouses who are in contact with employees. Not only does the scope of this policy include the offices of the TSCPA, but also includes offsite meetings, conferences and business-related social functions.

Preventive Measures:

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

- Verbal sexual innuendoes;
- Suggestive comments;
- Jokes of a sexual nature (verbal, written, pictures or drawings);
- Display of sexually suggestive objects or pictures;
- Obscene gestures;
- Questions and comments concerning an individual's sexual behavior;
- Unwanted physical contact of any kind; and
- 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 TSCPA by speaking to the staff director in charge of Human Resources. If the individual is not comfortable discussing the issue with that director, he or she may discuss it with the executive director/CEO. Any supervisor, manager, director or managing director who receives a complaint of sexual harassment must report it immediately to the staff director in charge of Human Resources.

An investigation of the allegations will be conducted. This investigation will include interviewing the person(s) making the complaint and the person(s) accused of the harassment, and may include others who have direct knowledge of the situation. 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 company 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 & ED/CEO:11/7/03)***

Speaking Out for TSCPA

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

Presentation of the Texas Society's views on appropriate matters to the American Institute of Certified Public Accountants, 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 the Texas Society of Certified Public Accountants.

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 Texas Society in such member's or employee's capacity as a representative of the Texas 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 the Texas Society of CPAs.

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

Board of Directors and Executive Board:

1. The TSCPA Board of Directors may make statements on behalf of the Texas Society of Certified Public Accountants at any time.
2. The Executive Board may make or authorize a statement on behalf of the TSCPA when critical timing or other conditions make it impractical to await action of the Board of Directors.

Chairman and Executive Director/CEO:

The chairman has authority to prepare responses to matters requiring a prompt reply. Furthermore, the chairman may delegate this authority as to any single matter to any member or the executive director/CEO of the Texas Society whenever the chairman believes such person has the requisite professional expertise and skills to speak out on such matter. However, the person to whom the chairman has delegated authority to speak out should endeavor to discuss the matter with the members of the Executive Board whenever possible.

Committees and Task Forces:

Committee and task force chairs may speak on behalf of their respective committee or task force 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 a two-thirds majority of its constituency or membership 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 e-mail ballot if approved by two-thirds of the votes.
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; conversations with other public or private media; 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 or Executive Board and, therefore, should not be construed as representing the views or policy of the Texas Society of CPAs."*
(EB:11/11/06)

Staff Liaison (Committee), Expectations of

(Excerpt from the *Staff Policies and Procedures Manual*)

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

Specific committee staff liaison responsibilities include:

- Monitor changes, trends and current issues relative to the committee activities, and report on significant items at each meeting;
- Implement staff action items and programs generated by committee activity;
- Participate in discussion of committee activities;
- Recommend and seek the chair's approval of the agenda for all meetings;
- Coordinate all meeting arrangements with the TSCPA Meetings Department;
- Disseminate meeting notice at least four weeks before the meeting, if possible;
- Monitor receipt of response forms, give meal guarantees, etc.;
- Submit budgets for committee activity through TSCPA budget process;
- Monitor the cost-effectiveness of programs;
- Provide committee activity report and Executive Board agenda items, if applicable, to coordinating officer prior to each Executive Board meeting;
- 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;
- Maintain committee files; and
- Make all committee minutes available via the designated electronic medium. ***(ED/CEO:11/7/03)***

Strategic Planning Process

The *Strategic Plan* provides TSCPA with an approved direction for achieving its Mission. TSCPA's *Bylaws*, Article XVII recognizes the role of the *Strategic Plan* within the organization as well as the responsibility of the Executive Board 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 Executive Board 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 executive director/CEO.

The Executive Board 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 Executive Board or Board of Directors. The treasurer shall furnish such reports and statements as the Executive Board or the Board of Directors may direct. In the event the treasurer is temporarily unable or unwilling to act, the Executive Board may designate an acting treasurer.

It shall be the duty of the treasurer to:

- Serve as an officer of TSCPA;
- Serve as a member of the Board of Directors;
- Chair the Finance Committee;
- Serve on the Audit Committee;
- Serve on the CPE Advisory Board;
- Provide a comprehensive financial report of TSCPA's financial condition and operating results at both the Midyear Board of Directors Meeting and the Annual Meeting of the Society;
- Serve as a member of the Compensation Committee;
- Serve as a member of the Executive Board and assume other duties as delegated by the chairman, Executive Board or Board of Directors;
- Serve as treasurer of the CPE Foundation, TSCPA;
- Serve as Trustee for the TSCPA Insurance Trust;
- Provide oversight regarding administration of the budget and present the financial statements with explanation of budget variances to the Executive Board and Board of Directors;
- Approve the expense reports of the executive director/CEO;
- Coordinate with the appropriate TSCPA staff in financial matters;
- Bring to the attention of the Executive Board, on a timely basis, anticipated deviations from the Board of Directors-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:

- Serve on the Board of Directors;
- Serve on the Executive Board;
- Serve on the Finance Committee;
- Serve on the Compensation Committee;
- Serve on the Audit Committee (non-voting; *ex-officio*);
- Serve on the CPE Advisory Board;
- Serve on the Strategic Planning Committee;
- Serve as Trustee for the TSCPA Insurance Trust; and
- Submit a proposed annual budget to the incoming Board of Directors for approval during the Annual Meeting of Members.

