



Engineers' Club of Philadelphia

Founded in 1877



Board Policies and Procedures

March 18, 2014 Update

June 14, 2014 Administrative Modification

215 South 16th Street, Suite 16

Philadelphia, Pa 19102

Phone: (215) 985-5071

www.engrclub.org





ENGINEERS' CLUB OF PHILADELPHIA
BOARD OF DIRECTORS'
POLICIES AND PROCEDURES

Table of Contents

March 18, 2014

A.	Determination Of Membership Classes (Article II, Section 2)	2
B.	Procedures For Membership Application (Article II, Section 3)	3
C.	Membership Fees (Article II, Section 4)	4
D.	Rules and Regulations Of Membership (Article II, Section 6)	4
E.	Board and Officer Duties and Responsibilities (Article IV)	5
F.	Committees (Article VII, Sections 2)	7
G.	Designation of Fiscal Year (Article XI, Section 1)	10
H.	Designation Of Check Signers and Expenditure Approval (Article XI, Sec 7)	10
I.	Review and Signing of Contracts	11
J.	Internal Financial Review Procedure	11
K.	Nomination / Election Procedure and Schedule	13
L.	Guidelines for Recognizing Member News and Awards	14
M.	Policy on Member Use of Racquet Club Facilities and Engineers' Club Office	15
N.	Conflict of Interest	16
O.	Whistleblower Policy	18
P.	Objective Compensation Policy	20
Q.	Privacy Policy	21
R.	Document Retention Policy	22
S.	Promotion of Externally Developed Training Courses	25
T.	Non-Commercialism Policy Statement	26
U.	Reserve Policy	28
V.	Financial Investment Policy	29



Board of Directors' Policies and Procedures

A. Determination Of Membership Classes (Article II, Section 2)

Article II, Section 1: Membership may be granted, subject to the procedures described herein, to any:

- (a) Persons with an engineering degree,*
- (b) Students pursuing an engineering degree*
- (c) Persons who, by scientific, technical, practical experience, business, or other interests, are qualified to cooperate in the advancement of engineering, or who have an interest in supporting the growth and enhancement of an engineering center in the greater Philadelphia metropolitan region,*
- (d) Engineering/technical firms, agencies, or academic institutions who employ engineers, or*
- (e) Professional or technical societies or organizations related to engineering whose objectives and activities are consistent with those of the Club (referred to as affiliates).*

Article II, Section 2: Classes of individual, corporate, and affiliate memberships in the Club shall be as determined and authorized by the Club's Board of Directors (the "Board").

The classes of individual membership are:

- Individual: A person who meets the criteria for membership who has submitted an application and paid the required dues.
- Corporate-Individual: A member who has been designated by a Corporate Member to receive Individual membership benefits, in accordance with the designated benefits for the level of Corporate Membership.
- Agency-Individual: A member who is employed by an Agency Partner and receives Individual membership benefits, in accordance with the Agency Partnership Application.
- Life: A person who meets the criteria for membership who has submitted an application and paid the required one-time dues. Life membership will also be granted to those members who are at least 65 years of age and have had 35 years of continuous membership in the Club.
- Younger Member: An Individual member who is 35 years of age or younger.
- Student: A person who is a full-time student in an engineering degree program who has submitted an application and paid the required dues.
- Complimentary: The Board may grant complimentary membership as deemed appropriate.
- Pending: A person who meets the criteria for membership who has submitted an application but has not yet paid the required dues.

Corporate membership categories are:

- Gold corporate members are entitled to 50 Corporate-Individual memberships
- Silver corporate members are entitled to 25 Corporate-Individual memberships
- Bronze corporate members are entitled to 10 Corporate-Individual memberships
- Sponsor corporate members are entitled to 5 Corporate-Individual memberships

The Club also offers Agency Partnerships. Agency partners are given the option of paying the dues for their employee-members or having their employees pay the dues themselves.

All regional engineering and technical societies are considered Affiliates of the Engineers' Club.

Record of Approval: Approved by the Board of Directors at its meeting on July 10, 2012 as part of the approval of the Board Policy and Procedures Manual. Revised November 20, 2012



Board of Directors' Policies and Procedures

B. Procedures For Membership Application (Article II, Section 3)

Article II, Section 3 of the Bylaws: Application for membership shall be submitted by each applicant to the Club pursuant to procedures as determined and authorized by the Board.

The Club shall make applications available on the Club's website and at various other locations in hardcopy format as appropriate. The application shall indicate means for submitting the application as appropriate, such as via email or by mail to the Club office.

The Club staff shall send a welcome letter to the candidate, along with an invoice if dues have not been paid with the submission.

Until such time as dues have been received, the candidate shall be listed as a Pending member, and shall receive communications from the Club as are sent to all members. Other member benefits are not available to Pending members until dues are received. If dues have not been paid within four months of after an invoice has been sent to them, they shall be removed from the membership rolls.

Record of Approval: Approved by the Board of Directors at its meeting on July 10, 2012 as part of the approval of the Board Policy and Procedures Manual.



Board of Directors' Policies and Procedures

C. Membership Fees (Article II, Section 4)

Article II, Section 4 of the Bylaws: The Board shall determine the fees and annual dues payable by the Members. Payment of the annual dues shall be required to maintain status as a Member.

Membership is on a calendar year basis. Dues for all members joining during the year will be pro-rated on a monthly basis, to include the month the application is submitted. All members joining in December will be charged the full annual dues and membership will include the following year.

Note: The member discount on a professional development course for a member joining on a pro-rated basis cannot exceed the amount paid in dues.

Renewal notices will be issued in October / November for the following year. At a minimum, second and final notices will be issued in February and April, respectively, to those who have not yet paid. Members will be dropped for non-payment of dues as of April 30. If a corporate member does not renew or an agency partner decides not to continue to pay the dues, the individual members will be given the opportunity to continue their membership on an individual basis. In this situation, the drop date for non-payment will be June 30.

Dues for all membership levels will be based on the Individual dues rate:

Individual	Base
Student	10% of Base
Younger Member	50% of Base
Agency-Individual	50% of Base
Life	12 x Base (one-time payment)
Corporate	
Gold	50 x Base x 90%
Silver	25 x Base
Bronze	10 x Base
Sponsor	5 x Base

Corporate members may include additional Corporate-Individual members by paying the Individual dues rate.

