



National Association of Construction Auditors

Member Bylaws

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ARTICLE I – NAME AND LOCATION

I.1 Name

The name of the organization is the National Association of Construction Auditors (hereinafter referred to as "the Association").

I.2 Location

The location of the principal office is Midlothian, Virginia but may be changed from time to time by action of the Executive Board. The Board may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to conduct activities.

ARTICLE II - MISSION AND OBJECTIVES



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II.1 Purpose

The National Association of Construction Auditors was created to fill a void in the professional auditing arena, by addressing the needs of: a) those auditors who spend a significant amount of their efforts auditing and/or controlling construction projects; or b) construction or facilities management personnel who want to improve their knowledge base of contracts and process controls resulting in their construction projects being better managed.

Our mission to unite those individuals and be recognized as **the** authority on construction auditing will be achieved by:

- Providing a forum through which the Association's members can meet to exchange ideas;
- Providing members with the resources, information, and leadership that enable them to provide valuable services in the highest professional manner to benefit the public as well as employers and clients;
- Developing and coordinating programs dedicated to the purpose of improving professional standards of construction auditors;
- Enhancing the role and promoting the image of the construction auditor; and
- Providing the professional Certified Construction Auditor (CCA) or Construction Control Professional (CCP) designation to instill confidence in employers and clients when they secure the services of a professional construction auditor.

II.2 Additional Purposes

The Association shall have the following additional purposes:

1. To foster a national forum and governing body for the affiliation of professionals who offer to the public, governments and employers their expertise in the areas of construction auditing & accounting, and construction project control.
2. To pursue its objects for the benefit of its members and for the benefit of the public at large. These pursuits shall include, but are not limited to, developing, providing or sponsoring education programs and serving as an advocate for the profession by articulating concerns on construction auditing before legislative, administrative and judicial branches of local, state and federal governments;
3. To contribute to the advancement of the profession through the development and promulgation of construction auditing & accounting principles and standards.
4. To establish chapters throughout the United States, as well as abroad, to pursue on a local level, the Association's mission and objectives for the benefit of Association members and for the benefit of the public at large.

ARTICLE III - CODE OF ETHICS

In order to foster the highest professional standards and behavior as well as to promote exemplary service, the Association has developed, and incorporates into these Bylaws by reference; a Code of Ethics to guide members and to inform employers and the public of the standards adhered to by members of the Association.



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Where reference is made to a Member in this Article, it is intended to include all classes of memberships. Thereby, all members, regardless of class, are required to adhere to the Code of Ethics as promulgated by the National Association of Construction Auditors.

ARTICLE IV - MEMBERSHIP

Membership in the Association shall be limited to persons interested in furthering the purpose of the Association. Membership shall also include those individuals whose application for admission as a member has received the approval of the Nominations Committee, in accordance with the rules for membership as adopted by the Executive Board from time to time. Membership in the Association is restricted to the following classes:

- Associate
- Regular
- Honorary

IV.1 Associate Members

Associate members shall include those individuals whom the Membership and Certification Committee has admitted to the membership of the Association, and may include students, in accordance with the current rules. Subject to the Bylaws herein, associate memberships shall terminate upon the members death or upon the expiration of the period of membership where applicable.

IV.2 Regular Members

Regular members shall include only those members to whom the Executive Board and the Membership and Certification Committee have granted the designation of Certified Construction Auditor (CCA) or Construction Control Professional (CCP). Members seeking certification must demonstrate to the Membership and Certification Committee they meet the minimum standards of the current rules.

Subject to the Bylaws herein, regular memberships shall terminate upon the revocation of the member's CCA or CCP designation or upon his or her death or upon the expiry of the period of membership where applicable

IV.3 Honorary Members

Honorary members shall include those members upon whom the Executive Board has conferred an honorary membership and shall entitle the honorary member to such privileges and benefits as shall be determined by the Executive Board.

Subject to the Bylaws herein, honorary memberships shall terminate upon the member's death or upon the expiration of the period of membership where applicable.

