



## **North Carolina Association of Certified Public Accountants Board Policies**

### **1.0 BOARD STRUCTURE**

#### **1.01 Authority of board members**

Each member of the North Carolina Association of Certified Public Accountants ("NCACPA" or the "Association") Board of Directors is legally and morally responsible for all activities of the Association. All members of the board share in a joint and collective authority, which exists and can only be exercised when the group is in session.

#### **1.02 Board member rights**

Members of the NCACPA Board of Directors are granted certain specific rights. All board members have the right to:

- Receive notice of meetings and the agenda for the meeting.
- Attend and participate in board meetings.
- Examine NCACPA's books, records, meeting minutes, financial statements and contracts.
- Place items on the board meeting agenda at the appropriate time.

#### **1.03 Board member orientation**

NCACPA believes that professional development for board members is vital to good governance. At an appropriate time as deemed by the Chair-Elect and CEO, new board members will be given an orientation about NCACPA, board operations, finance, board member expectations, responsibilities, and liability.

#### **1.04 Terms of office**

Directors elected to the Board shall serve terms ranging from one to three years based on the Association's needs for subject matter or leadership expertise. The Chair, Chair-Elect, and Immediate Past Chair shall each serve a one-year term of office. The Treasurer shall serve a two-year term of office.

#### **1.05 Officer election process**

The Nominating Committee, under the bylaws, shall present a slate of officers and directors each year. The Chair-Elect shall automatically ascend to the office of Chair upon approval of the report of the Nominating Committee at a duly called Annual Business Meeting of the Association.

## **1.06 Secretary**

The Secretary, under the bylaws of the Association, shall be the Chief Executive Officer or such other person as designated by the Board. He/she is a non-voting member of the Executive Committee and the Board of Directors. The Secretary shall be responsible for all official records of the Association.

## **1.10 Board member job responsibilities**

### **1.11 Board member commitment**

Serving on the NCACPA Board of Directors involves a very special commitment. To meet that commitment, board members are expected to:

- Ensure adherence to the NCACPA vision, mission statement, member Code of Conduct and the "Oath of a North Carolina CPA."
- Attend and actively participate in all of the Board's meetings.
- Notify the Chair of an anticipated absence.
- Arrive at the meeting prepared to participate fully in board and committee meetings.
- Serve on at least one committee.
- Act only with the full board, not individually, unless authorized to do so by the full board.
- Speak for the full board only when the full board has authorized their doing so.

### **1.12 Expectations of board members**

Members elected to the NCACPA Board of Directors are expected to fulfill the following commitments on an annual basis, unless otherwise noted:

1. Be an ambassador for the Association and the profession.
2. Make every effort to attend all meetings of the Board of Directors, including the Leadership Summit.
3. Make every effort to attend special meetings of the board when called by the Chair.
4. Make every effort to attend meetings of the Executive Committee, if so elected.
5. Read and understand materials delivered in the agenda materials for the aforementioned meetings.
6. Participate in discussions of the Board and/or Executive Committee.
7. Accept and support the decisions made by the Board.
8. Communicate with members of the Association about matters before the board in a positive and motivational manner.
9. Make a contribution of \$250 to the NC CPA Foundation, Inc.
10. Make a contribution of \$250 to the NC CPA Political Action Committee (PAC).
11. Attend one of the monthly meetings of the NC State Board of CPA Examiners.

12. Monitor and stay informed of discussions on *Connect*, including the Board of Directors community.
  - a. Board members posting on the *Connect* platform are expected to comply with the standards and protocol set forth in Section 6 of this document.
13. Serve as a mentor to an incoming director, if so assigned.
14. Recruit future members to serve on committees and the Board of Directors.
15. Be a positive spokesperson about issues on the Board's agenda and the decisions reached by the board.
16. Obtain continuing professional education from NCACPA whenever possible.
17. Wear the official Board of Directors name badge to all NCACPA functions.

## **1.20 Board meetings**

### **1.21 Meetings of the Board of Directors**

The Board of Directors shall meet at least two times per year in a regularly scheduled meeting.

The Executive Committee shall meet between regularly scheduled meetings of the Board to conduct the official business of the Association. A meeting may be cancelled if the agenda does not contain sufficient items to warrant a meeting.

