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(Rules of the Board Chapters are numbered to correspond w/related Bylaws Article number)

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Chapter 3 – Membership in the Institute

3.0. Suspension of Membership.

3.0.1 The Project Management Institute, Inc. (“PMI”) Board of Directors (the “Board”) has adopted the following Procedures to be followed when the Board seeks to suspend or expel a member per [Article III, Section C\(2\)](#) of the Bylaws. The relevant section of the Bylaws states, “[p]ursuant to a fair process and under procedures duly adopted by the PMI Board of Directors, any member may be suspended or expelled from membership by a three-fourths (3/4ths) affirmative vote of the PMI Board of Directors.” Note that this process is intended to be separate from the PMI Ethics Case Procedures, which is reserved for matters referred to the Ethics Review Committee, as well as the Complaint, Dispute, and Grievance Policy and the Chapter Conflict Resolution Process.

3.0.2 Disciplinary Action. The PMI Board may initiate action against a member of PMI in accordance with these Procedures if the Board has sufficient information and reason to believe the member—

- a) has failed to comply with PMI and/or PMI Chapter Policies/Procedures/Rules;
- b) refuses to support the purposes of PMI;
- c) has engaged in conduct prejudicial to PMI and/or a PMI Chapter; or
- d) has brought PMI and/or a PMI Chapter into disrepute.

3.0.3 Disciplinary Committee.

- a) PMI has a variety of processes for various issues/complaints including, but not limited to, the Ethics Review Committee, the Complaint, Dispute and Grievance Process and the Chapter Conflict Resolution Process. Should an issue come through one of these processes and it is determined to be better aligned to this membership suspension process, the proposed suspension issue may be referred to the CEO and/or the General Counsel under this Rule of the Board 3.0.3.
- b) The issue shall be referred to the CEO or the General Counsel in writing, with justification for the proposed suspension. Should the PMI CEO, General Counsel, or their designee believe that there is sufficient information to provide a reasonable belief that a member has committed any of the acts in Section 3.0.2, they will present that information and recommendation to the PMI Chairs Committee. This process may only be initiated by the PMI CEO, General Counsel, or their designee.
- c) If a majority of the PMI Chairs Committee agrees that there are sufficient grounds for taking disciplinary action against a member, the PMI Board Chair shall appoint a committee to hear the matter and determine what action, if any, to take against the member (the “Disciplinary Committee”).
- d) The Disciplinary Committee shall consist of three (3) unbiased members of the PMI Board, as appointed by the PMI Board Chair. The PMI Chair will appoint one (1) of the three (3) Disciplinary Committee Members to be the Chair of the Disciplinary Committee. As used in this Rule, “unbiased” means a member of the PMI Board who does not have a personal conflict with the PMI member or the underlying facts giving rise to the grounds for taking disciplinary action against a member.

3.0.4 Notice to Member. Before disciplinary action may be taken against a member, the Disciplinary Committee Chair, or his/her designee, must give written notice to the member no

earlier than 28 days, and no later than 14 days, before the Disciplinary Meeting is held. Notice shall include:

- a) A statement that PMI proposes to take disciplinary action against the member;
- b) the grounds for the proposed disciplinary action;
- c) the date, teleconference instructions, and time of the meeting at which the disciplinary committee intends to consider the disciplinary action (the "Disciplinary Meeting");
- d) advising the member that s/he may do one or both of the following—
 1. call in to the Disciplinary Meeting and address the Disciplinary Committee at that meeting, with or without Counsel, and present any witnesses;
 2. provide a written statement to the Disciplinary Committee at least 72 hours before the Disciplinary Meeting.
- e) advising the member that if they wish to present witnesses at the meeting, s/he must send a list of witnesses at least 72 hours prior to the meeting;
- f) a reference to this Section of the rules of the Board; and
- g) the names of the members of the Disciplinary Committee.

All notices provided to a member under these Procedures shall be delivered electronically to the email delivery address on file with PMI, as well as any other addresses of the member known to PMI. Parties are responsible for maintaining up-to-date email delivery addresses with PMI. Materials sent to the email address on file with PMI will be deemed to have been received for purposes of these Procedures, regardless of whether such materials are returned as undeliverable; the Board Chair may make exceptions to this general rule at his/her discretion.

3.0.5 Disciplinary Meeting.

- a) Should the member wish to participate in the Disciplinary Meeting, they must do so via videoconference or teleconference.
- b) At the Disciplinary Meeting, the Disciplinary Committee must—
 1. provide the member an opportunity to present witnesses and be heard; and
 2. consider any written statement submitted by the member.
- c) The member will be responsible for his/her expenses associated with a Disciplinary Meeting, including the costs associated with any witnesses or legal counsel. PMI will bear other general costs of conducting the Disciplinary Meeting, including costs associated with the activities of PMI representatives.

3.0.6 Decision of the Disciplinary Committee.

- a) After the disciplinary meeting, the Disciplinary Committee shall vote to—
 1. take no further action against the member;
 2. suspend the membership rights of the member for a specific period;
 3. expel the member from PMI membership; and/or
 4. cancel one or all of the PMI certifications of the member.
- b) Disciplinary Committee Vote Results
 1. Should the Disciplinary Committee unanimously vote to take disciplinary action described in Section 3.0.6(a)(2) or 3.0.6(a)(s), the Disciplinary Committee Chair will make a recommendation of the same to the full Board at their next meeting (either Special Meeting or scheduled meeting) or through a request for a Unanimous Written Consent by the Board. The decision of the Disciplinary Committee will be

delivered to the Board as a recommendation for the Board's vote. The recommendation to the Board shall include a fair exposition of all allegations and responses as well as the full Disciplinary Meeting transcript and all written submissions. If 3/4 of the Board approves the Disciplinary Committee's decision, that decision shall become final. The suspension of membership rights or the expulsion of a member by the Board shall take effect immediately after the Board vote is passed. The Disciplinary Committee Chair shall send notice to the member within seven (7) days of the Board's decision.

2. In the event that there is not a unanimous vote by the Disciplinary Committee pursuant to Section 3.0.6(a), no action shall be taken against the member, and the Disciplinary Committee Chair shall send a notice to the member advising him/her of the decision and report to the full Board at its next meeting.
- c) The member shall have no right to appeal the decision of the Disciplinary Committee and/or the Board.

Chapter 4 - Membership Dues, Fees and Assessments

- 4.0.1 Dues, Fees and Assessments. The Board shall ensure through delegation to the President and CEO that membership dues, fees and other assessments for all categories of membership are reviewed annually, and the Board shall approve said dues, fees and other assessments annually. Notwithstanding the foregoing, the Board in its discretion may delegate said approval rights to set Membership Dues to the CEO through the Level 1 Membership Dues, Fees, and Assessments Policy.

Chapter 5 - Membership Meetings

5.0 Annual Membership Meeting

- 5.0.1 Membership Meetings. Annual Membership Meetings will be conducted in accordance with the Bylaws, Article V, and this Chapter 5 Membership Meetings Rule of the Board.
- 5.0.2 Meetings, Time and Location. There shall be at least one (1) Annual Membership Meeting of the membership as prescribed in the Bylaws, Article V, Section A.
- 5.0.3 Notice, Call for Agenda Items. In addition to the notice required in the Bylaws, Article V, Section A, PMI shall cause notice of the Annual Membership Meeting, stating the date, time, place and, if a special meeting, the purpose, to be formally communicated to the membership. This may be accomplished using PMI print publications, www.pmi.org, or other means accessible to the full membership. The notice shall also state the full requirements for members to bring resolutions or other formal actions to be considered to those present at the meeting, in accordance with Bylaws Article V, Section D and any other applicable governance requirements.
- 5.0.4 Minutes of Annual Membership Meeting. The General Counsel and Corporate Secretary shall draft, prepare, and post the meeting minutes of the Annual Membership Meeting.
- a) Contents of the Minutes. Written minutes for the Annual Membership Meeting shall contain pertinent PMI announcements and actions taken.
 - b) Distribution of Minutes. The draft minutes of each meeting shall be reviewed by the Chair prior to distribution for the next regularly scheduled meeting.
 - c) Approval of Minutes. The Annual Membership Meeting Minutes shall be posted prior to the next Annual Membership Meeting and submitted for approval by a quorum of the eligible voting membership at that meeting.

Chapter 6 - PMI Board of Directors (The Board)

6.0 Nomination and Election of Directors of the PMI Board of Directors

- 6.0.1 Nomination and Election of Directors will be conducted in accordance with the Bylaws and these Rules of the Board. All nominees and candidates shall be obligated to abide by these governing documents.
- 6.0.2 Director Positions. Director positions and qualifications are as described in the Bylaws, Article VI, Board of Directors, Sections A and B. The Code of Conduct for Board members is found in Rule of the Board 12.1, Board Member's Code of Conduct.
- 6.0.3 Diversity Statement. PMI leadership and the Board value and strive for inclusive representation of volunteer leaders on our Board of Directors that reflects our organization, membership, and profession. Our success today and into the future relies on our ability to capitalize on diverse perspectives and points of view resulting from a balance of race, gender, age, experience, industry, skill set, nationality, ethnicity, sexual orientation, and other factors deemed relevant. The nomination process fully appreciates, considers, and is informed by the value derived from diverse representation. The Nominating Committee shall ensure that the members are offered a diverse choice for open Director positions and that more candidates are presented than the number of open positions.
- 6.0.4 As a PMI member and potential Board candidate, all individuals considering a Board position must abide by the Project Management Institute's Code of Ethics and Professional Conduct. Any violation of the Code (or pending complaint) prohibits a member from serving on the Board. With PMI's globally diverse stakeholders in mind, potential candidates should ideally possess and will be evaluated against the following criteria*:
- a) 10+ years project, program or portfolio manager experience
For example: The candidate is a subject matter expert and able to significantly participate in market perspective discussions that will contribute to strategy formation.
 - b) 5+ years professional global experience
For example: Worked or governed in multi-national organizations, academia or NPOs that have global reach; worked in a different country than where born; or worked with different cultures and teams from different countries.
 - c) Knowledge of PMI Functioning
For example: Good understanding of PMI's current strategy (mission, objectives and goals), governance structure, organization, programs, products and services, which can be achieved through volunteering exposure, corporate council, or other ways of collaboration with PMI
 - d) Strategic planning experience

For example: Professional development focused on strategic planning (courses, seminars, etc.); devised and/or contributed to strategies and policies ensuring that an organization met its goals; worked in a strategy function; or experience in a project portfolio management role.

e) 5+ years executive leadership level experience

For example: Executive management position in a corporation, non-profit and/or academic institution; understands and can articulate the big picture and key drivers of an organization, strategy formation, working relationships with peer executives, leadership highlights, facilitation; and public speaking experience.

f) 5+ years senior management level experience

For example: Senior management position in a corporation, non-profit and/or academic institution; managing teams; responsible of day to day activities; having budgetary responsibilities; establishing performance targets.

g) Board/governance experience

For example: Strategic dialogue and decision-making; fiduciary oversight; good governance practices; dealing with CEO matters; succession planning.

h) Financial literacy

For example: Good understanding of key financial concepts (balance sheet, profit and loss, forecasts, etc.) and financial reports, or experience in tying financial statements to programs and strategy for a comprehensive view.

