

1 **PHILIPPINE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS**

2 **PICPA Building, No. 700 Shaw Boulevard**

3 **Mandaluyong City**

4
5
6 **2nd AMENDED BY-LAWS**

7
8
9 **ARTICLE I**

10
11 **NAME, OBJECTIVES AND VALUES**

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14 **SECTION 1. NAME, OBJECTIVES AND VALUES.** The name, objectives and
15 values of the National Organization (PICPA) shall be those set forth in the Articles of
16 Incorporation.

17
18 PICPA adheres to the highest ideals of professionalism and commitment to service and
19 upholds such values as: integrity, professional excellence, innovation, discipline, teamwork,
20 social responsibility and commitment.

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23 **ARTICLE II**

24
25 **SEAL**

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27 **SECTION 1. SEAL.** The seal of the National Organization shall consist of two
28 concentric circles between which shall appear the name of PICPA, to wit: “PHILIPPINE
29 INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS” and such appropriate design
30 symbolic of the profession of Certified Public Accountancy in the center thereof, as the National
31 Board of Directors may determine.

1 **ARTICLE III**

2
3 **OFFICE**

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5 **SECTION 1. OFFICE.** The principal office of the National Organization shall be
6 located in the City of Mandaluyong, Metro Manila, Philippines or at such place in Metro Manila
7 as may be determined by the National Board of Directors.
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10 **ARTICLE IV**

11
12 **ORGANIZATION**

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14 **SECTION 1. ORGANIZATIONAL STRUCTURE.** The PICPA organization shall
15 be composed of four (4) geographical areas covering the entire Philippine Archipelago divided
16 into Luzon, Visayas, Mindanao and National Capital Region (Metro Manila), represented by nine
17 (9) regions and four (4) sectors which shall be organized nationwide representing the various
18 sectoral interests, namely: public practice, commerce and industry, education and government.
19

20 **SECTION 2. GEOGRAPHICAL AREA.** Each of the four (4) geographical areas,
21 namely Luzon, Visayas, Mindanao, and National Capital Region (Metro Manila), shall be
22 governed by the Geographical Area Office. The Geographical Area Office shall be composed of
23 all the National Directors of each Geographical Area and their respective Regional Sectoral
24 Representatives. The governing rules for the Geographical Area Office shall be uniform under
25 rules prescribed by the National Board of Directors consistent with the existing rules of the
26 Professional Regulation Commission.
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28 **SECTION 3. REGIONAL UNITS.** Each of the NINE (9) regions shall be governed
29 by Regional Councils under uniform rules prescribed by the National Board of Directors
30 consistent with the existing rules of the Professional Regulation Commission.
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32 The regions included under each geographical area are as follows:

33
34 **1. NATIONAL CAPITAL REGION (METRO MANILA) GEOGRAPHICAL AREA**

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A. The **NATIONAL CAPITAL REGION (METRO MANILA)** consisting of: all chartered cities of Manila, Quezon, Pasay, Kalookan, Valenzuela, Mandaluyong, Marikina, Pasig, Makati, Muntinlupa, Parañaque and Las Piñas, and the Municipalities of Malabon, Navotas, San Juan, Taguig, Pateros and **part of the Province of Rizal, namely: Antipolo City, the Municipalities of Rodriguez (formerly Montalban), San Mateo, and Cainta,** and all other cities and municipalities which thereafter may therein be created;

2. LUZON GEOGRAPHICAL AREA

A. The NORTHERN LUZON REGION consisting of the Provinces of Abra, Benguet, Ilocos Norte, Ilocos Sur, La Union, Mt. Province, Batanes, Cagayan, Ifugao, Isabela, Kalinga, Apayao, Nueva Vizcaya, Quirino and Pangasinan and all the cities therein;

B. The CENTRAL LUZON REGION consisting of the Provinces of Aurora, Bataan, Bulacan, Nueva Ecija, Pampanga, Tarlac, Zambales and all the cities therein;

C. The SOUTHERN TAGALOG REGION consisting of the provinces of Batangas, Laguna, Cavite, Marinduque, Occidental Mindoro, Oriental Mindoro, Palawan, Quezon, Romblon, the cities therein and the rest of Rizal Province not mentioned in Art. IV Sec. 3 Par.1 subparagraph A;

D. The BICOL REGION consisting of the provinces of Albay, Camarines Norte, Camarines Sur, Catanduanes, Masbate, Sorsogon and all the cities therein.

3. VISAYAS GEOGRAPHICAL AREA

A. The EASTERN VISAYAS REGION consisting of Northern Samar, Eastern Samar, Western Samar, Leyte, Biliran, Southern Leyte, Cebu including the island of Mactan, Negros Oriental, Bohol, Siquijor and all cities therein;

1 b) Those who, by choice, no longer practice their profession but whose names appear in
2 the Register maintained by the Professional Regulation Commission and have
3 formally filed with the Commission their intention to retire from practice.

4
5 **SECTION 2. REGISTRATION.** Unless he has already previously registered, every
6 member heretofore admitted by the Professional Regulation Commission as Certified Public
7 Accountant shall register with the Philippine Institute of Certified Public Accountants at the
8 National Office or at the nearest chapter of his office or residence.

9
10 **SECTION 3. CERTIFICATE OF MEMBERSHIP.** It shall be the duty of every CPA,
11 qualified under Section 1 of this Article, to submit his curriculum vitae which shall include his
12 permanent residence and place of office, as the basis for the issuance of a Certificate of
13 Membership in a form prescribed by the National Board of Directors.

14
15 **SECTION 4. GRANTING OF CERTIFICATE OF MEMBERSHIP.** Every member
16 of PICPA shall be entitled to a Certificate of Membership upon verification of his qualifications
17 by the National Board of Directors and upon payment of the required dues prescribed in these By-
18 Laws.

19
20 **SECTION 5. MEMBERSHIP PLEDGE.** Every Certified Public Accountant, entitled
21 to a Certificate as herein provided, shall take the PICPA Membership Pledge before any national,
22 geographical, regional or chapter officer, at any monthly meeting of members, or in any national,
23 geographical regional or chapter office. The Certificate of Membership shall thereupon be issued
24 to him.

25
26 **SECTION 6. DUTIES AND RESPONSIBILITIES OF MEMBERS.** 1) to pay
27 PICPA dues and other PICPA assessments; 2) to abide by the Articles of Incorporation and By-
28 Laws and other issuances of PICPA; 3) to continually develop himself/herself professionally
29 through compliance with prescribed CONTINUING PROFESSIONAL EDUCATION (CPE)
30 requirements; and 4) to actively participate in the activities of PICPA.

31
32 **SECTION 7. CHAPTER AND SECTOR MEMBERS.** Every member of PICPA
33 shall be both a member of a Chapter and a member of a Sector. A CPA shall be a member of the
34 Chapter of the province or city where his residence or place of business is located. At the time of

1 registration, a CPA shall also elect to be a member of a sector regardless of his chapter affiliation.
2 In no case shall any CPA be a member of more than one (1) chapter or transfer to another
3 chapter three (3) months before or after any election. A CPA shall be a member of only one (1)
4 Sector of his preference; changes in Sector affiliation shall be allowed only every three (3) years
5 except in meritorious circumstances as allowed in the uniform rules to be approved by the
6 National Board.

7
8 **SECTION 8. CLASSIFICATION OF MEMBERS.** Membership with Philippine
9 Institute of Certified Public Accountants shall be classified into active, sustaining life, honorary
10 life, honorary and associate.

11
12 **SECTION 9. ACTIVE MEMBERS.** Active members shall apply to those who became
13 members of PICPA pursuant to Section 1 and 2 of this Article.

14
15 **SECTION 10. SUSTAINING LIFE MEMBER.** Any active member who pays an
16 amount determined by the National Board of Directors may be granted sustaining life
17 membership and shall have all the rights, privileges and responsibilities of an active member,
18 except the payment of the annual dues.

19
20 **SECTION 11. HONORARY LIFE MEMBER.** Any person, who has been an active
21 member of PICPA for a period of not less than twenty (20) years and who has significantly
22 contributed to the advancement of the accounting profession, may be granted honorary life
23 membership upon the recommendation of the Committee on Awards and the unanimous approval
24 of the members of the National Board of Directors. Honorary life members shall have all the
25 rights, privileges and responsibilities of an active member except the payment of the annual dues.

26
27 **SECTION 12. MEMBERS IN GOOD STANDING.** A member in good standing is an
28 active member whose accounts with the Institute are current and membership dues are fully paid.
29 Whenever membership in good standing is required for purposes of qualification or eligibility in
30 any PICPA activity and there is no specific cut-off date provided in these By-Laws within which
31 members may pay their dues, the Board of Directors shall be empowered to set such date.
32 Members in good standing shall also include Sustaining Life Members and Honorary Life
33 Members. Members in good standing are obliged to participate in chapter activities, attend in at
34 least three (3) monthly meetings in a year, involve in the election processes both national and

1 chapter levels, possess a valid CPA license at anytime and act in a manner befitting of a
2 professional.

