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## **ARTICLES OF INCORPORATION, INSTITUTE OF MANAGEMENT ACCOUNTANTS, INC. (IMA®)**

**(As approved by Global Board as of February 2018)**

The incorporators for a corporation adopt this Certificate of Incorporation for such corporation pursuant to an act of the legislature of the State of New Jersey, titled Title 15 of the Revised Statutes and any supplement thereto.

### **FIRST:**

The name of the corporation is the Institute of Management Accountants, Inc. (IMA®).

### **SECOND:**

The period of duration is perpetual.

### **THIRD:**

The specific and primary purposes for which this corporation is formed and for which it shall be exclusively administered and operated are to receive, administer, and expend funds for charitable and educational purposes in connection with the following:

1. To develop through research, discussion, and exchange of information a better understanding of the sources, types, purpose, and uses of accounting and related data as applied to all types of economic endeavor; and to make this information available to members and the general public.
2. To assist and encourage with respect to the role of accounting in the implementation and development of the socio-economic structure.
3. To stimulate worldwide acquaintance and fellowship among members and others interested in accounting.
4. To provide opportunities for members and the general public to increase their knowledge of accounting practices and methods and to increase their individual capabilities.
5. To prepare educational material and conduct educational activities in support of the general purposes of the corporation.



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6. To conduct and sponsor forums, lectures, debates, and similar programs to carry out the purpose of the corporation.
7. To assist other charitable and educational organizations in the conduct of similar activities.
8. To establish in the main office or elsewhere all departments and activities necessary to carry out the purpose of the corporation.
9. To engage in any and all lawful activities incidental to the foregoing purpose except as restricted herein.

In order to accomplish the foregoing charitable and educational purposes, and for no other purpose or purposes, this corporation shall also have the power to:

- (a) Sue and be sued.
- (b) Make contracts.
- (c) Receive property by devise and bequest, subject to the laws regulating the transfer of property by will, and otherwise acquire and hold all property, real or personal, including shares of stock, bonds, and securities of other corporations.
- (d) Act as trustee under any trust whose objects are related to the principal objects of the corporation, and to receive, hold, administer, and expend funds and property subject to the trust.
- (e) Convey, exchange, lease, mortgage, encumber, transfer upon trust, or otherwise dispose of all property, real or personal.
- (f) Borrow money, contract debts, and issue bonds, notes, and debentures, and secure the payment of and performance of its obligations.
- (g) Do all other acts necessary or expedient for the administration of the affairs and attainment of the purposes of the corporation.

#### **FOURTH:**

The Corporation is to have members as provided in the Bylaws.

#### **FIFTH:**

The selection of the Global Board of Directors, the regulation of internal affairs of the Corporation, and the amendment of these Articles of Incorporation shall be as provided for by the Bylaws.



### **SIXTH:**

No part of the net income of the Corporation shall inure to the benefit of or be distributable to its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services actually rendered and to make payments or distributions in furtherance of the purposes and objects set forth in the Third Article hereof. No substantial part of the activities of the Corporation shall be carrying on of propaganda or otherwise attempting to influence legislation and the Corporation shall not participate in or intervene in any political campaign on behalf of any candidate for public office. Notwithstanding any other provision set forth in these Articles of Incorporation, at any time during which it is deemed a private foundation, the Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1954 or corresponding provisions of any subsequent federal tax laws; the Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954 or corresponding provisions of any subsequent tax laws; the Corporation shall not make any investments in such manner as to subject the Corporation to the tax under Section 4944 of the Internal Revenue Code of 1954 or corresponding provisions of any subsequent federal tax laws; and the Corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1954 or corresponding provisions of any subsequent federal tax laws.

### **SEVENTH:**

The private property of the incorporators, directors, and officers shall not be subject to the payment of corporate debts to any extent whatsoever. In furtherance and not in limitation of the powers conferred by statute, the Corporation is expressly authorized to carry on its business and to hold annual or special meetings of its Global Board of Directors anywhere in the world.

### **EIGHTH:**

The directors, trustees, and officers of the Corporation shall not be liable to the Corporation or its members for damages of any duty owed to the corporation or its members, except that such provision shall not relieve a director, trustee, or officer from liability for any breach of duty based upon an act of omission: (1) in breach of such person's duty of loyalty to the Corporation or its members; (2) not in good faith or involving a knowing violation of law; or (3) resulting in receipt by such person of an improper personal benefit.

### **NINTH:**

Notwithstanding any other provision of these Articles, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code of 1954, or corresponding provisions



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of any subsequent federal tax laws, or by an organization, contributions to which are deductible under Section 170(c)(2) of such Code or corresponding provisions of any subsequent federal tax laws.

#### **TENTH:**

Upon the dissolution of the Corporation, the Global Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, distribute the assets of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law), as the Global Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the court of general jurisdiction in the county, in which the principal office of the Corporation is then located, exclusively for such purposes or to such organizations, as said court shall determine.

#### **ELEVENTH:**

The initial address of the Corporation is: 10 Paragon Drive, Montvale, New Jersey, 07645-1760.

#### **TWELFTH:**

The address including street and number of its initial registered office is: 10 Paragon Drive, Montvale, New Jersey, 07645-1760, and the name of its registered agent at such address is: Chief Financial Officer and Vice President of Operations.

#### **THIRTEENTH:**

The Corporation reserves the right to amend, change, or repeal any provision contained in these Articles of Incorporation or to merge or consolidate this Corporation with any other nonprofit corporation in the manner now and hereafter prescribed by the State, provided however, that any such action shall be calculated exclusively to carry out the objects and purposes for which the Corporation is formed, and all rights herein conferred or granted shall be subject to this reservation.



