



# **Organization Manual: Policies and Procedures**

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# Section I:

## Purpose

The AACE International Board of Directors has developed this Organization Manual for the purposes of defining administrative and organizational means and methods of transacting the governance requirements defined by the Association's Bylaws. In general, the manual outlines the requirements, designates the person(s) to discharge each requirement, and indicates timing when appropriate. It is the operational tool of AACE and as such must be reviewed and amended as required to maintain its effectiveness. All such amendments must be approved by the Board of Directors in accordance with the Bylaws.

## **AACE INTERNATIONAL MISSION AND VISION STATEMENTS**

### **Mission**

“AACE members drive projects to complete on time, on cost, and meet investment and operational goals. We arm our members with the technical tools and expertise to support successful projects and programs.”

Adopted September 30, 2017

### **Vision**

“To be the gathering place and source of thought leadership for professionals who drive successful project and program delivery.”

Adopted September 30, 2017

# **Section II:**

## **Membership**

## **MEMBER CLASSIFICATION**

### **Policy**

The two classes of membership are Regular and Student. Categories of membership may be established within each class by the Board of Directors. The schedule of annual dues is fixed by a simple majority vote of the Board of Directors. Changes in the annual dues schedules are effective at the beginning of the ensuing fiscal year (the calendar year). Membership may be individual or organizational consisting of the following:

#### **Class: Regular**

Category: Regular, Military, Corporate, Corporate Plus, Public, Retired, Honorary Life

#### **Class: Student**

### **Procedures**

All applications for membership shall be accompanied by remittance of annual dues and the appropriate application fee. Membership shall become effective upon the processing and posting by the Association of the full payment, including any required fee or fees. Members who fail to pay their dues by the expiration date of their current dues period will automatically be transferred to inactive status and lose all rights and privileges of membership. A member whose membership has lapsed because of non-payment of dues may be restored to membership by paying in full annual dues for the year in which the member requests reinstatement plus a reinstatement fee as established by the Board of Directors.

#### **Regular Member**

Individuals have the following privileges:

1. Holding office on the Board of Directors.
2. Petitioning for and voting on changes to the Bylaws.
3. Drawing up a nomination of a member to an office on the Board of Directors.
4. Voting for Officers and Directors.
5. Serving as Associate Board and/or Committee Chairs.
6. Organizing a local group of cost professionals with intent of applying for recognition as an AACE Section. Holding office on the local governing body in accordance with the provisions of the local Bylaws.

#### **Military Member**

Members who are actively serving in the military or who were honorably discharged within two years before application for membership are eligible for complimentary membership from the start date of the individual's membership until December 31st of the year the application is received. Continued membership will be renewed at the regular membership rate.

#### **Retired Member**

Members who are fully retired from the industry are eligible to receive dues at a reduced rate. To be eligible for Retired Member status, a member must be at least sixty-five (65) years of age and no longer

working in the industry either for a company or as an active individual consultant. Member must hold an AACE membership for at least one year immediately prior to applying for retired status.

**Honorary Life Member**

Shall not be subject to dues or assessments and shall enjoy all privileges accorded Regular Members.

**Student Member**

Shall enjoy all privileges accorded Regular Members except voting, holding elective office, nomination of members to an elective office, or petitioning for changes to the Bylaws.



## LIFETIME ACHIEVEMENT AWARD

### Policy

The Lifetime Achievement Award was founded by the Board of Directors in 2008. It is the highest award AACE bestows on an individual. It shall be awarded at the discretion of the Awards Committee, but not more frequently than once in each AACE program year.

The Lifetime Achievement Award is given to individuals who have served the Association on multiple occasions in a variety of capacities. Candidates shall have made significant and specific contributions to the growth and enhancement of the cost engineering professional and total cost management. In order of ranking, it is the highest award for an individual.

### Procedures

#### Minimum requirements:

- Membership in AACE International for twenty (20) years, preferably twenty-five (25) years;
  - previous service to AACE as a member of the Board of Directors or as an active member of one or more Associate Board;
  - previously been recognized having received two or more of the following: Award of Merit, Brian D. Dunfield Educational Service Award, Keane Award for Distinguished Service to an AACE Section, Honorary Life Membership, O.T. Zimmerman Founder's Award, or the TCM Excellence Award; and
  - must be a Fellow of AACE.
- 
- Nominations of candidates for consideration may be made by or through any member of the Awards Committee. All nominations must be accompanied by detailed evidence of the contribution by the nominee, together with suitable statements regarding the importance of the achievement and its timeliness.
  - Members of the sitting Awards Committee and sitting members of the Board of Directors are not eligible to receive any awards.
  - The recipient(s) must be a member of AACE International.
  - The recipient of the Lifetime Achievement Award will be selected by a majority vote of the members of the Awards Committee, based on evaluation of suitable nomination submissions and judgements of relative merit of the various nominated candidates.
  - Nominations of candidates shall be submitted no later than April 1 for current year consideration.
  - The recipient of the Award shall be notified of his/her selection and the appropriate details of the presentation no later than May 1.
  - The award will be presented to the recipient during the Conference & Expo.

## **HONORARY LIFE MEMBERSHIP**

### **Policy**

Honorary Life Membership is a major Association award and is to be conferred on an extremely limited basis. As such, there is no obligation to confer the award annually.

Honorary Life Membership may be awarded to qualified members upon unanimous approval of the Board of Directors based upon the recommendation from the Awards Committee and not more than once per year. The award is limited to one recipient per year.

In order of ranking, it is the second highest award for an individual: (1) Lifetime Achievement Award; (2) Honorary Life Membership.

### **Procedures**

#### **Minimum requirements:**

- Membership in AACE for twenty-five (25) or more consecutive years.
- Candidates shall have attained the status of Fellow of AACE.
- Candidates shall have distinguished service in two (2) or more of the following functions:
  - Served on the AACE International Board of Directors;
  - Served as a member of an Associate Board, task force, standing, and/or ad hoc committee;
  - Presented two (2) or more technical papers at the Conference & Expo, Section meetings, AACE seminars, or to other professional societies; or
  - Engaged as a full-or part-time instructor teaching in total cost management subject areas.
- The award shall consist of a suitably inscribed award and a lifetime waiver of Association annual dues and assessments, including registration fees for AACE sponsored events.
- Nominations of candidates for consideration may be made by or through any member of the Awards Committee. All nominations must be accompanied by detailed evidence of the contribution by the nominee, together with suitable statements regarding the importance of the achievement and its timeliness.
- The award will be presented to the recipient at a ceremony during the Association's annual Conference & Expo.

## **AWARD OF MERIT**

### **Policy**

To be considered for this award, candidates must receive a minimum of three independent nominations. Candidates who are members of AACE must have ten (10) years minimum active participation in AACE and non-members must have a minimum of ten (10) years active service within the cost engineering industry. All nominations must be submitted in writing and accompanied by detailed evidence of the contribution by the nominee(s), together with suitable statements regarding the timeliness and importance of the achievement.

Although significant contributions to the advancement of cost engineering and the precepts of total cost management are often the result of a joint effort by multiple individuals, not more than two (2) individuals may be recognized for a particularly significant joint contribution. If it is not possible to limit the awardees to two individuals, the award will not be made for the group effort.

In order of ranking, it is the third highest award for an individual: (1) Lifetime Achievement Award; (2) Honorary Life Membership; (3) Award of Merit.

### **Procedures**

- Nominations of candidates for consideration may be made by or through any member of the Awards Committee. All nominations must be accompanied by detailed evidence of the contribution by the nominee, together with suitable statements regarding the importance of the achievement and its timeliness.
- Nominations of candidates shall be submitted no later than April 1 for current year consideration.
- Based on evaluation of suitable nomination submissions and judgments of relative merit of the various nominated candidates, the Awards Committee will select the recipient of the Award of Merit by a majority vote of the members.
- Members of the sitting Awards Committee and sitting members of the Board of Directors are not eligible to receive any awards.
- The recipient(s) need not be a member of AACE International.
- An Award of Merit shall be awarded at the discretion of the Awards Committee but not more frequently than once in each AACE program year.
- The recipient of the Award shall be notified of his/her selection and the appropriate details of the presentation no later than May 1.
- The Award will be presented to the recipient during the Conference & Expo.

## O. T. ZIMMERMAN FOUNDER'S AWARD

### Introduction

This award was formerly known as the Award of Recognition. It was renamed in 1986 to honor the memory of O. T. Zimmerman, a founding member and honorary first president who was the spearhead in forming the Association in 1956. He devoted much time and effort to guiding the Association through its early years.

### Policy

The O.T. Zimmerman Founders' Award is given in recognition of significant continuous achievement and contributions by a member who has been instrumental in the development of policies, practices, procedures, and products directed to the advancement of the precepts of total cost management and AACE International. The activities of the candidate shall be in direct support of the Board of Directors, one of AACE's Associate Boards, or an executive level committee (such as the Governance Committee, Ethics Committee, Nominations Committee, etc), or other similar efforts supporting the overall functions and activities of AACE International.

In order of ranking, it is the fifth highest award for an individual: (1) Lifetime Achievement Award; (2) Honorary Life Membership; (3) Award of Merit; (4) Fellow(s); (5) O.T. Zimmerman Founder's Award.

### Procedures

- Candidates must be a member in good standing of AACE with a minimum of ten (10) years of continuous active participation in AACE activities.
- Nominations of candidates for consideration may be made by or through any member of the Awards Committee. All nominations must be accompanied by detailed evidence of the contribution by the nominee, together with suitable statements regarding the importance of the achievement and its timeliness.
- Members of the sitting Awards Committee and sitting members of the Board of Directors are not eligible to receive any awards.
- The recipient(s) must be a member of AACE International.
- It shall be awarded at the discretion of the Awards Committee but not more frequently than once in each AACE program year.
- The recipient of the O.T. Zimmerman Founder's Award will be selected by a majority vote of the members of the Awards Committee, based on evaluation of suitable nomination submissions and judgements of relative merit of the various nominated candidates.
- Nominations of candidates shall be submitted no later than April 1 for current year consideration.
- The recipient of the Award shall be notified of his/her selection and the appropriate details of the presentation no later than May 1.
- The award will be presented to the recipient during the Conference & Expo.

## TCM EXCELLENCE AWARD

### Introduction

In 1995, the AACE Board of Directors approved the establishment of the TCM Excellence Award. From 1999-2018, the Technical Board bestowed individuals with the “Technical Excellence Award”; from 2000-2018, the Technical Board bestowed individuals with the “Outstanding Technical Subcommittee Chair Award” and the “Outstanding SIG Chair Award.” In 2019, all four of these awards criteria were merged and defined under the TCM Excellence Award.

### Policy

The TCM Excellence Award is given to members in recognition of their contributions to AACE through a Technical Subcommittee or SIG, or by a member at large, who has been instrumental in the development of technical products such as Recommended Practices, Professional Practice Guides, Cost Engineers' Notebook, or other technical writings directed to the advancement of the precepts of total cost management.

In order of ranking, it is the sixth highest award for an individual: (1) Lifetime Achievement Award; (2) Honorary Life Membership; (3) Award of Merit; (4) Fellow(s); (5) O.T. Zimmerman Founder’s Award; (6) TCM Excellence Award.

### Procedures

- Nominations of candidates for consideration may be made by or through any member of the Awards Committee. All nominations must be accompanied by detailed evidence of the contribution by the nominee, together with suitable statements regarding the importance of the achievement and its timeliness.
- Members of the sitting Awards Committee and sitting members of the Board of Directors are not eligible to receive any awards.
- The recipient(s) must be a member of AACE International.
- It shall be awarded at the discretion of the Awards Committee but not more frequently than once in each AACE program year.
- The recipient of the TCM Excellence Award will be selected by a majority vote of the members of the Awards Committee, based on evaluation of suitable nomination submissions and judgements of relative merit of the various nominated candidates.
- Nominations of candidates shall be submitted no later than April 1 for current year consideration.
- The recipient of the Award shall be notified of his/her selection and the appropriate details of the presentation no later than May 1.
- The award will be presented to the recipient during the Conference & Expo.

## **BRIAN D. DUNFIELD EDUCATIONAL SERVICE AWARD**

### **Introduction**

From 1999-2018, this award was given under the sole discretion of the Education Board. In 2019, under the approval of the Board of Directors, this award was included in the awards determined by the Awards Committee.

The award was established and endowed in 1998 by Mr. Dunfield (1928 - 2008), a past AACE President and first chair of the AACE Education Board. Mr. Dunfield believed in the value of education to enrich cost engineering knowledge through both university programs and continuing education.

### **Policy**

The Brian D. Dunfield Educational Service Award is given in recognition of continuous and significant contributions through educational programs directed to the advancement of total cost management. Provided that funds remain available in the Dunfield Award Fund, the registration fee for the current year's Conference & Expo will be transferred from the award fund to the Conference & Expo registration for the recipient.

In order of ranking, it is the seventh highest award for an individual: (1) Lifetime Achievement Award; (2) Honorary Life Membership; (3) Award of Merit; (4) Fellow(s); (5) O.T. Zimmerman Founder's Award; (6) TCM Excellence Award; (7) Brian D. Dunfield Educational Service Award.

### **Procedures**

- Nominations of candidates for consideration may be made by or through any member of the Awards Committee. All nominations must be accompanied by detailed evidence of the contribution by the nominee, together with suitable statements regarding the importance of the achievement and its timeliness.
- Members of the sitting Awards Committee and sitting members of the Board of Directors are not eligible to receive any awards.
- The recipient(s) must be a member of AACE International.
- It shall be awarded at the discretion of the Awards Committee but not more frequently than once in each AACE program year.
- The recipient of the Brian D. Dunfield Educational Service Award will be selected by a majority vote of the members of the Awards Committee, based on evaluation of suitable nomination submissions and judgements of relative merit of the various nominated candidates.
- Nominations of candidates shall be submitted no later than April 1 for current year consideration.
- The recipient of the Award shall be notified of his/her selection and the appropriate details of the presentation no later than May 1.
- The award will be presented to the recipient during the Conference & Expo.

## **KEANE AWARD FOR DISTINGUISHED SERVICE TO AN AACE SECTION**

### **Introduction**

The Keane Award for Distinguished Service to an AACE Section, formerly the Charles V. Keane Distinguished Service Award, is named for an early and long-time member Charles V. Keane to recognize his devotion to the New England-Boston Section.

### **Policy**

Candidates for consideration to receive this award must have been an active member of an AACE Section, or Sections, for a minimum of five (5) years. Members must have had continuous engagement in Section leadership in a Section that has continuously achieved or exceeded Section Minimum Standards, grown in membership, and contributed to the furtherance of the precepts of total cost management.

In order of ranking, it is the eighth highest award for an individual: (1) Lifetime Achievement Award; (2) Honorary Life Membership; (3) Award of Merit; (4) Fellow(s); (5) O.T. Zimmerman Founder's Award; (6) TCM Excellence Award; (7) Brian D. Dunfield Educational Service Award; (8) Keane Award for Distinguished Service to an AACE Section.

### **Procedures**

- Nominations of candidates for consideration may be made by or through any member of the Awards Committee. All nominations must be accompanied by detailed evidence of the contribution by the nominee, together with suitable statements regarding the importance of the achievement and its timeliness.
- Members of the sitting Awards Committee and sitting members of the Board of Directors are not eligible to receive any awards.
- The recipient(s) must be a member of AACE International.
- It shall be awarded at the discretion of the Awards Committee but not more frequently than once in each AACE program year.
- The recipient of the Keane Award for Distinguished Service to an AACE Section will be selected by a majority vote of the members of the Awards Committee, based on evaluation of suitable nomination submissions and judgements of relative merit of the various nominated candidates.
- Nominations of candidates shall be submitted no later than April 1 for current year consideration.
- The recipient of the Award shall be notified of his/her selection and the appropriate details of the presentation no later than May 1.
- The award will be presented to the recipient during the Conference & Expo.

## **OUTSTANDING RISING PROFESSIONAL AWARD**

### **Introduction**

From 2011-2018, this award was given under the sole discretion of the Rising Professionals Committee. In 2019, under the approval of the Board of Directors, this award was included in the awards determined by the Awards Committee.

### **Policy**

The Rising Professional Award is given to a rising professional – with ten (10) or fewer years of experience in the field of total cost management in recognition of their contributions made to the profession.

### **Procedures**

- Nominations of candidates for consideration may be made by or through any member of the Awards Committee. All nominations must be accompanied by detailed evidence of the contribution by the nominee, together with suitable statements regarding the importance of the achievement and its timeliness.
- Members of the sitting Awards Committee and sitting members of the Board of Directors are not eligible to receive any awards.
- The recipient(s) must be a member of AACE International.
- It shall be awarded at the discretion of the Awards Committee but not more frequently than once in each AACE program year.
- The recipient of the Outstanding Rising Professional will be selected by a majority vote of the members of the Awards Committee, based on evaluation of suitable nomination submissions and judgements of relative merit of the various nominated candidates.
- Nominations of candidates shall be submitted no later than April 1 for current year consideration.
- The recipient of the Award shall be notified of his/her selection and the appropriate details of the presentation no later than May 1.
- The award will be presented to the recipient during the Conference & Expo.



## **OUTSTANDING WOMAN IN AACE AWARD**

### **Introduction**

From 2008-2018, this award was given under the sole discretion of the Women in Project Controls Committee. In 2019, under the approval of the Board of Directors, this award was included in the awards determined by the Awards Committee.

### **Policy**

The Outstanding Woman in AACE International is to honor a woman who has achieved success through significant accomplishments in the industry and within AACE International. The candidate shall have chosen a career path that is focused on the advancement of AACE's precepts of total cost management.

### **Procedures**

- Nominations of candidates for consideration may be made by or through any member of the Awards Committee. All nominations must be accompanied by detailed evidence of the contribution by the nominee, together with suitable statements regarding the importance of the achievement and its timeliness.
- Members of the sitting Awards Committee and sitting members of the Board of Directors are not eligible to receive any awards.
- The recipient(s) must be a member of AACE International.
- It shall be awarded at the discretion of the Awards Committee but not more frequently than once in each AACE program year.
- The recipient of the Outstanding Woman in AACE will be selected by a majority vote of the members of the Awards Committee, based on evaluation of suitable nomination submissions and judgements of relative merit of the various nominated candidates.
- Nominations of candidates shall be submitted no later than April 1 for current year consideration.
- The recipient of the Award shall be notified of his/her selection and the appropriate details of the presentation no later than May 1.
- The award will be presented to the recipient during the Conference & Expo.

## **INDUSTRY APPRECIATION AWARD**

### **Policy**

The Industry Appreciation Award is presented to a company or organization that has rendered exceptional support to the total cost management or cost engineering profession and to AACE International's aims and objectives. This is the only award AACE bestows on a company/organization. This award is not based on recognition of financial contributions to AACE. It shall be awarded at the discretion of the Awards Committee, but not more frequently than once in each AACE program year.

### **Procedures**

- All nominations must be accompanied by written detailed evidence of the activities and contributions of the nominee, together with suitable statements regarding the timeliness and significance of the achievement in furthering the advancement of TCM and AACE International. This award is for recognition of the contributions of a private entity, governmental agency, municipal agency, or institute of higher education in support of any one or more of the many industries that are represented by the membership of AACE. This award should not be based on recognition of financial contributions to AACE.
- The employers of members of the sitting Awards Committee and the sitting Board of Directors are not eligible for nomination or receipt of the Industry Appreciation Award. Other professional associations as either complimentary to or in competition with AACE are not eligible for receipt of this award.
- Nominations of candidates shall be submitted no later than April 1 for current year consideration.
- The recipient of the award shall be notified of its selection and the appropriate details no later than May 1.
- The award will be presented to the recipient during the Conference & Expo.

## **MEMBER ASSISTANCE PROGRAM**

### **Policy**

The Member Assistance Program offers member support with dues and education assistance. Individual members in good standing are eligible. The program intends to ensure that individuals can maintain AACE membership and further their professional development during times of financial insecurity when keeping members connected to the AACE community and available resources is vital. Funds are limited, and the program will continue at the discretion of the AACE Board of Directors. The Board of Directors will designate a maximum total award amount annually.

### **Procedures**

#### **Dues Waivers**

Provides support for current AACE members who are temporarily unemployed or experiencing financial hardship that prevents them from renewing their AACE membership. Members must apply, which includes an attestation to hardship. Recipients will receive a non-renewable dues waiver to cover AACE individual membership dues for one year. Only one dues waiver may be awarded every five years per applicant. Applications will be reviewed by AACE staff, and all recipients and application materials will remain confidential. Completed applications are reviewed and awarded based on need, eligibility criteria, and availability of grant funds. Cases of suspected fraud will be escalated for review. The application period will open and close at the discretion of AACE staff.

#### Eligibility:

- Applicants must have at least two years of AACE regular membership or one year of AACE student membership immediately preceding the application submission.
- Demonstrate the need by completing the online application before the deadline. Incomplete applications will not be considered.

#### **Education Grants**

Education grants support AACE members seeking to increase their knowledge and advance the industry. Grants are available in two categories: online education and Conference & Expo. Only one education grant (in either category) may be awarded every five years per applicant. Completed applications are reviewed based on eligibility criteria and availability of grant funds. The application period will open and close at the discretion of AACE staff.

#### **Online Education**

These grants include available resources in our online catalog, such as certification review courses, study guides, Conference & Expo recordings, and more. The total number of grants awarded will be subject to funding available. Applications will be reviewed and approved by AACE staff.

#### Eligibility:

- Current AACE member at the time of application.
- Demonstrate the need by completing the online application before the deadline. Incomplete applications will not be considered.

### Conference & Expo

These grants provide funding to cover the meeting registration for AACE members who have provided volunteer service to the association and for whom price is an obstacle in attending. The total number of grants awarded will be subject to funding available. Applications will be reviewed and approved by the AACE Awards Committee. Selected recipients must confirm within seven days that they wish to accept the grant (or the grant may be made available to another applicant).

#### Eligibility:

- Current AACE member at the time of application.
- AACE volunteer service within the last five years.
- Demonstrate the need by completing the online application before the deadline. Incomplete applications will not be considered.

# **Section III:**

## **Meetings of Members**

## **ELECTIONS**

### **Policy**

Officers and Directors of the AACE Board of Directors are elected to office by the AACE general membership in an annual election. The Director – Education and Director – Technical are elected by their respective Associate Board members. The Vice Chair of the AACE International Certification Institute Board of Directors automatically serves on the AACE International Board as the Director – Certification upon installation to the AACE International Certification Institute Board. Newly elected Officers and Directors are installed during the business meeting at the annual Conference & Expo, which marks the beginning and ending of the Board term.

### **Procedures**

A call for nominations will be prepared to identify prospective candidates for open offices. Members in good standing, with the exception of student members, are eligible for consideration by the Nominations Committee (see Nominations Committee policy). The Nominations Committee will verify willingness to serve and review the qualifications of prospective candidates. Candidates for positions as Officers and Directors shall have demonstrated experience in cost engineering. Candidates shall be reminded of the need to adhere to the AACE Canons of Ethics throughout the election process.

Annual elections will be held in the first quarter of each calendar year, with special elections as approved by the Board of Directors. Members will vote for one (1) candidate for each open elected Officer and Director position. All members in good standing shall be entitled to vote. Student members may not vote. Information about each candidate shall be made available to all members prior to and during the election. Election of Officers and Directors required to be voted upon shall be by ballot vote, as approved by the Board of Directors.

Election results shall be announced as soon as possible, but within one month following the close of the election. Those candidates receiving the greatest number of votes cast shall be elected. In case of a tie vote, the office shall be appointed by the Board of Directors from among those tied for the office. The President or Executive Director/CEO shall advise each candidate of the election results and report the election results to the membership in an appropriate AACE medium.

