



NATIONAL POLICY & PROCEDURES MANUAL

Revised June 2016

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POLICIES

Merit Shop Definition

Merit Shop is a way of doing business in which companies reward employees based on performance and encourage them to reach their highest level of achievement, and in which contracts are awarded based on safety, quality and value, regardless of labor affiliation.

APPROVED BY THE BOARD OF DIRECTORS

NOVEMBER 9, 2010

Bylaws Reference: Article I

Antitrust Policy Statement

Federal laws and many state laws prohibit contracts, combinations or conspiracies in restraint of trade and unfair competition.

ABC will not condone, by any means, the entering into or the suggestion of entering into any arrangements or understandings that restrain trade or competition, or by any collusive acts that can be interpreted as seeking such ends.

We strongly urge all members to be aware that any such activities violate these laws.

We specifically call attention to unlawful practices such as the following:

1. Boycotting of firms or products through management agreements.
2. "Courtesy" bidding -- agreeing to price bid to the advantage of any individual firm.
3. Agreements to fix wages or prices.
4. Promotion of bid depositories with penalties for violations.
5. Agreement upon so-called bid preparation fees to be shared among competitive bidders.
6. Agreements to use exclusively any materials, supplies or services.
7. Limitation of markets -- to type, geography, size or similar carve-outs.
8. Any agreements to prevent access to markets or supplies.

As an association, we condemn such actions and urge our members to be aware that such violations not only contravene the basic principles of the Merit Shop espoused by our Association, but can entail heavy criminal and civil penalties.

APPROVED BY THE BOARD OF DIRECTORS

OCTOBER 17, 1984

AMENDED BY THE BOARD OF DIRECTORS

NOVEMBER 11, 2008

Bylaws Reference: Article I, Article III

Code of Ethics

Members of Associated Builders and Contractors will strive to observe the following principles in the conduct of their businesses:

- A. Maintain a standard of performance that meets the owner's expectations and fulfills the contractor's obligations.
- B. Quote only realistic prices and completion dates and perform accordingly.
- C. Cooperate to the fullest extent with the architect and/or engineer, and other agents of the owner toward fulfillment of a common goal.
- D. Solicit quotations only from firms with whom they are willing to do business.
- E. Make all payments promptly within the terms of the contract.
- F. Observe and foster the highest standards of safety and working conditions.
- G. Establish realistic wage schedules for employees commensurate with their ability and their industry so that they may enjoy the dignity to which they are entitled.
- H. Actively participate in the training of skilled craft professionals for the future welfare of the Merit Shop industry.

REAFFIRMED BY THE BOARD OF DIRECTORS

SEPTEMBER 24, 1971

REAFFIRMED BY THE BOARD OF DIRECTORS

JUNE 5, 2006

Bylaws Reference: Article I, Article III

Equal Employment Opportunity

Discrimination based on race, color, religion, sex, age or national origin is contrary to the law and the spirit of American Democracy. Associated Builders and Contractors is open to all firms qualified under the Charter. The Association is opposed to discrimination that sets one individual above another. Further, Associated Builders and Contractors believes that discriminatory practices which deny any individual the opportunity of work or learning skills in the construction industry are legally, economically and morally harmful to our country. The Board of Directors of Associated Builders and Contractors urges all members to take affirmative action to implement these principles of equal employment opportunity which are now embodied in national, state and local laws. Such action includes seeking out, hiring, training, promoting and recognizing all employees on the basis of equality and merit.

The Board of Associated Builders and Contractors supports voluntary affirmative action efforts as well as effective enforcement of existing equal employment laws. The Association opposes strict hiring quotas that require employers to meet specific percentages of workers from designated trades in their work forces. As such, these percentages ignore the availability of workers skilled in particular trades when, in fact, enough qualified workers from a designated trade do not exist in the construction market. Such quotas present contractors with extraordinary administrative costs and the threat of debarment despite good faith efforts to

comply with quota regulations.

While the record shows that our members have long been leaders in the employment of minorities and women, it is also clear that much remains to be achieved in hiring, training and upgrading skills as a means of affirmative action.

APPROVED BY THE BOARD OF DIRECTORS

APRIL 19, 1986

Bylaws Reference: Article I, Article III

Trademarks

There is a need to ensure that certain trademarks/service marks owned by the Association may be registered, and remain registered, in the United States Patent and Trademark Office, and that the Marks continue to indicate that the Association and authorized users are sources of high-quality goods and services.

There is a need to ensure that the Association may effectively police against attempts of third parties to use the same or confusingly similar marks in competition with the Association or its authorized users.

Use of the Marks must be properly controlled, in order to preserve their value, and the Association is the party that is responsible to set quality standards for authorized users and apply them through legitimate control.

The National Board of Directors of Associated Builders and Contractors, records the foregoing and following clarifying statements:

Chapters, members, affiliates and other authorized users should help facilitate the quality control obligations of the Association associated with the Marks. They should supply the Association with specimens of all uses of the Marks, upon request by the Association. Chapters, members, affiliates and other authorized users should not use the Marks in a way that might tarnish or disparage the positive image of the Association. They should use the Marks in the form and manner prescribed by the Association and should obtain written approval from the Association for any alterations of the Marks.

Chapters, members, affiliates and other authorized users should support ownership of the Marks and corresponding registrations/applications in the name of the Association, and do nothing inconsistent with that ownership. They should provide such documentation as might be required to support ownership in the name of the Association. They should not apply to register any of the marks in their own name, or use confusingly similar or unapproved marks. If such applications become filed, they should be immediately assigned to the Association. Chapters should notify the Association in writing of any unauthorized use of the Marks by third parties of which they become aware. The Association shall have the sole right and discretion to act against potential infringements.

APPROVED BY THE BOARD OF DIRECTORS

FEBRUARY 27, 2002

Bylaws Reference: Article II

Conflict of Interest

Associated Builders and Contractors, by virtue of its Bylaws, is committed to “promote confidence and goodwill within the building and construction industry and between this industry and the general public.” As part of this commitment, it is incumbent on the leaders of the association to be transparent in their dealings with service providers, vendors, competitors, and other leaders of the association when such dealings may conflict with their role as leaders of ABC.

For purposes of this policy, a conflict of interest is defined as any transaction or relationship that presents a conflict between an individual's obligations to ABC and the individual's personal, business, or other interests. This policy applies to members of the Board of Directors, ABC committee members, the ABC President & CEO, and the ABC chief financial officer.

Those ABC leaders who are covered by this policy shall not act in their leadership capacity in ways that cause them to benefit financially from a decision they make in a leadership capacity, including indirect benefits such as to family members or businesses with which they are closely associated, or otherwise raise questions about their loyalty to ABC. In any matters where there might be a conflict between the interests of the leader and of ABC, the leader should disclose this possible conflict to the group on which (s)/he serves and recuse her/himself from voting on such matters. Furthermore, should any person, volunteer or staff, serving on such a group be aware of a potential conflict of interest that a leader fails to disclose, (s)/he must raise the issue to the attention of the entire group.

ABC's staff will make reasonable efforts to obtain information on an annual basis from ABC leaders, as may be necessary to enforce this policy.

APPROVED BY THE BOARD OF DIRECTORS

MARCH 21, 2007

AMENDED BY THE BOARD OF DIRECTORS

NOVEMBER 11, 2008

Bylaws Reference: Article III

Financial Policy

PURPOSE - It shall be the purpose of this policy to outline the practices which will govern the financial operation of the Association. This policy has been approved by the Budget & Finance Committee. It shall serve as a guide to the day-to-day operation of the Association. Nothing in this policy shall conflict with the Association's Bylaws.

ENFORCEMENT - It shall be the duty and responsibility of the chief financial officer to carry out the policies under the guidance and direction of the Budget & Finance Committee.

INSURANCE - All individuals who are responsible for the intake and expenditure of funds shall be properly insured.

FUNCTION OF THE BUDGET & FINANCE COMMITTEE - The function of the Budget & Finance Committee shall be to oversee and advise on all financial matters of the Association, including assistance to the local chapters. In the absence of the Chairman, the Assistant Treasurer should be Vice Chairman of the Committee.

SPECIAL RESERVE FUND - Any expenditures from the special reserve fund shall be approved by the Board of Directors.

ACCOUNTING PROCEDURAL OUTLINE - Certain accounting procedures and internal controls shall be incorporated into operating routine and procedures.

A. Budget Control

1. The Treasurer shall periodically, a minimum of six (6) times a year, compare actual budgeted receipts and expenditures and take immediate appropriate action to avoid a year end deficit.

B. Investments

1. The Budget & Finance Committee shall select an investment manager to advise on investing surplus general funds as well as segregated designated or restricted funds of the Association. The Executive Committee shall approve the selection of the investment manager and shall approve the investment policy of the Association.
2. Any excess monies from the general fund and all monies in segregated designated or restricted funds shall be invested in accordance with the Association's investment policy as approved by the Board of Directors.

C. Loans

1. The Association is authorized to borrow monies for operations when required. Any formal borrowing from a financial institution that exceeds \$200,000 but is less than \$500,000 in the aggregate per fiscal year requires Executive Committee approval. Any formal borrowing from a financial institution that exceeds \$500,000 requires Board approval. However, the Association can borrow money called a margin loan not to exceed 50% of the market value of its Brokerage investment accounts with the approval and monitoring of the Budget and Finance Committee.

D. Loans to chapters

1. The Association shall make loans to chapters only on the following procedure:
 - a. All requests must be in writing to the Treasurer and be signed by the chapter chief elected officer and indicate approval for such request by the local board of directors.
 - b. A loan application must be completed, showing evidence of attempts to raise funds from other sources, including institutional loans. The chapter may be subject to an operation and financial review by Executive Committee representatives, including meetings with chapter officers and board of directors prior to granting a loan.
 - c. All loans shall be assessed an interest rate, to be established at prime, and interest paid shall be returned to the chapter upon faithful repayment of the loan.
 - d. If a loan of a chapter becomes ninety (90) days delinquent, its members

will be notified that the loan delinquency will be brought to the attention of the National Board of Directors at its next regularly scheduled meeting.

