

PROJECT MANAGEMENT INSTITUTE

2010 Policy Manual

For PMI Chapters

PMI Community Development Department

10/1/2010

Policy Manual for the maintenance of PMI Chapters. This manual does not address the maintenance of PMI Communities of Practice. This manual is subject to update and annual revision. Any updates made prior to annual revision shall be communicated and available as addenda to this manual.

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I. WELCOME

This manual contains information on new, updated, and existing policies/resources applicable to PMI Chapters. These policies are applicable to chapters and chapters with branches. For policies, guidelines, and resources specific to PMI Communities of Practice, please contact your Virtual Community Administrator. For those SIGs and Colleges continuing to operate under a charter agreement with PMI, please refer to the 2006 manual.

Whether you are a newly elected/appointed officer or have been a long-time PMI Chapter volunteer, PMI Global Operations Center (PMI GOC) hopes that this manual will assist you in your role as a PMI Chapter Leader. Thank you for your valuable time and contributions in furthering PMI efforts to achieve our envisioned goal, *“Worldwide, organizations will embrace, value, and utilize project management and attribute their success to it.”*

II. UPDATES TO MANUAL

The chapter president/chair should make sure that they have on file the most current version of this manual.

PMI will make available new policies or revisions to existing policies through the Community Leadership Online Community for downloading and/or reference.

A copy of this manual is available on the [Community Leadership Online Community](#) for all PMI chapter leaders to reference or download.

III. QUESTIONS ON PMI CHAPTER POLICIES

Any questions on the policies contained in this manual may be directed to PMI Community Development Staff.

Please refer to the “Services” section on Community Leadership Online Community for contact information for PMI’s Community Development department staff and PMI’s two regional service centres:

- Europe, Middle East, and Africa (EMEA)
- Asia Pacific (A/P)

IV. FIDUCIARY DUTIES AND RESPONSIBILITIES OF NOT-FOR-PROFIT BOARDS

PMI chapters are encouraged to include these standards in their own policies and procedures manual or in a board-training manual.

PMI leaders have unique responsibilities, which foster effective governance, set expectations, assign accountability and reduce liability exposure. In recent years, not-for-profit organizations have undergone scrutiny by governmental organizations and the public at large. To maintain integrity and comply with legal standards, chapter leaders must adopt the following standards.

1) Chapter leaders have four key duties that they must uphold:

Duty of care: exercise the same level of care over the organization’s business as any reasonable person would over his or her personal business;

Duty of loyalty: act in an independent manner and avoid conflicts of interest;

Duty of good faith: comply with and uphold any and all requirements, policies, procedures, rules, and orders approved by the organization’s governing body; and,

Duty of integrity: act in an ethical manner and conduct business in accordance with accepted business practices.

Leaders who fail to fulfill their duties or who act in ways that directly conflict with their duties may be held responsible for their actions through civil and/or criminal legal action. To protect themselves, leaders must fulfill their fiduciary responsibilities in an appropriate manner.

2) Chapter leaders must act in a legally and ethically responsible manner.

The Board must adhere to the following responsibilities to ensure the utmost integrity of the officers and the organization:

- Adhere to local, state/provincial, and federal laws surrounding not-for-profit organizations. An organization’s Articles of Incorporation and bylaws regulate how the organization conducts its business. Both documents have legal standing, which means that interested parties can challenge the organization and its leaders on their adherence to the organization’s governing documents. Also, whenever possible, the governing documents should be as flexible as possible to ensure that the organization is not bound by requirements it may be unable to meet.
- File and make available accurate and timely reports of tax filings. Independent audits of the organization’s financial records are also encouraged.
- Maintain records related to business affairs for individuals and organizations. If an organization is challenged about any of its practices—past or current— and cannot produce appropriate documentation to substantiate its defense, the organization and its leaders may be at risk.

- Publish an annual report with the organization’s mission, programs, officers, and financial status.
- Develop and maintain policies related to the organization’s operations, including elections, financial disbursements, conflicts of interest, personnel, etc.

3) Chapter leaders must familiarize themselves with the organization’s mission and purposes to ensure effective planning.

The board determines the organization’s mission and objectives and commits to meeting those goals. The mission and purposes assist the board in strategic planning, decision-making, staffing and volunteer resources, and determining priorities.

4) Chapter leaders must promote elections, develop new board members, and monitor their performance.

Elections are an integral part of the organization’s existence and required by law. The election process is another avenue to inform the membership of the organization’s mission, demographics, programs, services, and available opportunities to cultivate new volunteers. The board must implement a nominations committee, which would publicize board responsibilities, accept nominations, check nominees’ credentials and experience, and implement the timeline of the election process to maintain the highest integrity of the process. The board must also conduct assessments of their performance to review how well the board is meeting its obligations to the organization and the membership.

V. MAINTAINING PMI CHAPTERS

In order for PMI chapters to maintain their charter with Project Management Institute, they are required to submit a complete charter renewal annually. This process is done online and is referred to as the Annual Charter Renewal process.

The Annual Charter Renewal:

- Confirms that chapters have met PMI’s minimum performance requirements;
- Collects information on chapters’ prior-year activities;
- Ensures that chapters are in compliance with PMI policies;
- Requires that chapters verify to PMI annually that they have maintained their incorporated/registered status, and have complied with all relevant governmental, tax and filing requirements, including all national, federal, state/provincial, and similar requirements.

Deadline: The deadline to submit is 30 March of each year. The online Charter Renewal process is part of the Component System (CS).

Chapters who fail to submit a renewal or submit an incomplete renewal by the annual deadline will be placed on probation. See “Overview of Chapter Probation” for more

information. PMI may return a chapter's Charter Renewal application if there are discrepancies in the data provided or if additional data are required.

A. Minimum Performance Criteria

Within the Annual Charter Renewal, PMI chapters must verify that the following Minimum Performance Criteria have been met:

1. Minimum of 25 members (must be current members of PMI and applicable chapter).
2. Incorporation/registration of the chapter is completed and up to date (all applicable renewals have been filed).
3. Filed annual tax reports (if required) and submit an annual financial report with Annual Charter Renewal. All tax filings must be sent to PMI GOC for the chapter's records and the Component System (CS).
4. Submitted amended governing documents (e.g., bylaws) to PMI GOC for review, approval (bylaws), and filing.
5. Submitted all officer names and contact information after elections took place.**
6. Provided verification that the chapter has met legal requirements in its applicable jurisdiction regarding:
 - The required number of board of directors meetings;
 - Communicating information to members;
 - The required number of membership meetings; and
 - Conducting operations in a manner consistent with its governing documents (hold yearly membership meetings and elections) and applicable laws.

Note: Failure to meet Minimum Performance Criteria may result in the chapter being placed on probation, face termination, or reassessment.

**It is the responsibility of the chapter president or chair to update officer listings within the PMI Component System. This should be done following annual elections to ensure continuity of leadership access to records within the Component System.

B. Annual Tax Filing Requirements

The PMI Board of Directors approves the following policies related to chapter annual tax filings:

All PMI chapters must comply with tax filing laws at the federal, state/provincial, national and/or other legally appropriate government level and must demonstrate compliance as part of the charter renewal process.

PMI GOC implements this requirement in the following manner:

B1. PMI chapters formed outside of the United States

Given the variety of requirements that governments outside of the United States may establish regarding tax reporting requirements that would affect PMI's chapters, chapter leaders are responsible for investigating and complying with tax reporting requirements in the jurisdictions in which they are registered and/or incorporated.

Copies of any tax filings submitted by PMI chapters to governmental authorities must be submitted to PMI GOC.

The tax filings submitted to PMI GOC will be scanned and uploaded to the Component System (CS) as a permanent record of the chapter's tax filing.

PMI chapters outside of the United States that are not required to submit tax filings in the jurisdiction in which they are incorporated must complete the "Financial Report" included in the Annual Charter Renewal.

The chapter leader completing the form must verify that the chapter has researched any relevant tax reporting requirements and has determined that the chapter is not required to file governmental tax reports.

B2. PMI chapters formed within the United States

PMI has a determination of tax exempt status from the United States Internal Revenue Service (IRS) under section 501(c) (6) Internal Revenue Service Code (professional societies/business leagues). All PMI chapters must seek tax exemption as 501 (c) (6) organizations. PMI chapters formed within the United States must obtain an appropriate exemption from federal income taxes by authorizing PMI GOC to include the chapter in the PMI Group Tax Exemption Program for PMI chapters.

PMI Group Tax Exemption

To participate in the PMI Group Tax Exemption Program for PMI Chapters the chapter must:

- Submit a letter on chapter stationery to PMI GOC authorizing PMI to include the chapter in the group exemption program
- Complete and sign the Group Exemption Program Participation Disclosure Form. A sample authorization letter and the Disclosure Form are available on the Community Leadership Online Community, and may be submitted to PMI GOC

Filing Federal Taxes

Under the U.S. tax reporting laws and regulations for not-for-profit organizations, PMI chapters are required to file regular tax reports if any of the conditions below are met:

- They have \$1,000(US) or more in gross income from unrelated business income, such as advertising revenue, t-shirt sales, etc.
- They employ staff for whom they must pay employment-related taxes.

Tax Forms

For U.S. federal tax reporting purposes, chapter leaders should obtain and complete the applicable forms. For tax-exempt organizations, this would include:

- *Form 990, over \$100,000 in income*
- *Form 990-EZ, Short Form, income under \$100,000*

- *Form 990-N (e-Postcard), income \$25,000 and under.* Due to U.S. legislative changes, PMI chapters who meet the IRS definition of “**Small tax-exempt organizations**” whose [gross receipts are normally \\$25,000 or less](#) are required to electronically submit Form 990-N, also known as the e-Postcard. This electronic filing must be done even if you are not required to file tax form 990 or 990-EZ because your gross receipts are normally \$25,000 or less.
- *Form 990-T, Exempt Organization Business Tax Income Return*, for chapters having more than \$1,000(US) in unrelated business income from activities such as newsletter advertisements (annually).
- *Form 941, Employer’s Quarterly Federal Tax Return*, for chapters that employ their own staff (quarterly).

The deadline for filing annually with the IRS is **15 May**. Obtain forms at the IRS website www.irs.gov.

Chapters may request an extension from the IRS and should complete *Form 8868 Application for Extension of Time to File an Exempt Organization Return*

A copy of the chapter’s request for an extension for federal tax filing, when completed and sent to the IRS must be sent to PMI GOC for the chapter’s file.

A copy of the chapter’s final federal tax filing, when completed and sent to the IRS, must be sent to PMI GOC for the chapter’s file. This information is required for the chapter’s Annual Charter Renewal and is recorded in the chapter’s records on the Component System.

Filing State Taxes

Chapter leaders should contact their state taxing authority for specific information regarding state tax exemptions, filing requirements, and forms. States may, at their discretion, grant an exemption from state income tax obligations to organizations, or may recognize the federal exemption within the state. However, some states may not provide any exemptions.

