



**PAINTING  
CONTRACTORS**  
ASSOCIATION



## **MISSION STATEMENT**

The Painting Contractors Association serves the coating and wall covering industry with standards, education, training, advocacy, and best practices essential to member success.

## PURPOSES

To enhance the advancement of the coating application industry by attempting to influence and direct the painting decorating market place to favor members.

To provide a conduit of communication between those involved in the coating application industry by focusing on organizational unity and clarity of purposes in representing the collective interests of the membership.

To provide services to members that cannot be obtained in small groups or individually, by seeking out opportunities to establish strategic alliances and partnerships that can favorably impact the standing, status, and business opportunities of members.

To be the voice of the coating application industry.

To promulgate an attitude of ethical responsibility in business.

To be the premier education information organization for the paint and coatings industry.

## INTRODUCTION

The governance of PCA consist of Bylaws and Policy. Together, these documents stipulate why the Association exists, as well as the expectations and obligations of members, leaders, and /or operations. PCA Policy is built on creating accountability as defined throughout PCA Bylaws and PCA Policy.

## Section I - Objectives

1. PCA is the voice of the industry, representing the painting industry to construction professionals, end-users and the public at large.
2. PCA evaluates the painting profession through adherence to a code of education, training and certification to the community.
3. PCA promotes the painting profession, and in particular its individual members, through public relations, advocacy and marketing of its brand.
4. PCA leads the way for the future of the profession by:
  - A. Consistently identifying and developing new leadership;
  - B. Developing programs and materials directed at encouraging entrants into the trade.
5. PCA provides a method of governance that best represents its members without regard to a particular geographical area or market segment. It employs Policies, Bylaws, and Procedures that are easy to understand and implement. It allows collaboration, respects rules, acknowledges varying leadership styles and is prudent in use of resources.

## Section II - Governance Process

### 1. Governance Commitment

- A. Broad responsibilities of the PCA Board shall be:
  - i. Accountable for organizational performance
  - ii. Maintain two-way communication between the PCA Board and the PCA Operational Executive Director, the PCA members and related industry
  - iii. Hire, monitor and terminate the PCA Operational Executive Director, Legal Counsel and External Auditor
  - iv. Create and oversee PCA Board Governance Committees to assist in executing its objectives
- B. Broad responsibilities of the PCA Operational Executive Director shall be:
  - i. Accountable for the operational performance of PCA
  - ii. Maintain transparent and timely communication with the PCA Board
  - iii. Responsible for the financial management and asset allocation of the PCA Association
  - iv. Maintain two-way communication between the PCA Operational Executive Director and the PCA Directors, associate members, related industry and government regulatory agencies
  - v. Align, develop and maintain programs and services to execute the PCA Board's objectives, goals and policies
  - vi. Hire, manage and terminate staff and consultants, excluding Legal Counsel and the External Auditor

## 2. PCA Board of Directors Election Procedure

- A. PCA Nominating and Recruitment Committee
  - i. Committee Job Products and Responsibilities
    - a. Announcement of PCA Director position(s) to be distributed by PCA Staff on Nov, 1st by email containing information to obtain PCA Director application(s) to be completed and returned within 30 days.
    - b. Based upon returns and available vacancies, the PCA Nominating and Recruitment Committee shall interview each candidate and furnish information pertinent to PCA Directorship. After due diligence the Committee will submit qualified candidate(s) to the PCA Board for consideration and election.
  - ii. Prospective Director Orientation
    - a. Oversee creation of and distribution of appropriate orientation materials prior to nominations in order for nominee to understand the requirements of Directors.
    - b. Require acceptance of commitment from nominees for a minimum two year term.
    - c. Board of Directors Nominating and Recruitment Committee to solicit and form an associate group consisting of Director qualified active members desiring to become a Director.
  - iii. Director Nomination Timeline
    - a. May 1—Appointment of National Nominating and Recruitment Committee.
    - b. November 1—Announcement of Board Vacancies to Membership, Councils, and Forums of a 30 day period to obtain info to acquire forms required and returned to National to be considered for Board Membership.
    - c. December 1—Committee Evaluation Process begins with evaluation of member nominations and other possible candidates known to the Committee and that meet the nominee qualifications.
    - d. January 1—Nominating Committee to submit slate of nominees to the BOD who will consider the candidate(s) and by majority vote determine the new Director(s).
    - e. February 2—Election results announced to PCA membership.

## 3. PCA Agenda Planning

- A. All PCA Board Meetings will focus on defining and or redefining goals including objective decision methods and review of the Association's overall progress. Each Board Meeting Agenda to be composed by the PCA Operational Executive Director and forwarded to PCA Board Members seven days in advance.
- B. Governance education, education related to goal development and revisions from outside the PCA membership (such as futurists, demographers, advocacy groups, etc.) may be arranged by the PCA Chair.
- C. Members from Association entities such as PCA Councils, PCA Chapters and PCA Forums may prepare a brief report to share activities by using a Board established format. All Association entity reports shall become part of the PCA Board meeting minutes.

#### **4. PCA Officers' Role**

- A. The PCA Officers serve as informed agents of the PCA Board and shall:
  - i. Gather, research and review information and present problems and proposals to the PCA Board for a decision.
  - ii. Determine when PCA Operational issues and problems become significant to warrant PCA Board notification.
  - iii. Communicate and keep PCA Board informed of PCA Officers' actions.
  - iv. PCA Officers have limited decision making powers. All proposed decisions shall be presented to the PCA Board for approval.

#### **5. PCA Chair's Role**

- A. A. The PCA Chair shall be the presiding officer of the PCA Association assuring the integrity of the Association' governance and Board processes along with representing the PCA to outside parties.
  - i. Ensure meeting discussion be only on issues which according to PCA Policy belong to PCA Directors for decision, not the PCA Executive Director.
  - ii. Ensure fair, open, timely and through deliberation.
  - iii. Report to the PCA Directors matters of interest that may require notice and deliberation.
  - iv. Be the primary liaison between members and the PCA Board.
  - v. Shall have the authority to preside at all PCA Board meetings and all PCA Association meetings with the commonly accepted power of a PCA Chair position.
  - vi. Has no authority to make decisions regarding PCA Bylaws and Policy unless so directed by the PCA Board.
  - vii. Shall annually appoint Ad Hoc and Governance Chairs
  - viii. Shall have the privilege to attend all PCA Association activities.
  - ix. May direct the PCA Operational Executive Director when authorized by the PCA Board.
  - x. May appoint a committee to negotiate hiring and terminating a legal counsel and auditor.
  - xi. Shall have powers additional to the foregoing as the PCA Board may designate, such as the necessity of obtaining up to two non PCA members due to their experience, knowledge and expertise to assist in achieving specific goals, mission and projects of the Association. Their terms may be up to two years and reimbursed by consultant fees if required.

## 6. PCA Vice Chair's Role

- A. The PCA Vice Chair shall assist in all duties assigned by the PCA Chair.
  - i. Should the Chair become incapacitated or otherwise unable to serve or if the office of the PCA Chair become vacant for any reason, the PCA Vice Chair shall assume the duties of the PCA Chair until the position is filled by PCA Board action.
  - ii. The responsibility of the PCA Vice Chair shall be to assist the PCA Chair in the governance process and foster alignment and compliance in all matters related to PCA Bylaws and PCA Policy, such as:
    - a. Serve as the PCA Officer liaison to members, Staff, PCA Directors and Association entity executives in matters of PCA Bylaws and PCA Policy.
    - b. Ensure that alignment matters are presented to the PCA Board in a timely fashion.
    - c. May serve as PCA Treasurer if requested by the PCA Board.
    - d. May make recommendations to the PCA Board regarding member to member or member to Association entity (PCA Councils, PCA Forums and PCA Committees) unless otherwise provided herein.
    - e. Has no authority to render or determine the outcome of any alignment issues.
    - f. Has no authority to discipline or sanction any PCA member, PCA Director, PCA Officer or PCA Staff unless otherwise directed by the PCA Board.
    - g. Shall have other such powers and perform other such duties as the PCA Board may designate.