*Examples are for illustrative purposes...there may be other relevant examples.

The Governance Committee will annually review: (1) the expected candidate criteria in Rule of the Board 6.0.4 a) through h) to ensure the criteria are current and relevant and (2) the size of the Board to ensure it is appropriate. The Governance Committee will present any recommendations for changes to the Board for discussion and vote.

6.0.5 The Call for Nominations. The President and CEO shall be responsible for publishing the annual Call for Nominations in a PMI media, including www.pmi.org, preferably every December.

a) The Call shall identify the number of vacant director positions.

b) The Call shall communicate deadline for receipt of required nomination forms*.

c) The Call shall state that the election of Directors will be in accordance with applicable parts of the Bylaws that shall be printed in the Call in their entirety.

d) The Call shall state PMI's policy on electioneering and campaigning.

e) The Call shall include a timeline including, but not limited to:

1) Date recommendations for nominees must be received.

2) Approximate date the Nominating Committee Chair informs the candidates who will be interviewed.

- 3) Deadline for the receipt of required candidate forms.
- 4) Date ballots will be provided to eligible voting PMI members.
- 5) Date election results will be announced.

*Required forms are outlined in the Nomination and Election Administration Manual.

6.0.6 Election Activities

- a) Use of PMI Funds and/or Resources. No funds or resources of PMI, or its Components, Other Subsidiary Groups or employees, shall be used to promote the nomination or election of any candidate, except for information posted to pmi.org/Board Nominations and Election or published through other PMI media as official communication of the election process.
- b) Candidate Campaigning and Communication. Campaigning is strictly prohibited. Candidates may only communicate one-on-one in response to communications initiated by another PMI member regarding their candidacy and only if the communication focuses on their qualifications. Mass communications by any means (e.g., postal mail, telecommunications, e-mail [regardless of whether the message is sent one at a time or simultaneously to a mailing list], and all social networks, etc.) are prohibited. If candidates have questions regarding communications, they should seek advice of PMI General Counsel before responding to any communication.
- c) Campaign Materials. No candidate or PMI member may utilize any campaign materials such as posters, buttons/lapel pins, digital communications, social media, group activities or sponsorships to promote a candidate.
- d) Candidate Communications with PMI. The candidate should discuss the position with former Directors or a member of the Nominating Committee. Specific requirements of the position in terms of time, expense, meeting schedules, and administrative assistance should be explored.
- e) Compliance with Election Activity Rules of the Board. The Nominating Committee will ensure that all nominees, as a condition of expressing their interest in being a nominee, will submit a signed copy of this Rule of the Board verifying that they have read, understand and agree to abide by these policies and rules. This includes the following statement: 'As a condition of my potential nomination or candidacy, I agree that I will not initiate, encourage, accept or endorse conduct on behalf of my potential nomination or candidacy which is in violation of the policy relating to the election as adopted by the Board. To violate this policy may result in revocation of my nomination or candidacy for office.'

- 6.0.7 PMI Communications with Candidate. The President and CEO and staff assistance, shall direct all administrative communications to potential nominees, nominees and candidates.
- 6.0.8 Violation of Election Activity Rules of the Board. Any alleged violations of these Rules shall be addressed in accordance with Bylaws Article VI, Section C, 6: 'Disputes'.
- 6.0.9 Election Administration. The administration of Directors' elections shall be the responsibility of the President and CEO.

- a) The President and CEO will secure an independent election services provider to conduct the balloting process, who shall be responsible for the formatting and reproduction of all ballot material to be distributed to members in good standing as required in the Bylaws.
- b) The independent provider shall ensure that the member's identity cannot be determined in the course of casting their secret ballot while validating the member's eligibility to vote and ensuring that only one vote is cast per member.
- c) The independent provider shall ensure that only ballots received by the published, pre-determined return date are counted.
- d) The independent provider shall provide a confidential written report of the official election results to the President and CEO and the PMI Nominating Committee Chair, including:
 - 1) The official results (including cumulative election totals)
 - 2) The number of cast votes
 - 3) Geographic breakdown of votes
 - 4) The number of ineligible votes and reason they were ineligible
 - 5) Percentage of members who cast votes (including ineligible votes).

6.0.11 Reporting Election Results. The Nominating Committee Chair, or his/her designee, owns responsibility for communicating election results to successful and unsuccessful candidates by telephone and within 3 days of the close of the election.

6.0.12 Ballot Material Preparation, Announcement of Election Results and Reporting.

- a) Upon the specified deadline stated in the Call for Nominations, the Nominating Committee Chair shall forward to the President and CEO the name of all eligible candidates to prepare the annual ballot materials for distribution.
- b) The President and CEO shall ensure that all candidates are informed of the approximate date that the election results will be communicated to them by the Chair or the PMI Nominating Committee Chair. At the same time, candidates shall also be informed of their required attendance/participation in an ad hoc meeting of the Board (to be scheduled to coincide with the Board's Annual Meeting) for the purpose of electing Board Officers and Board Standing Committee Chairs, as well as of their requested attendance as an observer, at the Board meeting. PMI will reimburse travel expenses for successful candidates related to attendance at these meetings.
- c) The Chair shall announce the election results at the Annual Membership Meeting.
- d) Voting Records/Reports. The voting records are confidential materials and may not be released without the prior written permission of the Corporate Secretary and General Counsel. Only names of the election winners and the overall total number of votes cast may be released.
- e) Record Retention. The President and CEO shall maintain confidential voting records/reports in accordance with PMI's Record Retention Policy.

Nominating Committee Reporting Process. The Nominating Committee Chair shall submit an annual report summarizing the committee's activities,

including a committee self-assessment and any pertinent recommendations to the Board in time for inclusion on the Consent Calendar for Receipt of the Board's next regularly scheduled meeting following the election. The President and CEO shall also distribute said report to the following year's Nominating Committee Chair.

- 6.0.13 Nominating Committee Appointments: Adhere to the Bylaw requirement that Nominating Committee Chair shall not be a current Director of PMI and refer to Committee Composition and Terms as defined in the Nominating Committee Charter. The Board Volunteer Advisory Committee will identify potential candidates for appointment to the Nominating Committee for the Board's consideration and approval. The Nominating Committee shall have two (2) ex-officio Advisors, one current PMI Director appointed by the Board, and the PMI President & CEO.

6.1 PMI Board/Member Communication Process

- 6.1.1 The President and CEO shall establish and maintain a communication process to ensure an open line of communication between stakeholders, the Board and the President and CEO.
- 6.1.2 The Chair will annually appoint a Director to the role of Board Communications Liaison. The Board Communications Liaison will work in conjunction with the President and CEO in implementing the communication process.
- 6.1.3 The President and CEO will designate the Corporate Secretary to assist in administrating the communication process.
- 6.1.4 Receipt of communications shall be acknowledged, logged, and routed to the appropriate party for response within three business days. If the communications cannot be responded to within three business days, a response will be issued identifying the timing for the response.
- 6.1.5 Fiduciary and strategic related communications may be forwarded to the Chair for assignment, in coordination with the President and CEO, to a Director for response. The President and CEO will provide a subject matter expert to draft a response for Director's review and approval. The Corporate Secretary, will be copied on the approved responses when sent.
- a) The President and CEO will ensure that responses to fiduciary and strategic communications will be available electronically to the full Board as they are resolved.
- 6.1.6 Operational related communications will be assigned by the President and CEO to the appropriate staff subject matter expert for response.

- a) For awareness, the President and CEO will ensure that the operational communications log be available electronically to the full Board, at minimum, monthly.

6.2 Outreach Policy

6.2.1 Outreach is defined as interfacing, as an official representative of PMI, with individuals, groups and organizations with an interest in project management and/or PMI. Individual Directors may engage in outreach for the purpose of achieving one or more objectives identified in PMI's Strategic Plan. Staff and others designated by PMI, and operating on behalf of PMI, may also engage in outreach activities in the course of implementing the Annual Operating Plan.

6.2.2 Outreach has traditionally been identified through requests for participation issued by stakeholders to PMI. PMI has adopted a developmental approach to Outreach in concert with the current strategy of the organization. This approach is driven by the Vice-President of Communications working in partnership with the Regional Managing Directors (RMDs). They can identify:

- a) Opportunities to extend the reach of PMI through attendance at industry events aligned with PMI's strategy.
- b) Opportunities to meet with executives or to participate in executive forums that will extend the reach of PMI and the influence of the project and program management profession.

In this context the VP of Communications has the responsibility to identify and coordinate with RMDs unique opportunities in which either staff or members of the Board may be asked to participate. This participation can be any of the activities listed in Rules of the Board 6.2.3.

6.2.3 The Board may, at its own discretion, propose outreach activities that assist with their own need for sensing and responding. This Outreach opportunity should also be coordinated with the Vice-President of Communications and with the appropriate RMD.

6.2.4 The Board may be asked to conduct formal outreach activities in an effort to extend PMI's reach with audiences in order to achieve a strategic intent. Formal outreach may take several forms, including but not limited to the following:

- a) Speaking Engagements. Invitations received via the Speaking Engagement Request (SER) form to speak at specific events, including keynote presentations about PMI or other project management topics sanctioned by PMI.
- b) PMI Ambassador Relations. Invitations to deliver brief personal narratives supporting volunteers and congratulating chapters that are celebrating milestone anniversaries.
- c) Written Publications. Invitations received via the SER form, or other means, to write articles, blogs, social media posts etc. about PMI or project management topics sanctioned by PMI.
- d) Participation as a subject matter expert in forums for which there is value in having the Board member in attendance.

- e) e) Requests will be reviewed and considered by the President and CEO (or designee) and considered if the request aligns with PMI's Strategic Plan and available resources.

6.2.5 Individual Directors shall:

- a) Speak with 'one voice' while representing PMI.
- b) Upon request, provide their projected availability to attend outreach activities.
- c) Prepare for activities by reading briefing material and other resources, and by practicing delivery of the presentation in advance.
- d) Prepare and submit an outreach report in the required format, including any follow-up actions, to the Outreach Administrator for posting in a timely manner and to ensure follow-up items are distributed appropriately.
- e) Unless otherwise authorized, avoid making commitments on behalf of the Board or PMI.
- f) Comply with Rule of the Board 12.1.1.b.4 regarding personal invitations received by Directors to speak at events being held by other project management entities.
- g) Submit any written publications to Communications team for editorial review at least two weeks before publication deadline.

6.2.6 The President and CEO (or designee) shall:

- a) Be responsible for producing an annual Outreach Plan.
- b) Appoint an Outreach Administrator to communicate and coordinate outreach engagements and logistics. This includes:
 - 1. identifying speakers based on availability and ensuring outreach reports are published, as well as general administrative activities, including but not limited to:
 - a) Responsible for creating advance culture and travel, where applicable, briefing material.
 - b) Responsible for arranging requested public relations activity, including ensuring access to presentations/requisite printed collateral, obtaining the presenter's biographic summary and photograph.
 - c) Responsible for ordering gifts that may be required as per cultural protocol. Note: If chapter milestone gifts are needed for an anniversary event, the Communities and Membership Development Associate is responsible for ordering and sending such gifts.
 - d) Ensuring event sponsor has provided requisite audio/visual equipment for the presentation.
 - 2. Ensuring that Board and Staff Outreach Reports and the findings and opportunities contained in those reports are compiled as part of the PMI Client Relationship Management database and:

- a) That trends and/or themes in those findings and opportunities are appropriately identified and reported to the Board Outreach and Sensing Liaison on a bi-monthly basis.
- b) That actions as a result of these findings and opportunities are reported to the Board, as appropriately, including the actions that are being implemented in response.