3
4 **SECTION 13. ASSOCIATE MEMBERS.** Associate Members, on due application,
5 may be admitted by the Institute with the approval by the Board of Directors, provided they
6 belong to any of the following categories:

- 7
- 8 a) Filipino citizens who are non-CPAs under the laws of the Philippines but who are
9 Certified Public Accountants holding such equivalent title in any foreign
10 country;
 - 11
 - 12 b) Former Filipino citizens previously registered as a Certified Public Accountant
13 under the laws of the Republic of the Philippines; or
 - 14
 - 15 c) Non-Filipino citizens who are Certified Public Accountants or holding such
16 equivalent title in countries with which the Republic of the Philippines has
17 diplomatic relations.
 - 18

19 Associate members shall enjoy all the rights, privileges, and responsibilities of active
20 members except the right to vote and to be elected or appointed to any chapter, regional, sectoral
21 and/or national position in PICPA.

22
23 **SECTION 14. HONORARY MEMBER.** Any person, not a Certified Public
24 Accountant, who has significantly contributed to the enhancement of the accounting profession,
25 may be granted honorary membership upon the recommendation of the Committee on Awards
26 and the unanimous approval of all the members of the National Board of Directors. Honorary
27 members shall be exempt from the payment of the annual dues and assessments and shall not be
28 elected or appointed to any position in PICPA.

29
30 **SECTION 15. MEMBERSHIP DISPUTE.** Any dispute on membership, or question
31 thereon, including issues on chapter and sectoral affiliation of members shall be resolved by the
32 Membership Committee of the National Organization, subject to the confirmation of the National
33 Board of Directors.

1 Professional Regulation Commission. Forthwith the member concerned shall cease to be a
2 member and his name shall be stricken out from the ROSTER OF CPAs maintained by the
3 Institute and by the Professional Regulation Commission from the Registry of Certified Public
4 Accountants.

5
6 **SECTION 3. FAILURE TO PAY DUES OR OTHER ACCOUNTS.** Any member
7 whose dues or other accounts remain unpaid after the prescribed last day of payment as provided
8 in these By-laws shall be dropped from the membership roster upon the expiration of sixty (60)
9 days from the date the notice to that effect is sent via messenger or registered mail unless
10 payment is effected prior to the expiration of the sixty (60) day period.

11
12 **SECTION 4. REINSTATEMENT OF MEMBERSHIP.** Reinstatement may be in
13 accordance with the rules and regulations prescribed by the National Board of Directors
14 consistent with the existing rules of the Professional Regulation Commission.

15 16 **ARTICLE VII**

17 18 **NATIONAL BOARD OF DIRECTORS**

19
20 **SECTION 1. NATIONAL BOARD OF DIRECTORS.** The PICPA shall be
21 governed by a National Board of Directors, composed of SIXTEEN (16) directors, elected from
22 the four (4) geographical areas representing the nine (9) regions and the four (4) sectors of the
23 profession.

24
25 **SECTION 2. ELECTION OF DIRECTORS.** The National Board of Directors shall
26 have the SIXTEEN (16) directors, elected from among and by chapter members on a regional and
27 sectoral basis, with a full representation of the four (4) sectors in each of the geographical areas.

28
29 **SECTION 3. NATIONAL DIRECTORS.** The representation for purpose of election
30 of SIXTEEN (16) Regional/ Directors., with each geographical area representing one (1) of the
31 four (4) sectors, shall be:

32
33 NCR (METRO MANILA) - FOUR (4)

34 LUZON - FOUR (4)

1	VISAYAS	-	FOUR (4)
2	MINDANAO	-	FOUR (4)
3	TOTAL	-	SIXTEEN (16)

4 _____
5 The directors from each region shall be elected by members belonging to such region,
6 taking into consideration their sectoral affiliation for the purpose of providing the Geographical
7 Area with full sectoral representation.

8
9 There shall only be ONE (1) National Directors, serving on the same year, shall come
10 from the same firm/company and their affiliates and/or government/government agencies and
11 their instrumentalities.

12
13 **SECTION 4. TERM OF OFFICE OF DIRECTORS.** Subject only to the provision of
14 Section 2, Article XXIII, the Directors elected shall have a term of two (2) years, except the
15 Directors elected to fill vacancies occurring before the expiration of a particular term who shall
16 hold office only for the unexpired term. No incumbent Director, shall be eligible as candidate
17 for Director in the election for the year immediately succeeding said incumbency.

18
19 If a Director resigns or is unable to complete his/her term prior to the end of the
20 expiration of his/her incumbency regardless of the reason, he/she shall not be eligible as
21 candidate in the election during his/her unserved term and for the year immediately succeeding
22 his/her supposed incumbency. (Amended December 8, 2000)

23
24 **SECTION 5. VACANCIES.** In case of any vacancy or vacancies in the National Board
25 of Directors by reason of death, resignation, incapacity, or any other cause, the remaining
26 directors shall fill each vacancy with the candidate obtaining the second highest number of votes
27 in the last annual election, taking into consideration the region and sector of the vacancy. In case
28 there was no other candidate in the last annual election, the regional council where the vacancy
29 arose shall elect the replacement as the case maybe, provided that the replacement Director shall
30 come from the same region and sector as the Director being replaced, and provided further that he
31 shall serve as director only for the unexpired term or until a new Director chosen during the
32 regular elections shall have assumed office.

33

1 An elected candidate for a region who transfers to another region or sector after the
2 election thereby abandoning the constituency to which he/she was elected shall be disqualified
3 from assuming such position. (Amended December 8, 2000)

4
5 **SECTION 6. DUTIES AND POWERS.** It shall be the duty of the National Board of
6 Directors to conduct the business and affairs of the National Organization and to perform such
7 acts as shall protect and foster the CPA Certificate granted by the Republic of the Philippines.
8 The National Board of Directors shall take cognizance of all present and proposed legislation
9 relative to the granting of the CPA Certificate and shall take action in respect thereto as in its
10 judgment will further the objectives of the National Organization. It shall gather and consider
11 evidence indicating that any holder of a CPA Certificate granted by the Professional Regulation
12 Commission has committed any act which will be a cause for the rescission of his Certificate and
13 if the evidence warrants, it shall assist the Professional Regulation Commission in securing a
14 trial and determination of the case; it shall gather and consider evidence concerning the
15 violation of any statute regulating the granting of a CPA Certificate and if, in its opinion, the
16 evidence justifies, take action to assist the said Professional Regulation Commission in the
17 prosecution of such violation.

18
19 The National Board of Directors shall have authority to supervise and control the
20 operation and activities of the Geographical Area Offices and Regional Councils, as well as city
21 and provincial chapters and shall, in furtherance thereof, issue uniform policies, rules and
22 guidelines.

23
24 The National Board of Directors shall ensure that adequate professional standards are
25 promulgated by the standard-setting bodies. The National Board of Directors shall prescribe such
26 other rules and regulations as may be necessary and proper to carry out the purposes of PICPA as
27 well as the provisions of these By-Laws, and the laws of the Republic of the Philippines, as it
28 may affect the profession.

29
30 **SECTION 7. BOARD MEETING.** Regular meetings of the National Board of
31 Directors shall be held at least once every three (3) months unless otherwise agreed by the
32 National Board which in no case shall be more than once a month. The members of the Board
33 shall agree on a fixed time, date and venue of the meeting. No prior notice shall be required for a
34 monthly meeting unless, (1) it is held at a time, date or place different from that previously

1 agreed upon or fixed by the Board; or (2) a subject matter requiring approval by at least a
2 majority of the members of the Board shall be taken up during the meeting. The notice, if
3 required, shall be in writing and sent to the members of the Board at least three (3) days prior to
4 the date of the meeting. Failure to give such notice or irregularity therein shall not affect the
5 validity of the regular meeting or of any proceeding thereof if all the Directors are present at such
6 meeting.

7
8 Special meeting of the National Board of Directors may be called by the President on
9 one (1) day's notice to each Director personally or in writing, or at the written request signed by
10 nine (9) Directors. Such call shall specify the time, place and purpose of such special meeting.

11
12 Attendance in all Board of Directors' Meeting shall be compulsory. A director who fails
13 to attend the meeting shall pay a fine as determined by the board. Four (4) consecutive absences
14 in regular and special meetings of the board shall be considered incapacity on the part of the
15 absentee director in which case his or her position shall be considered vacant as provided under
16 section 5, hereof. (Amended May 10, 1996)

17
18 **SECTION 8. QUORUM.** A majority of the National Board of Directors shall
19 constitute a quorum for the transaction of business and, in the presence of a quorum, majority of
20 the Directors present shall be sufficient to decide any action, except on those matters specifically
21 requiring a different majority vote as herein provided or as provided under the Corporation Code
22 of the Philippines.

