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ARTICLE I: CHAPTERS AND THEIR ESTABLISHMENT

SECTION A: POLICY STATEMENT

In order to attain the fundamental objectives of the Philippine Institute of Certified Public Accountants (PICPA) declared in its Amended Articles of Incorporation and by authority of Section 10, Article XI, of its Amended By-Laws, and spread the benefits of full integration of accountants, PICPA encourages and supports the establishment and maintenance of PICPA local chapters throughout the country.

The National Board of Directors (hereinafter referred to as the "National Board") and the various governing units of the PICPA National Organization shall undertake all possible measures to strengthen the operation of existing chapters and increase the overall number of chapters by encouraging the creation of new ones, they being the vital link and vehicle through which the aims and purposes of the National Organization are accomplished.

SECTION B: ORGANIZING A CHAPTER

1. In accordance with Sections 1 and 2, Article XI of the Amended By-Laws, a group of PICPA members in good standing may group together and apply with the National Board, through the Committee on Geographical Areas, Regions, Chapters and Affiliates (hereinafter referred to as the "Committee") for the establishment of a chapter in any province or city where there is no PICPA Chapter. For this purpose, a member of the group shall be designated as its official representative in its negotiation with the National Board. In case the organizers are not members in good standing at the time of the filing of such application, they shall become members in good standing upon payment of initial membership fee and annual membership dues for the year of application.

No chapter shall be organized as a separate corporation, but shall form part of the overall corporate PICPA National Organization.

2. The requisites in the establishment of a chapter are as follows:
 - A. A letter of application (Appendix A) signed by at least twenty (20) of the prospective members who shall designate their representative, accompanied by the following:
 - 1) A list of the prospective members with their respective home and business addresses, occupations, business affiliations, and CPA certificate numbers.
 - 2) Proposed agreement to organize a PICPA Chapter and an undertaking to comply with and abide by the by-laws of the National Organization.
 - 3) A list of the proposed interim members of the Chapter Board indicating the Chapter Officers, consisting of a president, two (2) vice-presidents, secretary, treasurer, and an auditor, and Sectoral Directors for each of the four sectors: Commerce and Industry, Public Practice, Education/Academe, and Government.
 - B. The payment of application fee by the Chapter in the amount of One thousand Pesos (P1,000.00) or an amount which may be determined by the National Board in accordance with prevailing Price Index.

3. The letter of application for the establishment of a chapter shall be submitted to the National Board through the appropriate Regional Council in the Geographical Area where the applicant Chapter belongs. In the case of an affiliate to be established outside the Philippines, the application shall be submitted directly to the National Board through the Committee.
4. Dissolutions and/or merger of chapters shall be subject to rules and regulations that shall be prescribed by the National Board.

SECTION C: ROLE OF THE COMMITTEE ON GARCA

1. The Committee shall acknowledge all applications for the establishment of chapters and shall process them based on the following criteria:
 - a. Locality - the Committee shall see to it that only one (1) chapter is established in a province or in a city. For this purpose, a province shall include all municipalities, cities within their geographical jurisdiction, except when a city within said province has been previously declared by the National Board as entitled to a separate PICPA Chapter.
 - b. Membership - the Committee shall ascertain that at least twenty (20) PICPA members in good standing constitute the group establishing the chapter. A member is considered to be in good standing when no dues or charges from such member are past due or he is not under investigation or suspension by PICPA.
 - c. Finance - the Committee shall ascertain, through the membership, the capacity of the chapter to shoulder its operational expenses and to remit the national, geographical and regional shares from membership dues to the National Organization.
 - d. Other Standards - the Committee may consider other standards/ criteria to insure the continuous, efficient and effective operation of the chapter.

SECTION D: ACTION ON CHAPTER APPLICATIONS

1. The National Board, in its regular meeting, shall act on each application upon the recommendation of the Committee.
2. A Notice of Approval" together with a "Certificate of Organization" shall be issued by the National Board to the designated representative of the newly recognized chapter, copy furnished the Committee and the Regional Council concerned. In case the group fails to meet any of the prescribed criteria, a "Notice of Disapproval" shall be issued to the designated representative by the National Board.
3. Upon approval by the National Board, the interim chapter officers and members of the Chapter Board shall automatically assume office until the next regular elections.
4. The Committee shall provide the following to the newly organized chapter:
 - a. A copy of the revised Chapter Policy Manual
 - b. Pro-forma of the required administrative and financial reports

- c. A Uniform Chart of Accounts with a soft copy of the PICPA computerized accounting system.