6.3 Organizational Monitoring

- 6.3.1 The President and CEO (or designee) will provide periodic reports to the Audit and Risk Committee that enable the Board to monitor the performance of PMI, both with regard to progress towards the goals and objectives outlined in the Strategic Plan and to program and financial performance.
- 6.3.2 Monthly Financial Statements. The President and CEO will provide to the Audit and Risk Committee monthly unaudited financial statements that includes data to discern PMI's position year-to-date as compared to the approved budget.
- 6.3.3 Quarterly Monitoring Report. The President and CEO will provide to the Board a quarterly Monitoring Report that consists of a format approved by the Audit and Risk Committee.
- 6.3.4 Strategic Performance. The President and CEO with concurrence from the Audit and Risk Committee will develop and periodically adjust, as appropriate, the measures, targets, ranges and report format for the Board Scorecard as required for attainment of PMI's Strategic Plan.
- 6.3.5 Urgent issues raised by the Audit and Risk Committee when reviewing a monitoring report in accordance with the Monitoring Report Review Process approved by the Board will be forwarded to the Chair for action.
- 6.3.6 The President and CEO will provide access to adequate outside monitoring assistance as recommended by the Audit and Risk Committee and approved by the Board.
- 6.3.7 The President and CEO must always report, in a timely manner, actual or anticipated non-compliance with any policy of the Board.
- 6.3.8 The President and CEO (or designee) will provide the Board, through PMI General Counsel, with periodic updates regarding litigation that is material to the operation of PMI.

6.4 PMI Board Committee Principles

- 6.4.1 The Board may charter committees to assist and advise the Board in fulfilling its responsibilities in relation to a particular function or topic. The committees are not policy making bodies, but assist the Board by implementing Board policy and recommending actions which require Board approval.
- 6.4.2 All committees must have an approved charter before committees can assemble and commence work.
- 6.4.3 Board committees are to help the Board do its job, never to help or to advise the staff. Committees ordinarily will assist the Board by preparing or analyzing alternatives

and implications for Board deliberations. Board committees may request information or assistance from the President and CEO or the committee staff liaison, consistent with the performance of the purpose and achieving the deliverables defined in the committee charter.

- 6.4.4 Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the President and CEO.
- 6.4.5 Board committees cannot exercise authority over staff.
- 6.4.6 The Board may choose to implement the following types of “committees” with their defined purpose and duration, to help accomplish the work of the Board:
 - a) Board Standing Committees: formally chartered by the Board and charged with preparing for deliberation some aspect of the Board's normal and annual responsibility.
 - b) Board Reporting Committees: Board Reporting Committees are comprised generally of non-Board members and are formally chartered by the Board to assist the Board with some aspect of the Board's duty. The Board Reporting Committees have defined purposes and deliverables, consistent with the Bylaws and Rules of the Board and are responsible to follow the Board agenda process. The Board may establish rules that permit Board Directors to serve on Board Reporting Committees on an exceptional basis.

Board Councils: Formally chartered by the Board with individual specific written responsibility to conduct, year after year, some aspect of the organization’s activities for which the Board has ultimate responsibility.

- 6.4.7 Board Task Team and Ad Hoc Working Group Principles are only established based on the following principles:
 - a) A completed needs assessment, based on the Board Program of Work, validates the need for a Board Task Team or Ad Hoc Working Group.
 - b) The completed needs assessment is included as a formation document.
 - c) Strictly adhere to time and scope allotted in the Task team Charter or Ad Hoc Working Group SOW. Requests to expand scope or extend timelines should undergo the same needs assessment scrutiny as establishing an Ad Hoc Working Group or Task Team.
 - d) Ensure that TTs and AHWGs meet the below criteria before formation:
 - 1) Board Task Teams: Task Teams are formally chartered by the Board as needed, to assist the Board in accomplishing its work. Task Teams are created to deliver a specific piece of work on the Board’s behalf and will be dissolved upon the completion of the work. Task Teams may be comprised of both Board and non-Board members.
 - 2) Ad Hoc Working Groups: Informal teams assigned by the Chairs Committee to quickly address an unplanned one-time specific topic, situation, or issue. They are not formally chartered but will have a Statement of Work and should complete their task in the time between

Board meetings and automatically dissolve by the time of the next Board meeting after formation, unless their term is otherwise extended by the Chairs Committee. They are created when their goal or focus is outside the scope of Board Standing/Support Committee or Task Teams and can be composed of both Board and non-Board members. The Chairs Committee is responsible for appointing members of the Ad Hoc Working Group and approving the commitment of resources.

- 6.4.8 These Rules apply to any group that is formed by Board action, whether or not it is called a committee and regardless of whether the group includes Directors. It does not apply to committees formed under the authority of the President and CEO.

6.5 PMI Board Standing Committees and Task Teams

- 6.5.1 **Establishment.** The Board shall establish and maintain Board Standing Committees and Task Teams consisting of incumbent Directors, Non-Board members and the President and CEO as described in Rule of the Board 6.4.6. These Board Standing Committees/Task Teams shall have no authority to act on behalf of the full Board, except as otherwise provided herein, and shall be established for purposes of assisting the full Board with respect to the fulfillment of its duties and responsibilities by enabling the Board to acquire in-depth understanding of governing and environmental issues which are to be considered by the full Board.
- 6.5.2 **Authority.** Consistent with the provisions of this Chapter, Board Standing Committees/Task Teams shall have the authority and the duty to carry out the purposes of the Committee/Task Team, as set forth in the approved Board Standing Committee/Task Team Charters, as approved and authorized by the Board. Each Chair of a Board Standing Committee/Task Team is responsible to the Board for the performance of their respective Committee/Task Team. The Board Chair is a non-voting, Ex-Officio member of all Board Standing Committees and Task Teams.
- 6.5.3 **Reporting.** Board Standing Committees/Task Teams shall report to the Board through the Chairs Committee, unless specified otherwise.
- 6.5.4 **Charter Review.** Board Standing Committee/Task Team charters will be reviewed and approved annually by the Boards, in a process involving the respective committees and staff. Committees/Task Teams may not meet nor act without a current, approved charter.
- 6.5.5 **Limitations.** Board Standing Committees/Task Teams shall be prohibited from any activities or actions that will cause PMI to be legally or financially bound to an agreement or other relationships. Board Standing Committees/Task Teams shall be limited to the activities set forth in their formal and approved Board Standing Committee/Task Team charters consistent with law, the Bylaws and Rules of the Board.

- 6.5.6 Purpose and Composition. Board Standing Committees/Task Teams shall be determined by the Board. Currently the following Board Standing Committees exist:
- a) The Chairs Committee. The Chairs Committee consists of the elected Board Chair (who serves as its Chair), elected Audit and Risk Committee Chair, elected Compensation and Talent Committee Chair, elected Strategy Oversight Committee Chair, President and CEO and the appointed Corporate Secretary. The Chairs Committee is accountable for coordinating the work of the other Standing Committees/Task Teams, for acting as the communications conduit to and from the Board and the Board's committees and Task Teams, for recommendations to the Chair for the Board's agendas, Board development, and for the maintenance of the Board - President and CEO relationship.
 - 1) Emergency Actions. If an emergency occurs, the Chairs Committee may act on behalf of the full Board with the same force and effect as if the full Board had acted upon the matter. For purposes of this section, an "emergency" is defined as a sudden and unforeseen event or crisis (i.e., fiscal peril that threatens the existence of the organization, a grave personnel matter, etc.) that requires deliberation and a formal decision or action by the Board within one to five days of the event or crisis. Special Board meetings, in accordance with the Bylaws Article VIII, shall be established for all events or issues that can be addressed in timeframes greater than five days. All decisions made by the Chairs Committee under this provision shall be captured in formal written minutes, consistent with the Rules established in Chapter 8 for the recording of minutes of the meetings of the Board and shall promptly be reported to the full Board.
 - b) The Audit and Risk Committee is chaired by an elected Director and consists of its Chair, appointed Board Directors and the Vice President, Finance & Procurement. The Audit and Risk Committee is responsible for monitoring PMI's operational and financial performance, oversight of the annual audit, and for ensuring alignment between strategic priorities, PMI programs and their annual budgets in accordance with Rule of the Board 6.3, Organizational Monitoring.
 - c) The Compensation and Talent Committee is chaired by an elected Director and consists of its Chair, the Board Chair, the Immediate Past Chair, and appointed Directors. The Compensation and Talent Committee is responsible for the management and application of the CEO performance management and compensation practices in accordance with the Board Level 1 PMI President and CEO Performance Management and Compensation Policy. Appointed Directors serve a two year term on the Committee, provided that they are still current members of the Board of Directors in that second year. If the Immediate Past Chair is not a currently serving Director, the Immediate Past Chair can be assigned to the Committee as described in Rules of the Board 7.0.1. a), conditioned upon his or her compliance with the Institute's Confidentiality and Conflict of Interest Policies.
 - d) The Strategy Oversight Committee (SOC) is chaired by an elected Director and consists of its Chair, appointed Board Directors and the President and CEO. The

purpose of the Strategy Oversight Committee (SOC) is to annually oversee the Institute's strategy direction, approval, implementation review and reporting guided by the Strategic Framework Policy and in alignment with the roles and responsibilities of PMI Executive Leadership Team.

- e) The Governance Committee is chaired by an elected Director and consists of its Chair and appointed Board Directors. The Governance Committee is responsible for overseeing and maintaining Board governance policies.

6.5.7 Appointment of Standing Committee/Task Team Members.

- a) Before January 1st of each year, the incoming Chairs Committee will meet for the purpose of advising the Chair as to the appointment of the members to the other Board Standing Committees/Task Teams, with consideration given to ensuring knowledge continuity on each committee. The Chair will also seek Board input on desired outcomes of the Committee/Task Team member selection process. Appointment is subject to Board approval.
- b) Staff Support of Committees/Task Teams. The President and CEO shall be responsible for the staff's planned annual support of the PMI Board Standing Committees/Task Teams. The President and CEO shall assign a senior executive and an administrative assistant in support of each Standing Committee/Task Team, both of whom shall be responsible to President and CEO. The Standing Committee/Task Team Chair is responsible for reaching agreement with the President and CEO for planned and ongoing support of each respective Committee. No member of the staff may be appointed as a member of, or to support, any Task Team or Board Reporting Committees without the prior approval of the President and CEO.

6.6 Board Reporting Committees

6.6.1 Definition. Board Reporting Committees are committees comprised of individuals who are not members of the Board (except where an exception has been approved by the Board). Non-PMI, non-voting members may be considered for committee membership consistent with the Committee's Board-approved charter. Board Reporting Committees exist to support the work of the Board and are held accountable as defined in individual charters, which must be approved by the Board.