A copy of the chapter’s state tax filing should also be sent to PMI GOC for the chapter’s file.

Chapter leaders should consult with a tax specialist for specific information about taxable and nontaxable activities.

C. Charter Renewal Audit

PMI may select a chapter’s Charter Renewal for audit. Submission of the Charter Renewal indicates agreement to comply with audit terms. During an audit, the chapter will be asked to submit documentation such as copies of meeting minutes from the required annual meeting, copies of chapter Board meeting minutes, copies of

communication to the membership, copies of election results, documented policies, or more detailed financial information.

These documents must also be made available to all chapter members upon request. Misrepresentations of information provided to PMI on the Charter Renewal will be considered a breach in the Charter Agreement.

In accordance with Article 21 of the Charter Agreement, “PMI shall have the authority to suspend or terminate the chapter’s Charter Agreement upon the determination that the chapter is no longer a viable entity; that the chapter is unable or unwilling to comply with the charter renewal process; or that such an action is in the best interests of PMI and in accordance with applicable policies.”

VI. RECOGNITION OF PMI CHAPTER ACHIEVEMENTS

A. Community Awards Program

**PMI awards for Communities of Practice shall be defined and announced through a future communications. Policies and application processes for those awards shall be documented in a separate manual for Communities of Practice, and referenced in future editions of this manual.*

PMI values PMI communities and volunteers making contributions to the development and implementation of PMI’s envisioned goal in its strategic plan, “Worldwide, organizations will embrace, value and utilize project management and attribute their success to it.”

The PMI Community Awards Program recognizes and honors PMI chartered communities that have made significant contributions to the project management profession and to Project Management Institute.

Awards are determined and presented annually at an appropriate venue, usually the North American Leadership Institute Meeting.

In order to be eligible for a PMI Community Award, the timely completion and submission of the annual Community Charter Renewal and Awards Application is required. Communities must be chartered for a minimum of one calendar year and must meet all Minimum Community Performance Criteria. Both PMI chartered communities and their volunteer leaders may be nominated for awards.

A summary of each award, including its purpose, eligibility, criteria, and nominating procedure is available on the Community Leadership Online Community. The deadline and procedure for submitting a Community Awards Application will be communicated through Friday Facts, the Community Online Leadership Community, Region Online Communities, and the Virtual Leadership Online Community.

PMI Community Awards Categories:

- **Community Award for Chapter of the Year**
 - **Category I** 25 – 300 members
 - **Category II** 301 – 1000 members
 - **Category III** 1001 – 2000 members
 - **Category IV** 2001 or more members

- **Community Award for SIG/College of the Year***
 - **No size category**

**2011 is the last year in which this award shall be granted*

- **Community Award for Leadership, Planning, and Operations**

- **Community Award for Volunteer Program**

- **Community Award for Member Services**

- **Community Award for Collaboration and Outreach**

- **Community Award for Volunteer of the Year**

- **Community Award for Community Leader**

B. Recognition in PMI Publications

Chapters may seek informal recognition for their achievements outside of the PMI Community Awards Program through the publication of articles related to special events or newsworthy activities. PMI Today accepts article submissions from chapters and regional activities.

VII. PMI CHAPTER PROBATION OVERVIEW

A. Causes for Chapter Probation by PMI

PMI chapters that do not meet performance standards or policy requirements may be placed on probation. Causes for probation include:

- Failure to submit the Annual Charter Renewal
- Failure to meet minimum performance requirements established by PMI within the Charter Agreement
- Failure to uphold PMI policy as outlined in governing documents, the PMI Policy Manual for PMI Chapters, or other applicable and published PMI policies

B. Process for Placing a PMI Chapter on Probation

PMI GOC may place a chapter on probationary status. A chapter facing probation will be permitted one month to respond to the formal communication. If no response is offered, the chapter will automatically be placed on a one-year probationary period.

The chapter will receive official notification of the probationary status from the PMI President and Chief Executive Officer. The notification letter will identify the reason the chapter has been placed on probation; official notice that revocation of the charter may ensue if performance does not improve; and the actions required to remove such probation.

The chapter will have one year to improve performance. During this probationary period, PMI GOC will monitor these chapters with telephone calls and written contact offering advice and assistance. PMI GOC will attempt to contact the President/Chair monthly, and schedule teleconferences and face-to-face visits, if possible, in conjunction with PMI Leadership Meetings.

Once the one-year probationary period is completed, PMI GOC will re-evaluate the chapter's performance, and make one of three recommendations:

- 1) **Remove probationary status.** The chapter may retain its charter and return to active chartered status.
- 2) **Continue probationary status for another year.** This alternative would be chosen for chapters that have shown progress and who could reasonably be expected to meet minimum standards within another one-year time frame.
- 3) **Revoke charter.** The PMI chapter will lose its charter and will be required to dissolve as an organization affiliated with PMI. This final action will be taken when the inability to reorganize the chapter exists. A letter will be sent from PMI GOC to all members of the organization indicating why such an action has been taken.

VIII. POLICIES FOR MANAGING PMI CHAPTERS

A. Chapter Governance/Administration Policies

A1. Chapter Charter Agreement

By Definition:

The Chapter Charter Agreement is a uniform agreement of affiliation between PMI and each of its chapters. It sets down the affiliation between PMI and the chapter organization and the responsibilities and accountability that are expected of each party to the other. The Charter Agreement incorporates into one document those organizational policies with which PMI chapters are required to comply while providing flexibility and adaptability for legal requirements from country to country.

This document instructs that PMI chapters have the authority and responsibility to develop their own programs, services, and initiatives in support of the overall mission and objectives of PMI.

Once a chapter has been incorporated, PMI will have an official Charter Agreement document processed, signed by the PMI President and Chief Executive Officer and mailed to the chapter for signature.

Chapters with Branches

Chapters that are chartered as chapters with branches will be issued a Charter Agreement with specific language allowing for the creation of branches and outlining the authorities and limitations placed on branch operations and representation.

Existing chartered chapters that undertake the process to become a chapter with branches will be issued an updated Charter Agreement to reflect this change in the chapter's structure. A chapter must complete the Chapter Formation or Re-organization process as outlined by PMI in order to be chartered and recognized by PMI as a chapter with branches.

Please refer to the following URL for information on the process to become a chapter with branches: <http://www.pmi.org/en/Get-Involved/Communities-of-Practice/Community-Formation.aspx>

A2. Chapter Incorporation/Registration

All PMI chapters must become separately incorporated/registered within the jurisdiction in which they primarily conduct their business activities (state, province, region, or nation in which the chapter exists.)

When to Incorporate:

All PMI chapters are required to submit their executed Articles of Incorporation or other applicable document to PMI GOC as part of the chapter formation process, including it as one of the chartering requirements *after approval of the chapter's business plan*. Potential chapters may not charter until their incorporation documents and other required materials have been filed with PMI GOC.

Considerations for Incorporation:

Some chapters will experience unique challenges in attempting to incorporate in some jurisdictions. These challenges may include: a lack of recognition of not-for-profit organizations; a complex variety of rules, regulations, and processes; or no apparent legal mechanisms for incorporating the organization as a legal entity. In these instances, chapter leaders may request that PMI GOC temporarily suspend the incorporation deadline while the chapter further explores its options. Such requests must be submitted in writing to PMI GOC. This temporary suspension of the deadline does not waive the requirement that the chapter must incorporate or register with an appropriate governmental body.

If a chapter encounters such challenges in the incorporation process, the leadership is encouraged to contact their Chapter Administrator for assistance.

Submission of Proof/Renewal of Incorporation/Registration to PMI GOC:

The executed Articles of Incorporation or other applicable documents must have the seal of the applicable government or must otherwise demonstrate that the applicable governmental body has formally accepted the chapter's incorporation within the jurisdiction.

Once a chapter is incorporated, the leadership must submit proof of incorporation/registration renewal or proof that it's incorporated or registered status is still valid with each annual charter renewal.

IRS Requirements of U.S. Incorporated Chapters:

Once the chapter has incorporated, the U.S. Internal Revenue Service (IRS) requires the chapter to obtain a new Employer Identification Number (EIN). The IRS's reasoning is that incorporation changed the type of organization, and thus the organization must obtain a new EIN. The IRS allows organizations to apply for an EIN via telephone and then fax/mail the completed application to the IRS.

To obtain Form SS-4, Application for an Employer Identification Number, visit the IRS website at http://www.irs.gov/forms_pubs/forms.html.

Be sure to send the chapter's new EIN to PMI GOC for the records.

A3. Revising and Approving Chapter Bylaws

PMI strongly encourages chapters to review their existing bylaws annually and revise them every three years, or when the governance of the chapter changes. Please refer to the Charter Renewal Requirements. PMI GOC has developed a bylaws template, which is to be utilized as a critical resource for chapter leaders so they can revise their own bylaws to meet the requirements of PMI GOC. The bylaws template is posted on the Community Leadership Online Community.

All PMI chapters must have their revised bylaws reviewed and approved by PMI. All bylaws submittals should be sent via e-mail to PMI. The entire review time is approximately four to six weeks.

- *It is required that PMI GOC reviews and approves the bylaws before the chapter's membership votes to approve them.*
- *Bylaws must be submitted in English for review and approval by PMI GOC.*

Process for Revision, Submission, Review, and Approval of Chapter Bylaws:

Chapters must follow this process as outlined in order to comply with PMI policy and ensure efficient and timely approval of chapter bylaws:

1. Access an electronic copy of the Chapter Bylaws template (from PMI Community Leadership Online Community)

2. Chapter Board should review the bylaws template and revise existing bylaws accordingly.
3. Submit the chapter's draft revision to PMI GOC for review.
4. A review process will be conducted by PMI GOC, resulting in possible recommendations and revisions to the proposed draft of the chapter bylaws.
5. Once approved by PMI GOC, present the updated bylaws to the chapter membership for a final vote.
6. Notify PMI GOC of membership approval, and staff will update GOC records and upload the member-approved bylaws into the Component System.

Structure of Chapter Bylaws

This section outlines the bylaws template detailing the information that is required to meet PMI GOC standards and explain where leaders can exercise flexibility to fit the needs of the chapter organization. Italicized text (denoted with *) provides guidance about articles that must be included for approval and articles that may be modified or eliminated.

**All sections of Articles I, II, III, and IV should be included and should conform to the language contained in the model bylaws template, unless different language is required by the incorporating jurisdiction.*

Article I: Name, Principal Office, and other offices. This Article defines the name of the chapter and signifies that it is a separately incorporated organization. The chapter must specify that it will adhere to all legal jurisdictional requirements in which it is included. The location of the chapter must be indicated.

Article II: Relationship to PMI. This Article defines the accountability of the chapter to PMI, encompassing all policies and procedures set forth by PMI. The chapter bylaws may not conflict with those established by Project Management Institute. Additionally, the terms of the Charter Agreement established between the chapter and PMI take precedence over those established within the chapter bylaws and any authority granted therein.