IV.4 Duties of Members

It is the duty and responsibility of members to:

1. Endorse the purpose and objectives of the Association;
2. Uphold and be guided in their professional conduct by the Association's Code of Ethics; and



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3. Adhere to the Association's Bylaws.

IV.5 Resignation of Members

Any member may withdraw from the Association by delivering to the Association a written resignation and lodging a copy of the same with the National Secretary/Treasurer.

Members may resign at any time, except that no member shall be permitted to resign while under resignation for a violation of the Association's Code of Ethics.

IV.6 Termination of Membership

Membership shall terminate on occurrence of any of the following events:

1. Resignation of a member, or reasonable notice to the Association;
2. Expiration of the period of membership, unless the membership is renewed under the renewal terms fixed by the Executive Board;
3. Failure of a member to pay dues, fees, or assessments as set by the board with 60 days after they become due and payable;
4. Occurrence of any event that renders a member ineligible for membership, of failure to satisfy membership qualifications; or
5. Expulsion of the member under this Article IV is based on a good faith determination by the Executive Board, committee, or person authorized by the Executive Board to make such determination, that the member has failed in a material and serious degree to observe the rules of conduct of the Association or is engaged in conduct materially and seriously prejudicial to the purposes and interests of the Association.

IV.7 Suspension of Membership

Expulsion of the member under this Article IV is based on a good faith determination by the Executive Board, committee, or person authorized by the Executive Board to make such determination, that the member has failed in a material and serious degree to observe the rules of conduct of the Association or is engaged in conduct materially and seriously prejudicial to the purposes and interests of the Association. A person whose membership is suspended shall not be a member during the time of suspension.

IV.8 Payment of Fees and Accounts

Where a member has been appropriately invoiced, and who fails to pay his or her annual fees or other charges within 30 days after they become due, or fails to pay any other indebtedness to the Association upon demand, the National Secretary of the Association shall notify the member in writing of the default. If the default is not remedied within thirty (30) days of the notice, the National Executive Board shall suspend the rights and privilege of the member, but the member shall remain liable for all indebtedness to the Association.

IV.9 Reinstatement

The Association's Executive Board may prescribe the conditions, policies and procedures under which members may be reinstated.



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IV.10 Membership Non-Transferable

Memberships are neither transferable nor assignable and terminate upon the death or resignation of the member.

IV.11 Dues Rates

Dues of a member in each shall from time to time be fixed by resolution of the Executive Committee.

IV.12 Dues Allocated to Association Chapters

Of the annual dues received by the Association, the percentage to be remitted to Association Chapter(s) shall from time to time be fixed by resolution of the Executive Board.

IV.13 Waiver of Dues - Military Dues

Any civilian member who is required to serve an initial tour of duty with the United States Armed Forces or who, as a reservist, is called upon to perform extended active duty shall be granted a leave of absence from the Association while performing such military duty. The member's dues shall be suspended for each fiscal year in which the tour occurs without any loss of rights and privileges to which the member was entitled prior to entering the military services.

ARTICLE V - MEETINGS OF MEMBERS

V.1 Calls to Meeting

The annual membership meeting of the members to advance the objectives of the Association shall be held at such place in the United States, and in such month, as the Executive Board may determine by resolution.

V.2 Notice of Meetings

Notice of each annual meeting of the Association shall be mailed to each member of the Association at the member's last known address, based on the records of the Association, at least forty five (45) days before the date of each meeting. Notice of a special meeting shall set forth the general nature of the business to be conducted.