23 24 25 **ARTICLE VIII**

26 27 **NATIONAL EXECUTIVE OFFICERS**

28
29 **SECTION 1. ELECTED OFFICERS.** The PICPA shall have a President and an
30 Executive Vice President who shall be elected by the National Board of Directors from among
31 themselves. The National Board of Directors shall also elect the Treasurer and the Secretary, who
32 must likewise be members thereof.

33

1 No member shall be elected as Executive Vice -President unless he/she shall possess the
2 following qualifications:

- 3
- 4 1. A citizen of the Philippines
- 5 2. Of good moral character
- 6 3. A member in good standing of his/her chapter where he/she is registered
- 7 4. A holder of a valid CPA license at the time of his/her election
- 8 5. Must have served for a full two (2) year term as national director or served at least
9 sixteen (16) months as an acting national director, in cases where such person was a
10 replacement for a vacant position in the national board.
- 11 6. Must be a National Director, serving the first (1) year of his current two (2) year
12 term, at the time of his/her election
- 13 7. Must have previously and completely served as a National Vice President to the
14 National Board.
- 15

16 **SECTION 2. ELECTION.** The National Board of Directors, at their first regular
17 meeting, shall elect the President who shall hold office for a term of one (1) year and until his
18 successor is duly elected and qualified. Thereafter, the National Board of Directors shall elect the
19 Executive Vice President who, by necessity, will have to be chosen from the elected regional
20 directors serving the first year of their two-year term, representing the geographic area and sector
21 where the President for the succeeding year will come from, based on Section 3 of Article VIII
22 hereunder. The Executive Vice President in every year automatically becomes the President for
23 the next succeeding year.

24
25 The President shall be the Presiding Officer of the National Board of Directors.

26
27 **SECTION 3. ROTATION OF PRESIDENCY.** The Presidency shall be rotated from
28 year to year among the following four (4) major geographical areas and sector affiliation. The
29 following rotation by geographical area and sector affiliation shall be strictly adhered to in the
30 following sequence:

31
32 | For Geographical Representation

33
34 NCR (Metro Manila)

1 Visayas
2 Luzon
3 Mindanao

4
5 For Sectoral Representation

- 6
7 Public Practice
8 Commerce and Industry
9 Education/Academe
10 Government

11
12 In the rotation of the Presidency the following schedule shall be adhered to for the years
13 mentioned therein and the years thereafter, specifying the rotation of both geographical and
14 sectoral representation, the succeeding years shall follow the same sequence of rotation, to wit:

<u>Year</u>	<u>Region</u>	<u>Sector</u>
<u>2005-2006</u>	<u>Metro Manila</u>	<u>Public Practice*</u>
<u>Jan 1 – June 30, 2006</u>	<u>Metro Manila</u>	<u>Public Practice*</u>
<u>2006-2007</u>	<u>Visayas</u>	<u>Commerce & Industry*</u>
<u>2007-2008</u>	<u>Luzon</u>	<u>Education*</u>
<u>2008-2009</u>	<u>Mindanao</u>	<u>Government*</u>
<u>2009-2010</u>	<u>Metro Manila</u>	<u>Commerce & Industry</u>
<u>2010-2011</u>	<u>Visayas</u>	<u>Education</u>
<u>2011-2012</u>	<u>Luzon</u>	<u>Government</u>
<u>2012-2013</u>	<u>Mindanao</u>	<u>Public Practice</u>
<u>2013-2014</u>	<u>Metro Manila</u>	<u>Education</u>
<u>2014-2015</u>	<u>Visayas</u>	<u>Government</u>
<u>2015-2016</u>	<u>Luzon</u>	<u>Public Practice</u>
<u>2016-2017</u>	<u>Mindanao</u>	<u>Commerce & Industry</u>
<u>2017-2018</u>	<u>Metro Manila</u>	<u>Government</u>
<u>2018-2019</u>	<u>Visayas</u>	<u>Public Practice</u>
<u>2019-2020</u>	<u>Luzon</u>	<u>Commerce & Industry</u>
<u>2020-2021</u>	<u>Mindanao</u>	<u>Education</u>
<u>2021-2022</u>	<u>Metro Manila</u>	<u>Public Practice</u>

1 * Sector representation will not be implemented during these years based on the
2 transitory provisions provided in Art. XXIII Section 3.

3
4 The Geographical Area and Sector's inability to provide a candidate for President during
5 its turn shall be construed as a waiver for the Presidency by the particular geographical area and
6 sector, therefore, the succeeding geographical area and sector shall automatically take over the
7 slot waived.

8
9 **SECTION 4. PRESIDENT.** The President shall be the chief executive officer of the
10 National Organization and shall exercise general supervision over the officers thereof. He shall
11 see to it that the provisions of these By-Laws and the rules and regulations promulgated
12 thereunder, as well as the resolution of the National Board of Directors, are complied with. He
13 shall preside at all the meetings of the National Organization, and the National Board of
14 Directors. Unless otherwise specifically agreed upon, he shall represent PICPA on all occasions
15 and in all matters where it should be represented. He shall perform such other duties as are
16 ordinarily appertaining to his office and those that the National Board of Directors may fix or
17 delegate from time to time. He may create positions and appoint officers necessary to perform the
18 function of the President, subject to the approval of the National Board.

19
20 **SECTION 5. EXECUTIVE VICE PRESIDENT.** The Executive Vice President shall
21 be vested with all the powers and authorities, and required to perform all of the duties of the
22 President during the absence or incapacity of the President for any cause. In the event of the
23 death, resignation, or removal of the President, the Executive Vice President shall serve as
24 President during the remainder of the term of the office thus vacated. The Executive Vice
25 President shall likewise have supervisory control over the geographical area offices and regional
26 councils of the organization and shall perform such other functions as may be delegated to him by
27 the President.

28
29 **SECTION 6. VACANCIES.** In the event of death, resignation, removal or disability of
30 both the President and the Executive Vice President, the National Board of Directors shall elect
31 an Acting President to hold office until the next succeeding election or during the period of
32 disability. In such a case, the election of the President and Executive Vice President shall be held
33 in accordance with the provision of Section 2 hereof.

1 In the event of death, resignation, removal or disability of the Executive Vice President,
2 the region whereby the Executive Vice President originates shall hold a special election for the
3 replacement of the Executive Vice President, likewise based on the region and sector represented
4 by the Executive Vice President.

5
6 **SECTION 7. EXECUTIVE COMMITTEE.** There shall be an Executive Committee
7 composed of the President, the Executive Vice President, the Vice President for Operations, the
8 Secretary and the Treasurer, who are all elected members to the National Board.

9
10 Subject at all times to the direction and control of the National Board of Directors, the
11 Executive Committee shall have and may exercise the power to act, during the intervals between
12 the meetings of the National Board of Directors, on all matters relating to the management of the
13 affairs and business of PICPA as are within the competence of the National Board of Directors,
14 except on matters specifically restricted under the Corporation Code of the Philippines.

15
16 The presence of the majority including the President or Acting President elected in
17 accordance with Section 6 of this article shall constitute a quorum in all meetings of the
18 Executive Committee. However, any and all actions of the Executive Committee shall be decided
19 by a majority vote of all its members and that the same shall be reported for ratification by the
20 National Board of Directors during the latter's next meeting.

21
22 **SECTION 8. APPOINTED OFFICERS.** The President shall, subject to the
23 confirmation of the National Board of Directors, appoint the following officers who must be
24 members of the National Board of Directors.

- 25
26 • VICE PRESIDENT FOR OPERATIONS
27 • VICE PRESIDENT FOR COMMERCE & INDUSTRY
28 • VICE PRESIDENT FOR GOVERNMENT
29 • VICE PRESIDENT FOR EDUCATION
30 • VICE PRESIDENT FOR PUBLIC PRACTICE

31
32 The above-appointed officers, including the Secretary and Treasurer, shall have a term of office
33 co-terminus with the President unless earlier terminated by the National Board of Directors as it
34 may deem appropriate. The Vice President for the four (4) sectors shall likewise be the Chairmen

1 of the four (4) Geographical Area Offices. Assignment of the Vice Presidency of the various
2 sectors shall be likewise rotated among the four (4) geographical areas, as far as practicable.

3
4 **SECTION 9. EXECUTIVE DIRECTOR.** A full-time Executive Director shall be
5 appointed by the President from among the members of the Institute, subject to the approval of
6 the Board of Directors, for a term not exceeding four (4) years renewable for another four (4)
7 years.

8
9 The Executive Director shall be primarily tasked to implement the policies promulgated
10 by the National Board of Directors, serve as the administrative officer of PICPA, and ensure
11 compliance with the requirements to maintain the organizations status as the Accredited
12 Professional Organization for the Accountancy Profession of the Professional Regulation
13 Commission. The performance of the Executive Director shall be evaluated by the National
14 Board of Directors on an annual basis and the Executive Director may be removed from office,
15 prior to the expiration of the four (4) year term, through a vote of TWO-THIRDS (2/3) of the
16 total membership of the Board of Directors.

17
18 The Executive Director shall be reporting directly to the President.

