

**AGC OF WASHINGTON  
POLICIES OF THE BOARD**

**POLICY 1 - TRAVEL AUTHORIZED AT CHAPTER EXPENSE**

1. The Chapter President and spouse and the First Vice President and spouse shall be reimbursed their actual expenses when traveling on Chapter business to the National AGC Convention, AGCA Leadership Conference, Western Chapters' Meeting and Northwest Chapters Meeting.
2. The Chapter Second Vice President shall be reimbursed his/her actual expenses when traveling on Chapter business to the AGCA Leadership Conference.
3. The Chapter Secretary/Treasurer and spouse shall be reimbursed their actual expenses when traveling on Chapter business each year to one of the following: National AGC Convention, AGCA Leadership Conference, Western Chapters' Meeting, or Northwest Chapters Meeting.
4. Chapter staff shall be reimbursed their actual expenses when traveling on any authorized Chapter business.
5. The Chapter will pay hotel and least expensive round trip airfare for the National AGC Convention and Midyear Meeting with three (3) weeks prior approval by the Finance Committee for:
  - a. Chapter officers not covered in paragraph 1 above
  - b. District Vice Presidents
  - c. National AGC Division Chairs
  - d. National AGC Committee or Task Force Chairs
  - e. First Timers to an AGC National Convention or Midyear Meeting
  - f. Any member asked to attend a meeting or represent the views of the AGC of Washington at a National or regional meeting.
  - g. National AGC Committee Persons or Task Force Appointees
  - h. National AGC Elected Directors

NOTE: The above policy applies to individuals who are general contractor, subcontractor or associate members in good standing with the AGC of Washington. National Committee Persons, first-timers and Elected Directors must be serving on a local Chapter committee and have that committee's approval in order to travel at Chapter expense.

6. Special requests for travel, hotel or both, not covered above, must be submitted to the Finance Committee or Board three (3) weeks prior to the event and must have the approval of the appropriate local committee should one exist.
7. Where mileage allowance is authorized, the allowance shall be the current deduction allowed by the IRS for normal business mileage.
8. Members and staff who travel at Chapter expense to attend meetings, seminars, etc., shall report on such meetings at the next regularly scheduled meeting of the Board of Trustees when requested.
9. Each year the Finance Committee will establish a national travel budget within overall budget constraints to cover travel and lodging expenses for those who qualify in Paragraph 3 above. Should such funds be exhausted before year-end, all requests for

travel and lodging reimbursement will be subject to Board review and approval on a case-by-case basis prior to expenses being incurred.

March 13, 1989  
Rev. April 8, 1996  
Rev. Jan. 1, 2008  
Rev. Sept. 12, 2011

## **POLICY #2 – INVESTMENT OBJECTIVES AND GUIDELINES**

I. Fiscal Year – The Chapter shall use the calendar year as its fiscal year for operations, planning, taxes and other purposes.

### II. Purpose

- a. The purpose of AGC's investments is to meet the needs of day-to-day operations of the association and properties, to provide adequate resources to maintain the properties and replace and maintain essential equipment, to provide sufficient reserves to protect the organization against unforeseen economic emergencies with respect to the association and properties, and to provide financial support for special issues that is beyond the means of the annual operating budget.
- b. The purpose of AGC's Retro Funds is to meet the needs of AGC member funds held in trust for refund of L&I premiums. AGC Retro Funds will only be invested in short duration, fixed income investments for capital preservation.
- c. The Finance Committee shall prepare and publish Investment Operational Guidelines to implement Board Policy #2.

III. Investment Objectives for AGC – The primary objective is income and capital appreciation to ensure that sufficient funds are available to meet Chapter needs. A secondary objective is to maximize return through prudent management of funds to maintain and build reserves. To achieve these objectives, the investment account will incorporate three tiers of safety, liquidity and yield criteria:

- a. Cash and Equivalents (Operating Investments) – This portion of the portfolio are those funds needed within one year for operations and should be available without penalty. Investments should be safe and liquid.
- b. Fixed Income – This portion of the portfolio are those funds needed to provide a liquid reserve above and beyond the need for cash for operations. The investment priorities are safety, liquidity and yield.
- c. Equities – This portion of the portfolio is designed to maximize capital appreciation. Funds in this category will be needed in three or more years, so liquidity is a secondary objective and higher levels of appropriate risk are acceptable.