ARTICLE II: CHAPTER FUNCTIONS

SECTION A: BASIC FUNCTIONS

1. The chapter shall plan and execute activities to carry out the objectives and purposes stated in the Amended Articles of Incorporation and Article 1 of the Amended By-Laws of PICPA.
2. It shall execute and enforce the rules and regulations promulgated by the National Board.
3. It shall plan and initiate such courses of action to increase and sustain membership in the Chapter.
4. It shall establish close and harmonious relationship with the National Office, Geographical Area Office, Regional Councils, and other PICPA chapters to insure the successful and efficient conduct of the various activities and functions of the chapter for the mutual benefit of all members.

SECTION B: ADHERENCE TO CORPORATE CHARTER

1. The Chapter is empowered to perform any and all acts which are defined in the Amended Articles of Incorporation and By-Laws of PICPA. Accordingly, the chapter shall not do anything which is inconsistent with the provisions of the Amended Articles of Incorporation and By-laws of PICPA or contrary to the interest and purposes of the National Organization.
2. The National Board reserves the power to amend, revise, disapprove, annul or cancel any and all acts of the chapter which are inconsistent with the expressed purposes of the National Organization.
3. All questions or interpretation of the provisions of the Chapter Policy Manual and other rules and regulations to be subsequently issued governing a chapter shall be reviewed by the Committee and transmitted to the National Board, for final decision.
4. Signing of contracts or transactions involving corporate authority or requirement should be properly authorized by the National Board (i.e., purchase of real property, entering into Memorandum of Agreement, etc).

ARTICLE III: ADMINISTRATION OF CHAPTERS

SECTION A: CHAPTER BOARD

In accordance with Article XI, Section 3, the administration of each provincial/city chapter shall be vested in a Chapter Board consisting of eight (8) to sixteen (16) elected members, depending on the chapter membership. The chapter shall likewise provide equal representation to the various sectors (i.e., Public Practice, Commerce and Industry, Education/Academe, and Government) in the chapter.

The Chapter Board shall meet at least once every month, or as often as necessary. A transitional meeting among the members of the current and incoming Chapter Boards shall be held not later than two (2) weeks after the election, for turnover purposes.

A majority of the Chapter Board members shall constitute a quorum to do business and a majority vote of the members present shall be required for the approval of any Chapter Board resolution or measure.

SECTION B: QUALIFICATION OF BOARD MEMBERS

To be eligible for election as member of a Chapter Board, the candidate must possess the following qualifications:

1. He/She is a member in good standing of PICPA and of the Chapter concerned for at least three (3) months prior to the date of election;
2. He/She is a CPA in public practice, or in government service, or engaged in the industrial, commercial, agricultural, or educational fields, and he/she has shown interest in the advancement of the accounting profession;
3. He/She is of sound health; and
4. He/She is of good moral character.

SECTION C: OFFICERS AND THEIR ELECTIONS

1. In accordance with Article XII, Section 4 and 7, all chapter members shall elect the Chapter Board members on May 16 of every year, simultaneous with the elections for national directors and regional sectoral representatives. If May 16 falls on a Sunday or legal holiday, the election shall be held on the next business day.

The procedures governing the chapter elections shall be prescribed by the National Board. All questions and conflicts regarding the manner of holding chapter election as well as the results thereof shall be decided by the National COMELEC.

No person shall be elected to the same position for more than two (2) consecutive years.

2. Immediately after their elections, the elected Chapter Board members shall organize and elect among themselves a President, one or two Vice-presidents, Secretary, Treasurer and a Sectoral Director for each of the four (4) sectors, and such other position which the Chapter Board may deem necessary, who shall serve for a term of one (1) year and until their successors are duly elected and qualified.
3. A written report of the results of elections should be transmitted forthwith by the incumbent Chapter Secretary to the National Board and National Secretariat within fifteen (15) days after said election.
4. The Chapter officers shall hold office for one (1) fiscal year from July 1st of the current year to June 30 of the next year and shall be eligible for re-election, provided that no officer shall

serve for more than two (2) consecutive terms in the same position; and provided further that no officer shall hold more than one (1) office at any one time.