19
20 **SECTION 10. VICE PRESIDENT FOR OPERATIONS.** The Vice President for
21 Operations shall supervise the operations of the National Organization, coordinate and monitor
22 the activities of PICPA Committees assigned to him and report to the President. He shall perform
23 such other duties assigned to him from time to time by the President and/or the National Board of
24 Directors.

25
26 **SECTION 11. VICE PRESIDENT FOR PUBLIC PRACTICE , COMMERCE**
27 **AND INDUSTRY, EDUCATION/ACADEME, AND GOVERNMENT** Each of the Vice
28 Presidents appointed for the four (4) sectors shall monitor and report to the President on the
29 technical activities of the National Organization relating to the particular sector assigned to such
30 Vice President, such as those relating to professional development, accounting and auditing,
31 research, publications and others of the particular sector.

32
33 **SECTION 12. TREASURER.** The Treasurer shall have the following functions:

34 a. Custodian of the PICPA funds

1 **SECTION 1. ORGANIZATION AND COMPOSITION.** The Geographical Area
2 Offices shall be organized for the FOUR (4) geographical areas under uniform rules prescribed
3 by the National Board of Directors. It shall be composed of all the National Directors from the
4 geographical area and all the duly elected regional sectoral representatives belonging to such
5 geographical area. The Geographical Area Office may meet on a sectoral basis with the particular
6 National Director meeting the four (4) Regional Sectoral Representatives of the same sector in the
7 geographical area.

8
9 The Geographical Area Offices shall provide coordination and guidance to the various
10 regional councils within the specific geographical area in terms of long term planning in
11 administration and sectoral concerns. The Geographical Area Office shall not exercise direct
12 authority over the chapters/sectors nor shall they have any form of control over the
13 chapters/regional funds. It shall likewise be responsible in organizing geographical area
14 meetings, conventions and other activities to strengthen the relationship among its members in the
15 particular geographical area and monitor membership and professional growth.

16
17 **SECTION 2. OFFICE.** The Geographical Area Office shall have its office in the city
18 or province with the greatest number of PICPA members, unless otherwise agreed upon by the
19 council members.

20
21 The Metro Manila Geographical Area Office shall hold office at the PICPA Building
22 unless the majority of the members of the respective councils decide to hold their council office
23 in another place.

24
25 **SECTION 3. OFFICER.** The Geographical Area Office shall have a Chairman who
26 shall be elected among the Directors serving their second year of office for the particular
27 geographical areas.

28
29 The Geographical Area Office shall have a Treasurer and Secretary appointed by the
30 Geographical Area Chairman , provided that the appointees shall come from among the members
31 of the particular geographical areas.

32
33 The Treasurer shall be charged with the custody of funds of the Geographical Area and
34 their proper disbursements. He shall make monthly reports as required by the PICPA Treasurer.

1 He shall be responsible for the maintenance of proper books of accounts covering the financial
2 transactions of the entire geographical area.

3
4 The Secretary shall perform those duties as may be assigned by the Geographical Area
5 Chairman. He shall be responsible for the recording of the minutes of the meetings of the
6 Geographical Area Office, notification of meetings to members of the Geographical Area and all
7 duties normally required of a Secretary. He shall prepare and submit monthly to the National
8 Office a membership report and other reports which may be required by the National Office from
9 time to time.

10
11 **SECTION 4. GEOGRAPHICAL AREA OFFICE MEETINGS.** The Geographical
12 Area Office shall meet once every two months on such date and place as the respective
13 Geographical Area Chairman may determine. No prior notice shall be required for the bimonthly
14 meetings if held on the standard date, time and place previously determined by the respective
15 Offices. However, no subject matter requiring approval by at least the majority of the Office
16 Members constituting a quorum shall be acted upon unless notice thereof is given to the Office
17 Members at least one (1) week before the day of the meeting.

18
19 **SECTION 5. SPECIAL MEETINGS** The Geographical Area Chairman may call
20 special meetings from time to time on matters and problems of administrative and sectoral
21 concern.

22
23 **SECTION 6. RULES GOVERNING OPERATION OF GEOGRAPHICAL AREA**
24 **OFFICE.** The National Board of Directors shall promulgate rules, regulations and guidelines
25 governing the operation of Geographical Area Office. Such rules, regulations and guidelines shall
26 apply uniformly to all Geographical Area Office.

27
28
29 **ARTICLE X**

30
31 **REGIONAL COUNCILS**

32
33 **SECTION 1. ORGANIZATION AND COMPOSITION.** A Regional Council shall
34 be organized under each of the geographical areas under uniform rules prescribed by the

1 National Board of Directors. It shall be composed of the National Director/s from the region and
2 the Presidents of the chapter belonging to such region, together with the four (4) regional sectoral
3 representatives.

4
5 The Regional Councils shall provide coordination and guidance to the chapters/sectors
6 relating to administrative and sectoral concerns. They shall not exercise direct authority over the
7 chapters/sectors nor shall they have any form of control over the chapters/sectors funds. The
8 Regional Council shall likewise be responsible in organizing regional conferences and other
9 activities to strengthen the relationship among its members in the particular region and attain the
10 objectives of PICPA.

11
12 **SECTION 2. OFFICE.** The Regional Council shall hold office in the city or province
13 with the greatest number of PICPA members, unless otherwise agreed upon by the council
14 members.

15
16 The Metro Manila Regional Council shall hold office at the PICPA Building unless the
17 majority of the members of the respective councils decide to hold their council office in another
18 place.

19
20 **SECTION 3. OFFICERS.** The Regional Council shall have a Chairman who shall be
21 the Director from the region.

22
23 The Regional Council shall appoint their Regional Treasurer and a Regional Secretary,
24 provided that the appointees shall come from among the members of the particular region. The
25 National Board of Directors may provide for such other regional or sectoral officers, as it may
26 deem necessary, on a uniform basis.

27
28 The Regional Treasurer shall be charged with the custody of funds of the Regional and
29 their proper disbursements. He shall make monthly reports as required by the PICPA Treasurer.
30 He shall be responsible for the maintenance of proper books of accounts covering the financial
31 transactions of the Regional Council.

32
33 The Regional Secretary shall perform those duties delegated by the Regional Council
34 Chairman. He shall be responsible for the recording of the minutes of the meetings of the

1 Regional Council, notification of meetings to members of the Region/Sector and all duties
2 normally required of a Secretary. He shall prepare and submit monthly to the National Office a
3 membership report and other reports which may be required by the National Office from time to
4 time.

5
6 **SECTION 4. COUNCIL MEETINGS.** The Regional Council shall meet once a month
7 on such date and place as their Chairmen may determine. No prior notice shall be required for
8 the monthly meetings if held on the standard date, time and place previously determined by the
9 respective Councils. However, no subject matter requiring approval by at least the majority of
10 the Council Members constituting a quorum shall be acted upon unless notice thereof is given to
11 the Council Members at least one (1) week before the day of the meeting.

12
13 **SECTION 5. SPECIAL MEETINGS.** The Regional Council may call special regional
14 meetings from time to time on matters and problems of regional/sectoral concern.

15
16 **SECTION 6. REGIONAL SECTORAL REPRESENTATIVES** Each Region shall
17 elect, on a regional basis, four (4) Regional Sectoral Representatives, representing each of the
18 four sectors, from among members of the region representing the particular sector, who shall
19 serve for a term of one (1) year. The duly elected Regional Sectoral Representatives shall form
20 part of the Geographical Area Office and Regional Council.

21
22 In the event of a vacancy by the Regional Sectoral Representative for whatever reason,
23 the vacancy shall be filled by the Geographical Council, from the same region and sector vacated
24 by the Regional Sectoral Representative.

25
26 **SECTION 7. RULES GOVERNING OPERATION OF REGIONAL COUNCIL.**
27 The National Board of Directors shall have authority to promulgate rules, regulations and
28 guidelines governing the operation of Regional Councils. Such rules, regulations and guidelines
29 shall apply uniformly to all Regional Councils.

