



AAACE International Bylaws

Amended as of: January 15, 2021

ARTICLE I. NAME OF ORGANIZATION

The legal name of this organization is AAACE INTERNATIONAL, INC., hereinafter referred to as “AAACE” or “the Association,” a nonprofit corporation incorporated in the state of West Virginia. The Association was chartered in 1956 as the American Association of Cost Engineers and was previously named AAACE, Inc. and the Association for the Advancement of Cost Engineering International.

ARTICLE II. PURPOSE

Section 1. To engage in collecting, defining, standardizing, and disseminating practices associated with cost engineering and related practices and to promote those practices to individuals and businesses for public good.

Section 2. To engage in developing and disseminating tools to enhance the skills of individuals practicing in the field of cost engineering and related practices and to recognize the realization of those skills.

Section 3. To engage in providing means for the discussion, publication and interchange of cost engineering experience and practices.

Section 4. The Association shall be organized and function exclusively for charitable, educational, and scientific purposes.

ARTICLE III. MEMBERSHIP

Section 1. The two classes of Membership are Regular and Student. Categories of Membership, such as Corporate, may be established within each class by the Board of Directors. A Regular Member shall be an individual who makes application, requests reinstatement, or continues annual membership, with each step requiring the payment of annual dues and any fees. Membership shall become effective upon the processing and posting by the Association of full payment, including any required fee or fees. Any Member in good standing, with the exception of Student Members, has the privilege of holding elective office, voting for Officers, petitioning for and voting on changes to the Bylaws, and nominating candidates for office.

Section 2. A Student Member is an individual enrolled as a full-time student (as defined by institution) in an undergraduate or graduate program in a college or university.

Section 3. The Board of Directors may create additional membership categories as required to advance AAACE’s interests throughout the world. All benefits, privileges, voting rights, financial obligations and criteria of eligibility for each class or category of members shall be established from time to time by resolution of the Board of Directors and put to the Membership for an affirmative vote, per Article XII.

Section 4. The schedule of annual dues for members of various grades shall be fixed by a simple majority vote of the Board of Directors. Changes in the annual dues schedules shall become effective at the beginning of the ensuing fiscal year (the calendar year).

Section 5. All Members of the Association shall support the Bylaws of the Association and shall abide by the AAACE Canons of Ethics and any other policy adopted by the Association. Any member who violates the Bylaws or the Canons of Ethics or other policy of the Association, or whose conduct is

harmful to the best interests of the Association or of the engineering profession, may be expelled by a two-thirds vote of the Board of Directors. No termination of membership shall be made by the Board of Directors unless written notice of such proposed action and the grounds therefor shall have been given to such Member at least thirty (30) days prior to the taking of such action and such Member shall have been afforded a reasonable opportunity to be heard before the Board of Directors. The decision of the Board shall be final.

ARTICLE IV. MEETINGS OF MEMBERS

Section 1. The annual business meeting of the Members of the Association shall be held at such place and on such dates following the annual election, but no later than the annual conference, as may be approved by the Board of Directors.

Section 2. Special meetings of the voting Members may be called at any time by the Board of Directors or upon the written request of not less than ten percent (10%) of the voting Members, for any purpose or purposes prescribed in the notice of the meeting and shall be held at such place or manner, on such date and at such time as the Board of Directors may fix. Business transacted at any special meeting of the voting Members shall be confined to the purpose or purposes stated in the notice of meeting.

Section 3. AACE will notify Members entitled to vote of the date, time, and place of each annual, regular and special meeting no fewer than ten (10) nor more than sixty (60) days before the meeting date. AACE will give notice only to Members entitled to vote at the meeting.

Section 4. The President shall preside at all meetings of the voting Members. In the absence of the President, the President-Elect or another officer designated by the Board of Directors shall serve as the presiding officer of the meeting.

Section 5. At all meetings of the voting Members, the voting Members entitled to vote on the matter who are present at the meeting, either in person or virtually, constitute a quorum for action on the matter. Action on a matter, other than the election of directors, is approved if the votes cast by the Members voting favoring the action exceed the votes cast by the Members opposing the action, unless the Articles of Incorporation require a greater vote.

Section 6. Any action which may be taken at a meeting of Members may be taken without a meeting if a majority of the Members consent in writing, setting forth the action taken or to be taken, signed by all of the persons who would be entitled to vote upon the action at a meeting, or by their duly authorized attorneys which action for purposes of this subsection is to be referred to as "unanimous written consent." The Secretary shall file the consent or consents or certify the tabulation of the consents and file the articles, with the minutes of the meetings of the Members.

Section 7. Any Member may participate in a meeting by any means of communication by which all Members participating may simultaneously hear each other during the meeting. A Member participating in a meeting by this means is deemed to be present in person at the meeting.

Section 8. The Bylaws herein authorize the use of electronic communication for Members' meetings, any or all of the Members may participate in a meeting by, or conduct the meeting through the use of, any means of communication by which all Members may simultaneously hear each other during the meeting.