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## **BYLAWS INSTITUTE OF MANAGEMENT ACCOUNTANTS, INC. (IMA®)**

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### **ARTICLE I – NAME**

### **ARTICLE II – MEMBERSHIP**

#### **Section 1. Admission Criteria for Membership**

All persons who have an interest in Accounting, Finance, or Information Management, and who are otherwise qualified for membership under these Bylaws, are eligible for membership as defined in Article II, Section 2, of these Bylaws, provided they meet the following minimum criteria:

- (a) Agree to abide by the *IMA Statement of Ethical Professional Practice*.
- (b) Accept a personal responsibility for continuing their professional education.
- (c) Any person applying for initial membership in IMA, previously convicted of a felony as described in Article II, Section 6(b)(1)(2), requires approval of the Committee on Ethics. Applicants not approved by the Committee on Ethics may appeal to the Global Board of Directors.
- (d) IMA professional certifications are encouraged but not required to maintain membership.

#### **Section 2. Classes of Membership**

- (a) Except as otherwise provided in this Section of the Bylaws, all members are to be considered Regular members and entitled to all the services and benefits of the IMA. The President/CEO may from time to time institute special membership offerings.
- (b) Student membership is available to individuals carrying a minimum of six undergraduate or graduate hours (or equivalent) per semester within a school, college, or university. Student status is available for a maximum of six years and once a member moves to Regular membership, they cannot go back to Student membership. Dues for students shall be set by review of the Member Relations Committee for approval by the Global Board. After the completion of a student member's last eligible term, he or she will automatically be transferred to Regular membership and billed accordingly.



- (c) Retired membership status is available to individuals retired from actively working, having reached the age of 55, or having a permanent disability, which prohibits their working. Provided such an individual is a member in good standing prior to requesting membership status and has held membership with IMA for a minimum of three years, the individual will be granted Retired membership status.
- (d) Full-time Educator's status is available to individuals actively working as full-time educators.
- (e) Emeritus Life Member (ELM) status is available to individuals who, have retired, reached age 55, and completed 20 years of membership with IMA, including five years as an elected officer or director at any combination of chapter, regional, or national level service.
- (f) Emeritus Life Associate (ELA) status is no longer available to individuals since July 1, 1993. ELA status was available to individuals who, have retired, reached age 55, and completed 20 years of membership with IMA, including five years as an elected officer or director at any combination of chapter, regional, or national level service. There are no dues for Emeritus Life Associates and ELAs are not allowed to vote, hold office, nor are they entitled to receive IMA's magazines. Members having attained the designation ELA prior to July 1, 1993, may elect to become Emeritus Life Members, paying dues and receiving ELM benefits. Any ELA not electing ELM status to receive benefits may remain an ELA.
- (g) Young Professional membership is no longer available to new members as of July 1, 2017. A current Young Professional will be automatically transferred to the status of Regular member on the renewal date immediately following the member's 33<sup>rd</sup> birthday. After the completion of a Young Professional member's last eligible term, he or she will be automatically transferred to Regular membership and billed accordingly.
- (h) Dues for all membership categories shall be set by review of the Member Relations Committee for approval by the Global Board.

## **Annual Dues**

Dues increase shall become effective on the first day of the month falling more than 60 days after Global Board of Directors' approval. For example, a dues increase approved by the Global Board of Directors in June would become effective September 1. A grace period will be provided for new members whose applications have been received by IMA with a postmark at least 10 days prior to the effective date of the dues increase. Such new members shall be billed under the prior dues rate schedule.



### **Section 3. Applications for Membership**

All applications for membership shall be made in writing to the President/CEO of IMA on application blanks furnished for that purpose. The President/CEO shall have the authority to approve applications from individuals who qualify for membership under Article II, Section 1, of these Bylaws.

At all meetings of the Global Board of Directors, the President/CEO shall report the number of persons admitted for membership since their last meeting.

### **Section 4. Resignation**

Any member may resign at any time, except that a member may not resign if he or she is the subject of a current investigation for alleged infractions of the *IMA Statement of Ethical Professional Practice*, or for a felony conviction under Article II, Section 5. Such resignation shall not relieve the resigning individual from the payment of dues for the expired portion of the member's current cycle billing year or give any right to rebate of dues paid or any right to a pro rata or other share of the assets of IMA. All resignations shall be made in writing to the President/CEO.

### **Section 5. Compliance with the *IMA Statement of Ethical Professional Practice*: Enforcement and Investigative Procedures**

- (a) All members of IMA are required to comply with the *IMA Statement of Ethical Professional Practice* as a condition of continuing membership in good standing.
- (b) A member who:
  - (1) As a result of a violation of the *IMA Statement of Ethical Professional Practice* is convicted by a court of competent jurisdiction of a felony punishable by imprisonment for more than one year; or
  - (2) Pleads guilty to, or enters a plea of nolo contendere to a felony described in (1) above, shall automatically be expelled from IMA. The former member may request a hearing and an opportunity to show why the member should be reinstated to membership in IMA.
- (c) A member may be disciplined, by way of expulsion or otherwise, for any violation of the *IMA Statement of Ethical Professional Practice*. In cases involving alleged violation of the *IMA Statement*, and in cases that are not covered by Section 5(b), the member shall be entitled to a hearing before issuance of any sanction involving suspension or expulsion and IMA may take any disciplinary action it deems appropriate.





- (d) A member who fails to cooperate in an investigation or hearing for any violation of the Bylaws or the *IMA Statement of Ethical Professional Practice* may be disciplined by way of expulsion or otherwise. Non-cooperation shall include the failure to respond to inquiries, directed to the last known address supplied to IMA by the member, which involve an alleged violation of the Bylaws or the *IMA Statement of Ethical Professional Practice* as well as failure to provide adequate answers or failure to appear at a hearing.