There is no charge for regional engineering and technical societies to be Affiliates of the Club.

Record of Approval: Approved by the Board of Directors at its meeting on July 10, 2012 as part of the approval of the Board Policy and Procedures Manual. Revised November 20, 2012

D. Rules and Regulations Of Membership (Article II, Section 6)

Article II, Section 6 of the Bylaws: Continued membership in the Club shall be conditioned on compliance with rules, regulations or procedures, as promulgated by the Board.



Board of Directors' Policies and Procedures

E. Board and Officer Duties and Responsibilities (Article IV)

The bylaws do not provide specific duties of the Board or individual Board members, other than stand in a fiduciary relation to the Club. As in any organization, there are duties of the Board as whole, as well as duties of individual members of the Board.

1. General Duties of the Board

- Set the policies, procedures, and direction of the Club
- Provide oversight of the operation of the Club

2. General Duties Of Individual Members Of The Board

- *Under Development*

3. Specific Position Descriptions**a. President**

{From the bylaws: "The President shall preside at all meetings of the Members and Board, have oversight of the affairs of the Club, and ensure that all orders and resolutions of the Board are carried into effect; subject, however, to the right of the Board to delegate any specific powers, except such as may be by statute exclusively conferred on the President, to any other officer or officers of the Club or to the Executive Director. The President shall execute bonds, mortgages and other documents requiring seal, under the seal of the Club. The President shall be an ex-officio member of all committees except the Nominating Committee and shall have the general powers and duties of supervision and management usually vested in the office of President."}

- *Under Development*

b. President Elect

{From the bylaws: "The President-Elect shall act in all cases for and as the President in the President's absence or incapacity, and shall perform such other duties as may be required from time to time. The President-Elect shall automatically succeed to the office of President at the end of the term."}

- *Under Development*

c. Vice President

{From the bylaws: "The Vice President shall act in all cases for and as the President-Elect in the latter's absence or incapacity, and shall perform such other duties as may be required from time to time."}

- *Under Development*

d. Secretary

{From the bylaws: "The Secretary shall attend all sessions of the Board and all meetings of the Members and act as clerk thereof, and record all the votes of the Club and the minutes of all its transactions to be kept for that purpose (unless such task is delegated to another individual). The Secretary shall give, or cause to be given, notice of all meetings of the Members and of the Board, and shall perform such other duties as may be prescribed by the Board or President. The Secretary shall keep in safe custody the corporate seal of the Club, and when authorized by the Board, affix the same to any instrument requiring it."}

- *Under Development*



Board of Directors' Policies and Procedures

e. Treasurer

{From the bylaws: "The Treasurer shall have custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Club, and shall keep the moneys of the Club in a separate account to the credit of the Club. The Treasurer shall disburse the funds of the Club as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all transactions and of the financial condition of the Club. The Board may delegate some or all of these duties to the Club's financial staff, if any, an outside accountant, or an appointed Assistant Treasurer."}

- Work with the staff in reviewing procedures and ensuring internal controls are in place for handling incoming payments and paid invoices.
- Be one of the designated authorized signers on Club financial accounts.
- Ensure financial policies are being followed.
- Review documentation of payments made and income received so that these items are being appropriately handled and that there is appropriate documentation.
- Review and report on monthly financial reports as provided by the Executive Director, which include:
 - Reports provided to all Board members (Excel files prepared by Executive Director based on QuickBooks reports)
 - Monthly Detail of Budget Line Items
 - Budget Report
 - Balance of Accounts
 - Additional detailed reports (directly from QuickBooks)
 - Detailed Budget Report
 - General Ledger of Bank and House Accounts
 - Transaction Details
 - Bank Statements
- Coordinate with the Executive Director on any issues raised from the review of financial documents.
- Review the Form 990 prior to submission to the Board of Directors before being submitted to the IRS.

f. Past President

- *Under Development*

g. Executive Director

- *Under Development*

Record of approval: The duties of the Treasurer were approved by the Board of Directors at its meeting on November 19, 2013.



Board of Directors' Policies and Procedures

F. Committees (Article VII, Sections 2)

Article VII, Section 2 of the Bylaws: The Board may establish additional committees each of which shall consist of one or more Members of the Club, as appointed by the Board in its sole discretion. When the Board determines that it is in the best interest of the Club, it may waive the requirement that committee members must be current Members of the Club.

Committees are an important element of the Engineers' Club. Through involvement in committees, members can further their professional development and provide service to their profession. There are many different types of opportunities to fit the different experiences and desires of the members.

Any member in good standing may become a committee member. When the Board determines that it is in the best interest of the Club, it may waive the requirement that committee members be members of the Club.

By vote at the July 10, 2012 Board meeting, the Board has delegated the appointment of committee chairs to the President, except for the Nominating Committee, with the approval of the Board. To provide effective liaison with the Board of Directors, if the Chair of a committee is not a Director or Officer, a Board contact will be appointed by the President. The Board contact will be an ex officio member of the committee. The committee chair may appoint committee members and develop additional sub-committees or task forces as needed.

The President is an ex-officio member of all committees, except the Nominating Committee. The Executive Director will provide or assign staff support to each of the committees.

1. Administrative

Purpose: Assist the Club with its internal operations to effectively and efficiently use Club resources to advance its mission.

Duties:

- Monitor that the Club maintains proper administrative procedures.
- Monitor that the Club operates in accordance with the Club's Bylaws and propose amendments as needed.
- Develop and monitor conformance with Club procedures.
- Assist the Club in procuring and using information technology (including website hosting and association management software) that enables it to serve the members and the Club's mission.
- Monitor that the Club adheres to proper labor laws.
- Monitor the employee benefits program.

2. Affiliate Affairs

Purpose: Establish and maintain liaison with other technical and professional societies in the greater Philadelphia area.

Duties:

- Develop opportunities for the Club to act as a conduit for the coalescence of the greater Philadelphia engineering community.
- Cultivate partnerships with other technical and professional societies around common areas of interest.
- Advance services offered by the Club that will assist other technical and professional societies in the greater Philadelphia area.

3. Delaware Valley Engineers Week

Purpose: Determine and develop programs and meetings of exceptional interest to all sectors of the engineering community in the celebration of Engineers Week.

Membership: Any member of an affiliate society may become a member of this committee.