## **CONFERENCE & EXPO**

### **Introduction**

The Conference & Expo is the most important event conducted by the Association. The purpose of the event is as follows:

- Conduct AACE business
- Board of Directors and Associate Board meetings
- Featured presentation of technical program
- AACE networking and collaboration
- Association publicity
- Providing a venue for Section idea exchange
- Conduct professional seminars

### **Policy**

The AACE Conference & Expo is generally held between mid-June and mid-July each year. The Board will approve the meeting site three to five years in advance.

### **Procedures**

This policy is intended to provide general information to those not directly involved with the planning and implementation of the Conference & Expo. More specific procedural information is provided in a separate AACE document entitled "AACE Conference & Expo Manual."

## **TECHNICAL PROGRAM**

### **Policy**

The Director of Technical Guidance will be responsible for development of the technical program, in cooperation with the Technical Board. Specific duties are as follows.

### **Procedures**

This policy is intended to provide general information to those not directly involved with the planning and implementation of the technical program for the Conference & Expo. More specific procedural information is provided in a separate AACE document entitled "AACE Conference & Expo Manual."

### **Program Preparation**

- Give serious consideration to an appropriate distribution of subject matter so that:
  - Major fields within membership are supplied with topics of interest.
  - Complete membership, within realistic limits, will benefit from the technical program.
  - The program will support AACE's strategic plans and initiatives of the Technical, Education and Certification Boards.
- Technical Board and staff liaison to develop overall plans for the technical program.
  - Consult with technical subcommittees and SIGs
- Prepare and issue appropriate "Call for Papers" and abstracts 10-12 months prior to meeting.

### **Program Papers**

- Obtain commitments from speakers and participants at least 6 months before the meeting.
- Submit abstracts to Technical Board for evaluation of technical content.
- Coordinate input from Technical Board to identify top papers for each identified track.
- Develop a draft technical program agenda based on abstracts.
- Solicit authors' papers for receipt no later than January 31<sup>st</sup> prior to the meeting.
- Solicit and obtain presentations from speakers by April 30<sup>th</sup> prior to the conference.
- Obtain all speakers' permission for publication of papers and forward "Official Guidelines for Preparing Papers for AACE Transactions" to them.
- Finalize technical program agenda and prepare final meeting program.
- Coordinate production of the technical program Transactions and recordings.
- Finalize timetable for committee activities.

### **General**

- Determine requirements for presentation aids.
- Assign time and location of papers in the program.
- AACE staff will make room assignments for technical program and committee meetings.
- Arrange for and instruct a person to preside at each meeting session to introduce the speaker(s) and to assure necessary aids and assistance are provided.
- Send out an acknowledgement to all speakers and program participants.



## **DISCLAIMER OF LIABILITY FOR SPEAKERS**

### **Introduction**

AACE International meetings and events are open forums at which presentations are made to various groups of members and customers. Speakers at AACE International events may have disparate, conflicting, or controversial views.

### **Policy**

AACE International assumes no responsibility for the remarks of speakers at its events as their views do not necessarily represent the official position of the Association.

### **Procedures**

For this reason, organizers of any AACE International Section, Regional, or international meeting or event are required to notify all attendees in writing or orally of the following statement:

"AACE International assumes no responsibility for statements and opinions advanced by speakers at events sponsored by AACE International. Views expressed by them do not necessarily represent the official position of AACE International, Inc., its Sections or committees, or its officers and directors, or its staff."

This statement must also appear in any printed event proceedings, transactions, or similar compilations of papers or speeches.

# **Section IV:**

## **Subunits**

## **EDUCATION ASSOCIATE BOARD**

### **Policy**

The AACE International Education Associate Board (Education Board) shall be responsible for providing educational opportunities for the advancement of cost engineering. The Education Board shall plan, facilitate the development of, promote, and monitor the Association educational programs.

The Education Board shall function through the authority granted by the Board of Directors, and shall devise their own rules of procedure and adopt the same, subject to compliance with the Bylaws as set forth by the Association, and the approval of the Board.

The AACE Board of Directors is responsible for establishing the scope and definition of total cost management (i.e., cost engineering and cost management) and AACE's body of knowledge that defines educational materials.

### **Composition**

The Education Board shall report to the Board of Directors through the Director – Education, who shall serve as an ex-officio member of the Education Board. The Education Board shall be comprised of a Chair, the Director – Education, and a minimum of six additional voting members.

The Education Board shall be assisted by a staff liaison assigned from the headquarters staff by the Executive Director / CEO of AACE International. The Education Board staff liaison will be a non-voting member of the Education Board.

The Certification Board Chair and Technical Board Chair may, at the discretion of the Education Board Chair, also serve as non-voting, ex officio members of the Education Board.

### **Qualifications and Terms**

Members of the Education Board:

- Must be AACE members in good standing
- Must be willing to serve and carry out the obligations of the office
- Must participate in conference calls, meetings, and activities
- Must adhere to the Associate Board Attendance Policy
- Must adhere to all Association policies, procedures, and codes applicable to volunteer service

The Chair shall be elected annually by a majority vote of the Education Board members and shall be subject to approval by the Board of Directors. The Director – Education shall be elected to the Board of Directors by a majority vote of the Education Board members. The remaining members of the Education Board shall be recommended by the Chair for nomination by the Director – Education and may be subject to approval by the Board of Directors.

The Chair and members shall be one-year terms running concurrently with the term of the President of AACE International and shall be eligible to serve any number of successive terms to which they are appointed. The Director – Education is elected for a two-year term to the Board of Directors by a majority vote of the Education Board members. The Director – Education may not serve more than two consecutive two-year terms. The Director is elected to the Board of Directors by a majority vote of the Education Board members. In the absence, or unavailability, of the Director – Education, the Education Board Chair may appoint an interim Director – Education to fulfill the responsibilities of that position until the Education Board elects a replacement Director – Education. If the Director – Education is appointed or elected to fill the remaining time of a departing Director – Education, then the individual so appointed or elected may serve the remaining term of the departing member.

Members of the Education Board will have the responsibility for selecting additional non-voting volunteers to help further activities and manage scope as outlined in the Education Board Operational Handbook.

### **Procedures**

The Education Board shall organize itself in accordance with expectations defined by the Board of Directors. The Education Board may, subject to compliance with the AACE Bylaws and established criteria for the Education Board, independently develop and adopt any rules, procedures or methods needed to effectively perform its functions in accordance with the provisions of this policy.

The Education Board will establish short and long term goals based on the annual AACE Strategic Plan priorities. The Education Board shall be responsible for planning, facilitating the development and maintenance of, promoting, and monitoring AACE educational programs, including the development of educational materials, products, and services which enable the Education Board scope of work. These will encompass the programs, products, and services that support formal education, professional development, education/self-study, research and development, and educational funding support. Under the Education Board's direction, the responsibility for the performance of specific activities/programs may be fulfilled by AACE members or by individuals outside the Association. The Education Board will, with prior approval of the Board of Directors, promote the donation of funds to support these programs and recommend the utilization of those funds to the Board of Directors.

The Education Board collaborates with the Technical and Certification Boards to align the AACE body of knowledge through the work of each Associate Board. This is achieved through regular meetings and conducting gap analyses. The Technical Board develops, maintains, and updates the TCM Framework and RPs, which the Education Board uses as the basis for certain education materials and the Certification Board uses to test the skills and knowledge of those pursuing AACE certification.

The Chair shall be responsible for making any task assignments; interfacing with the headquarters staff and other boards and committees; and establishing and reporting on the status of the goals and accomplishments to the Board of Directors through the Director – Education. The members shall attend Education Board meetings, perform tasks assigned by the Chair, and review and provide input to AACE education programs, products, and services. The headquarters liaison shall maintain Education

Board records and provide day-to-day contact with the headquarters staff on the implementation and support of education programs, products, and services.

The Chair shall appoint representatives to serve in positions of support to other Associate Boards as requested.

The Director – Education shall have the responsibility to represent the issues and concerns of the Education Board to the Board of Directors and to communicate the issues and concerns of the Board of Directors to the Education Board.

### **Meetings**

The Education Board shall meet a minimum of once per quarter, virtually or face to face. Face to face meetings shall, whenever possible, be aligned to occur in conjunction with the AACE Conference & Expo. Additional meetings may be scheduled (virtually or in person) at the discretion of the Education Board Chair. The Education Board shall also hold conference calls as required, and at a minimum on a monthly basis, to discuss Education Board activities and business. The Chair shall convene the Education Board and preside over such meetings.

## **TECHNICAL ASSOCIATE BOARD**

### **Policy**

The AACE International Technical Associate Board (Technical Board) shall function through the authority granted by the Board of Directors and is responsible for establishing the scope and definition of cost engineering and total cost management. The Technical Board shall advise on, recommend, and approve the Association's technical products.

### **Composition**

The Technical Board shall report to the Board of Directors through the Director – Technical, who shall also serve as an ex-officio member of the Technical Board. The Technical Board shall be comprised of a Chair, a minimum of six additional voting members, and the Director – Technical.

The Technical Board shall be assisted by a staff liaison assigned from the headquarters staff by the Executive Director / CEO of AACE International. The Technical Board Staff Liaison will be a non-voting member of the Technical Board.

The Education Board Chair and Certification Board Chair may, at the discretion of the Technical Board Chair, also serve as non-voting, ex officio members of the Technical Board.

### **Qualifications and Terms**

Members of the Technical Board:

- Must be members in good standing of AACE
- Must be willing and able to carry out the obligations of the office
- Must participate in conference calls, meetings, and activities
- Must adhere to the Associate Board Attendance Policy
- Must adhere to all Association policies, procedures, and codes applicable to volunteer service

The Chair shall be elected annually by a majority vote of the Technical Board members and shall be subject to approval by the Board of Directors. The Director – Technical shall be elected to the Board of Directors by a majority vote of the Technical Board members. The remaining members of the Technical Board shall be recommended by the Chair for nomination by the Director – Technical and may be subject to approval by the Board of Directors.

The Chair and members shall be annual one-year terms of office running concurrently with the term of the President of AACE International and shall be eligible to serve any number of successive terms to which they are appointed. The Director – Technical is elected for a two-year term to the Board of Directors by a majority vote of the Technical Board members. The Director – Technical may not serve more than two consecutive two-year terms. In the absence, or unavailability, of the Director – Technical, the Technical Board Chair may appoint an interim Director – Technical to fulfill the responsibilities of that position until the Technical Board elects a replacement Director – Technical. If the Director – Technical is appointed or elected to fill the remaining time of a departing Director – Technical, then the individual so appointed or elected may serve the remaining term of the departing member.

The Chair shall appoint associate members to assist in support of Technical Board activities. Associate members do not have voting privileges. These may include the Education Board Chair, Certification Board Chair, and members representing technical subcommittees, task forces, technical product authors and subject matter experts. Associate members wishing to be considered for full membership will be placed in a 6-12 month introductory period after which compliance with and adherence to the aforementioned “qualifications and terms” will be evaluated by the current Chair and full members.

Technical subcommittees and teams that include other personnel from within AACE membership may be appointed by the Technical Board at its discretion for the purpose of performing specialized tasks in furtherance of Technical Board objectives.

### **Procedures**

The Technical Board may, subject to compliance with the AACE Bylaws and the approval of the Board of Directors, develop and adopt any rules, procedures, or methods needed to effectively perform its functions in accordance with the provisions of this policy.

The Technical Board is responsible for planning, facilitating the development and maintenance of, promoting, and monitoring Association technical products and activities. Technical products include those needed to establish the technical basis of education and certification programs of the Association and to advance the science and art of cost engineering (for example: recommended practices, *TCM Framework*, professional practice guides, Conference & Expo technical program, etc.) Activities encompass documenting, maintaining, and facilitating development of technical products. It shall also recommend to the Board of Directors the use of funds for activities dedicated to technical objectives.

The Technical Board will monitor technical documents, developments, and activities outside of AACE, and if deemed advantageous, with approval of the Board of Directors, will work cooperatively with industry and other professional organizations on technical products and activities related to cost engineering.

The Technical Board will maintain the *Plan for Technical Development*. This is the strategic planning document which describes both short- and long-range AACE technical development goals and programs. The Technical Board may propose changes to this plan at any time, but all changes must be approved by the Board of Directors.

The Technical Board will support the development of the AACE Conference & Expo technical program. The Technical Board will be a primary resource for review of technical materials for AACE International.

The Chair shall be responsible for nomination of Technical Board members, making any task assignments, interfacing with the headquarters staff and other boards and committees, and establishing and reporting the goals and accomplishments of AACE to the Board of Directors through the Director – Technical. The members shall attend Technical Board meetings, perform tasks assigned by the Chair, and review and provide input to AACE technical products and activities. The headquarters liaison shall maintain Technical Board records and provide day-to-day contact with the headquarters staff on the implementation and support of technical products and activities.

Policies and procedures for acceptance of primary technical products will be established and documented by the Technical Board upon approval by the AACE Board of Directors.

The Chair shall appoint representatives to serve in positions of support to other Associate Boards as requested.

The Director – Technical shall have the responsibility to represent the issues and concerns of the Technical Board to the Board of Directors and to communicate the issues and concerns of the Board of Directors to the Technical Board.

### **Meetings**

The Technical Board will hold regularly scheduled conference calls (typically monthly) to discuss regular business. This conference call will include review and approval of previous minutes, review of action log, headquarters report, Director – Technical report, Conference & Expo preparation, and various reports provided by Technical Board directors. Additional topics will be discussed, as necessary.

The Technical Board will meet in person at a minimum of once per year in conjunction with the AACE Conference & Expo. Additional in person meetings (typically three) may be scheduled at the discretion of the Technical Board and may be coordinated with the AACE Board and/or other associate board meetings when such scheduling is advantageous to AACE.

The Chair shall convene the Technical Board and preside over such meetings.



## **MEMBERSHIP ADVISORY COMMITTEE**

### **Policy**

The function of the Membership Advisory Committee (MAC) of AACE International shall be to ensure that AACE delivers value to members, maintains relevance in the industry, and promotes the growth of its global membership.

### **Composition**

The MAC shall report to the Board of Directors. The Committee shall be comprised of a Chair, Vice Chair, and a minimum of ten additional members including the Regional Directors, and others representatives of AACE membership. Committee positions are appointed by the Chair and are established to help accomplish goals and initiatives based on organizational need. The Committee will be supported by a staff liaison who will be assigned by AACE's Executive Director/CEO.

### **Qualifications and Terms**

Members of the MAC shall be members in good standing of AACE. The Committee Chair shall be appointed by the President, subject to approval by the AACE International Board of Directors. The Chair shall serve a two-year term and is eligible to serve two successive terms. Regional Directors are appointed by the Board of Directors, and each Regional Director's term on the MAC shall run concurrent with their term as a Regional Director. All other members are appointed by the Chair to a one-year term on the MAC, may be subject to approval by the Board of Directors, and are eligible to serve any number of successive terms to which they are appointed.

### **Procedures**

The MAC shall develop and maintain strategies for membership acquisition and retention at the section, region, and international levels. The Committee is responsible for overseeing and assisting with section health and compliance with standards. Additionally, the Committee will seek to increase membership and engagement with various groups including students, emerging professionals, educational institutions, government, consultants, contractors, corporations, owners, technology firms, Corporate Members, and emerging sections. The Committee also serves as a conduit for feedback from members globally to the AACE Board of Directors and other Associate Boards.

The Committee will review membership features and benefits and ensure AACE is maintaining relevancy in the industry, delivering the proper brand messaging, and adding value to its membership. Additionally, the Committee will provide leadership support to the AACE sections and regions to support sustained growth. The Committee will develop and maintain a Strategic Membership Plan with both short-term and long-term AACE membership goals.

The Committee Chair reports to the Board of Directors. The Chair shall be responsible for the selection of Committee members; interfacing with Headquarters staff, the Board of Directors, Associate Boards, and Association committees; and reporting on the status of the program goals, plans, and activities.

**Meetings**

The MAC shall meet at least quarterly leveraging virtual or in person meetings. The Chair shall convene the Committee and preside over such meetings.

## **REGIONAL DIRECTORS**

### **Policy**

AACE International Regional Directors are the representatives of various geographic groups within the Association known as Regions. As such, they are responsible for membership development and industry liaison within those Regions.

### **Composition**

There are ten Regional Directors of the Association who report to the Membership Advisory Committee Chair. Regional Directors shall be selected by the Nominations Committee and recommended to the Board of Directors for approval and appointment.

### **Qualifications and Terms**

Regional Directors shall be members in good standing of AACE International and appointed to two-year staggered terms running concurrently with the term of the President. They shall be eligible to serve one additional term.

### **Procedures**

Specific duties include, but are not limited to, the following:

1. Maintain regular contact with each of the Regional Director's Section Presidents / Representatives to ascertain their problems and concerns and assist in resolving them. Promote upward communication from Sections and members to the Membership Advisory Committee.
2. Act as liaison between the Sections, the Region, and Membership Advisory Committee Chair on the activities and health and welfare of the members within the Region.
3. For any Section that ceases to be a viable operating unit, work with current members to determine a course of action for recovery or assess whether the Section should be closed.
4. Support the Membership Advisory Committee with retention of existing members and attracting new members in their Region.
5. Promote technical activity within the Region by:
  - a. Coordinating regional or inter-regional workshops, seminars, or joint technical meetings at regular intervals.
  - b. Encouraging technical activity within the Sections including:
    - 1) Presenting technical papers
    - 2) Maintaining a strong technical and educational program
    - 3) Establishing local technical study groups
    - 4) Coordinating technical committee activity at the Section level with the various AACE technical committees
6. Promote programs in each Section including the following:
  - a. Membership recruitment and retention
  - b. Outreach programs
  - c. Publicity and public relations
  - d. Section technical meetings
  - e. Certification

f. Other programs that fulfill the vision of AACE International

Such promotion shall be conducted by in-person or virtual visits to the Sections within the Region to proactively verify that a high level of meaningful activity is maintained and to offer help and assistance whenever it may be needed. Strive to personally visit each Section within the Director's Region at least once during the two-year term.

7. In consultation with the Membership Advisory Committee Chair, encourage the formation of new Sections in areas where there is interest and a growing or large existing center of membership within the Region.
8. Encourage Sections to set goals and assist in achieving them.
9. Submit reports to the Membership Advisory Committee Chair summarizing the past and future activities of the Region covering the period of time from the last report to the succeeding one.

## **GOVERNANCE COMMITTEE**

### **Policy**

It shall be the function of the Governance Committee to advise the AACE International Board of Directors on matters of interpretation of the Articles of Incorporation, Bylaws, and the Organization Manual. The Committee shall review the Organization Manual annually. The Committee may, subject to compliance with the Bylaws and the approval of the Board of Directors, develop and adopt any rules, procedures or methods needed to effectively perform its functions in accordance with the provisions of this policy. The Board of Directors may consult with the Governance Committee as advisors concerning any scenarios related to the governance documents (e.g., to examine the possible repercussions of policy changes). All proposed changes to the Articles of Incorporation, Bylaws, and the Organization Manual shall have the final review and approval of the Board of Directors.

### **Composition**

The Governance Committee shall report to the Board of Directors. It shall be comprised of three (3) members including the Chair. The Chair, who shall be appointed by the President subject to approval by the Board of Directors, must have been a previous member of the AACE Board of Directors. The remaining members shall be nominated by the Chair and approved by the Board of Directors.

### **Qualifications and Terms**

Members of the Governance Committee shall be members in good standing of AACE International. It is desirable but not mandatory that members have demonstrated experience as an officer at the section level or above. The Chair and members shall be appointed to one-year terms of office running concurrently with the term of the President and shall be eligible to serve three additional terms. For continuity, it is recommended that the Chair and members serve for three years renewable and that the terms of the members be staggered so that they do not all expire the same year.

### **Procedures**

#### **Articles of Incorporation**

Ensure AACE's Articles of Incorporation remains in alignment with Bylaws and Organization Manual. Proposed amendments to the Articles of Incorporation must be adopted by an affirmative vote of at least two thirds of Members present at a meeting of the Board of Directors at which a quorum is present. Once approved by the Board of Directors, the amended Articles of Incorporation are filed with the West Virginia Secretary of State's office by AACE International Headquarters staff.

#### **Bylaws**

Ensure AACE's Bylaws remains in alignment with Articles of Incorporation and Organization Manual. The Committee has the responsibility for considering all proposals to amend the Bylaws submitted in the form of:

- Petition signed by at least ten current AACE members in good standing. This proposal must be submitted to the chair of the Committee with a copy to the Secretary of the Board of Directors;
- or

- Request from the Board of Directors

The Governance Committee must inform the Board of Directors before the Board of Director's next scheduled meeting as to whether the Governance Committee:

- Favors the proposal as presented,
- Favors the proposal with suggested changes, or
- Is not in favor of the proposal.

The Governance Committee may also be called upon by the Board of Directors to draft the wording of an amendment to the Bylaws such that it meets the spirit or intent of the proposal and does not conflict with other sections of the Bylaws.

The formal procedure for amendments to AACE's Bylaws is as follows:

- A proposal to amend the Bylaws, reviewed and approved by the Governance Committee, having been approved by the Board of Directors, shall be made available on an official ballot to all Members along with the Board of Directors' recommendation for approval or disapproval.
- Each voter shall properly signify on the ballot the voter's choice for approval or disapproval of the amendment and return the ballot as instructed.
- The Secretary receives the ballots or vote totals by the date specified, which date shall be no earlier than one and one-half months from the date the ballots are sent.
- An affirmative vote of two-thirds of the valid votes of the membership cast shall be required for adoption of an amendment to the Bylaws.
- If approved, a proposed amendment shall take effect at the time the result of the vote is certified by the Board of Directors. The President shall then notify all members as soon as possible of these results.

### **Organization Manual**

The AACE Organization Manual will be reviewed at least once per year and updated, as necessary. The formal procedure for such revisions is as follows:

- The Chair will issue a call (in writing) by January 1 of the administrative year for any and all suggestions for revisions. This solicitation of proposed revisions should be addressed to the Board of Directors and Subunits as defined in the Bylaws. Any AACE member may submit unsolicited suggestions for revisions throughout the year.
- The Secretary will review the suggested changes and solicit further input if necessary. The Secretary will submit to the current President-Elect for review.
- The current President-Elect will review the Organization Manual in its entirety, as well as proposed changes from the Governance Committee, and submit any policies with changes to the Board of Directors for approval prior to the June Board meeting.
- If changes are approved, the Executive Director/CEO will update the Organization Manual in AACE's official records and publish the most up-to-date version on the AACE International website.

### **Meetings**

The Governance Committee shall meet as often as necessary to perform the tasks arising from its responsibilities. The Chair shall convene the committee to meet and preside over such meetings. The

Chair shall be responsible for the selection of committee members, making any task assignments to committee members, interfacing with the Board of Directors, and reporting on committee. Members shall attend committee meetings and perform tasks assigned by the Chair.

## **NOMINATIONS COMMITTEE**

### **Policy**

It shall be the function of the Nominations Committee to nominate a slate of candidates for election to the AACE International Board of Directors. They shall also nominate candidates for eligible positions on the AACE International Certification Institute and open Regional Director positions. The candidates should be representative of AACE International members whom the Committee considers qualified and capable of conducting the affairs of the Association in a responsible manner. Board of Director candidates shall be members in good standing with demonstrated experience in cost engineering. Student members are not eligible for office. The Committee may, subject to compliance with the AACE International Bylaws and the guidance provided in this policy, develop and adopt any rules, procedures, or methods needed to effectively perform its functions.

### **Composition**

The Nominations Committee shall report to the Board of Directors. It shall be comprised of a minimum of four (4) but no more than seven (7) members including the Chair. The Chair shall be the immediate Past President. The remaining members shall be nominated by the Chair and approved by the Board of Directors.