5. The elected officers shall take their oath not later than the end of the fiscal year of their election and shall assume office beginning July 1 of the next fiscal year.
6. The officers of the Chapter shall receive no remuneration for their services to the Chapter.
7. At the end of the fiscal year, the outgoing officers (i.e., President, Secretary and Treasurer) shall submit a written transmittal report and turn over to his/her successor who shall duly acknowledge receipt of all funds, documents, books of accounts and records, including accounting forms, and other property of the Chapter (i.e., financial reports, list of properties, passbooks, bank statements, certificate of deposits, title and tax declarations of real properties, used and unused official receipts, Chapter Policy Manual, journals, ledgers, etc.). A copy of such written transmittal report duly acknowledged by the incoming successors shall be submitted by the incoming Chapter President to the National Secretariat on or before July 31 of the current Fiscal Year, together with the stubs of the used invoices.
8. At the end of the fiscal year, the outgoing officers (i.e., President, Secretary and Treasurer) shall submit a written transmittal report and turn over to his/her successor who shall duly acknowledge receipt of all funds, documents, books of accounts and records, including accounting forms, and other property of the Chapter (i.e., financial reports, list of properties, passbooks, bank statements, certificate of deposits, title and tax declarations of real properties, used and unused official receipts, Chapter Policy Manual, journals, ledgers, etc.). A copy of such written transmittal report duly acknowledged by the incoming successors shall be submitted by the incoming Chapter President to the National Secretariat on or before July 31 of the current Fiscal Year, together with the stubs of the used invoices.
9. In case of failure of the Chapter to conduct the annual election on the date fixed in accordance with the Amended By-laws, the Chapter Board shall report the matter to the National Board within seven (7) working days, explaining the reasons and circumstances for such failure of elections and recommending the nearest definite date for the election.

SECTION D: VACANCY OF OFFICE: FILLING UP THEREOF

1. The position of a duly elected board member/officer may be declared vacant under any of the following instances:
 - a. Upon petition of the majority of the registered Chapter members in good standing and approval by 2/3 vote of the National Board on the ground that the occupant thereof ceases to possess the qualifications mentioned in Article III, Section B hereof, or that he/she failed to attend the monthly Chapter Board meeting for three (3) consecutive months or that he/she has committed acts inimical to the interest of the Chapter and/or the National Organization,
 - b. When the occupant thereof is elected or appointed as officer of the National Organization
 - c. By reason of death or voluntary resignation.

2. When the existing vacancy is that of a Board member, it shall be filled up automatically by the candidate who garnered the highest number of votes among the losing candidates in the immediately preceding election and he/she shall hold office only to complete the term of the board member who vacated the post. When the vacant position is that of an officer, the vacancy may be filled by the Chapter Board by electing one from among themselves to fill up the vacancy and complete the term of the officer who vacated the position, except in the case of the position of President which shall be filled up by the incumbent Vice-President in accordance with Article XI, Section 5 of the Amended By-laws.

SECTION E: DUTIES OF OFFICERS

1. Chapter President

The Chapter President shall be the Chairman of the Chapter Board and the Chief Executive Officer of the Chapter and shall exercise general supervision over the affairs of the Chapter. He/she shall see to it that the Amended By-laws as well as resolutions, directives and policies issued in pursuance thereof by the National Board, officers and committees acting within their respective legal authorities are complied with. He/she shall preside at all meetings of the Chapter Board as well as of the officers thereof. He shall represent his Chapter, whenever possible on all occasions and in all matters where it should be represented, including but not limited to attendance in the Annual Chapter Presidents' Conference and the Annual National Convention.

The Chapter President shall be elected one year prior to his/her assumption and shall be designated as President-elect.

No member of the Chapter shall be elected President-elect until he/she has previously served as a chapter officer/board member in the particular chapter.

2. Chapter Vice-President for Professional Development and Vice-President for Operation and Membership Development

The Chapter Vice President/s shall perform such functions in accordance with their area of jurisdiction and as maybe delegated to him/her by the Chapter President. In the event of death, resignation, incapacity or permanent absence of the President, one of the Vice Presidents, shall act as President for the remaining unexpired term of the President.