## 7. PCA Treasurer's Role

- A. The PCA Treasurer shall monitor the care and custody of the PCA Association's financial status, ensuring the financial management of the Association is well maintained and complying with regulatory rules, transparent, and clearly understandable to the PCA Board and PCA members. Accordingly:
  - i. Submit an annual report of the Association's income and expenditures for PCA membership review at the Annual PCA Corporate Meeting.
  - ii. Submit a review of the income and expenditures for PCA Director consideration before each PCA Board Meeting.
  - iii. Serve as the PCA Finance Committee Chair that also includes responsibility for PCA Investments.
  - iv. Present a positive budget for PCA Board consideration prior to the PCA Annual Meeting not less than two (2) months prior to the beginning of the following fiscal year.
  - v. Make financial information available to any PCA Director for inspection upon request.
  - vi. Notify the PCA Board of any financial matter that may require timely consideration or action.
- B. The authority of the PCA Treasurer consists in monitoring the financial management and being accountable to the PCA membership and PCA Board in all matters pertaining to PCA Association's Financial management. Accordingly, the PCA Treasurer shall:
  - i. Be responsible for disbursements and sign vouchers as provided herein.
  - ii. Develop a non-deficit budget for the coming year
  - iii. Ensure PCA Bylaws, PCA Policy and governmental compliance with all financial matters.
  - iv. Ensure fiscal conservatism and transparent accounting procedures with all financial matters.
  - v. Shall have such other duties, powers and performance as the PCA Board may designate such as the possibility of serving as the PCA Vice Chair if requested by the PCA Chair.

## 8. PCA Board of Directors Governance Committee Structure

- A. PCA Board Governance Committees may be assigned to reinforce the wholeness of the PCA Board purpose in fulfilling the Association's mission and goals and to not interfere with delegation from the PCA Board to the PCA Operational Executive Director.
- B. PCA Board Governance Committees are to assist the PCA Board attain its objectives and goals, not to assist or advise the PCA Staff. Governance Committees will not normally have direct dealings with current PCA Staff operations.
- C. PCA Board Governance Committees may not speak or act for the PCA Board except when given such authority for specific and time limited purposes.
- D. PCA Board Governance Committees shall not exercise authority over the PCA Operational Executive Director or Staff. The PCA Operational Executive Director may not be required to obtain approval from a PCA Governance Committee before an operation action with the exception of instances beyond the authority of the PCA Operational Executive Director as defined in PCA Bylaws and PCA Policy.
- E. PCA Governance Committee Chair's shall receive notice of and shall be present at all PCA Board meetings with voting privileges and travel reimbursement per PCA Policy Appendix J.
- F. PCA Governance Committee Chair's shall expend all effort to submit written reports of their actions to PCA Headquarters seven (7) days prior to PCA Board Meetings.
- G. The PCA Board may establish PCA Governance Committees in conjunction with formally established PCA Executive Director Operational Committees.
- H. A PCA Governance Committee normally consist of three (3) PCA members and are appointed annually by the PCA Chair to the following PCA Governance Committees
  - i. Finance Committee
    - a. Membership consists of the PCA Board Treasurer as Chair as stated in PCA Bylaws along with two (2) current PCA Directors and one (1) PCA Past Chair.
    - b. The PCA Finance Chair shall submit written financial statements outlining the current financial status of the Association and answer questions thereof at each PCA Board Meeting.
    - c. Review and modify as necessary the annual budget and present to the PCA Board for consideration and approval.
    - d. The PCA Finance Chair and a current PCA Director may conduct inspection of financials at PCA headquarters if deemed necessary by the PCA Board.
    - e. Shall negotiate contract terms of the Association's exterior auditor and present recommendations for PCA Board for consideration and approval.
    - f. Monitor the Association's investments including regulatory and investment policy compliance.
  - ii. PCA Officers' Nominating Committee
    - a. Members of PCA Board shall elect Officer positions within their membership to serve a minimum of two (2) consecutive one (1) year terms.
  - iii. PCA Training Committee
    - a. Develops training, education and seminars pertinent to PCA contractors and/ or employees to assist in achieving success in the Painting Industry at their convenience on the PCA website. Completion of the three (3) segments will provide a well-qualified contractor or employee.

- iv. Nominating and Recruitment Committee
  - a. Acts as a buffer for the PCA Board to select, vet and recommend qualified director candidates to the PCA Board for consideration and election per requirements of Section 2 A of this document.
- v. PCA Governing Documents Committee
  - a. Acts as a buffer for the PCA Board in editing, deleting and or adding clauses pertinent to both PCA Bylaws and PCA Policy by composing H Forms for both to maintain alignment. This Committee shall also consider H Forms presented by three (3) PCA members and or three (3) PCA Directors for consideration prior to presenting to full PCA Board for final action.

## **9. Council, Chapter and Forum Relations**

- A. All PCA Association entities including, but not limited to, Councils, Chapters and Forums shall provide attestation to good not-for-profit organizational practices on an annual basis by completing the Operation Information Update (Appendix I) and delivering the completed form to headquarters by an established date with ninety (90) days prior notice.
- B. PCA is committed to providing and supporting programs and services that meet the needs of members therefore, the PCA Board of Directors has established General Forum Policy as outlined in Appendix K. of PCA Policy.
- C. Minimum standards of Chapters:
  - i. Four (4) meetings a year, which includes an annual meeting. The annual meeting would have an agenda, minutes or report, financial report, election and installation of officers. Any time the members get together, it can be called a meeting, i.e. golf outings, charity projects, holiday parties, seminars, business meetings, etc.
  - ii. File the appropriate IRS 990 form yearly.
  - iii. Complete and submit the Operation Information Update form.
  - iv. Have at least one associate member.
- D. The order of procedures for working with a non-responsive or non-compliant Chapter would be as follows:
  - i. The PCA Council should send a letter, outlining the items necessary to remain in compliance to the Chapter Officers, requesting a meeting with Council Board to determine whether or not to suspend the Chapter Chart.
  - ii. Should the Chapter be suspended, the PCA Council will notify all Chapter Members to cease payment of Chapter dues to Council.
  - iii. The PCA Council will collect and place in an escrow account the Chapter treasury for a period of two (2) years or until its Chapter can be reorganized. If not reorganized, escrow funds will be distributed according to non-profit regulations such as the PCA Education Foundation.
- E. Minimum standards for a PCA Council:
  - i. Have a minimum of one annual meeting – at least the annual business meeting. The annual meeting would have an agenda, minutes or report, financial report, election and installation of officers.
  - ii. File the appropriate IRS 990 form yearly.
  - iii. Complete and submit the Operation Information Update form.
  - iv. Oversee and manage its Chapters.



- F. The order of procedure for working with a non-compliant PCA Council would be as follows:
  - i. The PCA Board should send a letter, outlining the items necessary to remain in compliance to the Council Officers requesting a meeting with the PCA National Board to determine whether or not to suspend the Council Charter.
  - ii. Should the Council be suspended, the PCA Board will notify all Council Members to cease payment of Council dues.
  - iii. The National PCA Board will collect and place in escrow account the Council treasury for a period of two (2) years or if not, the funds will be distributed according to non-profit regulations such as the PCA Educational Foundation.

## 10. Cost of Governance

Due to poor governance costing more than learning to govern well, the PCA Board shall invest in the Association's governance capacity.