### **1.22 Oath of a North Carolina CPA**

The Board of Directors adopted the "Oath of a North Carolina CPA" and requested it be recited at the annual CPA Inauguration. Recitation of the oath at other NCACPA functions shall be optional. The board has also requested the NC State Board of CPA Examiners incorporate the oath into their license renewal materials. The oath reads as follows:

*"I will support the laws and regulations of the state of North Carolina and the United States.*

*I will perform my professional duties to the best of my ability and abide by the rules of professional ethics and conduct; and*

*I will uphold the honor and dignity of the accounting profession by serving with integrity, objectivity and competence."*

For those persons receiving their initial certificate, the following will precede the three lines above:

*"I accept this certificate as Certified Public Accountant and assume the responsibilities and obligations."*

### **1.23 Board calendar**

The Chair-Elect, in consultation with the staff, will prepare the schedule of the upcoming meetings. The calendar, which contains times, locations, and format, shall be published and released at the March meeting of the board each year for the benefit of the returning and incoming board members.

### **1.24 Meeting agenda packet**

The Chief Executive Officer shall assemble the board agenda well in advance of the meeting and seek approval of the Chair. The board agenda packet will be posted to a specified section of the Association's website, and a memorandum from the Chief Executive Officer will be sent to the members of the board several days prior to the meeting announcing the location of the materials. The memorandum will include logistical information about the meeting.

### **1.25 Open/closed/special meetings**

Unless declared closed for purposes of private, confidential discussions, all board meetings are open to members. Guests may be invited to attend the meetings as well.

Board meetings may be closed to visitors and members not serving on the board in cases where the board needs to discuss personnel or other sensitive issues.

The bylaws of the Association provide for the calling of special meetings.

### **1.26 Meeting attendance requirement**

Members of the board are expected to attend all regularly scheduled meetings announced at the beginning of the year. Directors who miss consecutive meetings must meet with the Chair to discuss the respective director's commitment and responsibilities, whereby the Chair will recommend to the Executive Committee if action is needed.

### **1.27 Conduct of the meetings**

So meetings may be conducted in the most orderly manner, board members shall seek recognition from the Chair before expressing their opinion on a matter, making a motion, or asking a question. Board members shall not engage in side conversations while another member of the board has the privilege of the floor.

### **1.28 Quorum**

A quorum shall be determined when a majority of the Board is present.

### **1.29 Voting**

Voting on motions during the board meetings shall be by voice vote unless the ruling is challenged. Upon challenge, the Chair shall request voting members to raise their right hand in the air to be counted.

### **1.30 Minutes of the board meeting**

Unless otherwise determined by the Board, the Chief Executive Officer serves as the Secretary of the Board and prepares minutes of the board meetings. The Chair shall provide approval of the draft minutes before they are delivered to the Board for formal approval.

### **1.40 Board legal & ethical issues**

#### **1.41 Legal obligations of board members**

The NCACPA Board of Directors is responsible and liable for the Association. The NCACPA Board of Directors and the law require every board member to follow the rule of the reasonably prudent person and the principle of good faith.

The rule of the reasonably prudent person means that the board will not:

- Mismanage NCACPA by deviating from fundamental management principles, such as planning carefully for the future of NCACPA, regularly reviewing the financial status of the Association, and monitoring compliance with board policies.
- Fail to govern by utilizing all control systems.
- Be involved in self-dealing that provides personal gain to board members.

#### **1.42 Board member "Conflict of Interest" policy**

##### **General**

Board members should avoid any interest, activity, or relationship which conflicts with the interests of NCACPA. This applies to officers and members of the Board of Directors of NCACPA.

In the course of business, situations may arise in which a director has a conflict of interest, or the appearance of a conflict of interest. All directors have an obligation to:

- Avoid conflicts of interest, or the appearance of conflicts, between their personal interests and those of NCACPA in dealing with outside entities or individuals;
- Disclose real and apparent conflicts of interest; and
- Refrain from participating in any decisions on matters that involve a real conflict of interest or the appearance of a conflict.

A potential conflict would exist wherever a board member has an interest in, or connection with, an enterprise with which NCACPA has conducted or might conduct business (or with individuals associated with such an enterprise) where that interest is of such a nature that it might influence the independent judgment of the board member. It should be understood the conflicting interest referred to throughout these guidelines may be direct or indirect (the interest might be that of the board member, that of another person such as a relative of the board member, or that of a business enterprise).

in which the board member or such other person has an interest). Further, the interest might be financial or otherwise.