Article III: Purpose. This article defines the basis for the value of the chapter to its members and to PMI. The chapter's purposes will be consistent with those of Project Management Institute. The bylaws of the chapter may identify the basis for tax exemptions from governmental tax requirements, which are determined by local jurisdictions. This section also identifies the limitations of the chapter that include, but are not limited to, the authority of the charter agreement and bylaws, the integrity of the PMI membership database, and the responsibility that must be upheld between the chapter and its members.

Article IV: Membership. This article specifically defines the composition of the chapter's membership, the rights and privileges guaranteed with membership, terms and conditions under which membership may be granted and/or terminated;

the process for collection of membership dues; and the use of membership data granted to chapters by PMI GOC.

Article V: Board of Directors.

**Each section of Article V must appear in the chapter's bylaws. However, chapter leaders can exercise flexibility with regard to varying the size and structure of the Board of Directors, using different titles for positions and incorporating appointed positions for more flexibility. Appropriate procedures for the removal of directors and filling a vacant position on the Board must be included here at a high level, and further defined in the chapter's policy manual.*

This article defines the accountability of the organization's officers, the amount of consecutive terms an officer of the Board may serve, lengths of each term, and functions they are to carry out. Chapter leaders may define officer positions in any manner they wish but are required to identify the authority and accountability of each elected officer position and the bylaws must specify the officer responsible for each of the following functions:

- Chief Executive Officer: one officer must have overall responsibility for the management of the organization and the direction of the organization's board of directors.
- Secretary: one officer must be the organization's official record keeper who records and retains board meeting minutes, membership meeting minutes, evidence that the organization has conducted elections as required by the bylaws, etc.
- Treasurer: one officer must be the chief financial officer for the organization who is responsible for overseeing the management of funds.

Article VI: Nominations and Elections.

**Each section of Article VI must appear in the chapter's bylaws. However, chapter leaders may make adjustments to some of the requirements contained in the bylaws template. Chapter leaders should further define the nominations and elections process in a policy manual.*

This article defines the process through which individuals are nominated for chapter leadership positions and how organizational elections shall be conducted. Additionally, this article prohibits disbursement of PMI or chapter funds for campaign use, further prohibiting any type of organized campaign activities on behalf of any candidate.

Article VII: Committees.

**Article VII may be included or removed from chapter bylaws at the leaders' discretion.*

This article grants authority to the organization's board of directors to establish committees to assist the board with its work. Each Committee will have a charter and is accountable to the Board.

Article VIII: Finance.

**Each section of Article VIII must be included in chapter bylaws.*

This article defines how the organization will manage its finances, and establish its dues and length of fiscal year. All dues billings, dues collections, and dues disbursements are performed by PMI.

Article IX: Meetings of the Membership.

**Article IX must be included in the chapter bylaws and must comply with the requirements of the incorporating jurisdiction.*

This article establishes the process for conducting annual and special meetings of the membership. The term "meetings" in this instance means official organizational meetings in which the organization's members and board of directors discuss and/or act upon organizational business.

Association law within the United States requires that boards of directors are to record and maintain official minutes of any meetings of the board at which organizational business is conducted. The official meeting minutes must be retained for the life of the organization and must summarize any key actions taken or issues raised by the board of directors during the meeting.

Article X: Branches of the Chapter (only for chartered Chapters with Branches)

**PMI will not approve chapter bylaws, which include this section, unless the chapter has been approved by PMI to charter as a chapter with branches.*

This section explains how to form a branch, collection of dues, who oversees it, where it is located, and the permission needed to establish it.

Article XI: Inurement and Conflict of Interest.

**Sections 1, 2, 4 and 5 of Article XI must be included in chapter bylaws; Section 3 may be included at the discretion of a chapter's leaders.*

This article is designed to ensure that chapter leaders abide by legal requirements related to the performance of their chapter leadership duties. It prohibits chapter leaders from receiving any personal pecuniary gain from their involvement with the organization. It clarifies that chapter leaders may be reimbursed for actual and reasonable expenses associated with their performance of their leadership duties. It also allows chapter leaders to be reimbursed for actual and reasonable expenses associated with their involvement in a particular chapter activity (e.g., granting an honorarium to a leader who speaks at a chapter meeting). Lastly, it requires that chapter leaders disclose any real or potential conflicts of interest they may have

related to the organization and its business to the board of directors and that those leaders refrain from voting on or influencing votes on issues that relate to that conflict of interest.

Article XII: Indemnification.

**Chapter bylaws must include each section of Article XII.*

This article establishes parameters within which the chapter may protect its leaders from any legal actions resulting from their service to the chapter. There are three important exceptions to this protection:

1. The leader must have acted in good faith and in the best interest of the organization.
2. The leader's actions must be consistent with legal requirements.
3. The leader may not be protected when legal action is initiated by the chapter.

This Article also states that the chapter may obtain insurance to protect against exposure to liability for the organization, its property, and its representatives.

Article XIII: Amendments.

**Each section of Article XIII must be included in the chapter's bylaws. Chapter leaders may change some of the language to suit chapter needs or to ensure that the language is consistent with the legal requirements and options in the jurisdiction in which the chapter is incorporated. However, it is important to note that PMI and chapter members must approve any amendments to the chapter's bylaws, in accordance with the process defined in the previous section of the Policy Manual.*

This Article details the process for amending the chapter's bylaws.

Article XIV: Dissolution.

**Each section of Article XIV must appear in the chapter's bylaws.*

This Article identifies the steps that the organization will take should it dissolve for any reason.

A4. Insurance Coverage for PMI Chapters

Article 12 of the Charter Agreement between PMI and PMI chapters states, "Each community is required to have and maintain comprehensive, general liability insurance coverage. The community is also encouraged, but not required, to seek other corporate protections, including, but not limited to, bonding for financial accounts and professional liability insurance for officers and directors. At its sole discretion, PMI reserves the right to subsidize the insurance of communities."

To ensure that chapters and their volunteer leaders have adequate protection against potential exposure to liability, PMI GOC makes available insurance coverage on

behalf of all PMI chapters. PMI GOC subsidizes coverage for new chapters and those with limited financial resources. PMI secures and pays for the chapter insurance each year and then invoices chapters in July. PMI works diligently with PMI's Insurance Broker to ensure that the policies, information, and coverage provided are sufficient and are continuous with a 13-month term from [1 January through 31 January].

Within the United States: All PMI chapters that are based *within* the United States, its territories and possessions are provided with two types of insurance coverage (see Overview of Insurance Coverage):

- Commercial general liability coverage
- Professional liability coverage

Outside of the United States: All PMI chapters that are based *outside* the United States, its territories and possessions have two policies (see Overview of Insurance Coverage):

1. International (foreign) commercial general liability coverage
2. Professional liability coverage

Chapter Insurance information is posted to the Community Leadership Online Community site at <http://leadership.community.pmi.org/Pages/Default.aspx> under "Policies," "Chapter Insurance." You will also find the FAQ document for answers to commonly asked questions about coverage, invoicing, and claims.

Local Primary Compulsory Coverage

The PMI insurance coverage for PMI chapters is in excess of local primary compulsory coverage. This is true for chapters based within or outside of the United States, its territories, and possessions.

PMI works with PMI's Insurance Company to ensure that the policies, information, and coverage provided are sufficient. The broker verifies the PMI chapter insurance policies apply to the extent of the policy coverage in each of the countries in which PMI currently has chapters. However, chapter leaders should investigate if there is a need for compulsory insurance in their area and obtain insurance coverage to meet this requirement. If a chapter obtains additional insurance policies, the policies must be sent to PMI for the chapter's records.

Overview of Insurance Coverage for PMI Chapters:

Professional Liability Coverage ("Directors and Officers Liability")

- Provides insurance protection for the chapter board of directors and other volunteers either appointed or elected and chapter employees.
- This coverage protects the chapter's representatives from liability for actions performed within the scope of their position as a chapter director, officer, or member. This coverage will not cover actions that are illegal and/or are outside the scope of their position as a chapter director, officer, or member.

- Refer to the “Limits of Liability” section within the actual insurance policies to determine exact insurance coverage amounts.
- All chapter leaders should read the policies in full in order to understand the terms and conditions of this insurance coverage.

Commercial General Liability Coverage

- Provides insurance protection to the chapter, its board members, and other volunteers of the chapter, in the event of accidents or other unfortunate mishaps during a scheduled chapter event.
- *For example, if a member falls and is injured, the chapter will be covered for such an accident, as long as the terms and conditions documented in the policy are met.*
- Other areas covered under this policy include: bodily injury, property injury, personal injury and advertising injury, independent contractors, contractual liability, and host liquor liability.
- Refer to the “Limits of Liability” section within the actual insurance policies to determine exact insurance coverage amounts.
- All chapter leaders should read the policies in full in order to understand the terms and conditions of this insurance coverage.

International Coverage (Foreign Commercial General Liability)

- Provides insurance protection to the chapter, its board members, and other volunteers of the chapter if there are accidents or other unfortunate mishaps during a scheduled chapter event.
- *For example, if a member falls and is injured, the chapter will be covered for such an accident, as long as the terms and conditions documented in the policy are met.*
- Some other areas of coverage included are: premises operations, vendor liability, host liquor liability, broad named insured and unintentional errors in disclosure. *For the complete summary of coverage, chapter leaders should read their policies in full in order to understand the terms and conditions of the coverage.*
- Refer to the “limits of liability” section within the actual insurance policy to determine exact insurance coverage amounts.
- All chapter leaders should read the policies in full in order to understand the terms and conditions of this insurance coverage.

Coverage Applicable to All Policies

- Coverage applies to PMI chapter events held at non-PMI locations (e.g., anything outside of PMI’s Global Congresses).
- Coverage does not include any physical locations owned or leased by any chapter of PMI (unless the lease is for a physical location for less than seven [7] days), nor does it cover any property of the chapter or individual members. The person or entity holding an interest in the property must obtain insurance coverage.

- Coverage does not include employee liability benefits or workers compensation insurance for employment. This coverage should be obtained within a chapter's local jurisdiction. Laws surrounding employee benefits and workers' compensation vary from each location; thus, it is best to obtain them within a chapter's local jurisdiction.
- For the complete summary of coverage exclusions, chapter leaders should read their policies and summaries in full in order to understand the terms and conditions of the exclusions.

Certificate of Insurance

When sponsoring any gathering of chapter members or other chapter-sponsored event, all PMI chapters should apply for a Certificate of Insurance. A copy of the certification of insurance application form (Event Questionnaire Form) is included with the insurance policies when the policies are distributed. This application form can also be downloaded from the Community Leadership Online Community. A Certificate of Insurance is usually required by hotels, restaurants, and other meeting facilities to document that your chapter does have adequate insurance coverage. PMI has a well-established process in place with the insurance broker and it is easy to get the requested Certificate of Insurance. A copy of this application will be kept on file at PMI GOC.