Accordingly:

- A. PCA Board training including leadership, skills, methods and administration support shall be sufficient to assure the Association is governed with excellence.
  - i. Training and retraining shall be used liberally to orient new PCA Directors as well to assure the Association is governed with excellence.
  - ii. Outside monitoring and consulting assistance maybe arranged so that the PCA Board may have confident control over organizational performance and the overall governance of the Association.
- B. Costs shall be prudently incurred though not at the expense of delaying the development and maintenance of superior governance capability.
  - i. Transportation and expenses of PCA Directors and PCA Governance Chairs required to attend PCA Board Meetings and other PCA events shall be reimbursed per guidelines of PCA Policy Appendix J.
  - ii. PCA Directors requested to attend a PCA Associate's function may request reimbursement to PCA Board Chair and Treasurer.
- C. The PCA Chair shall be allowed an annual expense account as determined by the PCA Board. Said monies will shall be paid to the PCA Chair's firm as reimbursement for expenses absorbed by the firm.

## Section III Governance - Management Connections

### 1. Unity of Control

- A. In addition to the PCA Association's Mission, Bylaws and Policy, only officially passed PCA Board Initiatives and actions are binding upon the PCA Operational Director. Accordingly:
  - i. Decisions or instruction of individual PCA Officers, Directors or Committees are not binding on the PCA Operational Executive Director unless authorized by the full PCA Board.
  - ii. The PCA Operational Executive Director shall use reasonable interpretations of PCA Officer, Director or Committee requests based upon availability of Staff and funding if required.

### 2. Accountability of the PCA Operational Executive Director

- A. The PCA Operational Executive Director is the only link to operations with the PCA Board. Therefore, all authority and accountability of PCA Staff is considered the PCA Operational Executive Director's responsibility.
- B. The PCA Board may, from time to time, delegate the PCA Operational Executive Director certain tasks or responsibilities for which the PCA Operational Executive Director shall be accountable to execute in accordance with the Association's applicable governing documents.
- C. To ensure accountability of the PCA Operational Executive Director, the PCA Board shall monitor his/her performance through various methods available to them.

### 3. Executive Director Compensation and Benefits

The BOD shall have final authority to hire or terminate the Executive Director with a three-fourths (3/4) affirmative vote of the credentialed Directors present at regular or special meeting. The Executive Director shall be a competent individual accountable for the operational performance of the Association as dictated by Bylaws and Policy. The compensation, benefits and terms of employment regarding the Executive Director shall be in an employment agreement which shall remain confidential within the BOD. Upon acceptance by the BOD, the BOD Chair is authorized to sign the agreement on behalf of the Association.

# Section IV - PCA Operational Executive Director Responsibilities

## 1. Operational Executive Director

A. The PCA Operational Executive Director is responsible to see that all PCA organizational/operational activities are in compliance with required practices of the PCA Association's Mission, Bylaws, Policies and Objectives.

## 2. Expectations of Staff Relationships

A. The PCA Operational Executive Director shall provide each PCA Staff member with a personal policy manual as a guide to their expected work environment performance along with establishing the compensation for each staff person.

## 3. Financial Planning/Budgeting and Activities

- A. With respect to the actual ongoing financial condition and activities of the PCA Association, the PCA Operational Executive Director prior to the expenditure of funds, shall:
- i. Request PCA Board approval of expenditures over ten thousand dollars (\$10,000).
  - ii. Request PCA Board approval of non- budgeted expense over 10% of current budget.
  - iii. Acquire the PCA Board Treasurer's signature for vouchers over two thousand five hundred (\$2500.00) and /or five Hundred (\$500.00) for PCA Staff expense reimbursement.
  - iv. Pay financial obligations such as vendors, State and Federal taxes and credit card statements as they become due.
  - v. Assist the PCA Treasurer in developing timely and pertinent financial statements for the PCA Board.
  - vi. Collect member dues on a timely basis according to the following current category and dues schedule:

CATEGORY	DUES
National Member	\$499
Find a Pro	\$0
Affiliate	\$0
International	\$0

## 4. Asset Protection

- A. The PCA Operational Executive Director shall maintain sufficient and appropriate protection of all PCA Corporate assets.
- i. Maintaining of insurance policies, including but not limited to Directors, Board Officers, Association events, property, liability, vehicle and worker's compensation. Proof all insurance coverages to be on file at PCA Headquarters.
  - ii. Protect all PCA intellectual properties, including but not limited to PCA Trademarks, logo, publications, name, educational and training programs.

## **5. Emergency PCA Operational Executive Succession**

- A. In the event of the sudden loss of PCA Operational Executive services, he/she shall have a written procedure of succession on file at PCA Headquarters that states the following:
  - i. An Interim Committee knowledgeable of PCA Operations to serve as a group until a replacement has been secured and hired consisting of one (1) current PCA Staff member, two (2) current PCA Board Officers and one (1) PCA Past Chair. The Committee would be chaired by the current PCA Board Chair. This Committee will remain until the new PCA Operational Executive Director has signed the employment contract and taken office.

## **6. Industry Resources**

- A. The PCA Operational Executive Director shall take advantage of collaboration, partnerships and innovative relationships with all relevant Organizations, including, but not limited to: Industry Companies and Associates, Construction Industry Associations, Coalitions and Government Agencies. The PCA Operational Executive Director shall not fail to include industry activities in monthly reports to the PCA Board.

## **7. Products, Programs and Services**

- A. The PCA Operational Executive Director shall develop a strategic management plan of products, programs and services that are aligned with the PCA Association's Mission, Bylaws, Policies and Objectives.
- B. The PCA Operational Executive Director shall maintain a current data base of all documents pertaining to Federal, State and Local Government Agencies along with health and insurance policies, corporate papers and all pertinent information.
- C. The PCA Operational Executive Director shall annually appointment PCA Operational Committees as deemed required.
- D. The PCA Operational Executive Director shall develop and maintain an accurate data base of PCA membership accessible to all PCA members on the PCA website along with current PCA Bylaws and PCA Policy.
- E. The PCA Operational Executive Director shall appoint PCA Operational Committee's annually as need and number.

# Section V - PCA Investments

## 1. Executive Summary

The following information is specific to current investments as of October 14, 2011.

Fund Name:	PCA Reserve Fund
Fund Type:	Restricted Account
Date Established: Federal	2000
Tax ID No.: Original Fund	36-2270072
Assets: Investment Time	\$1,146,589.72 (As Of 6/16/08)
Horizon: Risk Tolerance:	Three (3) Years
Portfolio Name: Custodian:	Conservative
Financial Advisor:	Income and Growth Portfolio Pershing LLC Financial Advantage Associates, Inc. - Jonathan Abbett

## 2. Introduction

The Investment Policy (Policy) has been prepared to communicate the goals and objectives of the Board of Directors (Board of Directors). As with all policies, the Board of Directors is authorized to accept, modify and maintain this document. The Finance Committee (Committee) may offer Policy changes and investment strategy changes for Board of Directors consideration. The Committee and the Board of Directors shall comply with Director, officer, or trustee fiduciary responsibility, prudence, due diligence and legal requirements on behalf of the membership. The Board of Directors holds the ultimate responsibility for investment performance and monitoring Association investment administration including, but not limited to, financial advisor fees and investment performance.

## 3. Reserve Fund

The Reserve Fund (Fund) is an investment fund of portfolio assets based on a conservative model and managed by the Committee and a third party financial advisor. The Fund has been established to protect the organization from unforeseen financial circumstances or hardship as determined by the Board of Directors.

## 4. Account

The Account is an account for the Fund that is separate from other Association accounts and designed especially for the Fund. All interest and dividends paid on any investments shall remain within the Account unless specifically directed by the Board of Directors. The Account shall be maintained with a bank, brokerage house or other financial institution that has oversight from all regulatory bodies and provides detailed reporting on a monthly basis.