### **What constitutes a conflict of interest?**

An actual or potential conflict of interest arises when a director is in a position to influence a decision that may result in a personal gain for himself/herself as a result of business dealings with NCACPA.

Examples of conflicts of interest include, but are not limited to, situations in which a director:

- Negotiates or approves a contract, purchase, sale, or lease on behalf of NCACPA and has a direct or indirect interest in, or receives personal benefit from, the entity or individual providing the goods or services;
- Has an immediate family member who has a material direct financial interest in, or serves as an officer or director of, an entity with which NCACPA has or is negotiating a transaction, contract, or other arrangement;
- Employs or approves the employment by NCACPA of a person who is an immediate family member of the director;
- Uses NCACPA's facilities, other assets, staff members, or other resources for personal gain; or
- Receives money or a substantial gift from an NCACPA vendor, if the director is responsible for initiating or approving purchases from that vendor.

### **Disclosure requirements**

The first step in addressing conflicts of interest is prompt disclosure. A director who believes he/she may be perceived as having a conflict of interest in a discussion or decision should disclose that conflict to the current Chair, who will review and respond. If the Chair discloses a potential conflict, the Chair-Elect will review and respond.

Violation of this policy by board members could result in disciplinary actions in accordance with the Code of Professional Conduct and bylaws of NCACPA.

### **Disclosure statement**

On an annual basis, the members and officers of the board of directors shall sign a disclosure statement to confirm they have read the policy and are not in any manner in conflict with the policy as outlined.

#### **1.43 Duty of board members not to compete**

A board member may not use his/her position on the NCACPA Board of Directors to prevent NCACPA from competing with the board member's business. It is expected that board members, even after they complete board service, will not use trade secrets, client lists or other confidential information acquired by virtue of being a member of the board.

## **1.50 Board financial issues**

### **1.51 Compensation of board members**

Board members of NCACPA will not be compensated for service on the Board.

### **1.52 Reimbursement policies**

Members of the NCACPA Board of Directors will be eligible for reasonable business expenses in connection with service as a member of the board. Such reimbursement shall include, but not be limited to: attendance at board meetings; attendance at a State Board of CPA Examiners meeting, when so assigned; and other meetings where a board member is expected to attend. Questions arising from this policy should be directed to the CEO.

In connection with attendance at all board meetings, the Association will reimburse the following expenses:

- One night's lodging
- Round-trip mileage at the allowable rate published by the IRS
- Meals during the course of the board meeting are typically paid directly by the Association, so therefore not reimbursed

If the board member has to travel more than 250 miles to attend the meeting, the reimbursement will include a second night's lodging and up to two meals.

A board member may choose to fly to a board meeting, but will be reimbursed the lesser of airfare or mileage.

#### Board of Directors Committees: Audit, Investment, Executive, and Nominating Committees:

Members serving on these committees will receive the same expense reimbursements as members attending the board meetings, as cited above.

#### Board-Appointed Task Forces:

Members serving on a board-appointed task force will receive the same expense reimbursements as members attending the board meetings, as cited above.

#### Officers and Directors:

All officers and directors of the Association are entitled to registration and lodging at the NCACPA Annual Business Meeting.

#### Resource Group chairs:

Resource Group chairs are reimbursed the same as board members when requested to attend an NCACPA board meeting.

The Executive Committee must receive a request for authorization to receive reimbursement for attending functions not allocated in the annual budget 60 days prior to the event, in order to be considered.

When the Association sponsors a social function, there will be no expectation for spouses and guests to reimburse the Association.

AICPA Council meetings:

Chair:

The Chair receives reimbursement for the following reasonable expenses:

- Registration, travel, lodging, meals, and incidentals at Council and/or other national meetings attended in the official role as Chair of NCACPA.

Chair-Elect:

The Chair-Elect is entitled to the following reasonable expenses:

- Registration, travel, lodging, meals, and incidentals for the CPA/SEA Leadership Conference and all other national meetings when representing NCACPA.