### **Qualifications and Terms**

Members of the Nominations Committee shall be members in good standing of AACE International. Committee members are not eligible for nomination to elected office while serving on the Committee. All Committee members shall be appointed to one-year terms of office running concurrently with the term of the President and shall be eligible to serve any number of successive terms to which they are appointed. However, it is recommended that they serve for no more than three years.

### **Procedures**

The Chair shall convene the Committee and preside over all meetings. He or she shall be responsible for the Committee members, make any task assignments, interface with the Board of Directors, and report on Committee activities and nominations to the President on a regular basis. Committee members shall attend meetings and perform tasks assigned by the Chair.

### **Nominations: AACE International Board of Directors**

- Open positions will be announced and nominations accepted for a period of no less than 30 days. Nominations will be forwarded to the Nominations Committee no later than the end of October of each year. Candidate names, contact information, a brief description of their qualifications, and the positions they are seeking need to be included.
- The committee will rank the potential nominees based on their qualifications. In general, each open office should have at least three (3) potential nominees from which at least two (2) may be nominated for election. When all other considerations are equal, preference will be given to certified individuals. Candidates shall be interviewed individually as part of the selection process.



- After due process and based on Committee rankings of the nominees, the Chair or other designated Committee member shall contact the top two potential candidates for each office to obtain their agreement to be a candidate. In the event that any of the top candidates cannot serve, the next individuals in the order of ranking shall be contacted.
- When a contacted individual agrees to run for office, the Chair shall request that the candidate supply the following information in writing:
  - Confirmation of approval to place the candidate's name on the official ballot for the designated office.
  - Affirmation that the candidate, or his/her employer, will financially support attendance at any indoctrination meetings (if required), the annual business meeting, and two mid-year Board of Directors meetings. This includes the candidate signing the Meeting Attendance Acknowledgement.
  - A 100-word maximum biographical outline stating the candidate's AACE involvements, education, and professional background, with a professional head shot.
  - A 200-word maximum written narrative outlining the candidate's goals and objectives and stating what they would like to accomplish, if elected.
  - Ensure candidate has read a copy of the duties and responsibilities of the position for which the candidate is running.

#### **Nominations: AACE International Certification Institute Board of Directors and Regional Directors**

- Open positions will be announced and nominations accepted for a period of no less than 30 days. Nominations will be forwarded to the Nominations Committee no later than the end of December of each year. Candidate names, contact information, a brief description of their qualifications, and the positions they are seeking need to be included.
- The committee will rank the potential nominees based on their qualifications. In general, each open position should have at least two (2) potential nominees from which one (1) will be appointed. Candidates for the Certification Institute must be AACE certified. Nominees for Regional Director must reside in the Region to be represented. All candidates shall be interviewed individually as part of the selection process.
- After due process and based on Committee rankings of the nominees, the Chair shall contact the selected candidates for each position to obtain their agreement to be appointed. In the event that any of the top candidates cannot serve, the next individuals in the order of ranking shall be considered.

The Chair will concurrently prepare a final report to the Committee and the Board Secretary stating the final slate of candidates and appointees for Board of Director approval. The Nominations Committee Chair will be responsible for verifying the qualifications and eligibility of all potential nominees proposed by the Committee.

#### **General Guidance**

- The Committee shall strive for continuity in Association governance by giving thoughtful consideration to nomination of present Board members to higher office.
- When seeking potential nominees, the Committee should use all possible sources of information to find qualified persons. In general, such persons who are respected leaders in the field. It is

also recommended that special consideration be given to members who are certified during the selection of nominees.

- Committee members should seek a diverse set of candidates with the following attributes:
  - Strong leadership skills
  - Represents populations that reflect AACE's commitment to diversity and inclusion
  - Should have a diverse range of skills, perspective, and experience
  - Possess an understanding of financial reporting and strategic planning
  - Comfortable with public speaking and representing the Association as needed
  - Integrity and a strong moral compass
  - The personal qualities of intelligence, self-assuredness, inter-personal skills, inquisitiveness, objectivity, practical wisdom, and mature judgement
  - A willingness and capability to commit to discharge his/her duties
  - Ability to develop and maintain a good working relationship with other volunteer leaders, as well as the Executive Director/CEO and AACE staff
- The Committee shall attempt to provide a slate of nominees representing a broad cross-section of engineering disciplines and areas of cost management and cost engineering interests.
- Where possible, avoid nominating more than one member of an AACE Section or of the same company.

## BOARD NOMINEE ACKNOWLEDGEMENT

AACE International (AACE) would like to take this opportunity to thank you for becoming a candidate for election as a member of the Board of Directors (BOD). First and foremost, AACE wants to thank you for your willingness to serve the membership and lead the organization into the future.

As part of your willingness to volunteer for the BOD, there are certain commitments and responsibilities that are required of you while you hold office. Each candidate must supply affirmation that he/she, or his/her employer, will financially support attendance at any indoctrination meetings (if required), the AACE International Conference & Expo, and two mid-year BOD meetings.

The expectation is that members of the BOD will strive to attend all meetings (in-person and virtual), because failure on the part of BOD members to participate in Association governance may constitute activity that is detrimental to or poses a risk to the goals of the Association. However, AACE acknowledges that work or personal circumstances may at times prevent a BOD member from attending a meeting. The minimum acceptable requirements for attending meetings are established thus:

- For BOD members who are based in North America, physical attendance at **two (or one)** of the three (or two) scheduled Board meetings and participation in all scheduled virtual meetings within the calendar year bounded by the Conference & Expo (one of which must be the Conference & Expo).
- For BOD members who are based internationally, physical attendance at **one** of the three meetings (preferably the Conference & Expo) and participation in all of the scheduled virtual meetings during the specified time period.

Short-term (one year or less) hardship exceptions may be made for individuals on a case-by-case basis, to be voted on and approved by the Officers of the Association.

By signing below, you acknowledge your understanding of this commitment and acceptance of this responsibility of your office.

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

**BOD Position:** \_\_\_\_\_

**Nominations Committee Chair**

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## **ETHICS COMMITTEE**

### **Policy**

AACE International's Ethics Committee is charged with investigating and delivering a resolution of all formal allegations of violations (a "Complaint") of AACE's Canons of Ethics. The Ethics Committee is also charged with the responsibility of promoting adherence and enforcement of AACE's Canons of Ethics.

The Committee is tasked with:

- Reviewing the Ethics Committee policies and procedures on an annual basis and proposing changes to AACE's Board of Directors.
- Investigating and resolving ethics complaints including timely communication of the results.
- Coordinating with the AACE International Certification Institute and Certification Board for any breaches of the Canons of Ethics that involve certifications or potential revocation of certifications.
- Recommending any sanctions for breaches of the Canons of Ethics to the Board of Directors.
- Reviewing and updating as appropriate annual AACE Conflict of Interest Statements
- Providing an annual report of Ethics Committee activities.

The Committee will maintain the confidentiality of all details and individuals associated with any complaint or allegation, whether formal or informal, and the accompanying resolution of the complaint or related appeal. The result of any investigation will be reported by the Committee to the Executive Director / CEO upon completion.

### **Composition**

The Ethics Committee shall report to the Board of Directors. The Ethics Committee shall be comprised of a Chair and a minimum of three, but not more than five, additional voting members. No current member of AACE's Board of Directors (with the exception of AACE's Executive Director / CEO) may also be a member of the Ethics Committee.

### **Qualifications and Terms**

The Ethics Committee Chair should be experienced in the adjudication of disputes (e.g., extensive participation in legal negotiations of disputes, mediation, arbitration, etc.), have an in depth understanding of AACE's membership, technical, certification and education functions, as well as have demonstrated leadership in moral / ethical issues.

The Ethics Committee Chair should meet the following qualifications:

- Have a minimum of ten years of service to AACE.
- Hold one or more AACE certifications.
- Have served AACE at the Board of Directors or Associate Board level.

Ethics Committee Members should meet the following qualifications:

- Have been a member of AACE for a minimum of ten years.
- Have served AACE a minimum of five years in a local or global leadership role.
- Demonstrated high moral and ethical leadership.

The Ethics Committee Chair is nominated by AACE's President and approved by AACE's Board of Directors to a one (1) year term without limitation for renewal. Ethics Committee Members are approved by AACE's Board of Directors serving two-year terms without limitation for renewal.

## **Procedures**

- The activities of the Ethics Committee include:
  - Investigation of alleged violations of the Canon of Ethics that are properly filed in accordance with the AACE's Canon of Ethics and established Ethics Complaint Procedures.
  - Provide a determination of formal Ethics Complaints including necessary steps for full resolution.
  - Review of appeals to existing determinations by the Ethics Committee.
  - Review and make recommendations to the Board of Directors concerning:
    - Improvements to the AACE Canon of Ethics;
    - Procedures to avoid Conflicts of Interest for AACE member volunteers;
    - Process and procedures for resolution of Ethics Complaints.
  - Periodically report on Ethics Committee activities to the Board of Directors.
  - Annual and periodic reporting.
    - The Ethics Committee will annually prepare and provide a report to the Executive Director / CEO summarizing Ethics Committee business that transpired within the year ending as of the date of the report. The report will be due each year at a date determined by the Executive Director / CEO.
- The Ethics Committee shall meet in person or via virtual participation at least once a year during or immediately prior to the AACE International Conference & Expo.
- Normal expenses of the Ethics Committee are borne by those individuals. This includes travel, lodging, meals, and related expenses while undertaking Committee business unless expenses necessary to investigate and resolve an ethics violation allegation(s) are pre-approved in writing by AACE's President acting on behalf of the Board of Directors.
- Extraordinary expenses as a result of Ethics Committee business shall be borne by AACE upon prior written approval of the Executive Director. Such extraordinary expense might include translation services, meeting room rental, IT / AV services, etc. that are necessary and the result of the resolution of a formal Complaint and not an individual's normal expense as defined above.
- Costs and expenses incurred by third parties and/or those who are the Complainant or the Alleged Violator are to be borne by them individually unless in extraordinary circumstances where it benefits AACE and are preapproved in writing by the Executive Director / CEO. Such exceptions might be for translation services that benefit not an individual, but AACE.
- Headquarters shall provide the necessary technical and administrative support in the conduct of the Ethics Committee's business. This may include consultation with legal counsel at the expense of AACE.

## **AWARDS COMMITTEE**

### **Policy**

It shall be the function of the Awards Committee to select deserving individuals as recipients for awards established by AACE, and to recommend to the Board of Directors any other awards it believes would promote the objectives of the organization. The Committee may, subject to compliance with the AACE Bylaws and with the approval of the Board, develop and adopt any rules, procedures and methods needed to effectively perform its functions in accordance with the provisions of this charter.

### **Composition**

The Awards Committee shall report to the Board of Directors. It shall be comprised of a minimum of four (4) but no more than seven (7) members including the Chair. The Past President shall serve as the Chair. Members of the Committee may be subject to the approval of the Board.

### **Qualifications and Terms**

Members of the Awards Committee shall be members in good standing of AACE and have distinguished themselves through service to the Association. The Chair and members shall be appointed to one-year terms of office running concurrently with the term of the President and shall be eligible to serve any number of successive terms to which they are appointed. However, it is recommended that members serve for no more than four years. The terms of service should be staggered so that they do not all expire the same year.

### **Procedures**

The Awards Committee is responsible for selecting recipients for the following awards, listed in order of ranking:

- Lifetime Achievement Award
- Honorary Life Membership
- Award of Merit
- O. T. Zimmerman Founder's Award
- TCM Excellence Award
- Brian D. Dunfield Educational Service Award
- Keane Award for Distinguished Service to a Section
- Outstanding Rising Professional Award
- Outstanding Woman in AACE International Award
- Industry Appreciation Award

The criteria for award selection can be found in the AACE Organization Manual policies for each award. With the exception of the Honorary Life Membership Award, the process and selection of recipient for each of the above awards is administered by Awards Committee. The Board of Directors has sole responsibility for approving any Honorary Life Membership recipient, which may be based upon a recommendation from the Awards Committee.

The Committee also makes recommendations to the Board for the establishment of any other awards and the mechanisms for administration of these awards as well as their criteria and is responsible for any other matters pertaining to awards which are delegated to it by the Board.

The Chair shall convene the Committee to meet and preside over all such meetings. He or she shall be responsible for making any task assignments; interfacing with Headquarters, the Board of Directors, and other committees; and reporting on committee goals, plans, and accomplishments to the President and the Board. The Chair may delegate responsibilities as he or she sees fit. Members shall attend Committee meetings and shall perform tasks as assigned by the Chair.

Specific duties of the Committee are as follows:

1. Compile and update information covering scope of award for all eligible recipients.
2. Study information on each candidate and select a top priority group for further detailed deliberation.
3. Elect or decline candidate(s) for award(s).
4. Forward committee decision to the Board and Executive Director/CEO for further action.
5. Submit the names of all recipients for awards in which they are responsible along with photographs and the reasons for selection to AACE Headquarters no later than May 1.

## **FELLOW ADMISSIONS COMMITTEE**

### **Policy**

It shall be the primary function of the Fellow Admissions Committee to review nominations for admission to the grade of Fellow in AACE International (AACE) and to recommend to the secretary approval or disapproval of each such nomination. The committee may, subject to compliance with the bylaws and the approval of the AACE Board of Directors, develop and adopt any rules, procedures, or methods needed to effectively perform its functions in accordance with the provisions of this charter.

AACE created the membership grade of Fellow as a special category of membership to identify and honor a group of cost engineers who have made meaningful impacts on the profession and yet, owing to the limited award structure, may not have received acknowledgement from their peers in any other way. These members shall have practiced cost management or cost engineering for a minimum of fifteen years and shall have been a member of AACE for at least ten years. Election as Fellow is in recognition of professional attainment and significant accomplishment in cost management and cost engineering. No current member of the AACE Board of Directors is eligible for election as a Fellow.

### **Composition**

The Fellow Admissions Committee shall report to the Board of Directors. It shall be comprised of a minimum of three (3), but no more than five (5), members including the chair. The chair shall be appointed by the president subject to approval by the Board of Directors. The remaining members shall be appointed by the chair and may be subject to approval by the Board of Directors.

### **Qualifications and Terms**

Members of the Fellow Admissions Committee shall be members in good standing of AACE who have obtained the status of Fellow. Desirable, but not mandatory, would be demonstrated experience as an officer, director, or committee chair at the AACE level. The chair and all committee members shall be appointed to one-year terms running concurrently with the term of the president and shall be eligible to serve three additional terms.

### **Procedures**

The primary responsibility of the Fellow Admissions Committee is to review nominations for admission to the membership grade of Fellow in AACE and to recommend to the Board of Directors approval or disapproval of each such nomination. In reviewing nominations, the committee shall, prior to recommending approval of any nomination, ascertain that approval would not increase the number of Fellows to a total exceeding five (5) percent of the current number of full members (Emeritus, Life, Fellow, or Member).

The principles for judging whether a member has the necessary qualifications are contribution in one of these areas ("Professional Attainment" and "Significant Accomplishment") shall be outstanding, and some contribution in both areas is necessary. A candidate for Fellow need not have benefited both areas uniformly, but evidence of achievement at some level is required in each. Significance is required in only one category.



1. "Professional Attainment" is defined as "contributions to the professional advancement of any area of project control including cost management, cost engineering, and planning/scheduling."
2. "Significant Accomplishment" is defined as "based on publications or presentations at meetings and achievements in bringing cost management and/or cost engineering efforts to industry, educational institutions, forums, or government agencies."
3. The initiator next determines if the nominee has practiced cost management and cost engineering for a minimum period of at least 15 years.
4. The initiator contacts the AACE headquarters designee who will verify and provide information regarding the member's AACE join date, certification(s) and date(s), and other AACE-related activities.
5. If the nominee meets the qualifications above, the initiator must then select five full members, one of whom must be a current AACE Fellow, to act as sponsors for the nominee. The initiator may be one of these sponsors. The initiator should verify with AACE headquarters that all five sponsors are current AACE members in good standing.
6. With the aid of the sponsors, the initiator gathers the supporting information that is necessary to complete the prescribed AACE Fellow nomination form. This information may be obtained from the nominee's employer, co-workers, supervisors, etc. DO NOT request the nominee provide this information.

NOTE: A grant for AACE Fellow is an award given by one's peers. It is not something a member applies for on his or her own behalf. Accordingly, nominees should not be aware that they are being nominated. The award is not automatic and is granted only to those deemed most qualified.

7. Based upon the information obtained above, the sponsors now prepare individual letters of sponsorship stating how they feel the nominee qualifies for the award. Similarly, the initiator completes the nominating form in its entirety. No portion of the form may be left blank. Attachments may be used to supplement information reported on the form.
  - a. The letters and the nominating form must show significant contributions to the profession.
  - b. Sponsor letters should be personal as well as featuring why the member is deserving of the award.
8. Headquarters will review the nomination and notify the initiator if additional information is required.
9. After verification by AACE headquarters the completed nomination and support letters will be submitted to the Fellow Admissions Committee for review and their recommendation.
10. The Fellow Admissions Committee submits their recommendation to the secretary and headquarters.
  - a. If approved, the secretary presents a motion to the Board of Directors for approval of the Fellow nomination.

If rejected, the secretary and headquarters communicate the applicable information to the initiator.

11. The AACE Board of Directors shall then act upon the motion to approve the member as a Fellow. To approve the nomination, the affirmative vote of a simple majority of the total voting members of the Board of Directors is required.
  - a. If the nomination is approved, AACE headquarters sends a letter to the Fellow copying the secretary, Fellow Admissions Committee chair, initiator, and all sponsors.
  - b. If the nomination is rejected, AACE headquarters and the secretary notify the initiator.

Presentation of the Fellow award(s) shall be made at an awards ceremony during the next AACE Conference & Expo.

## **WOMEN IN PROJECT CONTROLS COMMITTEE**

### **Policy**

The purpose of AACE's Women in Project Controls (WPC) efforts are to encourage women within AACE International and in the program/project management and project controls profession by identifying avenues for the recruitment, mentoring, and recognition. Therefore, it shall be the function of the WPC Committee to help accomplish this purpose by raising awareness of AACE International to professional women and increasing visibility of women in leadership roles at the section and international level of the organization.

The Committee may, subject to compliance with the AACE Bylaws and the approval of the Board of Directors, develop and adopt any rules, procedures, or methods needed to effectively perform its functions in accordance with the provisions of this policy.

### **Composition**

The WPC Committee shall report to the Board of Directors. The Chair shall be appointed by the President subject to approval by the Board of Directors. The remaining members shall be appointed by the Chair and may be subject to approval by the Board of Directors. The Committee shall be comprised of a minimum of three (3), but no more than ten (10) members, including the Chair. The Executive Director/CEO will appoint an AACE International Headquarters staff liaison to the WPC.

### **Qualifications and Terms**

Members of the WPC committee shall be members in good standing of AACE International. The Chair and all Committee members shall be appointed to one-year terms running concurrently with the term of the President and shall be eligible to serve three additional terms.

### **Procedures**

The WPC Committee, in conjunction with the staff liaison, is responsible for developing, implementing, and overseeing the services primarily targeting women members, and potential members, of AACE International. This may include preparing and updating an annual plan for the programs. Board of Directors reports will be provided prior to each Board of Directors meeting.

Some of the functions/activities of this committee may include, but are not limited to, the following:

1. Identify and write profile articles on AACE International women members for Source
2. Identify and encourage women to present papers at the AACE International Conference & Expo

The Board of Directors shall empower the Committee to act upon and execute all WPC plans, issues, actions, etc. within the guidelines specified by this policy. AACE International Headquarters staff liaison and the Committee will work closely together to identify all pertinent WPC issues and activities. The Committee will work with Headquarters to take the necessary actions to resolve WPC issues and coordinate WPC activities. The Committee may work with Sections, Associate Boards, and any other AACE Committees to identify any potential synergy activities that aid in the advancement and encouragement of AACE International women members.

The appointed AACE International Headquarters staff liaison shall maintain committee records and provide the day-to-day guidance to AACE International Headquarters staff in the implementation and performance of WPC activities for AACE.

#### **Meetings**

The Committee shall meet periodically, as deemed appropriate, via teleconference or other mediums. The Chair shall convene the Committee to meet and shall preside over such meetings. The Chair shall be responsible for making any task assignments; interfacing with AACE International Headquarters staff, the Board of Directors, and other committees; and establishing and reporting on committee goals, plans and accomplishments to the Board of Directors. The members shall attend committee teleconference meetings, perform tasks assigned by the chair, review and provide input, or perform other actions required to fulfill this policy.

## **RISING PROFESSIONALS COMMITTEE**

### **Policy**

The purpose of AACE International's Rising Professionals Committee (RPC) is to suggest and recommend to the Board of Directors the means and methods to attract and retain early to mid-career professionals as members of AACE International by providing value and benefits sought by this segment from a professional organization. Therefore, it shall be the internal function of the RPC to accomplish this purpose by actively identifying, exploring, and comprehending the needs of this segment of cost engineering professionals. The RPC will implement, monitor, and report on any programs that are approved by the Board of Directors. The RPC will also work with various AACE Committees, Headquarters Staff, and other task forces, as well as the local Sections to accomplish its tasks.

Externally, the purpose of RPC is to enhance the experience of new early to mid-career members by fostering development, increasing opportunities, and promoting a sense of belonging. Therefore, it shall be the external function of the RPC to achieve these purposes by creating future leaders of AACE International.

The RPC may, subject to compliance with the AACE Bylaws and the approval of the Board of Directors, develop and adopt any rules, procedures, or methods needed to effectively perform its functions in accordance with the provisions of this policy.

### **Composition**

The RPC Committee shall report to the AACE International Board of Directors. The Chair shall be appointed by the President subject to approval by the Board of Directors. The remaining members shall be appointed by the Chair and may be subject to approval by the Board of Directors. The Committee shall be comprised of a minimum of three (3), but no more than ten (10) members, including the Chair. The Executive Director/CEO will appoint a staff liaison to the RPC.

### **Qualifications and Terms**

Members of the RPC committee shall be members in good standing of AACE. The Chair and all Committee members shall be appointed to one-year terms running concurrently with the term of the President and shall be eligible to serve three additional terms.

### **Procedures**

The RPC is responsible for developing, implementing, and overseeing the services primarily targeting early to mid-career professionals of AACE International. This may include preparing and updating an annual plan for programs. Board reports will be provided by the Chair to the President prior to each Board meeting.

Some of the functions/activities of the RPC may include, but are not limited to, the following:

1. Identifying, sponsoring, and facilitating networking opportunities for early to mid-career members.
2. Utilizing web-based communications and new applications to attract early to mid-career members and to effectively communicate with all individuals involved in task force efforts.
3. Establishing meaningful relationships with other Committees within AACE International and organizations outside of AACE International.
4. Creating and distributing surveys to gauge the interests and needs of early to mid-career members.

The Board of Directors shall empower the Committee to act upon and execute all RPC plans, issues, actions, etc. within the guidelines specified by this policy. AACE International Headquarters staff and the Committee will work closely together to identify all pertinent RPC issues and activities. The Committee will work with AACE International Headquarters staff to take the necessary actions to address identified RPC issues and coordinate RPC activities. The Committee may work with Sections, Associate Boards, and any other AACE Committee to identify any potential synergy activities that aid in the advancement and encouragement of early to mid-career members of AACE International.

The appointed AACE International Headquarters staff liaison shall maintain committee records, and provide the day-to-day guidance to AACE International Headquarters staff in the implementation and performance of RPC activities for AACE.

### **Meetings**

The RPC shall meet periodically, as deemed appropriate, via teleconference or other mediums. The Chair shall convene the RPC to meet and preside over such meetings. The Chair shall be responsible for making any task assignments; interfacing with Headquarters staff, the Board of Directors, and other Committees and task forces; and establishing and reporting on RPC goals, plans, and accomplishments to the Board of Directors. The Committee members shall attend RPC teleconference meetings, perform tasks assigned by the chair, review and provide input, and perform other actions required to fulfill this policy.