If a Chapter has two (2) Vice-Presidents, the Chapter rules shall indicate the order of priority in assuming the office of the Chapter President in case of the latter's death, resignation, incapacity or permanent absence.

3. Chapter Secretary

The Chapter Secretary shall keep the minutes of all meetings of the Chapter Board and the officers thereof. He/she shall be responsible for giving all notices required to be given for meetings as well as for all other matters concerning the Chapter. He/she shall prepare and submit monthly to the National Office the minutes of all meetings and such other reports as maybe required by the National Office from time to time. He/she shall perform such other duties as maybe assigned to him by the Chapter President.

4. Chapter Treasurer

The Chapter Treasurer shall collect all fees, dues or contributions from Chapter members as are required by the Amended By Laws and as may be authorized by the National Board by issuing PICPA Official Receipts therefor and depositing the same to a bank duly chosen by the Chapter Board within the next banking day. He/she shall serve as the representative of the PICPA National Treasurer in receiving any and all accounts receivable and dues to PICPA National Office from whatever source that may be received through the Chapter. He/she shall remit to the PICPA National Treasurer, the share of the National Office, Geographical Area Office and the Regional Council in membership dues as well as all monies and other properties properly belonging to the National Office, Geographical Area Office and Regional Council. He/she shall take charge of the funds, properties and accounts of the Chapter. He/she shall keep all unremitted funds to the National Office separately from the funds pertaining to the Chapter and shall have no authority to disburse National Office, Geographical Area Office and/or Regional Council funds, except to remit them to the PICPA National Treasurer. He/she shall render monthly reports to the Chapter members and to the PICPA National Treasurer regarding the receipt and disbursement of funds and other amounts under his/her responsibility.

SECTION F: CHAPTER AUDITOR

The Chapter President shall recommend, for the approval by the National Board, the designation of the Chapter Auditor from among the CPA practitioners in the locality, who is not a Chapter Board member.

The appointed Auditor shall examine the books and records of the Chapter from time to time during the fiscal year. He/she shall render a report to the Chapter Board whenever necessary, and a year-end report of the Chapter's financial position and results of operations which shall be submitted to the Chapter Board not later than July 31 of the following Fiscal year, which the Chapter Board shall in turn submit to the National Board within ten (10) days from receipt thereof.

SECTION G: MEETINGS

1. The Chapter Board shall hold meetings at least once a month while the Chapter members shall hold meetings in such frequency as the membership decides but there must be one chapter membership meeting every fiscal quarter. During the meeting at such time and place that may be agreed upon by its members, chapter activities shall be discussed and the Chapter Treasurer shall render a report on the financial affairs of the Chapter.
2. No prior notice shall be required for the meetings if held on a standard date, time and place previously agreed upon by the members. No subject matter requiring a quorum shall be acted upon unless notice thereof is given to the members at least fifteen (15) days before the day of the meeting.
3. Two or more chapters may agree to hold joint meetings regularly or on a case-to-case basis.

Hereunder is the suggested format for membership meetings:

- a. Call to order
- b. Invocation

- c. National Anthem
 - d. Opening Remarks
 - e. Introduction and Induction of New Members
 - f. President's Time
 - g. Treasurer's Report
 - h. Committee Chairpersons Updates on Chapter Activities
 - i. Introduction of Guest Speaker (Optional)
 - j. Address by Guest Speaker (Optional)
 - k. Open Forum (Optional)
 - l. Response (Optional)
 - m. Closing Remarks
 - n. Adjournment
4. There shall be an annual general meeting of members of PICPA during which the National President shall render his/her annual report and the National Treasurer, his/her financial report to the members. The annual general meeting shall be held during the Friday of the nationally declared Accountancy week normally held during the third week of the month of July at the place determined by the general membership and the National Board during the immediately preceding Annual Meeting of PICPA members; in the event that no place is determined during the previous Annual Meeting of PICPA members, the meeting shall be held in Metro Manila.