## **Section 6. Sanctions**

In addition to sanctions provided for in Section 5(c), the Global Board of Directors, at any meeting wherein a quorum is present, by a two-thirds vote of those present, may authorize disciplinary action to include but not be limited to the issuance of letters of censure, required continuing education, or suspension of membership.

## **Section 7. Reinstatement**

Any individual whose membership has been terminated may be considered for reinstatement as follows:

- (a) Any individual whose membership has been terminated for any reason except expulsion may be considered for reinstatement upon submission of a new application for membership, accompanied by a reinstatement fee as determined by the Global Board of Directors. Dues shall be charged from the date of such reinstatement.
- (b) Reinstatement of any IMA member previously expelled as a result of disciplinary procedures described in Article II, Sections 4 and 5, can be approved by the Global Board of Directors. Any member petitioning for reinstatement under this provision must submit a new application for membership to the Committee on Ethics no sooner than one year after expulsion and a statement indicating the basis for the request for readmission. Additionally, such member must answer any question put forth to him or her by the Committee on Ethics. If the Global Board of Directors approves his or her application for reinstatement, the member will be informed of his or her reinstatement and the effective date of such reinstatement.

## **Section 8. Members in Good Standing**

All members who maintain their membership by payment of dues as required under these Bylaws and who otherwise qualify shall be considered in good standing and entitled to full privileges of membership.

## **Section 9. Hardship**

Hardship dues may be granted in certain situations for a period of time. Please refer to IMA Policy A-112 on Dues Hardship.





## **ARTICLE III – IMA STATEMENT OF ETHICAL PROFESSIONAL PRACTICE**

Members of IMA shall behave ethically. A commitment to ethical professional practice includes overarching principles that express our values and standards that guide member conduct.

### **PRINCIPLES**

IMA's overarching ethical principles include: Honesty, Fairness, Objectivity, and Responsibility. Members shall act in accordance with these principles and shall encourage others within their organizations to adhere to them.

### **STANDARDS**

IMA members have a responsibility to comply with and uphold the standards of Competence, Confidentiality, Integrity, and Credibility. Failure to comply may result in disciplinary action.

#### **I. COMPETENCE**

1. Maintain an appropriate level of professional leadership and expertise by enhancing knowledge and skills.
2. Perform professional duties in accordance with relevant laws, regulations, and technical standards.
3. Provide decision support information and recommendations that are accurate, clear, concise, and timely. Recognize and help manage risk.

#### **II. CONFIDENTIALITY**

1. Keep information confidential except when disclosure is authorized or legally required.
2. Inform all relevant parties regarding appropriate use of confidential information. Monitor to ensure compliance.
3. Refrain from using confidential information for unethical or illegal advantage.

#### **III. INTEGRITY**

1. Mitigate actual conflicts of interest. Regularly communicate with business associates to avoid apparent conflicts of interest. Advise all parties of any potential conflicts of interest.
2. Refrain from engaging in any conduct that would prejudice carrying out duties ethically.



3. Abstain from engaging in or supporting any activity that might discredit the profession.
4. Contribute to a positive ethical culture and place integrity of the profession above personal interests.

#### **IV. CREDIBILITY**

1. Communicate information fairly and objectively.
2. Provide all relevant information that could reasonably be expected to influence an intended user's understanding of the reports, analyses, or recommendations.
3. Report any delays or deficiencies in information, timeliness, processing, or internal controls in conformance with organization policy and/or applicable law.
4. Communicate professional limitations or other constraints that would preclude responsible judgment or successful performance of an activity.

#### **RESOLVING ETHICAL ISSUES**

In applying the Standards of Ethical Professional Practice, the member may encounter unethical issues or behavior. In these situations, the member should not ignore them, but rather should actively seek resolution of the issue. In determining which steps to follow, the member should consider all risks involved and whether protections exist against retaliation.

When faced with unethical issues, the member should follow the established policies of his or her organization, including use of an anonymous reporting system if available.

If the organization does not have established policies, the member should consider the following courses of action:

- The resolution process could include a discussion with the member's immediate supervisor. If the supervisor appears to be involved, the issue could be presented to the next level of management.
- IMA offers an anonymous helpline that the member may call to request how key elements of the *IMA Statement of Ethical Professional Practice* could be applied to the ethical issue.
- The member should consider consulting his or her own attorney to learn of any legal obligations, rights, and risks concerning the issue.



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If resolution efforts are not successful, the member may wish to consider disassociating from the organization.

## **ARTICLE IV – REGISTRATION FEES AND DUES**

### **Section 1. Registration Fee**

The registration fee for members shall be as determined by the Global Board of Directors on or before July 1 of each year and shall accompany the application for membership. The Global Board of Directors may at its discretion decrease the registration fee when in its judgment such action shall be in the best interests of the Institute. The President/CEO may from time to time institute special offerings that change and/or waive the registration fee. All funds collected as registration fees shall be transferred to the Reserve Fund of IMA.

### **Section 2. Annual Dues**

The annual dues of IMA shall be determined by the Global Board of Directors, which shall also determine the method of payment and period to be covered by the dues based on the CEO's recommendation. The CEO's recommendations should be based on a market-based and data-driven analysis.

### **Section 3. Termination of NonPayment of Dues**

The Global Board of Directors shall establish a grace period during which a member shall not be terminated for nonpayment of dues. If payment is not received by the end of the grace period (unless the dues have been waived under other provisions of these Bylaws) the membership shall be terminated and the member shall be so notified by the President/CEO.