Other attendees:

NCACPA supports members serving on AICPA Council, which is the governing body of the profession. In that regard, the Association will cover the expenses for NC council members associated with the dinner traditionally held on the open evening of fall and spring AICPA Council meetings. If the Association hosts a dinner prior to regional meetings of AICPA Council, the Association will cover the cost of the dinner for council members. Council members will be expected to reimburse the Association for their spouses/significant others attending such dinners.

NCACPA will not reimburse other travel expenses for at-large members attending AICPA Council and/or other national meetings except as approved by the CEO or Board of Directors.

### **1.53 Directors' and officers' errors and omissions insurance**

It is the policy of NCACPA to provide directors and officers liability insurance.

## **2.0 CHIEF EXECUTIVE OFFICER: RESPONSIBILITIES/FUNCTIONS**

### **2.01 Areas of responsibilities delegated to the Chief Executive Officer**

The Board of Directors employs a Chief Executive Officer to direct the affairs of the North Carolina Association of CPAs, the NC CPA Foundation, Inc., the NC CPA Political Action Committee, and CPA Services, Inc. The Executive Committee provides oversight for the Chief Executive Officer and requests regular reports on the status of these entities.

### **2.02 Executive communication/counsel to the board**



The Chief Executive Officer will provide information and counsel to the Board. Accordingly, he/she will:

- Make the board aware of special events, relevant trends, material external and internal changes, and the assumptions upon which any board policy has previously been established;
- Submit required monitoring data in a timely, accurate, and understandable fashion, directly addressing provisions of the board policies being monitored;
- Marshal as many staff and external points of view, issues, and options as needed for fully informed board choices;
- Present information in a form that is understandable and of reasonable length.

### **2.03 Board/Chief Executive Officer relationship**

The Chief Executive Officer for the Association is answerable to the Executive Committee of the Association. The Board has the authority to request specific actions be taken by the Chief Executive Officer during regularly scheduled board meetings.

The Chief Executive Officer works closely with the Chair to move the Association forward in completing its agenda.

The Chief Executive Officer retains qualified staff necessary to carry out the directions from the Board.

### **2.04 Delegation to the Chief Executive Officer**

All board authority delegated to staff is delegated through the Chief Executive Officer. The Chief Executive Officer is authorized to establish all further policies, make all decisions, take all actions, and develop all activities which are consistent with the Board's policies. No individual board member, officer, or committee has any authority over the Chief Executive Officer.

Acting with the authority granted above, the Chief Executive Officer may not perform, allow, or cause to be performed any act which is unlawful, insufficient to meet commonly accepted business and professional ethics for the "prudent person" test, in violation of funding source requirements or regulatory bodies, or contrary to explicit board constraints on executive authority.

### **2.05 Board correspondence**

The Chair or the Chief Executive Officer shall issue correspondence on behalf of the board. All correspondence from the Board shall be written on NCACPA stationery and be prepared by the office of the Chief Executive Officer.

No material or information disclosed in executive sessions of the Board will be released to any unauthorized person.

### **2.06 Abandonment process responsibility**

The board has established an abandonment process whereby staff managers bring to the Chief Operating Officer any programs and activities for which justification may no longer exist. In turn, those programs and activities that warrant abandonment will be reported to the Chief Executive Officer. The Chief Executive Officer and the Chief Operating Officer may decide to abandon the program or activity; or they may decide to bring it to the board or the Executive Committee for action.

### **2.07 Monitoring executive performance**

The Executive Committee shall be charged with the responsibility to set performance standards for the Chief Executive Officer for the Association, his/her compensation package, and his/her performance evaluation prior to the end of each fiscal year.

### **2.08 Chief executive officer performance evaluation**

The Executive Committee of the board of directors shall be responsible for evaluating the performance of the Chief Executive Officer of the Association on an annual basis prior to the end of each fiscal year.

The Association Chair is expected to deliver a copy of the evaluation instrument currently titled "Guide for Annual Review and Appraisal of the Chief Executive Officer's Performance." The evaluation instrument is available from the Chief Executive Officer and should be circulated to all members of the Executive Committee with a request to complete and return directly to the Chair.