The treasurer-elect will present the budget to the Finance Committee for its recommendations prior to presentation to the incoming Executive Board for final revisions and approval.

The budget then will be presented to the Board of Directors for approval during the Annual Meeting. ***(EB:8/09/02)***

Treasurer-elect Nominee, Responsibilities of

The treasurer-elect nominee serves on the Compensation Committee and the Finance Committee. ***(EB:6/19/98)***

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

Whistleblower Policy

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

Notification Procedures
If an officer, director or member has a good-faith concern, he or she should submit the concern to the TSCPA'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.

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 TSCPA Audit Committee, TSCPA Executive Board, TSCPA 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. TSCPA 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 or 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 officer, director or member reports a good-faith concern, without malice or information that is known to be false, the officer, director or member shall not suffer retaliation for his or her disclosure. ***(EB: 11/7/08)***

COMMITTEE CHARGES

Advanced Estate Planning Conference Committee

Purpose
Plan and execute an annual continuing education conference for CPAs who deliver estate planning services.

Responsibilities
1. Select topics for the conference.
2. Identify and select speakers with TSCPA staff assistance for each topic.
3. Contact and verbally confirm selected speakers.
4. Recommend dates and locations in coordination with TSCPA staff and CPE calendar.
5. Assist TSCPA staff with registration.
6. Introduce the speakers and moderate the meeting.
7. Review conference and committee budget prepared by TSCPA staff liaison.
8. Assist as needed in identification of topics for development of new course modules and conferences in the appropriate curriculum. ***(Nominal Change Group:12/95)***

Audit Committee

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, Executive Board, 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.
      iv. Meet two to four times per year or more frequently as circumstances require.
   b. Evaluate the performance of the independent auditors and make an annual recommendation for the selection of auditors at the midyear meeting of 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 and Executive Board. 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.

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.
      iii. Any areas that require special attention by the Executive Board.
3. Audit Firm Independence - The partners/shareholders or employees of the firm selected as independent auditor of the TSCPA are not precluded from serving on committees, councils or Boards of Directors, except as follows:

   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:

   Executive Board
   Finance Committee
   CPA-PAC Committee
   Accounting Education Foundation
   TSCPA Insurance Trust
   Audit Committee
   History Committee

Composition

Two members of the Finance Committee and three members of the Board of Directors 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 TSCPA awards as authorized by the Board of Directors and Executive Board. These awards shall include: Meritorious Service to the Accounting Profession in Texas; Distinguished Public Service; Outstanding Chair; Young CPA of the Year; and CPA 50-year Continuous Fellows. The Awards Committee recommends to the members nominees for Honorary Fellow and Honorary Member recognition.
   a. Solicit nominations and select TSCPA award recipients according to the "Awards" procedure in the *Volunteer Policies and Procedures Manual*.
   b. Recognize award recipients during TSCPA's Annual Meeting or Midyear Board of Directors Meeting.
   c. Publicize award recipients through articles in the official TSCPA publications, chapter newsletters, other appropriate TSCPA publications, and news releases to appropriate outside media.
   d. Recommend additional award categories to the Executive Board and Board of Directors.
2. Select the TSCPA nominee for the AICPA Distinguished Public Service Award.
3. Coordinate the selection of TSCPA nominees for other AICPA awards.
4. Special Recognition Awards will be determined by the TSCPA chairman, who may invite the input of the Awards Committee.

Composition
The committee chair shall be the former TSCPA chairman whose term ended two years prior to the committee's service year. He/she is responsible for selecting the members of the Awards Committee for that year. Committee members should consist of individuals knowledgeable of TSCPA activities during the year being considered for awards and include a demographic representation of TSCPA's members.
(EB: 10/28/00)

Business and Industry Issues Committee

Purpose
Explore issues and make recommendations regarding the specific needs of members in business, industry and government, focusing on members' ability to provide services to their employers and enhancing their professional careers.