Duties: Plan and execute the activities of Engineers Week for the Club



Board of Directors' Policies and Procedures

4. Executive

Purpose: Conduct the business of the corporation in the absence of the Board.

Membership: The Chair of the Executive Committee shall be the President of the Board of Directors. In accordance with the bylaws, the Executive Committee consists of the President, President Elect, Vice President, Immediate Past President, Secretary, and Treasurer. The Executive Director is a non-voting member.

Duties: Make decisions and conduct the business of the corporation in the absence of the entire Board.

5. Finance

Purpose: Monitor the finances of the Club.

Membership: In accordance with the bylaws, the Chair of the Finance Committee is a Board Member other than the Treasurer.

Duties:

- Monitor the budget and, with the Executive Director, propose adjustments as needed throughout the year.
- Assist the Club with the development of and presentation to the Board of Directors of the Club's annual operating budget.
- Advise the board with respect to significant financial decisions or matters.
- Supervise the assets and investments of the Club
- Oversee the administration, collection and disbursements of the financial resources of ECP
- Oversee the preparation of ECP's financial statements and conduct an annual review of the financial records of the Club.

6. Member and Partner Relations

Purpose: Increase individual, corporate, student, and agency membership in the Club. Promote partnerships with organizations for which membership may not be an option.

Duties:

- Promote activities that increase both corporate and individual membership of the Club
- Determine individual, corporate, student, and agency membership benefits, with approval of the Board.
- Advance diversity within Club membership both with respect to engineering discipline and other demographics
- Develop and maintain partnerships with associated organizations for mutual benefit.

7. Nominating

Purpose: Monitor the annual election process of the Board of Directors.

Membership: In accordance with the bylaws, four Members in good standing shall be appointed by the President and approved by the Board. In accordance with Board procedure, the Immediate Past President of the Board of Directors shall be the Chair of the Nominating Committee and the President Elect shall be on the committee.

Duties:

- Produce an annual slate of candidates for the Officers and Directors of the Board
- Supervise the annual election for the Board
- Develop interest within the membership to become involved with the Board and Committees to ensure strong succession practices
- Make recommendation to the Board for revisions to the election process.

8. Professional Development

Purpose: Advance the professional development of the technical and engineering community in the greater Philadelphia area through the various educational services offered by the Club.

Duties:

- Advance the course offerings through the Club's Education program to enhance the knowledge of technical and engineering professionals in the greater Philadelphia area.
- Promote seminars throughout the year to engineers and technical professionals in all disciplines to upgrade their skills.



Board of Directors' Policies and Procedures

- Monitor mandatory continuing education requirements in Pennsylvania and New Jersey.
- Develop opportunities to tour facilities of technical and engineering interest to enrich the talent of those in attendance.
- Develop and promote joint technical meetings.
- Develop other educational venues offered by the Club to assist technical and engineering professionals to increase their skills and knowledge of best practices.

9. Public Relations

Purpose: Promote awareness of the Engineers' Club and issues of importance to the engineering community to the Club members, general public and government officials.

Duties:

- Promote activities that increase the awareness of the Club.
- Foster relationships with local media.
- Develop and assist in the implementation of a Communication Plan
- Develop and assist in the implementation of a Public Relations Plan
- Monitor the Club's website to keep it current and effective in meeting the needs of the members.
- Develop and maintain the Club's branding in written communications.

10. Student Outreach

Purpose: Promote engineering as a career to K-12 students and provide support to college level engineering students

Membership: Any member of an affiliate society may become a member of this committee.

Duties:

- Help Kindergarten through college level youth with engineering based events and programs.
- Provide support to on-going activities of the Club and/or its affiliated societies related to students at all levels.
- Affiliate with outside organizations as necessary to make the most of existing programs.

Note: This committee will coordinate closely with the Philadelphia Engineering Foundation, the charitable arm of the Club, as some activities are best pursued by a 501(c)3 organization,

Record of approval: Committee structure approved by the Board of Directors at its meeting on July 10, 2012 as part of the approval of the Board Policy and Procedures Manual. Finance Committee revised November 19, 2013



Board of Directors' Policies and Procedures

G. Designation of Fiscal Year (Article XI, Section 1)

Article XI, Section 1 of the Bylaws: The fiscal year of the Club shall begin on the first day of July or as determined by the Board.

The Fiscal Year for the Club for administrative and financial matters shall be July 1 through June 30, as stated in the bylaws

Record of approval: This procedure was approved by the Board of Directors at its meeting on September 22, 2009 as part of the approval of the bylaws.

H. Designation Of Check Signers and Expenditure Approval (Article XI, Sec 7)**1. Authorized signers for financial accounts (Reference: Bylaws Article XI, Section 7)**

- a. On an ongoing basis, the persons who hold the following positions/offices, are authorized as signers on all Club financial accounts:
 - President
 - President-Elect
 - Treasurer
 - Executive Director
- b. The Executive Director is authorized to provide required documents to the institutions where the Club maintains accounts to reflect that the appropriate officers have such authorization.

2. Approval of Expenditures

- a. Expenditures of less than \$5,000 may be approved by one authorized signer.
- b. Expenditures of \$5,000 or more require the approval of two authorized signers. An exception to this policy is if the Board has authorized the expenditure with a maximum, not-to-exceed amount and the payee noted in the minutes.
- c. The treasurer shall review documentation for all payments made, no matter how they are made or who signed the checks.
- d. A list of expenditures of \$2,500 or more will be included in the monthly financial report, which will be provided to the Board each month.
- e. A number of event venues indicate a requirement for payment prior to or at the conclusion of the event. Advance payment should be avoided and provided only when absolutely necessary. In addition, an effort should be made to provide an opportunity for the invoice to be reviewed other than at the event, with payment to be sent the next business day.

Record of approval: This policy was approved by the Board of Directors at its meeting on February 10, 2012 and is recorded in the minutes of that meeting.



Board of Directors' Policies and Procedures

I. Review and Signing of Contracts

As a volunteer-based organization, many events and activities are planned and coordinated by volunteers. Sometimes these events and activities require the signing of a contract. The Executive Director shall be kept informed of such discussions and shall have an opportunity to review and comment on contracts throughout the negotiation process. When a final contract has been negotiated, the volunteer shall indicate their approval of the contract, either by initialing the contract or sending an email to the Executive Director. The Executive Director shall sign all contracts.