The Chair shall compile all of the evaluation information collected from Executive Committee members into one evaluation instrument. The Chair shall present the compiled evaluation instrument to members of the Executive Committee at a meeting in February or early March. This meeting shall be conducted, in part, without the Chief Executive Officer present. During this meeting, the Executive Committee will agree on the text of the evaluation, additional goals to be considered by the Chief Executive Officer, and the compensation package to become effective the beginning of the Association's fiscal year, May 1<sup>st</sup>.

The Chair and Chair-Elect shall schedule a meeting with the Chief Executive Officer to discuss the contents of the compiled evaluation instrument, discuss concerns and opportunities, describe the compensation package, and receive feedback from the Chief Executive Officer.

The evaluation process will likely not be conducted prior to the establishment of the subsequent year's budget. Therefore, either the Chair or the Treasurer will advise the Director of Finance & Administration of the compensation package to incorporate into the budget document prior to presentation for review by the Executive Committee.

### **2.09 Legal counsel to the Association**

The Chief Executive Officer will annually designate legal counsel to serve the needs of NCACPA. Legal counsel may be requested to attend board meetings by the board Chair or the Chief Executive Officer.

Only the Chair, the Chief Executive Officer, or their designee may contact the legal counsel on behalf of the board. Costs billed to NCACPA and associated with individual board members contacting legal counsel, auditors, or other professional consultants without specific authority from the Chair or Chief Executive Officer will be billed to the board member making the unauthorized contact.

## **2.10 Vacancy in the Office of the Chief Executive Officer**

Notwithstanding anything to the contrary herein and without limiting any authority the Board or the Executive Committee may otherwise have, in the event there is a vacancy in the office of the Chief Executive Officer, the Board and the Executive Committee shall have the authority to authorize such other persons to act for or on behalf of the Board, the Executive Committee and the NCACPA, including assuming some or all of the duties of the Chief Executive Officer, in each case to the extent permitted by law and as the Board or the Executive Committee, as applicable, may determine in its discretion.

## **3.0 COMMITTEES OF THE BOARD**

### **3.01 Committee purpose**

Committees are approved by the Board of Directors to assist it in achieving its strategic objectives.

### **3.02 Committee authority and composition**

- (a) Committees are authorized to act within board authorization. Committees may not speak in an official capacity on behalf of the Association without the express authorization of the board.
- (b) Committees, task forces, advisory groups, councils, and cabinets shall consist of members. The Professional Ethics Advisory Group shall be composed of CPA members only.
- (c) Each committee shall be subject to the call of its chair.

### **3.03 Appointment of committees**

- (a) The Chair-Elect of the Association ratifies the members who will be serving as Chair of each committee.
- (b) Committee chairs will serve no more than two consecutive years. They may serve a second term as chair, but not consecutively.

### **3.04 Ex officio committee members**

The Chair of the Association is an ex officio member of every committee of the Association.

### **3.05 Duties of committee members**

Committee members are charged to carry out the action plans of the committee as approved by the Board of Directors. Committee members will be expected to attend all meetings and if unable to do so, are required to provide advanced notification to either the committee chair or staff liaison. If a committee member has not participated in 50% of their meetings and conference calls prior to reappointment at the beginning of the new fiscal year, the committee chair is responsible for contacting the member to determine if they want to remain on the committee. If not resolved, the member will receive a letter from the committee chair and board liaison excusing the individual from the committee.

### **3.06 Committee meetings**

Committees shall meet as often as is deemed necessary to discharge its duties.

### **3.07 Executive Committee**

The Executive Committee is authorized to act on issues between regularly scheduled meetings of the Board of Directors. It has the discretion to determine what items are appropriate to bring before the board at a regularly scheduled meeting. The committee is also responsible for the assemblage and presentation of the annual budget to the Association's board for adoption.

### **3.08 Audit Committee**

The Audit Committee shall be responsible for ensuring that the Association has an annual audit. The committee shall communicate with the auditors and react to any management letters so issued.

The Audit Committee shall:

1. Develop criteria and a process to evaluate the firm currently engaged to do the Association's audit as well as all firms interested in auditing the Association in the future.
2. Request references from the firm currently engaged to perform the Association's audit and to include the request for references in the evaluation criteria going forward.
3. Request a copy of the firm's most recent peer review report and to include the request for peer review reports in the evaluation criteria going forward.
4. Report to the Executive Committee on the process and criteria developed at their December meeting.
5. Request an engagement letter from the firm engaged for the current fiscal year, which should include an estimate of fees going forward. The engagement letter should be part of a report by the Audit Committee to the Executive Committee at

their February meeting and a report to the NCACPA Board of Directors at their meeting in March regarding the audit firm for the next fiscal year.