## 5. Investment Fund Access

- A. The Board of Directors from time to time may approve designated amounts from the Fund to be available to cover short term operating needs where it is expected that such disbursements shall be paid back within the fiscal year.
- B. The Board of Directors may also approve short term loans from the Fund which may be loaned to the operating account at a market discounted interest rate with a repayment schedule not to exceed five (5) years.
- C. The access Policy for the Fund is established by the Board of Directors. It shall be the responsibility of Board of Directors to periodically review the access Policy to make adjustments necessary to preserve the purchasing power of the Fund and to promptly communicate any changes in the spending Policy to the Committee.

## 6. Fund Objectives

The objectives of the Fund are:

- A. To protect the ongoing viability of the Association at all times.
- B. To preserve and enhance the purchasing and earning value of the assets held in the Fund.
- C. To seek an average annual real rate of return consistent with the Consumer Price Index (CPI) plus one percent (1%) (anticipated to be not less than three percent (3%) per year on average). This objective shall be measured over a rolling three (3) year time frame, with the intent to preserve the principal value of the assets as measured in real, inflation adjusted terms.
- D. To seek competitive investment performance versus appropriate or relative benchmarks.

## 7. Duties and Responsibilities

The Committee shall be responsible for managing the investment process in a prudent manner with regard to preserving principal while providing reasonable returns. In carrying out these duties, the Committee may work with a financial advisor to assist in managing the assets of the Fund. The financial advisor's role is to provide guidance to the Committee on matters pertaining to the investment of Fund assets including investment selection, reporting on the Fund's performance and compliance with the Policy. The Committee shall ensure that the Policy and Fund guidelines are in accordance with Board of Directors approved procedures and Association Bylaws and policies.

### A. Board of Directors

- i. May hire a financial advisor to assist with the management of the Fund or the Board of Directors may delegate this task to the Committee or Subcommittee. Either the Committee or the Subcommittee of the Board of Directors appointed by the Board of Directors Chair shall review the details of any agreement or contract with the financial advisor for Board of Directors approval.
- ii. Approves the Policy of the Fund, which may include, but is not limited to, allocation between equity (stock) and fixed income assets (bonds), selection of acceptable asset classes and investment performance expectations.

### B. Finance Committee

- i. Develops and monitors the Association's long-term strategy for managing investments on behalf of the Board of Directors.
- ii. May make recommendations/revisions to the Policy to allow the Board of Directors, administrative staff, accounting/auditing firms and the membership to more easily understand the Policy.
- iii. May develop guidelines and expectations for the financial advisor, administrators or staff for Board of Directors consideration and approval.
- iv. May establish reporting and monitoring performance procedures for Board of Directors consideration and approval.
- v. Shall monitor overall investment performance among all asset classes and provide a report to the Board of Directors on a quarterly basis.
- vi. Shall monitor the financial advisor's performance, including, but not limited to, fees on an annual basis.
- vii. Shall make timely recommendations to the Board of Directors regarding all of the above.

C. Financial Advisor

- i. Shall manage the assets of the Fund in accordance with the stated objectives and policies stated herein.
- ii. Shall review the investment performance of the Fund to assure the Policy is being followed and progress is being made toward achieving objectives on an annual basis by a report to the Committee.
- iii. Shall review asset allocation and performance among all asset classes and verify by a report on a quarterly basis to the Committee that allocations are within targets defined by this Policy.
- iv. Shall provide a monthly report of all fund transactions and fees.
- v. May assist the Committee in updating the Policy and guidelines contained in the Policy.
- vi. Shall report in a timely manner to the Committee substantive developments that may affect the management of the Fund assets.
- vii. Shall submit a contract for all services directly provided on SEC Disclosure Document Form ADV for Board of Directors consideration and approval.
- viii. Submit a fee schedule for all fees including, but not limited to, fixed, indirect, transaction trading and hidden fees within a fund for Board of Directors consideration and approval.

D. Executive Director

- i. Executive Director shall direct the financial advisor on routine transactions within the approved Policy.

## 8. Investment Policy and Guidelines

A. Portfolio Description:

- i. Fund assets may be held in an investment Portfolio with an active strategic asset allocation strategy. This Portfolio shall be invested primarily in mutual funds for all asset classes other than cash, cash equivalents, certificates of deposits and government bonds. As a result, assets held in this Portfolio will be well diversified.

B. Time Horizon:

- i. Fund objectives are based on a three to five (3-5) year investment horizon so that interim fluctuations should be viewed with the appropriate perspective. The Fund investment time horizon has been selected to ensure that the risk is reasonable for the anticipated amount of time that the assets are held in the Fund.

C. Diversification:

- i. Investments shall be diversified with the intent to minimize the risk of large losses to the Fund. Consequently, the total Portfolio will be constructed and maintained to provide prudent diversification with regard to the concentration of holdings in individual issues, corporations or industries.

D. Asset Allocations:

- i. Target ranges for allocations may be recommended by the financial advisor based on a suggested model which is reviewed by the Committee and considered and approved by the Board of Directors. To meet the Fund objectives and achieve the best balance between risk and return for optimal diversification, the Fund shall allocate assets in accordance with the targets for each asset class as stated below:

**ASSET ALLOCATION BREAKDOWN**

ASSET CLASS	INVESTMENT TYPE	PCA RESERVES	
		APPROVED RANGES	TARGET ALLOCATION
Cash	Cash and Cash equivalents (includes CDs with maturities under 24 months)		
FI	Government Bonds and Bond Funds (includes 2 – 5 year CDs)		
FI	High-Quality Corporate Bond Funds		
FI	International Quality Bond Fund		
FI	High Yield Bond Funds		
EQ	Equity Funds		
EQ	International Stock Funds		
<b>TOTAL</b>			<b>100%</b>

Any changes to the approved ranges require Board of Directors approval and any changes to the target allocations require Committee approval.

H. Risk Tolerances:

- i. The objectives of the Portfolio may not be achieved without the Fund incurring a certain amount of principal volatility and risk. The Portfolio shall be managed in a style-neutral manner that seeks to minimize principal fluctuations over the established time horizon and that is consistent with the Portfolio's stated objectives.

**9. Guidelines for Portfolio Holdings**

The financial advisor administers the Policy through investments in mutual funds and other pooled asset Portfolios. Such investments are acceptable providing they adhere to the diversification restrictions set forth below.

A. Equities:

- i. The Equity asset class may consist of mutual funds and other pooled asset portfolios and may be listed on registered exchanges or actively traded in the over-the-counter market or considered to be restricted securities (provided that the percentage of the Fund's assets invested in such securities conforms to each Fund's prospectus).

B. Fixed Income:

- i. The Fixed Income asset class may consist of mutual funds and other pooled asset portfolios that are invested principally in fixed income securities that are rated investment grade or better, i.e., rated in one of the four highest rating categories by an NRSRO at the time of purchase or, if not rated, are determined to be of comparable quality by the financial advisor or a mutual fund sub-advisor.



- C. Cash Equivalents:
  - i. Cash equivalent reserves shall consist of money market mutual funds and other cash equivalents, including FDIC insured short term Certificates of Deposit.

## 10. Control Procedures

- A. Review of Liabilities:
  - i. The Committee shall review the Policy, objectives and guidelines annually and submit a report to the Board of Directors. The report shall focus on an analysis of major differences between the Fund's assumptions and actual experience.
- B. Review of Investment Performance:
  - i. The financial advisor shall provide the following:
    - a. An annual report which benchmarks the performance of each account (excluding Cash and Cash Equivalents). In most cases, the benchmark used will be the "Morningstar Category Average" for the appropriate investment classification. This report shall be done by asset category class as well as weighted average for the Portfolio overall.
    - b. A quarterly report showing the performance of the Fund by each class and class allocations, which includes each of the main market indexes for comparison.
    - c. A monthly report which details all activity for the month, including deposits, withdrawals, fund transactions and any fees or expenses charged.
- C. Proxy Statements:
  - i. Proxy statements shall be voted by the financial advisor in accordance with the terms of the Policy.