### **Section 4. Reinstatement**

Reinstatement of individual members is governed by Article II, Section 7.

### **Section 5. Power to Waive**

The Global Board of Directors may cancel or waive payment of any dues, assessments, or other indebtedness of a member for any period.



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## **ARTICLE V – HONORARY LIFE MEMBERSHIP**

Former Volunteer Chairs and Volunteer Presidents of IMA shall be Honorary Life members and shall have all the privileges of membership but shall not be required to pay dues.

## **ARTICLE VI – MANAGEMENT**

### **Section 1.**

The basic rules for the management and governance of IMA shall be set forth in these Bylaws.

### **Section 2.**

The property, business, and affairs of IMA shall be managed by the President/CEO as directed by the Global Board of Directors

There shall be a Governance Committee of the Global Board of Directors, which shall be constituted as provided in these Bylaws and shall have the powers and duties therein specified. There shall be such other committees as may be provided in these Bylaws or by Policies adopted by the Global Board of Directors. Each of such other committees shall have such powers and duties as shall be prescribed by or in the manner provided in these Bylaws.

The principal responsibility of the Global Board of Directors is to ensure the activities of IMA comply with its Articles of Incorporation and meet the requirements of the Third Article of Incorporation which spells out the specific and primary purposes of IMA.

In addition, the Global Board is responsible to the members of IMA to maintain the Bylaws and to propose changes in such Bylaws where appropriate. The composition of the Global Board is enumerated in Article IX of the Bylaws.

### **Section 3.**

Any volunteer officer or director may be removed for cause by the Global Board of Directors by a two-thirds vote of the directors present and voting at a regular or special meeting for which advance notice of not less than 20 days shall be given, including the specific charges for which the removal is proposed, and in accordance with such proceedings as the Global Board of Directors may determine. Any volunteer officer or director, for whom removal is proposed, shall be entitled to not less than 60 days advance notice of the charges, the date upon which the hearing will be scheduled, and the right to present evidence in defense. The date and place of any such hearing must be reasonable with respect to the location of any individual so charged.



#### **Section 4.**

The Global Board of Directors may authorize any officer or officers, agent or agents, in the name of and on behalf of IMA, to enter into any contract or execute or deliver any instruments, and such authority may be general or confined to specific instances; and, unless so authorized by the Global Board of Directors, no officer or agent or employee shall have the power or authority to bind IMA or any of its members.

#### **Section 5.**

In case of dissolution of IMA and liquidation of its affairs, any money or other assets remaining after the payment of all obligations shall be distributed for such charitable or educational purposes as the Global Board of Directors may determine and direct, and in every case the decision and determination of the Global Board shall be final and conclusive upon all persons in any way interested.

### **ARTICLE VII – PRINCIPAL FUNDS**

#### **Section 1.**

A Reserve Fund shall be established and maintained by IMA for the purpose of providing through the income there from funds which may be utilized to ensure continuous extension and development of activities in general furtherance of the purposes of IMA. The principal of this Reserve Fund shall be accumulated: (1) through registration fees as provided in the Bylaws and (2) through any other sources of income or funds as specifically voted by the Global Board of Directors.

#### **Section 2.**

No appropriations should be made from the principal of the Reserve Fund except upon affirmative vote of a majority of the entire Global Board of Directors at the meeting of the Board to be held not less than 60 days after the proposal has been submitted in writing to the entire Global Board of Directors. If less than a majority of the entire Global Board is present at such meeting, the President/CEO shall within 30 days thereafter transmit by mail such proposal to each member of the Global Board of Directors for a vote. If the President/CEO receives within 60 days thereafter votes in writing in favor of the proposal signed by a majority of the entire Global Board of Directors, such proposal shall be deemed to be adopted at such meeting in the manner hereinabove provided.

#### **Section 3.**

The Global Board of Directors shall have the power to establish and maintain principal funds other than the Reserve Fund for specified purposes consistent with the objectives of IMA,



such purposes to be stated by the Global Board of Directors when and if such funds are established. The Global Board of Directors shall also have the power to make provision for any necessary and appropriate standards and procedures relating to the investment and utilization of such principal funds.

## **ARTICLE VIII – MEETINGS**

### **Section 1.**

The Annual Meeting of the membership of IMA for the transaction of any business relating to the affairs of IMA shall be held not more than 60 days prior to the end of the fiscal year, on such date and at such time and place as may be designated by the Global Board of Directors. If due to a national emergency or other substantive reason, such Annual Meeting or a special meeting of the membership of IMA cannot be held, the Global Board of Directors may by resolution provide for other means of taking such action by the membership as is necessary. The election of the Chair-Elect by the membership may be conducted at the Annual Meeting of IMA or in such other manner as may be established in any year by resolution of the Global Board of Directors.

### **Section 2.**

The President/CEO shall give notice of each Annual Meeting to each member in good standing by mail or through the official publications not less than 20 days prior to the meeting, but no failure or defect in the delivery of the notice shall invalidate the meeting or any procedure taken thereat.

### **Section 3.**

A special meeting of the membership may be held at any time and place and upon call of the Global Board of Directors, which it may give on its own initiative and which it shall give upon the written request of five percent of the members. The notice of each special meeting shall be mailed to each member by the President/CEO not less than 20 days prior to the meeting and shall state the purpose thereof.

### **Section 4.**

The quorum at any meeting of the membership of IMA shall be one hundred members in good standing of IMA. If a quorum shall not be present at any Annual Meeting of the membership of IMA or any adjournments thereof, a majority of such members as are present and entitled to vote thereat, or, in the absence of all such members, any officer entitled to preside at, or to act as secretary of, such meeting, may adjourn such meeting from time to time, without notice other than by announcement at the meeting, until a quorum shall be



present. At any duly adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally called.