E. Accounting Procedures

1. The Association shall operate and maintain its books and ledgers in accordance with Generally Accepted Accounting Principles. The Vice President of Finance and the Treasurer shall ensure that sound internal control procedures are in place, that the Association's assets are adequately protected and that all Federal, state and local reporting and payment requirements are met.

F. Bank Accounts

1. All Association cash shall be maintained in federally insured institutions. Signatories on Association bank accounts shall include the President & CEO, chief financial officer or other staff members as the President & CEO may authorize. All checks shall require two (2) signatures.

G. Dues Report

1. The Association shall accept new member applications on a daily basis, payment for which must be included with the monthly dues report. Dues reports which are not accompanied by full payment for the members reported cannot be accepted for processing and shall be returned to the chapter.
2. Dues category will be based on volume of the member firm for immediate past fiscal year end as reported to the Internal Revenue Service. Each chapter shall report to the Association the dues category of each member listing the firm's name and volume by category. It is recommended by the Association that the chapter's dues volume schedule be the same as the Association's since it would greatly facilitate bookkeeping.

H. Committee and Board Travel

1. Board transportation and lodging expenses will be reimbursed for the second and third Board meetings of the year. Committee and Board travel expenses will not be reimbursed for meetings held in conjunction with the first board meeting of the calendar year. The typical budget contemplates reimbursing National Committee members for two meetings per calendar year. Committees are encouraged to hold any additional meetings via commonly used electronic methods.
2. Upon request, Committee and Board members shall be reimbursed for travel at the cost of one round-trip coach or "lowest possible" airfare. In lieu of airfare, expense reimbursement is available for such alternative transportation costs as rental car and gas, mileage on a personal vehicle or railway ticket which aggregate expense does not exceed the cost of one round-trip airfare. Miscellaneous expenses like food, baggage fees, airport or hotel parking or taxi service are not eligible for reimbursement. Members may also request reimbursement for the cost of a single room for one night not to exceed the rate negotiated by the Association with the event hotel. Under certain circumstances, including but not limited to long distance travel or if a member is required to attend multiple meetings on different days, up to two nights will be reimbursed.

3. All requests for reimbursement must be submitted by completing and signing the appropriate form and sent together with appropriate copies of original receipts within ninety (90) days of the appropriate meeting in order to be honored.
4. All National Board Members who attend both the first Board meeting of the calendar year and the subsequent conference will receive a discount on their conference registration fee. The amount of the fee will be determined by ABC National Staff.
5. Upon request, the Executive Committee shall be reimbursed air, hotel, registration; taxi/parking for all meetings the executive committee is obligated to attend.

ADOPTED BY THE BOARD OF DIRECTORS
OCTOBER 17, 1984
REVISED BY THE BOARD OF DIRECTORS
NOVEMBER 9, 2010
REVISED BY THE BOARD OF DIRECTORS
March 3, 2015
REVISED BY THE BOARD OF DIRECTORS
JUNE 24, 2015
Bylaws Reference: Article III

National Meetings

The Association shall hold National Meetings annually to provide for the education of the membership in areas of management expertise directed toward improving industry efficiency and the quality of construction and for the better operation of their business and to benefit the public. At the same time, it is recognized that these meetings offer the opportunity to develop leaders within ABC and advance the aims of the Association and the principles of the merit shop. In addition to providing education and development opportunities, National Meetings will serve to inform federal elected, appointed and regulatory officials, as well as the general public, of the policies, programs and activities of the Association.

APPROVED BY THE BOARD OF DIRECTORS
JUNE 14, 2011
Bylaws Reference: Article III.B.4

Records Retention and Destruction of Documents Policy

No officer, director, employee or agent of Associated Builders and Contractors shall knowingly destroy a document with the intent to obstruct or influence the investigation or proper administration of any matter within the jurisdiction of any government department or agency or in relation to or contemplation of any such matter or case. All staff, volunteers, board members, and outsiders responsible for maintaining ABC records shall comply with record retention guidelines established by the President of ABC (or his designee) for the maintenance, storage and destruction of the organization's documents and records in accordance with applicable law.

APPROVED BY THE BOARD OF DIRECTORS
FEBRUARY 19, 2005

REVISED BY THE BOARD OF DIRECTORS
NOVEMBER 11, 2008
Bylaws Reference: Article III.B.8

Whistleblower Retaliation Prohibition

No officer, director, employee or agent of Associated Builders and Contractors shall take any harmful action with the intent to retaliate against any person, including interference with employment or livelihood, for providing to a law enforcement officer any truthful information relating to the commission or possible commission of any offense. Nor will any officer, director, employee or agent of the Association take any harmful action with intent to retaliate against any employee or member of the Association for reporting to an appropriate senior management or elected official the suspected misuse, misallocation or theft of any Association resources. Consistent with this policy, ABC employees and volunteers are encouraged to come forward with credible information on illegal practices or violations of adopted policies of ABC by providing such information to the Chairman, the President, or their designees.

ADOPTED BY THE BOARD OF DIRECTORS

FEBRUARY 19, 2005

REVISED BY THE BOARD OF DIRECTORS

NOVEMBER 11, 2008

Bylaws Reference: Article III.B.8

Merit Shop Resources

The Association shall maintain resources for its members in containing facts and aids in the operation of individual businesses within the concept of the "Merit Shop." The President & CEO and General Counsel shall update and make available these resources periodically.

APPROVED BY THE BOARD OF DIRECTORS

MARCH 11, 1992

REVISED BY THE BOARD OF DIRECTORS

OCTOBER 11, 2011

Bylaws Reference: Article III.B.9

Regionalization Plan

ABC's chapters are grouped into regions based on geography for the purposes of bringing members from various chapters together to discuss common issues and providing a means for the Executive Committee to represent the interests of the entire Board. The Board of Directors approves the election of a vice chair of the Association to represent each of the Association's regions, as delineated by the board and listed here:

Mid-America Region:

Central Ohio Chapter, Greater Michigan Chapter, Indiana/Kentucky Chapter,
Northern Ohio Chapter, Ohio Valley Chapter, Southeastern Michigan Chapter,
Western Michigan Chapter

Mid-Atlantic Region:

Baltimore Metro Chapter, Chesapeake Shores Chapter, Cumberland Valley
Chapter, Delaware Chapter, Metro Washington Chapter, Virginia Chapter, West
Virginia Chapter

Midwest Region:

Cornhusker Chapter, Heart of America Chapter, Illinois Chapter, Iowa Chapter,
Minnesota/North Dakota Chapter, Wisconsin Chapter

Mountain West Region:

Arizona Builders Alliance, Inland Pacific Chapter, Nevada Chapter, New Mexico Chapter, Rocky Mountain Chapter, Utah Chapter

Northeast Region:

Central Pennsylvania Chapter, Connecticut Chapter, Eastern Pennsylvania Chapter, Empire State Chapter, Keystone Chapter, Maine Chapter, Massachusetts Chapter, New Jersey Chapter, New Hampshire/Vermont Chapter, Rhode Island Chapter, Western Pennsylvania Chapter

Pacific Region:

Alaska Chapter, Central California Chapter, Hawaii Chapter, Los Angeles-Ventura Chapter, Northern California Chapter, Pacific Northwest Chapter, San Diego Chapter, Southern California Chapter, Western Washington Chapter

South Central Region:

Arkansas Chapter, Central Texas Chapter, Greater Houston Chapter, New Orleans/Bayou Chapter, Oklahoma Chapter, Pelican Chapter, South Texas Chapter, Southeast Texas Chapter, Texas Coastal Bend Chapter, Texas Gulf Coast Chapter, Texas Mid-Coast Chapter, TEXO Chapter

Southeast Region:

Alabama Chapter, Carolinas Chapter, Central Florida Chapter, Florida East Coast Chapter, Florida First Coast Chapter, Florida Gulf Coast Chapter, Georgia Chapter, Greater Tennessee Chapter, Mississippi Chapter, North Alabama Chapter, North Florida Chapter, West Tennessee Chapter

APPROVED BY THE BOARD OF DIRECTORS

APRIL 21, 1986

REVISED BY THE BOARD OF DIRECTORS

JUNE 8, 1998

REVISED BY THE BOARD OF DIRECTORS

NOVEMBER 10, 2006

REVISED BY THE BOARD OF DIRECTORS

NOVEMBER 13, 2012

Bylaws Reference: Article IV.B

Affiliates

Affiliation may be established with independent groups at the discretion of the Association's Board of Directors. Where particular chapter interests are involved, the chapters concerned shall be consulted prior to any approval of an affiliate agreement.

An affiliate of Associated Builders and Contractors, through its properly constituted governing body, shall agree to do the following:

- A. Subscribe to the basic principles of Associated Builders and Contractors as set forth in the statement, "What ABC Stands For."
- B. Agree to work for a legislative program on a state and national basis as expressed in these principles, with special emphasis on the following:

1. Support of Section 14(b) of the Taft-Hartley Act as well as promotion and defense of right-to-work laws in several states.
 2. Opposition to so-called common *situs* picketing bills and promotion of strengthening the secondary boycott clauses of the National Labor Relations Act.
 3. Support of legislation designed to bring unions under antitrust laws or legislation with similar anti-monopoly objectives.
 4. Improving administration of the National Labor Relations Act on a more equitable basis as well as improvement of state labor laws and their administration in fairness to all parties concerned.
 5. Promoting repeal and, short of repeal, more equitable administration of the Davis-Bacon Act and other wage fixing laws.
- C. It is understood that support of the above-mentioned legislative program will include, where possible, participating in direct legislative testimony, publishing and distributing informative bulletins and using other publicity media, workshops and other public relations techniques. Where available, the affiliate's various advisers and counsel shall assist in promoting the objectives of the Association.
- D. The affiliate will permit the Association to speak for it and its members in the national and state legislative fields in keeping with the declared principles of affiliation only.
- E. The affiliate and the Association shall agree to exchange information through publications, visits and other means and to consult periodically in areas of mutual interest.
- F. The affiliate shall abstain from using the name of Associated Builders and Contractors, its seal, logo or abbreviation "ABC" in any way that implies the Association is responsible for the acts of the affiliate.
- G. The affiliate shall encourage membership at large and regular membership in the Association.
- H. Where practicable in the judgment of the Board of Directors, the affiliate may make application to become a *bona fide* chapter of Associated Builders and Contractors.
- I. The Association will authorize the affiliate to use its seal with the designation "Affiliate" and agree to consult frequently with a view to promotion of the Merit Shop nationally.