## APPENDIX A

# PCA Code of Ethics

An expression of proper conduct in the pursuit of our profession as related to our customers, our fellow Contractors, our employees, our Association and to the public.

### **Obligation of the Contractor**

- To provide painting services in a professional business-like manner with both craftsmanship and up to date techniques.
- To protect, preserve and decorate homes, edifices, facilities and all other public and private property with the most progressive and efficient means and materials.
- To maintain regulatory, insurance and licensing requirements in the areas we conduct business.

### **Obligation to the Public**

- To conduct our business operations according to the highest professional and industry standards.
- To provide innovative solutions, which enhance value.
- To faithfully fulfill all contracts.
- To expand our knowledge through the constant study of best business practices and utilization of the latest technical advances in our profession and industry.
- To conduct one's self in a professional manner at all times.
- To follow federal, state, and local tax laws and regulations.
- To adhere to federal, state and local laws and administrative regulations regarding the use and disposal of paints, coatings and related materials.

### **Obligation to Our Fellow Members**

- To encourage the free exchange of ideas.
- To meet with fellow members and promote all the precepts of this Code.
- To present a broad and favorable image of our profession and industry at all times.
- To promote equal treatment of all members.
- To oppose any discriminatory practices.
- To not disseminate misinformation or derogatory information concerning our Association or related entity, member or industry organization.

### **Obligation to Our Employees**

- To provide opportunities for training, employment, career advancement and economic security in a progressive manner to all those who would apply themselves.
- To provide a safe working environment by establishing good safety practices in compliance with federal, state and local laws and administrative regulations.
- To follow federal, state and local employment laws and regulations.

### **Obligation to Our Organization**

- To promote the spirit of this Code and the objectives of our profession and industry through creation of and participation in Councils, Chapters, Forums and all Association entities and industry related groups.
- To establish and maintain the highest level of reciprocal respect and goodwill with all segments of the industry.
- To promote our Association to customers, prospective members, the industry and related groups.

## APPENDIX B

# PCA Antitrust Policy Statement

1. Neither the Painting Contractors Association nor any Committees, section or activity of PCA shall be used for the purpose of bringing about or attempting to bring about any understanding or agreement, written or oral, formal or informal, expressed or implied, among competitors with regard to prices, fees or rates, terms or conditions, territories or customers. Discussion of such matters by PCA members is specifically prohibited.
2. No PCA Committee, section, Chapter, Council or Forum shall undertake any activity which involves exchange or collection and dissemination among competitors of any information regarding prices, fees or rates, methods of computing same, or sales without first obtaining advice and approval of PCA legal counsel.
3. No PCA activity or communication shall include any discussion which might be construed as an attempt to prevent any person or business entity from gaining access to any market or to any customer or to prevent any business entity from obtaining goods or services freely in the market place.
4. No person shall be unreasonably excluded from participation in any PCA Committee, Section, Chapter, Council, or Forum where such exclusion may significantly impair such person's ability to compete effectively in the coatings application industry, nor shall any PCA activity or communication include any discussion which might be construed as an agreement or understanding to refrain from dealing with any supplier of materials, equipment, services or other supplies.
5. All joint research programs and statistical reporting activities if any, conducted through PCA or a PCA Committee, Section, Chapter, Council or Forum thereof shall be first approved and thereafter monitored by PCA legal counsel. All such information should be distributed to all members.
6. PCA members shall not participate in the preparation and dissemination of fee or price lists. Any violation of this rule shall result in immediate expulsion. PCA members should contact PCA Operational Executive Director or legal counsel upon receiving knowledge of any government investigation of PCA activities. The general Policy of PCA with regard to such investigations, however, is one of cooperation.
7. Finally, all PCA members are expected to comply with these guidelines and PCA Antitrust Policy at all times and especially during informal discussions wherever they are held.

## APPENDIX C

# An Annual PCA Corporate Meeting, Trade Show and Awards Traditions

**Preparation.** A PCA Annual Corporate Meeting shall be held each year. The PCA Operational Executive Director shall propose the site of the annual meeting for consideration by the PCA Board of Directors. The Operational Executive Director shall prepare the annual meeting program in consultation with the PCA Chair and oversee the annual meeting activities. The PCA Chair shall have full supervisory authority for all local Committees conducting activities in the city where the annual meeting or special meeting is to be held. The PCA Council/Chapter/Forum in the area in which the annual meeting is to be held shall assist the PCA Board of Directors and headquarters staff in connection with preparations for the annual meeting.

**Meeting Execution.** The flags of the United States of America and Canada shall be displayed at each Annual Meeting, and the National Anthem of both countries shall be sung at the opening ceremony. The National Anthem of the host country shall be sung first.

During the opening session of each annual meeting an appropriate memorial service for deceased members shall be conducted.

The newly elected PCA Chair shall provide an address at the Annual Members' Meeting.

## Awards Program

### Safety Award

The Safety awards have been established to recognize members committed to providing safe working environments for employees, customers and the community.

1. Criteria - Candidates must have instituted a comprehensive safety plan including employee education and achieved a record of minimal accident occurrence. Eligible honorees consist of any active member in good standing.
2. Selection Committee - The PCA Board of Directors shall determine the winner(s).
3. Nominations - May be submitted by any member in good standing. Forms are available at the headquarters' office or at [www.PCApaintED.org/awards](http://www.PCApaintED.org/awards).

### Picture It Painted Professionally (PIPP) Award

The Picture It Painted Professionally awards are presented for overall project excellence and superior craftsmanship.

1. Criteria - Projects may qualify by integrating the exceptional use of color, innovation, specialty finishing techniques, safety compliance, technical skill(s), creativity, project difficulty and superior execution. Entries may be submitted in ten (10) categories, which are Residential Interior, exterior and Wallcoverings; Industrial; Commercial Interior, Exterior and Wallcoverings; Decorative Finishes; Restoration; and Charity Projects. Each project entry must have been completed by an active PCA member in good standing.
2. Selection Committee - The appropriate Forum (Commercial, Industrial or Residential) shall determine the winner(s).
3. Nominations - Projects may be submitted by any member in good standing. Forms are available from the headquarters' office or at [www.PCApaintED.org/awards](http://www.PCApaintED.org/awards).

## Member Recruiter Award

The Member Recruiter awards are presented for excellent recruiting efforts resulting in PCA Council, Forum, Chapter or individual membership growth.

1. Criteria – Candidates must have demonstrated remarkable initiative effectively increasing membership. Eligible honorees consist of any member in good standing including associates and affiliates. In addition, Council, Chapter and Forum executives may be considered.
2. Selection Committee – The PCA Board of Directors shall determine the winner(s). There may be an occasion when the Board of Directors does not present this award.
3. Nominations: May be submitted by any member in good standing. Forms are available from the headquarters' office or at [www.PCApaintED.org/awards](http://www.PCApaintED.org/awards).

## Associate Member Award

The Associate Member award recognizes an individual from a sponsoring company that has gone above and beyond in support of the Association and put forth significant efforts to improve the coatings application industry on a nationwide scale.

1. Criteria – Candidates must have demonstrated extraordinary Association and industry advocacy. Eligible honorees consist of any associate member in good standing.
2. Selection Committee – The Board of Directors shall determine the winner(s).
3. Nominations – May be submitted by any member in good standing. Forms are available from the headquarters' office or at [www.PCApaintED.org/awards](http://www.PCApaintED.org/awards).

## Painter Pay-It-Forward Award

Prior to each PCA Annual Meeting, the PCA Staff shall contact local charitable organizations in need of a full day of complimentary re-decoration by PCA members and Associates.

1. Criteria – Candidates must have exhibited persistent and comprehensive advocacy resulting in a favorable and effective outcome for the industry. Eligible honorees consist of any PCA member, associate or group in good standing..
2. Selection Committee – The PCA Board of Directors shall determine the winner(s). There may be occasions when the selection Committee does not present this award.
3. Nominations – May be submitted by any member in good standing. Forms are available from the PCA headquarters' office or at [www.PCApaintED.org/awards](http://www.PCApaintED.org/awards).