### IV. Guidelines

- a. The Board has established Reserves Policy #22. This policy is intended to complement and achieve the objectives set forth in the Reserve Policy. The Board shall establish and review appropriate levels for the identified reserve funds on a semi-annual basis. The funds are:
  - Operating Reserves
  - Plant & Equipment Reserve
  - Special Projects Reserve
- b. The Finance Committee shall meet at least twice yearly to review asset allocation, investment selection, portfolio performance, overall adherence to the investment policy, and to develop recommended allocations to the identified reserve funds and report the results of said review to the Board twice each year.
- c. Deposits and withdrawals as approved by the Board shall be credited to the identified reserve fund. Investments may be made in the aggregate and do not need to be segregated by the identified reserve funds.
- d. The Association may retain one or more investment counselors approved by the Board to manage investment funds. Such counselors shall be subject to periodic performance review by

the Finance Committee and shall report at least annually to the Board on performance of the investment portfolio.

V. Authorized Investments – All investments shall be made in high quality funds with prudent levels of diversifications according to the Investment Operational Guidelines. The following investments are authorized for the three tiers established in III, above.

a. Cash and Equivalents (Operating Investments)

- Checking, savings and money market accounts with federally insured banks and savings and loan associations
- Money market funds with major brokerage firms that are backed by substantial private insurance
- Federally insured bank and savings and loan association certificates of deposit
- Ultra short duration fixed income mutual funds

b. Fixed Income

- Any listed in Operating Investments, as well as:
- U.S. Treasury obligations
- U.S. Agency and Government guaranteed paper
- U.S. Government securities
- Securities of agencies of the U.S. Government
- Securities of a wholly owned corporation of the U.S. Government
- High quality investment grade corporate bond issues (equal to or better than “BBB” rating)

c. Equities

- This portion of the portfolio may also be invested in high quality equities and equity mutual funds.

Rev. February 25, 1988  
Rev. May 10, 1996  
Rev. September 16, 1996  
Rev. June 6, 2003  
Rev. December 4, 2017

### **POLICY 3 - CHAPTER LEGAL EXPENSES**

The legal firm(s) representing the Chapter shall be notified annually in writing that the only Chapter representative authorized to incur legal expenses for the Chapter is the Executive Vice President. If the Executive Vice President has any questions pertaining to the necessity of incurring legal expenses, he is to obtain approval from the President before incurring the expenses. Chapter officers, trustees, committee chairmen, committee members, and staff are to be kept informed of this policy.

October 12, 1981

### **POLICY 4 - CHAPTER INVOLVEMENT IN BID DISPUTES**

With the numerous opportunities for conflicts during the bidding process on construction projects, the Chapter often is requested by one or more parties to intervene in a dispute. It is the policy of this Chapter to become involved in disputes only when the dispute involves the application of a basic industry bidding practice and only when requested by a party to the dispute. The AGC membership status of any or all parties to the dispute shall have no bearing on the Chapter's decision to become involved, nor will it have any bearing on the opinion issued.

Recognizing that the need for rapid action often will preclude the opportunity for a formal Board decision, the President is authorized to approve the Chapter's involvement in a dispute. That authority may be delegated to any officer or to the Executive Vice President. If sufficient time is available, the President may authorize a committee to formulate the Chapter's position. In formulating the Chapter's position on a particular issue, the approving authority will be guided by the following:

1. That the issue involves a basic industry bidding practice and is not a dispute over specific facts.
2. Chapter bylaws, other Chapter policy statements, published AIA-AGC documents, project and standard specifications, etc.

3. Local, state, and federal laws and regulations.
4. Standard industry bidding practice in the absence of written documents.

The approving authority will communicate the Chapter's position to the decision-making body in the dispute. That position statement shall address only the issues in question and shall make no value judgment on the qualities of the contractors involved.

June 14, 1982  
Rev. February 14, 1983

#### **POLICY 5 - ILLEGAL STRIKES**

The Chapter shall take whatever legal action is necessary to halt illegal picketing of a Chapter member by a labor union. Such action shall be approved by the Board of Trustees first (except in emergency cases) at the discretion of the Executive Vice President and/or Director of Labor Relations.

October 12, 1981

#### **POLICY 6 - CHAPTER-OWNED VEHICLES**

Replacement of Chapter-owned vehicles will be at the discretion of the Executive Vice President any time after a vehicle is four years old or has accumulated 75,000 miles.