## **SECTIONS**

### **Policy**

The function of sections shall be to assist in moving the AACE International mission forward and driving member engagement at the local level. The guiding principle of the partnership between AACE and its sections is to provide member value through collaboration and contribution to AACE's strategic plan goals. All sections are accountable to AACE.

Members of all sections must also be members of AACE. Each member (all classifications) in good standing may join a section of the member's choosing. Membership in the section will become effective upon payment of member dues and will continue as long as the membership remains active. Sections shall be classified as either incorporated or unincorporated, as detailed below. Sections shall provide requested information related to an annual audit and/or financial review to the Board of Directors. Sections must comply with local laws and regulations.

### **Procedures**

AACE sections are founded by members residing within a designated geographic area who have expressed the need and/or desire for a local AACE presence. The geographic area of any section should be sufficiently large enough to address local need (e.g., industry presence, government relations, university engagement, field visits) and provide members access to a local network to support job performance/business development within the community. The geographic area should be small enough to allow members to attend in person meetings. All sections shall hold regular events, which may include such things as technical programs, networking sessions, and field visits (e.g., job sites, universities).

### **Formation**

AACE sections are organized into geographic regions. Each region has a Regional Director (RD) who is, in part, responsible for assisting sections in numerous areas including education, membership, and section development. Prior to and/or during the petition stage, the RD shall provide guidance to the prospective section.

Application for the establishment of a section shall be made to AACE headquarters by petition. The organizers must be active AACE members, have mailing addresses within the territorial limits of the proposed section, and shall serve as the interim section leadership pending election or appointment at a later date. The petition shall include the proposed name of the section, its geographic boundaries, and initial volunteer leadership team. All new sections will be classified as unincorporated (Section Lite) for a period of at least one year. After that time, any unincorporated section in good standing will be eligible to petition for incorporated status if it so chooses. A section's geographical area will reside 100% within the boundaries of a single region. There is no minimum number of members required to start or maintain a section.

Upon evaluation of the information provided in the petition, AACE will recognize the new section when:

- It believes the new section will further the purposes and objectives of the association;
- There is evidence to indicate the continued success of a proposed section; and
- It is assured that the initial applicants for the proposed section take into consideration the current and potential for membership development and engagement.

### **Incorporated (Traditional)**

Sections within this category shall independently incorporate as nonprofit corporations. Their establishment requires a formal affiliation agreement with AACE (provided separately) in which AACE grants an exclusive charter outlining the partnership. The terms of this agreement will vary between US and international sections, based on local laws. The primary benefit of incorporation is the protection of individual officers, directors, and members from personal liability when these individuals are conducting activities on behalf of the section. Legal and financial duties belong to the section and its Board of Directors. For US sections, their tax-exempt status (separate from incorporation status) may remain under AACE's IRS group exemption, if eligible. The favorable vote by a majority of the AACE Board of Directors is required for approval to establish an incorporated section. The roles and responsibilities of AACE and incorporated sections are outlined in the respective affiliation agreements.

### **Unincorporated (Section Lite)**

Unincorporated sections, referred to as "Section Lite," operate as unincorporated units within AACE. The establishment of an unincorporated section is granted with the approval of AACE headquarters. Unincorporated sections are not legal entities and do not maintain bank accounts. This format is an option for sections both within and outside the US. The minimum requirements for maintaining an unincorporated section are:

- Establishment and continuance of a volunteer leadership committee consisting of a chair, vice chair, and any number of members. Sections shall submit the names and contact information of volunteer leadership committee members to AACE headquarters annually and/or as changes occur. The committee serves as an ongoing communication channel with AACE headquarters.
- Plan and host at least three professional development program and/or networking events per calendar year (virtually or in person), either individually or jointly with another section. Events shall advance and promote AACE membership, technical content, and certifications.

The roles and responsibilities of AACE and unincorporated sections are as follows:

- Web Presence. AACE will create an optional webpage for sections on the AACE website and provide technical support. Sections are responsible for keeping the webpage up to date.
- Events and Education. AACE will provide event support (see below).
- Support. AACE shall make support staff available to section leadership during regular AACE business hours.
- Reporting. AACE shall maintain and update member data and regularly provide section membership reports and statistics to section leadership.
- Resources. AACE shall provide resources, training, and information to section leadership.
- Logos. AACE will provide a generic section logo and a limited, revocable, non-exclusive license for its use. The logo may not be revised or altered in any way and must be displayed in the same form as produced by AACE. All rights of use shall terminate immediately upon the dissolution of a section. AACE's logo (not the section logo) cannot be used without express written permission from AACE.

Sections shall not contractually bind AACE unless specifically authorized by AACE. Recognition of an unincorporated section may be withdrawn by AACE if, in its opinion, the section is not serving the best interests of AACE.



## **Events and Education**

AACE shall provide optional event support to all sections (i.e., incorporated and unincorporated) as outlined below. Sections shall list these events in AACE's master calendar in order to increase engagement opportunities for members, streamline topics, and minimize conflict with other AACE and/or section events. Incorporated sections have the option of producing their events independent of AACE, per the affiliation agreement.\*

### Webinars

A virtual networking event and/or technical session (generally 1-2 hours)

- Section Lite: No registration fees
- Traditional: Registration fee optional (separate agreement with AACE required for fee-based events)\*
- AACE shall offer event hosting software
- Promotion shall be done jointly by AACE and section(s)

### In person (condensed)

An informal networking event and/or technical session (generally 1-2 hours)

- Section Lite: No registration fees; venue can be donated in kind (e.g., office space, university) or held at a location where attendees can pay for food and beverage individually (e.g., restaurant)
- Traditional: Registration fee optional (separate agreement with AACE required for fee-based events)\*
- AACE shall offer centralized registration, if applicable
- Section volunteers are responsible for organizing

### In person or virtual (expanded)

A formal, fee-based networking event and technical program (generally half, full, 1.5, or 2 days) involving one or more sections (i.e., regional)\*\*

- Section Lite: Not applicable
- Traditional: Separate agreement with AACE required\*

\*Incorporated sections may independently produce their own free or fee-based events and retain 100% of the revenue. However, a section does have the option to use AACE headquarters for any level of support, per the above. For fee-based events, a separate event agreement outlining each parties' responsibility and the potential for revenue share will be discussed and drafted accordingly.

\*\*For unincorporated sections, HQ will manage the above and retain all revenue.

## **Awards & Recognition**

A lot of hard work and dedication goes into volunteering at the section level. A recognition program tied to meaningful success metrics that showcases the power of AACE members at the local level will be created and sustained.

## **SECTION GRANT PROGRAM**

### **Policy**

The purpose of the Section Grant Program is to provide meaningful support and grow local member engagement through AACE Sections. The intent of the program is to provide both a safety net and a source for innovation. Funds are available on a limited basis and will continue at the discretion of the AACE Board of Directors. Sections may apply for any number of grants, as detailed below, although the maximum total request should not exceed \$20 per section member (as of July 1 of the application year). Applications for funding beyond this amount may be considered, based on demonstrated need. Funding for sections that intend to move from Section Lite to Traditional (incorporated) status will be considered on an ad hoc basis. Sections are encouraged to develop annual business plans that incorporate revenue streams independent of grant funding.

### **Procedures**

Grant funds will be awarded based on the following considerations: financial status of the section, as well as direct impact to members, the industry, and section operations. Eligibility: Traditional (incorporated) sections in good standing. Section Lite sections that intend to, and demonstrate a plan for, incorporation. There are two grant categories:

#### **"Operational Support" grants**

- Designed to help ensure a consistent delivery of value by all sections and aid in fulfilling the minimum requirements.
- Requests for funding services that AACE headquarters otherwise provides (e.g., website hosting) may or may not be considered, at the discretion of the review panel.

#### **"Growth Support" grants**

- Designed to support innovative "stretch" initiatives (activities that are not "business as usual"). Funds should be used for innovation and service improvement, not for fixed expenses.
- May be used to supplement existing events or programs, allowing the section to expand on the original program.
- Pilot projects that may be high risk, but have high potential.
- Proposals should align with the AACE strategic plan.

### **Application Process**

The online application will open September 1 each year. The grant submission deadline will be 11:59 pm EST October 15. Notifications of grant awards will be sent by December 31. Funds will be distributed in January. (Note: a second round of grant funding may open during the year, at the discretion of the Board of Directors). Requirements will include:

- Narrative: In a maximum of 1,000 words describe why the section is applying for the grant(s). Items to address should include:
  - Demonstrated need
  - The goal section leadership hopes to achieve
  - How the grant will benefit members, industry, and the section
  - Alignment with the AACE strategic plan
- Most recent financial statements
- Most recent tax filing (U.S. sections only)

**Review Process**

The structured review process will consist of a diverse group of reviewers to ensure objectivity and fairness. The review panel shall include representatives from AACE Headquarters, the Board of Directors, and the Membership Advisory Committee. They will have clear guidance on how to score the applications and be asked to sign a confidentiality agreement and conflict of interest (COI) form. To ensure equitable decision-making, members of the panel will be required to disclose any actual or perceived COI between themselves and the applicants. As a result, reviewers may be asked to recuse themselves from the review process. A COI may include, but not be limited to, previous or current section membership, business or personal relationships, or economic benefit.

The review panel will score and comment on the merit of the proposals and will use those scores to recommend funding amounts to the AACE Board of Directors. Grant requests may be funded in whole or in part.

**Distribution**

Funds will be distributed in full in January. The section leader named on the application will be asked to sign an agreement outlining the section's obligations. If awarded a grant, the section will be required to provide a quarterly status update in writing from the time the grant is dispersed up to a year. If there is a small excess of funds remaining at year end, the section will be allowed to retain the amount. If there is a large excess of funds, the section will be asked to provide a plan for its use and may be excluded, or prioritized lower, in subsequent rounds of grant funding. If the grant funds are being used in ways that don't comply with the agreement, unless otherwise authorized to do so, AACE International may request the funds be returned in whole or in part. The section may be excluded from future grant funding.

# **Section V:**

## **Board of Directors and Officers**

## **BOARD OF DIRECTORS**

### **Policy**

The Board of Directors (Board) is the governing body of the Association. In this role it is vested with the government and management of the Association. Its mission is to establish and keep current the vision for AACE International based on the needs and desires of the membership; to provide direction, leadership, and policy to achieve the vision and serve the membership.

The Board shall have not less than nine (9) nor more than eleven (11) voting members. It shall consist of the four (4) voting Officers identified in the Bylaws, Past-President, Director - Certification, Director - Education, Director - Technical, and not less than one (1) nor more than three (3) Directors at-Large. Officers and Directors at-Large shall be elected by the Members. The Board shall establish policies and procedures in the Organization Manual for the election of the Director – Certification, Director – Education, and Director – Technical. The Executive Director/CEO as an ex officio nonvoting member. A quorum of the Board is a majority of the Board members.

The Board consists of:

- President
- President-Elect
- Past President (most recent)
- Secretary
- Treasurer
- Director – Certification
- Director – Education
- Director – Technical
- Director(s) at-Large (one to three)
- Executive Director/CEO (ex officio, non-voting)

### **Term**

All Officers and Directors shall take office at the time of the annual business meeting following the annual election. Directors shall serve for a two-year term or until their successors have been elected or appointed and assume office. The President and President-Elect shall each serve a one-year term and not be eligible to serve two successive terms in the same office unless the first term was not a full term. The immediate retiring President automatically serves an additional one-year term as Past President. The maximum allowable time to be served in these offices consecutively, whether by reason of appointment or other, shall be less than four full years. The Secretary, Treasurer, and Directors shall be eligible to serve two two-year terms. The maximum allowable time to be served in these offices consecutively, whether by reason of appointment or other, shall be less than six full years.

The Board employs an Executive Director/CEO and provides him/her with resources necessary to perform such duties as directed by that Body.

### **Procedures**

#### **General Duties**

1. Fulfill the mission of the Board of Directors as set forth above.
2. Meet at least two times a year at the behest of the President or any four members of the Board.

3. Make such regulations as shall be necessary for the protection of the property of the Association and for the preservation of good order in the conduct of its affairs.
4. Prepare and submit reports prior to Board meetings, as needed.
5. Present business for action by the Board of Directors of the Association.
6. Represent the broad membership of the organization.
7. Establish a vision and outlines goals to reach the vision.
8. Articulate the mission and sustains the vision.
9. Ensure effective organizational planning is in place.
10. Enhance the organization's public standing.
11. Communicate with AACE leadership (Associate Board chairs, Section presidents, etc.) about important decisions affecting AACE.
12. Represent AACE in a professional manner to groups inside and outside of AACE.
13. Create and set policy.
14. Develop, adopt and provide direction on strategic plans and budgets.
15. Prepare for meetings, vote on ballots between meetings, serve on task forces as assigned.
16. Monitor overall operations, including oversight and evaluation of goals achievement.
17. Create and dissolve committees.
18. Set financial goals, ensure resources are appropriately managed, and allocate resources to meet goals.
19. Assist in search for and development of annual goals and assessment of Executive Director/CEO.
20. Determine, monitor and strengthen programs, products, education, and services.
21. Assist in recruiting, orienting, and mentoring new Board members.
22. Partner and communicate well with staff.
23. Host meetings and conference calls around strategic issues.
24. Comply with the Bylaws.

#### **Governance Documents**

1. Make proposals as deemed necessary for amending the Bylaws and Organization Manual.\
2. Consider and act upon proposals submitted by the membership for amending the Bylaws and Organization Manual.
3. Ensure alignment between the Articles of Incorporation, Bylaws, and Organization Manual.

#### **Association Meetings**

1. Approve President's call for meetings of the Association. Also, an Association Meeting may be called by a majority of the Board.

#### **Elections**

1. Officially declare election of Officers and Directors.
2. In case of tie vote in membership balloting, elect member to the Board from among those tied for the office.
3. Elect a member of the Association to fill any unexpired portion of Board office term except office of President. The President-Elect shall become President if that office becomes vacant.
4. Declare adoption of amendments to the Bylaws.

#### **Finances**

1. Approve annual budget submitted by the Treasurer.
2. Adopt policy and provide any special authority for disbursement of funds by the Treasurer.
3. Direct Treasurer to submit his/her accounts to the inspection of an outside, independent

auditor.

4. Approve the hiring of an independent, outside auditor by Headquarters.

### **Board of Director Meetings**

1. Headquarters shall send copies of the minutes via email to the members of the Board. Additionally, the minutes will be posted to the AACE Communities.
2. The agenda for all Board meetings and the minutes thereof will be placed on file with AACE International Headquarters.

### **Require Business at Annual Business Meeting**

1. Approve Chairs and/or Members for all Committees, as appropriate.

The Annual Board Meeting is defined as the first meeting of the incoming Board of Directors held at the Association's Conference & Expo.

### **Sections**

1. Act upon applications for charter by Sections. Request any additional information needed for application action from the petitioners.
2. Notify the petitioners of the Board's action.
3. Withdraw recognition, redefine boundaries, Section names and any Section or Region at its discretion.

### **Executive Director/CEO**

1. Employ an Executive Director/CEO.
2. Delegate non-policy-making duties to the office of the Executive Director/CEO.

### **Individual Duties**

1. Each member shall plan, organize, and carry out assignments at the request of the President or of the Board of Directors of a nature which falls outside their normal scope of responsibility.
2. Individual Board members are frequently designated to lead task forces, organize projects and carry out assignments at the request of the Board of Directors. Board members will not be assigned without their agreement. These assignments will have specific deliverable dates as well as established communication and status reporting. The Board member is responsible for communicating the status of these initiatives on a regular and timely basis.

### **Removal**

A Director may resign at any time by delivering written notice to the Board. A resignation is effective when the notice is delivered unless the Board agrees to a later effective date. An elected Director may be removed with or without cause by an affirmative vote of the voting members entitled to elect such Director. An appointed Director may be removed for cause by an affirmative vote of a majority of the Board.

The President, based on verifiable evidence of lack of performance of duties of the office, will contact the Board member to discuss correction of the deficiency. If the Board member is unable or unwilling to correct the deficiency the Board member may be asked to resign from the Board. The President will make every attempt to convey the gravity of the situation to the Board member and will exhaust all reasonable means to encourage and aid the Board member to fulfill his/her obligations. Should the Board member choose to resign from office, the resignation will be accepted without prejudice and will

not reflect upon the Board member's professional competence or stature. The Board member must submit his/her resignation in writing to the President and it shall become effective upon its receipt.

Verifiable evidence of lack of adequate performance may include:

- Failure of North American Board members to attend two (2) or more consecutive Board meetings. International board members must attend (1) or more Board meetings per year. For all missed in-person Board meetings, Board members must participate virtually for all meetings where remote capability has been arranged.
- Complaint by a majority of Associate Board or Committee members that a Board member has failed to perform his/her duties of office.
- Actions as defined in the AACE Bylaws which constitute a breach of the Canons of Ethics.
- Medically-verified physical or mental incapacitation.

If an **elected Board member** does not resign and the deficiency is not corrected the Board member in question shall be notified in writing that his/her performance is being reviewed by the Board of Directors. The Board of Directors will review the information and decide whether additional intervention or removal of the Board member is necessary. If removal is necessary, the Board of Directors will request the President Elect to draft a resolution to the AACE membership for removal of the Board member from office. The Board member may be removed from office by a majority vote of voting members in the event that in the opinion of the Board the Board member has been given reasonable time to address the deficiency, counseled on expected performance and the Board member is incapable or unwilling to discharge their responsibilities. The Board member will be notified in writing that a resolution for his/her removal is being put forth to the voting membership. The Board member will have fourteen (14) days to respond to the written notice and the Board member will be provided reasonable opportunity to make oral or written representations to the voting membership. A Board member to whom such a resolution applies ceases to be a Board member for all purposes immediately after the resolution is passed, and a new member will be appointed.

If an **appointed Board member** does not resign and the deficiency is not corrected the Board member in question shall be notified in writing that his/her performance is being reviewed by the Board of Directors. The Board of Directors will review the information and decide whether additional intervention or removal of the Board member is necessary. If removal is necessary, the Board of Directors will request the President Elect to draft a resolution to the Board of Directors for removal of the Board member from office. The Board member may be removed from office by a majority vote of the Board in the event that in the opinion of the Board the Board member has been given reasonable time to address the deficiency, counseled on expected performance, and the Board member is incapable or unwilling to discharge their responsibilities. The Board member will be notified in writing that a resolution for his/her removal is being put forth to the Board of Directors. The Board member will have fourteen (14) days to respond to the written notice and the Board member will be provided reasonable opportunity to make oral or written representations to the Board of Directors. A Board member to whom such a resolution applies ceases to be a Board member for all purposes immediately after the resolution is passed, and a new member will be appointed.



## **REPLACING BOARD MEMBERS**

### **Policy**

Per the Bylaws, unless otherwise stated herein, all vacancies occurring on the Board or in any office shall be filled by vote of the Board for the unexpired portion of the term except in the case of Director – Technical and Director – Education. If a vacancy occurs on the Board, whether by death, resignation, lack of residency, involuntary removal or other qualification, the remaining Board members shall appoint a suitable person to fill the vacancy until the next Board member election. If the term has not expired, a person shall be elected for the remaining unexpired term.

### **Procedures**

#### **President**

Per the Bylaws, if the office of President becomes vacant, the President-Elect shall become President for the remainder of the term of the vacated office and for the President-Elect's term as President.

#### **President-Elect**

Vacancy occurring in the office of President-Elect for reasons other than ascending to the vacated office of the President shall be filled by either the Secretary or Treasurer for the remainder of the term as President-Elect and the subsequent term as President. The selection shall be by secret ballot of the Board.

#### **Past President**

In the event a vacancy occurs in the position of Past President, the President shall recommend, for Board approval, a candidate from among other former Presidents to fill the remainder of the term. Should such candidates not be available, the President shall recommend for approval whoever may be appropriate to fill the vacancy for the remainder of the term of office.

#### **Treasurer**

In the event a vacancy occurs in the office of Treasurer, Board members may recommend for Board selection qualified candidates, given the following priorities:

1. Previous Board members who served as VP-Finance or Treasurer.
2. Current Board members who have demonstrated expertise in finance or accounting.
3. Members of the Association who have served a minimum of two years as an Officer, Director, or Associate Board Chair.

Potential candidates shall be screened by the President, President-Elect, and Past President. Appointees will be eligible to become candidates for office in the subsequent election.

#### **Secretary**

In the event a vacancy occurs in the office of Secretary, Board members may recommend for Board selection qualified candidates, given the following priorities:

1. Previous Board members who served as VP-Administration or Secretary.
2. Current Board members who have demonstrated expertise in administrative management, human resources, or legal.
3. Members of the Association who have served a minimum of two years as an Officer, Director, or Associate Board Chair.

Potential candidates shall be screened by the President, President-Elect, and Past President. Appointees will be eligible to become candidates for office in the subsequent election.

#### **Directors at-Large**

In the event a vacancy occurs in the office of Director at-Large, Board members may recommend for Board selection qualified candidates, given the current strategic needs of the Board. Refer to Nominations Committee policy and procedures for further guidance. Potential candidates shall be screened by the President, President-Elect, and Past President. Appointees will be eligible to become candidates for office in the subsequent election.

#### **Directors – Education, Technical**

In the case of a vacancy in those positions, the respective associate board may nominate a replacement who will serve for the balance of the term upon approval by a majority of the respective associate board.

#### **Director – Certification**

In the event a vacancy occurs in the position of Director – Certification, Board members may appoint either the Chair or Secretary of the AACE International Certification Institute who will serve for the balance of the term.

#### **Selection Criteria**

All candidates shall meet the requirements set forth by the Nominating Committee insofar as allegiance to service; except that appointees shall not be considered who are subject to employment reviews or performance appraisals by current members of the Board.

#### **Voting**

Election to office will be determined by simple majority of the voting members of the current Board of Directors. In the event more than two candidates are being considered for the same office, the candidate receiving the least votes on the first ballot shall be eliminated on the second balloting. Voting in this manner shall be continued until one candidate is selected by majority vote.

## **PRESIDENT**

### **Policy**

The President shall maintain the integrity and forward the purpose of the Association as set forth in the AACE Bylaws. He/she shall also utilize and direct the services of the membership to further the objectives of the Association. He/she shall also direct and utilize the services of the Board members, collectively and singularly, to fulfill the duties of the Association's governing body. The President is elected by the AACE Membership.

### **Qualifications**

1. AACE member in good standing
2. Demonstrated leadership skills through a record of responsible service to the association
3. Knowledgeable about the programs and services of the association
4. Ability to communicate effectively in oral and written form
5. Demonstrated ability to exercise good judgment
6. Ability to be a good facilitator
7. Fair, reasoned, and impartial
8. Committed to serving the common interests of the membership

### **Procedures**

Specific duties of the office of President are as follows:

#### Meetings

1. Call meetings of the Association.
2. Call in-person or virtual Board meetings at least three times a year.
3. Preside at all business meetings of the Association Board of Directors.
4. Prepare an agenda for the general meeting for the purpose of presenting reports and AACE business to the Association.
5. Prepare and publish an agenda for Board meetings prior to the meeting.

#### Appointments

1. Appoint, subject to the approval of the Board of Directors, chairs to committees as needed.
2. Appoint, subject to Board approval, any required ad hoc (or temporary) committees as the need arises.

#### Organization

1. Performance of an annual strategic plan review and update in collaboration with the ED
2. Performance of an annual board self-evaluation.
3. Initiate orders for the formation of ad hoc committees.
4. Initiate actions to enable the Association to fulfill all its commitments to membership and others.
5. Initiate actions to enable all working groups within the Association to fulfill their responsibilities within assigned schedules.
6. Delegate such duties to the Officers and Directors as will further the interest of the Association.