6.6.2 Establishment.

- a) The Chair, with approval of the Board, may establish and maintain Board Reporting Committees, as deemed necessary and effective, to advise and assist the Board with respect to fulfillment of its duties concerning specific, long-term issues and matters of importance to PMI, except the Nominating Committee, which shall be constituted as set forth in Article VI, Section C of the Bylaws.
- b) Board Reporting Committees shall be established in a manner consistent with the Bylaws and applicable Rules of the Board through a Board-approved Charter, which shall specifically identify the issues, purposes, composition,

authority, responsibility, accountability, annual reporting and duration of each Board Reporting Committee.

6.6.3 Authority and Limitations.

- a) Authority. Board Reporting Committees shall have the authority and the duty to carry out their purposes, as set forth in the formal Board-approved Reporting Committee Charter.
- b) The charter of each Board Reporting Committee shall identify the linkage and supervision from the Board.
- c) Limitations. Board Reporting Committees shall be prohibited from any activities or actions that shall cause PMI to be legally or financially bound to an agreement or other relationships. Board Reporting Committees shall be limited to the activities set forth in the formal Board Reporting Committee Charters consistent with law, the Bylaws and applicable Rules of the Board.

6.6.4 Volunteer Recruitment.

- a) The Chairs Committee will have management authority over the Board Volunteer Advisory Committee (BVAC) in line with their responsibility to ensure “effective functioning of the Board”.
- b) In accordance with his/her authority to implement policies of PMI, the President and CEO shall execute, with assistance of the Board Volunteer Advisory Committee, the recruitment process for Board Reporting Committee candidates and other Board appointment candidates. This recruitment process will be used by the Board Volunteer Advisory Committee in recommending final candidates to the Chairs Committee to be presented to the Board for review and approval. The recruitment process will use the philosophy and resources, including but not limited to, described in 6.6.4 a) thru f).
- c) Staff will engage in a proactive/targeted recruitment approach for Board Reporting Committee, Board Task Team and other Board Appointment candidates.
- d) The following resources may be engaged to recruit Board Reporting Committee, Board Task Team and other Board Appointment candidates, including but not limited to recommendations from:
 - 1) Board of Directors
 - 2) President and CEO
 - 3) Volunteer Leaders
 - 4) Chairs of Board Reporting Committees
 - 4) Staff
 - 5) Regional Mentors
- e) Staff will leverage the volunteer database to identify qualified candidates who meet the criteria established in the Level 1 Candidate Criteria for Board Appointees Policy.
- f) PMI requirements, volunteer experience and skills to qualify for consideration for appointment to a Board Reporting Committee/Task

Team are available to view at <http://www.pmi.org/en/Get-Involved/Volunteer-Opportunities.aspx>

- 6.6.5 Charter Review. The Chairs Committee shall annually review each Board Reporting Committee Charter to ensure compliance with all committee requirements Rules and Policies developed by the Board. The Board retains the sole and exclusive authority to approve, require revisions, suspend, deny, or revoke any Board Reporting Committee Charter, consistent with the Bylaws and applicable Rules. Board Reporting Committees may not act without a current, approved charter.
- 6.6.6 Dissolution. The Board may dissolve Board Reporting Committees by revocation or non-renewal of the Board Reporting Committee Charter. Revocation and/or non-renewal of a Board Committee Charter shall occur when the Board determines that the Board Reporting Committee has fulfilled its purpose(s), or that such action is in the best interests of PMI and in accordance with applicable Rule of the Board.
- 6.6.7 Committee Appointments. Consistent with the Level 1 Candidate Criteria for Board Appointees Policy and the Board Volunteer Advisory Committee's process, the Chairs Committee will review proposed committee appointments presented and offer feedback, as may be determined, prior to seeking Board approval. Staff and Non-member Volunteer Appointments. The Chair, at his/her discretion, may appoint Staff and non-PMI members as full and voting committee members as deemed appropriate and beneficial. While on a committee, staff and non-PMI members are required to adhere to PMI Member Ethical Standards and other applicable PMI policies of which the individual is given notice.
- 6.6.8 Volunteer Appointment. The President and CEO shall direct that a letter of appointment be distributed to all Board-appointed volunteers communicating that their agreement to serve will be in compliance with:
- a) Rule of the Board 12.1, Board and Board Committees Code of Conduct.
 - b) The committee charter and the roles and responsibilities delegated therein, including volunteer and other relevant policies and procedures described therein.
 - c) Completion and submission of the PMI Conflict of Interest Questionnaire.
 - d) Completion and submission of the PMI Confidentiality and Records Compliance Agreement
 - e) Copyright Assignment Form (where applicable).
- 6.6.9 Effective Date of Appointment. Appointments will be effective in line with the term set forth in the charter and after required completed forms are received.
- 6.6.10 Non-acceptance. If a volunteer provides notice of non-acceptance or does not return required forms within the specified time period, the Chair may appoint another interested volunteer, ensuring that the original volunteer is properly notified.

- 6.6.11 Committee Member Term. A committee member is appointed for the term as defined in the committee charter.
- a) Reappointment to a Second Term. If allowed per committee charter, the Board may approve a maximum of two terms in total for a committee member subject to the member being evaluated and recommended by the BVAC against all other nominations.
 - b) In addition to a maximum of two terms on any one Board Reporting Committee, volunteers may serve on any combination of Board Reporting Committees for a combined maximum of 4 terms.
 - c) Extending a Committee Member Term. The Chair may extend the term of a committee member.
 - d) Committee Member Resignation. All committee members are encouraged to rapidly communicate to the Committee Chair if their personal situation no longer allows them to devote the necessary time to fulfill their committee commitments (in case of a committee Chair, to the Chair). If no other solution can be found, members should terminate their participation on the committee by sending a letter of resignation to the Chair.
 - e) Committee Member Removal. The Chair may, at any time, rescind the appointment of a Chair or member to a committee for any reason. (Such reasons could be that the committee purpose has become obsolete due to new developments, non-performance of the respective person, inability to adequately resolve a conflict of interest or a personality clash that hampers the committee's ability to deliver the expected result.) The decision of the Chair cannot be appealed.
 - f) End of Committee Member Term. Upon the conclusion of a committee member term, a letter of recognition and appreciation will be sent to the volunteer. The letter will state that the volunteer should retain the recognition letter for use in receiving PDU credit for their volunteer activity, as applicable. In addition, the volunteer shall be surveyed regarding his/her committee experience to continually enhance the attractiveness and effectiveness of PMI's volunteer program.
 - g) Vacancies. In the case of a vacancy, resignation, or removal of a committee member, the Chair may appoint another qualified individual to fill the vacancy for the unexpired portion of the term. The time of service of an unexpired term does not apply to the length of terms specified in paragraph 6.6.11 a).

6.7 Board Development

- 6.7.1 Newly elected Directors. Newly elected directors shall be prepared to fulfill their duties and role at the beginning of their term of service through an established development program.
- 6.7.2 Continuing Directors. Continuing Directors shall refresh their ability to fulfill their duties and role at the beginning of each year of service through an established development program.

6.7.3 Serving Directors. Serving Directors shall have access to additional development as needed or desired during their term of service through an established development program.

6.7.4 Newly elected Board Officers and Standing Committee Chairs. Newly elected Board officers and Standing Committee Chairs shall be prepared to fulfill their role at the beginning of their term of service through an established development program.

6.8 PMI Educational Foundation (PMIEF)

6.8.1 The Board recognizes the Project Management Institute Educational Foundation, Inc. (PMIEF) as a public charity and supporting organization of PMI in accord with applicable laws of the USA.

6.8.2 The PMIEF funding requests and reports to the Board will be reviewed by the Audit and Risk Committee prior to distribution to the Board.

6.8.3 The Audit and Risk Committee Chair will act as the Board communication contact for the PMIEF Chair to answer questions or address concerns on an as needed basis.

Chapter 7 – Declaration of Interest and Election of Officers and Board Standing Committee Chairs

7.0 Declaration of Interest and Election of Officers and Board Standing Committee Chairs

- 7.0.1 Officer Positions and Board Standing Committee Chairs. Officer positions are as described in Bylaws Article VII, Officers of the Institute, and Elected Officers are elected annually by the Board. The Board Chair shall chair the Chairs Committee and Committee Chairs shall chair Board Standing Committees. Chair duties are described in respective charters.
- a) Immediate Past Chair. The former Board Chairs will assume the title of Immediate Past Chair immediately following completion of their term of service as Board Chair. In the capacity of Immediate Past Chair, individuals will be assigned tasks at the discretion of the incumbent Board Chair but will have no official authority as an Officer of the Board as defined in the Bylaws.
- 7.0.2 Special Election Meeting. Consistent with Bylaws Article VII, Section A, 3), the incumbent and incoming Board shall conduct a Special Officer Election Meeting after the announcement of the incoming Board election results, for the purpose of electing the incoming Officers of the Board and the incoming Board Standing Committee Chairs. The meeting shall take place as soon after the announcement of the Board election results as practicable.
- 7.0.3 Eligibility. Continuing and incoming Board members are eligible to run for Officer and Committee Chair positions if they have previously served on the Board, and if they meet the minimum qualifications described in the Bylaws and committee charters.
- 7.0.4 Declaration of Interest for Board Officer Positions and Standing Committee Chairs. Board members who have an interest in election to a Board Officer or a Standing Committee Chair position are required to submit a written declaration of interest statement (“Declaration of Interest”) for each position that they desire to serve in and describe how they meet the required qualifications. Further, candidates are required to make a verbal statement regarding how they meet the required qualifications prior to voting. Incoming and incumbent directors will have access to all Board member Declaration Statements and bios prior to elections. The Declaration of Interest shall be submitted at least two weeks prior to the Special Election Meeting. However, if no Declarations of Interest have been submitted for a given position by that deadline, the entire Board shall be so notified, and Declarations of Interest for that position shall be accepted at least one week prior to the Special Election.
- 7.0.5 Board Leadership Dialogue. A facilitated dialogue is conducted addressing Board leadership and the characteristics and experience needed for each position prior to voting.

- 7.0.6 Qualification Statements. The Presiding Officer shall move the meeting into informal, closed session, review the positions and names of Directors who submitted Declaration of Interest forms and call for Directors to verbalize their qualifications for positions sought (limited to less than 5 minutes). The names of all declared candidates will be included on ballots prepared for the Special Election Meeting.
- 7.0.7 Acceptance by Resolution. Officer and Committee Chair election results and any other formal actions taken at the Special Election Meeting shall be acted upon by ratification, as the first item of business, at the first scheduled meeting of the year of the incoming Board.
- 7.0.8 Officer Role, Duties and Terms of Office. As specified in the Bylaws and the Rules of the Board.
- 7.0.9 Campaign and Electioneering. There shall be no campaigning and/or electioneering prior or subsequent to nominations at the Special Election Meeting. Failure to comply may result in disqualification.
- 7.0.10 Independent Teller. The Chair will appoint a minimum of two (2) Tellers, along with Corporate Secretary for the purposes of collecting, counting, certifying and informing the Presiding Officer of the voting results. All ballot contents shall be kept confidential and destroyed after elections are ratified.
- 7.0.11 Voting.
- a) Voting. The voting process is a synergistic-building model, which also eliminates need for run-off elections, except in case of a tie vote between two nominees.
 - b) Voting Method. Each voter shall rank candidates on individual ballots using a #1 for their first choice and #2, #3, #4, etc. The number of nominees for each position determines the number of rankings to be used in voting for each position.
 - c) Required Vote. Voters must register a vote for every candidate, i.e., rank all candidates for each position. **Incomplete ballots will be discarded.**
 - d) Declared Winner. The Teller will declare the candidate receiving the lowest numerical total score the winner. Except in the case of a tie, winners will be selected as a result of the first round of voting.
- 7.0.12 Tie Vote. In the case of a tie vote, the Teller will inform the Presiding Officer, who will call for subsequent balloting using written ballots prepared for the purpose. Balloting will continue until the Teller informs the Presiding Officer of a winner in the tied election.
- 7.0.13 Announcement of Results to Membership. The incumbent Chair shall announce the results of the Officer and any Committee Chair elections to the membership as soon thereafter as practicable.