## L.E. Travis, Jr. Craftsman Award

The L.E. Travis, Jr. Craftsman Award distinguishes the most highly skilled experts in the industry. Each year as many as six (6) PCA individuals that demonstrate the highest standards of painting and decorating craftsmanship may be chosen as winners.

1. Criteria – Candidates must demonstrate talent, proficiency, professional work ethic and a mastery of the painting and decorating craft. Eligible candidates shall be employed by an active PCA Contractor members for two (2) years or longer.
2. Selection Committee – The Craftsmanship Forum shall determine the winner(s). There may be occasions when the selection Committee does not present this award.
3. Nominations – May be submitted by any member in good standing. Forms are available from the PCA headquarters' office or at [www.PCApaintED.org/awards](http://www.PCApaintED.org/awards).

## Humanitarian Award

The Humanitarian Award is presented in recognition of extraordinary compassionate contributions that may or may not be painting and decorating industry related. Benevolent acts of humanity that rise above daily business routines and family obligations, which are in alignment with PCA ideals, receive this admirable accolade.

1. Criteria – Candidates must have demonstrated grace, giving and selfless kindness for the betterment of the less fortunate. Eligible honorees consist of any PCA member in good standing including associates and affiliates, as well as staff and consultants. In addition, Council, Chapter and Forum executives may be considered.
2. Selection Committee – The Board of Directors shall determine the winner(s). There may be occasions when the selection Committee does not present this award.
3. Nominations – May be submitted by any member in good standing. Forms are available from the headquarters' office or at [www.PCApaintED.org/awards](http://www.PCApaintED.org/awards).

## Richard A. Liddeke Distinguished Service Award

The Richard A. Liddeke Distinguished Service Award recognizes exceptional, meritorious Association and/The Richard A. Liddeke Distinguished Service Award recognizes exceptional, meritorious PCA Association and/ or industry service. This very special honor pays tribute for unselfish commitment, the highest qualities of personal character, ultimate professionalism and significant contributions towards the achievement of PCA objectives on a nationwide scale in general and in particular with a similar passion and upbeat energy as Mr. Richard A. Liddeke.

1. Criteria – Candidates must have demonstrated perseverance and extraordinary efforts on behalf of PCA members and/or the paint industry. Eligible honorees consist of any PCA member in good standing including associates and affiliates, as well as staff, and consultants. In addition, PCA Council, Chapter and Forum executives may be considered for this honor.
2. Selection Committee – The PCA Chair, Vice Chair and Treasurer, along with two past PCA Presidents or past Chairs (selected by the PCA Chair) shall serve as the selection Committee and determine the winner. Although the selection Committee may honor multiple winners in the same year, there may be years when the selection Committee does not present this award.
3. Nominations – May be submitted by any member in good standing. Forms are available from the PCA headquarters' office or at [www.PCApaintED.org/awards](http://www.PCApaintED.org/awards).

## Al Quilici Outstanding Member Award

The Al Quilici Outstanding Member Award is the highest attainable achievement bestowed on a PCA member. The recognition identifies dedication, extensive efforts and tireless organizational advocacy on a nationwide scale. This most prestigious and noble honor acknowledges demonstrated accomplishments for the overall betterment of the contracting environment, in particular, the embodiment of integrity, devotion and steadfast contributions towards advancing PCA goals as shown by Mr. Al Quilici.

1. Criteria - In general, the Outstanding Member recognition is awarded for life-time contributions. Candidates shall be only PCA active or honorary members. The scale of achievement for eligibility must encompass a National realm, such as Chairing Committees, projects, programs and/or serving as a PCA Officer or Director. The service must be performed with the utmost commitment and actions in express adherence to the PCA Code of Ethics.
2. Selection Committee - The PCA Chair, Vice Chair and Treasurer, along with two past PCA presidents or past PCA Chairs (selected by the PCA Chair) shall serve as the selection Committee and determine the winner. There may be years when the selection Committee does not bestow this honor.
3. Nominations - May be submitted by any member in good standing. Forms are available from the PCA headquarters' office or at [www.PCApaintED.org/awards](http://www.PCApaintED.org/awards).

*The above awards are subject to change due to the adding of new awards or deleting of existing.*

## APPENDIX D

# Government Affairs Policy Guidelines

(Public Policy Values and Parameters)

In establishing positions and taking actions on government affairs issues, the Painting Contractors of America (PCA) shall adhere to the following principles and policies. These statements reflect PCA's role of supporting and encouraging the highest ideals of competition and fairness, and the overall betterment of the coatings application industry.

1. PCA advocates that consumers should be able to freely purchase paint, coatings and wallcovering services and applications, which best suit their needs. PCA advocates that competition for painting services should always be encouraged and enhanced. Each PCA contractor should only be limited in their business pursuits (the procurement of work) by their capacity to perform the specific specialty and fulfill contracts. If PCA contractors have the ability and experience to bond, finance, control, supervise and expedite a project, contractors should not be kept from pursuing the project because of non-business factor.
2. PCA advocates that the public is ill-served by contractors who do not comply with the legal practice of the painting and decorating profession. Contractors who do not obtain appropriate insurance, pay sales or other legal taxes, do not train and take responsibility for the safety and health of employees, or do not follow sound environmental practices including the proper disposal of waste material are not representative of the concern PCA has for the consumers, public and the coatings application workforce and industry.
3. PCA advocates that each and every PCA company should be as free as possible from government interference in the day-to-day process of conducting business. PCA affirms that all laws, regulations and compliance guidelines should be kept to the minimum level necessary and justified with objective, verifiable data.
4. PCA opposes any legislation which seeks to increase employee control without also increasing employee responsibility for their action(s).
5. It shall be the Policy of PCA to form partnerships with all related entities (government agencies, legislators, employee representatives, materials and equipment manufacturers and other industry related trade Associations or groups). These partnerships are to enhance the business environment of painting and decorating industry.
6. It shall be the Policy of PCA to remain neutral on federal legislative and regulatory issues where PCA union contractor members and PCA merit shop contractor members will have opposing views. PCA will not become involved in these debates or express a position. PCA is directed to gather pertinent information and inform the membership of these issues.



APPENDIX H

## Submission for Policy, Bylaw, or Agenda Item

Submitted by: \_\_\_\_\_

Date Submitted: \_\_\_\_\_

On behalf of: (Self, Committee Name, Group, Entity, Staff, or Officer):

\_\_\_\_\_

(Please attach additional pages if necessary to complete Appendix H)

Proposed Policy/Bylaw language, with relevant existing Policy/Bylaw, or agenda item for action:

This submission solves (please include relative background information, pros & cons, advantages/disadvantages, alternative approaches and/or consequences):

RECOMMENDATION OF PCA GDC COMMITTEE:

APPROVE \_\_\_\_\_ REJECT \_\_\_\_\_

## APPENDIX I

# Operations Information Update Request - Purpose

## Purpose of the Annual Operating Information Update

The PCA Board requires PCA Councils to collect information annually from their respective Chapters regarding operations. The purpose for gathering this information on the attached form is to assist PCA in satisfying its legal and fiduciary responsibilities to insure that PCA Councils and Chapters are operating in accordance with the PCA Bylaws and Policy, and in a way that does not create liability for the parent organization. The request also seeks information to insure compliance with IRS requirements.

Starting in 2011, the information provided will be stored in a central repository at the PCA National office. Councils and Chapters can access their information to support more efficient management of their organizations. For example, EIN numbers, bank account information, bank addresses, names of past officers or other information lost or misplaced due to changes in volunteer officers or changes in staff can be retrieved from this central repository. In addition, the form is designed to act as a checklist for Chapters and Councils to assist them in complying with legal requirements and best practices.