7. Utilize the Executive Director/CEO's service to the fullest extent in carrying out presidential duties promptly on matters of specific concern to the Association.
8. Conduct annual performance review of the Executive Director/CEO.
9. Review and approve all Expenditure Requisitions.
10. Review and approve all Expense Reports except those of the Executive Director/CEO and the Headquarters staff reporting to the Executive Director/CEO.
11. Sign all agreements for cooperative activities with other professional societies.
12. Communicate regularly with the Officers, Directors, and Executive Director/CEO to keep them fully apprised of developments with respect to AACE activities.

#### Reports

1. Prepare President's Report prior to every Board of Directors meeting.
2. Prepare a bi-monthly column for Source magazine covering matters of general concern for the Association and its membership.
3. Prepare President's Report for the Annual Business Meeting.
4. Prepare special reports covering matters of major concern to membership for release through Executive Director/CEO.

## **PRESIDENT-ELECT**

### **Policy**

The President-Elect shall maintain the integrity and forward the purpose of the Association as set forth in the AACE Bylaws. The President-Elect shall act for the President whenever the President is unable to perform his/her duties. The President-Elect is elected by the AACE membership. The President-Elect automatically serves on the AACE International Certification Institute's Board of Directors as a Director upon installation to the AACE International Board.

### **Qualifications**

1. AACE member in good standing
2. Demonstrated leadership skills through a record of responsible service to the association
3. Knowledgeable about the programs and services of the association
4. Ability to communicate effectively in oral and written form
5. Demonstrated ability to exercise good judgment
6. Ability to be a good facilitator
7. Fair, reasoned, and impartial
8. Committed to serving the common interests of the membership

### **Procedures**

Specific duties of the office are as follows:

1. Represent the Association at the request of the President and keep generally informed of all major activities of the Association.
2. Assist the President to counsel, guide and in other ways coordinate the efforts of the Association Officers and Directors in their work with emphasis on the following:
  - a. Planning of on-going committee activities, reviewing progress and approving major completed projects before submission to the Board or membership.
  - b. Assigning specific responsibility for new projects arising during his/her term of office.
  - c. Interpreting AACE policy for Directors and Committee Chairs and assuring all projects are consistent with established policy and practice.
  - d. Referring to the Board for majority opinion, proposals which depart from established AACE policies.
  - e. Assuring coordination between the appropriate committees and the corresponding Conference & Expo activities and interests of the Directors – Technical, Educational, Certification.
3. Responsible for the guidance and oversight of all external agreements, MOU's, or associations with other organizations. The President-Elect will make recommendations to the Board of Directors for any revisions to these agreements.
4. Responsible for serving on the AACE International Certification Institute Board and assuring the Institute succeeds in its mission.

## **PAST PRESIDENT**

### **Policy**

The Past President shall act for the President or President-Elect whenever either is unable to perform his or her duties. As the Past President, his/her position on the Board is in the capacity of an officer of the Association. The Past President is elected by the AACE membership.

### **Qualifications**

1. AACE member in good standing
2. Demonstrated leadership skills through a record of responsible service to the association
3. Knowledgeable about the programs and services of the association
4. Ability to communicate effectively in oral and written form
5. Demonstrated ability to exercise good judgment
6. Ability to be a good facilitator
7. Fair, reasoned, and impartial
8. Committed to serving the common interests of the membership
9. Must have served as President of the Board of Directors

### **Procedures**

The Past President shall act as advisor to the President with information on previous issues and decisions made during the previous presidency. The Past President shall guide, manage and be responsible for the following committees:

- Awards Committee
- Nominations Committee

## **SECRETARY**

### **Policy**

The Secretary shall be corporate secretary and legal officer of the Association. The Secretary shall conduct all official correspondence of the Board of Directors.

### **Qualifications**

1. AACE member in good standing
2. Demonstrated leadership skills through a record of responsible service to the Association
3. Knowledgeable about the programs and services of the Association
4. Ability to communicate effectively in oral and written form
5. Demonstrated ability to exercise good judgment
6. Ability to be a good facilitator
7. Fair, reasoned, and impartial
8. Committed to serving the common interests of the membership

### **Procedures**

1. Responsible for all legal correspondence of the Association.
2. Act as legal officer of the Association.
3. Responsible for collecting and maintaining the charters of the Association.
4. Responsible for maintaining the Organization Manual.
5. Responsible for preparing or reviewing Board of Directors meeting minutes prior to issue.
6. Act as corporate secretary of the Association.

## **TREASURER**

### **Policy**

The Treasurer is responsible for all matters relating to the financial welfare of AACE International. The Treasurer is accountable to the Board of Directors and to the Association Members for all actions within his/her scope as outlined in this position description. The Treasurer automatically serves on the AACE International Certification Institute's Board of Directors as the Treasurer upon installation to the AACE International Board.

Supports conduct, control, and reporting of financial transactions in accordance with generally accepted accounting practices provided by Headquarters. A Finance Committee composed of Association Members may be formed, with Board approval, to address matters of policy (i.e., reserve investments) and budget development.

### **Qualifications**

1. AACE member in good standing
2. Demonstrated leadership skills through a record of responsible service to the association
3. Knowledgeable about the programs and services of the association
4. Ability to communicate effectively in oral and written form
5. Demonstrated ability to exercise good judgment
6. Ability to be a good facilitator
7. Fair, reasoned, and impartial
8. Committed to serving the common interests of the membership

### **Procedures**

Specific responsibilities of the office of Treasurer are as follows:

1. Present a quarterly report to the Board of Directors showing the income, expenditures, forecast, and balances for the prior period and performance to the budget.
2. Invest any surplus Association funds not needed in normal conduct of Association business in conformance with Board approved policy. Such investment shall be reported immediately to the President and included in the Treasurer's quarterly report.
3. Prepare an annual budget and submit it to the Board so that it may be reviewed and approved prior to the start of the Association fiscal year.
4. Submit the Association financial records biennially (or more often as directed by the Board) for the inspection of an outside auditor.
5. Approve all expenditures over \$10,000.
6. Policies and procedures governing the operation of the office of the Treasurer are contained in the AACE International Financial Manual.
7. Responsible for serving on the AACE International Certification Institute Board and assuring the Institute succeeds in its mission.

### **Bonding**

Any employee or volunteer who has signatory authority on any Association banking account shall be bonded.



## **DIRECTOR AT-LARGE**

### **Policy**

A Director at-Large is a member of the AACE Board of Directors, which is responsible for governing the organization, and assuring that it succeeds in its mission. The affairs of the organization are managed under the direction and supervision of its Board of Directors. The Board acts as a body and individual directors have no authority, unless the Board delegates it to them.

### **Qualifications**

1. AACE member in good standing
2. Demonstrated leadership skills through a record of responsible service to the association
3. Knowledgeable about the programs and services of the association
4. Ability to communicate effectively in oral and written form
5. Demonstrated ability to exercise good judgment
6. Ability to be a good facilitator
7. Fair, reasoned, and impartial
8. Committed to serving the common interests of the membership

### **Procedures**

1. Each Director shall plan, organize, and carry out assignments at the request of the President or of the Board of Directors
  - a. The Director is responsible for communicating the status of these initiatives on a regular and timely basis
  - b. Approve the goals and outcomes to be accomplished
  - c. Assure that the desired goals and outcomes are achieved and ensure that the Association's resources necessary for achievement are available and used efficiently
2. Determine Association policies and be accountable for AACE's assets
3. When delegated by the Board, have authority to contract on behalf of the Association and may adopt such rules and procedures for the conduct of the business of the Association as it shall deem advisable

## **DIRECTOR – CERTIFICATION**

### **Policy**

The Director – Certification is a member of the AACE Board of Directors, which is responsible for governing the organization, and assuring that it succeeds in its mission. The affairs of the organization are managed under the direction and supervision of its Board of Directors. The Board acts as a body and individual directors have no authority, unless the Board delegates it to them. The Vice Chair of the AACE International Certification Institute Board of Directors automatically serves on the AACE International Board as the Director – Certification upon installation to the AACE International Certification Institute Board.

### **Qualifications**

1. AACE member in good standing
2. Demonstrated leadership skills through a record of responsible service to the association
3. Knowledgeable about the programs and services of the association
4. Ability to communicate effectively in oral and written form
5. Demonstrated ability to exercise good judgment
6. Ability to be a good facilitator
7. Fair, reasoned, and impartial
8. Committed to serving the common interests of the membership

### **Procedures**

The Director – Certification acts as liaison and primary point of communication between the AACE International Certification Institute Board and the AACE International Board of Directors.

1. The Director - Certification shall plan, organize, and carry out assignments at the request of the President or of the Board of Directors
  - a. The Director is responsible for communicating the status of these initiatives on a regular and timely basis
  - b. Approve the goals and outcomes to be accomplished
  - c. Assure that the desired goals and outcomes are achieved and ensure that the Association's resources necessary for achievement are available and used efficiently
2. Determine Association policies and be accountable for AACE's assets
3. When delegated by the Board, have authority to contract on behalf of the Association and may adopt such rules and procedures for the conduct of the business of the Association as it shall deem advisable

## **DIRECTOR – EDUCATION**

### **Policy**

The Director – Education shall have overall responsibility for collaborating with the Education Board Chair and Education Board members and shall act as their representative to the AACE International Board of Directors.

### **Procedures**

The Director – Education acts as liaison and primary point of communication between the Education Board and the Board of Directors. The Director counsels, guides, and otherwise collaborates with the Education Board in their work with emphasis on the following:

1. Assist Education Chair in the planning of Education Board activities.
2. Review, offer comments, and contribute to the final draft of Education Board Chairs' reports to the Board of Directors.
3. Study education proposals that depart from established AACE policies, procedures, or activities, reserving the right to refer to the Board of Directors for majority opinion.
4. Interpret AACE policy with respect to Education Board programs and initiatives.
5. Review and appoint Education Board member candidate recommendations.

## **DIRECTOR – TECHNICAL**

### **Policy**

The Director – Technical shall have overall responsibility for collaborating with the Technical Board Chair and Technical Board members and shall act as their representative to the AACE International Board of Directors.

### **Procedures**

The Director – Technical acts as liaison and primary point of communication between the Technical Board and the Board of Directors. The Director counsels, guides, and otherwise collaborates with the Technical Board in their work with emphasis on the following:

1. Assist the Technical Board Chair in the planning of Board activities.
2. Review, offer comments to, and contribute to the final draft of the Technical Board Chair's reports to the Board of Directors.
3. Study Technical Board proposals that depart from established AACE policies, procedures, or activities, reserving the right to refer to the Board of Directors for majority opinion.
4. Interpret AACE policy with respect to Technical Board programs and initiatives.
5. Review and appoint Technical Board member candidate recommendations.

## **EXECUTIVE DIRECTOR/CEO**

### **Policy**

Under the general direction of the AACE Board of Directors, serves as AACE International's chief executive officer. Assists the Board of Directors in formulating AACE International's mission, strategies, goals, objectives, and related policies and is responsible for their implementation. Performs general and active management of AACE International's business in accordance with the adopted policies, direction, and instruction from the Board of Directors. The Executive Director/CEO is ex-officio member of AACE International's Board of Directors.

### **Procedures**

1. Strategy and Policy
  - a) Assures that the organization has a long-range strategy that achieves its mission and toward which it makes consistent and timely progress.
  - b) Conducts a review of AACE's strategic plan and offers appropriate recommendations to the Board on an annual basis.
  - c) Provides leadership in developing program, organizational, and financial plans with the Board of Directors and staff
  - d) Assures implementation of plans and policies authorized by the Board.
  
2. Headquarters
  - a) Establishes AACE International Headquarters staff structure. Ensures that staff job descriptions are developed, regular performance evaluations are held, and sound human resource practices are in place.
  - b) Encourages staff and volunteer development and education, and assists staff in relating their specialized work to the total program of AACE International.
  - c) Maintains a climate that attracts, retains, and motivates a diverse staff of qualified people.
  - d) Maintains membership and certification records and provides related services.
  - e) Oversees the processes concerning new member and certification applications.
  - f) Serves as publisher of all AACE International publications.
  - g) Maintains AACE International's Organization Manual, ensures it is accessible by membership, and distributes notification of changes to Headquarters staff.
  - h) Maintains and safeguards appropriate AACE International corporate and legal files and contracts and protects the property rights of AACE International therein.
  - i) Promotes businesslike, efficient, and ethical procedures in the administration of AACE International's business affairs.
  - j) Maintains ongoing and appropriate communications with the AACE International Board of Directors and AACE International members.
  - k) Supervises preparation and issuance of AACE International's Annual Business Report to its members.
  
3. Board of Directors Liaison
  - a) Cultivates a strong and transparent working relationship with AACE International's Board of Directors and ensures open communication about the measurement of financial, programmatic, and impact performance against stated milestones and goals.

- b) Assists the President in developing the Board of Directors meeting agendas.
  - c) Sees that the Board is kept fully informed on the condition of AACE International and important factors influencing it. Refers matters requiring executive action or policy decision to the attention of the Board of Directors. Participates in Board of Directors discussions, as appropriate.
  - d) Attends all AACE Board of Directors meetings.
4. Marketing
- a) Creates and implements programs to market AACE International to potential corporate sponsors, governmental agencies, and individual and student members to meet annual goals.
  - b) Creates and implements programs designed to retain existing AACE International members.
  - c) Develops beneficial liaisons with other professional groups and societies as AACE International's representative.
  - d) Obtains the maximum public exposure practicable of the aims, objectives, and advantages of membership and participation in AACE International through appearances and presentations to AACE International Sections, businesses, and industry groups.
  - e) Creates and implements programs designed to increase membership enrollment in AACE International.
  - f) Creates and implements programs designed to increase the number of active certifications in AACE International.
5. Financial
- a) Develops and maintains sound financial practices.
  - b) Oversees the financial processes and operations of AACE International.
  - c) Supervises maintenance of appropriate budget and cost records for AACE International.
  - d) As the agent for AACE International, negotiates and contracts for advertising in AACE International publications and procurement of supplies and services within budgetary limits.
  - e) Supervises the preparation and issuance of monthly accounting statements for AACE International.
  - f) Oversees preparation and issuance of quarterly financial reports for AACE International.
  - g) Manages AACE International's operations to result in compliance with the approved budget.
6. Other
- a) Participates in and oversees the evaluation of AACE International Conference & Expo locations and sites and makes recommendations as appropriate.
  - b) Performs other duties as assigned by the Board of Directors.

### **Annual Performance Planning and Review of the Executive Director/CEO**

## **Policy**

The annual goal setting and performance evaluation of the Executive Director/CEO, by the President, on behalf of the Board of Directors, shall be conducted at specified intervals throughout the year, culminating with a formal performance review.

The Executive Director/CEO's performance evaluation shall be based on performance criteria developed during the annual goal setting for the Executive Director/CEO. Performance goals shall be collaboratively agreed between the Executive Director/CEO and the President and should reflect:

- The duties and responsibilities defined in the Executive Director/CEO's job description
- The Executive Director/CEO duty requirements defined in Association Organization Manual
- The overarching direction setting for the Association as documented in the strategic plan and all related annual and business plans derived therefrom

The annual performance review process and evaluation shall address the success of the Association in attaining its organizational objectives, as well as the success of the Executive Director/CEO's personal and professional development goals.

Performance goals shall be coupled with objectives, clearly stated measurement criteria, definition on how the criteria will be measured, and achievement of defined milestones.

## **Procedures**

1. Annual goal setting shall occur not later than the 4<sup>th</sup> quarter of the preceding year, in alignment with the annual Association strategic planning session. Performance standards shall draw upon the goals and objectives of the Association as described in the strategic planning process, and the Executive Director/CEO's self-directed assessment of the critical tasks required for the upcoming year.
2. Performance goals shall be documented and agreed upon by both the Executive Director/CEO and President. The annual performance goals shall align with the Association budget to ensure the Executive Director/CEO's performance goals do not conflict with Association financial conditions. Annual performance goals shall be finalized not later than January 31<sup>st</sup>.
3. The annual performance review shall utilize a 360° format to gather performance information from selected stakeholders which may include the Board of Directors, AACE staff members, and selected volunteers. Tabulation and summarization of collected information shall be documented for evaluation. Evaluation results shall be presented to the Executive Director/CEO for discussion prior to finalizing the performance goals for the coming year. The annual performance evaluation shall be conducted not later than the second week of December.
4. Based on the evaluation results, the President may make recommendations to adjust the compensation and/or approve the professional development activities of the Executive Director/CEO.
5. The President's recommendations for the Executive Director/CEO's professional development and/or the compensation adjustment require Board of Directors approval.
6. A copy of the annual performance review and the approved development and compensation package shall be submitted to the Director, Accounting and Administration and becomes an official record of the Association and included in the Executive Director/CEO's personnel file.

## **MEMORANDUMS OF UNDERSTANDING**

### **Policy**

AACE International has entered into a number of Memorandums of Understanding (MOUs) with various organizations. The intent of such MOUs is to add value to the members of AACE International or the overall Association by leveraging these agreements. Benefits may include, among others, the following:

1. Providing members access to technical information, training, certifications, etc. they might otherwise not have access to through AACE;
2. Expanding the prominence of the AACE organization to potential members and certificants in areas where AACE currently has limited or no presence; and/or
3. Potential sources of additional revenue, which would help support AACE's activities.

### **Procedures**

In considering the creation of a new MOU, the following questions need to be addressed to ensure the relationship will add value to AACE and its members.

1. Would the agreement provide something AACE members critically need that AACE is unable to successfully provide alone?
2. Is there a critical business objective (e.g., standards, developing marketing channels) that could be addressed through an agreement?
3. Is there an AACE program or core competency that has untapped potential? For example, something developed for the core membership market that has relevance to another market segment.
4. Is there emerging competition for an AACE program or core competency that an agreement could offer protection against (blocking competitive threat)?
5. Would it extend the Association's reach by opening up and developing new markets?
6. Would it help members gain access to additional industry intelligence and knowledge of other markets?
7. Would it increase the Association's revenue or contribute to the bottom line?
8. Would it amplify the Association's resources? Will it leverage or reuse an already existing resource?
9. Would it increase the value of the Association within the industry or profession?

### **Drafting a New MOU**

The AACE member responsible for creating a new MOU should include review and input by AACE staff, as appropriate, to ensure the agreement is practical given the Association's practices, systems, and resources. In drafting the MOU, the document should provide the following:

1. Conformance with AACE's Bylaws;
2. Protection of AACE's intellectual properties;
3. A description of the expected benefits of the MOU to each organization;
4. Clear description of what AACE will provide to the other organization and what the other organization will provide to AACE;
5. Clear description of any resources being committed to support the MOU;



6. Clear description of any expenditures or revenues associated with the agreement;
7. Defined contacts, either specific individuals or specific roles responsible for the agreement;
8. Periodic meetings or review points for both organizations to discuss the agreement and evaluate activities and benefits to date; and
9. An expiration date of no more than 5 years.

### **Approval**

All MOUs must be approved by the Board of Directors prior to execution. A motion has to be submitted to the Board for approval with the draft MOU and a business case to support the establishment of the MOU. The business case should provide the following information:

1. The purpose of the MOU;
2. A summary description of the agreement, i.e. what is being committed;
3. An estimate of resources required to support the MOU, including volunteer members, AACE staff, and monetary outlays;
4. Who will be the liaison for the MOU, i.e. what volunteer member or subunit will manage the agreement, ensuring BOTH sides uphold their commitment;
5. Definition of the benefits that the MOU will provide AACE over the life of the agreement; and
6. How those benefits will be effectively measured and evaluated.

### **Interim Review**

Approximately one year after a MOU has been executed, AACE staff, in conjunction with the Board of Directors, will conduct an interim review of the MOU to assess if it is being implemented as intended by all parties who are signatories, what benefits have been realized to date, and what remedial actions may be needed to help ensure the success of the agreement.

### **Extension/Renewal**

Prior to extension or renewal of an existing MOU, AACE staff will prepare an evaluation of the value the MOU has provided to AACE, including an assessment of the resources required to administer the agreement and the benefits AACE has received as a result of the agreement, using the measures defined in the original business case for the agreement. This evaluation will be submitted to the Board for consideration in any request to extend or renew an existing MOU.

## **ORGANIZATIONAL LIAISONS**

### **Policy**

Official liaison relationships may be established with any professional organization that shares a common mission and goals with AACE, or where specific AACE initiatives may be advanced through collaboration as outlined in the Memorandums of Understanding policy. Liaison relationships will be approved by the Board of Directors. The liaison will represent AACE's position or member interests, as defined by the AACE Board. Liaisons also monitor and report on organizational activities, exchange information, and seek opportunities for cooperation.

The appointed liaison must be a current AACE member. Current or recent Board members will be considered, unless criteria set forth by the other organization is not met. If at any time the liaison is unable to actively participate in the project or organization as appointed, they may notify the Board and ask to be relieved of the assignment, so that AACE may identify a replacement. Liaisons are appointed by the President, subject to the approval by the Board of Directors.

### **Procedures**

The liaison will represent AACE on occasions involving communication with another assigned organization or association. The liaison may attend and participate in liaison organization meetings as appropriate. The Executive Director/CEO will assist the Board in evaluating outcomes and cost, if needed, per liaison.

A report of liaison activities to the AACE Board of Directors should be completed by each liaison, at least annually. The report will include a recap of meetings, conference calls, or other interactions with the liaison organization. The liaison should also express their opinions on how AACE can best capitalize on participation to further its own goals and to benefits its members.

While the liaison is a representative of AACE, the individual may not communicate an opinion, position, or decision in the name of the Association without express prior consent or approval of the Board of Directors. For example, a request to sign on to a position statement or other public communication will need approval by the Board.

Related travel expenses to necessary meetings may be reimbursed as outlined in the Expense Reimbursement Policy. Travel must be approved in advance and expenses must be reasonable. General liaison activities of the Association will be the responsibility of the Board of Directors. The President will review the current organizational liaisons annually and determine any necessary appointments needed.

# **Section VI:**

## **General Policies and Procedures**

## **HEADQUARTERS STAFF**

Policies regarding the paid headquarters staff will be handled by the Executive Director/CEO and will appear in the Personnel Manual. These policies will not be published in the AACE Organization Manual unless they concern the Board of Directors. AACE has a separate Personnel Manual which addresses specific human resources policies and procedures.

The Executive Director/CEO is solely responsible for the hiring, dismissing, and management of headquarters staff.

The Board of Directors is responsible for hiring, overseeing, and dismissing only one employee, the Association's Executive Director/CEO.

## **ARCHIVES**

AACE shall maintain an electronic or physical repository for significant Association documents and records. Except where indicated or as required by law, the retention period of the following shall be indefinite:

1. Governance documents (Articles of Incorporation, Bylaws, and Organization Manual) and each amendment thereto
2. Membership records
3. Certification records
4. Board meeting agendas and minutes
5. Election results
6. Associate Board, Committee, Task Force reports
7. Section records including, but not limited to, charters, bylaws, and 990 filings
8. Technical papers presented at Association meetings
9. AACE publications
10. Statistical and historical records
11. Cooperative Agreements and/or Memorandums of Understanding
12. Third party contracts
13. Federal, state, and financial records as required by law
14. Audit findings and management letters
15. Miscellaneous files as determined by AACE staff

## **CANONS OF ETHICS**

### **Policy**

AACE International Members shall uphold and advance the honor, dignity, and practices of Cost Engineering and Cost Management. In keeping with the high standards of ethical conduct members shall:

- Be honest and impartial;
- Serve employer, clients, and the public with dedication;
- Strive to increase the competence and prestige of their practice;
- Apply knowledge and skill to advance human welfare; and,
- Ensure adherence to health, safety, and welfare standards.