Responsibilities
1. Review various publications, websites and other sources in order to notice trends, needs, events, and issues that are pertinent to TSCPA members working in business and industry environments.
2. Discuss the possible appropriate response(s) to the issues identified by the above review and implement appropriate actions.
3. Provide creativity and innovation for the initiation and development of new services to the Business and Industry portion of TSCPA membership.
4. Consider and recommend ways and means to improve the recruitment and retention of Business and Industry members in the TSCPA and chapters to the Membership Committee,
5. Provide program topic ideas to TSCPA CPE Foundation staff for greater numbers of quality CPE programs specifically appealing to Business and Industry members.
6. Develop ideas to inspire greater participation in TSCPA leadership roles by Business and Industry members. ***(EB: 11/7/03)***

Composition
Chapter business and industry committee chairpersons, members-at-large, coordinating officer. Chapter executive directors/secretaries and committee staff liaison are non-voting members. ***(EB: 11/2/12)***

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 TSCPA members with an interest in business valuation, forensic accounting and litigation services.
2. Discuss, identify, and communicate services TSCPA 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 TSCPA members in business valuation, forensic accounting and litigation services.

Composition
The Litigation Services Committee is comprised of 15 members, including the committee chairman. Members serve three-year, staggered terms. Staff Liaison is a non-voting member. ***(EB: 6/29/06)***

Chapter Coordinating Committee

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 TSCPA;
      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 TSCPA;
   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, coordinating officer, TSCPA executive director/chief executive officer and chapter relations representative are *ex-officio*.

Steering Subcommittee - appointed by TSCPA chairman: a committee chair, four members each from small and medium chapters, and two from large chapters, all of whom are to be recent chapter presidents. ***(EB: 4/25/03) (EB: 8/5/11)***

Chapter Legislative Coordinators Committee *(EB: 11/4/16)*

Purpose

To coordinate an effective legislator relationship and contact program among TSCPA'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 TSCPA 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 TSCPA's Grassroots Seminar, Legislative Briefing and Day at the Capitol in preparation for legislative session.

COMMITTEE CHARGES

Composition
The committee shall be comprised of a chair appointed by the TSCPA Chairman. The TSCPA Chairman 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 TSCPA's Governmental Affairs program and served as a TSCPA/chapter Key Person. ***(EB: 11/4/16)***

Compensation Committee

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

Responsibilities
1. Oversee and review the salary grades for various staff positions established by the executive director/chief executive officer (CEO).
2. Oversee and review the benefit programs provided for TSCPA employees.
3. Set the overall compensation budget each year.
4. Conduct a performance evaluation of the executive director/chief executive officer (CEO) by July of each year. The chairman will be responsible for gathering the data and delivering the evaluation.
5. Set the compensation of the executive director/CEO.
6. Report annually to the Executive Board.

Composition
The current chairman acts as chair of the committee. Other members of the committee are the immediate past chairman, chairman-elect, chairman-elect nominee, treasurer, treasurer-elect, and the 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 the TSCPA.

Responsibilities
1. Raise PAC funds.
2. Allocate PAC donations received from members 75% to chapter funds and 25% 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. 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.
5. Evaluate and recommend contributions for specific legislative races.
6. Coordinate cooperative campaign contributions between chapters and statewide candidates when specific chapter or statewide funds are insufficient.
7. Evaluate statewide races and authorize CPA-PAC contributions.
8. Report PAC activity to the membership.
9. 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.
10. Encourage members' contribution of time and money to candidates for political office in Texas.

(EB: 11/7/03)

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

CPE Advisory Board

Reports to: Board of Trustees of the CPE Foundation (TSCPA Executive Board)

Purpose
The CPE Advisory Board will provide advice and counsel to TSCPA staff in the following areas:
1. The delivery of market-driven, quality, affordable CPE to members in an economically viable manner on an ongoing basis by monitoring financial, attendance and marketing reports of CPE on a monthly basis and discuss at quarterly meetings.
2. The development of policies governing CPE contractual relationships between TSCPA and the chapters and assist in resolving differences.
3. Provide assistance to chapters relative to curriculum coordination, registration, and marketing functions, research and development and purchasing efficiencies. The CPE Advisory Board will be made aware of what chapters are doing regarding the above items to compare and identify gaps and overlaps, and recommend improvements.
4. The exploration and implementation of new CPE curriculum and modes of CPE delivery.

Responsibilities and Actions
1. Review all policies regarding contractual relationships between TSCPA and the chapters proposing revisions, new policies and assist in resolving differences if needed.
2. Promote use of organization-wide CPE calendar and facilitate common listing of all chapter/TSCPA CPE on web sites.
3. Request CPE statistical data from chapters.
4. Request proposed schedule of courses from chapters as soon as feasible.
5. Annual review of delivery methods.
6. Review results of focus groups and/or surveys at least every three years or upon availability.
7. Encourage partnering with other associations to provide specialized CPE.
8. Solicit and review requests from other TSCPA committees for new curriculum.
9. Analyze and review State Board research data upon availability.
10. Identify emerging trends and customer needs.
11. Serve as a sounding board for new programming, etc.