30
31
32 **ARTICLE XI**
33

1 **CHAPTERS AND AFFILIATES**

2
3 **SECTION 1. ORGANIZATION AND COMPOSITION.** One (1) chapter may be
4 organized in every province and in every city except in Metro Manila which shall be organized
5 into four (4) chapters, as provided in Article IV, Section 3.
6

7 **SECTION 2. FORMATION OF CHAPTERS AND AFFILIATE UNITS.** In every
8 province or city where there is no PICPA Chapter, a group of PICPA members may get together
9 and organize a chapter. Filipino CPAs residing in other countries may also group themselves
10 together and organize an affiliate unit. No chapter/affiliate unit shall be considered validly
11 organized unless the National Board of Directors issues a Chapter/Affiliate Unit Certificate of
12 Organization. The National Board of Directors shall prescribe the procedures, forms, documents
13 and other requirements governing the formation of chapters. No chapter shall be organized as a
14 separate corporation, but shall form part of the overall corporate PICPA organization.
15

16 **SECTION 3. ADMINISTRATION OF CHAPTERS.** The administration of each
17 provincial/city chapter shall be vested in a Chapter Board consisting of eight (8) to sixteen (16)
18 elected members, depending on the chapter membership. The chapter shall likewise provide equal
19 representation to the various sectors contained in the Chapter in order to provide equal
20 representation to all sectors.
21

22 The officers of a chapter which are to be elected by the members of the Chapter Board
23 shall consist of the following: a President, one (1) or two (2) Vice President, Secretary,
24 Treasurer, and a Sectoral Director for each of the four sectors who shall serve for a term of one
25 year and until their successors are duly elected and qualified.
26

27 **SECTION 4. PRESIDENT.** The Chapter President shall be the Chairman of the
28 Chapter Board and the Chief Executive Officer of the Chapter and shall exercise general
29 supervision over the affairs thereof. He/she shall see to it that the By-laws as well as resolutions,
30 directives and policies issued in pursuance thereof by the National Board of Directors, officers
31 and committees acting within their respective legal authorities are complied with. He/she shall
32 preside at all meetings of the Chapter as well as of the officers thereof. He/she shall represent
33 his/her Chapter on all occasions and in all matters where it should be represented.
34

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

3
4 No member of the Chapter shall be elected President-elect until he/she has previously
5 served as a chapter officer in the particular chapter.

6
7 **SECTION 5. VICE PRESIDENT.** The Chapter Vice President shall perform such
8 functions as maybe delegated to him by the Chapter President. In the event of death, resignation,
9 incapacity or permanent absence of the President, the Vice President, shall act as President for the
10 remaining unexpired term of the President.

11
12 If a Chapter has two (2) Vice-Presidents, the chapter rules shall indicate the order of
13 priority in assuming the office of the Chapter President in case of the latter's death, resignation,
14 incapacity or permanent absence.

15
16 **SECTION 6. SECRETARY.** The Chapter Secretary shall keep the minutes of all
17 meetings of the chapter and the officers thereof. He shall be responsible for giving all notices
18 required to be given for meetings as well as for all other matters concerning the chapter. He shall
19 prepare and submit monthly to the National Office the minutes of all meetings and each other
20 reports as maybe required by the National Office from time to time, he shall perform such duties
21 as maybe assigned to him by the Chapter President.

22
23 **SECTION 7. TREASURER.** The Chapter Treasurer shall collect all fees, dues or
24 contributions from the chapter members as are required by these By-laws and as may be
25 authorized by the National Board of Directors and/or the chapter members. He/she shall serve as
26 the representative of the PICPA Treasurer in receiving any and all accounts receivable and dues
27 to PICPA from whatever source that maybe received through the chapter. He/she shall remit to
28 the PICPA Treasurer, the share of the National Office, the Geographical Area Office and
29 Regional Councils in membership dues as well as all monies and other properties properly
30 belonging to the National Office, the Geographical Area Office and Regional Councils. He/she
31 shall take charge of the funds, properties and accounts of the chapter. He/she shall keep all
32 unremitted funds of the National Office separately from the funds pertaining to the chapter and
33 shall have no authority to disburse National Office and/or Geographical Area/ Regional funds,
34 except to remit them to the PICPA Treasurer. He/she shall render monthly reports to the chapter

1 members and to the PICPA Treasurer regarding the receipt and disbursement of funds and their
2 amounts under his/her responsibility.

3
4 **SECTION 8. SECTORAL DIRECTORS FOR EACH CHAPTER.** The Sectoral
5 Directors for each chapter shall be responsible for ascertaining the needs and requirements of the
6 particular sector in the Chapter. The Sectoral Directors shall report to the Chapter President
7 regarding matters affecting the particular sector in the Chapter. The Sectoral Directors shall work
8 with the particular Regional Sectoral Representative for the particular sector in order to service
9 the needs of the sector in the Chapter, Region and Geographic Area.

10
11 **SECTION 9. MEETINGS.** The Chapter Board shall hold meetings at least once a
12 month while the Chapter members shall hold meetings in such frequency as the membership
13 decide but there must be one Chapter meeting every calendar quarter. During the meeting at such
14 time and date in such place as may be agreed upon by its members, chapter activities shall be
15 discussed and the Chapter Treasurer shall render a report on the financial affairs of the Chapter.
16 No prior notice shall be required for the meeting if held on a standard date, time and place
17 previously agreed upon by the members. No subject matter requiring a quorum shall be acted
18 upon unless notice thereof is given to the members at least fifteen (15) days before the day of
19 meeting. Two (2) or more Chapters may agree to hold joint meetings regularly or on a case to
20 case basis.

21
22 In accordance with the Chapter Rules to be promulgated pursuant to Section 9
23 hereunder, a member shall attend a minimum number of regular and special meetings of the
24 Chapter to which he belongs. Participation in any activity organized or sponsored by the
25 Chapter, Geographical Area Office, and Regional Council shall be considered the equivalent to
26 attendance in a chapter meeting for purposes of this Section.

27
28 **SECTION 10. CHAPTER RULES.** The National Board of Directors shall prescribe
29 uniform “Rules Governing the Administration and Operation of Chapters” which shall not be
30 inconsistent with the Articles of Incorporation and By-Laws of PICPA. Exceptions or
31 modifications of the Rules for specific chapter shall not be allowed unless otherwise specifically
32 granted in writing by the National Board of Directors for reason that it may deem meritorious.

33

1 Three (3) members for a term of three (3) years;
2 Three (3) members for a term of two (2) years; and
3 Three (3) members for a term of one (1) year.

4

5 No member of the National COMELEC shall be a candidate for any elective position in
6 PICPA during his term of office.

7

8 **SECTION 3. ELECTION RULES.** The National COMELEC shall formulate such
9 pertinent rules and regulations which shall govern all PICPA elections including but not limited
10 to those for Chapter Officers, **Regional Sectoral Representatives**, and the National Board of
11 Directors. The election rules and regulations shall be approved by the National Board of
12 Directors consistent with the existing rules and regulations of the Professional Regulation
13 Commission.

14

15 **SECTION 4. CHAPTER OFFICERS.** All chapter members shall elect their officers
16 **on May 16 of every year. If May 16 falls on a Sunday or a legal holiday, the election shall be held**
17 **on the next business day.** The procedures governing the chapter elections shall be prescribed by
18 the National Board of Directors. All questions and conflicts regarding the manner of holding
19 chapter election as well as the results thereof shall be decided by the National COMELEC. No
20 person shall be elected to the same position for more than two (2) consecutive years.

21

22 **SECTION 5. NATIONAL DIRECTORS.** The directors from each region shall be
23 elected by members belonging to such region **and of the particular sector requiring representation.**

24

25 **SECTION 6. REGIONAL SECTORAL REPRESENTATIVES.** Each regional
26 sectoral representative shall be elected by members belonging to such region and sector and shall
27 serve for a term of one (1) year.

28

29 **SECTION 7. SIMULTANEOUS ELECTIONS FOR NATIONAL DIRECTORS,**
30 **REGIONAL SECTORAL REPRESENTATIVES, AND CHAPTER OFFICERS** The
31 elections for **national directors and regional sectoral representatives and chapter officers** shall be
32 conducted following uniform rules prescribed by the National COMELEC, simultaneously and
33 nationwide in scope **which shall be held on May 16 of every year. If May 16 falls on a Sunday or**
34 **legal holiday, the election shall be conducted on the next business day.**

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SECTION 8. NOMINATING COMMITTEE. For purposes of selecting the candidates for the National Board of Directors, a Nominating Committee shall be created with five (5) members composed of the incumbent President and the four (4) Immediate Past Presidents provided they are not running for national elections. Provided further, that if any of them is not available, the National Board of Directors shall appoint replacements from among the other Past Presidents giving due consideration to the committee’s sectoral balance.

SECTION 9. NOMINATING PROCEDURE. Each chapter shall be entitled to send to their Regional Council two (2) nominees for each directorial seat in the region and sector which may be up for election at any given year. From among the nominees submitted by the various chapters in its region, each Regional Council shall be entitled to submit four (4) nominees for each directorial seat to the Nominating Committee which shall choose preferably two (2) candidates for each directorial seat allocated to the particular region.

Each chapter shall be entitled to send to the Regional Council one (1) nominee for each regional sectoral representative seat, on a per sector basis. From among the nominees submitted by the various chapters in its region, each Regional Council shall be entitled to submit four (4) nominees for each regional sectoral representative seat to the Nominating Committee which shall choose preferably two (2) candidates for the Regional Sectoral Representative seat.

A PICPA member already listed as nominee for National Director cannot be chosen as candidate for a Regional Sectoral Representative, and similarly, a listed nominee for a Regional Sectoral Representative cannot be selected as candidate for National Director.

A PICPA member running for a seat as a National Director or as a Regional Sectoral Representative shall be required to be a member of the particular region and sector at least three (3) years immediately prior to the election. Transferees from one region to another and/or from one sector to another sector for the purpose of qualifying for the scheduled election shall be barred from running for the said position.