October 12, 1981

#### **POLICY 7 - COMMITTEE EXPENSES**

The following guideline is for committee chairpersons and staff to assist them in answering periodic questions that come up over the course of the year concerning individual committee/ activity budgets.

After the Chapter budget is approved each year, individual committees will have been authorized a budgeted amount to carry out the committee's objectives for the coming year. The operations budget and capital expenditures budget are two separate budgets that cannot be used interchangeably, nor can monies be reallocated between the two budgets without Board approval.

If a committee finds itself in need of additional funding for a specific project or activity that hasn't been budgeted, the chairperson must make a written request to the Board seeking additional funding.

The procedure for reallocations within the operations budget is as follows:

1. If a committee wants to reallocate monies in their existing budget to another previously unidentified need, etc., they may make such reallocation up to \$1,000 with written notification to their portfolio officer, President, Executive Vice President and Controller.
2. If the reallocation amount is over \$1,000, but less than \$5,000, then a written request must be made to their portfolio officer. The portfolio officer can authorize such reallocation. Upon approval of authorization, copies are to be sent to the President, Executive Vice President and Controller.
3. Re-allocation of budgeted amounts over \$5,000 requires Board approval.

Re-allocations within the capital expenditures budget require Board approval.

Each month the committee chairs will be given recaps of activity and capital expenditures. The committee chairs will prepare a "Semi-Annual Committee Report" to be sent to the Executive Vice President by the last day of June and December of the applicable year.

October 12, 1981  
Rev. July 14, 1994

## **POLICY 8 — ENDORSEMENT OF BALLOT MEASURES OR CANDIDATES FOR POLITICAL OFFICE**

The AGC of Washington reserves the right of formal endorsement of ballot measures or candidates running for public office solely to the AGC Board of Trustees. The AGC Board may consider formal endorsement of candidates running for the United States Senate, United States House of Representatives, statewide political offices such as Governor or Supreme Court, or of proposed ballot measures, either statewide or local. Formal AGC endorsement of candidates running for state legislative or local government offices (i.e. city, county or ports) will not normally be considered.

Any AGC member in good standing, or any AGC committee, may recommend endorsement of candidates or ballot measures to the Board of Trustees for consideration. Such recommendation shall be made in writing, either by letter or electronic communication, to any of the AGC Officers or the AGC Director of Government Affairs. Upon receipt of such recommendation, the Board shall give the endorsement recommendation due and timely consideration. When considering any endorsement, the Board shall develop and communicate the process it will use to determine whether to endorse any candidate or ballot measure. Such process shall include discussions with AGC members in each AGC district addressing the endorsement in question. The Board shall conduct its discussions leading to an endorsement in a meeting open to AGC members. A decision by the Board of Trustees shall be communicated to the membership.

If one or more contractor members of the AGC who are in good standing wish to support candidates for political office or ballot measures, the AGC may lend in-kind support to AGC members as the Board deems appropriate. Such in-kind support may include such services as printing, access to AGC mailing lists, mailing, postage, direct mail solicitation (if the AGC member or members provide company or personal stationery and envelopes), limited staff support and counseling, and other services. It shall be expressly conveyed to such candidates, ballot measure committees, or contractors that such in-kind support is not a formal endorsement by the AGC of Washington.

May 14, 1984  
December 11, 2006  
September 14, 2009

**(Note: The following are guidelines only and not an official part of Policy 8)**

### **PROCESS USED IN 2008 ENDORSEMENT DELIBERATIONS:**

1. *Met with AGC members in each AGC District to discuss both the question of whether to endorse a candidate for Governor, as well as which candidate to endorse.*
2. *Prepared polling, campaign finance information and District results for AGC Board.*
3. *Invited both candidates to submit videos which were posted on the AGC webpage.*
4. *Board heard personal presentations from both candidates.*
5. *Board discussed endorsements pros and cons – both whether or not to endorse and if so, whom to endorse.*
6. *Board voted on endorsement.*

### **POLICY 9 - ENDORSEMENT OF MEMBER'S PRODUCTS**

The extent to which the Chapter will endorse the particular products or services of any individual member is limited to that described in Article 2.1 of the bylaws. It is not the Chapter's purpose to recommend one member as opposed to another or to endorse a member's manufactured product or consulting, educational or other service provided to the industry. However, unless specifically prohibited in the bylaws, members may display the appropriate AGC membership logo on promotional material for their products or services.