Composition
The CPE Advisory Board will consist of not less than ten (10) and not more than eighteen (18) members with at least one (1) person from each large chapter and at least one (1) person from a medium chapter and at least one (1) person from a small chapter. Terms on the CPE Advisory Board should be a minimum of 2

years. The chair will serve a two-year term and remain on the Advisory Board the following year. ***(EB: 11/11/06)***

CPE Exposition Committee

Purpose
Plan and execute an annual continuing education conference for CPAs at all levels within the profession, public or industry.

Responsibilities
1. Select conference topics.
2. With TSCPA staff assistance, identify and select speakers for each topic.
3. Contact and verbally confirm selected speakers and coordinate follow-up with TSCPA staff.
4. Recommend conference dates and locations in coordination with TSCPA staff and CPE calendar.
5. Assist TSCPA staff with registration.
6. Introduce the speakers and moderate the meeting.
7. Review conference and committee budget prepared by the TSCPA staff liaison.
8. Assist as needed in the identification of topics for development of new course modules and conferences in the appropriate curriculum. ***(Nominal Change Group: 11/03)***

Diversity and Inclusion Committee *(EB: 8/6/16)*

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 TSCPA, and 3) helping CPAs serve a diverse public.

Responsibilities
1. Review various publications, demographic information, Web sites 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 TSCPA leadership roles by minority group members.
5. Provide creativity and innovation for the initiation and development of new services to assist CPAs in all areas of practice in serving a diverse public. ***(EB:11/12/2004)***

Editorial Board

Purpose
Provide oversight and review for TSCPA'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
The Editorial Board is made up of 15 members, including the committee chairman. Members serve three-year, staggered terms.
(EB: 11/7/03)

Energy and Communications Conference Committee *(EB: 6/29/06)*

Purpose
Plan and execute an annual continuing education conference for CPAs within these industries.

Responsibilities
1. Select topics for the conference.
2. Identify and select speakers with TSCPA staff assistance for each topic.
3. Contact and verbally confirm selected speakers.
4. Recommend dates and locations in coordination with TSCPA staff and CPE calendar.
5. Assist TSCPA staff with registration.
6. Introduce the speakers and moderate the meeting.
7. Review conference and committee budget prepared by TSCPA staff liaison.
8. Assist as needed in identification of topics for development of new course modules and conferences in the appropriate curriculum. ***(Nominal Change Group: 11/03)***

External Relations/Image Issues Committee

Purpose
Make recommendations for the development and implementation of strategies that deliver messages about and promote TSCPA and CPAs to appropriate outside audiences. Examine and propose programs to enhance the image of the profession by targeting responses to studies indicating lack of knowledge of the profession.

Responsibilities
1. Identify potential new programs and services that would assist in delivering messages to external audiences.
2. Review and recommend advertising and public relations strategies fro efforts at the state level.

Composition
Committee chairperson, chapter public relations committee chairpersons, members-at-large, coordinating officer. Committee staff liaison is a non-voting member.
(EB: 8/22/2003)

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 TSCPA members on Federal tax matters and communicate concerns and responses through appropriate channels, including the 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 TSCPA members on the effects of pending legislation, regulations, and administrative decisions.

Responsibilities

1. Communicate to TSCPA 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 TSCPA members and other interested parties via available TSCPA media.
3. Coordinate efforts and initiatives related to Federal taxation with the AICPA and other state societies as appropriate.
4. Identify TSCPA member candidates for appointment to various AICPA tax committees and support their appointment. Establish a continuing effective process to enhance AICPA tax appointment for TSCPA members. **(EB: 8/13/10)**

Composition:

The Committee consists of up to 30 members with diverse tax and industry expertise and sufficient experience in Federal taxation to contribute to the committee activities. The Chairman of the Relations with IRS Committee will be an ex officio member of the committee. Members serve one-year terms on the committee at the pleasure of the chairman with the advice of the Federal Tax Policy Committee chair and staff liaison.

Subcommittees:

The committee has established three subcommittees to monitor issues for federal tax regulation and administration, to identify and discuss issues of concern and develop responses for inclusion in comments letters.

1. Comments Subcommittee identifies, and if appropriate, effectively responds to issues within the committee's defined scope:
   Tier 1 – that directly impact CPAs' tax practices and standards
   - 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
   - professional standard pronouncements affecting CPAs in the client and non-client tax practice

   Tier 2 - that are germane to Texas CPAs
   - 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

   Tier 3 - of a broad impact
   - 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.
2. Communications Subcommittee provides member outreach to inform, enhance membership, and advocate grassroots action.
3. 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. **(EB: 1/25/09; EB: 8/13/10)**

Finance Committee

Purpose

Review the interim financial statements of the Society and related entities prior to each meeting of the Executive Board.