Record of Approval: The Executive Committee and/or the Board had discussed this at one time and had designated the Executive Director as the person to sign all contracts, date unknown. Approved by the Board of Directors at its meeting on July 10, 2012 as part of the approval of the Board Policy and Procedures Manual.

J. Internal Financial Review Procedure

At this time, the Club does not need to have a financial compilation, review or audit prepared by a CPA. Until such time as one of these levels of review is required, the Finance Committee shall arrange for an internal review of the financial records of the Club. The reviewers shall not be a member of the Board of Directors for either the Club or the Philadelphia Engineering Foundation; they may be, but are not required to be, members of the Club.

PURPOSE

The purpose of the review is get a level of confidence that those things that can “go wrong” (receipts that are misdirected; payments made for bogus expenses; etc.) have not happened or would be difficult for an individual or individuals in concert to affect. The review is for the benefit of both the Board (a sense of confidence that all is well) and employees (protection from accusations of wrong-doing). It can also highlight areas where changes to internal processes may be desired.

MATERIALS

The staff will make available these items to the reviewers:

- Record of paid bills
- Check stubs
- Deposit records
- Bank Statements
- Tax Returns and Worksheets
- QuickBook reports:
 - Check Detail (separate reports for ECP and DVEW)
 - Deposit Detail (separate reports for ECP and DVEW)
 - Transaction Detail by Account (separate reports for ECP and DVEW)
 - Detailed Budget
 - General Ledger
 - Balance Sheet
 - Journal
 - Uncleared Transactions
- Payroll Journals
- Financial reports (Year End) prepared by staff
 - Monthly Detail Report
 - Budget Report
 - Balance Sheet
- Membership renewal records
- Board Policy and Procedures



Board of Directors' Policies and Procedures

The reviewers may ask for other information as desired and they should review it in private. Staff is not continuously involved, but should be available to respond to questions.

PROCESS:

There are two elements to be considered in the internal review: a thorough review of major expenditures and a representative sampling of others.

Review the summary financials - income statement and balance sheet, actual and budgets- to look for major areas.

- Payroll is the largest single expense item: look at hours posted and track consistent payments and supporting documents.
- Dues is largest income item: based on the number of members of each dues class, compute an expected level of dues income for each level and compare to actual dues reported.

Review any published policies adopted by the Board on financial matters and determine that the directions have been followed across those transactions reviewed.

Look for any unusual activity and review details.

Review a portion of the transactions (checks and electronic funds transfers) and look for back-up, corroboration, and general appropriateness of the expenditure. Pick a number of transactions to look at and divide the number of transactions by that number and look at every one of those transactions and associated files.

Review the balance statements with the bank statements, using an uncleared transactions report to account for those items that have not yet cleared the bank.

REPORT

A brief report should be prepared on the process and any findings along with any recommendations that the reviewers would find useful for future efforts, including any policies for the Board to consider.

Record of approval: This policy was approved by the Board of Directors at its meeting on November 19, 2013 and is recorded in the minutes of that meeting.



Board of Directors' Policies and Procedures

K. Nomination / Election Procedure and Schedule

Each year, the Nominating Committee is tasked with developing a proposed slate to fill positions with expiring terms. It is important that the Board represent the diversity of the engineering community. The Nominating Committee should consider the current composition of the Board and endeavor to select candidates that provide the desired diversity. Issues to consider include:

- Employer Type: Education, Consulting, Industrial, Government, Non-Profit
- Discipline / Profession: Non-Civil Engineers, Accountants, Lawyers, IT specialists, etc.
- Demographics: Gender, Race, Ethnicity, Age

The timeline and procedure for nominations, as defined in the bylaws or by procedure, is:

- Board appoints four Members in good standing to Nominating Committee (by procedure, the Past President Chairs the committee and the President-Elect is on the committee). This should occur no later than the November Board meeting.
- Board approves the proposed slate at the February Board meeting.
- Club office sends the slate of candidates for each position to the Membership
- Membership has 30 days from submission of the slate to the membership to present additional nominations by petition.
- When there is only one nominee for each of the offices to be filled at any election, the Secretary shall cast the Ballot and publish the result to the Membership.
- When there is more than one nominee for any office, the election shall be by letter ballot supervised by the Tellers. Ballots must be returned not less than 48 hours before the Annual Meeting.

The Nominating Committee will also provide assistance in identifying members who would be good in a committee position.

Record of Approval: Approved by the Board of Directors at its meeting on July 10, 2012 as part of the approval of the Board Policy and Procedures Manual.



Board of Directors' Policies and Procedures

L. Guidelines for Recognizing Member News and Awards

As a benefit to our members, it is desired to publicize awards, personnel moves, office relocations, etc. This policy has been prepared to provide guidance to the membership as to what we will publicize, in what format, and what we need to receive and to do so in as equitable a fashion as we can.

Corporate Members

- **Company Profile:** Currently, corporate members are provided with their logo on the Corporate Member page of the website, which links to their corporate website, as well as their logo and a link to their employment website. Corporate members will be given the opportunity to also provide a company profile on the Corporate Member page of the website. The amount of text of the profile will vary based on the level of corporate membership.
- **Announcements:** The Club will include announcements of project awards, awards earned by employees, speaking engagements or publications by employees, significant new hires, promotions, and new or relocation of offices in the "News" section of the website. Those announcements deemed major will also be included in the E-News and Bulletin. This will not include the awarding of new projects. News about individuals can be about any employee of the company and is not limited to those specifically identified as individual Club members.

Item	Gold	Silver	Bronze	Sponsor
Company Profile	300 words	150 words	75 words	50 words
New / Relocated Office	Company Logo 300 words	Company Logo 150 words	Company Logo 75 words	Company Logo 50 words
New Hires / Promotions	Photo of person 300 words	Photo of person 150 words	Photo of person 75 words	Photo of person 50 words
Only one photo can be used on the website per article. If there are multiple individuals involved, a collage of photos may be provided.				
Project and Personal Awards	Photo of person or project 300 words	Photo of person or project 150 words	Photo of person or project 75 words	Photo of person or project 50 words
Major announcements beyond the normal categories (e.g., change in ownership) can warrant additional text commensurate with the level of the announcement.				

To have announcements / information noted, send the desired text / photos to Susan Best (sbest@engrclub.org) at the Club office. You know your information the best; please send only the requested amount of text. A link to the announcement on your website can be included and doesn't count towards the word limit.