ARTICLE VI - ASSOCIATION GOVERNMENT

VI.1 Executive Board

Governance for The National Association of Construction Auditors is provided by the Executive Board. The Executive Board is headed by the Chairman. Its members are appointed and serve on a voluntary basis. All members of the Executive Board must hold the CCA designation and be a member in good standing. Current members of the Executive Board are:

Brian D. Felix, CCA, CIA, CFE, CFS, CICA, CISA (Chairman)



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Carl E. Hansen, CCA, CPA, CIA, CISA (Vice-Chairman)

Larry G. Baker, CCA, CrFA, CFE, CFS, CCFS, CICA (Secretary/Treasurer)

Randall K. Hart, CCA, CCP, CPA

The Executive Board is responsible for setting membership standards and determining the direction of the Association. It has ultimate authority over the admission of members, including but not limited to examination standards, establishing, modifying and enforcing the Code of Ethics, and establishing the continuing professional education requirements

1. To prescribe and promulgate the rules and regulations for the admission of members and to act as the final approving body in matters of accreditation programs of the Association;
2. Determine the standards required for designation of individuals to Certified Construction Auditor (CCA) and/or Construction Control Professional (CCP);
3. Review/approve the Association's yearly budget;
4. Establish dues schedules, annual fees and other charges for all classes of members, and the terms of payment thereof;
5. Adopt amendments of these Bylaws;
6. Confer Honorary Membership status upon an individual; and
7. Any other Association business.

VI.2 Officers

- **Chairman** - shall act as the chief executive officer of the Association, shall have the general and active management of the affairs of the Association and shall be responsible for its administration. He shall perform all administrative and management duties for the Association and shall liaison with universities and colleges, recruitment of qualified individuals, formulation of training and educational programs for the Association's members, development and review of the examination and waiver process, preparation of the financial projections and statement, and monitoring of membership activity to ensure that members educational credits are current.
- **Vice-Chairman** - shall be vested with all the powers, and shall perform all the duties of the Chairman, in the absence, inability or refusal to act of the Chairman. The Vice-President will oversee the operations of the Chapters.
- **Secretary** - shall attend all meetings and act as clerk thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose. He/she shall give or cause to be given notice of all meetings to members of the Association, and shall perform such other duties as may be prescribed by the Chairman. The Secretary shall be custodian of the seals of the Association which he/she shall deliver only when authorized by the Executive Board to do so and to such person or persons as may be named.
- **Treasurer** - shall have the custody of the funds and securities of the Association and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the Association in the books belonging to the Association and shall deposit all monies, securities and other valuable effects in the name and to the credit of the Association in such chartered bank or trust company. He/she shall disburse the funds of the Association as may be directed by proper authority taking proper vouchers for such disbursements,



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and shall render an accounting of all transactions, statements of financial position, results of operations and changes in financial position of the Association to the Executive Board.

VI.3 Advisory Board

In our constant endeavor to achieve our mission of “addressing the needs of: a) those auditors who spend a significant amount of their efforts auditing and/or controlling construction projects; or b) construction or facilities management personnel who want to improve their knowledge base of contracts and process controls resulting in their construction projects being better managed...and be recognized as the authority on construction auditing “, we will seek out experts in related fields to provide our members with the resources, information, and leadership to enable them to provide valuable services in the highest professional manner to benefit the public as well as employers and clients.

The Executive Board will choose candidates for the Advisory Board that collectively, will possess expertise in construction, accounting, architecture, engineering and auditing. They may or may not become Associate or Regular members of the Association.

They will serve on a voluntary basis with no compensation.

ARTICLE VII - COMMITTEES AND TASK FORCES

VII.1 Formation

The Executive Board may establish such Committees and Task Forces as may be needed to assist them in carrying out the programs and operations of the Association.

VII.2 Membership

The number of members comprising Committees and Task Forces shall be determined by the scope, responsibility and work assigned. All committees should be composed of at least one (1) member of the Executive Board. The Executive Board shall determine the number of persons to be assigned to each Committee or Task Force each of whom shall serve. All members of a Committee or Task Force must be in good standing with the Association and the member’s respective chapter.

VII.3 Appointment

The Executive Board shall appoint the Chair and, in consultation with the Chair, appoint the members ensuring that the Committees and Task Forces, taken as a whole, are representative of the Association membership.

VII.4 Meetings

The committees may meet for the transaction of business, adjourn or otherwise regulate their meetings in the manner which they decide, provided that two (2) members of a committee shall constitute a quorum thereof for the transaction of business. Questions arising at any meeting of a committee shall be decided by a majority of votes and in the case of an equality of votes, the Chairperson shall not have a second or casting vote.