ARTICLE IV: CHAPTER COMMITTEES

SECTION A: CREATION OF CHAPTER COMMITTEES

1. There shall be created appropriate committees by the Chapter Board to carry out the action programs of the Chapter.
2. The standing committees of the Chapter shall be the following:
 - a. Committee on Professional Development
 - b. Committee on Meetings
 - c. Committee on Fellowship and Sports
 - d. Committee on Publications
 - e. Committee on Membership
 - f. Committee on Finance

Other Committees or sub-committees may be created in order to achieve committee work or objectives more effectively. The Committee shall be created immediately after the election of the Chapter Officers.

3. At the start of the fiscal year, each committee shall propose a program of activities for the approval of the Chapter Board. Committee meetings shall be held at least once every quarter or as often as necessary. Formal reports summarizing the activities of the Committee during the period and proposed activities shall be rendered to the Chapter Board.

SECTION B: COMMITTEE ON PROFESSIONAL DEVELOPMENT

1. The Committee on Professional Development of the Chapter, composed of the Sectoral Directors shall make action plans based on the guidelines from the National Vice-Presidents for Commerce and Industry, for Government, for Public Service and for Education/Academe, as a result of consultation and planning with their respective Regional Sectoral Representatives. It shall work in coordination with Sectoral Representatives of the Region, for the purpose of developing and ascertaining the needs and requirements of each of the four (4) sectors of the chapter.
2. The functions of the Committee are:
 - a. To formulate a program of activities which will promote the professional advancement of the members of the Chapter.
 - b. To recommend such measures which will enhance the practice of the profession.
 - c. To coordinate with private entities and government agencies towards the active involvement of the members in developing and improving accountancy education.
 - d. To render at least a quarterly report to the Chapter Board on the progress of committee work.

SECTION C: COMMITTEE ON MEETINGS

The functions of the Committee are:

- a. To prepare and execute a general program for Chapter membership meetings which will carry out the theme of operation for the year.
- b. To recommend the topic and speaker for each membership meeting of the Chapter, for approval by the Chapter Board.
- c. To select from the membership the members of the panel of interrogators for the open forum.
- d. To generate good attendance during the membership meeting through circulars, emails, telephone calls, personal contacts and other means.
- e. To coordinate closely with the other committees who may be in charge of some regular membership meetings.

SECTION D: COMMITTEE ON FELLOWSHIP AND SPORTS

The functions of the Committee are:

- a. To design a program of activities which will bring about more cordial and closer relations among members of the Chapter and other Chapters and harness sport talents and develop sport-consciousness among members.
- b. To conduct fellowship get-together.

- c. To organize and/or engage in sports activities for the members of the Chapter, with other chapters and with other professional organizations.
- d. To render at least a monthly report to the Chapter Board on the progress of the Committee works.

SECTION E: COMMITTEE ON PUBLICATIONS

1. The functions of the Committee are:
 - a. To take charge of the publications of a Chapter Newsletter, seeing to it that this publication maintains its quality at a high level and is issued periodically on time.
 - b. To solicit, edit and “screen” materials and editorial contribution for the publication.
 - c. To take charge of transmitting to the National Office articles and manuscript intended for publications of the National Office.
 - d. To render at least a quarterly report to the Chapter Board on the progress of the Committee work.
2. The Committee on Publications shall see to it that articles and contributions appearing in the Chapter Newsletter are published as opinions of the authors or of the contributors and not those of the Chapter or the Institute.
3. The designation of the printing press which will handle the Chapter’s publication shall be recommended by the Committee on Publications, for the approval of the Chapter President.
4. The Chapter may either handle exclusive distribution of the publication within its area, or recommend to the National Office an exclusive distributor.

SECTION F: COMMITTEE ON MEMBERSHIP

The functions of the Committee are:

- a. To adopt and implement a program designed to generate membership in the Chapter.
- b. To process and recommend to the Chapter Board for approval/disapproval the applications for membership.
- c. To coordinate with other Committees in encouraging members to participate in Chapter/Institute activities, especially among non-active members.
- d. To recommend to the National Board through the Chapter Board, the grant of National Awards in recognition of long meritorious membership (e.g., award for twenty five (25) years of continuous active membership).
- e. To recommend to the Chapter Board the grant of Chapter awards to members for special achievements in the community.