Invoicing and Payment

Insurance invoicing and distribution are the same for all PMI chapters, as described below.

Chapters that have been chartered for one calendar year or longer, and have a minimum cash balance of \$2000(US) at the end of a year, are invoiced for a portion of this insurance cost. The account balance for each chapter is determined from the amount reported on the chapter's annual Charter Renewal financial report or annual tax filing.

Payment for Chapter Insurance is due to PMI by 1 November of each year. As a convenience to chapter officers, PMI can deduct the \$200.00(US) insurance payment from a chapter's monthly dues transaction. The chapter must make this request in writing. A receipt is provided for each chapter that uses this easy payment option. All chapter insurance payment information is uploaded to the Component System for the chapter's permanent files. You will find the information under "Business Records-Insurance Records."

A sample invoice and copies of the insurance policies are posted during the second quarter of each year to the Community Leadership Online Community site at <http://leadership.community.pmi.org/Pages/Default.aspx>.

Leaders are encouraged to review these policies for coverage information and limits. After reviewing these policies, chapter Board members will need to

determine if additional coverage is needed to ensure coverage from potential liability exposure. Any additional coverage obtained is a direct expense of the chapters.

A5. Creating/Revising a Logo for a PMI Chapter

The chapter's logo establishes brand identity and visibly identifies the chapter as an organization affiliated with PMI. PMI GOC has created a PMI Style Guide, which chapters may utilize to design a chapter logo that not only uniquely identifies the organization but also aligns it with PMI.

Process for Design, Submission, Review, and Approval of a PMI Chapter Logo

All PMI chapters revising or creating new PMI Chapter Logos must follow this process to receive PMI approval. Use of unapproved logos by a PMI chapter is not permitted.

1. The PMI Style Guide is available through the PMI Marketing Portal. Chapter leaders should carefully review the Style Guide and ask any questions before submitting a logo to PMI GOC for approval.
2. E-mail an EPS (Encapsulated Postscript) file of the logo to PMI GOC. Chapter logos should not include any accompanying text or be contained within letterhead or other marketing material. A color, black and white, or both styles of logos may be submitted for approval. Only the style of the logo that is submitted will be approved.
3. The logo will be reviewed, and PMI GOC will provide comments, suggestions, and/or approval to the chapter in a timely manner.
4. Once PMI GOC has approved the chapter's logo, then the logo may be used on chapter brochures, websites, and correspondence.
5. PMI GOC will provide the chapter with a certificate containing the approved logo.

Considerations for Chapter Logos

- It is strongly suggested that the chapter consider contracting a professional graphic design agency when creating a chapter logo. The designer can be provided with the PMI Style Guide and templates to design a logo, which meets the specified graphic requirements. The designer can also insert the logo into other materials, such as letterhead, newsletters, mastheads, business cards, mailing materials, etc.
- Logos are best designed in a graphic design software program.
- PMI GOC cannot provide direct assistance with creating chapter logos, although they can refer chapter leaders to vendors that are familiar with the PMI Style Guide.

A6. Chapter Name Change Policy

If an existing PMI chapter is considering a name change, the chapter leadership must contact PMI staff to express its intent to change its name before initiating any process for changing its name.

Considerations for Chapter Names

PMI staff will ask the leadership to consider the following:

1. Has a new name been determined yet? If not, the chapter may wish to survey the membership to determine if a name change would be supported and collect possible names at the same time.
2. If a new name has been determined, inform PMI staff to ensure the proposed name will not cause confusion with an existing PMI chapter and is consistent with applicable PMI guidelines, etc. PMI staff will communicate whether there are any concerns that may prevent the chapter from changing its name. The chapter may then continue with the process outlined below.
3. If confusion with another chapter exists, then the leadership will be directed to consult with the chapter whose name creates a conflict. The dialog should address whether any confusion is prevalent and, if so, provide solutions for resolving the confusion.

The name of a PMI chapter should accurately reflect the area designation of the chapter. Changes to chapter names should be made to provide greater clarity to these area designations or reflect changes to the area designation of the chapter.

PMI chapter names must include “PMI” or “Project Management Institute,” as well as the type of chapter in order to clearly establish the affiliation with PMI and to define the relationship between the chapter and the Institute.

Examples:

PMI Washington, DC Chapter

PMI College of Scheduling

PMI Bayside Chapter

PMI Antarctica

Clearly defined geographic area,
affiliation, and chapter type

Clearly defined knowledge area,
affiliation, and chapter type

Unclear geographic area (there are many
“bayside” locations in the world)

Unclear affiliation and chapter type (this
could be a PMI office, or it could be a
chapter)

Resolving Potential Chapter Name Conflicts

If PMI staff sees a conflict with an existing chapter, PMI staff will contact the chief executive officer of the chapter with the established name to request a written statement explaining why the chapter does not support the name change of the requesting chapter.

The requesting chapter will be permitted to respond to that statement. Based on a review of both written statements, PMI management will make a determination regarding the organizational name change and will communicate its decision to both the existing and requesting chapter leaders.

Key factors in making this decision will include:

- Are there other options beside the potentially confusing name that may be considered?
- Has there been a change to the area designation of the chapter and does the proposed new name better reflect this new area?
- Will the name change affect the existing chapter's ability to sustain a viable organization?

PMI's preference is that the leaders involved in the discussions will resolve any disputes or concerns among themselves.

Name Change Process

In order to officially change the chapter's name, the following steps must be taken:

1. Submit a **Chapter Name Change Form (Community Development Form A3)** to PMI staff for approval. Expanded or changing geographic territories for Chapters with Branches will require the submission of a **Chapter Area Designation Form (Community Development Form A2)**, and may require the approval of a business plan demonstrating how the chapter will support the new area.
2. Submit revised bylaws with the new name to PMI staff for approval.
3. Once the bylaws have been approved by PMI, the chapter membership must approve the bylaws via a vote.
4. Once the membership has ratified the bylaws, the chapter must update documentation with the new organizational name. Documents that require updating include:
 - Articles of Incorporation/registration within local jurisdiction
 - Bank account with financial institution
 - Tax documentation with tax authorities (national and local, if applicable)
 - Marketing materials, including website.
5. The chapter must forward to PMI staff the updated incorporation/registration documentation (containing the new name) for PMI's official chapter records.

A7. Chapter Dissolution

Possible Causes for Dissolution

Dissolving a PMI chapter is often a difficult decision, but in some cases it may be the only viable path for a chapter to pursue. The decision to dissolve a chapter may result from one of the following circumstances:

- The current slate of officers is no longer interested or able to serve in their positions, and there is no interest from the chapter membership to take on the leadership of the chapter.
- Leadership is in place and willing to continue in their roles, but the membership has decreased and continues to decrease despite multiple attempts to revitalize the chapter. (This could be due to lack of membership interest, a highly transient membership population, or change in the industry/employment environment, including lack of employer support for member dues or participation or the relocation of a company/operations center.)
- The chapter leaders and members have decided that it would be more beneficial to combine resources and merge with another PMI chapter rather than continue to function independently. (This can include chapters becoming branches of another existing chapter, which still necessitates the dissolution of the branch chapter.)
- The chapter has consistently demonstrated the inability to meet the minimum performance criteria as outlined in the charter agreement, despite multiple attempts to meet these requirements.

Processes for Chapter Dissolution

No Active Board in Place

1. PMI staff will attempt to contact the last set of officers on file to confirm the status of the organization.
2. If PMI staff is successful with contacting the last recorded chapter board members, PMI will work with these individuals to first try to determine if enough interest exists to revitalize the chapter. If it is determined that no interest exists among the current board of directors and the chapter membership, PMI will then work with this group to dissolve the chapter (see Dissolution Step-by-Step).
3. If PMI staff is not successful with contacting the last recorded chapter board members, PMI staff will communicate with the current chapter membership informing them of the current status of the chapter and soliciting volunteers to step forward and reestablish the chapter. If no volunteers come forward, PMI staff will work with the last recorded officers to have the chapter dissolved (see Dissolution Step-by-Step).

For Chapters Merging

If the chapter is *merging* (may include becoming a branch) with another PMI chapter, the following steps will need to be taken. Please note that chapters must follow procedures for merging in the jurisdiction in which they are incorporated/registered.

In certain situations, where the merging of the chapters impacts a large geographic territory or a large number of members/potential members, or there is a decision to establish branches of the merged chapter, PMI will require the submission and approval of a Multi-Year Business Plan. This will be determined on an individual basis.

1. If the merger creates a new entity, both of the existing organizations generally must legally dissolve, and the new entity established would need to follow the appropriate registration/incorporation procedures or make the necessary revisions to their current registration/incorporation documents. *It is suggested that both chapters consult with the appropriate officials regarding their incorporation/registration.*
2. Members of both chapters must vote to approve this merger, either at a called meeting or by mail ballot.
 - The process must be consistent with balloting procedure requirements of the jurisdiction in which the chapters are registered/incorporated. *Both chapters should refer to the approved bylaws for established balloting requirements.*
3. A letter from both chapters will need to be sent to PMI staff outlining the steps that were taken by these chapters to come to this agreement, as well as the actual results agreed upon. Both presidents/chairs of the chapter involved should sign this letter.
4. A letter will need to be sent to PMI staff documenting the following information:
 - Acknowledging that the transfer of accounts has occurred and the amount that was transferred.
 - The second chapter will accept the members of the dissolving chapter into the continuing entity in exchange for this transfer of assets. *It is important to note that there will not be any extension of membership expiration dates. The same member expiration dates will be used when they are transferred to the new chapter.*
5. The merging of both chapters is complete after PMI staff receives the revised bylaws of the newly structured chapter highlighting the necessary changes in its geographic coverage. A new area designation form (**Community Development Form A2**) will need to be attached to the chapter's charter as an addendum. If the merger has resulted in a new chapter, or a chapter with branches, a new charter agreement with PMI would also need to be executed.

Dissolution Step-By-Step

The following steps outline the dissolution process, which must be executed in either of the two scenarios described above, as well as in all other circumstances requiring chapter dissolution:

1. The chapter members need to approve the motion to dissolve the chapter, in accordance with the governing documents of the chapter. This may require a special meeting of chapter members to address and vote on this issue. This announcement and vote may also be handled by mail or electronic ballot, per the chapter bylaws. PMI will need a formal letter from the chapter regarding the issues at hand and the result(s) of the member vote. **PMI may be able to support electronic balloting through shared services. Chapter leadership may contact PMI staff for assistance with these services.*
2. If the chapter was assigned a government identification number or filed any other type of tax related applications (i.e., tax exemption), the chapter needs to inform the appropriate governmental authorities regarding the chapter's dissolution.
3. The chapter will need to file appropriate notices of dissolution with the applicable governmental bodies in the jurisdiction in which the chapter is incorporated. This may also entail filing notices in newspapers, legal publications, etc.