### **Section 5.**

At all meetings of the members, Global Board of Directors, and committees of IMA, there shall be no voting by proxy. Committees may vote by mail or electronic communication. Any committee decisions made between meetings will be included as an action item in the minutes of the next committee meeting. Members may vote by mail ballot on issues put to the membership by the Global IMA Board of Directors.

## **ARTICLE IX – BOARD OF DIRECTORS**

### **Section 1. Composition of the Board of Directors**

The Global Board of Directors shall consist of the following members in good standing. The Governance Committee shall (as necessary) adjust terms of some Global Board members to one year in order to create a term-balance in the Global Board.

- (a) The President/CEO, Chair, Chair-Elect, and Chair-Emeritus;
- (b) The Immediate Former Chair-Emeritus of IMA;
- (c) One Global Director representing the Emeritus Committee to be selected by the Emeritus Committee prior to each meeting of the Global Board of Directors;
- (d) For continuing terms, all former Chairs and former Volunteer Presidents of IMA, without vote;
- (e) Chair, Board of Regents
- (f) President of the Stuart Cameron McLeod Society; and
- (g) Up to 47 Global Directors, who serve two-year staggered terms, nominated by the Nominating Committee.





## **Section 2. Nominations/Elections of Global Directors**

- (a) Names of all proposed candidates for the Global Director positions will be provided to the full Global Board of Directors prior to the nominating meeting.
- (b) Nominating Committee will share the entire Nominating Committee Report (Full Global Board Slate) within 10-days of the Nominating Committee meeting with the Global Board of Directors. The Global Board of Directors will vote on the entire slate by separate motions, i.e. motion to approve the five additional nominees to serve on the Governance Committee and motion to approve all nominees for the Global Director open positions. This vote will take place at the February Global Board meeting.

## **Section 3. Vacancies in Directorships**

If the office of any Global Director shall for any cause become vacant, the unexpired portion of the term may be filled by Governance Committee appointment.

The President/CEO shall notify the membership of all such appointments by publication in the official publications.

## **Section 4. Termination of Membership of Directors**

If the membership of any Global Director shall for any reason terminate, their office as Global Director shall automatically become vacant.

## **Section 5. Meetings of the Board of Directors**

The Board of Global Directors shall meet at least three times a year at such times and places as it may elect. At such meetings, one-third of the number of Global Directors of IMA, who must be present in person or by other interactive means of participation, shall constitute a quorum. At all meetings of the Global Board of Directors, the Chair, if present, shall preside. In the Chair's absence, a Chair shall be designated as provided in these Bylaws. Notice of meetings of the Global Board of Directors shall be given to each Global Director by the President/CEO or as the Board may otherwise direct, but no failure in delivery of such notices shall invalidate the meeting or any proceedings taken thereat. A special meeting of the Global Board of Directors may be called by the Chair of IMA or by the Chair-Emeritus, acting on behalf of the Chair, or at the request of any 10 members of the Global Board of Directors. At least 20 days advance notice must be given for any special meeting of the Global Board of Directors. In such special meetings, one-third of the number of Global Directors of IMA, who must be present in person or by other interactive means of participation, shall constitute a quorum.



## **Section 6. Term Limits for the Board of Directors Effective July 1, 2008**

- (a) Global Directors shall serve a maximum of three consecutive two-year terms. Where a member is appointed to fill an unexpired two-year term, service of the remaining months shall be considered a full two-year term of service.
- (c) The six-year term limit may be extended up to one year if a Global Board member, who would normally be at the end of a term limit, is nominated by the Nominating Committee and approved by the Board of Directors to serve as a Global Board Committee Chair. This extension only applies while the member is serving as a Global Board Committee Chair.
- (c) Term limits shall not apply to the positions of Chair-Elect, Chair, Chair-Emeritus, Immediate Former Chair-Emeritus, the Emeritus Committee of former Chairs and Volunteer Presidents, President of the Stuart Cameron McLeod Society, or President/CEO.
- (d) Term limit counts may start again after a one-year break in service from the Board of Directors.

## **Section 7. Absenteeism For Members of the Global Board of Directors Effective February 25, 2008**

Global Directors who have three unexcused absences from any Global Board Committee and/or general Global Board of Directors meeting, within a 12-month period, shall be deemed to have resigned his or her Global Board position prior to the end of their term. All such deemed resignations will be reviewed by the Governance Committee for confirmation. The Chair of Governance will report on terminations at the Global Board meeting following such confirmation. “Unexcused” absences shall be determined by the relevant Global Board Committee Chair and/or IMA’s Board Chair.

## **ARTICLE X – GOVERNANCE COMMITTEE**

### **Section 1. Governance Committee**

The Governance Committee shall consist of the Board Chair, who shall act as chair of the Governance Committee; the Chair-Elect (who will serve as chair of the Nominating Committee); the Chair-Emeritus; the chairs of the Board’s Performance, Oversight, and Audit Committee, Planning and Development Committee, Volunteer Leadership Committee, and Member Relations Committee; and three additional Global Board members elected by the Global Board; and the IMA President/CEO.



## **Section 2. Duties of the Governance Committee**

The Governance Committee is responsible for overall management and coordination of IMA's Global Board of Directors, in this capacity being accountable for: continuous development of the Board's governing capacity; the recommendation of revisions in the Bylaws for Global Board adoption; Global Board human resource development, the coordination of Global Board and Standing Committee operations; maintenance of the Board-President/CEO working relationship; annually negotiating President/CEO performance targets; and annually or semi-annually evaluating progress in achieving these targets.