REAFFIRMED BY THE BOARD OF DIRECTORS

SEPTEMBER 24, 1971

Bylaws Reference: Article IV.B, Article V.A.5

Finances – Chapters

As it is the duty of the chapter board of directors to provide sufficient financing to fund properly the chapter programs, it is also incumbent upon chapter chief elected officers and especially chapter treasurers to assume their corporate responsibility for the care of all monies contributed by the members in dues and in other ways.

This includes seeing to proper accounting and financial reporting to the chapter board of directors in accord with the Association policy and in compliance with all relevant federal, state or local regulations. It is to be emphasized particularly that accounting controls be such as to preclude mismanagement of funds or fraud. An annual audit or review by an independent certified public accountant is required.

APPROVED BY THE BOARD OF DIRECTORS
DECEMBER 3, 1971
REVISED BY THE BOARD OF DIRECTORS
NOVEMBER 10, 2006
REVISED BY THE BOARD OF DIRECTORS
NOVEMBER 11, 2008
Bylaws Reference: Article V

Multiple Memberships

A member of the Association may belong to any chapter it chooses. However, notice is required to be given to the National Office if a transfer is made from one chapter to another. Notice of such change shall accompany the dues report of the receiving chapter for the month in which the transfer is made.

A multiple member of a chapter is a regular member of the Association who may become a member under the same name in another chapter for the purpose of receiving some special service from that chapter. Any dues or fees for multiple local memberships shall be established between the chapter and the member. The chapter is responsible for working with National to verify national dues are being paid, except when a Member-at-Large pays dues directly to National.

National services and programs are available only to the member firm in the chapter in which it is enrolled on the national records. Separate corporate entities, partnerships, subsidiaries and other arrangements must, in order to participate in these programs, be enrolled as regular members.

APPROVED BY THE BOARD OF DIRECTORS
MAY 12, 1972
Bylaws Reference:
Article V

Dues – Proration

Each new member entering the Association after January 1, 1979, must pay the entire annual dues with application for membership, and credit shall be allowed for the next year based on the exact number of months that member received no service during the year of entry, each month being equivalent to one-twelfth of that member's total annual dues excluding all payments other than chapter, state and National dues.

APPROVED BY THE BOARD OF DIRECTORS
MAY 28, 1978
REAFFIRMED BY THE BOARD OF DIRECTORS
MARCH 21, 2007
Bylaws Reference: Article V, Article VIII

Dues Schedule

The dues of the Association are as follows, effective January 1, 2014:

Dues Category		Dues 2013	Dues 2014	Dues 2015	Dues 2016 ⁴	Dues 2017
Non-Contractor Members						
1	Associate	\$200	\$240	\$280	\$320	\$350
2	Supplier	\$225	\$270	\$315	\$350	\$350
Contractor Members						
4	Under \$500,000	\$260	\$280	\$300	\$300	\$300
6	\$500,000 to \$1 million	\$420	\$440	\$440	\$440	\$440
7	>\$1 million to \$3 million	\$650	\$670	\$670	\$670	\$670
8	>\$3 million to \$6 million	\$875	\$963	\$963	\$963	\$963
9	>\$6 million to \$10 million	\$1,095	\$1,205	\$1,205	\$1,205	\$1,205
10	>\$10 million to \$20 million	\$1,295	\$1,425	\$1,425	\$1,425	\$1,425
11	>\$20 million to \$50 million	\$1,495	\$1,645	\$1,645	\$1,645	\$1,645
12	>\$50 million to \$100 million	\$2,000	\$2,200	\$2,200	\$2,200	\$2,200
13 ¹	>\$100 million to \$250 million	n/a	\$2,700	\$2,700	\$2,700	\$2,700
14 ¹	Over \$250 million	n/a	\$3,250	\$3,250	\$3,250	\$3,250
20 ²	Emerging Contractor	\$150	\$150	n/a	n/a	n/a
25 ³	Start-up Contractor	n/a	n/a	\$200	\$200	\$200
90	Member-At-Large	\$350	\$350	\$350	\$350	\$350

The above is the amount of dues actually remitted to the Association per member. Each chapter shall collect additional dues for the purpose of paying for its own activities. While it is the responsibility of the chapter board to provide for adequate funding of its operations, it is recommended that chapter dues be set at a minimum of between 2 and 2.5 times the National dues amount by category to provide adequate reserves and sustain normal chapter services.

Proper billing and collection of dues is the responsibility and duty of each chapter. Chapters should take the necessary steps and implement an effective system of dues collection in order to assure that all members pay in accordance with the above schedule.

¹New categories effective January 1, 2014.

²Emerging Contractor is a special program for which a contract must be signed between the chapter and the Association. It applies solely to specialty contractor firms that have been in business three years or less, with annual volume of \$500,000 or less or general contractor firms with annual volume of \$1,000,000 or less. The firm may remain in this classification for a

maximum of two years. The Emerging Contractor category will be eliminated effective December 31, 2014 and all contractors in that category will pay national dues based on their annual revenue as all other contractor members.

³New category for start-up contractor companies effective January 1, 2015.

⁴Beginning in 2017, the Board will consider an annual 2% dues increase for the following year to allow for incremental adjustments that will keep dues rates current with inflation and standard business operating expense increases. Board votes on the annual 2% dues increase will take place each year as outlined in the ABC Bylaws Article V.

APPROVED BY THE BOARD OF DIRECTORS
JUNE 11, 2013
Bylaws Reference: Article V, Article VIII

Dues – Timely Payment

Renewal dues collected by the chapters shall be submitted to the National office by the 15th of the following month after receipt by the chapter. Those chapters that do not comply with the monthly reporting process requiring payments be postmarked by the 15th of the month will be ineligible for any chapter incentives or awards, including the Charles A. Mullan Award, Chapter Awards of Excellence, and any cash incentives or may be subject to review by the Chapter Development Committee.

Dues payment activities have been found to be an indicator of financial condition. Should monthly dues reported by a chapter fall more than twenty-five percent below the median derived from reports of all chapters, that chapter will be considered to be in critical financial condition and shall be subject to an auditing process which may include:

- A. Direct contact with the chapter's elected leadership by the National elected leadership.
- B. Requirement to provide documentation including bank statements, financial records, dues invoicing documentation, accounting software reports, chapter board meeting minutes and any other relevant records that are requested within 10 business days.
- C. An audit of the chapter's membership may be conducted to determine renewal status, when members made payment to the chapter (or will be paid) or the member's reasons for not renewing.
- D. A chapter review conducted by the Chapter Development Committee within 30 days.

Chapters that are determined to be in critical financial condition will be subject to policy provisions requiring monitoring by the Chapter Development Committee and/or subject to the re-chartering process.

APPROVED BY THE BOARD OF DIRECTORS
OCTOBER 24, 1998
REVISED BY THE BOARD OF DIRECTORS
MARCH 21, 2007
REVISED BY THE BOARD OF DIRECTORS
NOVEMBER 11, 2008
REVISED BY THE BOARD OF DIRECTORS

OCTOBER 20, 2009
Bylaws Reference: Article V, Article VIII

Dues – Construction Legal Rights Foundation

The funding level for CLRF shall be set at 8% of dues collected and be reviewed by the National Board of Directors in the event of a change in National dues.

APPROVED BY THE BOARD OF DIRECTORS
FEBRUARY 25, 2004
Bylaws Reference: Article V

Dues – Member Dues Invoice Check-off for the Support of the Trimmer Construction Education Foundation

It shall be the policy of the Association that chapters provide a dues check-off on all member renewal invoices that are issued after April 1, 2015 to provide members with an opportunity to donate funds in support of the Trimmer Construction Education Foundation.

- A. The chapters will include a check-off box on all chapter renewal invoices for member dues to allow members to elect to contribute \$100 or more to the Trimmer Construction Education Foundation in addition to their dues payment. Such contributions will be treated as dues.
- B. In the event that members wish to make a charitable tax deductible contribution they may opt – out of this process and contribute directly through the Trimmer Foundation website.
- C. Chapters will submit Trimmer contributions at the time they submit their regular monthly dues. The contribution should be made as a separate check indicating the amount collected for this purpose and made out to the Trimmer Construction Education Foundation.
- D. Descriptions on chapter invoices shall read:
“Additional dues contribution in sponsorship of ABC Chapter’s support of the Trimmer Construction Education Foundation: \$100
(Individuals wishing to make a tax-deductible charitable contribution can go to www.trimmerfoundation.org)”

APPROVED BY THE BOARD OF DIRECTORS
MARCH 3, 2015
Bylaws Reference: Article V

Life Member

A life member is an individual retired from an active role in the industry who has contributed outstanding service to the Association and has been recommended by the chapter board of directors if a regular member or by the Executive Committee of the Association if a

member-at-large, and be designated a life member by the Board of Directors of the Association.

A life member of the Association shall have all rights and privileges of a regular member of the Association, except that he or she may not hold elected office or serve as a representative on the National Board of Directors. At the discretion of the Chairman, a life member may be appointed to serve on a National Committee in a consultative capacity and be eligible for reimbursement in accordance with current Association policy.