This process, in its entirety, is to be ongoing for the Audit Committee.

### **3.09 Nominating Committee**

The Nominating Committee is responsible for preparing a slate of officers and directors for approval by the voting membership at the Annual Business Meeting each year pursuant to the Association's Bylaws.

### **3.10 Investment Committee**

The Investment Committee shall be responsible for monitoring and directing the excess cash reserves and invested funds of the Association. The committee will be led by the Treasurer and consist of the Immediate Past Treasurer and three other members who may either be CPAs or non-CPAs with appropriate skills and expertise.

During the presentation of the budget, the Treasurer will provide a recommendation by the Investment Committee as it pertains to movement of cash, cash reserves and/or currently invested funds.

On an annual basis, the Investment Committee will review and submit any recommended revisions to the Association's Investment Policy to the Board of Directors for approval.

The Investment Committee will have the authority to enter into an agreement with an investment advisor, if so desired.

### **3.11 Committee finances**

The budget of the Association shall contain information regarding the approved expenditure levels for each committee.

### **3.12 Committee action plans**

The board expects that committee action plans align with the Association's strategic focus and thus be constructed and monitored as part of an evergreen process. In conjunction with the subsequent year's budget compilation process, the Chair, board liaison and staff liaison will confer to determine what, if any, financial resources are needed.

The board liaison has the responsibility for evaluating the contents of their committee's respective action plan, accepting or rejecting specific requests, ensuring alignment with the Association's strategic focus, and bringing to the attention of the board any issues/activities that may arise from the respective committee.

## **4.0 ORGANIZATIONAL FINANCE**

### **4.01 Financial management**

The Treasurer, in concert with the Director of Finance & Administration for the Association, is responsible for monitoring the finances of the Association.

#### **4.02 Budgeting**

The Executive Committee shall meet at least once a year to assemble the annual budget for presentation to the full Board of Directors in their meeting in the spring of each year.

#### **4.03 Accounting**

The Director of Finance & Administration shall be responsible for maintaining the accounting records of the Association.

#### **4.04 Financial reports and audits**

The Treasurer of the Association shall present the most recent set of financial statements at a meeting of the Board. The Treasurer shall negotiate and approve the performance of an audit of the Association on an annual basis.

#### **4.05 Signing checks**

The Chief Executive Officer, or his/her designees, and/or such other person(s) as may be designated by the Board or the Executive Committee shall have the authorization to sign checks up to \$10,000. Amounts equal to or more than \$10,000 require two signatures. The Chief Executive Officer, or his/her designee, and/or such other person(s) as may be designated by the Board or the Executive Committee shall be responsible for verifying the accuracy of the checks issued on a monthly basis. Signing authority for the Association has been approved for the Chief Operating Officer and each staff person in a director level position, except for the Director of Finance and Administration.

#### **4.06 Use of credit cards**

The Chief Executive Officer shall be responsible for monitoring the issuance and usage of credit cards in the Association. Credit cards shall not be issued to members of the Board.

#### **4.07 Spending authorizations**

The Chief Executive Officer is limited by the approved budget as to the spending he/she can authorize. The Chair of the Association must approve exceptions from the budget.

#### **4.08 Investment policies**

The Association has a board-approved investment policy.

#### **4.09 Insurance and bonding protections**

Every effort is made working with skilled insurance consultants to ensure adequate coverage for all volunteers and staff.

#### **4.10 Charitable donations by NCACPA**

The Board of Directors has determined that it is not in the best interest of the Association nor its members to contribute to charitable causes.

### **5.0 MEMBERSHIP CLASSIFICATION & ASSESSMENT, BILLING AND COLLECTION**

#### **5.01 Membership**

For the membership year beginning May 1, 2018, the membership shall consist of four classes: CPA, Associate, Student, and Senior/Life members.