SECTION 10. QUALIFICATIONS. In choosing the nominees for a National Director as referred to in Section 9, all the nominees must be:

- 1 1. Filipino citizen
- 2 2. Of good moral character
- 3 3. A member in good standing
- 4 4. A holder of a valid CPA license
- 5 5. A resident of the region and member of the sector he/she represents for at least
- 6 three (3) years immediately preceding the election
- 7 6. At least thirty five (35) years old at the time of the filing of his/her certificate of
- 8 candidacy
- 9 7. Full term chapter president for at least one (1) year preceding his/her nomination
- 10 or has served as a full term regional sectoral representative for at least one (1)
- 11 term

12
13 In choosing the nominees for Regional Sectoral Representatives as referred to in Section
14 6 and 9, all the nominees must be:

- 15
- 16 1. Filipino citizen
- 17 2. Of good moral character
- 18 3. A member in good standing
- 19 4. A holder of a valid CPA license
- 20 5. A resident of the region and member of the sector he/she represents for at least
- 21 three (3) years immediately preceding the election
- 22 6. At least thirty five (35) years old at the time of the filing of his/her certificate of
- 23 candidacy
- 24 7. Has served as a chapter sectoral director for the particular sector for at least one
- 25 (1) year or a full term chapter president
- 26

27 **SECTION 11. LIST OF NOMINEES.** The list of nominees finally selected as
28 candidates for election to the National Board of Directors and Regional Sectoral Representatives
29 shall be submitted by the Nominating Committee to the National COMELEC not later than
30 March 15 of each year or on the following business day if this date falls on a Sunday or a
31 holiday, provided that, if the Nominating Committee cannot submit the list on the date specified,
32 the National COMELEC shall on the following business day inform the President who will then
33 convene not later than seven (7) days thereafter the members of the National Board of Directors
34 or the Executive Committee as delegated by the board, whichever is practicable, to prepare and

1 submit to the National COMELEC the list of nominees for **National Directors** and nominees for
2 **Regional Sectoral Representative** which list must consist of at least two (2) candidates for each
3 directorial slot and for each **Regional Sectoral Representative** seat up for election, not later than
4 April 1. All nominees shall be required to submit a certificate of candidacy to the National
5 COMELEC for the position they are running for not later than **April 1** as stated earlier.

6
7 The final list of qualified candidates together with the proxy ballots and election proxy
8 shall be circulated to all members in good standing by the National COMELEC not later than
9 **forty-five (45) days prior to the scheduled elections.**

10
11 A member who is a member of more than one (1) region or sector or transfers to another
12 region or sector **less than three (3) years** before the election shall not be eligible to become a
13 nominee for that region or regional sectoral representative seat. Likewise, an elected member for
14 a region and sector who transfers to another region or sector after the election or resigns for
15 whatever reason from his/her elected position thereby abandoning the constituency to which
16 he/she was elected shall be disqualified.

17
18 Failure of a nominee to submit the **Comelec**-prescribed certificate of candidacy on the
19 deadline set by the National COMELEC and/or failure to complete the information including the
20 affixing of his signature on the said certificate of candidacy disqualifies a nominee/candidate.

21
22 **SECTION 12. DISQUALIFICATION.** Any Certified Public Accountant **(in**
23 **government service)** shall be eligible to be a candidate for any position in the Institute but shall be
24 disqualified from being declared elected or from assuming such position if so declared elected in
25 the event that the office he is connected with influenced such election directly or indirectly as
26 shall be determined by the National COMELEC constituted to conduct such election, whose
27 decision shall be final.

28
29 **SECTION 13. MANNER OF VOTING.** Voting for the election of directors shall be
30 by ballots personally cast or by proxy in the designated venue and date set by the National
31 COMELEC using its official pre-numbered ballots.

1 **ARTICLE XIII**

2
3 **MEETING OF PICPA MEMBERS**

4
5 **SECTION 1. ANNUAL MEETING OF PICPA MEMBERS.** There shall be an
6 annual general meeting of all members of PICPA during which the President shall render his
7 annual report and the Treasurer, his financial report to the members. The annual general meeting
8 shall be held during the **Friday of the third (3) week of the month of July.**

9
10 **SECTION 2. SPECIAL MEETING.** Special Meeting of the members of PICPA may
11 be held at any time (a) upon call of the President, or (b) pursuant to a resolution of the National
12 Board of Directors, or (c) upon the written request of not less than four hundred (400) members in
13 good standing.

14
15 **SECTION 3. NOTICE.** Not later than 15 days prior to the Annual or Special Meeting,
16 written notice thereof shall be published for two (2) consecutive days in a newspaper of general
17 circulation, in the PICPA Accounting Times and/or any of its publications for the information of
18 all concerned.

19
20 **SECTION 4. QUORUM.** The physical presence of four hundred (400) members in
21 good standing shall constitute a quorum for purposes of a regular or special meeting.

22
23 **SECTION 5. VOTE.** At each meeting of the members, every member in good standing
24 shall be entitled to vote in person or by proxy. Voting on any question shall be by viva voce
25 unless otherwise declared by the majority of the members present during the meeting.

26
27 **SECTION 6. ORDER OF BUSINESS.** The order of business of the annual meeting of
28 the members, and in so far as practicable at all meetings thereof shall be as follows:

- 29
30 **a. Call to Order**
31 **b. Proof of Sending or Publication of Notice of Meeting;**
32 **c. Certification as to Presence of Quorum;**
33 **d. Reading and Approval of Minutes of Previous Meeting;**
34 **e. Business Arising from the Minutes;**

1 f. Report of the President:

2 g. Report of the Treasurer:

3 h. New Business; and

4 i. Adjournment

5
6
7 **ARTICLE XIV**

8
9 **NATIONAL COMMITTEES**

10
11 **SECTION 1. NATIONAL COMMITTEES.** The National Board of Directors shall be
12 empowered to create as many National Committees as may be necessary, the functions of which
13 shall be defined upon their creation, including their requisite jurisdiction and/or affiliation.

14
15 **SECTION 2. COMMITTEE COMPOSITION.** A committee shall be composed of
16 not less than five (5) nor more than fifteen (15) members according to its functions. It shall have
17 a Chairman, a Vice Chairman and a Secretary. A Sub-committee may be formed within a
18 committee to handle special assignments.

19
20 **SECTION 3. APPOINTMENT OF COMMITTEE CHAIRMEN AND MEMBERS.**
21 Committee Chairman shall be appointed by the President and confirmed by the National Board of
22 Directors.

23
24 Within fifteen (15) days after he shall have been appointed, the Committee Chairman
25 shall recommend to the President the members to constitute his committee, and the President
26 shall appoint such members as may have been recommended unless, in his judgment, there are
27 valid reasons to overrule the Committee Chairman's recommendation.

28
29 No member of the National Board of Directors shall be appointed Chairman or member
30 of any standing committee. They may however, be appointed Chairman or member of any
31 special committee.

32

1 **SECTION 1. FISCAL YEAR.** The fiscal year of the Philippine Institute of Certified
2 Public Accountants shall begin with the first day of July and shall end with the last day of June
3 of the following fiscal year.

4
5 **SECTION 2. INITIAL MEMBERSHIP FEE.** Members shall pay an initial
6 membership fee at an amount which shall be determined by the National Board of Directors. No
7 application shall be considered unless it is accompanied by the required initial membership fee.

8
9 **SECTION 3. DUES AND OTHER ACCOUNTS.** Members shall continue to pay their
10 annual membership dues amounting to One Thousand Pesos (P 1,000.00) , until a new rate is
11 determined and fixed by the National Board of Directors with the approval of the Professional
12 Regulation Commission. However, any duly approved change in the rate of the annual
13 membership dues shall not become effective until the next succeeding year and only after due
14 notice shall have been given to the membership.

15 Membership dues, after deducting Fifteen Pesos (P15.00) from each member's
16 contribution, which shall be exclusively used for death benefits and socio-civic activities, shall be
17 apportioned as follows:

- 18 a) Thirty five percent (35%) for the Chapter;
19 b) Ten percent (10%) for the Geographical Area Office;
20 c) Ten percent (10%) for the Regional Council; and
21 d) Forty Five percent (45%) for the National Office;

22
23 The dues shall be payable annually on or before September 30, provided however, that a
24 member joining during the year shall pay the amount corresponding to the full year's dues.

25
26 Affiliate Units and its members from other countries shall pay an annual
27 affiliation/members dues at an amount to be determined by the National Board of Directors.

28
29 Guidelines for admission of affiliate units and annual dues of its members shall be
30 determined and prescribed by the National Board of Directors.

31

1 chairpersons and members may be entitled to reimbursement of reasonable expense, as
2 determined by the board and incurred in the discharge of their function.