A suitable certificate or plaque shall be prepared and presented to each life member and if practicable, such presentation shall be made at a meeting of the National Board of Directors or other suitable meeting.

APPROVED BY THE BOARD OF DIRECTORS
SEPTEMBER 24, 1971
AMENDED BY THE BOARD OF DIRECTORS
JUNE 5, 2006
Bylaws Reference: Article V.A.4

Collection of Safety Data

Collection of safety data from contractor members is an important component of the Association's strategic plan. Therefore it is the objective of ABC to collect safety data from all contractor members annually. It is the option of any chapter, by amending their bylaws, to require collection of safety data as a condition of membership. This provides the option for a chapter to require that compliance with requests for safety data may be taken into consideration in determining whether a member or member applicant is entitled to become or remain a member of ABC.

APPROVED BY THE BOARD OF DIRECTORS
JUNE 10, 2014
Bylaws Reference: Article V.B

Magazine

A portion of regular member or member-at-large dues paid to the National Association shall be used to provide each member with a fully paid subscription to *Construction Executive* magazine, published by the Association's wholly-owned subsidiary, ABC Services Corp.

APPROVED BY THE BOARD OF DIRECTORS
JUNE 8, 1998
REVISED BY THE BOARD OF DIRECTORS
JUNE 5, 2006
Bylaws Reference: Article V.D

Board of Directors Responsibilities

ABC National Board Members are expected to:

- A. Attend, at a minimum two (2) National Board meetings per calendar year.

- B. Report national actions, priorities, and initiatives to the general membership of the individuals' home chapter and its board.
- C. Debate issues before the National Board in an open and fair manner while respecting the opinions of other members of the National Board.
- D. Make decisions that serve the best interests of the Association after the consideration of positions raised during Board debate.
- E. Represent the interest of the Association
- F. Commit to membership growth.
- G. Participate, to the greatest extent possible, in association programs, meetings, and conferences.
 - a. Since its inception, ABC has ensured that all members – regardless of company volume size – may participate in the governance of the association, and is one of the very few associations that reimburse a portion of travel expenses to directors. Participation in association programs should be at the level at which an individual member is capable.
- H. Serve the designated term.

APPROVED BY THE BOARD OF DIRECTORS
 JUNE 14, 2011
 REVISED BY THE BOARD OF DIRECTORS
 NOVEMBER 10, 2015
 Bylaws Reference: VI.A

Board of Directors Agenda

To ensure the orderly management of all meetings of the Association's Board of Directors a written agenda shall be prepared. The agenda for all regular meetings of the Board of Directors shall include the following items:

- A. Prayer or meditation.
- B. Pledge of Allegiance to the Flag.
- C. Reading of the minutes of the previous regular meeting and any special meetings that might have been held since the last regular meeting.
- D. Financial report of the Association.
- E. Items to be acted on at the meeting as prepared by the Executive Committee.
- F. Other items of business and reports as presented.

Nothing in the written agenda shall prevent the Board from considering any item of business presented by any Board member provided that any proposal requiring a Board vote shall be

acted on in keeping with the Bylaws.

APPROVED BY THE BOARD OF DIRECTORS
OCTOBER 17, 1984
AMENDED BY THE BOARD OF DIRECTORS
JUNE 5, 2006
Bylaws Reference: Article VI.A.4.b

Executive Committee Responsibilities

The ABC National Executive Committee shall perform the following functions and duties:

- A. Act as an advisory group to the Chairman
- B. Implement the strategic plan of the association.
- C. Assist the Chairman in decisions of an urgent nature requiring action of the Board. The Board shall be immediately notified of said action and the Board will ratify the acts at the next consequent meeting.
- D. Assist the Chairman in decisions of a current or urgent nature not requiring action of the Board but reporting back to the Board on these actions.
- E. Assist in the preparation of agendas for meetings of the Board, soliciting input from the national Board, providing an "open microphone" with sufficient time for member discussion, encouraging Board participation and use of the "open microphone", and ensure that substantive matters of concern/interest to the Board and the industry timely come before the Board.
- F. Assist the Chairman in carrying out the mandates of the Board and ensure that the Association is run in accordance with the Bylaws and approved policies of the Association.
- G. Preserve and protect the principles of the Merit Shop.
- H. Approve the employment of the President/CEO and provide general oversight on operations of the Association.
- I. Approve the budget prior to presentation to the National Board.
- J. Review, monthly, a budget with monthly budget compared to actual expenses.
- K. Approve budget amendments within Board established limits.
- L. Advise and consent to the appointment of the secretary/treasurer of the association.
- M. Advise Chair in selection of standing and special committee members and respective chairs of the standing and special committees.
- N. Minutes shall be kept of all meetings of the Executive Committee. Copies of the minutes, excepting executive sessions, will be distributed to the Board of Directors with an outline of discussion topics, any recommendations, plans of action with responsible

parties and within twenty-five (25) calendar days of the Executive Committee meetings.

- O. Make recommendations to the Board of Directors on approval/revocation of Chapter Charters.
- P. Review the income, expenses and reserves of the Construction Legal Rights Fund and make recommendations to the Board of Directors for future action as needed.

APPROVED BY THE BOARD OF DIRECTORS

JUNE 14, 2011

Bylaws Reference: Article VI.B.2

Councils

Associated Builders and Contractors strives to continuously provide services to its expanding and diverse membership and seeks to promote problem-solving mechanisms among those members with common special trade interests. In order to assist members working in such trades, the Board of Directors hereby directs the National Chairman, with the consent of the Executive Committee, to establish councils as deemed necessary. These councils shall function as National Committees. They are subject to the same bylaws and policies and they report to the Executive Committee and National Board.

Their purpose is to serve better their industry sector through the development of services and programs designed to meet the needs of contractors in their field. At no time, however, shall a council pursue interests on behalf of its sector inconsistent with those of the Association as a whole.

General areas of involvement shall be:

- A. Training and education
- B. Program and publication development and review
- C. Regulation, licensing, code and specifications
- D. Convention and exposition programs

Chapter based councils may be developed at the option of the chapter. The National Councils support such entities and will lend assistance as needed.

ADOPTED BY THE BOARD OF DIRECTORS

OCTOBER 17, 1984

AMENDED BY THE BOARD OF DIRECTORS

MARCH 21, 2007

Bylaws Reference: Article VI.D.2

Pension – Staff

Associated Builders and Contractors believes a retirement income program is an important part of a National and chapter employee wage and fringe benefit package. Effective October 1, 1983, the Board of Directors designates that the ABC Retirement and Savings Plan [401(k)] is recognized as the defined contribution plan which will provide income upon retirement of

National staff and staff of those chapters willing to participate.

APPROVED BY THE BOARD OF
DIRECTORS OCTOBER 17, 1984
AMENDED BY THE BOARD OF DIRECTORS
NOVEMBER 10, 2006
Bylaws Reference: Article VII.C

Investment Policy

Purpose of this Investment Policy Statement: This Investment Policy Statement outlines the objectives, goals and guidelines for the “portfolio” of the Associated Builders and Contractors, Inc. (ABC). The objective of the investment program is to enhance the portfolio of the Fund through total return (capital appreciation and income) in order to meet the spending objective of the Fund over its time horizon. ABC’s primary objective in fund management is long term real growth of funds after a small contribution from earnings to operations.

Roles and Responsibilities:

A. ABC Budget & Finance Committee

The Budget & Finance Committee (Committee) oversees investments for the benefit of ABC based on a board approved investment policy statement (IPS). Subject to the approval of the Committee, an outside Investment Advisor, Investment Manager and Custodian may be engaged to manage funds within the guidelines specified in the IPS.

B. Investment Advisor

The Investment Advisor will provide advice on investment allocation, portfolio risk management and Investment Manager selection. The Investment Advisor may also be called upon to provide feedback to the Committee on the IPS, asset allocation, objectives, guidelines, and constraints.

The Investment Advisor will provide reports on a monthly basis that the Committee can review at their determined appropriate interval, including reports showing fund performance net of fees compared to key market indices. Online access to account values and asset holdings will be available.

C. Investment Manager

The Investment Manager has the responsibility of selecting investments within the asset class or category prescribed by the Investment Advisor. The Investment Manager will have full discretion to make all investment decisions for the assets placed under its management, while observing and operating within all policies, guidelines, constraints, and philosophies as outlined in this statement and as defined in a prospectus or any other document governing their management of investments.

The Investment Manager must abide by the IPS as provided to them by the Committee and or Investment Advisor.

D. Custodian

The Custodian will physically (or through agreement with the sub-custodian) maintain possession of securities, owned by the Fund, collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The Custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of Fund accounts.

The duties of the Investment Advisor, Investment Manager and Custodian may be performed by the same entity – at the discretion of the Committee. The Committee should monitor that fees charged are consistent with the markets and all fees reported are transparent and all-inclusive.

Investment Guidelines:

- A. Investment Time Horizon: The time horizon for the Fund is long term in nature, and long-term real growth (defined as appreciation in excess of expected inflation) with a small contribution from earnings to ABC operations is of primary consideration.
- B. Risk: The Portfolio will utilize a diversified approach to investing with a risk profile that is consistent with the stated purpose and time horizon of the Portfolio. Any short-term cash provided by ABC or expected to be drawn upon by ABC will be invested in Treasury securities or similar short term investments such as money market instruments.
- C. Spending Policy: The ABC Portfolio may be used for operating cash consistent with their board-directed budgets. The use of margin borrowing from the investment account is acceptable as permitted in other financial policies approved by ABC.
- D. Investment Allocation: The allocation of the Fund assets will diversify among different types of investments, geographies and styles to attain ABC's objectives. The investment allocation parameters are outlined in the Long-Term Strategic Asset Allocation Targets Table below. These parameters are based on the definitions below.