#### **5.02 CPA Member**

- (a) A CPA member holds a valid, unrevoked certificate as a CPA issued by a board of accountancy in North Carolina, in another state, a territory of the US, or the District of Columbia.
- (b) Only CPA members shall vote at the Annual Business Meeting.
- (c) A CPA member can request On Leave status based on if the member is:
  - a. currently unemployed;
  - b. on long-term maternity or paternity leave; or
  - c. on long-term medical leave.

#### **5.03 Associate Member**

- (a) Associate membership shall be available to any person who is employed (or self-employed) in the field of accounting and is not an active certificate holder, who meets the requirements for election to membership detailed in Article III of the Association Bylaws, and who meets any of the following criteria:
  - a. Such person has applied for and been accepted to take the Uniform CPA Examination, or has passed the Uniform CPA Examination, but whose certificate is being withheld pending completion of the experience requirements; or
  - b. Such person is a professional staff person employed in an accounting capacity; or
  - c. Such person is a person teaching accounting in an accredited North Carolina college, university, or community college; or
  - d. A former CPA who has opted to let their certificate go inactive with the Board of Accountancy in North Carolina, in another state, a territory of the US, or the District of Columbia; or
  - e. A firm or office administrator who is not an active CPA.
- (b) Associate membership shall continue until:
  - a. Qualifications for advancement to CPA are achieved, or
  - b. Such person no longer satisfies any of the aforementioned five criteria for

Associate membership

- (c) Associate membership is also available to a person who has changed their certificate status to inactive with the NC State Board of CPA Examiners, reached the Social Security Administration retirement age, and does not hold out to the public as a CPA.

**5.04 Student Member**

- (a) Student membership shall be available to:
  - a. Any person meeting the requirements for the election to membership detailed in Article III, who is currently enrolled in a college or university and is pursuing study in an accounting-related field, including an MBA.
  - b. An Associate or CPA member who returns to school for the purpose of pursuing an advanced degree may elect Student member status for dues billing purposes, but shall retain entitlement to all member benefits and services.
- (b) Student members shall be entitled to all benefits and services available to CPA and Associate members, except the right to vote. Student membership shall continue until the person no longer meets any of the qualifications for Student membership, except that a graduate may retain Student membership status until employed, but not longer than one year from their graduation date.

**5.05 Senior/Life Membership**

Senior/Life membership is granted to any of the below:

- a) An individual who has been a member of the association continuously for 40 years; or
- b) A person who receives the Lifetime Achievement Award.

**5.06 Procedures for Assessment, Billing, Collection and Waiving of Dues**

- (a) The annual Association dues or fees shall be set by the Board of Directors and shall be payable when billed.
- (b) The Board of Directors may waive any dues or assessments, past due or to become due, of any member when good reason may be shown for so doing.
- (c) The Association, by majority vote of members present at any called meeting, regular or special, may levy upon dues-paying members within the state an assessment not to exceed in any one fiscal year the amount of the annual dues, provided that notice and purpose thereof shall have been incorporated in the notice for the meeting in which the assessment is made. A newly elected or newly advanced member shall not be liable for the payment of any assessment imposed prior to the date of his or her election or advancement.
- (d) Any member who shall fail to pay any dues or assessment within 90 days after they become payable may be deprived automatically of all rights and privileges of membership, and such deprivation shall continue as long as such dues and assessments remain in arrears.
- (e) Members dropped for non-payment of dues may be reinstated upon payment of the applicable dues for the current year.



## **6.0 COMMUNICATIONS POLICY**

### **6.01 NCACPA Communications Policy**

This policy statement is intended to provide guidance to volunteer leaders and members concerning who is authorized to make public statements on behalf of or as a representative of the North Carolina Association of Certified Public Accountants and the manner in which such public statements should be handled. It also provides guidance as to the distribution of documents or other information from the Association by its members.

As the membership organization of CPAs in North Carolina, the Association represents a large and diverse constituency. To best represent the views of this broad constituency, a process has been established through which policies and positions of the Association are developed in a representative, deliberative, and thoughtful manner. In respect of this process and to be fair to those members who participate in it, communication of the matters decided should be done in a way which is consistent with and faithful to the agreed upon results. Therefore, any communication of policies or positions of the North Carolina Association of Certified Public Accountants to the public or any governmental body, by persons speaking on behalf of or as a representative of the Association, is expected to be the official NCACPA policy or position.