VII.5 Remuneration

The members of committees shall not be entitled to remuneration for their services as members of a committee.



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VII.6 Finance and Budget Committee

The Treasurer will be designated as the Chair of the Finance and Budget Committee. Chair assignments shall be ratified by the Executive Board.

VII.7 Membership and Certification Committee

The Membership and Certification Committee shall propose candidates for all members of the Association and will submit such nominations to the executive Board for approval.

VII.8 Education and Curriculum Committee

The Education and Curriculum Committee shall apply the minimum standards of education and knowledge required for each class of member and seek to develop, provide, organize or cause to be organized such seminars, courses, training sessions, lectures, dinner meetings, conferences and other education and training events and programs of the purpose of promoting and facilitating the continuing professional education of Certified Construction Auditors, Construction Control Professionals, Associate Members, and the public. Additionally, the committee will develop and administer the CCA and CCP examinations, applying the appropriate standards.

VII.8 Responsibilities

The responsibilities of all Committees shall be those specified in these Bylaws.

ARTICLE VIII - CHAPTERS

VIII.1 Organization of New Chapters

Local Association chapters are established by a charter, conferred by the Executive Board. Names of chapters are subject to requests to the Executive Board; however, chapter numbers are issued in order of application approval.

Any group of individuals including at least 10 persons who are fellow or regular members, as provided in these Bylaws, who work or reside in any location of the world not conveniently served by an existing chapter, may petition the Executive Board for a charter to form a new chapter.

Upon review and approval by the Executive Board, a charter may be granted to the new chapter. Each chapter will be issued a unique charter number and, if approved, the requested chapter name or designation. Chapters will also be assigned specific geographic boundaries and those Association members in that geographic area. The Executive Board may from time to time adjust these boundaries and will consider any written request or position, prepared by a Chapter's Board of Directors, at the time of establishment or adjustment.

VIII.2 Organization Costs

The Association may provide funds to assist in the organization of new Chapters in such amounts as may be determined by resolution of the Executive Board. A Chapter Board of Directors may apply to the Executive Board for a one-time grant to assist with the organization of the Chapter and the Executive Board may grant such payment in their absolute and unfettered discretion.

VIII.3 Chapter Purpose



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Chapter(s) shall coordinate and represent the Association's interests locally and provide an active, visible presence in the local community. This presence shall primarily consist of providing a strong, active mechanism where construction auditing and management professionals may interact and network.

Chapter(s) shall, in coordination with the Association, organize membership recruitment within their geographic area, organize and coordinate member training and education within their geographic area, organize and coordinate fund-raising efforts within their geographic area and assist in the publication of the Association's national newsletter by providing newsworthy items of local interest.

Of primary importance is the provision of the most cost effective, highest quality training to Association members assigned to the Chapter and to local professionals faced with construction auditing training requirements. Chapters shall make a substantial outreach effort to the public in their local communities.

VIII.4 Chapter Governance

Each chapter shall adopt its own Bylaws and establish its governing body. While some flexibility is envisioned, chapter Bylaws shall follow the basic precepts in the Association Bylaws promulgated by the Executive Board. Chapters shall ensure that a copy of their current Bylaws is on file at the Association's National Office.

Chapter Bylaws, and any related amendments, require Executive Board written approval before implementation by a Chapter. Any amendments to chapter Bylaws shall be provided to the Association's National Office as soon as possible after ratification by the chapter membership.

VIII.5 Chapter Officers

Chapter officers shall consist of a President, a Vice-President, a Secretary, a Treasurer and such Directors-at-Large as the chapter membership decides. Chapter officers are automatically members of the Chapter Board of Directors.

VIII.6 Charter Revocation

The Executive Board shall have the right to revoke the charter of any Chapter under the following conditions:

1. If active membership in the Chapter falls below ten (10).
2. If Chapter activities do not conform to the objectives of the Association, as set forth by these Bylaws.
3. If Chapter Bylaws are not consistent with the Association's Bylaws.
4. If the Chapter becomes inactive.
5. If three-quarters (3/4) of the Chapter's members request such action.