ARTICLE V. SUBUNITS

Section 1. The Board of Directors, to achieve the objectives and purposes of the Association, may establish organizational subunits such as regions, sections, or other categories and shall be operated in accordance with the policies and procedures approved by the Board.

Section 2. The standing Associate Boards shall be Certification, Education, and Technical. Associate Board Chairs are elected by the respective Associate Boards. Associate Boards shall adopt charters and devise their own rules of procedure and adopt the same, subject to compliance with the Bylaws and the approval of the Board of Directors. The Certification Board will operate as a separate and autonomous

functional body within the Association only in so far as required to maintain accreditation of the Association's certifications.

Section 3. The Board of Directors, by resolution adopted by a majority of the Directors in office, or by the President, may designate and appoint one or more advisory committees, task forces, or working groups. Membership on such committees, task forces, or working groups need not be limited to Directors.

Section 4. The Committees of the Association shall consist of Standing Committees, as prescribed in the Bylaws, and such other committees as deemed necessary by the Board of Directors to manage the affairs of the Association. Standing Committees shall include Ethics, Nominations, and Governance.

Section 5. The Board of Directors shall exercise authority over policies, services, programs and budgets of all organizational subunits, including qualification for membership and jurisdiction. All subunits shall remain in operation as long as it operates according to the policies and procedures set forth by the Board or as otherwise determined by the Board.

Section 6. The Board of Directors may establish relationships with other associations, foundations and organizations upon such terms and conditions as it considers appropriate.

ARTICLE VI. BOARD OF DIRECTORS

Section 1. The governing body of the Association shall be a Board of Directors, hereinafter called the Board, in which the governance and management of the Association is vested, except as otherwise provided for in the Bylaws. The Board of Directors may delegate to committees or other officers responsibility for the management of the Association consistent with any policies established by the Board.

Section 2. 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 Article VII, the Past-President, three (3) Associate Board Directors, and not less than one (1) nor more than three (3) Directors at-Large. The three (3) Associate Board Directors shall be from the Certification, Education, and Technical Associate Boards and elected by the respective Associate Boards. All Officers and Directors shall be elected by the Members.

Section 3. Directors shall serve for a two-year term or until their successors have been elected or appointed and assume office. Associate Board terms will be defined by those Associate Boards.

Section 4. A person shall not concurrently hold more than one elected Association office.

Section 5. A quorum of the Board shall consist of a majority of the Board then in office. For calculation of a quorum, and for all voting by the Board of Directors or any Committee, Task Force, or Ad Hoc Committee of the Board of Directors, telephonic or electronic participation as well as physical presence shall be considered present. If a quorum of the Board is present, the affirmative vote of a majority shall determine any matter, unless a different vote is required by statute, by the Articles of Incorporation, or by these Bylaws.

Section 6. All Officers and Directors shall take office at the time of the annual business meeting following the annual election.

Section 7. 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.

Section 8. 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.

Section 9. 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.

Section 10. 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 maximum allowable time to be served in these offices consecutively, whether by reason of appointment or other, shall be less than four full years.

Section 11. 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.

Section 12. The Board shall establish policies and procedures for the nomination and election of officers and for the nomination, election, and appointment of directors and shall establish a Committee or Task Force composed of a majority who are not Board members to select nominees to be candidates for office. Candidates for positions as Officers and Directors shall have demonstrated experience in cost engineering.

Section 13. Election of Officers and Directors required to be voted upon shall be by ballot vote, as approved by the Board of Directors. Elections may be conducted, and the actions voted upon by mail, electronic means, or a meeting duly held. The vote of Members, or of the Members of any particular class, is to be determined from the total number of Members who actually vote, rather than from the total number of Members entitled to vote, unless the Articles of Incorporation otherwise provide. Directors are elected by a plurality of the votes cast by the Members entitled to vote in the election. Annual elections of Officers and Directors will be held in the first quarter of each calendar year, with special elections as approved by the Board of Directors.

Section 14. The Board of Directors shall meet at least twice a year on the call of the President or any four members of the Board. Special meetings of the Board of Directors must be preceded by at least two (2) days' notice of the date, time, and place of the meeting. The Board of Directors shall have power to make such regulations not inconsistent with the Bylaws, as shall be necessary for the protection of the property of the Association and for the preservation of good order in the conduct of the affairs. It shall also be the duty of the said Board of Directors to present business for the action of the Association. It shall have no power to make the Association liable for debts amounting to more than half of the amount in the treasury, in cash, and not subject to prior liabilities.

Section 15. All Directors, Officers, and Committee members can participate in a meeting by, or conduct the meeting through the use of, any means of communication by which all participating may simultaneously hear each other during the meeting. Participating in a meeting by this means is deemed to be present in person at the meeting.

Section 16. Action required or permitted to be taken by the Board of Directors or a committee may be taken without a meeting if the action is taken by the majority members of the Board or Committee thereof. The action must be evidenced by motion and vote describing the action taken, approved by the majority, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this section is effective when the motion is approved unless the motion specifies a different effective date. A motion signed under this section has the effect of a meeting vote and may be described as having the effect of a meeting vote in any document.