September 10, 1984

### **POLICY 10 – AMICUS REQUEST PROCEDURE**

AGC members and other private parties involved in construction litigation periodically request that the AGC furnish amicus support. Those requests are normally referred to the Legal Affairs Committee for evaluation and recommendation. This policy describes the procedure to be followed by anyone asking for AGC amicus support.

1. *Who may request AGC amicus support:*

Any member of the AGC of Washington may request the AGC's support as an amicus. In special circumstances, the AGC will consider requests from non-members for amicus support. However, requests that are either made or supported by an AGC member typically receive more favorable consideration than requests from non-members.

2. *How a request for amicus support is made:*

a. Each request must be in writing. The request consists of two parts: a completed Amicus Request Form (a copy of the form is on file and available through the legislative office); and a packet of materials regarding the requesting party's dispute that are to accompany the form.

b. The main purpose of the application is to permit an efficient evaluation of the dispute to decide whether it meets the AGC's criteria for amicus support. Applicants should complete the form and assemble the related materials knowing that each petition will receive only a limited amount of review, and that incomplete or disorganized applications will rarely be considered.

c. The entire packet should be submitted to:

AGC of Washington, Legislative Office  
410 – 11<sup>th</sup> Avenue S.E., Suite 203, Olympia, Washington 98501  
Phone: (360) 352-5000; Fax: (360) 352-4411

3. *Criteria for AGC amicus participation:*

The AGC does not maintain any rigid set of criteria for determining whether to furnish amicus support. Each application is considered individually. However, criteria that are generally considered include the following:

a. Does the dispute present an issue of substantial and widespread importance to the construction contracting industry?

b. Is the dispute likely to result in a decision that will have significant value as future precedent on that issue?

c. What is the likelihood of a decision favorable to the interests of contractors on that issue?

- d. Is there likely to be disagreement among different AGC members or among segments of AGC membership over what position to support on that issue?
- e. Is the dispute ripe for the AGC to furnish amicus support?
- f. Is there sufficient time for a reasoned evaluation of the request for amicus support, and for amicus participation before pending deadlines?

4. *Procedure upon receipt of request:*

Once a request for amicus support is submitted, it is reviewed by AGC staff and at least one member of the Legal Affairs Committee. If it appears to warrant further consideration, the request is then placed on the agenda for the next regularly scheduled meeting of the Legal Affairs Committee. The Committee may in appropriate circumstances request comments on the request from the Government Affairs Council. The Committee may request the applicant to furnish additional materials or attend a Committee meeting to provide additional information. After consideration of the application, the Legal Affairs Committee makes a recommendation to the AGC President on whether to furnish amicus support. If financial expenditure is recommended, the President may refer the request to the AGC Board of Trustees.

Typically, a minimum of 30 to 60 days is needed between the time a written request for amicus support is submitted to the AGC and the time any recommendation is made by the Legal Affairs Committee in response to the request. In addition, no action will normally be taken on any request during the summer months, when the Legal Affairs Committee does not hold regularly scheduled meetings. In very urgent situations, the Chair of the Legal Affairs Committee may convene a special meeting during summer months to respond to true emergencies. In the event Chapter participation in a legal dispute requires legal representation, the attorney and/or law firm will be selected in the same manner prescribed in Policy #11.

September 10, 1984  
Rev. December 14, 1992  
Rev. November 12, 2001

### **POLICY 11 – AMICUS CURIAE LITIGATION**

When the Chapter elects to participate in litigation as amicus curiae, except in “emergency” situations the following procedures will govern the selection of attorneys to represent the Chapter:

1. A request for proposals will be made to all law firm members of the Chapter indicating the subject matter and current status of the litigation, the existing parties, and the current litigation schedule and time limits involved. The request for proposal may be circulated by e-mail. The request for proposal shall state a specific date by which responses must be received.

2. Interested law firms may respond in writing or by e-mail. The responses shall include the following information: the firm’s specific litigation experience and subject matter knowledge in the areas of law involved in the litigation; the firm’s general litigation capabilities and experience; the names of the specific lawyer(s) who would handle the case; a specific commitment that the firm would be able to handle the matter within the time frame and deadlines set forth in the AGC’s solicitation; and, a proposed fee for the proposed legal services.