Throughout the Canons of Ethics the term “Member” shall be read to include:

- All classes of AACE International membership;
- All AACE International certificants and those applying for certification and/or sitting for examination whether they are AACE International members or non-members.
- Other professionals providing expert input to AACE International through professional courses of instruction using AACE International materials.
- Other professionals supporting development of educational and technical products that bear the AACE International imprimatur.

### **I. Relations with the Public**

Members shall hold paramount the health, safety, and welfare of the public, including that of future generations. [Paragraph: I.1]

Members shall endeavor to extend public knowledge and appreciation of Cost Engineering and Cost Management and its achievements. [I.2]

Members shall oppose any untrue, unsupported, or exaggerated statements regarding Cost Engineering and Cost Management. [I.3]

Members shall be dignified and modest, ever upholding the honor and dignity of their profession. [I.4]

Members shall express an opinion on cost engineering or cost management subject only when it is founded on adequate knowledge and honest conviction. [I.5]

Members, concerning Cost Engineering and/or/ Cost Management matters, shall issue no statements, criticisms, or arguments that are inspired or paid for by an interested party or parties, unless they preface their comments by identifying themselves, by disclosing the identities of the party or parties on whose behalf they are speaking, and by revealing the existence of any pecuniary interest they may have in matters under discussion. [I.6]

Members shall approve only those documents, reviewed or prepared by them, which are in conformity with accepted cost engineering, cost management and economic standards. [I.7]

Members whose judgment is overruled under circumstances where the health, safety, and welfare of the public are endangered shall inform their clients, employers, or supervisors of the possible consequences. [I.8]

Members shall encourage and support others to protect the health, safety, and welfare of the public regarding projects they are associated with. [I.9]

Members shall not knowingly be engaged in an unsafe project or program that endangers the health, safety, or welfare of anyone. [I.10]

Members shall be objective and truthful in professional reports, statements, and testimony. They shall include all relevant and pertinent information in such reports, statements, and testimony. [I.11]

Unless authorized by the President or the Executive Director/CEO, no members shall represent that any opinion they offer represents the opinion of AACE International. Further, no member shall represent to commit AACE International to any task, responsibility, or contract without the approval of the President or Executive Director/CEO. [I.12]

## **II. Relations with the Employees and Clients**

Members shall act in all matters as a faithful agent or trustee for each employer or client. [Paragraph: II.1]

Members shall act fairly and justly toward vendors and contractors and shall not accept any commissions or allowances from vendors or contractors, directly or indirectly. [II.2]

Members shall inform their employer or client of financial interest in any potential vendor or contractor, or in any invention, machine, or apparatus that is involved in a project or work for either employer or client. Members shall not allow such interest to affect any decisions regarding cost engineering or cost management services that they may be called upon to perform. [II.3]

Members, when as a result of their studies, find that a project or work will not meet its cost, schedule, economic, or other goals, or if their Cost Engineering and Cost Management or economic judgment is overruled, shall so advise their supervisor, employer, or client of these findings and of the potential consequences of said overruling. [II.4]

Members shall undertake only those Cost Engineering and Cost Management assignments for which they are qualified. Members shall engage or advise their employers or clients to engage specialists whenever their employer's or client's interests are served best by such an arrangement. Members shall cooperate fully with specialists so engaged. [II.5]

Members shall treat information coming to them in the course of their assignments as confidential and shall not use such information as a means of making personal profit if such action is adverse to the interests of their clients, their employers, or the public. [II.6]

Members shall not disclose confidential information concerning the business affairs or technical processes of any present or former employer, client, or bidder under evaluation, without consent, unless required by law. [II.7]

Members shall not reveal confidential information or finding of any commission or board of which they are Members, unless required by law. [II.8]

Members shall not duplicate for others, without express permission of the client(s), designs, calculations, sketches, etc., supplied to them by clients or bidders. [II.9]

Members shall not use or disclose confidential information coming to them in the course of their assignments in any way without the approval of the person or entity who provided or is the source of the confidential information. [II.10]

Members shall not accept compensation—financial or otherwise—from more than one party for the same service, or for other services pertaining to the same project or work, without the consent of all interested parties. [II.11]

Members, employed by others, shall engage in supplementary employment or consulting practice only with the consent of their employer. [II.12]

Members shall not use equipment, supplies, laboratory, or office facilities of their employers to carry on outside private practice without the consent of their employers. [II.13]

Members shall not solicit a contract from a governmental body on which a principal officer or employee of their organization serves as a Member. [II.14]

Members shall not request, propose, or accept professional commissions on a contingent basis under circumstances that compromise their professional judgment. [II.15]

Members shall act with fairness and justice to all parties when administering a project or work. [II.16]

Members, when involved in a project or work for others in which there may be issues of copyrights or patents, shall respect and comply with all laws and regulations applicable to the project or the work. [II.17]

Members shall admit and accept their own errors when proven wrong and refrain from distorting or altering the facts to justify their decisions. [II.18]

Members shall not attempt to attract an employee from another employer by false or misleading representations. [II.19]

Members shall act in professional matters for each employer or client as faithful agents or trustees and shall avoid conflicts of interest. [II.20]

Members shall avoid all known or potential conflicts of interest with their employers or clients and shall promptly inform their employers or clients of any business association, interests, or circumstances that could influence their judgment or the quality of their services. [II.21]

Members shall not solicit or accept gratuities, directly or indirectly, from contractors, their agents, owners, project stakeholders, or other parties dealing with their clients or employers in connection with project or work for which they are responsible. [II.22]



### **III. Relations with Other Professionals**

Members shall acknowledge that credit for Cost Engineering and Cost Management work is given to those to whom credit is properly due. [Paragraph: III.1]

Members shall provide prospective employees with complete information on working conditions and their proposed status of employment. After employment begins, Members shall keep the employee informed of any changes in status and working conditions. [III.2]

Members shall not maliciously or falsely, directly or indirectly, injure the professional reputation, prospects, practice, or employment of another, or shall they indiscriminately criticize another's project or work. Proof that another cost professional has been unethical, unfair, or illegal in their practice shall be cause for advising proper authority. [III.3]

Members shall not compete unfairly with other cost professionals. [III.4]

Members shall not seek to acquire or provide to other individuals certification examination questions or any other certification examination materials, to include derivative materials, not in the public domain. [III.5]

Members shall not falsify or permit misrepresentation of their own or their associates' academic or professional qualifications. They shall not misrepresent or exaggerate their degrees or responsibility in or for the subject matter of prior assignments. Brochures or other presentations incident to the solicitation of employment, shall not misrepresent pertinent facts concerning employers, employees, associates, joint ventures, accomplishments, or membership in technical societies. [III.6]

Members shall prepare articles for technical or lay press that are only factual, dignified, and free from ostentatious or laudatory implications. Such articles shall not imply credit to the cost professionals for other than their direct participation in the project or work described unless credit is given to others for their share of the project or work. [III.7]

### **IV. Standards of Professional Performance**

Members shall be dignified, professional, and truthful in explaining their accomplishments and merit and shall avoid any act tending to promote their own interests at the expense of the integrity, honor, and dignity of the profession. [Paragraph: IV.1]

Members, when serving as expert witnesses, shall express Cost Engineering and Cost Management opinions only when it is founded upon adequate knowledge of the facts, upon a background of technical competence, and upon honest conviction. [IV.2]

Members shall endeavor to continue their professional development throughout their careers in order to provide their clients or employers the benefit of the latest advancements in the profession. [IV.3]

Members shall encourage their Cost Engineering and Cost Management employees to attend and present papers at professional and technical society meetings. [IV.4]

Members shall uphold the principle of fair and unbiased treatment of all employees and potential employees in terms of employment opportunities, advancement, and compensation. [IV.5]

Members serving as AACE International Section Officers shall not claim that they or their employers represent AACE International for the purposes of gaining or soliciting business. [IV.6]

## **Procedures**

### **Ethics Complaints**

Any AACE International member or AACE International staff member may file a complaint against an AACE International member alleging a violation of this Canon of Ethics. Complaints shall be filed in accordance with the Bylaws and the Policies and Procedures of the Ethics Committee. Complaints from non-members who have direct knowledge of an alleged violation may also be considered.

### **Recommendations for Changes or Corrections**

Recommendations for changes or corrections to the AACE International Canons of Ethics are welcome. Changes or corrections shall be directed to: Chair, AACE International Ethics Committee or the Executive Director/CEO, AACE International. Each recommended change and/or correction shall have full consideration by the AACE International Ethics Committee. The Chair of the Ethics Committee shall provide a full response to the submitter and all other affected parties.

### **Administrative Management of the AACE International Canons of Ethics**

The Chair, appointed annually by the President, is responsible to the President and Board of Directors for administrative management of the Canons of Ethics.

### **Changes and Approval of Changes to the AACE International Canons of Ethics**

Minor administrative corrections and/or changes will be coordinated between the Chair of the AACE International Ethics Committee and the Executive Director/CEO. Suggestions considered to have merit will be forwarded, with a recommendation, to the Board of Directors. The Board of Directors will make a motion to adopt any changes, as needed. Resulting action will be implemented by the Executive Director/CEO.

Significant and/or major changes to the AACE International Canons of Ethics will be coordinated between the Chair of the AACE International Ethics Committee and the Executive Director/CEO. Suggestions considered to have merit will be forwarded, with a recommendation, to the Board of Directors. The Board of Directors will make a determination if the proposal shall be presented for public comment. Proposals recommended for public comment will be broadly presented to AACE International membership for comment over a thirty-day period. All comments will be evaluated with responses to the submitter. The proposed change to the Canons of Ethics will be resubmitted, with comments received. The Board of Directors will make a motion to adopt any changes, as needed. Resulting action will be implemented by the Executive Director/CEO.

### **Publication and Maintenance**

The Executive Director/CEO is responsible for publication and maintenance of the AACE International Canons of Ethics.

## **ETHICS VIOLATIONS**

### **Policy**

The following policies govern the procedures for the AACE International, Inc. (AACE) Ethics Committee. All formal complaints made of alleged violations of the AACE Canons of Ethics will be reviewed by the AACE Ethics Committee. In all cases where there may be legal transgressions (either in addition to or directly related to these complaints) the appropriate experts and/or authorities will be contacted and engaged. It is important to note that the alleged violation may include elements that involve both ethical and legal procedures. The Ethics Committee will adjudicate all alleged violations with the exception of any alleged violation that specifically pertains to a violation of the AACE certification process (e.g., allegations of cheating, plagiarism, or conduct of a certificant, among others). In the case of alleged violations pertaining to an AACE certification or to the certification process, the Ethics Committee will defer action to the AACE International Certification Institute, Inc. (Institute). The Institute has named the AACE International Certification Associate Board the body responsible for addressing alleged violations of the AACE Canons of Ethics as it relates to the certification process for candidates, certificants, and candidates for recertification. The Certification Board has its own procedures that govern actions associated with alleged ethical violations specific to those seeking or holding any one or more of AACE's certifications.

If the accused currently holds an AACE certification and/or is in the process of pursuing recertification, the Certification Board will provide a summary of its actions as well as any disposition recommendation actions to the Institute, the Executive Director/CEO, and the Ethics Committee. If the allegations include violations of the Canons of Ethics germane to both membership and certification(s), after receiving response from the Institute, the Ethics Committee will make its final recommendation for disposition of the violation as regards to membership to the AACE Board of Directors.

If an alleged violation is dismissed by either (or both) the Institute and/or the Ethics Committee, such dismissal shall not prohibit reintroduction of the alleged violation to either body so long as significant additional facts are presented for consideration. Determination as to what constitutes "significant additional facts" is the sole purview of the Ethics Committee and the Institute.

As with all other AACE boards and committees, AACE's Ethics Committee follows Robert's Rules of Order for conducting meetings and for making decisions as a group.

### **Procedures**

1. Communication: All formal communication originating from the Ethics Committee, Institute, or Executive Director/CEO with an alleged violation of the AACE Canons of Ethics shall be transmitted electronically and classified as confidential.
2. English language governs: All communication between parties is to be in written or spoken English. In the event the complainant or alleged ethics violator does not speak English, then it is incumbent on that party to bear the cost of necessary translation services.
3. Ethics complaint tracking: Upon formal notice of an ethics complaint, AACE's Executive Director/CEO will track the progress of the complaint through final resolution.

## **Filing an Ethics Complaint**

1. An ethics complaint against a member or certificant must be formally submitted in writing to AACE's Executive Director/CEO and the Ethics Committee Chair. Any person, regardless of membership in AACE, including AACE staff, may file a complaint alleging that a member or certificant violated AACE's Canons of Ethics.
2. An ethics complaint may be filed at any time within 12 months of the alleged infraction of the Canons of Ethics.
3. Depending on the specific aspects of the alleged violation, candidates for AACE certifications are subject to the separate Institute ethics complaint review process and will accordingly be deferred to the Institute for review. Until that process is fully adjudicated and/or a referral made to the Ethics Committee, the Ethics Committee shall not review the alleged ethics complaint.
4. AACE employees are not covered by AACE's ethics and complaint process. AACE human resources policies and procedures shall govern any investigation and adjudication of alleged ethics violations by AACE employees.
5. The ethics complaint should include the following information:
  - a. Name, address, email, telephone number of the complainant.
  - b. Name, address, email, telephone number of the member or certificant alleged to have violated AACE's Canon of Ethics.
  - c. Specific sections of AACE's Canons of Ethics against which an ethics complaint is asserting a violation/transgression (concerning the version of the Canon of Ethics that were in effect at the time of the alleged violation).
  - d. An adequate description of the facts supporting the ethics complaint including documentation relating to the allegations.
  - e. A description of previous steps or actions, if any, that have been taken with respect to the alleged unethical or unprofessional conduct and the results of such steps or actions.
  - f. The complainant's approval for the Ethics Committee to disclose all information to the member or certificant/recertification candidate and the members of the Ethics Committee, the Institute, and the Executive Director/CEO.
  - g. Signature of the complainant.
6. No action will be taken solely on the basis of an anonymous complaint.

## **How Ethics Complaints Are Handled**

1. Incomplete ethics complaints. If the Ethics Committee Chair, assisted by the Executive Director/CEO, determines that the ethics complaint is incomplete, steps may be undertaken to rectify the incomplete items, or dismiss the ethics complaint for failure to include the necessary elements. Such a dismissal may be refiled if the alleged violation occurred within one year of the refile.
2. Ethics complaints without merit. If the Ethics Committee Chair, assisted by the Executive Director/CEO, determines that the complaint does not have merit, meaning facts presented are inconsequential, unreliable, or present irrelevant information, the complaint will be dismissed and the complainant notified.
3. Ethics complaints with potential merit. If the Ethics Committee Chair, assisted by the Executive Director/CEO, determines that the ethics complaint has merit, a preliminary investigation will be initiated and the complainant and member, certificant, or certification candidate (hereinafter referred to as the Accused) shall be notified. The notice shall include:
  - a. Basic facts of ethics complaint identifying alleged violation. Notice shall include a description of alleged issues involved in the ethics complaint, including specific sections of AACE's Canons of Ethics alleged to have been violated.

- b. Name of complainant.
- c. A complete copy of these procedures.
- d. A request that any specific information to assist in the investigation of the complaint be provided in the form of a written response and supporting documentation within thirty (30) days of receiving the notice along with a statement that all information submitted by the Accused shall become part of the records and may be used in proceedings.

### **Preliminary Investigation**

1. Recommendation for Early Resolution. The Ethics Committee Chair, assisted by the Executive Director/CEO may make the recommendation that an early resolution is possible and should be pursued. Such early resolution may be possible through mediated discussions between Complainant and the Accused.
2. Recommendation for a Formal Investigation. The Ethics Committee Chair, assisted by the Executive Director/CEO, shall refer the matter for a formal investigation.

### **Procedure for Formal Investigation**

Within thirty (30) days of conclusion of a preliminary investigation that finds the complaint requires formal investigation, the Ethics Committee Chair will refer the complaint to the Ethics Committee for a formal investigation. The members of the Ethics Committee will serve as the only voting members of the investigation.

1. If a formal investigation is initiated, the Accused and the members of the Ethics Committee shall be notified of such an investigation. The notice will advise the Accused that he or she will have another thirty (30) days from receipt of notice to provide any further information to the Ethics Committee and that he/she may also be asked to respond to additional questions or information requests.
2. The names of the Ethics Committee members will be reported to the Accused. The Accused may submit a written petition within fifteen (15) days to the Ethics Committee Chair identifying any conflict of interest concerns as to Ethics Committee members. The Ethics Committee Chair shall have final authority as to the disposition of such requests and may act without replacement of recused members (e.g., members who have a conflict of interest).
3. An investigation may be conducted by collecting information, including documentation, conducting phone inquiries, and through other appropriate means including:
  - a. AACE records: membership records or other business files.
  - b. Subject matter experts: Experts may be retained and consulted with as needed. Any expert retained must sign appropriate confidentiality agreements.
  - c. Additional information: Additional information may be sought in any legal manner, including supplementary information from the complainant in writing or interviews, to evaluate the substance of the allegations.
  - d. Additional violations: If during the course of the investigation, the Ethics Committee determines there may be additional violations of AACE's Canons of Ethics, then such violations will be included in the original complaint.
4. The Ethics Committee shall review all of the information and deliberate. The Accused will have the opportunity to present an oral and/or written statement to the Ethics Committee via conference call or in person. Only the Accused will be allowed to speak on his/her behalf. The services of an attorney or consultant to act as advocate is not permitted. The Ethics Committee will carefully consider the charges. A vote shall be taken on the disposition of the matter determined by the majority vote of the eligible committee members. A tie in the voting does

not represent a majority. In the event of a tie or where a majority votes that no ethics violation has occurred, the determination shall be that the complaint is closed and dismissed.

5. Within seven (7) days from the date of its decision following an investigation, the Ethics Committee Chair shall notify both the Complainant and Accused of the Committee's final determination, and the actions to be taken, if any, along with the basis for those actions, including citing all AACE Canons of Ethics policies that were violated by the Accused. The notice shall also include notice of the appeals provisions, the date the appeal must be filed, and any sanction.
6. The final determination from the Ethics Committee will be comprised of two parts: The decision, a simple statement of who, what, where, and when that summarizes the findings of the Ethics Committee; and the reasoning. All decisions from the Institute will be communicated as to disposition only. The decisions of the Institute are final with respect to certificants, recertification candidates, and certification candidates. The Institute will advise the Executive Director/CEO and the Ethics Committee Chair of any decisions/dispositions.
7. One or more of the following disciplinary actions may be taken as deemed appropriate by the Ethics Committee that will be put forward as their recommendation to the AACE International Board of Directors. The Executive Director/CEO shall implement the disciplinary actions.
  - a. Notify all parties in writing that no action is warranted
  - b. Require the Accused to cease and desist the alleged conduct
  - c. Reprimand Accused in writing
  - d. Refer the matter to the proper authorities if criminal prosecution
  - e. Suspend the Accused's status for an appropriate period of time, including permanently if necessary
  - f. Revoke the Accused's status for an appropriate period of time, including permanently if necessary
  - g. The Ethics Committee may apply more than one sanction as deemed appropriate

### **Appeals Process**

1. The Accused shall have sixty (60) days from the date of notification of the Ethics Committee determination to deliver a written appeal of the findings. Failure to timely appeal shall be deemed to be final and conclusive acceptance of the final determination and closure of the matter. The Ethics Committee conclusions and sanctions shall be immediately imposed.
2. The Accused's appeal must be in writing and shall be sent to the Ethics Committee Chair or Executive Director/CEO. The Accused must state the specific grounds under which the appeal should be considered. The Accused appeal may not present new facts that were not previously presented in the proceedings. Appeals are limited to: defects in the existing Ethics Committee Hearing record or process; the decision was not supported by or was contradicted by evidence presented; and/or the disciplinary action is not appropriate to the gravity of the situation.
3. The Ethics Committee will review the record, process and evidence to determine if there were defects or that the decision was not supported by the evidence. The Ethics Committee will further review the disciplinary action to ensure consistent with the gravity of the situation.
4. The Accused will be notified in writing of the outcome of the Ethics Committee's review of the Appeal within seven (7) days of its decision.
5. Further appeals are not permitted.

**Record Keeping**

The Executive Director/CEO, the AACE International Board of Directors, and the AACE International Certification Institute shall establish and maintain procedures and record retention policies to ensure confidentiality is maintained with respect to the handling, storage, and destruction of records.

## **WHISTLEBLOWER POLICY**

### **Policy**

AACE International requires its directors, officers, employees, and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities within AACE. As representatives of AACE, individuals are expected to perform their responsibilities with honesty and integrity and to comply with all applicable laws and regulations.

The purpose of this Whistleblower Policy is to create an ethical and open work environment, to ensure that AACE has a governance and accountability structure that supports its mission, and to encourage and enable directors, officers, employees, and volunteers of the organization to raise serious concerns about the occurrence of illegal or unethical actions within the organization before turning to outside parties for resolution.

### **Procedures**

All directors, officers, employees, and volunteers of AACE have a responsibility to report any action or suspected action taken within the organization that is illegal, unethical or violates any adopted policy of the organization to AACE's Ethics Committee or Executive Director/CEO. Anyone reporting an alleged violation must act in good faith, without malice to the organization or any individual in the organization, and have reasonable grounds for believing that the information shared in the complaint indicates that a violation has occurred.

### **No Retaliation**

No one who in good faith reports an alleged violation or who, in good faith, cooperates in the investigation of an alleged violation shall suffer harassment, retaliation, or adverse employment consequences. Any individual within the organization who retaliates against another individual who has reported an alleged violation in good faith or who, in good faith, has cooperated in the investigation of an alleged violation is subject to discipline, including termination of employment, membership, or volunteer status or any other disciplinary action determined by the Ethics Committee where a formal Ethics Complaint has been submitted.

### **Reporting Process**

All directors, officers, employees, and volunteers should address their concerns relating to an alleged violation to any person within AACE who can properly address those concerns. In most cases, the direct supervisor of an employee or volunteer is the person best suited to address a concern. However, if you are not comfortable speaking with your supervisor or if you are not satisfied with your supervisor's response, you are encouraged to speak to AACE's Executive Director/CEO, the Ethics Committee Chair, AACE's President, or anyone in management you feel comfortable approaching. If the person with whom you choose to speak is unable to resolve the matter to your satisfaction, then you are encouraged to submit a formal ethics complaint.

An officer or director who believes that there has been an actual or probable material violation of the law, or any material breach of a duty owed to the organization, must report the violation to the Executive Director/CEO or Ethics Committee Chair. The alleged violation or breach will need to be reported through the ethics complaint process. Ethics complaints will be kept confidential, to the extent possible, consistent with the need to conduct an adequate investigation.



## **CONFLICT OF INTEREST**

### **Policy**

While it is not the intention of AACE International to restrict the personal, professional, or proprietary activities of its members, both conflicts of interest as well as the appearance of conflicts of interest on the part of AACE volunteers and staff should be avoided. This conflict of interest policy is designed to ensure that the Board of Directors, member volunteers, and employees identify situations that present possible conflicts of interest and to provide appropriate procedures if a possible conflict of interest arises. It is also intended to ensure that decisions are not influenced by any private or personal profit or other personal benefit to the individuals affiliated with AACE that participate in such decisions.

A “conflict of interest” means a situation in which an individual or his or her immediate family member has, directly or indirectly, a personal or financial interest that compromises or could compromise independence of judgment in exercising responsibilities to AACE. Conflicts of interest include, but are not limited to, actual financial conflicts of interest. A conflict arises when a person in a position of authority over an organization may benefit financially from a decision he or she could make in such capacity, including indirect benefits such as to family members or businesses with which the person is closely associated.

All volunteers have a fundamental responsibility to refrain from participating in Association decision-making when a competing interest precludes or inhibits the exercise of the individual’s independent professional judgment on behalf of AACE, or when the nature of the competing interest is such that the individual’s continued participation would unreasonably jeopardize the integrity of the decision-making process.