## **Section 3. Action on Behalf of the Board of Directors**

The Governance Committee is authorized to take action on behalf of the full Global Board of Directors only in those instances when: (1) serious damage will result to IMA from the action's not being taken before the next regularly scheduled meeting of the Global Board of Directors and (2) when it is not feasible to assemble a quorum of the full Global Board via teleconference to take action on the matter. Any actions that the Governance Committee takes on behalf of the full Global Board must be by a formal, recorded vote of the Governance Committee, and such action will be valid only when receiving a majority vote of the Governance Committee at a meeting where a quorum (six members) of the Committee are present and voting. Any action that the Governance Committee takes on behalf of the full Global Board should be ratified by the Global Board at its next regularly scheduled meeting.

# **ARTICLE XI – ELECTIVE OFFICERS**

## **Section 1. Elective Officers**

The elective officers shall be the Chair, Chair-Elect, and the Chair-Emeritus who will serve as the Secretary.

## **Section 2. Nomination of the Chair-Elect**

The Nominating Committee will report its nomination of the Chair-Elect to the Global Board of Directors within 10 days of the Nominating Committee meeting. Following the report to the Global Board, staff will immediately publish the nomination on the official IMA website. Within a period of 30 days from the official IMA website posting, any 50 concurring members can place an additional name in nomination. The nomination with declarations from 50 concurring



members must be sent to the President/CEO of IMA by certified mail received no later than 30 days from the posting of the nomination on the official IMA website. If no additional names are submitted for nomination by the end of the 30-day period, nominations will automatically be closed and a unanimous vote on behalf of the membership by default will be cast for the nominee. If additional names are submitted, then an election will take place as prescribed in Article XI Section 3.

### **Section 3. Election**

In the event two or more candidates are nominated for the position of Chair-Elect, the Chair-Elect shall be elected by a plurality of votes of the members present and voting at the Annual Meeting. If, for any reason, the Chair-Elect is not elected at the Annual Meeting, he or she may be elected as otherwise provided in these Bylaws. The Chair-Elect shall take office on the first day of the fiscal year following election, or if elected after the first day of the fiscal year, then on the date of election. The Chair-Elect shall hold office until the end of the fiscal year or until he or she resigns or until a successor shall have been duly chosen and qualified or for terms as otherwise provided in these Bylaws.

### **Section 4. Re-Election**

Elective Officers shall not serve more than two successive terms in the same elective officer position.

### **Section 5. Vacancy in the Position of Chair-Elect Nominee**

Should the position of Chair-Elect Nominee become vacant for any reason, the Governance Committee shall select a successor nominee and immediately notify the Global Board of Directors and the general membership of their selection. A new 30-day period shall open in which additional nominations can be made in accordance with Article XI Section 2. If the date of the Annual Membership meeting occurs prior to the expiration of the 30-day period, nominations may be made from the floor according to Article XI Section 2. Nominations will then be closed and an election will take place.

### **Section 6. Vacancy or Disability in the Office of Chair-Elect**

In case of an unexpected vacancy or disability, the Governance Committee, in accordance with the Bylaws, shall submit a nomination and the Global Board of Directors shall elect a successor who shall serve for the unexpired portion of the term or, in case of disability, until the disability ceases.



## **Section 7. Vacancies or Disabilities in Other Elective Offices**

In case of an unexpected vacancy or disability of the Chair, the Chair-Emeritus shall serve for the unexpired portion of the term or in case of disability, until the disability ceases. In case of an unexpected vacancy or disability of the Chair-Emeritus, the Immediate Former Chair-

Emeritus shall serve for the unexpired portion of the term or, in case of disability, until the disability ceases.

If the respective individuals are unavailable to serve the unexpired portions of the terms or until the disability ceases, the Governance Committee shall submit a nomination and the Global Board of Directors shall elect a successor who shall serve for the unexpired portion of the term or, in case of disability, until the disability ceases.

## **Section 8. Termination of Membership of Officers**

If the membership in IMA of any elected officer shall for any reason terminate, the office shall automatically become vacant.

# **ARTICLE XII – DUTIES OF ELECTIVE OFFICERS**

## **Section 1. Chair**

The Chair shall be the immediate former Chair-Elect of IMA and shall take office when the Chair's successor as Chair-Elect takes office.

### **Basic Functions:**

- (a) Serves the entire membership and the best interests of the organization.
- (b) Exercises personal leadership in the motivation of volunteer officers, board members, committee chairs, and members.
- (c) Influences the establishment of goals and objectives for the organization.
- (d) Acts as inspirational leader for the membership
- (e) Monitors and evaluates the performance and effectiveness of the President/CEO as a member of the Governance Committee



### Duties, Responsibilities, and Authority:

Within the limits of the Bylaws and Policies, the Chair is responsible for and has authority to:

- (a) Preside over, serve as a member, and attend all meetings of the membership, Global Board of Directors, and Governance Committee. Serve as an ex-officio member of all committees and advisory teams. Provides input to the President/CEO for agendas.
- (b) Works with the President/CEO in meeting annual goals and objectives that are consistent with the Vision/Mission Statement and Long-Range Strategy of IMA.
- (c) Supports Bylaws, Policies, programs, and budgets adopted by the Global Board of Directors.
- (d) Promotes interest and active participation in IMA on the part of the membership. Reports activities of the Global Board and IMA to members via letters, publications, and speeches.
- (e) Acts as the senior spokesperson for IMA.