3. A Review Committee consisting of the Chapter President, Executive Vice President and the Chairman of the Legal Affairs Committee, and/or their designees shall review the responses. No committee member may be from a firm that is submitting a response to the request for proposal. The Review Committee will review the proposals received, consider the recommendation of the LAC in deciding and make a decision as to whether or not to authorize AGC participation. If the Review Committee determines AGC should contribute funds or incur expenses in support of an amicus brief, a recommendation shall be made to the Board of Trustees.

4. One of the criteria to be considered by the selection committee shall be the desirability of giving the opportunity to represent the AGC to a variety of law firm members over a period of time, to the

extent commensurate with the need to obtain highly competent representation in the particular subject matter and type of proceeding involved in each specific case.

November 19, 1984  
Rev. November 12, 2001

### **POLICY 12 - BOARD OF TRUSTEES ATTENDANCE REQUIREMENTS**

The complexity of issues facing the Chapter demands consistent meeting attendance by the trustees. It is recognized that the trustees serve voluntarily and unavoidably may be unable to attend a Board meeting. Accordingly, the Chapter will allow a trustee to be absent from two consecutive meetings or three meetings in a calendar year. For any additional absences, the position will be declared vacant and a new trustee will be appointed in accordance with Article 6.7 of the bylaws.

July 13, 1987  
Rev. April 8, 1996

### **POLICY 13 - HONORARY MEMBER NOMINATIONS**

Honorary Members as defined in Article 3 of the bylaws must be nominated by a General Contractor and then approved by two thirds of those present at a Board of Trustees or Membership meeting.

Written nominations will include the following information:

1. Name of nominee.
2. Company or agency with which the nominee was affiliated.
3. Approximate retirement date.
4. A brief narrative statement as to the nominee's qualifications to be elected as an Honorary Member.

January 10, 1985

### **POLICY 14 - ANTI-TRUST COMPLIANCE POLICIES AND PROCEDURES**

It shall be the policy of the AGC of Washington Chapter of the Associated General Contractors of America, Inc., ("AGC") to be in strict compliance with all federal and state anti-trust statutes and regulations, therefore:

BE IT RESOLVED, that the following are adopted as the AGC's Anti-Trust Compliance Policies and Procedures:

1. These policies and procedures apply to all membership, board, committee, and other meetings and social functions sponsored by the AGC, all meetings attended by representatives of the AGC, and to the AGC's employees and all of their activities within the scope of their employment.
2. All meetings of the AGC, whether membership, board, committee, social function, or any other type of meeting sponsored by the AGC shall be conducted as though they were open to the public.
3. Discussion of prices or price levels is prohibited. In addition, no discussion is permitted of any elements of a company's operations, which might influence price such as:
  - 3.1 Company costs of operations, supplies, labor or services;
  - 3.2 Allowances for discount;



3.3 Terms of sale including credit arrangements; and

3.4 Profit margins and markups.

This limitation shall not extend to discussion of methods of operation, maintenance, and similar matters in which cost of efficiency is merely incidental. Furthermore, this limitation shall not extend to discussion of labor cost or productivity in, or in preparation for, collective bargaining on behalf of the AGC or a group of its members.

4. It is a violation of the anti-trust laws to agree not to compete; therefore, discussions of division of territories or customers or limitations on the nature of business carried on or products sold are not permitted.

5. Boycotts in any form are unlawful. Discussion relating to boycotts is prohibited, including discussions about blacklisting or unfavorable reports about particular companies, including their financial situation.

6. It is the AGC's policy that a copy of these Anti-Trust Compliance Policies and Procedures be given to each director, committee member, member company, and AGC employees annually, and that official notice of the AGC's policy be given at the first meeting each year of the Board of Trustees and membership of the AGC.

April 11, 1988

#### **POLICY 15 - SERVICES TO NON-MEMBERS**

AGC services and programs will be open only to members in good standing and membership applicants, with the exception of programs developed jointly with other organizations or which are designed as an outreach program, such as the Construction Technical Skills classes, or those offered by the AGC Education Foundation.

June 11, 1990

#### **POLICY 16 - LEGISLATIVE ISSUE PROCEDURES**

Any Chapter committee that is about to engage in any activity that will or has the potential of impacting any local or state legislation, or any local or state regulations, shall submit the issue to the Government Affairs Council for the purpose of coordination and information.