- f. To maintain an updated directory of members, specifying the status of their membership, addresses (residence, office and email), telephones (land phone and cellphones).
- g. To ascertain the actual membership of the chapter, keeping track of new, transferred and deceased members.
- h. To keep tab of job opportunities from members in their respective firms and to coordinate with the National Office in disseminating to other members such job opportunities.
- i. To render at least a quarterly report to the Board on the progress of Committee works.
- j. To render a quarterly written report on the status of all members of the Chapter (i.e. deceased, transferred to another chapter, migrated to another country, delisted for non-payment of dues, new members, etc.) to the Regional Council and the National Secretariat.

SECTION G: COMMITTEE ON FINANCE

1. The functions of the Committee are:
 - a. To prepare and submit the annual budget of the Chapter, for the approval of the Chapter Board.
 - b. To study ways and means of improving the financial position of the Chapter.
 - c. To study and recommend to the Chapter Board appropriate action on all projects affecting the movements of general and special funds.
 - d. To assist the Treasurer in the collection of accounts.
 - e. To recommend to the Chapter Board, in coordination with the Committee on Membership, appropriate action on members who are delinquent in the payment of their dues.
 - f. To render at least a quarterly report to the Chapter Board on the progress of the Committee works.
2. The Chapter Treasurer shall cause to be published in the Chapter Newsletter the quarterly financial statements of the Chapter.

SECTION H: LIAISON OFFICERS

Each Committee shall be assigned a board member acting as Liaison Officer.

Below is the recommended liaison arrangement:

COMMITTEE	LIAISON OFFICER
Professional Development	VP-Professional Development
Meetings	Secretary
Fellowship and Sports	Board Member
Publications	P.R.O.

Membership
Finance
Student Participation
Taxation and Audit
Induction Any
Accountancy Week
National Convention

VP-Operations
Treasurer
Director-Education
Director-Public Practice
Board Member
President
President

ARTICLE V: MEMBERSHIP REQUIREMENTS

SECTION A: REQUISITES FOR ADMISSION

1. Article V of PICPA's Amended By-Laws provides that the membership shall be restricted to Certified Public Accountants who hold valid certificates as such, granted by the Board of Accountancy of the Republic of the Philippines, whose names appear on the Registry of Professionals of the Professional Regulations Commission
2. Any Certified Public Accountant who is residing or has his place of business in the locality of the Chapter, and who binds himself with the Amended Articles of Incorporation and By-Laws, Rules and Regulations, and the Chapter Guidelines may, (a) upon filing of an application for membership and approval of such application by the National Board on the favorable recommendation of the Chapter Board, (b) payment of the required initial membership fee and membership dues, and (c) taking the membership oath or pledge, be admitted as a member of the Chapter. Prospective members shall accomplish the prescribed application form (Appendix D).

SECTION B: MEMBERSHIP DUES AND FEES

1. A new member is required to pay an initial membership fee of One Hundred Pesos (P100.00) and annual membership dues of One Thousand Pesos (P1,000.00) subject to the provisions of Article XV, Sections 2 and 3 of the Amended By-Laws. The initial membership fees shall be remitted to the National Office in full while the membership dues, after deducting the Fifteen Pesos (P15.00) from each member's contribution which shall be exclusively used for death benefits and socio-civic activities, shall be apportioned as follows:

Thirty Five Percent (35%) for the Chapter;
Ten Percent (10%) for the Regional Council;
Ten Percent (10%) for the Geographical Area Office; and
Forty Five Percent (45%) for the National Office

The membership dues shall be payable annually on or before September 30, provided however, that a member joining anytime during the year shall pay the amount corresponding to the full year's dues.

Members shall continue to pay their annual membership dues amounting to One Thousand Pesos (P1,000.00) until a new rate is determined and fixed by the National Board, with the approval of the Professional Regulations Commission. However, any duly approved change in the rate of the annual membership dues shall not become effective until the next succeeding fiscal year and only after due notice shall have been given to the membership.