VIII.7 Chapter Revenues

All Association members will be assigned to the chapter nearest to the member geographically. Of the dues paid to the Association by each member, a portion will be directed to the chapter to which the Association member has been assigned.



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Each Chapter may assess, and collect dues in addition to the national dues paid by each member. However, such assessments must be submitted, in writing, together with justification, to the Executive Board, and be approved by the Executive Board, in writing, prior to implementation.

At the end of each fiscal year, all chapter funds in excess of \$20,000 shall be remitted to the national office of the Association for re-direction by the Executive Board.

VIII.8 Chapter Financial Statements

Chapter Boards shall prepare or cause to be prepared, and present to the Executive Board, on an annual basis, financial statements for the past January 1 to December 31 fiscal year, and pro forma financial statements for the upcoming fiscal year. The financial statements shall include:

1. A budget for the upcoming year;
2. A statement of income and expenses;
3. A balance sheet; and,
4. A statement of changes in financial position.

Additionally, quarterly balance sheets, and income statements shall be prepared and forwarded to the national Vice-Chairman.

VIII.9 Chapter Dissolution

In the event of liquidation, dissolution or winding up of the business and affairs of an Association Chapter, whether voluntary or involuntary or by operation of law, the Board of Directors of the affected chapter shall, after paying or making provisions for payment of all liabilities of the chapter, make provision for the transfer of all assets to the national office of the Association.

ARTICLE IX - REGIONS

Association Chapters are clustered geographically into organizational units called Regions. The size and geographic boundaries of the various Regions may be adjusted by the Executive Board to become effective at the beginning of the Association fiscal year.

ARTICLE X - FISCAL YEAR

The fiscal year of the Association, and all Association Chapters, shall end at the close of business on the thirty-first day of December each year.

ARTICLE XI - FINANCIAL RESPONSIBILITIES



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XI.1 Authority

The Executive Board shall have authority to prescribe such procedures as it deems appropriate to assure adequate budgetary and financial controls for the Association.

XI.2 Records Keeping

The Executive Board shall see that all necessary books and records of the Association required by the Bylaws, or any applicable statutes or law, are regularly and properly kept. The Association shall keep (1) adequate and correct books of accounts; (2) written minutes of the proceedings of its members, board, and committees of the board; and (3) a record of such members' name, address, and class of membership. Records of the Association shall be maintained with the Secretary or at the principal place of business.

ARTICLE XII - PARLIAMENTARY AUTHORITY

Robert's Rules of Order, Newly Revised, shall govern the proceedings of the Association unless otherwise provided by statute, the Articles or these Bylaws.

ARTICLE XIII - AMENDMENTS

The power to make, alter, amend or repeal the Bylaws shall be vested in the Executive Board. Proposed changes in these Bylaws and the Policies and Procedures of the Association shall be submitted to the Chairman, Executive Board to be included for discussion in the next Executive Board meeting.

ARTICLE XIV – GRANDFATHERING PROVISION

Members who are senior professionals may petition for certification under the **Grandfathering Provision**.

Candidates must:

- Have at least five years of professional experience;
- Demonstrate at least 75 qualifying points;
- Submit a completed Petition for Certification;
- Complete Continuing Professional Education (CPE); and
- Present three authentic and verifiable letters of professional recommendation.

ARTICLE XV – CONTINUING PROFESSIONAL EDUCATION (CPE)

The National Association of Construction Auditors requires all Regular Members to maintain competence and expertise and keep abreast of current information through Continuing Professional Education (CPE).

XV.1 Requirements



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- The minimum requirement is 40 hours per biennial (two year) period, commencing in the year following award of membership with 20 hours in a construction/auditing/accounting related topic from a NACA-approved course or event.
- Subject matter must be in the area of construction auditing, construction project management or a related field as described below (see Subject Content).
- One hour of credit is equal to 50 minutes of instruction time
- CPE hours in excess of the minimum requirements may not be carried forward.
- Failure to maintain the minimum requirements will result in withdrawal of the professional certification designations.