3
4 **SECTION 4. GRIEVANCE PROCEDURE.** The National Board of Directors shall
5 create and adopt policies governing grievances and their settlement procedures for the
6 enforcement and maintenance of discipline among its members, which shall be contained in a
7 Grievance Procedures Manual. No action involving the suspension or loss of membership or the
8 removal of his name from the Registry of Certified Public Accountants shall be effective without
9 the final approval of the Professional Regulation Commission.

10
11
12 **ARTICLE XVII**

13
14 **RULES OF ORDER**

15
16 **SECTION 1. RULES OF ORDER.** The rules of parliamentary procedure contained in
17 “Robert’s Rules of Order” shall govern all meetings of members of the National Organization.
18 National Board of Directors, Geographical Area Offices, Regional Councils, Members of
19 Chapters, Chapter Boards, or Committee.

20
21
22 **ARTICLE XVIII**

23
24 **RULES OF PROFESSIONAL CONDUCT**

25
26 To strengthen the foundation of the accountancy profession in the Philippines, there must
27 be unity of purpose and a clear concept of the obligations of all Certified Public Accountants to
28 other profession, their clients or employer, to their colleagues in the profession, and to the public.
29 These obligations include the maintenance of high standards to technical competence, morality
30 and integrity. For this purpose, the Code of Ethics for Professional Accountants in the
31 Philippines as promulgated by the Board of Accountancy on January 1, 2004 is hereby made part
32 of this By-laws to which all members of PICPA must adhere.

1 **ARTICLE XIX**

2
3 **ETHICS BOARD**

4
5 **SECTION 1. THE BOARD AND TERM OF MEMBERS.** The Ethics Board shall be
6 composed of a Chairman and eight (8) members, each of whom shall be appointed by the
7 National Board of Directors of PICPA upon the recommendation of the President for a term of
8 three (3) years provided that the Chairman and the members who shall be appointed to compose
9 the Board for the first time shall serve as follows:

10
11 The Chairman and two (2) members for a term of three (3) years;

12 Three (3) members for a term of two (2) years; and

13 Three (3) members for a term of one (1) year;

14
15 Provided that at least one-third (1/3) of the total membership of the Ethics Board shall be from
16 CPAs who are likewise duly licensed lawyers who are members of the Integrated Bar of the
17 Philippines.

18
19 The term of office of the Chairman and members of the Board shall commence on the
20 first day of July. Interim appointment to fill vacancies in the members of the Board by reason of
21 death, removal, incapacity or for any other cause shall be made only for the unexpired term of the
22 member replaced, provided that at no time there shall be more than one (1) member who is
23 connected with same accounting firm or office.

24
25 The Ethics Board may, upon the approval of two-thirds (2/3) of its total membership,
26 submit a request for the increase of its membership from nine (9) to fifteen (15) to the National
27 Board which shall decide on the same. Upon the approval by the National Board of the request
28 for increase of membership of the Ethics Board from nine (9) to fifteen (15), the National Board
29 shall immediately fill the said increase by the appointment of qualified members, pursuant the
30 provisions of this Article. The provision of this article shall be made to apply to the increased
31 number of members of the Ethics Board, except that a division shall still be composed of three
32 members, thereby increasing the number of divisions from three (3) to five (5). The application of
33 this Section to the increase of membership by the Ethics Board shall not be subject to reduction
34 by either the Ethics Board or National Board.

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SECTION 2. QUALIFICATIONS OF MEMBERS. The members of the Board shall

have the following qualifications:

- a) a member in good standing for at least five (5) years counted up to July of the year of the members;
- b) a holder of the CPA Certificate for a continuous period of at least ten (10) years counted up to July of the year of the members;
- c) A member of the Ethics Board who is a CPA-Lawyer shall also be required to have practiced law for at least ten (10) years counted up to July of the year of the members appointment;

Provided that the Board shall be composed at any time of at least five (5) members including the Chairman who are, or who have been in the practice of public accounting for at least ten (10) years.

SECTION 3. QUORUM; TEMPORARY VACANCY.

- A) The Board may sit en banc or divisions of three (3) members each.
- B) A majority of members of the Board, inclusive of a CPA-Lawyer, sitting en banc constitute a quorum and the concurrence of at least a majority of the members of the Board shall be necessary to render any decision except as provided in Section 4 hereof.
- C) Any two (2) members of the Board, inclusive of a CPA-Lawyer, sitting in a Division shall constitute a quorum and the concurrence of two (2) members shall be necessary to render any decision.
- D) Each division shall have at least one (1) member who is or who had been in public practice as provided in Section 2 hereof. It shall include a CPA-Lawyer as provided in Sec. 2.C of this Article.

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2 In case of extreme necessity a temporary vacancy by reason of illness or other causes,
3 may be filled by PICPA's Board upon the recommendation of the President for the duration of the
4 illness or other cause or upon the termination of the necessity for such replacement whichever
5 comes first, subject to the provisions of Sections 1,2 and 3 hereof.
6

7 **SECTION 4. DISQUALIFICATIONS.** No member of the Board shall be qualified to
8 take part in any case before the Board in which he or she:
9

10 a) Is directly or indirectly connected or involved; or
11

12 b) Is a relative by consanguinity or affinity, within the fourth civil degree, to any of
13 the parties to the case; or
14

15 c) Is or might be interested in the result of the case.
16

17 Any question involving the disqualification of a member shall be resolved by a majority
18 vote of the members present except the member/s concerned. For the purpose of this section, a
19 majority of the members of the Board, excluding the member/s whose disqualification is in
20 question, shall constitute a quorum, without prejudice to the relevant provisions of Sector 3 of
21 this Article.
22

23 **SECTION 5. PROHIBITION.** No member of the Ethics Board shall serve as Director
24 and/or Committee Chairman of any of PICPA's standing and special committees without
25 forfeiting his membership in the Ethics Board, provided, however, that the acceptance of his
26 nomination to be a candidate for membership in the Board of PICPA by the Nominating
27 Committee shall be deemed to be an automatic forfeiture of his membership in the Ethics Board.
28

29 **SECTION 6. JURISDICTION.** The Board shall take cognizance of and hear and
30 decide cases:
31

32 a) involving violations of any provisions of the PICPA Constitution and By-Laws;
33

1 b) involving violations of the Code of Ethics for Professional Accountants in the
2 Philippines

3
4 c) involving violations of any provision of the Rules of Professional Conduct of the
5 Board of Accountancy;

6
7 d) Involving any of the grounds provided by the Rules and Regulations of the Board
8 of Accountancy for proceeding against a Certified Public Accountant.

9
10 **SECTION 7. FINALITY OF DECISION.** The decision of the Board shall become
11 final thirty (30) days after receipt of the respondent of the copy of the decision unless within said
12 period he has filed a notice of appeal or he moved for a new hearing or has filed a motion for
13 reconsideration with the Board.

14
15 **SECTION 8. FORWARDING OF DECISION.** A copy of the decision of the Board
16 shall be forwarded to the Board of Accountancy.

17
18 **SECTION 9. PENALTIES.** The Board, after the hearing, may reprimand the member;
19 recommend the suspension of his membership for a period not exceeding five (5) years; or
20 recommend the revocation of his membership from PICPA if adjudged guilty of the offense
21 complained of. The suspension or revocation of membership shall not become final until after
22 approval by the Professional Regulation Commission, Board of Accountancy.

23
24 **SECTION 10. REINSTATEMENT.** A petition for reinstatement of an expelled
25 member may be entertained by the PICPA Board of Directors upon recommendation by the
26 Ethics Board, after the lapse of five (5) years and the PICPA Board, may in its discretion, restore
27 his membership; provided that the petitioner had, during the period when his certificate was
28 revoked, acted in an exemplary manner and has not committed any illegal, immoral or
29 dishonorable act.

30
31 **SECTION 11. PRESCRIPTION.** The Ethics Board shall have jurisdiction to hear and
32 decide cases within five (5) years from the date of their commission to the date of filing the
33 complaint.

1 Three (3) members for a term of one (1) year.

2

3 The term of office of the Chairman and members of the Board shall commence on the
4 first day of July. Interim appointment to fill vacancies in the members of the Board by reason of
5 death, removal, incapacity or for any other cause shall be made only for the unexpired term of the
6 member replaced, provided that at no time there shall be more than one (1) member who is
7 connected with same accounting firm/company or office/government agency.

8

9 **SECTION 2. QUALIFICATIONS OF MEMBERS.** The members of the Board shall
10 be composed at any time of at least five (5) members including the Chairman who had been a
11 Past National President; preferably from the most recent, and four others selected from the
12 nominees from the geographical areas, who are being prepared and presently qualified to seek
13 National leadership in the future.

14

15 **SECTION 3. FUNCTIONS.** The Long Range Planning Board shall develop long
16 range plans for the Institute applicable for the next five years, subject to yearly review to consider
17 current developments in the profession and those decided upon during annual national
18 convention. The Plan is for approval by the National Board yearly during the Board's first regular
19 meeting. Once approved, the Long Range Plan shall serve as an official document of the Institute,
20 as basis for its policies and activities. The Long Range Planning Board may circulate the
21 approved Plan as necessary to the general membership.