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 Executive Board meeting.
4. Make recommendations regarding financial policies and dues amounts.

Composition
Treasurer, as chair; treasurer-elect; chairman-elect; chairman-elect nominee, as soon as nominated; treasurer-elect nominee, as soon as nominated; and two additional members of the Executive Board to be appointed by the chairman and one member of the TSCPA Investments Committee who will serve as a communication link between the two committees. ***(EB: 11/7/03)(EB: 8/24/12)***

Financial Institutions Conference Committee

Purpose
Plan and execute an annual continuing education conference for CPAs within this industry.

Responsibilities
1. Select topics for the conference.
2. Identify and select speakers with TSCPA staff assistance for each topic.
3. Contact and verbally confirm selected speakers.
4. Recommend dates and locations in coordination with TSCPA staff and CPE calendar.
5. Assist TSCPA staff with registration.
6. Introduce the speakers and moderate the meeting.
7. Review conference and committee budget prepared by TSCPA staff liaison.
8. Assist as needed in identification of topics for development of new course modules and conferences in the appropriate curriculum. ***(Nominal Change: 11/03)***

Health Care Conference Committee

Purpose
Plan and execute an annual continuing education conference for CPAs within this industry.

Responsibilities
1. Select topics for the conference.
2. Identify and select speakers with TSCPA staff assistance for each topic.
3. Contact and verbally confirm selected speakers.
4. Recommend dates and locations in coordination with TSCPA staff and CPE calendar.
5. Assist TSCPA staff with registration.
6. Introduce the speakers and moderate the meeting.
7. Review conference and committee budget prepared by TSCPA staff liaison.
8. Assist as needed in identification of topics for development of new course modules and conferences in the appropriate curriculum.

(Nominal Change:11/03)

History Committee

Purpose
The History Committee will provide advice and counsel to TSCPA staff and the Accountancy Museum Directors. The committee will recommend programs that commemorate the progress and significant events within the accounting profession and the Texas Society of Certified Public Accountants for the purposes of:
1. maintaining a connective history of the profession and organization and
2. enhancing the awareness of both the current and future TSCPA members and the public regarding the significant contributions CPAs make to their profession, business and the community.

Responsibilities

1. Maintain a library of articles, books or videotapes that discuss significant events or attitudes regarding the accounting profession and the Texas Society.
2. Recommend programs -- either of a time-critical or ongoing nature -- which provide an appropriate commentary of the development of the Society and the accounting profession.
3. Recommend programs to enhance the awareness of the aforementioned responsibilities among current and future TSCPA members as well as various publics.
4. Recommend appropriate written history projects and publications to help commemorate and document the history of the profession in Texas. ***(EB: 6/29/06)***

Information Technology Committee

Purpose
Each member of the TSCPA has various forms of technology intertwined in their businesses. To some, IT issues are bewildering and available options are not clear. This committee will be a resource addressing the members' strategic technology needs.

Responsibilities
1. Communications: The committee will work through existing communications methods to create timely and relevant communication to the TSCPA membership on IT issues. A separate track will be developed for members in public practice using IT services both for internal efficiencies and revenue generation. Another track will accommodate those members in business and industry using technology to drive efficiency, add value to their product or services, and/or enforce compliance.

2. Continuing Education: The IT Committee will recommend relevant content for inclusion in CPE courses. The committee may be called upon as an advisory resource in the development of relevant CPE courses.

Composition
The committee will be comprised of 15 members. ***(EB: 8/13/10)***

Investments Committee

Responsibilities
1. Review strategies for the various investment activities of TSCPA and its related entities.
2. Review and make recommendations regarding the TSCPA Investment Guidelines and Objectives.
3. Provide direction on the investment of available funds within TSCPA 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 Chairman of TSCPA. One member of the committee, as determined by the committee chair, will also serve on the TSCPA Finance Committee and serve as a communication link to that group. ***(EB: 8/24/12)***