All provisions of this policy are applicable to the AACE paid staff, as well as to the volunteer members of boards, committees, subcommittees, other decision-making bodies, and individuals acting for or on behalf of AACE, as set forth above.

### **Procedures**

The following guidelines are provided as an aid in adhering to this policy. All activity, whether specifically covered under these guidelines or not, should be carried out in accordance with this policy.

#### **Conflict of Financial Interest**

Any AACE employee or volunteer acting on behalf of AACE shall not participate in any transaction involving the purchase, sale, lease, procurement, rendering, or other acquisition or disposition of property or services of any kind or nature by or from AACE with any outside concern in which he or she or any member of his/her immediate family has a substantial financial interest without the prior written approval of the AACE President or Treasurer (for volunteers) or the Executive Director/CEO (for staff).

#### **Acceptance of Gifts**

AACE staff or volunteers acting on behalf of AACE may not accept, directly or indirectly, from an organization or individual who has or seeks to have a business relationship with AACE, compensation in any form, loans (other than those made on customary terms from a bank or other financial institution), gifts or anything of value except as provided herein. No individual shall accept or solicit any gratuitous

offers as a representative of AACE, local sections or committees for his/her own personal benefit. AACE staff or volunteers acting on behalf of AACE may accept gifts of a nominal value, though these should be discouraged. AACE staff or volunteers acting on behalf of AACE may not accept gifts or things of value which are given under circumstances that place the staff member, volunteer, or AACE under an obligation or which may tend to influence business relations. Also, gifts which are in the form of cash or immediately convertible to cash may not be accepted. An employee/volunteer and spouse may accept meals, refreshments, or entertainment as a guest of a vendor representative if those activities are associated with business meetings or discussions or their attendance would, through their association with other guests, benefit AACE. Business trips paid for fully or partially by a vendor or other third party must have prior approval by the appropriate authority as identified above.

### **Misuse of Association Information**

AACE staff or volunteers acting on behalf of AACE shall not misuse information to which, by reason of their positions, they may have access. Examples include, but are not limited to, the following:

- Acquisition, or supplying of information to another person for the purpose of acquisition, of real or personal property in which prior interest on the part of AACE is known or as to which value has been or will be affected by reason of AACE's ownership or interest.
- Unauthorized disclosure or use of any information, contained in the Association's records regarding a member, vendor, contractor, the Association, or Association employees; or unauthorized disclosure or use of any information of a vendor or contractor which the Association has an obligation to protect.
- Unauthorized disclosure to outside organizations or individuals of information of AACE that is confidential or proprietary, except as may be required in the performance of the employee's or volunteer's duties or as may be required by law.
- Unauthorized removal of any documentary materials containing confidential or proprietary information from the premises or possession of the Association without prior express authorization. Documentary materials include, but are not limited to, any correspondence, notes, drafts, charts, studies, photographs, computer printouts or programs, reports, or other documents of whatever kind. All such documentary materials created or acquired by the Association for the performance of employees' or volunteers' duties shall be the sole and exclusive property of the Association.
- Unauthorized disclosure to outside organizations or individuals of confidential employment or member information pertaining to other employees or volunteers.

### **Responsibilities**

In instances where it is clear to individuals that their judgment with respect to a matter pending before AACE is controlled by their loyalty to a competing interest, they should disqualify themselves and refrain from participating in the deliberations and decision-making regarding the conflict-affected matter. This should be so noted in the official proceedings of that meeting. This does not preclude their attendance and participation at any meeting of a committee or other body on the same basis as any non-member of the committee or other body.

In instances where individuals believe that there may be the appearance of a conflict of interest, even though they believe that their independent judgment will not be affected by a competing interest, they should nevertheless avail themselves of at least one of the following consultative courses of action:

- If the individuals are serving on a board, committee, subcommittee, or other decision-making body, they should make certain that all concerned with the projected deliberations or decision-making clearly understand the facts and circumstances involved in this possible conflict situation. Then, following due consideration of the circumstances involved, unless a three-fourths majority concur by secret ballot that the continued participation will not unreasonably jeopardize the integrity of the decision-making process, the individuals shall refrain from participation in deliberations and decision-making regarding the conflict-affected matter. Such disqualification considerations may be either referred or appealed (in the first instance, to the appointing committee or supervisory body, if any, and then, if unresolved, to the Board of Directors) by the Chair of the committee, subcommittee, or other body, the individual volunteer or any other participant in the potential conflict of interest consideration;
- If the individual is acting for or on behalf of AACE other than in a committee or group participation capacity, or if an individual serving on a committee or group wishes to bypass the step above, the individual should bring the potential conflict of interest matter directly to the attention, in the first instance, of the appointing committee or supervisory body, if any, and then (if unresolved) to the attention of the Board of Directors.

Any member of a board, committee, subcommittee, or other decision-making body who believes that the continued participation of any other member of that body may unreasonably jeopardize the integrity of the decision-making process, may call for the consultative courses of action set above.

### **Implementation**

Individuals participating as volunteers in AACE activities or as paid employees of AACE have the primary responsibility for assuring their adherence to this Association policy. Nonetheless, given the sensitive nature of these considerations and the interest of the Association in preserving the integrity of its reputation and processes, AACE retains responsibility for oversight in this area. Accordingly, the Board of Directors shall have authority to review questions of conflicts of interest and to render opinions thereon. Decisions of the Board shall be binding and final.

### **Notice**

Each time an individual is elected or appointed to an AACE position, or appointed to represent AACE in any capacity, the individual should at the time of election or appointment be sent a copy of this Association policy by headquarters and should be advised of his/her responsibility to the provisions hereof as a condition of acting for or representing the Association.

### **Acceptance**

Before taking office, unless there is a prior signed acceptance of this policy, each member of a board, committee, subcommittee, other decision-making body and each individual elected or appointed to act for or on behalf of AACE shall indicate in writing that he or she will adhere to the conditions of this Association policy. If this signed statement is not on file, the member may not take office.

### **Oversight**

At the Fall Board meeting each year, the Executive Director/CEO of AACE shall submit a report to the Board certifying that the requirements of "Acceptance" above have been met, and shall include the names of those not in compliance.

## **PUBLICATIONS**

### **Policy**

AACE International publishes a variety of publications for its members and for the cost engineering and total cost management (TCM) profession worldwide. Various publications have specific purposes and goals, but overall, AACE publications offer venues for the exchange of ideas and member to member communication. Publication resources are offered primarily as electronic downloads with a few book type products also including an option to purchase a print version. AACE publications provide a forum through which member experiences with the principles and techniques of cost engineering and related TCM disciplines can be reported, discussed, and published in furtherance of industry and professional best practices.

The AACE publications in general seek contributions in the topic areas of: Building Information Modeling (BIM); Claims and Dispute Resolution; Cost and Schedule Control, Professional Development; Estimating; Earned Value Management; Global projects; IT/IM in project and cost management; Owner issues; Project Management; Planning and Scheduling; Decision and Risk Management; Skills and Knowledge of Cost Engineering; and Total Cost Management.

### **Procedures**

Primary AACE International publications include:

#### ***Cost Engineering journal***

The *Cost Engineering* journal, (ISSN:0274-9696) is AACE International's original member benefit product, tracing its roots to 1958, two years after AACE was chartered. This professional peer reviewed technical journal is published bi-monthly. It continues to be one of the main AACE member benefits. Content includes technical manuscripts that have been presented and vetted at an AACE International Conference & Expo. At least 18 of the top-ranking manuscripts are published each year in the journal. Electronic archive issues are available back to January 2005 at the AACE website. The CE journal is available only in digital pdf format, there is no print version.

- **Submission Guidelines**

Unsolicited abstracts and/or technical manuscripts are not accepted. It is AACE policy for all published *Cost Engineering* journal papers to first have been presented at an AACE Conference & Expo. The process for an author to have a paper considered is posted at the AACE website. Abstracts are accepted during the annual AACE "Call for Papers" that follows the Conference & Expo and runs from July through August. This deadline can be extended by the AACE International Technical Board. A subcommittee of the Technical Board serves as the official Review Committee. Authors of accepted abstracts have until Jan. 30, to complete and submit a full technical manuscript of their presentation.

Each manuscript is peer reviewed by Review Committee volunteers. Each presentation becomes part of the Annual Conference & Expo *Transactions* app. Presentation attendees are asked to use the app to rank each presentation on its quality and usefulness. The top ranked manuscripts are compared against the peer review rankings and a scaled listing is created of the presentations. The top ranked papers then move on for possible publication in the *Cost Engineering* journal.

### **Source magazine**

For several years, the *Cost Engineering* journal was a hybrid mix of professional peer reviewed journal articles and association magazine content. In 2012, magazine content was pulled out of the journal and *Source* magazine was born. Years earlier, a prior *AACE Bulletin* publication was merged from being a standalone product to becoming a part of the CE journal. Today, the AACE Bulletin is a standing feature of *Source* magazine and provides AACE International Sections a forum to report and share section activities, events, and meetings. Each bi-monthly issue of *Source* magazine also contains a bonus technical article. *Source* magazine is accessible by AACE members and non-members. Archive issues are available at the AACE website back to 2012 when *Source* was introduced. *Source* is only available in digital format.

### **TCM Framework**

*The Total Cost Management Framework, An Integrated Approach to Portfolio, Program, and Project Management*, had its beginnings in 1994. The AACE Technical Board product is a structured, annotated process map that explains each practice area of the cost engineering field in the content of its relationship to the other practice areas including allied professions, saw the first edition published in 2006; a revised edition in 2012, and the second edition in 2015. The TCM Framework is available both as a pdf download and/or a print version.

### **Recommended Practices (RPs)**

*AACE International Recommended Practices (RPs)* were created in 1990. The RPs are intended to be the technical foundation of the AACE educational and certification products and services. The RPs are a series of documents that contain valuable reference information that has been subject to a rigorous review process and recommended for use by the AACE Technical Board. Detailed procedures for submittal, review and adoption of RPs are posted at the AACE website. The Technical Board has committees and Special Interest Groups (SIGs) that propose, maintain and update the RPs. The RPs are only available as pdf downloads, there are no print copies. Those who purchase the RPs can print an individual use copy.

### **Cost Engineers' Notebook (CEN)**

Introduced in 1963, the *Cost Engineers' Notebook (CEN)* is a reference of current cost engineering data and summary information on the cost engineering profession. The CEN is monitored, updated, and expanded by the AACE Technical Board. It has transitioned from being offered in print to now being a digital/electronic product as this best allows for continuing changes and updates. The CEN is only available as a pdf download.

### **Professional Practice Guides (PPGs)**

The *AACE International Professional Practice Guides (PPGs)* are reference downloads containing contributions to the cost engineering field and the advancement of total cost management. The PPGs are intended to be comprehensive, well organized, and timely articles. Each PPG title is a collection of selected articles from the *Cost Engineering* journal, *AACE Transactions*, and other AACE sources. Each PPG covers a particular topic or industry segment. The PPGs provide an excellent source of reference material on total cost management topics. The PPGs are only available as pdf downloads.

### **Certification Study Guides**

As of 2021, AACE offers:

- *Certified Cost Technician (CCT) Certification Study Primer*

- *Certified Scheduling Technician (CST) Certification Study Primer*
- *Certified Cost Professional (CCP) Certification Study Guide*
- *Certified Estimating Professional (CEP) Certification Study Guide*
- *Certified Forensic Cost Consultant (CFCC) Certification Study Guide*
- *Decision and Risk Management Professional (DRMP) Certification Study Guide*
- *Earned Value Professional (EVP) Certification Study Guide*
- *Planning and Scheduling Professional (PSP) Certification Study Guide*

The CCP, CEP, DRMP, EVP and PSP Certification Study Guides are available in both pdf download format and as print products. The CCT, CST, CFCC study guides are only available as pdf downloads.

### **Skills and Knowledge of Cost Engineering**

*Skills and Knowledge of Cost Engineering* features chapters on topics related to the needed skills and knowledge of cost engineers as also outlines in *AACE Recommended Practice 11R-88* and the *TCM Framework, An Integrated Approach to Portfolio, Program, and Project Management*. S&K is available in both pdf download format and as a print product.

## **TRANSLATIONS**

In June 2020, the AACE International Board of Directors adopted a motion approving English as the official language for AACE International products, including the association's technical Body of Knowledge, certifications, and educational products.

All AACE International content is the intellectual property of the Association and protected by worldwide copyright. No individual or group has any rights other than limited "individual use" rights that come with gaining access to the content through AACE membership or through product purchase. Other than these limited "individual use" rights, no one can use, copy, or translate any AACE content for sale or distribution without first seeking approval from AACE.

Any individual use, non-English version of AACE content will be considered a volunteer translation effort and offered only as an unofficial language assistance version. Individual use translations may be conducted without prior AACE approval. AACE is not validating the non-vetted translation version, does not warrant its accuracy, and has no liability for any issues or problems resulting from use of the volunteer translation. All translations are offered solely as a "language assistance" product and only the English language version is the official AACE product.

Individuals who volunteer and translate content are considered to have "individual use" of the translation. They are prohibited from distributing or selling their personal use copy.

Translations intended for distribution or sale may be considered and require AACE approval.

## **INVESTMENT POLICY**

This Investment Policy has been adopted by the Board of Directors of AACE International (AACE) to provide guidelines for the investment of funds held by the organization.

To manage investment risk and optimize investment returns within acceptable risk parameters, funds held will be divided into three separate investment pools. The process for determining the dollar amount in each pool is set forth in the Procedures Section of this document. The three investment pools shall be called the Operating Fund, the Short-term Fund, and the Long-term Fund.

1. To ensure this Investment Policy statement is consistent with the current mission of the AACE and accurately reflects its current financial condition:

This investment policy shall be reviewed annually by the Financial Operations Team for any necessary revisions; and Recommendations for revisions or modifications will be made by the Financial Operations Team to the Board of Directors for approval.

2. To determine the dollar amounts to be placed in the Short-and Long-term Funds:

The Treasurer will recommend the dollar amounts to be placed in the Short-and Long-term Funds and The Board of Directors will have final approval of the dollar amounts placed in specific funds. Dollars not specifically designated for the Short-or Long-term Funds will be restricted to those investments permitted under the Operating Fund's Investment Guidelines.

3. To secure the services of or replace investment professional(s) consulting on or managing portions of the AACE's funds:

- The Financial Operations Team will recommend hiring or replacing the investment professional(s) to the Treasurer; and
- The Treasurer will review the candidate(s) and make a recommendation to the Board of Directors, which has final approval.

### **AACE INTERNATIONAL Operating Fund**

The purpose of the Operating Fund is to provide sufficient cash to meet financial obligations of the AACE in a timely manner.

Investment objectives of the Operating Fund are:

- Preserving Capital.
- Providing Liquidity.

### **Allowable Investments**

The Director, Accounting & Administration with the concurrence of the Executive Director/CEO and the Treasurer is authorized to invest the Operating Fund in:

- Interest-bearing checking accounts at federally insured banks and savings and loans institutions, not to exceed federally insured amounts.
- Money market funds that invest in government-backed securities.
- Federally insured certificates of deposit, not to exceed \$250,000 per institution.

### **Maturity**

The maturity on investments in the Operating Fund is limited to six months or less.



## **Reporting**

The Director, Accounting & Administration will prepare the following reports for presentation on a monthly, quarterly, and annual basis to the Treasurer:

- Schedule of investments.
- On and Off budget items.
- Year-to-date interest income.
- Current yield.

## **AACE INTERNATIONAL Short-term Fund**

The purpose of the Short-term Fund is to:

- Meet expenses occurring as the result of unanticipated activities.
- Cover any shortfalls in the Operating Fund.
- Improve the return on funds held for expenditure over the next one to three years.
- Manage investment risk.

Investment objectives of the Short-term Fund are:

- Preserving capital.
- Providing Liquidity.
- Optimizing the investment return within the constraints of this policy.

## **Allowable Investments**

The Director, Accounting & Administration with the concurrence of the Executive Director/CEO and the Treasurer is authorized to invest the Short-term Fund in:

- Money market funds that invest in government-backed securities.
- Federally insured certificates of deposit, not to exceed \$250,000 per institution.
- Direct obligations of the US Government, its agencies, or instrumentalities.
- Mutual Funds investing in securities that meet the investment guidelines of the Short-term Fund.
- Commercial paper rated A-1 by Standard & Poor's and P-1 by Moody's.
- Corporate notes with a minimum rating of investment grade by one rating service.

## **Maturity**

The Short-term Fund shall have a weighted average maturity of two years or less and a maximum maturity of three years.

## **Diversification**

No more than 5% at cost of the Short-term Fund may be in the securities of any one issuer. This provision does not apply if the security is: an obligation of the US Government, its agencies, or instrumentalities; a repurchase agreement collateralized by obligations of the US Government, its agencies, or instrumentalities; a mutual fund; or a federally insured certificate of deposit.

## **Reporting**

The Director, Accounting & Administration will prepare the following reports for presentation on a quarterly basis to the Treasurer:

- Schedule of investments.
- Year-to-date interest income.
- Current yield.

### **AACE INTERNATIONAL Long-term Fund**

The purpose of the Long-term Fund is to:

- Enhance the purchasing power of funds held for future expenditure.
- Maintain the financial stability of the AACE.

The long-term goal of the Long-term Fund is to achieve appreciation of assets without exposure to undue risk, as defined herein. It is understood that fluctuating rates of return are characteristic of the securities markets. Recognizing that short-term market fluctuations may cause variations in the account performance, the portfolio is expected to achieve the following objectives over a three-year moving time period:

- The Long-term Fund's total return is expected to exceed the Consumer Price Index by 5 percentage points annually. On a quarter-to-quarter basis, the actual returns will fluctuate and can be expected to exceed this target about half the time.
- The Long-term Fund's total return is expected to exceed the 3-month Treasury Bill Index by 6 percentage points annually. On a quarter-to-quarter basis, the actual returns will fluctuate and can be expected to exceed this target about half the time.

Understanding that a long-term positive correlation exists between performance volatility (risk) and statistical returns in the securities markets, we have established the following short-term objective:

- The portfolio should be invested to minimize the probability of low negative total returns, defined as a one-year return worse than negative 12.5%. It is anticipated that a loss greater than this will occur no more than one out of twenty years.

The policies and restrictions presented in this statement serve as a framework to achieve the investment objectives at the level of risk deemed acceptable. These policies and restrictions are designed to minimize interference with efforts to attain overall objectives and to minimize the probability of excluding appropriate investment opportunities.

### **Prohibited Investments**

The following investments and investment activities are prohibited:

- Private placements.
- Letter stock.
- Derivatives. However, to the extent that mutual funds are used to implement the Long-term Fund those mutual funds may buy or sell derivatives for the purposes of managing portfolio risk.
- Securities whose issuers have filed a petition for bankruptcy.
- Commodities or commodity contracts.
- Short sales.
- Margin transactions.
- Any speculative investment activities.

### **Diversification**

Individual stocks are subject to a maximum 5% commitment at cost or 10% commitment of the portfolio's market value for an individual security and 20% for a particular industry. Individual bonds not guaranteed by the US Government, its agencies, or instrumentalities are subject to a maximum 10% commitment at cost.

### Target Asset Mix

The Long-term fund will be composed of assets from the asset classes listed in the table below. The target weight is the desired weight for each asset class. The minimum weights and maximum weights are to allow for normal market fluctuations. It is the responsibility of the Investment Consultant to remain within the range specified for each asset class. The Investment Consultant should re-balance the portfolio according to the target weights semi-annually.

	MINIMUM ALLOCATION	TARGET ALLOCATION	MAXIMUM ALLOCATION
US Large Capitalization Stocks	35%	<b>44%</b>	53%
US Small Capitalization Stocks	6%	<b>8%</b>	10%
International Stocks	18%	<b>22%</b>	26%
TOTAL EQUITY		<b>74%</b>	
Intermediate-term US Gov't/Corp. Bonds	21%	<b>26%</b>	31%
TOTAL FIXED INCOME		<b>26%</b>	

### Definitions of Asset Classes

Equity asset classes should be maintained at risk levels roughly equivalent to the sectors of the market represented with the objective of exceeding over a three-year moving time, a nationally recognized index measuring the performance of the designated sector, net of fees and commissions. Mutual funds conforming to policy guidelines may be used to implement the investment program. The following definitions shall apply for the purposes of this policy:

**US Large Capitalization Stocks:** A portfolio of stocks composed primarily of US-based companies having a market capitalization, on average, exceeding \$10.0 billion and whose primary shares trade on a major US exchange. The generally accepted, nationally recognized index for this asset class is the Standard & Poor's 500 Stock Index (S&P 500).

**US Small Capitalization Stocks:** A portfolio of stocks composed primarily of US-based companies having a market capitalization, on average, less than \$2.0 billion. The generally accepted, nationally recognized index for this asset class is the Russell 2000 Index.

**International Stocks:** A portfolio of stocks composed primarily of non-US-based companies whose primary shares trade on a non-US exchange. American Depositary Receipts (ADRs) are considered international stocks. The generally accepted, nationally recognized index for this asset class is the Morgan Stanley Capital International Europe-Australasia-Far east Index (EAFE).

Fixed income investments will be managed actively to pursue opportunities presented by changes in interest rates, credit ratings, and maturity premiums. Mutual funds conforming to the policy guidelines may be used to implement the investment program. The following definitions shall apply for the purposes of this policy:

**Intermediate-term US Government/Corporate Bonds:** A portfolio consisting primarily of fixed income securities rated investment grade or better, denominated in US dollars issued by the US Government or US corporations and having a weighted average maturity of less than ten years. The generally accepted, nationally recognized index for this asset class is the Lehman Brother's Government/Corporate Intermediate-term Bond Index.

### **Performance Reporting**

The Long-term Fund will be evaluated quarterly on a total return basis. Returns will be compared to:

- The Consumer Price Index plus 5 percentage points annually.
- The 3-month Treasury Bill Index plus 6 percentage points annually.
- The Nationally recognized market indexes.

Comparisons will show results for the latest quarter, the year to date, and since inception. The report will be prepared by the Investment Consultant and will be presented to the Financial Operations Team.

### **Balance Maintenance and Fund Transfers**

After the Board of Directors approves the upcoming year operating budget and capital projects, the Director, Accounting & Administration will prepare a cash flow forecast for the upcoming year and with concurrence of the Executive Director/CEO and the Treasurer will make balance transfer recommendations to the Board of Directors between the Long-term Fund and the Short-term Fund. The Board of Directors will have final approval of that transfer.

On a semi-annual basis, the Director, Accounting & Administration will prepare a mid-year cash flow forecast and with the concurrence of the Executive Director/CEO will make balance transfer recommendations to the Treasurer between the Operating Fund and the Short-term Fund. The Treasurer will have final approval of those transfers.

### **Reserve Compliance and the Annual Budget Process**

To preserve an adequate amount of investment reserves, total operating expenses contained in any given year's proposed operating budget must be equal to or less than two times the sum of the AACE Unrestricted Net Assets amount from the most recently closed fiscal year plus any actual, projected, or proposed unrestricted net gains or losses for both the current year operating budget and the proposed operating budget.

### **Formula**

Proposed Budget Operating Expenses = or < [2(Unrestricted Net Assets + Current Year Actual or Projected Operating Gain or Loss + Proposed Operating Budget Gain or Loss)]

## EXPENSE REIMBURSEMENT

### Policy

This policy is structured to comply with the Internal Revenue Service's guidelines for an "Accountable Plan." An accountable plan includes the following characteristics:

- Expenses reimbursed must be incurred while performing services for the organization and have a business connection.
- Expenses must be substantiated (provide receipts and expense report) and substantiation must occur within a reasonable period but must be within 90 days from the date of expenditure.
- Any reimbursements exceeding expenses incurred must be returned within a reasonable time.