Return-Seeking Assets: This asset category will be comprised of assets that are expected to generate more growth but also more volatility than cash or bonds. This category may include, but not be limited to, exposure to US, developed international, emerging markets and frontier markets stocks; large-cap, mid-cap and small-cap stocks; and high yield bonds (US, non-US, corporate, Treasury and sovereign).

Risk-Mitigating Assets: This asset category will be comprised of assets that are expected to provide stability and income, serving to counterbalance the higher volatility of return-seeking assets. This category may include, but not be limited to, exposure to high credit quality, short and intermediate duration bonds (US, non-US, corporate, Treasury, sovereign and inflation-protected).

Diversifying Assets: This asset category will be comprised of assets that are expected to provide diversification against both return-seeking and risk mitigating assets. This category may include, but not be limited to, exposure to Real Assets (real estate investment trusts, commodity futures and stocks of commodity-producing companies) and diversified hedge funds, including funds of funds.

- E. Rebalancing: Inevitably, the investment portfolio will drift from the long-term strategic targets through the normal and imperfectly correlated returns of the various asset categories and classes. This will be remedied in accordance with the internal rebalancing rules of the selected investment advisor, which may result in portfolio exposure to an asset category that may be above or below the above stated maximum/minimum target range. Furthermore, cash-flows (contributions, withdrawals) generally should be used to revert toward the target asset allocation, whenever possible. Exceptions to periodic rebalancing may be appropriate or necessary for assets that either are intended to be held as part of a buy-and-hold strategy or are otherwise subject to structural constraints on liquidity, e.g., annual withdrawal or redemption rights, etc.
- F. Commingled Vehicle Guidelines: Investments in mutual funds, hedge funds, and other alternative investments, and other commingled investment vehicles are permitted, although it is understood that assets invested in such commingled vehicles will be managed solely in accordance with the investment policies, procedures, and guidelines set forth in the prospectus or other relevant document for such commingled vehicle, notwithstanding anything to the contrary set forth in this Statement of Investment Policy.
- G. Overlay Portfolios: Within the investments described in the Long-Term Strategic Asset Allocation Targets Table investments are permitted on an account-by-account basis in funds designed to manage the overall portfolio's short-term risk and mitigate the effect of extreme outcomes. The Investment Manager will provide the offering document(s) for any such portfolios and other related disclosures before purchasing such investments.

In extreme cases, the investments in such portfolios may cause the Fund's overall exposure to return-seeking, risk-mitigating, and diversifying asset categories and classes to vary from the target allocations specified by the Long-Term Strategic Asset Allocation Targets Table.

Long-Term Strategic Asset Allocation Targets Table

<u>Asset Category</u>	<u>Target Asset Allocation Exposure*</u>	<u>Allowable Range</u>
Return-Seeking Assets	55%	40% – 70%
Risk-Mitigating Assets	35%	20% – 50%
Diversifying Assets	10%	0% – 20%
Total	100%	

*includes use of Dynamic Asset Allocation

ADOPTED BY THE BOARD OF DIRECTORS
JULY 16, 1994
REVISED BY THE BOARD OF DIRECTORS
NOVEMBER 8, 1997
REVISED BY THE BOARD OF DIRECTORS
NOVEMBER 11, 2008
REVISED BY THE BOARD OF DIRECTORS
JUNE 22, 2016
Bylaw Reference: Article VIII

Reserve Fund

The Board of Directors herewith establishes a reserve fund with an annual contribution of \$5 per member to be expended at the discretion of the Board. The amount of the sum to be set aside may be changed from time to time as the Board of Directors sees fit.

APPROVED BY THE BOARD OF DIRECTORS
MARCH 1988
AMENDED BY THE BOARD OF DIRECTORS
NOVEMBER 10, 2006
Bylaw Reference: Article VIII.A.1.d(1)

Indemnification of Association

To protect the Association and its members from undue exposure to liability, and in exchange for the use of the Association name and/or any other Association services by Association affiliates and/or related insurance trusts providing group accident, health or life insurance or other similar programs offered to Association members, the Association shall take appropriate steps to obtain indemnification from any such affiliate and/or related trust with regard to claims arising out of such programs, to the fullest extent permitted by applicable law.

APPROVED BY THE BOARD OF DIRECTORS
JUNE 22, 1987
REVISED BY THE BOARD OF DIRECTORS
NOVEMBER 10, 2006
Bylaws Reference: Article IX

State Organizations

National Officers and the Board of Directors should encourage the formation of state or regional organizations for purposes of coordination of state or regional legislative activities and any other reasonable activities which promote the Merit Shop ideals which are judged by the member chapters within the state or region as being better served at a state or regional level. (A "region" as defined herein would be comprised of two or more contiguous entire states.)

When two-thirds of the chapters within a state or region agree to form such an organization, the National Board of Directors shall charter it to represent the chapters involved. As new chapters are chartered within the area, they may become members of the organization.

Such state or regional organizations shall submit and have approved by National, a set of bylaws, which shall include but not be limited to:

- A. Provisions for representation of each chapter that is a member of the state or regional organization.
- B. Provide for consent on all matters and activities to be undertaken.
- C. Provide for a viable means of financing activities and programs.
- D. Provide for a reasonable organizational structure of officers, directors and staff (if deemed advisable) to achieve programs, indicating minimal schedule of meetings anticipated to conduct the business of the state or regional organization.

APPROVED BY THE BOARD OF DIRECTORS
JANUARY 21, 1980
Bylaws Reference: Article XI

Chapters - Establishment & Governance

Incorporated Chapters of Associated Builders and Contractors are the basic strength of the Association. Through their representation, they elect the policy-making Board of Directors and through their local efforts guarantee the growth of the Merit Shop.

Article XII of the Bylaws provides for Chapters and Chapters-in-Formation. The following procedures, authorized under Article XII of the Bylaws, shall govern the formation and continued viability of the Chapters in accordance with policies adopted under Article XIII of the Bylaws.

I. CHAPTERS-IN-FORMATION

Per Article XII, Sections A and B of the Bylaws, the Executive Committee may designate a group of Members-at-Large, part of an existing Chapter(s), or an existing organization as a Chapter-in-Formation. The National Chapter Development Committee shall encourage the establishment of Chapters-in-Formation, and see to their proper formation and presentation for chartering. In order to be considered as a Chapter-in-Formation, the group shall engage in the following procedure:

1. Create a steering committee of the Chapter-in-Formation to see to its proper formation and presentation for chartering.
2. Prior to seeking Chapter-in-Formation status, the steering committee shall, at least thirty (30) days before a meeting of the Chapter Development Committee, submit a document in evidence of sufficient financial, leadership and operational stability. It will have representatives at the meeting to support its request for designation as a Chapter-in-Formation. (There shall be no National reimbursement for their expenses.)
3. In the interim, the Vice President of Chapter Services shall have prepared and distributed to the Chapter Development Committee a detailed recommendation at least ten (10) days prior to its meeting.
4. The Chapter Development Committee shall meet with the steering committee representatives to review the information provided. If the Committee agrees Chapter-in-Formation status should be granted, the Committee will present a written report to the Executive Committee certifying that the group has met the criteria for Chapter-in-Formation status. The Executive Committee will then vote on granting Chapter-in-Formation status or change in status. The criteria which must be met is outlined as follows:
 - A. The organization shall submit the following documents as evidence of sufficient financial stability:
 - i. A proposed balanced budget.
 - ii. A dues schedule.
 - iii. A complete list of dues paid members, of which, at least 35 must be contractor members.
 - iv. A market feasibility study including:
 - a) Population of jurisdiction.
 - b) Number of contractors by trade (if possible).
 - c) A statement of growth potential.
 - d) Major industry(ies).
 - v. Documentation that the proper registration has been filed with the state(s) within its boundaries.
 - B. The organization shall submit the following documents as evidence of sufficient leadership stability:
 - i. Evidence of a functioning Executive Committee to include a Chairman, Vice Chairman, Secretary/Treasurer and other equivalent titles.
 - ii. Evidence of at least the following committees: Membership and Budget & Finance

- iii. Documentation of the appointment of a chapter labor attorney.
 - iv. A plan of action setting forth goals and a timetable to become a Chapter within two years and six months of designation as a Chapter-in- Formation.
 - C. The organization shall submit the following documents as evidence of sufficient operational stability:
 - i. Bylaws for review by the legal counsel of the Association.
 - ii. A proposed membership application.
 - iii. A proposed service area.
 - iii. A plan to achieve the minimum chartered Chapter membership requirements.
- 5. An existing organization, not subservient to any other group, may be likewise designated as a Chapter- in-Formation, provided it meets the foregoing criteria with approval of the Executive Committee.
- 6. The Chapter-in-Formation shall collect dues from its membership and remit dues to the National Office of the Association in accordance with Article V.D.I of the Bylaws.
- 7. The Chapter-in-Formation shall also be required to submit periodic reports to the Association office as set forth in this policy statement.
- 8. A Chapter-in-Formation may exist up to three years. Within two years and six months of designation it shall do one of the following:
 - A. Apply for charter as a Chapter, or
 - B. Notify the Executive Committee it wishes to return to its former status, or
 - C. Request with cause one additional year of in-formation status. Executive Committee action regarding the request shall be final.

In the absence of notification as stated in (b) or (c) above, in-formation status will be discontinued and members with dues paid will revert to Member-at-Large status or be incorporated into an existing Chapter.

II. CHARTERING OF CHAPTERS

When a Chapter-in-Formation has reached the proper stage for chartering as a chapter, it shall petition the Chapter Development Committee for such designation as outlined in Article XII of the Bylaws.

The Chapter Development Committee will review the materials the Chapter-in- Formation provides to demonstrate that it has met the criteria for chartering. Upon successful demonstration of meeting such criteria, the Chapter Development Committee will recommend to the Executive Committee that they recommend the group for chartering. Per the Bylaws, following a recommendation from the Executive Committee, the Board may by a two-thirds vote grant a Chapter Charter to a Chapter-in- Formation or other group desiring Chapter status.