Conversely, if the Government Affairs Council needs technical assistance in a particular area of expertise, e.g., wetlands, hazardous waste, etc., it will contact the appropriate Chapter committee for assistance.

May 13, 1991

#### **POLICY 17 - WORKFORCE DEVELOPMENT FOR THE CONSTRUCTION INDUSTRY**

##### ***AGC Supports Union and Open Shop Construction Training and Education Programs***

All construction career programs are encouraged to provide quality training and education, and to operate at a capacity that meets the workforce needs of the industry. To support open shop and union contractors around the state additional programs should be approved. In regions or crafts that cannot support a typical classroom curriculum, creative training programs should be developed. Coordination with existing regional and statewide workforce development efforts to monitor and catalog construction career programs will make this information widely available.

##### ***AGC Promotes Accountability***

AGC members will provide representation on all apprenticeship training program committees. These representatives understand that their role is to monitor and evaluate the quality of training provided, with standards for curriculum and competency training set to meet contractor needs. Training programs are encouraged to establish continuing education opportunities for the benefit of employees and employers. As an information and awareness tool to contractors, AGC will provide an annual report on apprenticeship and educational programs.

**AGC Encourages Diversity and Outreach**

The future construction workforce is to be recruited at all educational levels, from under represented groups, and from non-traditional sources. We recognize that in order to attract quality personnel access and awareness of construction training and education programs needs to be improved. To achieve this we will provide information on potential career paths and ways to gain the appropriate training.

**AGC Conveys a Positive Image of the Construction Industry**

The public will be informed of the positive contribution that the construction industry makes to our communities, as both a business and career. The future workforce will have the tools to evaluate construction careers and understand the options for training and education.

**AGC Achieves Government Entity Awareness of the Industry's Workforce Goals**

We will work with government entities to achieve an understanding of the construction industry's contribution to local communities, the needs of the workforce, and how agencies can help us to reach our workforce goals. There exists a delicate balance between current employment needs and long term training requirements. Therefore, the construction industry is the best source to make decisions related to the workforce, and does not need government mandates to achieve our short or long term goals

May 11, 1998  
Rev. March 12, 2001

**BOARD POLICY 18 - CONFLICT OF INTEREST**

No Board member shall use his or her position, or the knowledge gained therefrom, in such a manner that there is a conflict of interest between a) the AGC of Washington (the "Association") or any of its affiliates and b) the Board member's personal interests.

Each Board member has a fiduciary duty to place the interest of the Association foremost in any dealings with the Association and has a continuing responsibility to comply with requirements of this policy.

If a Board member has an interest in a proposed transaction with the Association in the form of a personal financial interest in the transaction or in any organization involved in the transaction, or holds a position as trustee, director, or officer in any such organization, he or she must make full disclosure of such interest before any discussion or negotiation of such transaction.

Any Board or committee member who is aware of a potential conflict of interest with respect to any matter coming before the Board or committee shall disclose the potential conflict of interest to the Association and shall not be present for any discussion of or vote in connection with the matter.

Board or committee members may not obtain for themselves, their relatives, or their friends a material interest of any kind from their affiliation with the Association.

Board members shall timely disclose any board membership in any other organizations or companies.

June, 2009  
Rev. November, 2009

Acknowledged this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Board Member Signature

\_\_\_\_\_  
Board Member Printed Name

I am a board member for the following organizations and/or companies:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

## **POLICY 19 - ERGONOMICS**

1. AGC has to be proactive.
2. AGC needs to work with unions.
3. AGC should develop generic programs ("best management practices") that can be used by individual contractors.
4. AGC should partner with L&I.
5. AGC should investigate European experience.

March 12, 2001

## **POLICY 20 – EMINENT INFLUENCE**

The AGC of Washington will be the leading influence for the construction industry. This will be the association's highest priority endeavor.