While “best practices” are not strictly mandated procedures, they do help the Chapters and Councils of the Association operate efficiently. More specifically in regard to financial reporting:

- If the PCA Council or Chapter does not have written financial policies and operational procedures your Board should seriously consider drafting and adopting them. PCA Councils and Chapters that have put procedures or financial policies in place report that they are very pleased with the results. Such documents aid in stabilizing the organization when there are changes in the volunteer leadership and employee turnover. Fiscal policies result in proper check handling and bank account management.
- If you fail to file the required State reports your organization’s corporation status will be revoked. If this happens your corporation will not be able to legally transact business. The procedures for filing the reports needed to maintain your corporation’s active status and the procedures for reinstatements can in most cases be found on your state government web site. Be aware that the reporting requirements vary greatly from State to State.

The completed form is required no later than February 28, 2022.

**Return form to: PCA Headquarters**

**Questions? Contact: PCA Office Personnel**

# Operating Information Update Request – OIU Form

## Charter and Bylaws

- Does your Chapter have a copy of the Chapter Charter?  YES  NO
- Is there a copy of the Chapter Charter on the website at PCApaintED.org?  YES  NO  
If NO: please contact PCA National at 314.900.2013 to assist with the posting
- Does your Chapter have a copy of its Bylaws?  YES  NO
- Is there a copy of the Chapter Bylaws on the website at PCApaintED.org?  YES  NO  
 DON'T KNOW  
If NO: please contact PCA National at 314.514.7322 ext. 222 to assist with the posting
- Have changes been made to the Bylaws in the last year?  YES  NO  
If YES: please attach revised Bylaws to this response for posting to the PCA Website

## Financial Information

- Please provide the organization IRS EIN# (Employer Identification Number)?

*Note: (This is the Employer Identification Number issued by the IRS and required for all bank accounts)*

- Does the Chapter have written Policy and fiscal procedures?  YES  NO  DON'T KNOW
  - Is the Chapter incorporated?  YES  NO  DON'T KNOW  
If incorporated: does the Chapter have copies of state incorporation documents?  
 YES  NO  DON'T KNOW  
If incorporated: are required documents filed annually to maintain corporate status?  
 YES  NO  DON'T KNOW  
If NO or DON'T KNOW: take immediate steps to correct this matter by contacting your state department of corporations for forms and information. Note: Failure to file properly may result in fines and penalties.
  - Has the required annual IRS Form 990 been filed?  YES  NO  DON'T KNOW  
If NO or DON'T KNOW: immediate action is required to prepare and/or confirm IRS Form 990 has been filed. Note: Failure to file the return may result in revocation of the Chapter income tax exemption. For information regarding which forms to file with the IRS review "IRS 990 Filing Requirements" (IRS Publication 4839) online at [www.irs.gov](http://www.irs.gov).
  - Please provide a copy of year-end financial statements, i.e. profit & loss statement and balance sheet.
  - Does the Chapter have a year-end reconciled bank statement(s)?  YES  NO  
If YES: - please attach a copy of the statement(s) to this response. Be sure the name and the address of the bank and account number are readable.
  - Please provide names of the authorized signers on those accounts.
- 
- Does your organization have employees?  YES  NO  
If YES: have all required state/federal employment taxes been paid/reports filed?  YES  NO  
 DON'T KNOW  
If "NO" or "DON'T KNOW: take immediate steps to resolve this situation.  
*Note: Failure to pay employment taxes can result in significant fines and penalties.*

## Governance and Unit Activities

- Does the Entity have up-to-date Directors and Officers Liability Insurance in place?  YES  NO
- Did your organization hold an annual meeting in the past year?  YES  NO

If YES: please attach a copy of the agenda or meeting program.

- How many meetings and events did your Entity hold in the past year? \_\_\_\_\_
- Please attach a list of current organization officers and Directors (names and contact information).

### Attestation of Responder

I (authorized signer) \_\_\_\_\_,

state that I am the (officer title) \_\_\_\_\_

of the (Council or Chapter) \_\_\_\_\_

and attest that I have reviewed the information submitted in this report and state that it is true and correct to the best of my knowledge.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX J

# Reimbursement Guidelines

Governance meetings are an integral part of PCA Association's activities and each governance member (PCA Directors and PCA Governance Committee Chairs) input is essential to the continued success of PCA. It is the PCA Board of Directors intention that each governance member will be reimbursed according to PCA Policy Appendix J. Please follow the guidelines and kindly direct any questions to the PCA Treasurer and/or the PCA Operational Executive Director.

In any event, qualified required attendees shall not be reimbursed more than fifteen hundred dollars (\$1500.00) per required event. PCA Board Officers requested to attend a PCA Associate event may request travel reimbursement if not provide by the PCA Associate.

## General Director Travel Reimbursement Eligibility:

Eligibility for travel reimbursement for PCA Directors and PCA Governance Chairs begins simultaneous with the start of their respective terms. For newly elected Directors, the term begins at the conclusion of the Annual Convention as per PCA Policy, PCA Chair Governance Chairs eligibility begins at PCA Chair appointment. Replacement Directors are eligible upon their respective PCA Board of Directors approved election and seating. Airline Reimbursement Guidelines: Reimbursement shall be provided for coach fare utilizing best business practices for ticket purchases. Reimbursement shall be provided for funds actually spent. For example:

1. Although reimbursement shall be provided for coach fare, reimbursement will only be made if such coach fare is paid. If an eligible Director or PCA Governance Chair travels at a reduced rate, reimbursement shall be paid at the reduced rate.
2. Frequent flyer miles for travel on Association business are not a reimbursable expense. Only funds actually spent and in accordance with the airline reimbursement guidelines are eligible for reimbursement.
3. Any airline bag fees charged for PCA Director or PCA Governance Chair travel is eligible for reimbursement upon a submitted receipt.

## Private Auto:

Reimbursement shall be provided at the optional standard mileage rate set by the IRS at the time the expense was incurred, plus tolls and parking. Any substantial deviation from a distance shown in a standard mileage guide must be documented.

1. In the event that a private auto is used in lieu of commercial air transportation, the lesser of coach class air fare or auto mileage shall be reimbursed. No reimbursement will be made for lodging en route in lieu of more efficient air travel.
2. Damage to personal autos while being used on Association business is not covered because a portion of the mileage reimbursement is intended to defray the insurance cost to the individual. Fines for traffic violations are not reimbursable.

## Lodging:

Lodging accommodations shall be reimbursed at the rate provided by the Association's host hotel for each specific event and may extend from the night preceding the day of the meeting or business through the night of the last day of the meeting. In the event that the lodging expense has not been rated by staff, reservations must be made at least twenty-one (21) days prior to a meeting and include the cost of the standard lodging rate. Premium lodging such as suites, larger rooms or multiple rooms shall be reimbursed at the standard lodging rate twenty-one (21) days in advance rate. Only lodging expenses directly related to the PCA Association's event are reimbursable. Incidentals such as entertainment, personal phone calls, etc., are not reimbursable.

## Travel Per Diem:

Each Director shall receive a set rate of per diem for each day of PCA travel as approved by the PCA Board of Directors. Each PCA Director and PCA Governance Chairs shall receive a set rate of per diem for each day of PCA travel as approved by the PCA Board of Directors to encourage the most cost-effective use of travel funds. Per Diem is paid to cover all daily food costs, airport transfers and other transportation costs, gratuities and other miscellaneous purchases. It is left to the Qualified Attendee to determine, based on use of per diem dollars. No specific receipts are required for the stated expenses. The per diem rate is \$57 per day as per IRS rules as of October 1, 2016.

Example: A Qualified Attendee who is away from their business for three consecutive days of PCA travel to a PCA Board of Directors meeting will receive \$171 (3 x \$57). There is no need to collect receipts for meals, airport transfers, local transportation, gratuities, etc. A Qualified Attendee is a current PCA Director or PCA Governance Chair. Should a PCA Director be requested to attend a PCA Associate meeting and travel expenses are not provided, the PCA Director may request PCA reimbursement.