The criteria for achieving Chapter status shall include the following:

1. Finance & Management

- A. Maintain a 12-month balanced combined budget of no less than \$350,000 in gross revenue, including national dues, for Chapter and Affiliated Benefit and Educational Entities with detail by activity, including staffing and operating expenses based on the full accrual accounting method.
- B. Have a minimum of 100 members, 80 of which must be National and 60 of which must be contractors. Chapter should be able to provide the following information for all members:
 - i. Company name
 - ii. Company address, telephone and fax numbers, email addresses and website information.
 - iii. Volume, category and trade classification.
- C. Using a dues schedule consistent with Association policies as outlined in the Dues Schedule Policy.
- D. Maintenance of fidelity bond or honesty policy of at least \$25,000; Association Professional Liability Insurance of at least \$500,000; and general liability coverage of at least \$100,000.
- E. Maintenance of a minimum \$35,000 in unrestricted net assets (total assets minus total liabilities).
- F. Demonstrate market feasibility as described in accordance with Chapters-in-Formation Section 4.A.iv.
- G. Provide quarterly and annual balance sheet and statements of income and expenses.
- H. The Board of Directors has the duty to assure adequate funds for the operation of the chapter. No fund raising activities shall be carried out that could tend to violate the overall tax exempt status of the Association.
- I. The Board of Directors is responsible for requiring the preparation of an annual budget for the operation of the chapter.
- J. Demonstrate that the Chapter elected officers, and especially Chapter Treasurer, assume their corporate responsibility for the care of all monies contributed by the members in dues and in other ways.
- K. Ensure elected officers, especially Chapter Treasurer, see to proper accounting and financial reporting to the Chapter Board of Directors in accordance with Association policy and in compliancy with all relevant federal, state or local regulations. It is to be emphasized particularly that accounting controls be such as to preclude mismanagement of funds or fraud.

- L. Perform an annual audit or review by an independent certified public accountant as required by Association policy.

2. Governance—Board of Directors

- A. The Board of Directors serves as the governing body of the chapter.
- B. The Board of Directors shall consist of not less than eight (8) members including the elected officers of the chapter.
- C. The Board of Directors shall meet regularly, at least six times per year, at least once per quarter.
- D. A quorum of the Board of Directors shall be defined as a majority of the total membership of the board.
- E. The chief elected officer of the Chapter must have the ability to call a special meeting of the Board of Directors at the discretion of a majority of the Board.
- F. Any member in good standing shall be eligible to serve on the Chapter Board of Directors. The entire membership for the Chapter shall be eligible to vote in the election for the Board of Directors.
- G. Staggered terms of the members of the Board of Directors in order to ensure continuity of experienced membership of the Board.
- H. The ability for directors to be removed by a two- thirds vote of the Chapter Board.
- I. A written agenda shall be prepared for all meetings of the Board. The agendas of regular meetings of the Board shall include at a minimum the following items:
 - i. Approval of the minutes from the previous meeting.
 - ii. Financial report of the chapter.
 - iii. Communications from the Association.
 - iv. Reports on actions of the Executive Committee and Board of Directors.

3. Governance—Elected Officers

- A. The elected officers of each Chapter are defined as Chairman, Vice Chairman, Secretary, Treasurer and such additional officers desired by the chapter.
- B. The ability of any Officer to succeed him/herself is at the discretion of the membership.
- C. Election of Officers shall be either by the members or by the Chapter Board of Directors.
- D. Appointment of the following standing committees shall be made by the Chief Elected Officer: Executive, Nominating, Audit, Membership and Budget & Finance. These shall be required committees. The chief elected officer at his/her discretion may appoint additional committees necessary for the activities of the chapter.

4. Operational Stability

- A. The Board of Directors shall, at its discretion employ a chief staff executive competent to carry out the day-to-day activities of the chapter, as well as capable of providing the leadership necessary to fulfill the strategic vision, mission and goals of the chapter and the Association.
 - i. Orientation: The Chief Staff Executive shall participate in the training program provided by the Association.
 - ii. Training: The Chief Staff Executive should participate in the annual Presidents' Management Conference.
 - iii. Job description and evaluation: The Chief Staff Executive shall have a written job description, including management responsibilities, operation of the Chapter within the approved budget, compensation and benefits. The Chapter Executive Committee will perform an initial written evaluation of any new Chapter Chief Staff Executive at 90 days from date of employment and annually thereafter.
- B. Engage legal counsel and a certified public accountant with non-profit experience.
- C. Ensure that actions taken or documents to be utilized by the Chapter do not conflict with or are in any way inconsistent with the Bylaws and Policies of the Association or its tax-exempt status. No amendment shall be made to the Chapter Bylaws without prior written consent of the Association.
- D. Submit a strategic plan in alignment with the Association strategic plan and implementation thereof, updated annually.
- E. Have Bylaws and Articles of Incorporation submitted to and approved by National Legal Counsel. All amendments must be approved in the same manner.
- F. Provide membership application and sample stationery with name, address and telephone submitted with any updates.
- G. Adhere to the defined chartered service area.
- H. Provide evidence that the Chapter is not subservient to any other group or entity and its staff shall not be subservient to any other group or entity.
- I. Demonstrate that the Chapter does not enter into agreements with other organizations which will diminish the position of Associated Builders and Contractors or otherwise change the purpose to advocate and deliver services on behalf of the Merit Shop construction industry.
- J. Submit monthly dues statements to the National Office in accordance with Association policy.
- K. During the first 12 months, submit monthly Board minutes, monthly income statements and balance sheets to the national office no later than 10 days following the Board meeting. Board materials and financial statements must be maintained at

the Chapter and may be requested per related Association Policies.

- L. Comply with requests for reports as outlined in the Association Policies and providing in a reasonable and timely manner.
- M. Comply with the trademark requirements and the National Graphics Standards Manual.

III. CHARTERED CHAPTERS

Chartered Chapters of the Association will continue to meet all criteria outlined above in the chartering of Chapters section of this policy.

APPROVED BY THE BOARD OF DIRECTORS

AUGUST 4, 1983

REVISED BY THE BOARD OF DIRECTORS

NOVEMBER 11, 2008

REVISED BY THE BOARD OF DIRECTORS

JUNE 14, 2011

REVISED BY THE BOARD OF DIRECTORS

JULY 9, 2012

REVISED BY THE BOARD OF DIRECTORS

JUNE 10, 2014

Bylaws Reference: Article XII

Chapter Accreditation

The Chapter Accreditation Program sets benchmarks for exemplary Chapter management practices and provides Chapters with an internal evaluation process to provide guidance in reaching accreditation. These benchmarking and evaluation processes provide a road map to assist Chapters in becoming superior, full service Chapters. The Chapter Accreditation Program is overseen by the Chapter Development Committee and measures the following criteria:

- A. Chapter Management
- B. Financial Management
- C. Leadership Development
- D. Chapter Structure
- E. Membership Recruitment & Retention
- F. Programs & Services
- G. National Meeting Attendance

Chapters receive one of four designations dependent on the number of points accumulated in the scoring process.

The designations are:

- A. High Performing Chapter Accreditation—valid for four years.
- B. Accredited Level Chapter—valid for three years.
- C. Merit Level Chapter Accreditation—valid for two years.
- D. Chapter Level Accreditation—valid for one year.

Chapters that do not meet any of these four levels will be referred to the Chapter Development Committee. The Chapter Development Committee will work with the Chapter to become accredited or recommend to the Executive Committee that the Chapter be considered for being placed “In Trust.” Chapters are required to complete their accreditation process by December 31 of the year it is required. Accreditation Awards will be presented at an awards program in conjunction with a National conference.

APPROVED BY THE BOARD OF DIRECTORS
NOVEMBER 14, 1992
REAFFIRMED BY THE BOARD OF DIRECTORS
NOVEMBER 11, 2008
REVISED BY THE BOARD OF DIRECTORS
JUNE 10, 2014
Bylaws Reference: Article XII

Chapter-In-Trust

The National Board of Directors of Associated Builders and Contractors has adopted and is a champion for delivering a high member value through its Chapter organization.

- A. The Association through its policies and procedures shall ensure that all Chapters shall be solvent and organizationally secure.
- B. The Association has the necessary latitude to ensure that local responsibilities are met.

In its relationship with the chapters the Association will act only in an advisory capacity approved by the local chapter board and assumes no responsibility for chapter debts or contractual obligations. Per the Bylaws Article XII Section C “In order to assure the strength and continuity of a Chapter the Executive Committee may by a two-thirds vote declare a Chapter “in trust.” It may rescind the designation upon finding a Chapter in conformity with the Bylaws and Policies of the Association.

PLACING CHAPTERS-IN-TRUST

Failure to maintain certain standards adopted by the National Board of Directors by the Chapter will result in an effort to correct deficiencies through progressive action, or failing that, separating the Association from the corporate entity of the Chapter.

- A. Prior to an In-Trust vote by the Executive Committee, a chapter should go through a formal Review. After a Chapter Review, all Chapters will have a cure period to show progress that is agreed upon by Review Team and Chapter. Failure to reach an agreement would lead to a recommendation from the CDC to the Executive Committee to either place the chapter In Trust or set a Cure chapter In-Trust or set a Cure Period for progress. The Executive Committee would have the discretion to act immediately if a Chapter refuses a review or acts in a way to discredit or harm the Association.
- B. The Executive Committee by two-thirds vote may deem a Chapter In-Trust when one or more of the following conditions exist affecting the viability of a chapter. Such conditions shall include:
1. Making an application for a loan from the Association, or becoming 60 days delinquent in the payment of Association dues.
 2. Expenditure of prorated dues credits.
 3. Membership falling below 100 members, 80 national members or fewer than 60 contractor members.
 4. More than two executives leave employment of the chapter in a two-year period.
 5. Failure to adhere to the Association Bylaws and/or Policies of the Board of Directors.
 6. Cumulative loss of membership in excess of 40% within 5 years.
 7. Failure to send any designated Chapter member representatives to three or more National Board meetings in a 12 month period.
 8. Lack of proper financial stability and accounting procedures.
 9. Failure to attain at least the minimum level in the Chapter Standards Accreditation process.
 10. Become subservient to or enter into agreements with other organizations or entities which diminish the position of Associated Builders and Contractors.
- C. Following designation of in-trust status the National chief elected officer shall charge the Chapter Development Committee with the responsibility of working with the chapter to develop a plan to resolve the deficiencies. This plan should include the establishment of a mentoring / peer to peer relationship with the Regional Vice Chair for the Chapter's region. The Chapter Development Committee will work with the Chapter to attain the requirements outlined in the chartering process.