In addition to compliance with this policy, good judgment, prudent spending and a thrifty attitude are expected of all stakeholders who are reimbursed under this policy. Absent an accountable plan, business expense reimbursements may represent taxable income to the payee.

Our volunteers are encouraged to join fully in the work of AACE and expenses incurred in doing so may qualify for reimbursement. However, this reimbursement is limited to those for whom both:

- a. A lack of reimbursement would constitute a burden; and
- b. Reimbursement is not available from any other source; if subsequent to reimbursement by AACE, the individual is reimbursed fully or in part by a third party, AACE must receive a repayment of such amount paid to the individual.

### Procedures

Requests for reimbursement of such expenses shall be submitted in advance of the expenditure on the prescribed form "Expenditure Requisition" to the Association President for review and approval.

The following guidelines will apply:

1. Attendance at Board meetings is the financial responsibility of the individual Board member.
2. An officer, director, or committee member requested to attend a special meeting may request reimbursement necessary for expenses of travel, meals, and lodging not chargeable to his/her employer. Reimbursement must be approved in advance by the President within approved budgetary limits. In no event may reimbursement for travel expenses exceed the guidelines provided below.
3. In no case may a member charge the Association for his or her time.
4. Budgeted funds for travel as authorized by the President may be used only by the President (or his designee) as an official representative of AACE where such travel expenses are not otherwise reimbursable. Expenses of travel to attend Board Meetings and/or the AACE Conference and Expo are not reimbursable.

## General

It is AACE's policy to reimburse individuals for reasonable expenses of a business nature incurred while traveling on authorized AACE business. To qualify for reimbursement, expenses must:

1. Be necessary
2. Provide a reasonable expectation of benefit for AACE
3. Be commensurate in amount with the situation involved
4. Not include expenses considered an item of a person's personal, living, or family expense
5. Be included in the annual budget

Expenses for reimbursement shall be reported on the AACE Expense Report form. The completed Expense Report form shall be submitted by the originator to his/her immediate responsible officer for review and recommendation for payment to the authorized approval authority. Volunteers seeking reimbursement of expenses from travel that had already been pre-approved through an Expenditure Requisition form must also include the approved Expenditure Requisition form with the Expense Report submission. The Expense Report reimbursement shall be limited to the approved amount on the Expenditure Requisition form. In those instances where more than one employee is present at a reimbursable meal function, the highest-ranking employee present shall pay the bill for all employees and submit the charges for reimbursement on his/her Expense Report form. The Expense Report form shall list all names of employees whose meal cost was paid by the highest-ranking employee.

## Travel

An individual will be reimbursed for all reasonable expenses for a business nature while traveling on authorized AACE business. Allowable expenses include:

1. Airline fares - Coach or tourist class (substantiated by itemized receipt).
2. Personal Auto - Mileage will be reimbursed at the currently approved Internal Revenue Service (IRS) rate per mile for business travel plus tolls and parking at actual cost. In the event of a change in the IRS-approved rate, the new rate shall apply when announced by the IRS and shall not be applied retroactively. For use of a personal automobile in lieu of air travel, AACE will reimburse the lesser of 1) cost of coach class air fare, or 2) cost of direct mileage of the trip at the authorized rate per mile.
3. Rental Car – Vehicle rental is to be avoided unless locations visited are so remote that public transportation or taxi is not practical or economical. The most economical car available should be selected, commensurate with the need. Subcompact vehicles should be adequate for urban travel and compact vehicles are expected to meet all other requirements. Expenditures are to be substantiated by itemized receipt.
4. Transportation to and From the Airport
  - a. Public transportation – to be used where readily available, practical, and safe, during daylight hours
  - b. Airport Shuttle – to be used where available and more economical than options c and d
  - c. Taxi - to be used or shared when this represents a savings, or where another means of transportation is impractical
  - d. Rental Car - to be avoided unless public facilities are not available or are cumulatively cost-prohibitive (see above information re: car rentals).
5. Hotels/Motels - The cost of a single accommodation in a hotel or motel is reimbursable. Accommodations are expected to be appropriate to the business purpose of the trip. Costs for suites will not be reimbursed. In the event of double occupancy where expenses are reimbursed for only one person, reimbursement is limited to the expense of regular single room

rate.

6. Meals - The actual cost of meals, plus tip, is reimbursable. The cost of meals should be reasonable and appropriate to the location visited. The following limits are recommended per person: Breakfast \$25.00, lunch \$35.00 and dinner \$60.00. International locations and top tier cities will allow for a differential.
7. Telephone/Fax/Internet - The cost of all business communications, based on the least expensive method commensurate with the business urgency, is reimbursable. Personal telephone, fax, or internet expense is authorized only in the instance of a change of schedule or emergency.
8. Entertainment - Meals and entertainment expenses must be accompanied by itemized receipts and must include a list of all participating individuals and the business purpose. In-room purchases (such as a mini bar) are generally not reimbursable. AACE does not reimburse for liquor except when consumed as part of a group function or for business entertainment purposes. If members are meeting for purely social reasons, the expenses should be shared. Costs involving spouses of guests should be discouraged. Generally, it is AACE policy to keep private entertainment of others at a minimum, particularly if the others are supported by their companies. Prior approval for entertainment of others should be obtained in advance.

### **Receipts**

Itemized cash and credit card receipts (including bills paid by check or other supporting evidence) are required for all reimbursed expenditures. Cash tips for incidental services such as a bellman that cannot be supported with a receipt must be reasonable in frequency and amount.

### **Approval of Expense Reports**

1. Travel Expenses - The Executive Director/CEO's travel expenses are to be approved by the Treasurer. The Officers' and Directors' travel expenses are to be approved by the President of the Association. The Executive Director/CEO approves the President's travel expenses. Travel for persons other than those listed above should be approved by the President or Executive Director/CEO. The President will approve such expenses submitted by volunteers; the Executive Director will approve such expenses incurred by Headquarters staff employees.
2. Non-Traveling Expenses - Within budgetary limits, the President shall approve expenses for any administrative or technical committee.

### **Payment**

Approved Expense Report form, approved Expenditure Requisition form (if applicable), along with all supporting itemized receipts shall be forwarded to the Manager, Accounting & Administration for reimbursement payment processing.

## **SOCIAL MEDIA**

### **Policy**

AACE will leverage social media outlets in order to establish and maintain official sites including AACE's Community platform, LinkedIn, Facebook, Twitter, etc. to:

1. Build relationships with current or prospective AACE members, volunteers, and other stakeholders
2. Leverage interactions by encouraging open dialogue and discussion
3. Establish thought leadership and responsibly promote products and services
4. Allow the membership and the Association to share AACE expertise
5. Contribute to the professional development of the AACE membership and its related communities through the active exchange of information

Social media platforms are a widespread method to meet, contact, stay in contact with, and exchange information, ideas, and opinions among professionals. AACE and its members and guests are encouraged to participate in the various social media platforms that are available. However, all are expected to act, and post, in a responsible manner as professionals and to adhere to the AACE Canons of Ethics. AACE shall also maintain a publicly available Code of Conduct.

### **Procedures**

AACE staff will monitor outlets regularly and will be responsible for identifying, trafficking, or responding to all items that might affect brand perception. While open dialogue is encouraged, conversation on official pages will be audited to ensure that comments remain professional and respectful. Inappropriate comments and content that includes the following will be removed:

- Incorrect information
- Advertising or promotion
- Comments that are slanderous or defamatory
- Vulgar, racist, or ethnic slurs
- Obscenities

All comments posted on any social media platform from personal accounts are the opinion of the author and do not reflect the official position of AACE International. Comments from official AACE accounts, the Executive Director/CEO, and the Board of Directors President will constitute "the official voice of AACE International."

Individuals wanting to present a question to AACE should submit them directly to AACE headquarters using publicly available contact information.

Comments, opinions, questions, and responses are an important part of the conversation and a foundational aspect of social media. AACE will not delete a comment just because there is disagreement with the commenter's point of view.



While freedom of speech is important, AACE encourages the following rules outlined below when posting or commenting on AACE's social media pages:

1. Use facts – Ensure that you are providing accurate information so that you are not misleading readers.
2. Be respectful – Respect the AACE brand, members, volunteers, stakeholders, and staff.
3. Use good judgment – Think through the implications of a post or comment prior to posting.
4. Do not suppress or alter technological findings or intimidate or coerce others to alter or censor scientific facts, technological findings, or conclusions.
5. Consider the AACE brand and its resulting products – The mission of AACE to help members drive projects to complete on time, on cost, and meet investment and operational goals. We arm our members with the technical tools and expertise to support successful projects and programs must be maintained. What you post may be viewed by members, volunteers, customers, staff, etc. and may remain in public view for a long period of time.
6. Do not expect privacy – Personal information should not be posted. Social media sites are not private, and the expectation of privacy is not conveyed as a user.
7. Members must clearly distinguish and differentiate their opinions from the official policies and procedures of AACE International.
8. Ask for permission – You should not cite or reference members, volunteers, organizations, etc. without their approval.
9. Do not disclose, use, or comment on AACE's confidential or proprietary information.

## **POLICY ON ALCOHOL**

### **Policy**

AACE recognizes the need for responsible control of the distribution and consumption of alcoholic beverages by attendees at its meetings and other events. To ensure alcoholic beverages are served in a responsible manner, the following guidelines have been established for all AACE functions at which alcoholic beverages are served.

### **Procedures**

The following guidelines should be recognized as minimum requirements and not an all-inclusive list. The primary consideration should be to exercise common sense and caution whenever alcoholic beverages are served.

1. Alcoholic beverages may be served only in a hotel restaurant or other facility which is licensed to serve liquor, and which provides AACE with a copy of its liquor liability insurance certificate.
2. Alcoholic beverages may be served only by trained servers, such as hotel bartenders. Open bars or self-serve bars are prohibited.
3. Cocktail receptions and similar events should be limited in duration to a maximum of two hours.
4. Individual drinks must be limited to no more than one ounce of liquor per mixed drink, five ounces per glass of wine, or 12 ounces per beer. In any event, persons who appear disoriented or who give any sign of intoxication must not be served.
5. Alternative non-alcoholic beverages must be made available at all events.
6. High protein, unsalted foods (e.g., cheese, finger foods, etc.) should be provided for all guests.
7. The host of an event (or another responsible AACE official designated in advance) should refrain from consumption of alcoholic beverages during the event.
8. All state and local laws regulating the service of alcoholic beverages must be fully obeyed.
9. Under no circumstances may minors be permitted to drink alcohol or to serve alcohol to others.

## **ADA ACCESSIBILITY**

### **Policy**

It is the policy of AACE to fully comply with the requirements of the Americans with Disabilities Act (the Act) at all AACE events, whether held in the United States or in any other nation.

### **Procedures**

To facilitate this policy, event registration forms must include the statement:

“If you have a disability and may require accommodation in order to fully participate in this meeting, please contact AACE International and provide a description of your needs.”

In the event that AACE is contacted in this manner, arrangements must be made at AACE’s expense to accommodate the individual’s needs.

For the purpose of this policy, “handicaps” and “disabilities” are as defined in the Act and are not to be construed to include personal preferences of individuals who are not disabled or handicapped as defined in the Act.

In addition to the above policy, the organizers of any AACE event are required to obtain assurance from the meeting facility that the physical site of the event (restaurant, hotel, meeting room, etc.) also meets the requirements of the Act and any subsequent amendments thereto. Should a facility be out of compliance and not be exempted under the Act, the event shall be relocated to another location which complies.

## **ANTI-HARASSMENT**

### **Policy**

It is the policy of AACE International to comply strictly with all laws applicable to AACE activities. Federal and most state and provincial laws strictly prohibit harassment. AACE fosters an environment that recognizes the inherent worth of every person and group, that fosters dignity, understanding, and mutual respect, and that embraces diversity. For these reasons, AACE is dedicated to providing a harassment-free experience for participants at meetings, events, and in its programs.

Harassment or hostile behavior is unwelcome, including speech that intimidates, creates discomfort, or interferes with a person's participation or opportunity for participation, in a meeting, conference, event or program. Harassment in any form, including but not limited to harassment based on citizenship, age, color, creed, disability, marital status, military status, national origin, pregnancy, childbirth- and pregnancy-related medical conditions, race, religion, sex, gender, veteran status, sexual orientation or any other status protected by laws in which the conference or program is being held, will not be tolerated. Harassment includes the use of abusive or degrading language, intimidation, stalking, harassing photography or recording, inappropriate physical contact, sexual imagery and unwelcome sexual attention. A response that the participant was "just joking," or "teasing," or being "playful," will not be accepted. Anyone witnessing or is subject to unacceptable behavior should notify an AACE staff person or Board of Directors member.

Individuals violating these standards may be sanctioned or excluded from further participation at the discretion of the Association or responsible board or committee. AACE policy specifically prohibits harassment by or against any employee, member, officer, director, or other volunteer, vendor, or customer. This policy covers only harassment complaints that fall within the scope of official AACE activities, such as but not limited to, day-to-day operations, meetings, educational programs, committee activities, sales of publications, etc.

### **Procedures**

#### **Reporting**

All incidents of harassment involving any AACE employee, member, director, volunteer, and/or vendor should be reported immediately to the Secretary, AACE Board of Directors. Should the complaint be by or against the Secretary, or if the Secretary is out of the office and is not expected to return by the next working day, the complaint should be made to the Executive Director/CEO. Should the complaint be by or against the Executive Director/CEO, the Secretary will report it directly to the President.

The Secretary, Executive Director/CEO shall immediately conduct a thorough investigation of any complaint. This investigation will begin with speaking to all parties involved and all witnesses, if any, and making a written record summarizing these conversations. If possible, an effort will then be made to resolve the complaint to the satisfaction of all parties without formal disciplinary or punitive action. All such investigations will remain strictly confidential and every effort will be made to safeguard the privacy of all parties.

#### **Official Records**

The Secretary will create a general complaint file in which written records of all harassment complaints against members/volunteers and/or vendors/customers will be filed and retained at AACE

headquarters. All documents pertaining to harassment complaints against employees will be filed in the personnel file of the employee against whom the complaint is made.

### **Disciplinary Action**

If the complaint cannot be resolved informally, any or all of the following steps may be taken, depending upon the gravity of the incident(s) and whether it involves a repeat offender(s).

1. Issue a written warning to the offender(s) and place written notice of the warning in the personnel file or the general complaint file.
2. Issue a formal written reprimand to the offender(s) and place a copy in the personnel file or general complaint file.

Verbal and written warnings and/or reprimands of officers, members, and volunteers will be handled by the President. In the event a complaint is filed against the President, the Secretary and the Executive Director/CEO will handle the complaint process. Additional disciplinary or punitive options vary depending on whether the offender is an employee, a member, volunteer, or vendor. A written record of disciplinary or punitive actions taken will be placed in the employee file or the general complaint file.

The following disciplinary options are intended for use in dealing with serious offenses or with repeat offenders who have already received warnings and/or reprimands:

If the offender is an employee:

1. Suspension, without pay, for one or more working days
2. Termination
3. If applicable, notification of appropriate legal authorities

If the offender is a member and/or volunteer:

1. A written request for his/her resignation, issued by the President
2. Involuntary termination, expulsion, or suspension of membership
3. If applicable, notification of appropriate legal authorities

If the offender is a vendor or customer:

1. Terminate the business relationship for a specified period of time, up to one year, and issue a letter to that effect
2. Terminate the business relationship permanently and issue a letter to that effect
3. If applicable, notification of appropriate legal authorities

### **Protective Action**

Protective action may be necessary in some cases in order to ensure the safety of one or both parties to the complaint, particularly if the complaint itself involves accusations of physical violence or threats of physical violence. In addition, there may be situations in which the antagonism between the parties to the complaint jeopardizes the effective functioning of AACE. Depending on the seriousness of the alleged incident; the fears, if any, of the complaining employee, member, volunteer, or vendor; results of the initial investigation; and other factors of the particular case; action may be taken to protect the parties until the complaint has been resolved. However, care must be taken to obtain voluntary and uncoerced consent and cooperation so as not to be, or appear to be, punitive, vindictive, or retaliatory.

## **NON-DISCRIMINATION**

AACE does not and shall not discriminate on the basis of race, color, religion, gender, gender expression, age, national origin, disability, marital status, sexual orientation, or military status, in any of its activities or operations. These activities include, but are not limited to, hiring and firing of staff, selection of volunteers and vendors, and provision of services. We are committed to providing an inclusive and welcoming environment for all members of our staff, members, clients, volunteers, subcontractors and vendors.

AACE is an equal opportunity employer.

## **ENDORSEMENT OF PRODUCTS OR SERVICES**

While AACE International works with many suppliers of products and/or services, no activity by any entity of AACE International shall be conducted in such a way as to imply endorsement of any individual or group of products or services. Any opportunities for promotion of a product and/or service to AACE International members individually or as a group must be made available to all known interested suppliers.

## SANCTIONS AND EXPORT CONTROL COMPLIANCE

### Policy

This Sanctions and Export Control Compliance Policy (Policy) expresses the commitment of AACE International (AACE) to comply with applicable United States (U.S.) sanctions and export control laws. This Policy applies to AACE and its officers, members, employees, consultants, and agents worldwide (Representatives). Adherence to this Policy by AACE and each of its Representatives is required. It is AACE's fundamental policy that all business and other activities be conducted in compliance with all U.S. sanctions and export control laws and regulations.

U.S. persons remain subject to U.S. sanctions laws no matter where they are located or typically reside. "U.S. persons" include U.S. citizens, U.S. permanent residents, certain protected persons, U.S. companies, and persons within the U.S. U.S. export control rules also apply to U.S.-origin products, software, services, and technology, even after those items have been exported from the U.S.

### **U.S. Sanctions**

The U.S. maintains two general types of economic sanctions programs – trade embargoes and prohibited party restrictions. Both types of sanctions are administered by the U.S. Treasury Department's Office of Foreign Assets Control (OFAC) and the U.S. Department of Commerce's Bureau of Industry and Security (BIS) (in coordination with the U.S. Department of State). The U.S. issues sanctions for foreign policy and national security reasons, including implementing multilateral sanctions mandated by the United Nations Security Council.

- **Embargoes:** Embargoes target whole countries or territories, and although each program is unique, embargoes generally prohibit most trade and transactions involving U.S. persons or the U.S. and targeted jurisdictions. The following countries and territories are subject to U.S. embargo: Cuba, Iran, North Korea, Syria, and Crimea and the separatist regions of the Donetsk People's Republic and the Luhansk People's Republic of Ukraine.<sup>1</sup>
- **Prohibited Parties:** Prohibited party sanctions apply to specific listed individuals and entities and their interests in property. Prohibited Parties include individuals and entities, like businesses, non-profits, and governments. Prohibited Parties can be subject to an array of restrictions, up to and including, a complete blacklisting, depending on which sanctions lists apply.

The primary Prohibited Party list, published by OFAC, is the Specially Designated Nationals (SDN) List. U.S. persons are generally prohibited from conducting any transaction or dealing directly or indirectly involving SDNs without prior U.S. government authorization, which is unlikely to be granted. Any SDN property or interests in property within the possession or control of U.S. persons must be formally "blocked" (i.e., frozen) and reported to OFAC within 10 business days. These blacklisting restrictions apply to listed SDNs and also to entities that are owned 50 percent or more, directly or indirectly, by one or more SDNs. OFAC and other agencies maintain other Prohibited Party lists that impose other, more limited restrictions on business.

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<sup>1</sup> The list of countries and territories subject to U.S. embargoes changes on a regular basis.



Applicable U.S. sanctions rules and regulations are found in a variety of statutes, regulations, Executive Orders, and Directives published by multiple federal agencies (typically the Departments of Commerce, State, and Treasury).

This Policy summarizes the principal effects of the rules on AACE and its Representatives. These rules are complex and any questions regarding implementation of the restrictions below must be raised with the Executive Director / CEO. Do not act if you are uncertain about how the rules apply. This Policy requires that you first seek guidance in situations where there is uncertainty.

### **U.S. Export Control Laws**

AACE is also subject to U.S. export control rules. Certain of these controls overlap with the OFAC rules described above. Export control laws applicable to AACE primarily consist of:

- **“Dual use” controls:** BIS regulates exports and re-exports of “dual-use” products, software, and “technology” (referred to collectively as “items”) under the Export Administration Regulations (EAR). The EAR regulate nearly all U.S. origin items (items produced in the U.S.) and nearly all items physically located in the U.S., among others. Items subject to the EAR may require an export license or use of a license exception as determined by each item’s classification (Export Control Classification Number), destination, end user, and/or end use. Releases of technology to foreign nationals located in the U.S. are “deemed” to be exported to the foreign nationals’ home countries, which may require a license from BIS. This Policy prohibits the unlicensed export and reexport of controlled items without first obtaining required authorization from BIS.
- **Anti-boycott laws:** The EAR and corresponding regulations administered by the Internal Revenue Service (IRS) prohibit persons subject to U.S. jurisdiction from complying with the Arab League boycott of Israel and other unsanctioned foreign boycotts. Under those rules, companies must often report the mere receipt of boycott language (discussed further below) to regulating authorities under many circumstances. This Policy requires compliance with applicable anti-boycott laws.
- **End use controls:** The EAR prohibit the supply of any item for prohibited end uses in many countries. Prohibited end uses include certain uses related to nuclear, military, missile, rocket, unmanned vehicle, chemical, or biological weapons activities. Prohibitions include activities related to the export of items or know how for the production, development, or use of virtually any item for such prohibited end uses. AACE Policy requires compliance with all applicable end use controls.
- **ITAR controls:** The U.S. Department of State’s Directorate of Defense Trade Controls (DDTC) regulates the export of certain military products, services, software, and technical data pursuant to the International Traffic in Arms Regulations (ITAR). Currently, AACE is not subject to the ITAR because it does not produce or otherwise deal in items subject to regulation under the ITAR.

### **Procedures**

To ensure compliance with this Policy, AACE Headquarters will conduct a periodic screening on Representatives against official agency lists as detailed above under U.S. Sanctions. If a Representative is determined to be in non-compliance with this Policy, AACE will inform the Representative and cease to conduct any transactions with or deal directly or indirectly with the Representative. AACE Headquarters will also conduct a periodic screening of its items against U.S. Export Control Laws, as detailed above. If an item is determined to be in non-compliance with this Policy, AACE will suspend use and distribution

until the item has been brought under compliance. If compliance isn't deemed possible, the item will be discontinued for use.

### **Recordkeeping**

U.S. sanctions and export rules require AACE to maintain records for five years for any export- or reexport-related transactions and any transactions involving countries or regions subject to embargoes or Prohibited Parties, which are discussed above.

### **Penalties**

Violations of U.S. export control and sanctions laws can result in substantial penalties for AACE and involved individuals. For example, U.S. criminal penalties for export control violations can include substantial jail time for individuals, and large financial penalties for companies, while civil penalties may include fines of approximately \$328,121 per violation, or twice the value of the shipment, whichever is higher. Penalties can be even higher for certain types of sanctions violations. Penalties are often assessed on the basis of strict liability (individuals do not need to know they are violating the law to be charged with a violation). Moreover, many enforcement actions ultimately become public – potentially resulting in damage to a company's brand and reputation.

Any questions regarding the validity or interpretation of this Policy must be brought to the attention of AACE's Executive Director / CEO immediately.

### **Reporting Possible Violations**

It is each Representative's personal responsibility to inform AACE's Executive Director / CEO of any violations or suspected violations of this Policy before they occur or, if they have occurred, once the Representative becomes aware of them. Violations include not only noncompliance with applicable laws, regulations, this Policy, and any associated procedures, but also a failure to detect, report, and/or correct any offense. All reports will be treated as strictly confidential, and, in the event of a reported violation or suspected violation, the Executive Director / CEO, Board of Directors, and legal counsel will determine appropriate next steps.