Individual Members

For individual members (including those as part of an agency partnership), the Club will include announcements of personal awards, significant promotions or changes in position, and new or relocated offices in the "News" section of the website. Those announcements deemed major will also be included in the E-News and Bulletin. Follow the guidelines for a Silver Corporate Member.

Agency Partners

Agency partners will be given the opportunity to provide an agency profile on the Agency Partner page of the website. Follow the guidelines for a Silver Corporate Member.

Record of approval: Approved by the Board of Directors at its meeting on November 15, 2011. Amended November 19, 2013



Board of Directors' Policies and Procedures

M. Policy on Member Use of Racquet Club Facilities and Engineers' Club Office

Engineers' Club members may use the Racquet Club of Philadelphia (RCOP) facilities, as well as the ECP offices, under the following policy and procedures.

Racquet Club Facilities

ECP members may use the Lunch Counter at the Racquet Club. The Lunch Counter is open between noon and 2:00 pm (cold items available until 2:30 pm). Payment shall be made by credit card at the time of the service. ~~While the use of the Membership Card that will be provided upon payment of dues is not required, it may be helpful to have it with you.~~¹ No prior arrangements are necessary.

ECP members may also use the Racquet Club facilities for meetings and meal functions. Contact the ECP Executive Director that you are interested in use of the facilities and you will be provided with the contact information for the RCOP Catering Manager. All further arrangements will be between the Club member and the RCOP Catering Manager. The ECP member will be required to pay the RCOP directly via credit card.

Engineers' Club Offices

The ECP office is open for use by members between 9:00 am and 4:30 pm. Since the facilities and space are limited, Club members are asked to call ahead to reserve this. It will be available on a first-call, first-get basis.

There will be times when the Club staff is off-site and the office space will not be unavailable. Club members are not permitted to be in the Club offices unless Club staff is present.

A wireless network and electrical outlets are available for laptops. There is a computer which is connected to the internet and available for use. Use of the printer / copier is not permitted except for official Club business. There is no fax machine and the telephones are for Club staff only. Use of the Club equipment is subject to the Club's Technical Resource Policy.

Club staff resources are very limited and Club staff is busy with work they must do. Thus, any use of the Club offices by members implies that Club staff is not disturbed or 'put to work' as this would detract from their normal responsibilities. Please be considerate if you use the Club's space.

Club space is a shared resource and should be treated accordingly. Please leave it as you found it and dispose of your trash, take your papers, etc., even if leaving for a brief period of time.

If a member's use of the Club offices does not conform to this policy, the Executive Director is authorized to restrict the member's access.

Record of approval: This policy was approved by the Board of Directors at its meeting on March 15, 2011 and is recorded in the minutes of that meeting.

¹ Administrative modification as a Membership Card is no longer provided. (June 4, 2014)



Board of Directors' Policies and Procedures

N. Conflict of Interest**Purpose**

The purpose of the conflict of interest policy is to protect the Engineers' Club of Philadelphia (ECP) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the ECP board members or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations. This policy is intended to supplement but not replace any other policy that is already in place by the organization.

Definitions

1. **Interested Person.** Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
2. **Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which ECP has a transaction or arrangement,
 - b. A compensation arrangement with ECP or with any entity or individual with which ECP has a transaction or arrangement, or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which ECP is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Procedures

1. **Duty to Disclose:** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest to the ECP President (or President-Elect in the case the interested person is the President). The interested person must and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
2. **Determining Whether a Conflict of Interest Exists:** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
3. **Procedures for Addressing the Conflict of Interest:**
 - a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 - b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - c. After exercising due diligence, the governing board or committee shall determine whether the organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 - d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in ECP best interest, for its own



Board of Directors' Policies and Procedures

benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

- e. In case a Conflict of Interest is determined during the procedure, disinterested members of the Executive Committee will then be responsible for conducting an investigation and/or making recommendations to the board.

Board Member Signature _____

Date: _____

Board members will sign a copy of the Policy and disclose interests that could give rise to conflicts at the beginning of each fiscal year. In addition, any actual or possible conflict of interest that arises during the year must be disclosed.

This policy will be reviewed annually.

Record of approval:

This policy was approved by the Board of Directors at its meeting on January 17, 2012 and is recorded in the minutes of that meeting. This policy was revised by the Board of Directors at its meeting on July 10, 2012 as part of the approval of the Board Policy and Procedures Manual.



Board of Directors' Policies and Procedures

O. Whistleblower Policy**Purpose**

The Engineers' Club of Philadelphia (ECP) is committed to high standards of ethical, moral and legal business conduct. In line with this commitment, and ECP's commitment to open communication, this policy aims to provide an avenue for employees to raise concerns and reassurance that they will be protected from reprisals or victimization for whistleblowing.

This whistleblowing policy is intended to cover protections for the employee if the employee raises concerns regarding ECP, such as:

- incorrect financial reporting;
- unlawful activity;
- activities that are not in line with ECP policy, including the Code of Business Conduct; or
- activities which otherwise amount to serious improper conduct.

Safeguards

Harassment or Victimization - Harassment or victimization for reporting concerns under this policy will not be tolerated.

Confidentiality - Every effort will be made to treat the complainant's identity with appropriate regard for confidentiality.

Anonymous Allegations - This policy encourages employees to put their names to allegations because appropriate follow-up questions and investigation may not be possible unless the source of the information is identified.

Concerns expressed anonymously will be explored appropriately, but consideration will be given to:

- The seriousness of the issue raised;
- The credibility of the concern; and
- The likelihood of confirming the allegation from attributable sources.

Bad Faith Allegations - Allegations in bad faith may result in disciplinary action.

Process for Raising a Concern

Reporting - The whistleblowing procedure is intended to be used for serious and sensitive issues. Such concerns, including those relating to financial reporting and unethical or illegal conduct, may be reported to the Executive Director, or if the Executive Director is not appropriate, to the Club's President.

Employment-related concerns should continue to be reported through normal channels.

Timing - The earlier a concern is expressed, the easier it is to take action.

Evidence - Although the employee is not expected to prove the truth of an allegation, the employee should be able to demonstrate to the person contacted that the report is being made in good faith.

How the Report of Concern Will be Handled

The action taken by ECP in response to a report of concern under this policy will depend on the nature of the concern. The Executive Committee of the ECP Board of Directors shall receive information on each report of concern and follow-up information on actions taken.