1. The highest result area will be an effective communications system that:
  - a. facilitates grassroots advocacy involvement by both members and non-members.
  - b. is targeted in its methods to specific member interests.
  - c. relies most heavily on electronic means.
  - d. works effectively at both the local and state government levels.
  - e. tracks member and non-member involvement.
2. The second highest result area will be ever-increasing member involvement:
  - a. in identifying and setting policy on industry issues.
  - b. in recruiting new members into the association.
  - c. on boards, commissions and task forces affecting public policy on industry issues.
3. The third highest result area will be a public relations program that:
  - a. positions AGC as the leading resource on industry issues for the electronic and print media.
  - b. publicly promotes and rewards members for service to communities.
  - c. increases member use of the AGC logo and slogans in a public environment.
  - d. positions the interests of the industry as congruent with public and decision-maker interests.
4. The Board of Trustees establishes the following fiscal principles to support this policy:
  - a. The Executive Vice President will insure that the annual operating budget and business plan support this policy as the highest endeavor of AGC.

- b. The Executive Vice President will establish a special issues fund for the purpose of supporting any elements of this policy that from time to time go beyond the capabilities of the annual operating budget.
  - i. Contributions to the fund from AGC assets will require approval of the Board of Trustees.
  - ii. Special programs for raising assets for the fund will be approved by the Board of Trustees.
  - iii. Distributions from the fund will require approval of the Board of Trustees or other persons or bodies delegated this authority.

April 8, 2002

### **POLICY 21 - DIVERSITY**

The AGC of Washington will effectively represent the full diversity of the construction industry, including women and minority contractors. This will be a high priority endeavor for the association. The Board of Trustees finds that the association has a reasonable diversity in the types of members, e.g. contractors, subcontractors, union, non-union, large, small, etc. The Board also finds that the association lacks enough diversity in member businesses owned by women and various minority groups. It is the Board's belief that in order to truly represent the construction industry effectively, the association must welcome all those who are eligible for membership under the bylaws. To that end, the Board establishes the following priorities:

1. The Chapter will proactively seek out women and minorities from all segments of the membership to participate in task forces, committees, Board of Trustees and officers.
2. The Chapter will conduct and/or sponsor programs to nurture the development of emerging construction firms with a particular focus on women and minority contractors.
3. The Chapter will proactively recruit women and minority contractors into membership.
4. The décor and artwork in all Chapter offices will reflect the broad diversity of construction work accomplished by members and will demonstrate the ethnic and gender diversity of the construction industry.
5. The Executive Vice President will ensure that recruiting for new staff positions will include efforts to find qualified women and minority candidates.

September 9, 2002

### **POLICY 22 – ASSOCIATION RESERVE FUNDS**

The AGC of Washington will maintain adequate reserves for the following purposes:

- An Operating Reserve to protect the organization against unforeseen economic emergencies with respect to association operations;
- A Plant & Equipment Reserve to provide adequate resources to maintain real property assets and replace and maintain essential equipment; and,
- A Special Projects Reserve to provide financial support for special issues that is beyond the means of the annual operating budget.

Amounts available for reserves shall be defined as current assets minus current liabilities plus long term investments plus tenant deposit liabilities. If these available funds fall short of the targeted reserves established by the Board on an annual basis, a plan will be established to increase available funds to meet the targeted reserve levels established by the Board. If the funds available for reserves exceed the targeted reserve levels established by the Board, the excess will be considered to be an Unallocated

Reserve. This Unallocated Reserve may be needed to cover anticipated future expenditures from the various reserves (future capital improvements, replacements or repairs for example). Any expenditure from this Unallocated Reserve must be approved by the Board.

The Board, after the annual audit and with recommendations from the Finance Committee, will determine the targeted reserve level for each of the various reserve funds, using the following guidelines. The Operations Reserve will target a sum equal to three months of dues income. The Plant and Equipment Reserve will target a sum sufficient to account for unanticipated losses of tenant deposits, tenant vacancies, rental rate reductions due to market fluctuations, loan payments, disasters not covered by insurance and tenant improvements and investments to maintain income stream. The Board will target the amount needed for the Special Projects reserve. The Board may also accept donations to the Special Projects Reserve, but in doing so will make a statement to donors clearly identifying the donations as unrestricted Special Projects Reserve funds.

The reserves will be invested according to the guidelines in Investment Policy #2. They will be tracked in supplementary schedules and will be treated as unrestricted funds.

Expenditures from the Plant and Equipment Reserve are accomplished, generally, through the annual budgeting process plus any emergency repair or maintenance work needed that is not covered in the Capital Expense budget. Expenditures from the Operating and Special Projects Reserves and extraordinary expenditures from the Plant and Equipment Reserve are subject to the approval of the Board of Trustees.