2. Membership dues and initial membership fees shall be paid directly to the Chapter Treasurer, who shall in turn report and remit the shares of National Office, Geographical Area Office and Regional Council to the National Treasurer within twenty (20) working days after the end of the month of collection. The National Treasurer shall distribute the amount to the Geographical Area Treasurer and Regional Council Treasurer within thirty (30) days from receipt thereof.
3. Pursuant to the provisions of Article VI, Section 3 of the Amended By-Laws, any member whose dues or other accounts remained unpaid after the prescribed last day of payments as provided for by Article XV, Section 3 of the Amended By-Laws shall automatically be dropped from the Membership Roster upon expiration of sixty (60) days from the last day of payment provided in the Amended By-Laws, unless payment is effected prior to the expiration of the sixty (60) day period, with written notice to that effect to the member concerned.
4. Termination of membership shall not free the said member from any of his/her obligations and/or accountability to the Institute or Chapter. Only upon payment of all dues in arrears and/or obligations may the National Board, by two thirds (2/3) vote, restore him to his bonafide membership status. The Chapter Board shall report to the National Board for action a list of members for membership termination.
5. The Chapter in coordination with the National Secretariat shall handle the billing of membership dues. Billings on current year's membership dues shall be rendered and released by the National Secretariat on or before July 1 of each year, while a new member shall be billed upon approval of his/her application for membership. A confirmation billing shall be made by the National Secretariat not later than September 30 of each year.
6. The Chapter Board may through a Board resolution impose special assessments on members to support the specific activities and projects of the Chapter, provided this fact is reported in writing to the National Board within thirty (30) days from the date of the approval of the Board resolution.
7. In case payment is received by the National Office from a particular chapter member, the National Office shall inform and send to the chapter concerned the amount it should correspondingly receive. The Chapter may propose other arrangements in updating of membership dues.

SECTION C: WITHDRAWAL FROM MEMBERSHIP

The Membership Committee shall recognize the resignation and withdrawal from membership by a member not upon the receipt of the letter of resignation or withdrawal but upon acceptance or approval thereof by the Chapter Board, which shall accordingly notify the National Board within fifteen (15) days of such action. A Chapter may refuse to accept or retain membership through a Chapter Board resolution duly approved by the National Board.

ARTICLE VI: CHAPTER ACCOUNTING SYSTEM REPORTS AND RECORDS

SECTION A: ACCOUNTING SYSTEM

1. The Chapter shall use the accounting system adopted by the National Secretariat. Typical transactions in the National Organization' accounting system follows:

a. Entrance Fee and Membership Dues Receivables

At the beginning of each fiscal year, all members in good standing are billed for the current year's membership dues thus recognizing dues as income upon billing. However, the amount shall be recorded in the books of accounts through a memorandum entry only. Upon collection, the membership dues shall be taken up in the books as follows:

Dr. Cash	xxx	
Cr. Due to National Office (NO Share)		xxx
Cr. Due to National Office (RC Share)		xxx
Cr. Due to National Office (GA Share)		xxx
Cr. Due to National Office (SC Fund)		xxx
Cr. Revenue-Membership Dues		xxx

b. The receipt of initial membership fee by the chapter from the new members is recorded as follows:

Dr. Cash	xxx	
Cr. Due to National Office (IMF)		xxx

b. Accounts Receivables – PICPA Affairs and Others

In addition to membership dues and entrance fees, a member may have accounts with the Chapter for various chapter and/or Institute affairs. Such receivables shall be carried under "Accounts Receivable – PICPA affairs and Others". The corresponding credit shall be to the appropriate income account which shall be created for each affair or activity. Thus,

Dr. Accounts Receivable – PICPA Affairs & Others	xxx	
Cr. Revenue – Induction		xxx
Revenue – Fellowship Affair		xxx

d. All costs and expenses incurred for any affair or activity of the chapter shall be charged to the accounts that should be set up specifically for such affair or activity (to be considered as project in the Chart of Accounts) in order to properly track the revenues and expenses for such affair or activity and determine profitability. Thus, the balance of the netted accounts for a specific project shall represent the net income or loss from the affair or activity. Statements of Revenues and Expenses for each activity shall be prepared and submitted to the Chapter/National Board within ten (10) calendar days from the date of termination of the affair. The statement shall show the actual income and expenses compared with the budget.

2. All committee activities shall be promptly and properly accounted for and a costing sheet listing all the regular and necessary expenses shall be used for the purpose. Among the regular and necessary expenses are costs of stationery, meeting, notices, postage, and messenger services.
3. Accounts receivable arising from activities must be collected within thirty (30) days from the last day of the month they were realized.