Chapter 8 - Meetings of the PMI Board of Directors

8.0 Meetings of the Board (Annual, Regular, and Special)

- 8.0.1 Regular Meetings, Time and Location. There shall be three (3) regularly scheduled meetings of the Board as determined by the Chairs Committee unless otherwise decided by the Board. The Board shall also hold a fourth special meeting to focus on strategy at least every three (3) years. The Board's meeting cycle will be in accordance with the Annual Master Planning and Agenda Cycle Calendar maintained by the Chairs Committee.
- 8.0.2 The Annual meeting of the Board shall be held to coincide with the Global Conference.
- 8.0.3 Selection of Meeting Site. The President and CEO is responsible for the approval of meeting sites and means.
- 8.0.4 Meeting Notices, Agenda Items and Materials.
- a) The Board's Annual Meeting Calendar and Agenda Cycle documents board meeting dates, dates meeting material is due, published and the work of the board to be addressed throughout the year, including required reading material that will be posted to the Board portal in between meetings. All material delivered to the Board should be read with the same duty of care, despite if it requests a decision or provides information. Any material posted to the Board portal between meetings will be recorded in the minutes of the next meeting.
 - b) The Board Standing Committees, President and CEO or any member in good standing may submit agenda items to be considered for placement on the Board's agenda by the Chair. In order to provide Directors sufficient time for review and consideration to make knowledge-based decisions proposed agenda items, and all supporting materials must be submitted to the Chair, by the pre-determined date set forth in the calendar. All agenda items requiring action must include pre-written resolutions using the standard Board Agenda Topic Form which is subject to revision by the Chairs Committee and/or the Board. Agenda items such as presentations and reports that do not request Board action do not generally require an Agenda Topic Form; however the Chairs Committee may request a form at its discretion. No agenda items will be received onsite unless, at the discretion of the Chair, they are deemed "emergency" items of a legal, fiscal, or ethical nature or unless the Board approves the suspension of this Rule of the Board by a three-fourths vote. The Chair must cause feedback to occur to the originator of each proposed agenda item regarding the acceptance, redirection, scheduling, or rejection of the item and, for those items accepted for the agenda, ultimate Board disposition of the item.
 - c) Meeting Agenda. The Board's meeting agendas shall be established in accordance with the Annual Master Planning and Agenda Cycle Calendar. All items proposed for a Board agenda, shall be directed to the Chairs Committee,

which is accountable for recommending to the Chair whether or not an item is properly prepared to be heard by the Board, and at which meeting, given the Board's other priorities. The Chair shall cause the Chairs Committee to schedule its meetings sufficiently early for the necessary agenda deliberations and for the subsequent actions necessary by others in order to complete and distribute full and complete agenda materials as required elsewhere in this document.

- d) Consent Calendar. Items of a routine and recurring basis, requiring Board approval, may be placed in the Consent Calendar for Approval. The Chair, upon request of any Director at a meeting, will remove any item from the Consent Calendar for Approval for discussion. Items remaining on the Consent Calendar for Approval shall be approved through a formal resolution by the Board.
- e) Agenda Materials. Agenda materials, including completed Board Agenda Topic Form, and all supporting documentation received by the pre-determined cut-off date, will be electronically distributed to all members of the Board, as soon as feasible, but not later than 15 days prior to an in-person meeting and five days prior for special meetings held by telephone conference or similar forms of telecommunications. Material relevant to agenda items received after the pre-determined cutoff date will be electronically posted after the meeting.

8.0.5 Minutes of Board Meetings.

- a) The General Counsel and Corporate Secretary shall draft, prepare and distribute agendas, and take, prepare and distribute for review, drafts of all meeting minutes for the Board, except for Executive Session.
- b) Contents of the Minutes. Written minutes for each meeting of the Board shall contain the Directors of the Board, in attendance, actions taken and Board directives to the President and CEO. At the discretion of the General Counsel and Corporate Secretary, the minutes may contain reports or other documents considered at a meeting.
- c) Minority Reports and Dissentions. A minority report may be included in the minutes of the Board, or otherwise made available to the membership on any questions on which action is taken by the Board, provided that at least 20% of the Board has requested that such a minority report be issued; any Directors of the Board may request that their dissenting vote, and the reasons therefore, be recorded in the minutes.
- d) Minutes of Executive Session (Closed Session). No minutes shall be kept of Executive Sessions of the Board unless and until formally directed by the Board. Any and all such minutes shall be deemed privileged and confidential. If the Corporate Secretary is excluded from the meeting, such minutes shall be taken by the Board member assigned that task by the Board Chair and signed by two (2) other members of the Board present at the meeting and shall be kept by the General Counsel and Corporate Secretary in accordance with PMI's Record Retention Policy.
- e) Distribution of Minutes. The draft minutes of each meeting shall be reviewed by the Chair and President and CEO prior to distribution for the next regularly

scheduled meeting. The Board shall receive complete draft minutes of each meeting prior to their next regularly scheduled meeting.

- f) Approval of Minutes. When approved by the Board the Minutes of Board meetings shall thereafter be signed by the General Counsel and Corporate Secretary.

8.0.6 Special Action by the Board without Meeting

- a) The Board may be required to pass resolutions outside of the normal Board meetings. Per Bylaws Article VII, Section E “any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action taken, is signed by all Board Directors” providing consent to act without an in-person or telephonic meeting.
- b) The General Counsel and Corporate Secretary will prepare a package consisting of the resolution(s) for consent and supporting material required for the resolution(s) which is then distributed electronically to all Directors.
- c) Directors must vote in favor of addressing an action via unanimous written consent before the action of the electronic package can be addressed. If there is not unanimous written consent, then the resolution(s) will be added to the agenda of the next Special or Regular Board meeting. If there is more than one resolution to be addressed via written consent, resolutions should be individually presented so Directors can cast their vote separately for each resolution.
- d) A simple majority is required for each resolution to pass, unless otherwise required by the Bylaws or these Rules of the Board. The Directors will have a minimum of seven (7) calendar days to vote using the method identified in the package and approved by the General Counsel and Corporate Secretary. The results will be included in the next regular meeting book.

Chapter 9 - PMI Board – President and Chief Executive Officer (CEO) Relationship

9.0 PMI Board - President and Chief Executive Officer (CEO) Relationship

- 9.0.1 The Board and the President and CEO. The Board and the President and CEO will work to establish an open and productive relationship to achieve and implement the established goals and objectives and the Board’s ability to give official direction to the operational organization shall be through the President and CEO. In the President and CEO’s absence, directions from the Board should be directed through such Vice President or other staff member as the President and CEO may designate.
- 9.0.2 Decisions. Only decisions of the Board, acting as a full body, are binding on the President and CEO. Accordingly:
- a) Decisions or instructions of individual Board, officers or committees will not be binding on the President and CEO except in instances when the Board has specifically authorized such exercise of authority.
- 9.0.3 Policy Review. The Board may, from time to time, direct the President and CEO to engage a third-party review of PMI policies to ensure they are up to date, relevant and executed.
- 9.0.4 Requests to the President and CEO. In the case of Directors or committees requesting information or assistance without Board authorization, the President and CEO can refuse such requests that require, in the President and CEO’s opinion, a material amount of staff time or funds, or are disruptive. In the President and CEO’s absence, requests for support or information should be directed through such Vice President or other staff member as the President and CEO may designate.
- 9.0.5 President and CEO Employment. The President and CEO serves at the pleasure of the Board, and is engaged through a contract approved by the Board. The contract specifies the specific roles and responsibilities of the President and CEO, term of employment, compensation, benefits, compensation practices, evaluation processes, and other such issues to ensure a professional relationship between PMI and the President and CEO.
- a) The Chairs Committee manages the employment relationship with the President and CEO on behalf of the Board including oversight and administration of the President and CEO Employment Agreement and review of total compensation recommendations from the Compensation and Talent Committee prior to submission for Board approval, in accordance with the Board Level 1 PMI President and CEO Performance Management and Compensation Policy.
 - b) President and CEO performance management and compensation practices are administered in accordance with the Board Level 1 PMI President and CEO Performance Management and Compensation Policy. The Board shall award adjustments in base compensation and variable compensation awards consistent with the term of the President and CEO contact.

c) Expectations for the President and CEO. Annual objectives are established in accordance with the Board Level 1 PMI President and CEO Performance Management and Compensation Policy and the President and CEO contract. In addition, the Board expects on an ongoing basis that the President and CEO will:

- 1) Establish satellite offices as deemed appropriate and necessary for conducting PMI business.
- 2) Implement and follow all PMI policies, established by the Board.
- 3) Comply with applicable municipal, state/provincial, and federal laws and regulations of any country in which PMI operates.
- 4) Provide sufficient periodic information as required to ensure that the Directors of the Board can fulfill their fiduciary and strategic responsibilities.
- 5) Provide appropriate levels of support to PMI committees, tasks teams, councils and other entities established by PMI.
- 6) Ensure alignment of the Operation Plan and Budget, including PMI's products/services/offerings, with the strategic plan via the Board scorecard process.
- 7) Avoid conflict of interest in the day-to-day activities, by exercising accepted practices.
- 8) Carry out all directives as assigned by the Board.
- 9) Ensure that volunteers are only reimbursed for reasonable expenses in connection with their volunteer activity.
- 10) Provides analysis and strategic input to the Board and implements strategy per the Level 1 Strategic Framework Policy.
- 11)

A. This subsection addresses the authorization of the President and CEO to approve the following categories of investments from reserves:

- i. Capital Projects. "Capital Project" is a project that will deliver assets to be capitalized on PMI's balance sheet.
- ii. Acquisitions. An "Acquisition" is any transaction or series of related transactions to obtain ownership or control of the assets or equity interests of another entity.
- iii. GIAs. A "Growth & Impact Accelerator" or "GIA" is a time-limited, strategic investment in an initiative that is intended to accelerate PMI's growth, expand its community or social impact, or develop a new revenue stream.

B. The authority to approve investments from reserves in the above categories is delegated by the Board to the President and CEO, provided that all of the following conditions are met:

- i. Aggregate Annual Limit. The aggregate investment across all three categories shall be no greater than \$75 million during the calendar year.
- ii. Reserve Policy Compliance. All investments under this subsection (11) shall comply with the L1 Reserve Policy.