## Receipts and Documentation:

Reimbursement requests for airline and lodging expenses must include original receipts. In approved instances, if originals are not available, copies may be accepted. Expenses that are not properly documented may not be reimbursed.

- a. Charges for airline travel must be supported by the passenger receipt.
- b. Hotel charges must be supported by an itemized bill with evidence of payment.
- c. Reimbursement for private auto must be documented as per above-described guidelines.
- d. Per Diem will be paid from the first day of required PCA travel to the last of PCA travel as per documentation.

Requests for reimbursements must be submitted within thirty (30) days of the event. No Policy can anticipate every situation that might give rise to legitimate expenses. Reasonable and necessary expenses, which are not listed, may be incurred. Each Qualified Attendee must use his/her best professional judgment in determining if an unlisted expense is reimbursable under this PCA Policy.

Please note that Qualified Attendees are strictly prohibited from accepting reimbursements or compensation directly from Councils, Chapters, Forums and Association entities. ALL Qualified Attendee reimbursements shall be administered from headquarters. Any variations from the reimbursement guidelines shall require PCA Treasurer approval. Councils, Chapters, Forums and Association entities must reconcile any Qualified Attendee expense payments with PCA headquarters.

In the event Qualified Attendees receive Council, Chapter, Forum and/or Association entity compensation of any type, including, but not limited to, expense reimbursements, compensation must be reported to the PCA Board of Directors within thirty (30) days. This requirement includes all compensation whether or not from PCA entities

## APPENDIX K

# General Forum Policy

PCA is committed to providing and supporting programs and services that meet the needs of PCA members. It is apparent that there is an interest by members to associate with other members as related to special interests with the industry and within PCA.

As per PCA Bylaws, the PCA Board of Directors may create Forums for the purpose of organizing and uniting PCA members within an industry related special interest group to address issues and take common action. Said Policy requires that the PCA Board of Directors establish general Forum Policy for the governance and operation of PCA Forums.

It is understood that the success of the Forums is in large measure part of the success of PCA. PCA is committed to the success of Forums. PCA National will support Forum membership and Forum activities.

The following outlines Forum Policy as approved by the PCA Board of Directors.

**Forums Defined:** Forums are created by the PCA Board of Directors to provide a venue for members with special interests to unite for common action (PCA Bylaws Article V). For PCA compliance and purposes, Forums shall be considered PCA Committees within the PCA Bylaws and Policy yet retain the designation as Forums; allowing for insurance coverage including general liability and professional liability, IRS not-for-profit status under the PCA group designation, recognizing Forum's affiliated status with PCA.

**Forum Governance:** Forums shall be governed in a manner similar to that of PCA by allowing the broadest amount of participation and oversight by respective Forum membership.

**Forum Bylaws:** Each Forum approved by the PCA Board of Directors shall operate with a set of Bylaws that are approved by the PCA Board of Directors or adopt PCA Bylaws and govern according to an Operating Agreement with PCA. Forum Bylaws and or an operating agreement shall be reflective of the PCA Bylaws in respect to membership participation and governance. Forum Bylaws or operating agreements do not supersede PCA Bylaws. Any changes to Forum Bylaws or an operating agreement shall be approved by the respective Forum membership and shall be submitted to the PCA Board of Directors for final approval.

**Forum Board of Directors and Officers:** Each PCA Forum shall be governed by a Board of Directors as approved by the respective Forum membership either at an annual meeting requiring a majority vote of those in attendance to elect the Board or by a mail or electronic vote wherein a majority vote of the responding Forum membership elects Board. The Forum Board of Directors must be submitted to the PCA Board of Directors on an annual basis. The Forum Board of Directors shall hold an election of officers on an annual basis to include at minimum a Chair/President, a Vice Chair/President and a Treasurer. The Chair/President and Treasurer cannot be the same person, and any officers of the Forum must be active members of PCA. The Treasurer cannot be a paid staff person of PCA or the Forum. The Directors and Officers may serve terms no longer than those of PCA Directors and officers as listed in PCA Bylaws Article VII and VIII. The Chair/President is to preside over Forum meetings during the year and to liaison with the PCA Board of Directors as needed. The Treasurer is responsible for the accurate reporting of all financial activities of the respective Forum.

**Forum Dues:** Any Forum dues change shall be submitted to the Forum membership for approval either at an annual business meeting or by electronic means in which all Forum members were notified and fifty one percent (51%) of respondents voted in the affirmative for the change. Forum Governance Meetings. Forums shall hold at least one annual meeting wherein an election of the Forum Board of Directors and Officers shall be conducted.

**Forum Financial Reporting and Policies:** Because of the dependent relationships of Forums on PCA compliance issues, Forums must keep accurate and transparent financial documentation for purposes of fiscal reporting.

**Forum Financial Responsibility:** In the event that a Forum approves dues the following procedures must be followed after invoicing and collection by PCA National:

The Forum may choose to have PCA National perform all accounting functions that include deposits, disbursements, drafts, accounts receivable and payable, check register, debits and credits, monthly and year-end financial statement preparation, and budget versus actual reporting; all provided with oversight by the Forum Board; or The Forum may choose to perform all accounting duties described above separately from PCA after receiving distributions from PCA. This requires maintaining a separate bank account using the PCA Employer Identification Number (EIN#) as required by the IRS.

It is the responsibility of the Forum Board of Directors to elect a Treasurer responsible for the financial activities of the respective Forum when maintaining a separate bank account. The Forum Treasurer must be a co-signer on all separate financial accounts and must provide a year-end financial report of all financial activities to the PCA Board of Directors.

**Forum Reporting and Compliance:** The Forum Board of Directors shall submit the names of the elected Forum Board, the annual level of dues and the annual work plan to the PCA Board of Directors by December 31 for the following year.

**Forum Budgeting and Accounting Responsibilities:** Each Forum shall submit no later than 3 months prior to year's end a budget for the upcoming year to be included in the PCA upcoming year budget. The budget should include a list of revenue and expenses in general category form. In the event the Forum approves dues, performs and maintains their respective accounting functions, and the collection and disbursement thereof, the Forum must report financial activity to PCA National on a calendar quarterly basis within 30 days of quarter end and calendar year-end financial report that includes a balance sheet (with proof of year end reconciliation to the respective Forum bank account), and profit and loss statement detailing the use of funds, and the fiscal year check register or complete deposit and disbursement list.

**Forum Contracts:** Forums must submit any contracts (this only pertains to contracts and not any ordinary operating expense items) requiring more than \$2500.00 in total funding review and approval by the PCA Operational Executive Director in regard to financial capability and Bylaws/Policy compliance. Contracts exceeding \$10,000.00, including staffing contracts, must be submitted for review and approval by the PCA Operational Executive Director, PCA Board of Directors and legal counsel in regard to financial capability, Bylaws/Policy compliance and legal exposure. All reviews to be facilitated in a timely manner.

**Forum Work Product:** All Forums are encouraged to create work products and services on an annual basis as determined from Forum membership input and share those goals with their respective membership. Forums shall include these work product plans in the annual work plan to be reviewed the PCA Board of Directors. Any work product created by Forums is owned by PCA; development costs and revenue sharing on tangible or nontangible work products to be negotiated between the PCA Board of Directors and the Forum Board of Directors.

**Forum Use of PCA Collateral Material:** Forums are encouraged to use the PCA logo and promote the affiliated relationship with PCA on all Forum collateral material. PCA National will include Forum information in a reciprocal manner. This includes links to websites, Directories, publications, etc.

**Forum Monitoring:** Monitoring of Forum activity shall be conducted by the PCA Board of Directors.

**Forum Dissolution:** As per PCA Bylaws Article V.