Legislative Advisory Committee

Purpose and Responsibilities
1. Develop, communicate and implement TSCPA's state-level legislative agenda, including issues involving the profession's licensing and regulation, civil justice and taxation, as well as general business and

economic issues.
2. Identify legislative issues to be dealt with over the next three biennial sessions.
   a. Prioritize issues.
   b. Establish timeframes.
   c. Report and recommend positions and actions to the Executive Board.
3. Working through the Legislative Advisory Executive Committee (LAEC), develop proposed action plans for the pursuit of specific issues to be addressed in the next legislative session.
4. Working through the LAEC, monitor progress and take appropriate action on proposed legislation, including:
   a. coordinating action plans and activities with other Texas Society of CPAs groups, such as the State Taxation Committee and other non-CPA groups;
   b. coordinating activities with the Legislative Regional Coordinators to assure that TSCPA's key persons are properly educated and utilized to deliver the TSCPA legislative message to Texas lawmakers;
   c. developing and implementing grassroots programs, as appropriate, to involve TSCPA's membership in activities that would facilitate the successful passage or defeat of legislation. Such programs may include an external relations emphasis in order to inform outside target audiences of TSCPA'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.
5. The Legislative Advisory Executive Committee provides day-to-day monitoring, oversight and decision-making with respect to TSCPA's legislative program.
6. Coordinate the review of bills which have relevance to the accounting profession and which have been proposed by other groups.
7. 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.
8. Identify a pool of members working in both practice and industry who are responsible for the review of bills, coordinating such activity.
9. Working through the LAEC, determine appropriate response to bills including, but not limited to, possible testimony before legislative committees hearing bills.
10. Communicate the committee's activities to TSCPA members and, when appropriate, target outside audiences.

Composition
The committee will be comprised of 25 to 35 CPAs who have experience on regulatory and legislative issues and who represent a cross-section of the membership.

The chair of the Legislative Advisory Committee shall serve as a member of the CPA-PAC Steering Committee, Candidate Review Group 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 TSCPA chairman. ***(EB: 11/7/03)***

Membership Committee

Purpose
Recruit and retain a TSCPA membership focused on all persons licensed to practice accounting in Texas and college students who are pursuing an accounting education and CPA certificate. Identify and recommend programs and develop leadership opportunities that will enable members to thrive in a rapidly changing business environment and assure a continued supply of future leaders for TSCPA.

Responsibilities

1. Identify potential new programs and services that would assist in the development of the TSCPA membership and leadership.
2. Review and recommend membership recruitment and retention strategies for efforts at the state level.
3. Provide a conduit for cooperation and dialogue between chapter- and state-level leaders and staff, and for the dissemination of relevant membership information.

Composition

Chapter membership committee chairpersons, members-at-large, coordinating officer. Chapter executive directors/secretaries and committee staff liaison are non-voting members. ***(EB: 1/20/03)***

Nominations Committee

Purpose

Nominate candidates for officers of the Society and other offices as directed by the Board of Directors and the Executive Board.

Responsibilities

1. As prescribed by the *Bylaws*, this committee nominates candidates for the officers of the Society, at-large Executive Board members, members-at-large of the Board of Directors, and members of the Committee on Nominations. The Committee also shall recommend candidates for consideration as members from Texas to serve on the Council of the American Institute of Certified Public Accountants (AICPA).
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 meeting of the Board of Directors to determine nominations for elections.
   c. Nominate candidates to fill any position for which the Nominations Committee nominates candidates and which may be vacated during the year.
4. For additional information, refer to "Nominations Guidelines" in the Volunteer Policies and Procedures Manual. ***(EB: 8/25/06)(EB: 8/21/09)***

Reference to *Bylaws*
Article VIII (3), Article IX ***(BOD:6/19/98))***

Nonprofit Organizations Conference Committee

Purpose

Plan and execute an annual continuing education conference for CPAs within this industry.

Responsibilities

1. Select topics for the conference.
2. Identify and select speakers with TSCPA staff assistance for each topic.
3. Contact and verbally confirm selected speakers.
4. Recommend dates and locations in coordination with TSCPA staff and CPE calendar.
5. Assist TSCPA staff with registration.
6. Introduce the speakers and moderate the meeting.
7. Review conference and committee budget prepared by TSCPA staff liaison.

8. Assist as needed in identification of topics for development of new course modules and conferences in the appropriate curriculum.

Composition
Given the specialized nature of the conference, this committee may include several ex-officio industry members. ***(Nominal Change Group: 11/03)***

Peer Assistance Committee

Purpose
Inform Texas CPAs and accounting students about chemical dependency and depression problems, and study their incidence in Texas. Motivate affected CPAs to seek help, and assist in their recovery.

Responsibilities
1. Broaden the Peer Assistance Network's exposure to Society membership via articles, personal stories and advertisements in *Today's CPA* and local chapter newsletters.
2. Promote more involvement of network volunteers in TSCPA peer assistance committees (state and local).
3. Identify support needs of CPAs in relation to personal recovery. Make recommendations to TSCPA leadership and the Texas State Board of Public Accountancy to provide such support and maintain the integrity of the CPA designation.
4. Recruit CPAs in recovery for involvement in the Peer Assistance Network by personal contact.
5. Disseminate recovery literature to CPAs through the workplace.
6. Influence legislation to establish a link with the Texas State Board of Public Accountancy providing for confidential assistance and monitoring of impaired CPAs.