Representatives of or those communicating on behalf of the Association should not make public statements that differ from positions or policies which have been established by the NCACPA, unless those statements are clearly disassociated from NCACPA. Such differing personal statements should be made in a way that the audience to whom they are made should easily recognize that they are the personal views of the member and not the official position of NCACPA. Further, discussion of details concerning the deliberations involved in arriving at a final NCACPA policy or position is inappropriate by anyone other than the official spokesperson of NCACPA.

Guidance as to the communication and distribution of policies and positions of the North Carolina Association of Certified Public Accountants include:

### **6.02 Board of Directors and Executive Committee**

(A) Members of the board and Executive Committee should understand that, by virtue of their role in the organization, they will generally be perceived by the public to be representing NCACPA when making public statements concerning association matters and should govern themselves accordingly.

(B) The Board of Directors, as a body, may direct the distribution of documents and information or make statements on behalf of NCACPA at any time.

(C) The Executive Committee, as a body, may make or authorize a statement on behalf of NCACPA when critical timing or other conditions make it impractical to await action by the Board of Directors. Such statements should only be made when it is felt that it will

be in the best interests of the profession and that there is a very high probability that it will be ratified by subsequent action of the board.

(D) The Executive Committee may release documents or other information in the possession of the Association as it, or its designee, determines will further the goals and objectives of the Association.

(E) The Chair of the North Carolina Association of Certified Public Accountants, or his/her designee is deemed to be the official spokesperson of NCACPA.

### **6.03 NCACPA resource groups and task forces**

(A) Chairpersons of NCACPA resource groups and task forces may speak on behalf of the Association only with respect to policies or matters which have been authorized by the Board of Directors or Executive Committee.

(B) NCACPA resource groups and task forces may issue statements to the public, governmental bodies, or other professional organizations only if authorized by the Board or Executive Committee.

(C) NCACPA is often asked to provide comments on exposure drafts of professional pronouncements and proposed changes to laws. In this regard, certain resource groups are authorized to respond to such requests on behalf of NCACPA, providing the development of the comments has been coordinated with the staff and has been authorized by the NCACPA Chief Executive Officer or Chief Operating Officer. Such a statement must indicate that the opinion expressed is that of the resource group only. Those resource groups are limited to: Accounting and Attestation, Government Peer Review, Tax, Advocacy Advisory, and any other resource group or task force so authorized by either the Board of Directors or the Executive Committee.

(D) Written statements which express the policies, opinions, or official positions of NCACPA or a resource group of the Association should be issued on an official NCACPA letterhead.

### **6.04 Members serving on AICPA Council**

The Chair or the Chair-Elect of NCACPA, when serving as North Carolina's "Designated Member" of Council for the American Institute of CPAs, shall be the official spokesperson for NCACPA during the Council meetings. Other members of Council from North Carolina may address issues and take positions during meetings of Council, but those members must clearly articulate that they are not speaking on behalf of NCACPA.

### **6.05 Members and staff**

(A) The Chief Executive Officer and Chief Operating Officer are the only members of staff authorized to speak on behalf of the Association.

(B) Documents or other information related to the formation of legislative policies or other general policies of NCACPA shall not be released to the public or press without prior approval of the Chief Executive Officer or Chief Operating Officer. Such documents or information should not be released when it is subject to misinterpretation, interpretation out of context, or for use in a manner which is inconsistent with the established goals and policies of NCACPA.

(C) No member of staff shall distribute documents of NCACPA or other information received from NCACPA to the press or anyone who may provide such documents or information to the press, without the prior approval of the Chief Executive Officer or Chief Operating Officer.

(D) No member of the NCACPA staff shall publish documents or other information received from the Association without prior approval of the Chief Executive Officer or Chief Operating Officer.

(E) Personal information from the files of members or employees of NCACPA shall not be released without the written authorization of the individual to whom it pertains, except as otherwise provided by law.

(F) No member of NCACPA staff may speak on behalf of the Association with respect to policies or matters without the prior authorization of the Chief Executive Officer or Chief Operating Officer.

## **7.0 PHILANTHROPIC ACTIVITIES**

### **7.01 NC CPA Foundation Inc. Scholarships**

On January 7, 2005, the NCACPA Board of Directors voted to require that all scholarship awards be administered by the NC CPA Foundation Inc.