- iii. Investment Justification. Each investment in any of the three categories shall have a business case approved by the President and CEO.
- iv. Performance. The President and CEO shall define performance metrics for each investment and shall provide updates to the Board quarterly until the investment is complete.
- v. Investment Alignment. Any investments shall align with PMI's approved strategy and shall be consistent with PMI's tax-exempt purposes as a 501(c)(6) organization.
- vi. Risk Attitude. The Risk Attitude for the investment will be evaluated and shall not exceed the risk attitude for the relevant risk categories as approved in the PMI Risk Management Framework.
- vii. Board Notice. Any Capital Project, Acquisition, or GIA shall be on the list of proposed investments communicated to the Board in advance in writing.
- viii. Capital Projects. No individual Capital Project shall have a total multi-year capital expenditure exceeding \$25 million.
- ix. Acquisitions
 - i. Any acquisition shall clear a standard due diligence checklist and conflicts of interest checklist;
 - ii. For any Acquisition involving shared ownership, joint control, or minority participation in the acquired entity, this structure of the Acquisition shall be communicated to the Board no less than fourteen (14) calendar days in advance in writing before the conclusion of the transaction;
 - iii. No single Acquisition shall exceed \$25 million per occurrence, including projected integration costs.
- x. GIAs
 - i. GIA spend shall not be part of PMI's existing operational budget and shall not subsidize existing operational activities;
 - ii. The aggregate spend across all GIAs shall not exceed \$25 million during any calendar year;
 - iii. No individual GIA initiative shall have a total multi-year expenditure exceeding \$25 million.

If any applicable condition set forth above is not satisfied, the President and CEO is required to obtain Board approval to spend reserves under this subsection.

- 12) Obtain Board approval for settlements of threatened or pending litigations in excess of \$2,500,000.
- d) To further ensure a professional relationship between the Board and key staff, the President and CEO will annually solicit feedback from the Board through

the Chairs Committee regarding key staff, as determined by the President and CEO through a process to be established by the President and CEO.

- 9.0.6 Decision Making and Delegation. The President and CEO will delegate such authority to staff and other qualified professionals or organizations to carry out the directions and expectations of the Board. In addition, the President and CEO will ensure distribution of duties so that PMI operations and daily activities can be carried out without interruption, in the event the President and CEO is unavailable or, in some way, incapacitated. Accordingly, the President and CEO will:
- a) Ensure that at least two (2) executives are familiar with the Board and President and CEO issues and processes.
 - b) Distribute responsibilities appropriately to ensure that the proper administrative and financial controls are maintained.
 - c) Maintain and review annually with the Compensation and Talent Committee the Top Level Executive Succession Plan for the President and CEO.
- 9.0.7 Attached to the Rules of the Board as Appendix A is a chart which summarizes the delegation of authority by the Board of Directors to the President and CEO as contained in the Bylaws and these Rules of the Board. The chart is for convenience only and is not intended to take precedence over the actual Bylaws and Rules of the Board referenced therein.

Chapter 10 - PMI Components and Other Subsidiary Groups

10.0 Charter Approval, Review and Maintenance

- 10.0.1 Delegation of Authority for Component Chartering and Charter Renewals to the President and CEO. The Board authorizes and delegates to the President and CEO the authority to charter, renew or revoke a component (including chapters) as long as it is consistent with and does not conflict with the PMI governing documents or the laws of the country, state, province or other governmental jurisdiction in which the component is (to be) established. Likewise, the Board delegates to the CEO the authority to develop and approve policies, charter agreements and criteria which control and regulate the establishment, operation and revocation of chartered subsidiary components (including chapters) and other subsidiary groups. This includes:
- a) Ensuring that all Components and other subsidiary groups are properly incorporated and compliant with tax filing laws at the federal, state, national level and/or otherwise as legally appropriate.
 - b) Updating the charter agreement template from time to time to reflect related changes in Rules of the Board as appropriate; and agreeing to modifications of the then current charter agreement if a Component requires modifications due to legal requirements in the jurisdiction in which the Component is (to be) incorporated/registered or due to other circumstances, as long as these modifications do not materially conflict with PMI governing documents.

Chapter 11 - Allied Society and Cooperative Relationships

- 11.0.1 The Board delegates authority to the President and CEO to develop and approve policies and procedures to govern the establishment of allied and cooperative relationships. In addition, the President and CEO is delegated the authority to develop, execute, and implement allied and cooperative agreements provided they are consistent with PMI's governing documents and applicable laws and to maintain the Level 2 Allied and Cooperative Relationships Policy intended to administer the formation and support of allied and cooperative relationships with PMI. The President and CEO shall report annually to the Board on the status of each allied and cooperative relationship.
- 11.0.2 The Board reserves the authority to approve relationships with allied societies.

Chapter 12 - Governance Style

Governance Style

- 12.0.1 Board Standing Committees. The Board will clarify its governing role and strengthen its capacity to govern with excellence through Board Standing Committees, chartered to perform defined functions to assist the full Board. These committees will serve as governing engines but the Board, as a whole, will make final decisions collectively.
- 12.0.1.1 Board Discipline. The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation, policy-making principles, respect of roles and ensuring continuance of governance capability.
- 12.0.1.2 Self-Monitoring. The Board will monitor and discuss the Board's process and performance.

12.1 PMI Board and Board Committee Member's Code of Conduct

- 12.1.1 The Board commits all Directors and all Committee members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board or Committee members. Accordingly; Board and Committee members:
- a) Must conduct themselves with unconflicted loyalty to the interests PMI and its stakeholder members. This accountability supersedes any conflicting loyalty, such as loyalty to other advocacy or interest groups, membership on other boards, and professional responsibility to an employer. It also supersedes the personal interests of any Board or Committee member.
 - b) Must not breach their fiduciary responsibility to PMI and must avoid conflict of interest, as well as the appearance of any conflict of interest, with respect to the following:
 - 1) There must be no self-dealing, nor any private business activity, nor personal services between any Board or Committee member and PMI regardless of whether or not the services or products comprising the business activity are rendered for free or for compensation, including expenses. For purposes of this section a "Board or Committee member" includes any organization in which the Board or Committee member, or any member of their immediate family, has a beneficial equity ownership interest of at least ten percent or is an officer or member of the organization's Board of Directors.
 - 2) For purposes of section a, above, "private business activity" and "personal services" do not include participation in PMI programs and activities that are available to all qualified PMI members, organizations and/or the public, such as the Authorized Training Partners (ATP), PMI certifications, entering into intellectual property permissions agreements, purchasing booths at PMI events (but not personally working the booth), provided that no preferential treatment is given to any Board or Committee member regarding the qualifications, terms and/or conditions under which he or she is permitted to participate in such programs and activities.
 - 3) Apart from the member's Board or Committee assignment, no Board or Committee member may engage in any volunteer activity in PMI or any PMI component organization, including but not limited to holding office and/or actively participating in an organization's training or other professional programs. An exception to this Rule may be granted by the PMI Chair for participation in PMI volunteer leadership development activity and speaking engagements where the cumulative volunteer expertise will benefit members, volunteers and stakeholders provided that no conflict of interest exists.
 - 4) Members of the Board shall inform the Chair and General Counsel and must obtain approval from the Chair to engage in an activity in their individual capacity or that of their employer with activity sponsored by a membership association in the field of program, portfolio or project management to ensure that Board Member Code of Conduct Guidelines

in Rule of the Board 12.1 are adhered to. For the purpose of this Rule “activity” means, by way of example, speaking at a conference, being interviewed for print or video publication, giving endorsements, participating in an online program and/or writing an article, blog or paper. (Further Guidance: the limitation in the Rule of the Board to membership organizations does not eliminate the possibility that conflicts may also arise with respect to other kinds of non-profit and for-profit organizations. Direct any questions you may have to the Chair or General Counsel regarding activity with these organizations.)

- 5) When the Board or a Committee is to decide upon an issue in which a Director or member has an unavoidable conflict of interest, that Director or member shall excuse herself or himself, without comment, from any and all Board deliberations and voting.
- 6) Board and Committee members must not use their positions to obtain PMI employment for themselves, family members, or close associates. Should a member desire such an employment offer, he or she must first resign from the position of Director or Committee member.
- 7) Board and Committee members will annually disclose their involvement with other organizations, vendors, or any other associations that might produce a potential conflict under this Rule of the Board.
- 8) Sitting members of the Board shall not be eligible to receive any PMI or PMI Component organization related award during their tenure on the Board; sitting Board members may not participate in the nomination process for any PMI related award during their tenure on the Board; and the Board may not participate in the nomination review process of any PMI related award.
- 9) Board and Committee members must abide by relevant PMI-wide policies.
- 10) The Board may, for good cause, exempt the members of a Board Committee from one or more of the provisions of this Section by stating the exemption in that Committee’s charter, provided that the exemption is adopted by an affirmative vote of at least two thirds of the Board and provided that the exemption does not permit an actual conflict of interest or actual self-dealing.

12.1.2 Board and Committee members may not attempt to exercise individual authority over the organization, except as explicitly set forth in Board Rules of the Board or Committee charters.

- a) Interaction with the President and CEO or with PMI staff must recognize the lack of individual Director and member authority, except when explicitly authorized by Board Rules or Committee charters.
- b) Interactions with public, press or other entities must recognize the same lack of individual authority and the inability of any Board or Committee member to speak for the Board or Committee, except to repeat explicitly stated Board decisions.

- c) Board and Committee members will give no consequence or voice to individual judgments of the President and CEO or staff performance, except as part of the performance evaluation.
- 12.1.3 Board and Committee members will respect the confidentiality concerning Board or Committee issues and information of a sensitive nature and adhere to the Level 2 PMI Volunteer Records Management Policy.
- 12.1.4 Board and Committee members will annually acknowledge compliance with this Rule of the Board by completing an appropriate consent form(s) as provided by executive staff.
- 12.1.5 Committee Membership. From time to time a retiring Director may be selected to serve on a PMI committee after his/her Board term has expired which will require approval of the Board on which the Director is currently serving. In this case, the Director should abstain from voting on the resolution. If the resolution is part of a consent calendar, the Director who is named should request that the resolution be removed from the consent calendar for a separate vote under Rule of the Board 8.0.4 d). If the Director was under consideration for a position on a PMI committee requiring Board approval and was not selected, the Director may or may not abstain from voting at his/her sole discretion.

Chapter 13 - Finance and Budget

13.0 Budget

- 13.0.1 Budget Purpose. In support of Article XIII of the Bylaws, the Board shall approve annually a budget that includes anticipated revenue and expenses and is consistent with the PMI's Strategic Plan.
- 13.0.2 Budgeting Cycle. The Board shall ensure that PMI operates each year with a three-year financial plan, a one-year budget, and a one-year Operations Plan in order to organize, plan and allocate resources, including business environment assessments, with maximum vision and delivery. This:
- a) May-June. The Board will receive the independent auditor's report and audited financial statements.
 - b) August-October. The Board reviews the assumptions and drafts of the three-year financial plan, one-year budget, and Operations Plan.
 - c) No later than the end of December. Audit and Risk Committee reviews and the Board approves the annual Operations Plan and Budget. As part of the total PMI budget the Board establishes and reviews the annual governance budget.
- 13.0.3 Balanced Budget, Preparation, and Changes.
- a) Balanced Budget. The Board charges the President and CEO to ensure that total expenses, plus the required reserve contribution, do not exceed total revenue in the overall PMI budget.
 - b) Preparation. The Board charges the President and CEO to ensure that the budget is prepared in support of the PMI Strategic Plan.
 - 1) The Board charges the President and CEO to ensure that the budget is prepared with reference to recent actual year-end results and reasonable end of current year projections.
 - 2) The Board charges the President and CEO to ensure that the budget and accompanying plan contain sufficient detail and clarity, as well as an explanation of assumptions used.
 - c) Changes. Adjustments to the approved budget may be proposed at any regularly scheduled meeting of the Board or any other special meeting called for considering such changes. Change requests must follow all other standards for budget presentation as outlined in these Rules of the Board.