22

23 **SECTION 4. APPROPRIATION.** The operational expenses of the Board shall be
24 taken from a revolving fund which shall be appropriated by the National Board of Directors from
25 time to time out of the General Funds of the National Organization. The Long Range Planning
26 Board shall submit for approval its annual budget, to the National Board at the beginning of the
27 fiscal year.

28

29 **SECTION 5. CHAPTER LONG RANGE PLANNING BOARD.** The Chapter shall
30 create its own Chapter Long Range Planning Board or equivalent and shall operate, in
31 coordination with the National Long Range Planning Board, in the same manner as in the
32 provisions of this Article.

33

34

1 **ARTICLE XXI**

2
3 **CONTINUING PROFESSIONAL EDUCATION (CPE) COUNCIL**

4
5 **SECTION 1. THE COUNCIL AND TERM OF MEMBERS.** The CPE Council shall
6 be composed of a Chairman, a Vice Chairman and eight (8) members, each of whom shall be
7 appointed by the National Board of Directors of PICPA upon the recommendation of the
8 President for a term of three (3) years, provided that the Chairman and the members who shall be
9 appointed to compose the Council for the first time shall serve as follows:

10
11 Chairman and Vice Chairman and two (2) members for a term of three (3) years;

12 Three (3) members for a term of two (2) years; and

13 Three (3) members for a term of one (1) year.

14
15 The term of office of the Council shall commence on the first day of July. Interim
16 appointment to fill vacancies in the members of the Council by reason of death, removal,
17 incapacity or for any other cause shall be made only for the unexpired term of the member
18 replaced, provided that at no time there shall be more than one (1) member who is connected with
19 same accounting firm/company or office/government agency.

20
21 **SECTION 2. QUALIFICATIONS OF MEMBERS.** The members of the Council
22 shall be composed of three members each from the Education and Public Practice Sectors and
23 two members each from Government and Commerce and Industry Sectors.

24
25 **SECTION 3. FUNCTIONS.** The CPE Council is hereby created to implement the
26 CPE Program as required in the Philippine Accountancy Act of 2004 or under any other law that
27 may be passed, covering the practice of the profession of accountancy, and in support of the CPE
28 Council of the Professional Regulation Commission. The functions are as follows:

- 29
30 a. In support of the PRC CPE Council, the functions are as follows: the Council shall
31 accept and process applications for accreditation of CPE providers, CPE Programs,
32 activities or sources as to their relevance to the profession as well as the appropriate
33 CPE credit units to be earned and shall process applications for CPE exemptions. The
34 Council shall devise the appropriate systems and procedures necessary to implement

1 the accreditation system and the effective monitoring of CPE compliance. The
2 Council is authorized to issue the necessary certification of credit unit hours earned
3 by the members, upon request and upon payment of the required certification fee.
4 The Council shall perform such other duties as may be necessary or as may be
5 required by the PRC CPE Council.

6
7 b. The Council shall undertake all the necessary steps to ensure that programs are in
8 place for the continuous education of a registered professional brought about by
9 modernization, scientific and technological advances; to raise and maintain the
10 professional's capability in delivering professional services; to instill and maintain
11 the highest technical and ethical standards of the practice of the profession and to
12 make the Filipino professional globally competitive.

13
14 c. The Council shall issue the CPE Primer that shall contain all the information, rules,
15 regulations and policies with respect to CPE and its implementation. This Primer
16 shall be reviewed and modified yearly as necessary to include new pronouncements,
17 policies and procedures.

18
19 d. The Council shall promote the CPE Program nationwide and shall devise a
20 communication system through which all CPE queries and issues are addressed.

21
22 **SECTION 4. FUNDING OF THE CPE OPERATION.** The Council income shall be
23 coming from fees shared with the PRC on CPE Provider's accreditation processing, and from
24 certification fees and sale of Primer. The Council shall appropriate disbursements for its capital
25 expenditures and shall provide for its operating expenses in an amount not exceeding 20% of its
26 total revenues. The Council shall submit the Council's annual financial report for approval by the
27 Board before the end of the fiscal year. The Council's annual budget for the next year shall be
28 submitted for approval by the Board at the beginning of the year.

29
30 **SECTION 5. CHAPTER CPE COMMITTEE.** The chapter shall create a CPE
31 Committee which shall operate in coordination with the National CPE Council.

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ARTICLE XXII

AMENDMENTS

SECTION 1. AMENDMENTS. These By-Laws may be amended or repealed in whole or in part by the affirmative vote of the majority of the members in good standing at any regular meeting of the members or in any special meeting duly called for that purpose. To attain the required number of votes, proxy voting is allowed. The power to repeal or amend these By-Laws may be delegated to the National Board of Directors in the manner provided by the Corporation Law.

Proposals and recommendation for amendments may be submitted by a Geographical Area Office, Regional Council, or any Chapter of PICPA to the National Board of Directors who shall have the power to propose said amendments to the general membership.

ARTICLE XXIII

TRANSITORY PROVISIONS

SECTION 1. EFFECTIVITY DATE OF NEW AND AMENDED BY-LAWS. The provisions of these Amended By-Laws shall be effective starting January 1, 2006 and the elections scheduled on September 30, 2005 shall not be conducted and moved to May 16, 2006 implementing the new requirements provided under this by-laws, including the Regional Sectoral Representatives.

SECTION 2. TRANSITION NATIONAL DIRECTORS FOR 2006, 2007 and 2008.
The incumbent Board of Directors for the year 2005 shall continue to serve until June 30, 2006. In the first election of National Directors for the fiscal year 2006-2007, the National Directors serving their second term shall be categorized on the basis of the sectoral and regional representation. Only such vacancies based on the sectoral and regional representation shall be

1 electd for the year 2006-2007. It shall also require the election of two new directors from Luzon
2 representing the public practice and education sectors, with a provision that the two former
3 directors who gave way for the election of the new directors in Northern Luzon shall be deemed
4 to have served their full two-year term as directors of the National Office. For the year 2007-
5 2008, vacancies made by the second term directors serving until 2006-2007 shall be elected with
6 the exception of Metro Manila-Commerce and Industry Sector, who shall serve only for one year
7 on 2007-2008. Thereafter, an annual election shall be held to fill the vacancies in the National
8 Board of Directors.

9
10 **SECTION 3. TRANSITION PERIOD FOR THE ROTATION OF THE**
11 **PRESIDENCY.** During the three years of transition from the years 2006-2007 to 2008-2009, the
12 rotation for the office of the Presidency of PICPA shall only be based on the regional rotation
13 without regard for the sectoral rotation. On the year 2009-2010, the schedule for the rotation of
14 the Presidency shall follow the provision provided for under Article VIII Section 3.

15
16 **SECTION 4. CHANGE FROM CALENDER YEAR TO FISCAL YEAR BASIS.**
17 The change from calendar year to fiscal year starting July 1 and ending on June 30 shall
18 commence on July 1, 2006, such that all incumbent national directors , regional officers ,
19 committee members, and chapter officers serving for the calendar year 2005 shall extend their
20 term until June 30, 2006. The elections for officers for the year 2006 scheduled for September
21 2005 shall be held on the 16th day of May, 2006, and the succeeding elections shall be held on
22 the scheduled date under these by-laws every year thereafter. The Institute shall likewise prepare
23 consolidated financial statements for the six-months ending June 30, 2006. The succeeding years
24 beginning July 1, 2006 will now be renamed fiscal year 2006-2007, and so on and so forth.

25
26 **SECTION 5. ETHICS BOARD .** The membership of the current Ethics Board shall
27 continue under the revised fiscal period such that appointments which will expire on December
28 2005 shall be extended to June 30, 2006 and shall apply to all members of the Ethics Board
29 until all future appointments are made during the start of the revised fiscal year.

30
31 **SECTION 6. CPE COUNCIL.** All appointments to the 2005 CPE Council shall
32 automatically expire on June 30, 2006. The Board of Directors for fiscal year 2006-2007 shall
33 immediately appoint, during their first board meeting, the new members of the CPE Council to
34 serve effective July 1, 2006.

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SECTION 7. LONG-RANGE PLANNING BOARD. The Long-Range Planning Board shall be immediately elected by the National Board of Directors for the year 2006-2007 during their first board meeting.

SECTION 8. TRANSITORY POWERS AND DUTIES. The National Board of Directors shall have such powers and authority as may be necessary to expedite the transition from the previous By-laws to these new and amended By-laws and for this purpose, it may issue rules, directives and orders, create committees, appoint officials and employees and engage outside professional assistance. It shall also have the power to make such further modifications and amendments to these By-laws as are necessary but only for the purpose of complying with the requirements of duly constituted legal authorities. These transitory powers and duties, as well as the appointments of committees, officers and employees, pursuant to this article shall continue to be valid until new members of the National Board of Directors shall have been duly elected and qualified to assume their positions.