The Chapter Development Committee will work with the Chapter to develop a recovery process, with periodic reports as determined by the Committee. The Chapter must work with the Chapter Development Committee to resolve the deficiencies. The first meeting with the representatives of the Chapter Development Committee must take place within 30 days of notification and a plan must be submitted within 60 days of notification. If the Chapter refuses to meet with the Committee the process for revoking a charter is required to begin.

- D. A chapter shall remain in trust for a period of no more than 18 months. During this time the Chapter Development Committee will recommend to the National Executive Committee to remove the "In Trust" status or to recommend to the National Board to revoke the charter based upon the Chapter's active engagement in working to address the deficiencies and to come into compliance with Association Bylaws and Policies.
- E. The process for re-chartering a chapter requires that a Chapter comply with the requirements set forth in the Bylaws and Policies of this Association for the Establishment and Governance of Chapters. Chapters in the re- chartering process have 18 months to comply with the requirements or shall have their charter revoked.
- F. Territory previously held by the charter of the revoked Chapter will be considered At-Large. The territory may remain "At Large," be chartered to a new Chapter in- formation or another existing ABC Chapter.
- G. Members of the Chapter-in-Trust in good standing shall maintain all rights and privileges as Association members so long as their charter is valid. Should their charter be revoked members will automatically become At-Large members of the Association. Members may also join any other existing ABC Chapter; or participate in establishing a new Chapter-in-Formation for this territory.
- H. The Chapter-in-Trust will continue to be responsible for all obligations and financial commitments assumed as a chartered Chapter of Associated Builders and Contractors.
- I. The National Association assumes no agency role and accepts no liability for Chapter debts or contractual obligations.

APPROVED BY THE BOARD OF DIRECTORS

AUGUST 4, 1983

REVISED BY THE BOARD OF DIRECTORS

NOVEMBER 11, 2008

REVISED BY THE BOARD OF DIRECTORS

JULY 9, 2012

REVISED BY THE BOARD OF DIRECTORS

JUNE 10, 2014

Bylaws Reference: Article XII

Policies, Resolutions & Administrative Procedures

- A. Policy Statement:
A policy statement has as its sole purpose the clarification, explanation or delineation of a specific bylaw or bylaws of the Association.
- B. Resolution:
A resolution is an expression of the majority sentiment of the Board of Directors on a matter of interest to the Association but not addressed in a bylaw of the Association.
- C. Administrative Procedure:
An administrative procedure is a statement of procedure relating to the administration of the day-to-day operations of the Association.

APPROVED BY THE BOARD OF DIRECTORS
AUGUST 7, 1986
Bylaws Reference: Article XIII

Chapter – Reports

Reports to be submitted by chapters and Chapters-in-Formation to the Association are:

REPORT	WHEN DUE
Chapter Budget	First quarterly report of the year
Monthly Dues Report	15th of the following month
Chapter Financial Statement	Quarterly
Reports of Labor Incidents	Immediately
A reviewed or certified audit by a recognized independent audit firm	Within 60 days of completion
Accreditation	January 15 following December 31 of the year due

The Executive Committee may request additional reports from time to time to expedite the activities of the Association.

It is the objective of the Association to keep the number and type of reports to the Association Office at a minimum to assure efficient operation of chapter and Association offices. The reports required are those that should be ordinarily required of chapter staff by the chapter Board of Directors. Reports of labor incidents enable the Association to keep Congress and other national officials informed on labor-management problems confronting members and to discern nationwide trends in this area.

APPROVED BY THE BOARD OF DIRECTORS
MARCH 11, 1992
REVISED BY THE BOARD OF DIRECTORS
NOVEMBER 11, 2008
Bylaws Reference: Article XIV

Parliamentarian

The Parliamentarian of the Association shall be the Chair of the Bylaws & Policies Committee, or a member appointed by the Chairman of the Association. The Chairman may consult the Parliamentarian for advice as to the appropriateness of a ruling made or to be made by the Chairman concerning a motion, point of order or any other matter arising in the course of a meeting. The Parliamentarian has no authority to make a ruling and the Chairman may accept or reject the advice of the Parliamentarian in this regard.

APPROVED BY THE BOARD OF DIRECTORS
FEBRUARY 12, 1986
AMENDED BY THE BOARD OF DIRECTORS
JUNE 5, 2006
Bylaws Reference: Article XV

RESOLUTIONS

Apprenticeship

WHEREAS, manpower needs of the construction industry continue to increase rapidly without compensating training of apprentices and managerial personnel;

WHEREAS, there needs to be a constant review of the methods of recruitment and training of certified apprentices in order to meet the challenge of modern conditions in the construction industry.

WHEREAS, the construction industry suffers at present from restrictions on the training of apprentices through the denial of opportunity to individuals and the restriction of numbers in particular trades;

WHEREAS, training needs to become flexible in a greater degree, arming the construction worker with greater skills to utilize the latest in tools, equipment and materials;

The Board of Directors of Associated Builders and Contractors calls upon all members to assist in promoting enrollment and training of apprentices on a continuing broader scale; it pledges itself through the National Association to encourage the creation of guidelines, techniques and guidance so that the training of the Merit Shop mechanic may be according to nationally acceptable standards.*

APPROVED BY THE BOARD OF DIRECTORS
NOVEMBER 11, 1972

Attacks on Association Leaders

In certain areas of operations of Associated Builders and Contractors, there have been threats and, in some cases, actual incidents of vandalism, arson, personal assaults and actions to harm economically leaders of the Association. The Board of Directors herewith affirms the intent of the Association to assist local, state and national leaders of the Association subject to threats or actions inimical to their welfare.

The Association will support to the fullest extent necessary its leaders who contribute generously for the benefit of their fellow members.

APPROVED BY THE BOARD OF DIRECTORS
SEPTEMBER 24, 1971
AMENDED BY THE BOARD OF DIRECTORS
JUNE 5, 2006

Chapter Insurance Plans

Mindful of the general welfare and unity of the Association and to provide the continuity required to maintain portability, employee identification with Merit Shop Fringe Benefits and to further promote Merit Shop employment advantages, Associated Builders and Contractors has developed, maintained and promoted a plan of life, disability, and medical insurance. This plan

shall be supervised by a Board of Trustees for the general welfare of members and their employees and recognizing inherent risks generated by such a plan are best spread over large numbers throughout the Association, and recognizing the special expertise required to administer and monitor such programs. Therefore, the Board of Directors of Associated Builders and Contractors resolve that:

- A. Associated Builders and Contractors shall maintain and promote a plan of life, disability and medical insurance; and chapters or other subdivisions are not prohibited from offering similar or parallel types of programs. Chapters and other subdivisions are, however, prohibited from marketing and promoting a chapter plan as the ABC Insurance Trust or its brand name ABC Merit Choice.
- B. And, that the individual members of Associated Builders and Contractors still retain the right of choosing the Association sponsored or their own individual plans to provide such benefits for their employees."

APPROVED BY THE BOARD OF DIRECTORS
MAY 18, 1978
AMENDED BY THE BOARD OF DIRECTORS
NOVEMBER 10, 2006

Davis-Bacon

Associated Builders and Contractors supports full repeal of the Davis-Bacon Act.

APPROVED BY THE BOARD OF DIRECTORS
APRIL 19, 1986
REVISED BY THE BOARD OF DIRECTORS
February 22, 2011

Legal Consultation

Associated Builders and Contractors, an exempt 501(c)(6) organization under the Internal Revenue Code, has no authority to give legal advice to members through its staff or volunteer members serving the association.

Under the Association's general policy, every member is entitled to an initial consultation without charge on any labor related problem that arises in the course of its business.

This will be provided by the chapter chief staff officer working through local counsel, if necessary, or by the National Office if the member involved is a member-at-large. The response in the consultation is limited to an explanation to the member and suggestion on how to keep the job progressing.

Neither chapter members nor members-at-large shall directly consult any Association counsel unless they decide to enter directly into a client relationship with such counsel. The Association can assume no responsibility for any charges resulting from such consultation.

Legal advice cannot be given by staff on the course to be pursued. For this, the member must

rely either on suggested legal counsel or its own legal counsel or on its own judgment, as it deems best. Any legal fees incurred are the responsibility of the member.

Neither the staff nor volunteer members may review labor relations or other legal documents with a view to giving advice on them to particular members.

Association members, chapters or staff acting for the Association, may not engage at any time in collective bargaining or administration of any collective bargaining agreement.

In the event of obviously illegal conduct on the part of unions or others which may affect members generally, the Association offers to assist legal counsel. It is understood that where illegal conduct of unions or others impinges importantly upon the welfare of the Merit Shop, staff, counsel and appropriate committees will consult and determine what protective legal steps are to be taken.