The minimum reserve investment account balance will be the greater of thirty percent (30%) of AGC's annual budget revenues or the annual earthquake insurance deductible. When authorizing expenditures from any of the reserve funds, the Board will also approve a plan to replenish the amount expended from the fund, which may include use of available Unallocated Reserves. Loans are permitted from one fund to another upon approval from the Board. The annual operating budget will contain a reasonable contingency fund available to the Board for unanticipated expenses. Monies will generally be first drawn from the contingency fund before any of the reserve funds.

June 6, 2003  
Rev. June 6 2008  
Rev. June 7, 2013

### **POLICY 23 – EXECUTIVE VICE PRESIDENT COMPENSATION**

The officers of the chapter shall set the compensation level of the Executive Vice President and approve any change.

The officers of the chapter shall annually evaluate the Executive Vice President on his/her performance and compensation. Any increase in compensation deemed reasonable shall be documented by the officers of the chapter as being a compensation level and benefits of similarly qualified individuals in comparable positions at similar organizations. The documentation may include the following:

1. Salary and benefit compensation studies by independent sources.
2. Written Job offers for positions at similar organizations
3. Information obtained from the IRS Form 990 filings of similar sized organizations.

Sept. 12, 2011

## POLICY 24 – OFFICER / BOARD QUALIFICATIONS & RESPONSIBILITIES

POSITION	QUALIFICATIONS	ROLES	RESPONSIBILITIES
President	1. Served as a trustee and have chaired or participated on either a committee or task force.	1. Strategic Plan oversight. 2. Actively recruit members.	1. Per bylaws 2. Travel: Per Board Policies. 3. Attend District functions as availability allows. 4. Ex-officio member of the AGC BUILD-PAC Senior Council.
1st Vice President	1. Served as a trustee or have chaired or participated on either a committee or task force.	1. Encouraged to participate in GAC. 2. Strategic Plan oversight. 3. Actively recruit members.	1. Per bylaws 2. Travel: Per Board Policies. 3. Attend District functions as availability allows. 4. Serve on AGC BUILD-PAC Senior Council
2 <sup>nd</sup> Vice President	1. Served as a trustee or have chaired or participated on either a committee or task force.	1. Encouraged to participate in GAC. 2. Strategic Plan oversight. 3. Actively recruit members.	1. Per bylaws 2. Travel: Per Board Policies. 3. Attend District functions as availability allows.
Secretary / Treasurer	1. Minimum of 10 yrs.' experience in the construction industry. 2. General contractor or subcontractor member. 3. Corporate financial experience. 4. Respect of peers. 5. Has company support to devote the time to the position.	1. Strategic Plan oversight 2. Actively recruit members. 3. Advise EVP. 4. Fulfill responsibilities of law.	1. Per bylaws 2. Travel: Per Board Policies. 3. Attend District functions as availability allows
Trustees	Active AGC Member	1. Actively recruit members.	1. Per bylaws
Non-member Trustees	Community involvement.		1. Bring a community perspective to Board activities.
Immediate Past President			1. Per bylaws. 2. Serve on Officer Corps / Board 3. Serve on AGC BUILD-PAC Senior Council.

October 17, 2012

Rev. September 9, 2013

Rev. December 8, 2014

### Guiding Principles approved by the Board of Trustees:

#### AGC BUILDING

- *The existing AGC Building is sacred and future development cannot impact the inherent value of the building.*
- *We will not encumber the existing building, marina, or property as a means of developing the south parking lot.*
- *Any development of the south parking lot should be complimentary to the existing building tenants.*
- *The AGC will retain ownership of the land in any new development and financial participation will be limited to the land value (e.g. ground lease) or air rights value.*
- *Any new development must preserve the parking needs of the existing building/marina tenants.*
- *The AGC is not interested in acting as the developer for any south parking lot building programs.*

November 11, 2011

## **POLICY 25 – ETHICAL CONDUCT**

Current AGC policies require that AGC Officers, directors, employees and volunteer representatives observe high standards of business and personal ethics in the performance of their duties and responsibilities. Each employee and volunteer representative of AGC is expected to practice honesty and integrity in fulfilling his/her AGC responsibilities. AGC has an open door policy and everyone, including all employees and volunteer representatives should report concerns about suspected ethical and/or legal violations to the AGC's Compliance Officer (currently the AGC Secretary/Treasurer) or the President.

December 7, 2015