13.1 Reserve, Operational, and Discretionary Funds

- 13.1.1 Reserve Funds. The reserve funds are defined and established in the Level 1 Reserve Policy.
- 13.1.2 Operational Funds. Operational Funds represent the funds approved by the Board to finance the operations plan and budget of the current year. The

Operational Funds must be maintained at a sufficient balance so as to provide for the Target Reserve at the end of the year, as determined by the Level 1 Reserve Policy.

- a) Use of Operational Fund. The President and CEO has full use of the operational funds as long as such use is in accord with the approved Operations Plan and Budget and generally accepted business practices.
- b) Excess Operational Funds. These are funds accumulated during the current year, which are projected by the President and CEO with a high degree of probability to exceed the contribution to reserves committed to in the operations plan and budget, and any required reserve contribution.
- c) Use of Excess Operational Funds. These funds may be used at the discretion of the President and CEO to:
 - 1) Augment approved budgeted operating programs and initiatives for the purpose of ensuring more successful outcomes during the current operating year.
 - 2) Support new and emerging programs that are supported by a board-approved business plan.
- d) Unexpended Operational Funds. All annual operational fund balances remaining after close of the fiscal year shall be transferred to the Reserve Funds, unless the Board grants specific exception.

13.1.3 Discretionary Funds. These funds are to be used for reasonable Director-related expenses not incurred in the ordinary course of business and which are not funded by other Board activities. The use of discretionary funds is further described in the Level 1 Board Development Policy.

13.2 Investments Policy

13.2.1 Investments shall be managed in accordance with the Level 1 Investments Policy approved by the Board.

13.3 Capital Obligations and Indebtedness Policy

13.3.1 In the prudent execution of the annual Operations Plan and Budget, the President and CEO shall ensure that any incurred capital obligations and/or indebtedness can be repaid by unencumbered revenues or assets. The current limit for indebtedness is not greater than one year. Capital obligations and indebtedness of greater than one year must be approved by the Board.

13.4 Auditor Selection

13.4.1 Selection and termination of the external auditor shall be the sole responsibility of the Board and performed in accordance with the Board-approved Level 1 Engagement of External Auditor Policy.

Chapter 15 – Amendment and Interpretation of Governing Documents

15.0 Governing Documents

- 15.0.1 Precedence of PMI’s Governing Documents. PMI and its members are governed by the following governing documents, listed in the order of their precedence:
- a) Articles of Incorporation. The Articles have been duly filed with the Commonwealth of Pennsylvania and constitute the chartering document PMI. Amendments to the Articles of Incorporation are governed by the Pennsylvania Nonprofit Corporations Act.
 - b) Bylaws. The Bylaws are required by law. Their implementation and amendment are governed by Pennsylvania Law and the specific provisions of the Bylaws dealing with those matters.
 - c) Rules of the Board. Rules of the Board are established and adopted by the Board to supplement the Bylaws.
 - d) Policies. Policies are established and adopted to provide direction, guidelines and limitations for certain identified activities that affect the Institute at large. The three levels of Policies are:
 - 1) Level 1: Board approves and monitors
 - 2) Level 2: President and CEO approves and the Board monitors
 - 3) Level 3: President and CEO approves and monitors
 - e) Resolutions. Approved resolutions are how the Board documents its decisions and actions.
- 15.0.2 Directional Documents are documents that provide the Board direction regarding specific decisions, programs and activities. Directional documents, unless otherwise specified, may be approved and amended by a majority of the Board.
- a) Strategic Plan. The Strategic Plan facilitates PMI’s identification of the future needs of stakeholders and PMI’s options for satisfying those needs. The Strategic Framework Policy guides the process for analysis and input; direction and approval; implementation; and strategy assurance.
 - b) Culture Statements and Protocols. A culture statement helps define who the Board is by highlighting elements that describe the Board’s behavior and beliefs. A defined culture inspires high performing individuals to work together effectively and assist with decision-making. Board principles and protocols are in place as guide rules for the Board Directors to follow as they execute their roles and responsibilities in-person and virtually.
- 15.0.3 Amendment Procedure for Governing Documents.
- a) Prior Legal Review of all Proposed Changes to Governing Documents
 - 1) Before any amendment or revision to any of the governing documents shall be submitted, as applicable, to either the Board or membership for a vote, PMI General Counsel and Corporate Secretary shall review and approve it as consistent with the other governing documents, and as being within the power of the Board or membership, respectively, to adopt as the applicable decision-making body, in correct legal form and

otherwise legally proper. No amendment or revision may be implemented if found by General Counsel and Corporate Secretary to not meet the requirements of the Prior Legal Review of all Proposed Changes to Governing Documents paragraph. In such case, the General Counsel and Corporate Secretary shall deliver a written finding to the Board. The finding shall identify the manner in which the amendment fails to meet the legal review requirements. At the General Counsel and Corporate Secretary's discretion, the finding may also include suggestions that would allow the amendment to satisfactorily meet the requirements of Paragraph 15.0.3 a) 1).

- b) Effective Date of Amendment. Except as to amendments of the Bylaws which are governed by Article XV, Section B thereof, and unless otherwise specifically defined in the resolution regarding the proposed amendment, all amendments to any of the governing documents shall be effective upon the date of approval and signing of the minutes of the Board meeting in which the changes were adopted.
- c) Maintenance of Amendments and Revisions. Each duly adopted change to a governing document will be immediately placed in that document by the General Counsel and Corporate Secretary.
- d) Bylaws Amendments. Amendments to the Bylaws are governed by Bylaws Article XV.
- e) Amending the Rules of the Board. The Rules of the Board may be amended by adding, deleting or revising any rule at any meeting of the Board, when proper notice is given, by two-thirds majority of the full membership of the Board.

15.0.4 Suspension of Rules of the Board. Any of the Rules of the Board may be suspended by an affirmative vote of not less than three-fourths of the full membership of the Board, for a specific purpose, and for a specific and delineated time period.

15.0.5 Life Cycle Provisions for Governing and Directional Documents.

- a) Articles of Incorporation and Bylaws. These documents are requirements of governing law and regulation, and no specific PMI provisions for their life cycle are established.
- c) Rules of the Board. The Rules of the Board is a perpetual document. The Board, as part of its job description, has the on-going responsibility of keeping these documents current and relevant.
- d) Policies. Policies are perpetual, unless otherwise revised or eliminated by majority approval of the Board.
- e) Resolutions. Resolutions approved by the Board that result in a change to a governing document are deemed perpetual unless otherwise changed in a subsequent Board-approved resolution. All other resolutions approving an action are effective for 12 months from the date of approval, unless otherwise specified.
- f) Strategic Plan. The Strategic Plan is a perpetual document. The Board has the ongoing responsibility of keeping this document current and relevant.

- 15.0.6 Interpretation of Governing Documents.
- a) Interpretation of Bylaws. Upon request, the General Counsel and Corporate Secretary will interpret the Bylaws in writing. Such interpretation is then subject to the authority of the Board to overrule the interpretation by a majority vote of the full membership of the Board.
 - b) Interpretation of the Rules of the Board and Resolutions. The General Counsel and Corporate Secretary shall interpret the Rules of the Board and Resolutions subject to the authority of the Board to overrule this interpretation by majority vote of the full membership of the Board.
- 15.0.7 Editorial Changes.
- a) Editing the Governing Documents. From time to time and without further action of the Board of Directors, the General Counsel and Corporate Secretary may cause editing for accuracy and clarity, rearranging, re-titling or renumbering of the governing documents (including deletion of repetitive, inconsistent and obsolete sections) as necessary for proper reference. Any proposed change to these documents that is not purely editorial or clerical in nature is brought to the Board for a vote as an amendment.
 - b) Publication of Editorial Changes. The General Counsel and Corporate Secretary shall cause distribution of all changes to the Board and publication in accordance with the Publication of Amendments paragraph.
- 15.0.8 Annual Review.
- a) Currency and Relevance Review. The General Counsel and Corporate Secretary shall conduct an annual review of the Rules of the Board to ensure they are current and relevant. Any issues that may require changes shall be brought to the Board for resolution.
- 15.0.9 Publication of Amendments.
- a) Publication of Adopted Amendments. All adopted amendments to the governing documents shall be distributed to the Board and published to the members on www.pmi.org or in PMI print publications.
 - b) Posting of Current Governing Documents. In January of each year, all currently effective elements of all governing documents shall be fully and completely assembled, collated, and made available to the Board of Directors and shall be placed on www.pmi.org. The Governance Committee may at their discretion choose not to post Governing Documents that are deemed sensitive, confidential and/or not appropriate for public consumption."
- 15.0.10 Parliamentary Procedure.
- a) Applicable Rules. Unless otherwise suspended by a two-thirds vote of the full membership of the Board, or contravened by the Bylaws or the Rules of the Board, the rules contained in Robert's Rules of Order, Newly Revised, shall govern the procedures in meetings of the Board and membership.

- 1) Superseding Robert's Rules. The Board, by a vote of two-thirds of its full membership, may, from time to time adopt or amend rules of procedure applicable to meetings of the Board and membership to reflect procedures at variance with those contained in Robert's Rules of Order, Newly Revised.

