

AACE Ethics Committee Charter

AACE ETHICS COMMITTEE CHARTER

INTRODUCTION:

AACE International's ("AACE 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 Ethics Committee Charter, policies and procedures on an annual basis and proposing changes to the Association's Board of Directors.
- Investigating and resolving ethics complaints including timely communication of the results.
- Reviewing and updating as appropriate annual AACE officer 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.

COMPOSITION OF THE ETHICS COMMITTEE

The Ethics Committee shall be comprised of a Chair and a minimum of three but not more than five additional voting members.

- a) **Ethics Committee Chair.** A Chair is nominated by the Association President and approved by the Association's Board of Directors to a one (1) year term without limitation for renewal. The 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 the Association's membership, technical, certification and education functions, as well as having a demonstrated leadership in moral / ethical issues. The Ethics Committee Chair should have the following qualifications:
 - A minimum of ten years of service to the Association
 - Hold one or more of the Association's Certifications.
 - Significant Prior service to the Association at the Board of Directors or Subsidiary Board level.
- b) **Ethics Committee Members** are approved by the Association's Board of Directors serving two-year terms without limitation for renewal. Members should have the following qualifications:
 - To have been a member of the Association a minimum of ten years
 - To have served the Association a minimum of five years in a local or global leadership role; and
 - Demonstrated high moral and ethical leadership.

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- c) No current member of AACE's Board of Directors may also be a member of the Ethics Committee.
- d) 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.

ETHICS COMMITTEE BUSINESS

- a) The activities of the Ethics Committee include:
 - i. Investigation of alleged violations of the Canon of Ethics that are properly filed in accordance with the Association's Canon of Ethics and established Ethics Complaint Procedures.
 - ii. Provide a determination of formal Ethics Complaint including necessary steps for its full resolution.
 - iii. Review of appeals to existing determinations by the Ethics Committee
- Review and make recommendations to the Board of Directors concerning
 - i. Improvements to the AACE Canon of Ethics;
 - ii. Procedures to avoid Conflict of Interest for Board/Associate Board Members and Section Officers;
 - iii. Process and procedures for resolution of Ethics Complaints
- Periodically report on Ethics Committee activities to the Board of Directors
- Annual and Periodic Reporting
- b) 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,
- c) 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, in advance, by the Association President acting on behalf of the Board of Directors.
- d) Extraordinary expense the result of Ethics Committee Business shall be borne by the Association 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.
- e) The 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 the Association and are preapproved in writing by the Executive Director. Such exceptions might be for translation services that benefit not an individual, but the Association.

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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 result of any investigation into an alleged ethics violation, or appeal of an earlier investigation and decision, will remain confidential and be reported by the committee to the Executive Director upon completion.