(Peer Assistance Committee, with ratification by ED/CEO:10/5/98)

Peer Review Committee

Purpose
Administer the Peer Review Program according to the requirements of the American Institute of Certified Public Accountants and the Texas State Board of Public Accountancy respectively.

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

Composition
Committee: The committee consists of a minimum of eighteen to a maximum of twenty-four members, including the chairman, vice-chairman, and report acceptance body chairmen. Members are appointed through the standard TSCPA process with criteria based on standards established by the AICPA Peer Review Board.

Each member of the committee charged with the responsibility for acceptance of reviews should meet the qualifications of a committee member listed in AICPA's "Standards for Performing and Reporting on Peer Reviews" (Standards), Paragraph 132.

COMMITTEE CHARGES

A majority of the committee members and the chairman charged with the responsibility for acceptance of reviews and/or administering the Program within the administering entity should possess the qualifications required of a system review team captain (See, Standards, Paragraphs 132 and 136, respectively.)

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 chairman will be appointed to serve a two-year term subject to annual appointments and can be reappointed as chairman for an additional two-year term. A vice chairman will be appointed annually and ordinarily will succeed the chairman.

Vacancies may occur during the year due to resignation, lack of participation, or the need for more volunteers or a particular expertise to execute the work of the committee. These vacancies may be filled by the committee chairman with input from the Director of Peer Review, Executive Director and TSCPA Chairman.

Subcommittee: Members are selected by committee chair. Current subcommittees include: Executive and Reviewer Evaluation ***(EB: 1/26/2006; EB: 1/26/09)***

Professional Ethics Committee

Purpose and Responsibilities

1. Promote understanding of and voluntary compliance with the TSCPA *Code of Professional Ethics*.
   a. Assist TSCPA 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 TSCPA members.
   c. Maintain liaison with representatives of selected standard-setting bodies and groups who share common interests.
   d. Review complaints concerning the ethical behavior of Texas Society members and act upon such complaints in accordance with the Joint Ethics Enforcement Program (JEEP) specified in the contractual agreement between the TSCPA and the AICPA.
   e. Communicate committee activities and professional ethics information and issues to TSCPA membership through Society and chapter publications, TSCPA's home page and other communications vehicles.
2. Study and develop TSCPA commentary on proposed AICPA and Texas State Board of Public Accountancy rules and to any interpretations and rulings to their respective codes of professional conduct.

Composition

- Committee: Members-at-large are appointed through the standard TSCPA process with criteria based on area of practice, experience, and geographic representation.
- Subcommittees: Members selected by committee chair. Current subcommittees: Enforcement Subcommittee, and Communications and Education Subcommittee. ***(EB:11/7/03)***

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 the FASB, the GASB, the FASAB, the SEC, the 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. It is responsible for all phases of the response process including identifying exposure drafts to be responded to, assigning responsibility to draft comment letters, monitoring the progress of projects, establishing standards of quality and clearance and assuring that those standards are met. It is also responsible for disseminating to members information about new standards and issues regarding compliance with existing standards.

Composition
The committee consists of at least eighteen members, including the chairperson, 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 include extensive experience in the application of accounting and reporting standards.

Members serve one-year terms on the committee at the pleasure of the TSCPA Chairman with advice of the Professional Committee chair and staff liaison.
(EB: 11/11/06)(EB: 8/23/13)

Relations with Educational Institutions Committee

Purpose
To promote an accounting education process, both at the high school and college/university levels, that will meet the ever-changing needs of the accounting profession. Build and maintain alliances with educational institutions for the purpose of exchanging ideas of mutual interest and concern and initiating collaborative efforts. Explore issues and make recommendations regarding the specific needs of members in education focusing on enhancing the professional careers of these members.

Responsibilities
1. Provide opportunities for members of the academic community to interact with professionals in accounting careers.
2. Recognize and reward outstanding accounting educators on an annual basis.
3. Present the annual TSCPA Accounting Education Conference.
   a. Conference planning will be completed by the Accounting Education Conference Subcommittee.
   b. At least one subcommittee member must represent the Accounting Education Foundation.
4. Review and recommend strategies for communicating with educational institutions and members in education.

(EB: 11/7/03; 11/7/08; 1/28/10)

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 TSCPA and IRS management in Texas IRS districts and service center.
2. Represent TSCPA at the annual Midstates Region of IRS/State CPA Society Liaison Meeting.
3. Represent TSCPA at the annual AICPA Tax Season Wrap-up/Tax Practice and Procedures Committee Meeting.
4. Provide guidance concerning TSCPA representation on IRS Texas district's practitioner (CPA and non-CPA) liaison committees.