4. Once all bills and other financial obligations have been met, the remaining assets will need to be forwarded to the designated entity highlighted in the chapter's bylaws, (this could be a charitable organization, another professional association, another PMI chapter or to PMI GOC). This group must be a not-for-profit entity.
 - If no specific entity is identified, then the members or the board (in accordance with the bylaws) need to designate a not-for-profit entity.
 - All checking and savings accounts should be closed at this time. Please note that chapters should not close accounts until all outstanding checks have cleared the bank.
 - All other assets (i.e., certificates of deposit, money market accounts) will need to be transferred over to the designated not-for-profit organization by either transferring the investment or cashing in the investment and then transferring the funds to the designated entity.
5. PMI staff should be copied on the correspondence accompanying this transfer of funds.
6. If the chapter is required to file tax reports with applicable governmental bodies, this requirement may apply during the fiscal year in which the chapter dissolved. *For example, if the chapter dissolved in September, it may be required to file a tax report for its activities between January and September.*
7. The leaders need to make a provision for maintaining the chapter's files for a minimum of three years in case any questions arise or any governmental authorities decide to conduct an audit. *The responsibility of maintaining these records falls with the volunteer leaders, not with PMI GOC.*

A8. Strategic Alignment, Planning, and Reporting

As affiliates of PMI, Chapters are required to demonstrate alignment to the PMI Strategic Plan. This is done through the Strategic Alignment, Planning, and Reporting process, including the annual submission of a Strategic Alignment Scorecard.

Definitions/Acronyms

SAPR

Strategic Alignment, Planning, and Reporting (SAPR) Process ensures all PMI chapters align to PMI's Strategic Plan/ Balanced Scorecard objectives. Chapters are aligned when each of the services received by its members is associated with a PMI Strategic Plan Objective.

SAS

Strategic Alignment Scorecard (SAS) is based on service-related target metrics, identified by members and volunteers, to help chapters deliver consistent value via a set of 11 Core Services, which must be delivered by the chapter.

Core Services

Core Services are defined within the Catalog of Core and Extended Services as activities/benefits that have been identified by members as the minimum expectations to be met by PMI chapters. Target metrics are pre-defined, although chapters may set targets exceeding these thresholds. These services may be delivered in a variety of ways.

Extended Services

Extended Services are defined within the Catalog of Core and Extended Services as activities/benefits that may be delivered by the chapter above and beyond the minimum expectations to be met by PMI chapters. The Catalog does not include an exhaustive list of such services. Once a chapter has consistently demonstrated high performance in delivering Core Services, the chapter should begin to plan for the delivery of Extended Services.

Reporting Timelines

Chapters are expected to report annually against the Core Services. The current timeline for reporting was established by the chapter's first scorecard submission to PMI.

Example: PMI Antarctica Chapter first submitted a Strategic Alignment Scorecard on 30 June 2009. The chapter is expected to submit on 30 June for 2010.

Note: Automation of the Strategic Alignment Scorecard may require the standardization of reporting schedules. Any changes to the current timeline for reporting will be communicated by PMI in advance of implementation.

Process for Reporting

The current process for reporting is as follows:

1. Using the Microsoft Excel template, complete the Strategic Alignment Scorecard for the current reporting year, replacing "Year 1," "Year 2," and "Year 3" with the actual calendar year.
2. Fill in columns for "actuals" to report on achieved metrics for each Core Service in the reporting year. (If the achieved metrics fall short of the chapter's target or PMI's target, this is not cause for formal action by PMI. This is an opportunity to plan for corrective action by the chapter for the next year, and a mechanism by which PMI can plan for better support to chapters challenged in meeting these target metrics.)
3. Fill in the columns for "targets" to report on planned metrics for each Core Service in the next year(s). This is an opportunity to adjust targets based on current performance and the environmental conditions in which the chapter is operating (e.g., economic decline, etc.)
4. Save scorecard with the chapter's name, C#, and reporting year in the file name.
5. E-mail the completed scorecard to the appropriate Chapter Administrator.
6. The Chapter Administrator will review and provide any feedback or suggestions. If any portion of the scorecard is incomplete, the Chapter Administrator may return the scorecard with indication of which sections remain incomplete.
7. Keep a copy of the scorecard for the chapter's records and planning activities. This is intended to help the chapter leadership by outlining areas in which the chapter is

performing well and where additional resources should be allocated to support areas of challenge or plan for the delivery of new Extended Services.

PMI Chapter Business Plans

Newly forming, transitioning, or re-organizing PMI chapters must complete and obtain approval on a multi-year business plan. This activity is intended to help the chapter by documenting a plan for sustainable success in the virtual or geographic environment in which the chapter delivers value.

Within chapter formation, this business plan must be submitted using PMI's template for ease of review and approval. The template may also be used by existing chapters that wish to complete this activity in support of operational alignment.

Existing chapters that are not re-organizing to become a chapter with branches are not required to submit a multi-year business plan to PMI Global Operations Center for approval. It is strongly recommended, however, that all chapters create and maintain this plan as a part of the Strategic Alignment, Planning, and Reporting (SAPR) process. This is, in fact, the "P" in "SAPR."

The value of business planning is in execution and update of the plan to reflect changes and progress. A solid business plan can be used to:

- focus the resources of the chapter to achieve prioritized objectives
- support successful volunteer transition/succession planning
- present supporting data to obtain key resources
- communicate the vision to key stakeholders.

Once completed, the business plan should be reviewed and updated at least annually to ensure that the chapter is positioned for continuous improvement and success.

A9. Chapter Grievance and Dispute Resolution Policy

Complaints and disputes can be time consuming and if not addressed, can create distrust in the organization and its leadership. Unresolved complaints and disputes may also lead to reduced membership and to financial loss if they lead to litigation or the need to retain legal counsel. It is critical for chapters to have a thoughtful process in place to address issues before they escalate into something more serious.

In order for the resolution of grievances and disputes to be effective, the members must have trust in an unbiased process and the good faith of the Board of Directors. The Board of Directors, as a member-elected body, is the most appropriate body to achieve this goal, and oversee the process.

PMI requires that each chapter establish and document a policy and process to resolve grievances and disputes.

General Guidelines

The Board of Directors shall appoint a Board member (e.g., Vice President of Membership) to develop and oversee a grievance and dispute resolution process. This process should embrace the following minimum elements:

1. The policy shall be developed in writing and included in the chapter operations manual or equivalent document.
2. The policy shall be communicated to members and make clear to them how and to whom they can submit their grievances and disputes.
3. The members shall be encouraged to submit their grievances and disputes in writing.
4. The process should encourage the resolution of the grievance or dispute locally.
5. There must be an internal escalation path that may include a mediation panel.
6. The Regional Mentors must be informed of any issues not resolved prior to the first escalation.
7. In the event that a local resolution cannot be reached, the Board may recommend that the issue be escalated to the PMI GOC grievance and dispute resolution process.
8. In specific situations, the matter may be referred to the PMI Ethics review committee for final disposition.
9. PMI GOC Governance coaches are available to work with the Board to resolve grievances and disputes and inform them about available tools and resources.

B. Membership Policies for PMI Chapters

B1. Chapter Data Exchange Program (DEP): Membership and Prospect Database Information Policy

Each month, PMI chapter leaders receive updated membership and prospect information from the Institute's database via the Data Exchange Program (DEP).

For chapter membership management purposes this information includes:

- A listing of all current members of the chapter;
- All financial transactions related to the chapter's memberships that have been created during the current month;
- A listing of chapter members who have not renewed their PMI and/or chapter memberships within the last month;
- A change listing, which reports membership database changes that have occurred in the previous month;
- A change list summary that provides a numerical summary of all changes that have occurred in the previous month.

For chapter recruitment and promotional purposes, this information includes:

- A listing of PMI members who are eligible to belong to the chapter (e.g., in the Chapter's geographic area) but have not yet joined the chapter;
- A listing of prospective members who are eligible to belong to the chapter once they have joined PMI (e.g., in the Chapter's geographic area).

This information is vital for chapter leaders to communicate with and track existing members while also reaching out to potential members. Using this information also has important implications for members and prospective members who may want to know about chapter activities but who do not want their contact information widely distributed.

These policies have been established to clarify questions regarding the use of the Membership and Prospect Database information by chapters. The Membership and Prospect Database includes information provided through the DEP, as well as through other means (e.g., electronic communications or hard copy).

1. Member Notice and Consent Regarding Use of Application Information

Every member who joins PMI is required to submit a completed application form with payment of all applicable dues and fees. The information collected on that form is designed to assist PMI and the chapter leaders in serving our members (members are notified of this on the application form). Members also may specifically communicate to PMI on the application form whether they wish to be excluded from mailing list rentals and PMI directories. Information about members' exclusion decisions is also provided to chapter leaders so that they also honor members' requests to be excluded from designated items.

2. Monthly Membership and Prospect Database Listings for PMI Chapters

PMI charters chapters to further the purposes of the Institute. Chapter membership is open to, and limited to, any eligible PMI member who meets the qualifications for such chapter membership and who pays applicable chapter dues. Membership in any chapter is voluntary, and members may join as many chapters as they wish. In order to join a chapter, an individual must be a member of PMI.

Chapters may establish membership dues at their discretion and under policies and procedures established by PMI. All chapter membership dues are billed and collected by PMI GOC and then distributed to the appropriate chapter in a timely manner.

PMI provides monthly Membership and Prospect Database listings to help chapters:

- Track and communicate with their members;
- Account for membership dues disbursed from PMI to the chapters;
- Recruit and retain members for the chapter.

Permitted Use of Membership Data

Examples of appropriate uses of the Membership and Prospect Database include, but are not limited to:

- Chapter meeting announcements;
- New member welcome letters;
- Membership renewal "thank you" letters;
- Newsletters and other membership communications;
- Chapter election ballots.

Chapters should take into consideration that members may not want the contact information they provide to be listed or posted in electronic format without the members' prior consent. Examples of uses, which may be appropriate after members have received reasonable notice of the planned activity and have had the opportunity to have their contact information excluded include, but are not limited to:

- Chapter membership directories in hardcopy format
- Member contact information on chapter websites.

****NOTE:** Whenever chapters publish membership directories—whether in hardcopy format or online a disclaimer similar to the following should be incorporated:

Warning! This list is for official PMI [Chapter name] use, as well as individual communication of a networking nature by PMI members and potential members. Use of this information for any other purpose, including but not limited to reproducing and storing in a retrieval system by any means, electronic or mechanical, photocopying or using the names, addresses, e-mail addresses and phone numbers for any private, commercial or political mailing is strictly prohibited.

Chapters should also make sure that their publications are copyright protected, consistent with the laws of the country in which the chapter is incorporated/registered.