### **Section 2. Chair-Emeritus**

The Chair-Emeritus shall be the immediate former Chair of IMA, and shall take office when the Chair-Emeritus successor as Chair takes office. The Chair-Emeritus shall serve until succeeded by a new Chair-Emeritus, and shall be considered an elective office by virtue of prior election as Chair-Elect and shall:

- (a) Assume the duties and responsibilities of the Chair in the absence or incapacity of the Chair.
- (b) To the extent practical, presents major awards earned during the Chair-Emeritus' year as Chair.
- (c) Serve on the Governance Committee.

### **Section 3. Chair-Elect**

The Chair-Elect shall become the Chair upon the retirement of the previous Chair. The Chair-elect serves on the Governance Committee and as the Chair of the Planning and Development Committee.

The Chair-Elect recommends the appointment of the Annual Conference chairs for the Program Committee who, together with staff, work on the Annual Conference that is scheduled during the Chair-Elect's term as Chair. The Governance Committee will approve the appointment.



## **Section 4. Officers Pro Tem**

If at any meeting of the Board of Directors, both the Chair and the Chair-Emeritus are absent, and no one authorized to perform their duties is present, then a Chair Pro Tem shall be selected by the members present and assume the duties of the Chair for that meeting.

## **ARTICLE XIII – APPOINTIVE OFFICERS**

### **Appointive Officers**

The appointive officer of IMA shall be the President/CEO, who shall be appointed and serve at the pleasure of IMA's Global Board of Directors with compensation fixed by the Governance Committee and reported to the Global Board.

## **ARTICLE XIV – DUTIES OF APPOINTIVE OFFICER**

### **Section 1. President/CEO**

#### **Basic Functions:**

- (a) Serves as Chief Executive Officer of IMA; and
- (b) Implements the Vision/Mission Statement and Strategic Plan of IMA as approved by the Global Board of Directors.

#### **Duties, Responsibilities, and Authority:**

Within the limits of the Bylaws and Board Policies, the President/CEO is responsible for and has authority to:

- (a) Provide input to all Global Board Standing and Advisory Committees on how to improve the effectiveness of IMA and respond to member needs.
- (b) Implement Bylaws, Global Board Policies, and programs adopted by the Global Board of Directors.
- (c) Accomplish goals and objectives that are consistent with the Vision/Mission Statement and Strategic Plan of IMA.
- (d) Deploy financial and staff resources within policy and budget guidelines to effectively implement the business plan approved by the Global Board of Directors.
- (e) Ensure that proper member records, financial accounts, and other documents are maintained for IMA and affiliated corporate entities provided in IMA Policies.





- (f) Provide effective staff support for all officers, committees, and affiliated organizations.
- (e) Employ, supervise, motivate, and determine compensation of the employees of IMA, including oversight in use of consultants or independent contractors.
- (f) Establish guidelines and oversee relations with vendors who provide products and services to IMA and its members.
- (i) Ensure that all volunteer leaders and staff comply with appropriate laws, regulations, IMA's Ethics Policy, and Bylaws.
- (j) Provide for arrangements, notices, agendas, and minutes for all meetings for the Global Board of Directors.
- (k) Ensure that appropriate IMA positions are communicated to the press, the public, legislative bodies, and related organizations, consistent with IMA Policies.
- (l) Oversee the preparation and distribution of an annual report for each fiscal year.
- (m) Present the Annual Budget of IMA to the Global Board of Directors for approval.
- (n) Appoint the Chief Financial Officer (who will also serve as the Treasurer) and other paid officers of IMA, excluding the Senior Vice President of Certification.
- (o) Attend Board Standing Committee meetings.

## **ARTICLE XV – NONBOARD VOLUNTEER ENTITIES AND AFFILIATES**

### **Section 1. Emeritus Committee**

The former Volunteer Presidents and former Chairs represent a great pool of knowledge and shall be recognized on the volunteer organization chart. The Emeritus Committee consists of all former Volunteer Presidents and Chairs of IMA, and will offer guidance to IMA.

Members of the Emeritus Committee are also nonvoting members of the Global Board of Directors.

### **Section 2. Stuart Cameron McLeod Society (SCMS)**

The SCMS shall be governed by its Board of Governors subject to the provisions of its Bylaws.



The Association of  
Accountants and  
Financial Professionals  
in Business

### **Section 3. IMA Memorial Education Fund, Inc. (IMA MEF)**

IMA MEF exists to award scholarships and other forms of assistance to students; to make educational opportunities available to students interested in accounting or management accounting; to provide for the acquisition and preservation of books, documents, and other objects of historical interest; and to engage in research and grant making for education programs that benefit IMA members. The IMA MEF is governed by a Board of Trustees as

specified in their Bylaws. The chair of the IMA MEF provides regular reports of its activities to IMA's Global Board of Directors.

### **Section 4. Institute of Certified Management Accountants, Inc. (ICMA)**

The ICMA exists to develop and administer the examination for Certified Management Accountant. The ICMA is governed by a Board of Trustees as specified in their Bylaws.

### **Section 5. IMA Research Foundation**

The IMA Research Foundation exists to administer the research program of IMA. The IMA Research Foundation is governed by a Board of Trustees as specified in their Bylaws.

## **ARTICLE XVI – GENERAL**

### **Section 1. Auditors**

The Global Board of Directors shall each year designate a firm of certified public accountants to act as auditors for IMA for the current fiscal year.

### **Section 2. Fidelity Bond**

Such elected officers and members of committees as may be determined by the Board of Directors from time to time, the President/CEO, and employees of IMA who are responsible for collection, disbursement, investment, or safekeeping of funds, shall give bond for the faithful performance of their duties, the bond to be in such form and amount as shall be prescribed by the Governance Committee and approved by the Board of Directors.