Section 17. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more Board Committees of its members, each of which shall consist of two or more Directors, who serve at the pleasure of the Board, which Committees, to the extent provided in said resolution, may have and exercise the authority of the Board in the management of the Association except as restricted by the statute, the resolution creating the Committee, the Articles of Incorporation, or these Bylaws.

Section 18. The Board of Directors, by resolution adopted by a majority of the Directors in office, or by the President, may designate and appoint one or more Committees, Task Forces, or Working Groups. Membership on such Committee, Task Force, or Working Group need not be limited to Directors.

ARTICLE VII. OFFICERS

Section 1. The Officers of the Association shall be a President, President-Elect, Secretary, Treasurer, and the Executive Director/CEO.

Section 2. The President is the chief elected officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors and shall be responsible for administering the affairs of the Association according to the policies and regulations established by the Board.

Section 3. The President-Elect shall act for the President whenever the President is unable to perform his or her duties.

Section 4. The Secretary shall act as the corporate secretary of the Association, shall be responsible for membership services, keeping minutes for the meetings of the Association and the Board of Directors, maintaining a roll of members, conducting all official correspondence of the Association, and organizing ballots required to be submitted to the membership.

Section 5. The Treasurer shall have charge of the funds of the Association, shall disburse same upon the authorization of the Board of Directors, and shall arrange for a periodic audit (not less frequent than biennially) of the Association's accounts. He or she shall report to the Board annually or more often if requested.

Section 6. With approval of the Board, the Secretary and the Treasurer may delegate certain of their duties to the Executive Director/CEO.

Section 7. The Board shall be empowered to employ an Executive Director/CEO to manage the day-to-day operations, including all staff, of the Association and to perform such other duties as the Board may direct within the powers vested in the Board by the Bylaws. The Executive Director/CEO shall be an ex-officio member of the Board without a vote.

ARTICLE VIII. POLICIES AND PROCEDURES

Section 1. The Board shall be empowered to develop and maintain a compendium body of Association policies and procedures, herein referred to as the Organization Manual, for the purposes of defining administrative and organizational means and methods of transacting the governance requirements defined by these Bylaws.

Section 2. The Organization Manual shall be made publicly available and shall follow the established policy for review and revisions. The Manual is reviewed at least once per year. Amendments are made by a majority vote of the Board of Directors. The Secretary is charged with leading this effort.

ARTICLE IX. LIMITATION AND DISTRIBUTION

Section 1. No part of the net earnings of AACE shall benefit its members, trustees, officers, or other private persons. AACE may, however, make reasonable payment for services rendered for purposes listed in Article II. No substantial part of AACE activities may attempt to influence legislation. AACE shall not participate or intervene in the political campaign of any candidate for public office. AACE shall not carry on any other activities prohibited for (a) a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) a corporation to which contributions are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Section 2. Upon the dissolution of AACE, its assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code (or the corresponding section of any future federal tax code) or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any assets then remaining shall be disposed of by a Court of Competent Jurisdiction of the county where the principal office of the corporation is then located, solely

for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE X. INDEMNIFICATION

To the maximum extent permitted by law, AACE shall indemnify each person (or heirs, executors and administrators) made a party to an action or proceeding (criminal or civil) because of service as a director, officer, or employee of AACE or as a member of an AACE board or committee. At the discretion of the Board of Directors, AACE may also indemnify those threatened with such action because of such service. Indemnification shall not apply to proceedings by or for AACE to procure a judgment in its favor. Indemnification applies to judgments, fines, amounts paid in settlement and reasonable expenses (including attorney's fee resulting from such proceedings or any appeals), provided the person acted in good faith in what was believed to be the best interest of AACE and had no cause to believe the conduct to be unlawful. This right of indemnification shall not exclude other rights to which such a person may be entitled by law.

ARTICLE XI. BOOKS AND RECORDS

The Association shall keep complete books and records in accordance with the requirements of the statute. This shall include:

1. as permanent records minutes of all meetings of its members and board of directors, a record of all actions taken by the members or board of directors without a meeting, and a record of all actions taken by a committee of the board of directors in place of the board of directors on behalf of the corporation;
2. a roll of members which shall include the name, address, membership category, and date of admission of each member in good standing;
3. a complete accounting shall be kept of all monies received and expended by the Association. These financial records shall undergo a financial audit, not less than biennially, by persons or a company qualified to perform this audit. The results of the audit shall be reported to the membership as soon as practical;
4. its articles or restated articles of incorporation and all amendments to them currently in effect;
5. its bylaws or restated bylaws and all amendments to them currently in effect;
6. its organizational and administrative policies and procedures as defined in the Association Organization Manual and all amendments to them currently in effect;
7. all written communications to members generally within the past three years, including the financial statements furnished for the past three years; and
8. a list of the names and business addresses of its current directors and officers.

ARTICLE XII. AMENDMENTS

The affirmative vote of two-thirds of the valid votes of the membership cast shall be required for adoption of an amendment to the Bylaws.