Initial Inquiries - Initial inquiries will be made to determine whether an investigation is appropriate, and the form that it should take. Some concerns may be resolved without the need for investigation.



Board of Directors' Policies and Procedures

Further Information -The amount of contact between the complainant and the person or persons investigating the concern will depend on the nature of the issue and the clarity of information provided. Further information may be sought from or provided to the person reporting the concern.

This policy will be reviewed annually.

Record of approval: This policy was approved by the Board of Directors at its meeting on January 17, 2012 and is recorded in the minutes of that meeting.



Board of Directors' Policies and Procedures

P. Objective Compensation Policy

The Engineers' Club of Philadelphia believes that the Club's Executive Committee should, within reason, be given latitude to determine the types and mix of compensation and benefits awarded to the Club's Executive Director. The Club believes it is important to provide sufficient incentives and rewards to executives and other employees to attract and retain the top talent to carry out the mission of the Club.

The Executive Committee has a fiduciary obligation to act in good faith and use business judgment in setting reasonable executive compensation commensurate with the services performed. Compensation includes all remuneration for services, including wages, insurance, deferred compensation and other economic benefits.

The Executive Committee has an obligation to be sufficiently diligent and informed regarding compensation criteria and shall pay compensation in proportion to the executive's ability, services and time devoted to the Club, difficulties involved, responsibilities assumed, evidence of what other similarly situated executives receive, successes achieved, economic conditions, and all other relevant facts and circumstances.

This policy will be reviewed annually.

Record of approval: This policy was approved by the Board of Directors at its meeting on March 20, 2012 and is recorded in the minutes of that meeting.



Board of Directors' Policies and Procedures

Q. Privacy Policy

The Club maintains several types of mail and email databases, including Club members, affiliated technical society contacts, our general distribution lists, and persons who have registered for an event. The privacy of these contacts is important to the Club. Therefore:

- Mail, phone, and email addresses are used only by Club staff and volunteers to distribute information related to the Club. Mail, phone, and email lists are not sold or distributed to any entity.
- If at any time a contact wants any personal information to be removed from the Club's web site, the contact should send a written request (email is acceptable) to the Club office and the information will be removed.
- Information provided to the Club regarding personal information is true and correct to the best of the Club's knowledge and belief and is updated on a periodic basis.
- While the Club will do its best to include links on the Club's website that are in keeping with professional standards, the Club cannot be responsible for the privacy practices or content of websites reached by links contained on the Club's web site.
- The Club retains the right to review all content prior to publication on the Club's web sites.
- It is the Club's general policy to only release a contact's information to a private individual or public or private entity following the receipt of written consent from the individual contact authorizing the Club to disclose such information. However, the Club may be required to release such information as required by law. In lieu of providing contact information, we may email the individual contact with the information of the person requesting the contact.

Please contact the Club at contact@engrclub.org if you have questions regarding this policy.

This policy will be reviewed annually.

Record of approval: This policy was approved by the Board of Directors at its meeting on March 20, 2012 and is recorded in the minutes of that meeting.



Board of Directors' Policies and Procedures

R. Document Retention Policy

The corporate records of the Engineers' Club of Philadelphia (Club) are important assets. Corporate records include essentially all records produced as an employee, member, or volunteer, whether paper or electronic. A record may be as obvious as a memorandum, an e-mail, a contract or a case study, or something not as obvious, such as a computerized desk calendar, an appointment book or an expense record. Properly organized and indexed electronic files can be used in lieu of paper documents. However, care must be taken that these electronic files will continue to be usable as technology changes.

The law requires the Club to maintain certain types of corporate records, usually for a specified period of time. Failure to retain those records for those minimum periods could subject the individual and the Club to penalties and fines, cause the loss of rights, obstruct justice, spoil potential evidence in a lawsuit, place the Club in contempt of court, or seriously disadvantage the Club in litigation.

The Club expects all employees, members, and volunteers to fully comply with any published records retention or destruction policies and schedules, provided that all employees, members, and volunteers should note the following general exception to any stated destruction schedule: If you believe, or the Club informs you, that Club records are relevant to litigation, or potential litigation (i.e., dispute that could result in litigation), then you must preserve those records until it has been determined the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records. If you believe that exception may apply, or have any question regarding the possible applicability of that exception, contact the Club's Executive Director.

From time to time the Club establishes retention or destruction policies or schedules for specific categories of records to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that bear special consideration are identified below. The table of documents at the end of this policy indicates the time period to retain documents.

While minimum retention periods are suggested, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention identified above, as well as any other pertinent factors. Such factors could include requirements within specific contracts.

Failure to comply with this document retention policy may result in civil and criminal penalties.

1. **Tax Records.** Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of deductions, business costs, accounting procedures, and other documents concerning the Club's revenues and expenses.
2. **Employment Records/Personnel Records.** State and federal statutes require the Club to keep certain recruitment, employment and personnel information. The Club should also keep personnel files that reflect performance reviews and any complaints brought against the Club or individual employees under applicable state and federal statutes. The Club should also keep all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel in the employee's personnel file.
3. **Board and Board Committee Materials.** Meeting minutes should be retained in perpetuity in the Club's minute book. A clean copy of all Board and Board Committee materials should be kept.
4. **Press Releases/Public Filings.** The Club should retain permanent copies of all press releases and publicly filed documents under the theory that the Club should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the Club.



Board of Directors' Policies and Procedures

5. Legal Files. Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained as noted in the table.
6. Development/Intellectual Property and Trade Secrets. Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to the Club and are protected as a trade secret where the Club:
 - a. derives independent economic value from the secrecy of the information; and
 - b. the Club has taken affirmative steps to keep the information confidential.
7. Contracts. Final, executed copies of all contracts entered into by the Club should be retained.
8. Electronic Mail. E-mail that needs to be saved should be either:
 - c. printed in hard copy and kept in the appropriate file; or
 - d. downloaded to a computer file and kept electronically or on disk as a separate file.

The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy.