Non-permitted Use of Membership Data

Examples of uses, which are not appropriate, include, but are not limited to:

- The sale or release of Membership and Prospect Database listings and/or information to any third party (except in accordance with Sections 4 and 5 of this policy)
- The use of mailing lists by chapter officers, board members, appointed committee members, or other authorized representatives to promote services, products or other offerings in which those individuals have a personal, financial, or other interest

Chapter leaders are expected to take appropriate measures to ensure that members who requested to be excluded from mailings, directories, and other communications are not included in those activities and that all future requests to opt-out of receiving such communications will be honored. Chapter leaders will keep accurate records of member preferences to ensure the proper administration of all opt-out requests.

Leaders with questions regarding the appropriate use of Membership and Prospect Database listings and information should contact the PMI Community Development Department for technical assistance in advance of the proposed activity.

3. Privacy Issues

PMI chapters should investigate whether the jurisdiction in which they are incorporated/registered has other specific privacy protections that may relate to the use and publication of membership and prospect information. Since there is the potential for significant variations in such requirements, chapter leaders should investigate the regulations within their specific jurisdictions.

4. List Exchanges among PMI Chapters

PMI chapters may exchange Membership and Prospect Database listings with other PMI chapters to promote chapter-sponsored activities consistent with Section 2 of this policy. Any lists exchanged among chapters should exclude those members who have asked that their contact information not be shared.

5. List Exchanges with Other Organizations

PMI chapters may exchange membership listings only with other organizations with which the chapters have established collaborative relationships, provided the following conditions are met:

- Prior to acceptance and execution of a cooperative agreement or other formal relationship with a non-PMI entity, the chapter leaders shall employ a fair process for full and open exchange and communication with PMI GOC. Minimally, chapter leaders should address the following issues:
 - The agreement between the chapter and the non-PMI entity clearly states the terms and conditions related to the use of PMI-related membership listings.
 - Chapter leaders should receive communications or other materials that are to be sent by their collaborative partners to PMI members and prospective members prior to the dissemination of such communications or materials.
 - Any information provided must exclude those PMI members who have asked that their contact information not be shared.
 - Information regarding prospects who are not members of the chapter or of PMI must be excluded from such exchanges. Prospect information is provided solely for chapter recruitment efforts.
- As part of their efforts to encourage employers to support their employees' involvement in PMI and its chapters, chapters may share appropriate membership information with those employers.
 - Such information is limited to the total number of employers' participating employees who are members but must also respect the confidential nature of the members' information. Thus, chapters should provide only a total count of employees who are PMI or Chapter members.
 - Under no circumstances may individual PMI customer information be shared with an employer without an individual's permission.

6. Sale of Lists to Third Parties (PROHIBITED)

Chapters are **strictly prohibited** from selling PMI-related Membership and Prospect Database listings, as well as any information, products or services derived from the Membership and Prospect Database listings, to any third party.

7. Mailing List Rentals for Members Outside of the Chapter's Designated Area

Chapters may rent from PMI the mailing list for PMI members who are outside of the chapter's designated geographic area and whose names are not included in the Membership and Prospect Database listing provided to the chapter by PMI. Such mailing list rentals may only be used for specific purposes, such as promoting chapter educational events. Requests for mailing list rentals should be directed to the PMI Supplier Relations department.

8. Ownership of Information

Any information pertaining to PMI membership, including but not limited to: databases, lists, mailing labels and reports, which is provided by PMI to the chapter, may be used only in connection with the authorized, lawful business of the chapter, consistent with the terms of the chapter's charter with PMI. Such information is considered confidential and shall not be shared with or distributed to individuals or business entities outside of PMI, except with the prior, written permission of the PMI President and Chief Executive Officer.

9. Confidential Information

Chapters shall maintain the confidentiality of any and all of PMI's confidential, sensitive or proprietary information or data (collectively, "confidential information"). Such confidential information remains the property of PMI and is furnished to the chapter in confidence and solely in connection with the chapter's affiliated relationship with PMI. Upon termination of its affiliation with PMI for any reason, the chapter leaders will immediately deliver to PMI all written or electronically stored documentation, including copies of, or concerning, confidential information, and shall make no further use of such confidential information and shall make reasonable efforts to ensure that no further use is made by the chapter or its representatives of such confidential information. The chapter's confidentiality obligations shall survive the expiration or termination of its affiliation with PMI.

C. Financial Policies for PMI Chapters

C1. Chapter Dues

Setting Dues for PMI Chapters

Upon being granted "Potential Status," new PMI chapters are encouraged to set a membership dues amount to offset the costs of operations, services, and activities offered by the chapter. In accordance with the terms of the Charter Agreement with PMI, chapters may not establish membership categories which do not align with the active membership categories described in PMI's bylaws.

Factors to consider in setting a chapter's dues amount:

- PMI accepts payments for chapter dues in whole U.S. dollars and in Euros.
- Chapters may set two different dues amounts for regular and student members (at a reduced rate). *Please note that only the regular chapter dues amount will appear on the PMI application (hard copy and online).*
- Types, mode, and quantity of services offered
- Costs associated with conducting business and holding events in the chapter's location
- Newly established chapters will not have operational reserves to draw upon and may want to set higher dues within the first couple of years to build out reserves for unforeseen financial downturns and to offset the costs associated with starting a chapter (website development, library purchases, graphic design, etc.)

Changing PMI Chapter Dues Amounts

PMI chapters can change their dues amounts once per year. All changes must be communicated to PMI according to the schedule outlined below in order to take effect on 1 January of the next calendar year.

- PMI sends out a communication to all chapter leaders in the third quarter of each calendar year soliciting any dues changes for the following calendar year, to be effective 1 January. Notification shall be sent via *Friday Facts* and announcements posted to the Community Online Leadership Community.
- Chapters must submit dues changes for the following year by 1 September.

This early notification enables PMI membership invoices to reflect revised chapter dues. Since the first invoice is sent two months prior to the expiration date, the new dues amount is reflected on invoices produced at the end of October and November. These dues changes are also reflected on the PMI membership application, which is reprinted on a quarterly basis (January, April, July, and October).

Collection of Dues for PMI Chapters

PMI collects all dues on behalf of chapters. This is done to ensure that chapter members are members of PMI in good standing, as per PMI membership policy and in accordance with the terms of the chapter's Charter Agreement with PMI.

- **Invoicing and payment processing:** PMI invoices and collects all PMI membership dues, including chapter membership dues. All payments are required to be paid directly to PMI. *Note: PMI prohibits chapters from collecting dues directly from members.*
- **Chapter membership requirements:** To join a PMI chapter, one must be a current member of PMI. No dues will be collected or processed for PMI chapter membership if the individual is not a current PMI member in good standing.
- **Membership expiration:** The expiration dates of PMI chapter memberships are always aligned with the individual's PMI membership expiration date. PMI members may not join a PMI chapter in the last three months (90 days) of their current membership period unless the member renews at that time.

- **Insufficient payment of membership dues:** In the case that an individual submits an incorrect dues amount with either his or her membership application or renewal, PMI will follow one of the following actions:
 - If the shortage amount is *under* \$15(US), the individual will be processed for the chapter and PMI memberships. Membership dues for the chapter shall be processed in full. PMI staff will contact the individual in order to receive the remainder of the balance, which will then be applied toward the payment of his or her PMI membership.
 - If the shortage amount is *over* \$15 (US), PMI will not process membership for either PMI or the chapter. PMI staff will contact the individual alerting him or her to the insufficient payment.

Chapter leaders can assist PMI with collecting the correct dues amount by distributing current PMI membership applications at chapter functions, or by directing individuals to apply for membership online.

- **Incorrect processing of chapter membership:** If PMI incorrectly processes an individual into a chapter, the individual's membership and the respective dues amount will be transferred to the correct chapter.
- **Membership transfer:** If an individual incorrectly joined a chapter or wishes to transfer is or her membership to another chapter at a later date, no dues will be transferred.
- **Membership refunds in case of resignation:** In the event that a member resigns, PMI and the chapter shall not refund membership dues.

PMI Chapter Membership Dues Disbursal

Chapter membership dues are disbursed in one of three ways:

- **Automated Clearing House (ACH)** – United States Based Chapters Only
- **Wire Transfer** – Chapters Based Outside of the United States
- **Check** (monthly, quarterly, bi-annual) – this method is available to all chapters, although is not preferred due to the potential for mail loss

Note: Payment shall be made in the name of the PMI chapter, and may not be made to an individual officer or other person(s). All chapters should consult with their banks to identify any service fees associated with receiving electronic transfers or checks.

Automated Clearing House (ACH)

Chapter dues are electronically transferred from PMI to the bank account of the chapter.

To sign up for an ACH, the chapter leadership should submit to PMI an application form and a copy of a cancelled check or savings deposit slip.

It is critical to ensure that the information provided for this service is correct. If information is provided incorrectly by the chapter, the funds will not be transferred electronically and the applicable fee(s) charged by PMI's bank to PMI will be automatically deducted from the chapter's next dues disbursal payment. If PMI submits the incorrect information, the chapter is not responsible for paying the fee.

Further information can be downloaded from the Community Leadership Online Community at <http://leadership.community.pmi.org/Pages/Default.aspx>.

Wire Transfers

The months when these wires are sent are established by PMI GOC and are subject to change. If the months of distribution are to change, PMI GOC will communicate with the respective chapters at least 30 days prior to the effective change date.

To sign up for a wire transfer, chapter leadership must submit a wire transfer application to PMI.

It is critical to ensure that the information provided for this service is correct. If information is provided incorrectly by the chapter, the funds will not be transferred electronically and the applicable fee(s) charged by PMI’s bank to PMI will be automatically deducted from the chapter’s next dues disbursement payment. If PMI submits the incorrect information, the chapter is not responsible for paying the fee.

Wire transfers are available in limited currencies. Consult the wire transfer information on the Community Leadership Online Community at <http://leadership.community.pmi.org/Pages/Default.aspx> for a complete list of currencies and further information.

Reconciling Dues Received

PMI chapters can reconcile dues payments by viewing a copy of the “Transaction Report” in the monthly Data Exchange Program (DEP). This report lists all the dues transactions (in U.S. dollars) that occurred within a one-month period for the PMI chapter.

D. Program/Promotions Policies for PMI Chapters

D1. PMI Chapters: 40% to 45% Discount on PMI Book Orders

PMI chapters are eligible for a 40% to 45% reseller discount off the list price of most books published by PMI. Many PMI chapters utilize this discount to supply materials for professional development and training events, conferences or tradeshows, or to maintain chapter libraries. Chapters may pass this discount on to customers or sell the products at full price as a way to raise funds for the organization.

Commercial titles that PMI resells from other publishers are not eligible for this discount. Orders must be coordinated at the organizational level and placed by a designated officer from the chapter. This is an organizational discount for the chapter and not an individual discount for the leaders; therefore, chapter leaders purchasing books for their individual use do not qualify for the 40% to 45% discount. PMI logo items and *OPM3*[®] Online (single or multi-user versions) are not eligible for this discount. Other items may be excluded from this discount at PMI’s discretion.