### **Section 3. Fiscal Year**

The fiscal year of IMA shall end at the close of business on the 30<sup>th</sup> day of June each year.



## **Section 4. Notices**

Any notice to members or to any Officer or Director shall be deemed sufficiently given if mailed to the last post office address or electronic mail address furnished to the President/CEO. All notices given by or on behalf of IMA shall be issued by the President/CEO.

## **Section 5. Seal**

The Global Board of Directors may adopt a common seal for IMA, to be in such form and to be used in such manner, as the Board shall direct.

## **Section 6. Official Publication**

The IMA shall publish an official publication that shall be distributed to all members. All official and legal notices required to be issued by the President/CEO to the membership shall be considered as so issued when published in an IMA official publication. The IMA official publications are *Strategic Finance*, and the IMA official website ([www.imanet.org](http://www.imanet.org)). *Strategic Finance* is published monthly with a subscription rate of \$48 for members, which is included in member dues and is nondeductible. *Management Accounting Quarterly* is published four times a year with a subscription rate of \$10 for members, which is included in member dues and is nondeductible.

## **Section 7. Activities**

With the object of performing service for the general benefit of its members and others, IMA may undertake such activities as in the sole discretion and judgment of the Global Board of Directors are designed to promote and develop IMA and to carry into effect the purposes stated in the Bylaws, including the establishment of divisions or sections to meet specialized interests and needs, provided that the rights and privileges of all members are in no way restricted.

## **Section 8. Operating Units**

Chapters, regional councils, or other operating units of IMA may be established by charter wherever the Global Board of Directors may approve, subject to such regulations as to membership, organization procedures, and financial relationship with the IMA as the Global Board of Directors or Bylaws may prescribe. No regulations or restrictions shall be established by the Global Board of Directors or chapters, which shall restrict a member in electing to be affiliated with a chapter or to elect to enjoy the benefits of IMA membership without chapter affiliation.

IMA's staff may implement the recommendation of the Member Relations Committee concerning chapter and council spin-offs, name changes, mergers, and closures with the resultant issuance or revoking of charters as appropriate.



Charters of chapters, regional councils, or other operating units may be revoked at any time in such manner and after such investigation as the Global Board of Directors may deem necessary. Upon the revocation of a charter, all funds, in the chapter, regional council, or operating unit treasury, and all chapter, regional council, or other operating unit records, shall be distributed according to Board Policy.

## **Section 9. Order of Business at Meeting**

The latest edition of Robert's Rules of Order shall govern all meetings of the membership of IMA, of the Global Board of Directors, of the Governance Committee, and of all other committees on any point not covered by the Bylaws.

## **Section 10. Indemnification of Directors, Officers, IMA Research Foundation Board of Trustees, ICMA Board of Regents, Committee Chairs, Committee Members, and Employees**

Every director, officer, IMA Research Foundation Board of Trustees, ICMA Board of Regents, committee chair, committee member, or employee of IMA hereinafter referred to as an indemnified individual shall be indemnified by IMA against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon such indemnified individual in connection with any proceeding to which such indemnified individual may be made a party, or in which such indemnified individual may become involved, by reason of such indemnified individual being or having been a director, officer, IMA Research Foundation Board of Trustees, ICMA Board of Regents, committee chair, committee member, or employee of IMA or any settlement thereof, whether or not such indemnified individual is a director, officer, IMA Research Foundation Board of Trustees, ICMA Board of Regents, committee chair, committee member, or employee of IMA at the time such expenses are incurred, except in such cases wherein the indemnified individual is adjudged guilty of willful misfeasance or malfeasance in the performance of the duties of the office. Provided, however, that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of IMA. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such indemnified individual may be entitled.

## **ARTICLE XVII – AMENDMENTS**

### **Section 1.**

The Bylaws may be amended, repealed, or added to in the following manner only:

- (a) Five percent of the members of IMA or any ten members of the Global Board of Directors in a writing signed by them and addressed to the President/CEO, or the Governance Committee by a majority vote at any properly convened meeting, may at



any time propose the amendment or repeal of any existing provision of, or the addition of any new provision to, the Bylaws.

- (b) The President/CEO shall present such proposed amendment, repeal, or addition at the next regular meeting of the Global Board of Directors, and shall incorporate in the notice of that meeting a statement that such proposed amendment, repeal, or addition will be considered. No such proposed amendment, repeal, or addition shall be considered at any meeting of the Global Board of Directors, unless such notice has been given to each member of the Global Board of Directors not less than 20 days prior to the meeting.
- (c) At the meeting of the Global Board of Directors referred to in paragraph (b), the proposed amendment, repeal, or addition to the Bylaws shall be considered and voted upon by the members present. If, at this meeting, a majority of the entire Global Board of Directors votes in favor of such proposed amendment, repeal, or addition, it shall be considered as approved by the Global Board. If, at this meeting, a majority of the entire Board of Directors votes against such proposed amendment repeal, or addition, it shall be considered as rejected by the Global Board of Directors. If, at such meeting, a quorum being present, a proposed amendment, repeal, or addition to the Bylaws neither receives an affirmative nor a negative vote of the majority of the entire Board, the President/CEO shall within 30 days thereafter transmit such proposed amendment, repeal, or addition to each member of the Global Board of Directors for vote. If the President/CEO shall have received within 60 days thereafter votes in writing in favor of such proposed amendment, repeal, or addition signed by a majority of the entire Global Board of Directors, such proposed amendment, repeal, or addition shall be deemed to be approved with the same force and effect as it had been approved at such meeting in the manner hereinafter provided. Notice of such adoption shall be published in an IMA official publication.