5. Collect and disseminate minutes and other information derived from all liaison meetings to all TSCPA members.

Composition
Maintain member representation from each TSCPA chapter on the committee. ***(EB: 1/22/04)***

Single Audits and Governmental Accounting Conference Committee

Purpose
Plan and execute an annual continuing education conference for CPAs within this industry.

Responsibilities
1. Select topics for the conference.
2. Identify and select speakers with TSCPA staff assistance for each topic.
3. Contact and verbally confirm selected speakers.
4. Recommend dates and locations in coordination with TSCPA staff and CPE calendar.
5. Assist TSCPA staff with registration.
6. Introduce the speakers and moderate the meeting.
7. Review conference and committee budget prepared by TSCPA staff liaison.
8. Assist as needed in identification of topics for development of new course modules and conferences in the appropriate curriculum. ***(Nominal Change: 11/03)***

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 TSCPA chairman 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 TSCPA leadership act as a resource and/or provide expert witness testimony before 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 TSCPA Web site.
4. Work with appropriate TSCPA 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 TSCPA chairman.
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. ***(EB: 11/7/03)***

Strategic Planning Committee

Purpose
TSCPA *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 at each Board of Directors meeting.

Specific Strategies and Actions to Achieve Purpose
1. Maintain a dynamic *Strategic Plan* to provide direction to the TSCPA.
   a. Periodically review the TSCPA *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 TSCPA *Strategic Plan* implementation, providing a system for TSCPA 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 Executive Board.
   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
TSCPA chairman-elect, treasurer-elect, treasurer-elect nominee, executive director/chief executive officer and members-at-large who possess strategic planning expertise and who represent the various diverse interests within TSCPA. The committee chair shall designate a committee member who will be responsible for monitoring *Strategic Plan* implementation. ***(EB:6/18/99) (EB: 11/11/06)***

Texas CPA Tax Institute Committee

Purpose
Plan and execute an annual continuing education conference for CPAs working in the tax area.

Responsibilities
1. Select topics for the conference.
2. Identify and select speakers with TSCPA staff assistance for each topic.
3. Contact and verbally confirm selected speakers.
4. Recommend dates and locations in coordination with TSCPA staff and CPE calendar.
5. Assist TSCPA staff with registration.
6. Introduce the speakers and moderate the meeting.
7. Review conference and committee budget prepared by TSCPA staff liaison.
8. Assist as needed in identification of topics for development of new course modules and conferences in the appropriate curriculum. **(Nominal Change Group: 11/03)**

COMMITTEE CHARGES

Texas School District Accounting and Auditing Committee

Purpose
Plan and execute an annual continuing education conference for CPAs working in the school district accounting and auditing area.

Responsibilities
1. Select topics for the conference.
2. Identify and select speakers with TSCPA staff assistance for each topic.
3. Contact and verbally confirm selected speakers.
4. Recommend dates and locations in coordination with TSCPA staff and CPE calendar.
5. Assist TSCPA staff with registration.
6. Introduce the speakers and moderate the meeting.
7. Review conference and committee budget prepared by TSCPA staff liaison.
8. Assist as needed in identification of topics for development of new course modules and conferences in the appropriate curriculum. ***(Advisory Board: June 16, 1999)***

Texas State Taxation Conference Committee

Purpose
Plan and execute an annual continuing education conference for CPAs working in the state tax area.

Responsibilities
1. Select topics for the conference.
2. Identify and select speakers with TSCPA staff assistance for each topic.
3. Contact and verbally confirm selected speakers.
4. Recommend dates and locations in coordination with TSCPA staff and CPE calendar.
5. Assist TSCPA staff with registration.
6. Introduce the speakers and moderate the meeting.
7. Review conference and committee budget prepared by TSCPA staff liaison.
8. Assist as needed in identification of topics for development of new course modules and conferences in the appropriate curriculum.

Composition
Given the specialized nature of the conference, this committee may include several ex-officio industry members. ***(Nominal Change Group: 11/03)***

Young CPAs and Emerging Professionals Committee

Purpose
Explore the professional needs and issues of TSCPA's young CPAs (40 years and under) and emerging professionals (students/candidates). Develop resources to meet these needs. Provide opportunities for TSCPA volunteer experience to the next generation of Society leaders.

Responsibilities
- Research needs of young CPA segment.
- Research needs of student and candidate segment.
- Look for opportunities to serve this member demographic.
- Provide an entry point for young CPAs to get involved in TSCPA.

Composition
Young CPAs and CPA candidates (40 years old and under) from each of the small, medium and large chapters to the extent possible and chapter Young CPA Committee chairpersons. ***(EB: 1/24/08)(EB: 8/24/12)***