Quantity Discount Schedule for PMI Chapters* - RETURNABLE

Quantity	Discount off list price
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1-999	40%
1000+	42%

- Single titles or mixed titles published by Project Management Institute.
- Standard payment terms are net 30 days for credit customers. Prepayment via credit card, check, or wire transfer is required for all other customers.
- Books in print are returnable for credit up to one year from invoice date (no refunds unless damaged or defective). A restocking fee of 10% of the retail price of the returned books will be deducted from the credit memo when 50% or more of the original quantity ordered is returned. Out-of-print titles are returnable for credit at the item's original purchase price for a period of six months after the item has gone out of print. All return shipments must be pre-paid by the customer.
- List prices are subject to change without notice. Discounts are subject to revision or cancellation without notice. All discounts are off list prices of books as they exist at the time orders are placed.

Quantity Discount Schedule for PMI Chapters* - NON-RETURNABLE

Quantity	Discount off list price
1-999	42%
1000+	45%

- Applies to single titles or mixed titles published by Project Management Institute.
- Standard payment terms are net 30 days for credit customers. Prepayment via credit card, check, or wire transfer is required for all other customers.
- Books are non returnable unless damaged or defective, in which case returns will be accepted for credit for up to 90 days from invoice date. Return shipping charges will be credited back to the customer for damaged returns.
- List prices are subject to change without notice. Discounts are subject to revision or cancellation without notice. All discounts are off list prices of books as they exist at the time orders are placed.

Ordering Instructions

To receive the PMI chapter discount, books must be ordered by a current board member/officer on behalf of the PMI chapter. At this time, only returnable orders that qualify for the 40% discount can be ordered online at PMI.org/Marketplace. Marketplace orders must be paid using a credit card. During the checkout process, there will be a checkbox to indicate that you are a chapter leader purchasing on behalf of your chapter. By checking this box, the appropriate discount will automatically come off the eligible items in the shopping cart.

To receive the higher returnable discount, or to purchase on a nonreturnable basis, orders must go directly to the PMI Book Service Center. Orders that are paid via check, wire transfer, or purchase order, must also be submitted directly to the PMI Book Service Center.

When placing an order be sure to include the following details:

- PMI chapter number
- Book title
- ISBN number of book
- Quantity
- “Ship to” name, address, and telephone number
- Billing and payment information
- Special shipping instructions (Include any information that is required by customs in your country for books coming from the United States. If any special forms or documentation are required, be sure to include those as well. If you are using a third-party broker, please include that information as well.)

For convenience, a special [Chapter Book Order Form](#) is available for download (Adobe® PDF) from the Community Leadership Online Community under Shared Documents. To place an order via e-mail or fax, send all order details (listed above), or the completed order form, to Chapter.Orders@pmi.org or fax to +1-770-664-0057 Attn: PMI Chapter Orders.

Telephone orders can be received during normal business hours (Monday – Friday, 9:00 a.m. – 5:00 p.m. Eastern Time). Call 1-866-276-4764, if calling from the United States, or call +1-770-280-4129 from anywhere in the world.

To submit an order via postal mail, please send all order details (listed above), or the completed order form to the PMI Book Service Center at the address below:

PMI Book Service Center
Attn: PMI Chapter Orders
P.O. Box 932683
Atlanta, GA 31193 USA

Payment Instructions

The following payment options are available for chapter book orders:

1. Checks payable to PMI. *Please reference invoice numbers on checks*
2. Credit cards
 - American Express
 - Diner's Club
 - Discover
 - MasterCard
 - Visa
3. Net 30 Days Billing: After establishing a prepaid sales history with PMI (at least three orders prepaid), PMI chapters may ask PMI to establish a credit limit so that they can place orders and be invoiced for payment later. A completed credit application must be submitted to PMI and must include at least three credit references. If the application is approved, payment terms are net 30 days. Chapters will revert back to prepay status if the account exceeds 30 days past due. If an account is inactive for more than 12 months, the chapter will be considered a new customer and will have to reapply for credit. Purchase orders for invoiced customers are accepted via fax or mail after a customer has established a credit relationship in conformity with PMI's credit policy.
4. Wire transfers payable to PMI. Please reference invoice numbers on transfers.

Wachovia Bank, N.A.
3515 West Chester Pike
Newtown Square, Pennsylvania 19073 USA

Phone: +1-610-356-2265 Fax: +1-610-359-9432

Account Number: 2014183097209

Routing Transit Number: 031201467

Swift Code: PNBUS33

Contact: Maria Antonucci +610-891-1088

5. Chapter Dues Transfer: Chapters may elect to use dues funds to pay for books. If you would like to explore this option, contact the PMI Bookstore Administrator:

dotti.bobst@pmi.org

- The chapter must have adequate funds in their PMI dues account to cover the cost of the book order.
- A chapter officer must approve the request.
- The chapter must be in good standing with PMI.

D2. Use of PMI Logo

Only PMI GOC may approve or allow the use of the PMI logo. Please note that the PMI logo indicates communications and programs sponsored by PMI. The PMI logo may not be used on chapter websites, newsletters, directories, banners, letters, etc.

All requests to use the PMI logo must be forwarded to PMI's Marketing Department.

Please see "Use of PMI Intellectual Property" policy for further usage guidelines.

D3. Use of PMI Intellectual Property

As PMI grows and becomes more widely recognized and respected as the world's leading professional association in the area of project management, its intellectual property (its trademarks and copyrighted written materials and products) increases in value, and PMI must use its best efforts to protect these assets.

PMI chapters can help us in these efforts by properly using and attributing PMI trademarks and copyrighted material in accordance with the guidelines provided below.

These guidelines apply to PMI chapters. With these guidelines, PMI seeks to provide chapters with general information on the proper and permitted use of PMI's intellectual property. Specific questions not addressed herein regarding proper use of PMI marks or its copyrighted materials should be directed to PMI's Legal Department.

PMI Trademark Usage

The purpose of a trademark is to permit a trademark owner to differentiate its products, goods, or services from those of others; trademarks also serve to help consumers in identifying the source of a product, good, or service. A valid mark may be registered for an owner to use exclusively in conjunction with the owner's product, good, service, or in the case of PMP®, PGMP®, PMI-SP®, PMI-RPM® and CAPM®, a certification program. The

unauthorized use of a mark in a confusingly similar manner constitutes trademark infringement. However, third parties can use a trademark without specific authorization from the owner to refer to the trademark owner's products or services, as long as proper attribution to the mark and owner are given and there is no confusion as to the source of the good, product, or service associated with the mark.

For more information, please review the Trademark Usage Guidelines at the following URL: http://www.pmi.org/~media/PDF/Media/Trademark_Usage_Guidelines.ashx

Definitions:

Mark: The term "mark" includes any trademark, service mark, collective mark, or certification mark.

Trademark: A trademark is a word, phrase, logo, other designation, or a combination thereof used by an organization to identify or distinguish its products from those of another. The term "trademark" is also used generically to refer to any type of mark. An owner of a trademark may prevent others from using the trademark without the owner's consent.

Service Mark: A service mark is a word, phrase, logo, other designation, or a combination thereof used by an organization to identify or distinguish its services from those of another.

Collective Mark: A collective mark is a word, phrase, logo, other designation, or a combination thereof used by members of a particular association or group to indicate membership.

Certification Mark: A certification mark is a word, phrase, logo, other designation, or a combination thereof used to indicate that the user has met specific qualifications established by the certifier.

List of PMI Marks

For a list of PMI Marks with the appropriate usage guidelines and restrictions, please refer to the following URL:

http://www.pmi.org/~media/PDF/Media/PMI_List_of_Marks.ashx

This list is subject to revision and shall be refreshed as needed.

D4. Leadership Institute Meeting – Complementary Registration Policy

PMI provides a single complementary registration to PMI chapters for each Leadership Institute Meeting (LIM). The complementary registration is provided through the use of a special registration code, which is sent to the president or chair of the chapter.

Use of the single complementary registration may be designated by the chapter president or chair for any chapter officer, and may not be used more than once. It is the responsibility of the president or chair to provide the code to the designated officer for use.

Chapters with Branches

Chapters that are chartered as Chapters with Branches are eligible to receive an additional complementary registration for each branch to attend the LIM in the chapter's region. Chapters must have achieved "Potential" status (received PMI approval of a Multi-Year Business Plan for a chapter with branches) in order to be eligible for this benefit.

E. Website Policies for PMI Chapters

E1.PMI Chapter Websites: Hosting and Designing Guidelines

PMI chapters are required to establish and maintain a website for marketing, communication, and membership purposes. PMI provides various services and considerations for PMI chapters embarking upon website development.

Chapters that wish to make use of PMI's brand guidelines for website development can access HTML code recommendations and general design guidance by visiting PMI.org/MarketingPortal. Click in the "Resources" section to find these tools.

General questions about types of website design software or any other questions regarding design of chapter websites may be e-mailed to web_usability@pmi.org.

Restrictions to PMI's Service:

All HTML pages for a chapter website are to be developed by the chapter. PMI does not offer file transfer protocol (FTP) access to upload website files.

Hosting with an Internet Service Provider (ISP)

When hosting with an ISP, more advanced capabilities may be available for the chapter's website such as online forms, database-driven pages for member areas, and surveying and discussion groups. When researching ISP providers, verify costs; monthly hosting fees will vary greatly depending upon the chapter's individual support needs.

Domain Names

Domain names must clearly identify the chapter as the sponsor of the website and not PMI. PMI recommends using "PMI" and the chapter's name or acronym in the domain name, as shown in the following examples:

- www.pmibuffalochapter.org
- www.pmiswoc.org
- www.pmi-autosig.org

The ".ORG" extension is also recommended in the domain to identify the chapter as a not-for-profit organization.

It is not acceptable to use domain names that may misrepresent the chapter.

For example, consider a chapter based in Latvia:

Appropriate domain names:

- www.pmilatviachapter.org

- www.pmilvc.org
- www.pmi-lvc.lv

Inappropriate domain names:

- www.pmilatvia.org.
- www.pmi.lv

These are not appropriate, as they appear to represent a PMI office or service center in Latvia, rather than the chapter.

The chapter's domain name requires a fee. There are services available for domain hosting, which charge nominal fees and are used by many PMI chapters, including VeriSign and GoDaddy. *PMI does not host registered domain names.*

Designing the Website

For the PMI Style Guide and information on designing a PMI chapter website, please reference the PMI Marketing Portal: <http://www.pmi.org/About-Us/PMI-Marketing-Portal.aspx>

The chapter must use the logo that has been approved by PMI GOC on the chapter website. For further information on PMI chapter logos, please reference section VIII.A5 of this manual or visit the "Resources" section of the PMI Marketing Portal.

PMI's logo may be used on the chapter's website, but only as a link back to PMI's Home Page. Links to the PMI Home Page must open to a new/separate browser window.