XV.2 Subject Content

Subject content for CPE must be in an area of construction auditing or a related field. These include:

- Internal Auditing
- Internal Controls
- Project Management
- Construction Project Management
- Construction Accounting
- Architecture
- Contract Administration
- Contract Auditing
- Government Contracting

XV.3 CPE Format

1. Participant Credit - Unlimited CPE hours per biennial period are allowed for participant credit, which is defined as instruction in a formal class setting. A formalized class is one that meets in a formal setting, and includes:

- An instructor;
- A written course outline;
- Attendance that is required and recorded; and
- Issuance of a certificate of attendance and completion.

Correspondence and self-study courses are acceptable for recommended CPE credit provided they (1) require a final examination and (2) issue certificates of completion.

College courses may be claimed and computed at the rate of 15 hours of CPE for each semester hour completed. Transcripts must be obtained to support the claim for CPE hours. Courses must be in subject matter as described above (see Subject Content). College courses claimed must be conducted at accredited colleges or universities.

In-house training is acceptable, provided that it is offered in a formalized setting and meets the above criteria.

In instances where the acronym CEU (Certified Education Unit) is used, one CEU is equal to (1) 15 classroom hours, (2) one college semester credit hour, or (3) 15 hours of Continuing Professional Education.

Courses must be conducted by the NACA or its approved vendors, by licensed sponsors approved by the appropriate State Boards.

Courses in foreign countries must be conducted by providers approved for the appropriate accounting, auditing, ethics, construction management, or internal controls training under the laws or institution guidelines of the country.

2. Instructor Credit - A maximum of 20 CPE hours per biennial period is allowed for the development and teaching of any course where the emphasis of the subject matter is in an area of internal controls or a related field as listed above (see Subject Content). Members may claim CPE credit for the number of hours actually presented plus a maximum of



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2 hours preparation for each hour of presentation for the first time the material is presented. Therefore, credit of 20 hours will be granted for the development and delivery of an 8 hour CPE course.

- Subsequent credit for preparation of the same presentation is not allowed, unless the subject matter is substantially changed.
- Subject matter must be approved by the Executive Board. Course description and outline (at a minimum) must be provided in writing prior to claiming any credit,

3. Author Credit- Time spent preparing articles and books related to the above-mentioned fields will be accepted for a maximum of 20 CPE hours per biennial period.

- A detailed description or copy of the article or book should be provided for approval prior to applying for credit.
- Articles must be published by a scholarly journal or a publication approved by the National Association of Construction Auditors.

4. Society/Association Meetings Credit - Credit for attending certain meetings conducted by professional societies or associations may be claimed for a maximum of 10 hours per biennial period.

- Meetings must have a formal speaker speaking on an area of related subject as listed above (see Subject Content).
- Lecture/presentation must be at least 50 minutes in length for each CPE hour claimed.
- Time for lunches, breaks, social gatherings, planning sessions, business meetings, and similar activities must be excluded.

XV.4 CPE Records

- Members are responsible for keeping track of their CPE and retain for three years supporting documentation, such as proof of attendance and completion of courses.
- CPE records need not be sent to the Association unless specifically requested.
- As part of the membership renewal process, members will be required to certify that they have complied with the CPE requirements.

XV.5 Member Deficient in CPE Credits

The National Association of Construction Auditors may request evidence of any member's compliance with the CPE requirements. Any member who is unable to demonstrate CPE compliance, or who is found to have made a false certification, may be subject to discipline, including expulsion from the Association, and/or withdrawal of his/her professional designation.

XV.6 Reporting Periods

Members will report their compliance with the CPE requirements at the renewal of their annual dues in the year following the appropriate biennial period as listed below. Members are not required to provide any documentation of the completion of the CPE training unless requested to do so. However, all members must retain the documentation as noted in the *CPE Records* section above.