PMI Governance Delegation of Authority Summary Table

PMI Governance Delegation of Authority Summary Table				
Bylaws Article	Name	Authority	Reserved Board Authority	Delegated Authority
I.	Name and Principal Office	Establish the name of the corporation and its principal office.	<p>A change to the parent corporation name or relocation of its principal office is reserved to the Board.</p> <p>The Board reserves all other authority for Article I, except as delegated herein.</p>	The location of other offices may be designated by the CEO. RoB 9.0.5 (c) (1)
II.	Purposes and Limitations of the Institute	<p>Establish the purpose of the Institute in alignment with its Articles of Incorporation.</p> <p>Establish general limitations of purpose and activities.</p> <p>Assign authority to the Board for necessary policies and procedures.</p>	<p>The Board reserves the authority for Institute policies as follows: Level 1: Board approves and monitors; Level 2: President and CEO approves and the Board monitors.</p> <p>The Board reserves all other authority for Article II, except as delegated herein.</p>	<p>The CEO has the authority as follows: Level 2: President and CEO approves and the Board monitors; Level 3: President and CEO approves and monitors. (RoB 15.0.1)</p> <p>Refer to Article IX for further delegations in relation to policies.</p>
III.	Membership in the Institute	Establishes 1) general provisions for membership, 2) classes and categories of members, 3) provision for resignation, suspension, expulsion, termination or transfer of membership and 4) member ethical standards and procedures.	The Board reserves all authority for Article III, except as delegated herein.	<p>The Board delegates to the Ethics Review Committee (ERC) the authority to impose the following disciplinary or remedial actions:</p> <ol style="list-style-type: none"> 1. The denial and rejection of any PMI membership and/or certification application; 2. Private reprimand and censure, including any appropriate conditions or directives; 3. Public reprimand and censure, including any appropriate conditions or directives;

PMI Governance Delegation of Authority Summary Table				
Bylaws Article	Name	Authority	Reserved Board Authority	Delegated Authority
				<ol style="list-style-type: none"> 4. Membership, certification, and/or volunteer probation for any period up to three (3) years, including any appropriate restrictions or conditions concerning membership, certification, and/or volunteer rights and any other conditions or directives; 5. Suspension of membership, certification, and/or volunteer status for a specified period of time, including any appropriate conditions or directives; 6. Termination of membership (PMI Ethics Case Procedures D8)
IV.	Membership, Dues, Fees and Assessments	Approve membership dues, fees, and other assessments;	<p>The Board reserves the authority for changes in membership dues, fees and assessments.</p> <p>The Board reserves all other authority for Article IV, except as delegated herein.</p>	<p>The Board reserves all other authority for Article IV, except as delegated herein. The Board delegates the annual review of membership dues, fees and other assessments for all categories of membership to the CEO (RoB 4.0.1) The Board delegates the approval of changes to Membership Dues, which will be captured in more detail in the Membership Dues, Fees and Assessments policy. The criteria for the delegation of authority shall be as follows:</p> <ol style="list-style-type: none"> 1. An increase in Membership Dues (other than Year 1 Single

PMI Governance Delegation of Authority Summary Table				
Bylaws Article	Name	Authority	Reserved Board Authority	Delegated Authority
				<p>Membership) per annum of no more than an amount pre-approved by the board, which shall be defined in the Membership Dues Policy.</p> <ol style="list-style-type: none"> 2. Setting of Year 1 Single Member Price to an amount less than or equal to that Country Reference Price + \$5 (also to be defined in the Membership Dues Policy). 3. Any subsequent increase to Single Member Price of no more than the pre-approved amount per annum. 4. Any Membership Dues change caused by application of local laws (such as changes to VAT, taxes or tariffs). 5. Any Membership Dues change caused by shifts in local currency exchange rates vs the US\$, in locations where local pricing has been set in that local currency.
V.	Membership Meetings	Establishes the provisions for the Institute's Annual Membership Meeting.	The Board reserves all authority for Article V except as noted here.	Determination of the means of voting is delegated to the CEO. (Bylaws Art. V. F. 3)

PMI Governance Delegation of Authority Summary Table				
Bylaws Article	Name	Authority	Reserved Board Authority	Delegated Authority
VI.	PMI Board of Directors	<p>Establishes the authority of the PMI Board of Directors as; <i>uphold and execute the organization's purposes; appoint and remunerate agents and employees; disburse funds of the Institute; purchase, lease, sell, transfer and otherwise convey property; and establish and adopt such policies, rules, and regulations for the conduct of its business, responsibility, and authority as will be deemed advisable, insofar as any exercise or delegation of authority is consistent with, and does not conflict with, the Articles of Incorporation or Bylaws of the Institute (in their present form or as amended), or applicable law.</i></p> <p>Additional authorities include:</p> <ul style="list-style-type: none"> • <i>Establish and maintain boards and similar bodies that will serve as independent boards within the Institute;</i> • <i>Strategic planning and establishment of policy with respect to the activities of the Institute;</i> • <i>Oversee the management, control and supervision of the business</i> 	<p>The Strategic Plan is approved and amended by the Board (RoB 15.0.2)</p> <p>The Board reserves all other authority for Article VI, except as delegated herein.</p>	<p>The Board delegates the provision of analysis and strategic input to the Board and implementation of strategy per the Level 1 Strategic Framework Policy (RoB 9.0.5)</p> <p>The CEO is delegated the administration of the Board elections. (Article VI, Section C. 5)</p> <p>The CEO is delegated the responsibility to establish and maintain a communication process, to ensure an open line of communication between stakeholders, the Board and the President and CEO (RoB 6.1.1)</p>
VII.	Officers of the Institute	<p>Establishes the provisions for:</p> <ul style="list-style-type: none"> • the officers of the Board; • the qualifications and authority of the officers; • the election, terms, vacancies and removal of officers; and 	The Board reserves all authority for Article VII.	None

PMI Governance Delegation of Authority Summary Table				
Bylaws Article	Name	Authority	Reserved Board Authority	Delegated Authority
		<ul style="list-style-type: none"> the specific qualifications and duties of the Chair 		
VIII.	Meetings of the PMI Board of Directors	Establishes the provisions for: <ul style="list-style-type: none"> Annual and regular meetings; Special Meetings; Determination of a quorum; Board actions (votes); Special actions; and Proxies 	The Board reserves all authority for Article VIII, except as delegated herein. Chair is responsible for number of Board Meetings.	The CEO is responsible for the approval of meeting sites and means (RoB 8.0.3)
IX.	President and Chief Executive Officer	Appoint and engage a qualified individual to the position of President and Chief Executive Officer who shall serve as the Chief Staff Officer.	<p>The Board retains the authority to appoint and engage the CEO.</p> <p>The Board reserves the authority to approve projects with a total capital value in excess of \$10M. (RoB 9.0.5(c) (13).</p>	<p>The Board delegates the CEO responsibility and accountability for the supervision, control, and management of the Institute in its administrative, business, financial, and other affairs. (Article IX Section A)</p> <p>A. The Board delegates to the CEO the authority to (Article IX Section B):</p> <ol style="list-style-type: none"> implement all policies of the Institute in a lawful manner and in accordance with generally accepted business and financial principles and ethical standards and the responsibility to report to the PMI Board of Directors concerning these affairs hire and dismiss employees and other personnel of the Institute including consultants, contractors and the like; establish all terms and duties of employment and hiring

PMI Governance Delegation of Authority Summary Table				
Bylaws Article	Name	Authority	Reserved Board Authority	Delegated Authority
				<p>3. develop PMI annual operating programs, products, services, and budgets (also refer to Article XIII)</p> <p>4. legally bind the Institute and sign on its behalf contracts, checks, drafts, notes, mortgages, leases (subject to limitations in Article XIII) and other legal documents, without limitation by reason of specification. (also refer to Article XIII)</p>
X.	PMI Subsidiary Components and Other Groups	Establishes the authority of the Board to develop and approve policies and criteria which control and regulate the establishment and operation of chartered subsidiary Components, and other groups.	The Board reserves authority for Article X, except as delegated herein.	The Board delegates to the CEO the authority to develop and approve policies, affiliation agreements and criteria which control and regulate the establishment and operation of chartered subsidiary Components, and other groups. (RoB 10)
XI.	Allied and Cooperative Relationships	<p>Establishes the authority of the Board to develop and approve policies and procedures to govern the establishment of cooperative relationships.</p> <p>Establishes the authority of the CEO for the development and implementation of all general Allied or Cooperative Agreements.</p>	<p>The Board reserves the authority to approve relationships with allied societies.</p> <p>The Board reserves all other authority for Article XI, except as delegated herein.</p>	<p>The CEO is delegated the authority to develop and approve policies and procedures to govern the establishment of cooperative relationships.</p> <p>The CEO is delegated the authority for the development and implementation of Allied and Cooperative Agreements Bylaws Art. XI, RoB 11.0.1)</p> <p>The CEO is delegated the authority to maintain a Level 2 Policy to</p>

PMI Governance Delegation of Authority Summary Table				
Bylaws Article	Name	Authority	Reserved Board Authority	Delegated Authority
				administer the formation and support of Allied Societies with PMI and report annually to the Board on the status of each Allied Society (RoB 11.0.2)
XII.	Governance	<p>Establishes the authority of the Board to:</p> <ul style="list-style-type: none"> • Section A: Authorization to Act on Behalf of the Institute • Section B: Fiscal Year • Section C: Parliamentary Procedures • Section D: U.S. Internal Revenue Code • Section E: Severability. • Section F: Notice. • Section G: Language 	The Board reserves all authority for Article XII.	None
XIII.	Finance and Budget	<p>Establishes the authority of the Board to:</p> <ul style="list-style-type: none"> • Section A: Annually approve a budget. • Section C: Appoint an external auditor to conduct an annual audit. • Section E: Authorize other agents of the Institute to enter into any contract, or execute and deliver any instrument, in the name and on behalf of the Institute. • Section F: Take, receive, hold, sell, lease, and otherwise convey real and personal 	<p>Selection and termination of the external auditor shall be the sole responsibility of the Board and performed in accordance with the Board approved Level 1 policy, Engagement of External Auditor Policy. (Article XIII Section C, RoB 13.4)</p> <p>The Board reserves the authority over borrowing of funds. All loans and other debt instruments are subject to Board approval. (Bylaw Art. XIII.D)</p>	<p>The Board delegates to the CEO the authority to develop annual operating programs, products, services and budgets. (Article IX)</p> <p>The Board delegates to the CEO authority to execute operating leases. (Bylaw Art. XIII.F)</p> <p>The Board delegates to the CEO authority to issue checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness in the name of the Institute (Article XIII Section G,</p>

PMI Governance Delegation of Authority Summary Table				
Bylaws Article	Name	Authority	Reserved Board Authority	Delegated Authority
		<p>property. By vote of 2/3rds of the Board, purchase, sell, mortgage, lease away, or otherwise dispose of its real property.</p> <ul style="list-style-type: none"> Section G: Authorize officers to issue checks, drafts, or other orders for the payment of money. Section H: Determine who may be furnished a fidelity bond for the faithful performance of their duties and the nature of the bond. 	<p>The Board reserves the authority to acquire, dispose or lease away (<i>e.g.</i>, capital lease) real property, regardless of asset value. (Bylaw Art. XIII.F)</p> <p>The Board reserves the authority to approve changes to the annual budget (OPB). (RoB 13.0.1)</p> <p>The Board reserves the authority to approve Investment Policies. (RoB 13.2)</p> <p>The Board reserves the authority to approve the use of surplus reserve funds. (RoB 13.1.1)</p> <p>The Board reserves all other authority for Article XIII, except as delegated herein.</p>	also refer to Article IX and RoB 13.3)
XIV.	Indemnification	Not Applicable		
XV.	Amendments to Bylaws	Establishes the authority of the membership to approve changes to specific Bylaws.		
XVI.	Dissolution	Upon dissolution, establishes the authority of the Board to dispose of assets remaining after satisfaction of all liabilities.		
XVII.	Adoption of Bylaws	Not Applicable		
None	Delineation of authority	In support of the authority for management, control and supervision of the business, these authorities are further specified.	Legal Matters: For legal entities the Board reserves:	None

PMI Governance Delegation of Authority Summary Table				
Bylaws Article	Name	Authority	Reserved Board Authority	Delegated Authority
			<ul style="list-style-type: none"> the authority to establish or dissolve legal entities and each is subject to Board approval; the authority to approve the acquisition of legal entities. The acquisition of legal entities is subject to Board approval. <p>Settling Claims/Litigation or Threatened Litigation Claims:</p> <ul style="list-style-type: none"> For settlements of any litigation or threatened litigation claims, the Board retains approval for matters in excess of \$2,500,000. (RoB 9.0.5(c) (12). 	