All web content published by PMI chapters must adhere to PMI's electronic use and intellectual property policies (see section D3 "Use of PMI Intellectual Property" above). Failure to abide by these requirements is grounds for PMI to take further action, such as refusing to upload the page or removing the page from PMI's server. Any use of PMI's intellectual property must be properly marked.

PMI will review chapter websites on an ongoing basis to ensure compliance with PMI's intellectual property policies.

E2. PMI Chapter Websites: Linking to the PMI Home Page

Chapters are permitted, and indeed encouraged, to link to PMI.org on agreement to the terms and conditions listed below.

Terms and Conditions Affecting Web Links from Chapters to PMI.

1. **Proper Form of Link:** PMI chapters are permitted to link to PMI's Home page using one of the following forms: the name "Project Management Institute," the initials "PMI," or the PMI Logo.
2. **No Misrepresentations:** A PMI chapter may not misrepresent its relationship with PMI or present false or misleading impressions about PMI.
3. **No Framing:** PMI chapters will not place PMI web pages in a "frame" within their own websites without specific written permission from PMI.

4. **No Negative References:** PMI chapters may not make negative or disparaging references to PMI, its services or its members or otherwise compare PMI, its services or its members unfavorably to others.
5. **No Objectionable Content:** PMI chapters' websites must not contain, or link to, content that may be interpreted as libelous, obscene, or criminal, or which may infringe or violate any third party rights.
6. **Protection of Marks:** PMI chapters may not use PMI names, marks or other materials in a manner that is likely to cause confusion with another source or to dilute or damage the reputation or image of PMI.
7. **Proper Use of PMI Logo:** PMI chapters' use of the PMI logo for linking purposes will conform in all respects to the logo usage guidelines. The PMI Logo may only be used as a link to the PMI Home Page and not to link to any other portion of the PMI Website. Contact PMI Community Development staff to obtain a copy of the guidelines before establishing the link. If linking to an overview page on the PMI Website, please use appropriate text to name the overview section.
8. **Indemnification:** PMI shall have no responsibility or liability for any content appearing on the chapter's website. PMI chapters agree to indemnify and defend PMI against all claims arising out of or based upon its web-site.
9. **Right to Revoke:** PMI reserves the right at any time and in its sole discretion to revoke this right and request that the chapter remove from its website any link(s) to the PMI Website.
10. **Amendment to Terms and Conditions:** PMI reserves the right to amend these linking terms and conditions at any time. By continuing to link to the PMI Website, the chapter agrees to abide by the linking terms and conditions then current, as well as other legal terms of use and conditions on the PMI Website, as amended from time to time.

F. Educational Activity Policies for PMI Chapters

Chapters are considered "Component Education Providers" and may provide PDU eligible educational activities under the policies listed below.

PMI chapters choosing to compete in the commercial training space with for-profit educational providers may formally register as R.E.P.s.

PMI chapters that enroll as R.E.P.s will be subject to specific guidelines, additional fees, and audit controls. For more information regarding the R.E.P. Program, please visit the R.E.P. section of the PMI Website at <http://www.pmi.org/Professional-Development/REP-Become-a-Registered-Education-Provider.aspx>

Chapters that have not registered as an R.E.P. may not claim to be an R.E.P., nor may they use the R.E.P. logo.

F1. Giving Category 3 (R.E.P.) Professional Development Units (PDUs) for PMI Chapter Events

A Professional Development Unit (PDU) is the measuring unit used to quantify approved learning and professional service activities related to project management. One (1) PDU is earned for every one hour spent in a planned, structured learning experience or activity. Fractions of PDUs may be reported as .25 increments following one full hour.

All PMI chapters can issue Category 3 PDUs for their programs and events. There are two types of PMI Chapter Events:

- Events qualifying for 1 to 2 PDUs (i.e., Chapter Monthly Meetings, Webinars, etc)
 - No event registration by the chapter is necessary. Chapter **does not** enter event into the R.E.P. Database.
 - Option: At their discretion, PMI chapters may report the 1 to 2 PDUs for those PMPs who attended their 1 to 2 PDUs events by using the “PMI Chapter: 1 to 2 PDU Event Group Reporting Form”
- Events qualifying for 2 or more PDUs (i.e., Workshops, Seminars, Professional Development Days, Conferences)
 - All PMI chapters **must** register events qualifying for 2 or more PDUs in the R.E.P. database and issue Category 3 PDUs to their attendees.

A PMI chapter should display the approved chapter logo to promote their respective events qualifying for PDUs. The R.E.P. logo is restricted for use by registered R.E.P. organizations only.

Procedures For PMI Chapters To Give PDUs

Please see document entitled “Procedures for PMI Chapter Events: Giving Professional Development Units (PDUs)”

Services/Resources

Although chartered PMI chapters do not have to enroll as an R.E.P., they will have access to the following R.E.P. services/resources:

1. PMI chapters are listed on the R.E.P. Provider Directory on PMI’s Website. The chapter name, website, state, and country are included. The directory does not accept individual names and contact information.
2. PMI chapters have access to the R.E.P. Administrative Updates Site (<https://ccrs.pmi.org>), to register and maintain, online, their chapter’s events of 2 PDUs or more. To access the site, insert Chapter ID Number (4 digits) and Password. If you do not know these numbers, please contact repsupport@pmi.org.

By using the R.E.P. Administrative Updates site, PMI chapters may choose to advertise those events (2 PDUs or more) registered in the searchable listing of R.E.P. Courses.

3. Leaders of PMI chapters can access the R.E.P. Chapter Site through the PMI Community Leadership Online Community. The leader's personal PMI ID and password will give them access to this site (<https://ccrs.pmi.org>)

PDU Course Content Guidelines for PMI Chapters

Chapters giving PDUs for events are required to adhere to the following content, instructional design and delivery guidelines to insure quality and consistent programs, products, and services.

1. Educational events offered for PDU credits must involve one or more PMPs in its design, delivery, or selection.
2. Ensure that all courses specifically intended to prepare candidates for the PMP Examination shall be taught by instructors holding the PMP credential
3. PDU course content should be relevant to project management and should support the following areas:
 - a. One or more Knowledge Areas as defined by the most current edition of the *PMBOK® Guide*.
 - b. Content that significantly enables project management professionals to apply these Knowledge Areas—such as team building or leadership skills—may also be offered for PDU credit.
 - c. Generally accepted theories and PMI standards
 - d. Content pertaining to the use and/or application of specific products or services that enable the management of projects, provided the participants are informed in advance of the nature of the content.
 - e. Contrary theories or practices provided they are clearly identified as such and participants are informed in advance of the nature of the content.
4. Instructors should be knowledgeable and should have expert knowledge appropriate to the topic being taught and able to clearly convey the course content, facilitate learning, and provide feedback to participants.
5. PDU courses should utilize appropriate instructional design and delivery methods to meet the learning needs and interests of the participants.
 - a. Incorporate learning needs into educational offering
 - b. Utilize appropriate instructional design or selection process
 - c. Appropriate and effective evaluation processes
6. PDU event promotion and marketing material that appear in advertisements, brochures, websites, or other media should be accurate and convey realistic expectations as to what the learner may achieve, including:
 - a. Course content and learning objectives
 - b. Assessment (if applicable)
 - c. Instructor and instructor credentials
 - d. Number of PDUs
7. All events offered by chapters for PDU credits will be subject to random audit.

Questions:

For PMI chapter/PMP questions concerning registering PDU events, issuing PDUs and claiming PDUs, and for general questions concerning the PMI Continuing Certification Requirement (CCR) Program, contact:

Project Management Institute
14 Campus Boulevard
Newtown Square, PA 19073-3299 USA
Telephone: +1-610-356-4600
E-mail: customercare@pmi.org
Fax: +1-610-356-4647

F2. Excerpt from PMI's Advertising Policy: "Claims Regarding PMI's Certification Program"

The following is an excerpt from PMI's Advertising Policy. PMI chapters conducting PMP® preparation courses/classes should review this policy and align activities accordingly. To reference the PMI Advertising Policy in its entirety, please visit the PMI Website at: http://www.pmi.org/~media/PDF/Media/ADVERTISING_POLICY.ashx

PMI especially values the integrity and reputation of PMI's Certifications Program, including the Project Management Professional (PMP®), Certified Associate in Project Management (CAPM®), Program Management Professional (PgMP®), PMI Scheduling Professional (PMI-SP®), and PMI Risk Management Professional (PMI-RMP®) credentials.

In order to ensure that PMI's credentials continue to be of great value to individuals engaged in project management, PMI requires that advertisements may not contain false or misleading statements regarding PMI's credentials and/or their requirements (consisting of academic education, work experience, formal project management education, willingness to sign and abide by a professional code of ethics, satisfaction of continuing education/professional development requirements, and passing a multiple-choice examination concerning project management).

Advertisements may not state or imply that an Advertiser's product or service is the sole prerequisite to the attainment of a PMI credential; they must reflect that attainment of a PMI credential requires an individual to meet all of the specific requirements noted above. PMI prohibits Advertisers from making statements claiming or implying that a PMI credential may be achieved over a short time frame or with little effort as these types of statements denigrate the reputation of PMI's credentials; the inclusion of such statements will result in PMI's rejection of the proposed advertisement.

Furthermore, an Advertiser shall correctly represent its programs and products as certificates or credentials. The American National Standards Institute (ANSI) defines a certificate program as a non degree granting education or training program consisting of (1) specified learning outcomes within a defined scope and (2) a system designed to ensure individuals receive a certificate only after verification of successful completion of all program requisites including but not limited to an evaluation of learner attainment of intended learning outcomes.

According to National Organization for Competency Assurance (NOCA), a professional credential, such as those offered by PMI, is a voluntary process by which a non-governmental agency grants a time limited recognition and use of a credential to an individual after verifying that he or she has met predetermined and standardized criteria. It

is the vehicle that a profession or occupation uses to differentiate among its members, using standards based on existing legal and psychometric requirements.

Additionally, any “guarantees” or “warranties” made by the advertiser regarding its products or services, or any other promotional offers, must be sufficiently detailed to permit the public to evaluate the accuracy and truthfulness of such claims and terms and conditions of any offers. For example, if an advertisement states that a person is “guaranteed to pass a PMI certification examination” the terms of that guarantee must be fully stated such as “a student’s course fees will be fully refunded if student does not pass the exam and makes a request for a refund within 30 days of taking the exam” or “guarantee includes permission to take Company’s course again at no charge.”

Statements including success rates or other survey results must be accompanied by a description of the survey group and the method of calculation, such as “Based on the results reported to the Company by 100% its customers who used a product or service in 2003...”

Moreover, all PMI Registered Education Providers (R.E.P.s) are required to comply with the terms of this policy not only with regard to advertisements in PMI publications or on the PMI website, but also with regard to other R.E.P. advertising and marketing materials, as agreed to in Section III.6.2 of the R.E.P. Application and Agreement.