APPROVED BY THE BOARD OF DIRECTORS
OCTOBER 17, 1984
REAFFIRMED BY THE BOARD OF DIRECTORS
MARCH 21, 2007

Minority Set-Asides

WHEREAS federal, state and local governments have adopted programs to increase employment and business opportunities for minorities and women, and

WHEREAS, as part of this effort, federal, state and local governments have adopted laws and regulations which require that certain quotas be met without due regard to the viability or legality of such quotas, and

WHEREAS public policy should create harmony and unity among segments of our people rather than division, and

WHEREAS, the Association finds such quotas to be contrary to the principles of the Merit Shop, the free enterprise system and violates the constitutional guarantees of life, liberty and property, and

WHEREAS experience has shown that a giveaway pattern in the long run works to the detriment of recipients, for upon the cessation of such grants or advantages, recipients find themselves bewildered and lacking in the rugged skills needed to meet the challenge of the marketplace which is the focal point of business viability, and

WHEREAS the Association believes that public work should be done by the lowest, responsible bidder, now, therefore, be it resolved that Associated Builders and Contractors herewith publicly expresses its willingness to assist to the maximum degree possible minorities and women who are seeking employment in the construction industry, as well as those minority firms seeking to benefit from business advice and guidance, but we urge the governments to reexamine the current trend toward rigid allocable programs.

APPROVED BY THE BOARD OF DIRECTORS
OCTOBER 22, 1977

Rewards

WHEREAS, the wanton violence and malicious destruction of property by bombing, arson and a host of destructive and criminal conduct is a national problem;

AND WHEREAS, such criminal violence has at times been used to intimidate and victimize employers who are having labor disputes;

AND WHEREAS, the members of Associated Builders and Contractors, are seriously affected by this situation and believe that all reasonable means should be adopted to bring an end to such heinous criminal activity;

NOW THEREFORE, be it resolved by the Board of Directors of Associated Builders and Contractors, that:

The Association shall establish a fund for the payment of rewards for information leading to the arrest and conviction of the offenders of those cases of criminal violence which the Executive Committee decides are sufficiently serious that such a reward should be offered.

The fund shall be set up from voluntary contributions or from sums allocated from the general funds of the Association after vote of approval by the Board or by a combination of the two. It shall be kept separate and distinct from other Association funds and accounts, and may be invested in savings accounts or otherwise as determined by the Executive Committee.

The Chairman and President & CEO following consultation with legal counsel shall decide if a reward is to be offered. They shall be able to allot a maximum of only those monies in the fund. Additional funds must be approved by the Executive Committee.

In the event that more than one individual claims such a reward, the Executive Committee shall have authority to determine to whom it shall be paid or how it shall be divided among the claimants.

Wording of the reward should be approved by ABC counsel before publicized. Language that can be used and revised with permission of ABC legal counsel is:

A reward of \$ _____ will be paid by Associated Builders and Contractors for information leading to the arrest and conviction of anyone who sets fire to or destroys equipment or other property of any of its members in the _____ metropolitan area.

Associated Builders and Contractors is the sole judge of any dispute arising over the reward and of the person or persons, if any, entitled to share therein, and its decision on any point connected with the reward will be final and conclusive.

APPROVED BY THE BOARD OF DIRECTORS
OCTOBER 17, 1984

Safety – Occupational Safety & Health Administration

WHEREAS, the construction industry has one of the highest accident rates in both frequency and severity in the nation today,

WHEREAS, even under the best conditions, construction is an inherently dangerous occupation,

WHEREAS, a poor safety record is a symptom of an inefficient construction operation,

WHEREAS, the pain and suffering associated with accidents reduce the quality of life of those injured,

WHEREAS, the federal and state guidelines and agencies, as well as good business practices, mandate that employers provide a safe and healthful workplace for all employees,

WHEREAS, accidents and their direct and indirect associated expenses add significantly to the cost of construction,

WHEREAS, safety is considered one of the purest forms of management,

WHEREAS, Associated Builders and Contractors has undertaken a broad educational campaign to assist its members in establishing and maintaining effective loss control, cost containment programs,

The Board of Directors of Associated Builders and Contractors calls upon all contractors, enforcement agencies and users of construction to take positive and progressive steps in an effort to reduce job site safety hazards, improve productivity and efficiency, control direct and indirect costs, increase workmanship quality, and reduce/control insurance, compensation and liability expenses.

The Association calls upon all enforcement agencies to provide further assistance in education and emphasize enforcement through consultation and awareness training, rather than excessive regulations and punitive fines and actions.

The Association calls on the construction users to support ABC and its contractors in their efforts to provide a safe and healthful work environment for its employees

The Association, through the Trimmer Education Foundation, will aggressively and actively assist its chapters and members in developing and implementing comprehensive and effective loss control and cost containment programs by providing necessary resources on a continual basis.

APPROVED BY THE BOARD OF DIRECTORS
AUGUST 7, 1986

Student Chapters

WHEREAS, Associated Builders and Contractors recognizes the need for strong construction management in the Merit Shop segment of the industry;

AND WHEREAS, the Association is committed to the creation and maintenance of student chapters in American colleges and universities;

NOW THEREFORE, be it resolved by the Board of Directors of Associated Builders and Contractors that the following areas of responsibility be recognized:

A. Joint Responsibility

1. The promotion, chartering and maintenance of student chapters is a shared responsibility between the National Office and chapters. Direction should come from National through the Trimmer Education Foundation in the following manner:
 - a) Develop a standard set of bylaws for distribution.
 - b) Establish criteria for granting charters recognizing the importance of local chapter involvement.
 - c) Establish policy for operations in concert with faculty advisor.
- B. Responsibility of the Association through the Trimmer Education Foundation
 1. General promotion and assistance to chapters.
 2. Provide several copies of *Newsline* and *Construction Executive* for student distribution.
 3. Provide standard membership cards.
 4. Create employment referral program with chapter assistance for graduating seniors.
 5. Encourage student chapter presidents and advisors to attend the Annual Convention through contest incentives or reduced registration fees.
 6. Make speakers available to student chapters.
- C. Responsibility of Chapters
 1. Encourage interaction of members and students.
 - a) Low rate or complimentary admission to general membership meetings and seminars.
 - b) Summer employment.
 - c) Job site visits.
 - d) Complimentary mailings of newsletter to students.
 - e) Assignment of local chapter liaison to develop and assist new program areas.

ADOPTED BY THE BOARD OF DIRECTORS
OCTOBER 17, 1984

ADMINISTRATIVE PROCEDURES

Association Joint Venture Procedure

In compliance with Internal Revenue Service guidelines for approval and management of Association joint ventures, the following policy will apply to all ABC joint ventures:

Activities Subject to this Policy (defined as a “Joint Activity(ies)”): Joint Activities are defined as any arrangement, including contractual or more formal arrangements undertaken through an LLC, partnership, or other entity, in which the Association and another organization or business jointly undertake an activity or business, or otherwise agree to joint ownership of property. This could include both tax-exempt activities such as joint conferences and publications (excluding activities where 95% or more of the income generated is exempt from unrelated business income tax), as well as property transactions and investments.

Approval and Management of Joint Activities: When reviewing potential participation in a Joint Activity, the Association will negotiate contractual and other terms of participation which safeguard the Association’s tax-exempt status, such as mechanisms to control the Joint Venture through 51% or greater voting rights, requiring that the Joint Venture give priority to exempt purposes, and ensuring that the Joint Activity will not engage in activities that would jeopardize the Association’s tax-exempt status.

Where there is a question as to whether a particular Joint Activity might jeopardize the Association’s tax-exemption, a decision will be made in consultation with legal counsel.

APPROVED BY THE BOARD OF DIRECTORS
NOVEMBER 11, 2008

Chapter and Association Policy Conflicts

This is a standard for resolving potential conflicts in the understanding of ABC core values between volunteer and staff leaders that the National and chapter levels. This process will provide the knowledge necessary to determine the best course of action to ensure that ABC’s core values are satisfied when creating policy positions.

If a potential conflict arises, and no resolution can be reached through direct and open dialogue between the appropriate ABC leaders (chapter, National), the issue will be referred to the ABC National Executive Committee for their consideration. Potential Executive Committee actions may include, but are not limited to directing there be further discussions between ABC (chapter, National) leadership or creating a task force appointed by the ABC National Chairman to review the situation and determine a recommended course of action.

If the Executive Committee chooses to appoint a task force to address the conflict, the task force’s purpose will be to compile the facts; determine a recommended course of action(s); and report its recommendation to the Executive Committee.

- A. If the issue originates from a chapter, a regional vice chair from an unaffected region will be appointed chairman of the task force. The regional vice chair of the affected region will serve on the task force.

B. If the issue originates from an ABC National action, then at least two members of the Executive Committee will serve on the task force.

C. At least two-thirds of the task force will be made up of volunteer leaders.

D. If the issue originates from a chapter, at least half of the volunteer leaders should be from outside the affected region.

E. The remaining one-third of the task force can be made-up of staff. At least one chapter president and the ABC National President & CEO will serve on the task force.

F. The Executive Committee will review the task force findings and proposed recommendations and choose an appropriate action authorized by the ABC National Bylaws.

APPROVED BY THE BOARD OF DIRECTORS
JULY 9, 2012

Chief Executive Officer/Key Employee Compensation Review

The compensation of the President and CEO and any Key Employees as defined by applicable IRS regulations shall be annually reviewed by the Executive Committee and/or a Compensation Committee appointed by the Executive Committee, consisting of Executive Committee members who have no conflict of interest with respect to the compensation under review in accordance with applicable IRS regulations. In conducting such review, the Committee shall:

- Review data as to comparable compensation for similarly qualified persons in functionally comparable positions at similarly situated organizations.
- Make contemporaneous documentation and recordkeeping with respect to the deliberations and decisions regarding the compensation arrangement.

APPROVED BY THE BOARD OF DIRECTORS
NOVEMBER 11, 2008

Directory – Membership

The Association shall maintain a current, electronic directory of members, which shall be available on the Association's official web site as a reference and business development tool for fellow members, owners and other interested publics. A member company may request, through its local chapter or through the National office if a member-at-large, that company information not be made available on the Association's web site.

APPROVED BY THE BOARD OF DIRECTORS
OCTOBER 17, 1984
REVISED BY THE BOARD OF DIRETORS
JUNE 5, 2006