Document Retention Table	
Type of Document	Minimum Requirement
<u>Financial and Tax Related</u>	
Audit reports of accountants	Permanently
Internal audit reports	7 years
Bank and Vanguard statements	7 years
Depreciation Schedules	Permanently
Financial Statements (Year-end)	Permanently
Paid Bills (from vendors).	7 years
General ledgers / check register / check stubs	Permanently
Cancelled checks (except as noted below)	7 years
Cancelled checks (for important payments, e.g., taxes, purchase of property, special contracts, etc. [filed with the papers pertaining to the underlying transaction])	Permanently
Invoices (to customers)	7 years
Deposit Records, including duplicate deposit slips	7 years
Tax returns and worksheets	Permanently
Payroll Journals	Permanently
Retirement and pension records	Permanently
Tax statements reported to IRS, state (W-2, 1099, 940, etc.)	7 years
Donation records of endowment funds and restricted funds	Permanently
Donation Records, other	7 years
Meeting / Event Registration forms	3 years
<u>Human Resources</u>	
Employment applications	3 years
Personnel files (terminated employees)	7 years
Timesheets	7 years
<u>Contracts, Legal</u>	
Leases (expired)	7 years beyond life of agreement



Board of Directors' Policies and Procedures

Document Retention Table	
Type of Document	Minimum Requirement
Contracts	Five years beyond life of agreement.
Deeds, mortgages, and bills of sale	Permanently
Insurance Policies (expired)	3 years
Insurance records, accident reports, claims, etc.	Permanently
Intellectual Property/Trade Secret Development	Permanently
Legal Files	Generally 10 years but may depend on what they are
Patents and related Papers	Permanently
Trademark registrations and copyrights	Permanently
General	
Correspondence (general)	7 years
Correspondence (legal and important matters)	Permanently
Correspondence (with customers and vendors)	7 years
E-Mail	Depends on type of document
Minute books, bylaws, charter, Articles of Incorporation	Permanently
Board and Committee Meeting Materials, Handouts	7 years
Press Releases/Public Filings	Permanently
Membership Applications and Renewal Information	10 years
Education Course Records: Summary of courses held and course participants	10 years
Education Course Evaluations	7 years
Marketing and sales documents	3 years
Inventories of products, materials, and supplies	7 years

Record of approval: This policy was approved by the Board of Directors at its meeting on March 20, 2012 and is recorded in the minutes of that meeting.



Board of Directors' Policies and Procedures

S. Promotion of Externally Developed Training Courses

The Club has received requests for promoting training courses from engineering companies and technical societies. Part of the Club's mission is to promote communication among engineers and professional development. The Club also provides its own professional development program that is designed to provide income to the Club. The promotion policy below has been developed in an effort to support the mission while not harming the revenue received from our course offerings. External program developers must be made aware that the Club will apply guidelines and judgment in the selection of training courses and programs promoted under our banner. What we want to avoid are ostensible "training programs" which are little more than infomercials.

The Club will provide a webpage that includes information about training programs offered by other organizations, under the following conditions:

1. A link to the organization's training or professional development page will be provided, indicating the organization's name. This needs to be a year-round link, not a link to a specific event or a link that is only available during part of the year. Other descriptive information about the organization will not be included, nor will individual courses be listed.
2. The organization will include a link to the Club's Education Courses webpage on their training or professional development webpage.
3. Training programs / presentations must adhere to the Club's Non-Commercialism Policy, the essence of which is:
The training shall be to educate the audience about industry developments, research or a technology application, not to advertise nor promote commercial entities or other external groups. This does not preclude the use of the company's name, logo, or contact information in the training materials, but it can't be a major focus.
See the full Non-Commercialism Policy for details.
4. All training programs / presentations are subject to review by the Club. If programs / presentations are found to be in violation of the Non-Commercialism Policy or otherwise deemed in appropriate for continued promotion, the organization will be contacted and the Club's concerns presented. If the concerns cannot be resolved to the Club's satisfaction, the information will be removed from the Club's website.
5. Inclusion of a link to a training program does not constitute endorsement of the program or any of the presentations within the program, even if the program / presentation has been reviewed by the Club.
6. The Club will not be responsible for answering questions or taking reservations for the training program, except as part of a separate fee-for-services contract.
7. For-profit organizations must:
 - a. be corporate members of the Club
 - b. provide a discount to Club members.

Record of approval: This policy was approved by the Board of Directors at its meeting on November 19, 2013 and is recorded in the minutes of that meeting.



Board of Directors' Policies and Procedures

T. Non-Commercialism Policy Statement

The Engineers' Club's educational programs, professional development, and other activities shall be free of commercial bias and shall not imply the Club's endorsement of any commercial interest. Commercial recognition may be provided or implied when doing so is necessary to promote the advancement and professional development of engineers and the understanding of associated technologies. Such opportunities for recognition shall be administered fairly and may include citations, sponsorships, advertising and acknowledgements.

Non-Commercialism Guidelines:

To disseminate information, enhance knowledge and fulfill its objective, the Club conducts educational programs and technical meetings, makes data available in electronic form, and may publish literature. These activities and publications may include commercial recognition to promote understanding of technical content and awareness of available technologies and techniques. Such recognition, however, must not imply the Club's endorsement of a product or service, nor may the focus of any Club work or activity be to promote a commercial product or service, whether in the public or private sector.

Responsibility for implementing this Non-Commercialism Policy resides with the Club's Board and committees. These groups should draw upon their unique understanding of their assigned activities to make decisions that are consistent with the Club's policy. These Guidelines are intended to be of assistance when applying the Non-Commercialism Policy and making judgments that are fair, beneficial to the membership, and protect the integrity of the Club's activities. They address the Club's recognition of all external groups – public and private; for profit and not for profit; commercial and non-commercial.

The Club's Commercialism Guidelines consist of two sections.

- The Guiding Principles set forth the basic criteria that each instance of commercial recognition must meet.
- The Examples of Policy Intent provide specific guidance as to what the Club has already determined to be acceptable and unacceptable instances of commercial recognition. These Examples of Policy Intent are not a complete list of policy applications, nor are they intended to cover the full intent of the policy. They provide guidance.

When deciding on approval of activities that include commercial recognition, the Board and committees must determine if the intent of the Non-Commercialism Policy Statement is met and if the criteria identified as Guiding Principles are satisfied.