4. The following accountable forms, to be provided by the National Office, shall be used by the Chapter:

- a. Official Receipts
- b. Debit/Credit Memos
- c. Statement of Account

and distributed as follows:

- a. Original - Customer/Member
- b. Duplicate - National Office
- c. Triplicate - Chapter File

5. For the guidance of each chapter a uniform "Chart of Accounts for Chapters" is attached (Appendix E).

SECTION B: BUDGET

1. The Chapter shall submit to the National Board on or before the 20th day of July for each year an Annual Budget, approved by the Chapter Board.
2. The budget shall be complete with assumptions and comparative figures of its preceding fiscal year's actual revenues and expenses (Appendix F)
3. All Chapter projects/activities shall be self-supporting as much as possible.
4. Any major expenditure shall be approved by the Chapter Board, either as specific items or as part of the annual budget.

SECTION C: REPORTS

1. In order that the National Board may be informed of Chapter finances, the following reports shall be submitted to the National Office:
 - a. Schedule of Monthly Remittance to the National Office (Appendix G) summarizes the monthly collections of the Chapter and establishes the Chapter's accountability to the National Office, to be submitted on or before the 20th day of the following month.
 - b. Monthly Statement of Receipts and Disbursements, (Appendix H) summarizes the cash transactions for the month and indicates the resulting cash balance, to be submitted on or before the 20th day of the following month.
 - c. Quarterly Statement of Revenue and Expenses, (Appendix I) presents the revenues, expenses and resulting net income or net loss of the Chapter, and compares quarterly results of operations and results of operations to date with prior year's figures, to be submitted on or before the 20th day of the end of the quarter.

- d. Summary of Monthly Receipts, (Appendix J) summarizes the collections of the Chapter as to membership dues, entrance fees, certificate fees and sundries; to be submitted on or before the 20th day of the following month.
- e. Quarterly Balance Sheet (Appendix K) presents a statement of the financial condition of the Chapter, to be submitted on or before the 20th after the end of the quarter;
- f. Annual Comparative Statement of Actual and Budgeted Revenue and Expenses, (Appendix L) presents actual annual revenues, expenses and resulting excess of revenues over expenses and compares actual results of operations with the budget; to be submitted on or before the 25th day following the end of the fiscal year.

2. Operating Report

A quarterly report by the Chapter on the highlights of its activities for the past quarter, new members recruited during the quarter, sports activities, etc.

3. Reconciliation Statement

- a. Quarterly reconciliation of amount due to National Office for the unremitted share of National Office (Appendix M) shall be submitted not later than the 10th day of following quarter.
- b. The Annual Reconciliation of Registered Members (Appendix N) shall be submitted not later than January 15 based on the Master List of Chapter Members as of September 30, (which is the last day for paying the annual membership dues in accordance with Section 3, Article XV of the Amended By-laws), that will be furnished by the National Secretariat to the Chapters not later than October 30.

SECTION D: RECORDS

1. In general, the following records should be preserved indefinitely or permanently, in such a manner that the same should be easily available to the Chapter Auditor and Board members and to those properly authorized.

a. Chapter Guidelines

This is equivalent to the By-Laws of the National Office and shall serve to regulate the operations of the Chapter.

b. Membership Records

Membership cards for members shall be maintained and preserved. The membership card shall contain pertinent information about the member and a record of his account (Appendix O).

c. Minutes Book

There shall be a record book of all of the Chapter General Meetings and of the Council Meetings, as well as the meetings of Committees and Sub- Committees.

- d. A list of the Chapter Officers and Council Members shall be filed, copy furnished the National office.
- e. A separate list of "Members in Good Standing" and a list of "Members with Outstanding Accounts" shall be maintained.
- f. Records

Each Chapter shall keep the following books of accounts:

- 1. Cash Receipts Book (Appendix P)
 - 2. Cash Disbursement Book (Appendix Q)
 - 3. General Journal
 - 4. General Ledger (Appendix R)
 - 5. Members Accounts/Subsidiary Ledgers
 - 6. Accounts Payable
- g. All official receipts, cash vouchers, and other source documents including supporting documents.

In the course of time, the Chapter would accumulate a considerable volume of correspondence and other documents. These should be reviewed prior to the conclusion of each officer's term of office and those documents and records with no material or relevant value should be discarded after complying with Article III, Section C(6) of this Chapter Policy Manual.