Guiding Principles

- The Club's use of commercial names and logos shall not be done in ways that imply the Club's endorsement, approval or certification.
- If Club activities are sponsored by commercial entities or other external groups, the opportunities for sponsorship shall be widely available and fairly administered. Special considerations may be extended to corporate members or other non-profit organizations; these shall be fairly administered and equitably advertised.
- The intent of any Club presentation or publication shall be to educate the Club audience about industry developments, research or technological application, not to advertise nor promote commercial entities or other external groups.
- The inclusion of commercial information shall be done in a fair and unbiased way so as to avoid explicit promotion of a product or commercial entity.
- Commercial names and logos not directly related to the product, subject or affiliated technology shall be permitted in presentations and papers providing recognition is pertinent to a better understanding of techniques, processes or technologies in question, such inclusion is not intended to be promotional, Club



Board of Directors' Policies and Procedures

endorsement is not conveyed, and there is no implication that the audience is required to use the commercial entity.

- Some ECP activities, such as participation in an Exposition, are recognized as operating as commercial enterprises, fulfilling the Club's mission of technological advancement with adherence to business plans that generate income to offset operational expenses.

Examples of Policy Intent***Acceptable Applications***

- Club annual and special meeting events, such as luncheons and receptions, may be sponsored.
- Commercial names and logos may be used to acknowledge sponsorships, such as on event banners, tabletop displays, newsletters, rosters, media presentations, and websites.
- Commercial names and logos may be used in presentations and papers to provide author identification or to acknowledge contributions. Company names and products may be cited in historical works.
- Company names and products may be cited in presentations and papers if such information has historical significance directly relating to the technology discussed in a presentation or paper.
- Manufacturer and model number of test instruments may be noted if such identification is required to allow accurate reproduction of the work described.
- Presentations may include logos and the names of computer hardware, operating systems, browsers, word processing programs, spreadsheets, presentation programs, etc., since the intent of the presentation is to examine engineering technology, not to promote information management technology.
- Demonstrations of software, tools, equipment, etc. used may include reference to commercial products and may include performance data if the inclusion of such references and data are necessary to illustrate the technical concepts that are the subject of the presentation or paper. There shall not be any implication that other comparable software is not adequate. This does not preclude presentation of side-by-side comparisons of the capabilities of software, tools, equipment, etc. to perform specific tasks, as long as the comparison is done in an impartial manner and not as a means to promote one entity over another.
- Web-based presentations may include excursions to commercial sites if the purpose is clearly not to promote a commercial entity.
- Club technical literature and educational materials may be sponsored if the content of the material remains bias free, if equal opportunities are provided to commercial interests, and if such recognition is made public.

Unacceptable Applications

- The title or the text of papers and presentations may not promote a commercial product or service.
- The use of commercial names may not be done in ways that promote the benefits of that commercial entity nor be used to principally further awareness of that commercial entity.
- The subject of presentations and papers may not be to promote a commercial entity's exclusively available commercial product and service.
- Commercial part numbers may not be used in a presentation's or paper's title, text or illustrations unless such information is necessary for advancing technical knowledge.
- Product-specific programs (programs whose main intent is to describe the features of a specific manufacturer's product) may not be scheduled because their very nature would be to further awareness of a specific commercial entity or to describe the advantages of the commercial entity.

Record of approval: This policy was approved by the Board of Directors at its meeting on November 19, 2013 and is recorded in the minutes of that meeting.



Board of Directors' Policies and Procedures

U. Reserve Policy

It shall be the policy of The Engineers' Club of Philadelphia to maintain a reserve balance of the Club's investments of no less than the equivalent of the current cost of Club operations for a six month period. For purposes of this policy, the current cost of Club operations for a six month period shall be defined as one-half of the most recent fiscal year's total cost of operations of the Club, rounded to the next thousand dollars. The most recent fiscal year's total cost of operations for the Club, fiscal year 2013, was in the amount of \$153,181. Therefore, the current cost of Club operations for a six month period is \$77,000. It shall be the policy of The Engineers' Club of Philadelphia that this figure shall be the minimum reserve amount in the Club's long-term investments until such time as a new minimum will be established based on the then next year's total cost of operations of the Club as defined above.

This policy may only be changed by a majority vote of the Board of Directors, and only following a recommendation to make a change by the Executive Committee.

Record of approval: This policy was approved by the Board of Directors at its meeting on March 18, 2014 and is recorded in the minutes of that meeting.



Board of Directors' Policies and Procedures

V. Financial Investment Policy

This investment policy for The Engineers Club of Philadelphia provides a guiding philosophy with respect to its holdings and investments. It is the intent of this policy that withdrawals from the investments will not be made to fund ongoing operating expenses of the Club, except as noted below, but rather will be made for specific, special initiatives that the Club's Board of Directors may elect to undertake. The Club's funds should not be used for capricious spending nor should they be considered sacrosanct such that any withdrawals from the investments be totally forbidden like a trust fund.

It shall be the policy of The Engineers' Club of Philadelphia to invest its long-term funds in a manner that will maximize returns within a reasonable and prudent level of risk. Such investments shall be made in at least two different investment vehicles, neither of which shall exceed 50% of the total funds invested at the time of their investment. It is the intent of this policy that these investments shall be considered as long-term investments of the Club, and shall be "balanced", without undue weighting to any one sector of common financial investments reasonably available to the Club.

To this end, the Board of Directors, with the advice of the Finance Committee, shall determine which investments best suit the needs of the club. The Finance Committee will review the investments periodically, but no less often than twice per year (preferably in January and July of each year), and shall make recommendations for changes, if any, to the Board following each review.

Periodic earnings accruing to each investment vehicle shall be automatically reinvested into the respective funds, and except as noted within this policy, will not be withdrawn for operating or other expenses.

Up to two percent (2%) of the value of the long term investments of the Club as of January 1 of each year may be used to fund future operating expenses of the Club, and that this amount may be included in the Club's annual budget for the following fiscal year.

Withdrawals from the Club's long-term investment funds, including withdrawals in accordance with the preceding paragraph, may only be made by a majority vote of the Board of Directors, and only following a recommendation from the Executive Committee.

Note: In January, 2013, the Board approved the Finance Committee's recommendation that \$300,000 of the Club's investments at that time be deposited equally into the following two vehicles:

- Vanguard Wellington Fund Admiral Shares - \$150,000.
- Engineers' Club of Philadelphia Account 5024-0656, actively managed by Robert Gelsner of Janney Montgomery Scott LLC - \$150,000.

Record of approval: This policy was approved by the Board of Directors at its meeting on March 18, 2014 and is recorded in the minutes of that meeting.