MARYLAND SOCIETY OF PROFESSIONAL ENGINEERS
ORGANIZATIONAL POLICIES & PROCEDURES

DEFINITIONS:

Policy: A Society rule, plan or course of action.

Procedure: A Society process or series of acts to achieve an intended result.

OPP No. 1 – MEMBERSHIP

Section 1 Procedure. Membership applications may be received at either the state Society or NSPE. If submitted to the state Society, the secretary will review the application for eligibility (confirm license etc. with DLLR) and, if eligible, the application will be forwarded to NSPE.

Section 2 Policy. Membership in the Society imposes the obligation to uphold the honor and dignity of the engineering profession. It is therefore required of members to be familiar with ethical and legal standards, to observe them, to aid in preventing violations by others and to be familiar with the Society’s policies and procedures relating to handling of alleged violations.

Section 3 Policy. Violation of the Society Bylaws, NSPE Bylaws or of the Code of Ethics, or criminal conviction shall be considered as just cause for discipline as hereinafter provided.

Section 4 Policy. An AFFILIATE member is any person of high moral character who does not otherwise qualify as a Licensed Member, Member or Student Member. An Affiliate is an Affiliate-at-Large and not a chapter affiliate or NSPE affiliate.

Section 5 Policy. An ASSOCIATE member is a business entity not eligible for membership in NSPE with rights and privileges (as defined in the organizational procedures) within the Society without association with NSPE. The Board shall approve such rights and privileges as it deems appropriate.

OPP No. 2 – DUES

Section 1 Policy. Dues become due and payable January 1 of each year, or as otherwise determined by the NSPE Board of Directors.

Section 2 Policy. The Board shall set the annual dues for membership in the Society, the annual dues for membership in chapters and practice divisions and the dues for Affiliate or Associate.

Section 3 Policy. Members admitted for the first time and paying full dues shall receive services as directed by the Board.

Section 4 Procedure. NSPE shall collect annual dues, unless directed otherwise by the Board of the state Society. If the Society or chapter collects dues, the appropriate state official (the Treasurer) shall transmit to NSPE the national dues collected for that organization, on a monthly basis.
Section 5 Procedure. If the dues of any member remain unpaid on the due date, said member shall be listed as "delinquent" and shall be dropped from the membership rolls of the Society if unpaid for a period of 90 days. Payment of delinquent dues must accompany the request of such person for readmission for the current year.

Section 6 Policy. A member shall become eligible for Honorary, Life or Retired membership status, with waiver or reduction of dues after meeting the requirements as set forth by the NSPE Bylaws.

Section 7 Procedure. Dues may be waived for a period of one year in hardship circumstances, including unemployment. The member’s State Society and the NSPE Executive Director shall approve application for a waiver of dues. Such application, if approved by the Society, shall be submitted to NSPE for approval of the waiver of any NSPE dues.

Section 8 Policy. Upon receipt of a bachelor's degree in engineering, Student Members in good standing shall be advanced without filing an application to the next higher membership grade for which qualified, except that graduate students may retain Student Membership by written request to the Society.

OPP No. 3 - FISCAL AND ADMINISTRATIVE YEARS

Section 1 Policy. The fiscal year of the Society shall be from July 1st through June 30th.

Section 2 Policy. The administrative year of the Society shall be from July 1st through June 30th.

OPP No. 4 – CHAPTERS

Section 1 Policy. A chapter may organize within the provisions of the Bylaws of the Society and may, upon application, receive a charter from the Society and then be known as a chapter of the Society.

Section 2 Policy. A charter may be issued upon approval of an application by the Board and shall be signed by the President and the Secretary of the Society.

Section 3 Procedure. In advance of the Society's Annual Meeting, each chapter shall elect officers and directors as required. The Secretary of each chapter shall send a report of such election results to the Secretary of the Society at least 30 days prior to the date fixed for the Annual Meeting. Failure to notify the Society of the Chapter’s duly elected officers shall be interpreted by the Society as a suspension of Chapter activities. All dues collected by the Society on behalf of the Chapter shall be held in trust until such time as the Chapter activities are resumed. Funds held in trust in excess of one year shall revert to the Society's treasury.

Section 4 Procedure. The Board may authorize and issue charters for student chapters at approved engineering colleges or institutes of technology. Rules and regulations for the organization and operation of student chapters shall be determined by the Board and shall be designated according to the policies of NSPE.

a. Each student chapter shall have a faculty adviser who shall whenever possible be a member of the Society. The student chapter adviser shall be appointed by the Society, through the local chapter concerned, on the recommendation of the dean of the college or school involved.

b. Each student chapter shall have a liaison officer from the sponsoring chapter who shall not be directly affiliated with the college or school involved. The sponsoring chapter shall appoint the liaison officer, and one liaison officer may serve more than one college or school.

c. Chapters of the Society shall retain their own fiscal autonomy. However, income and expenditures must be reported by each chapter to the Treasurer of the Society for consideration within the society’s federal and state income tax returns.
d. All financial transactions by Chapters must conform to Internal Revenue Service regulations relating to a 501(c)(6) organization.

**OPP No. 5 - AFFILIATED GROUPS**

Section 1 Policy. Affiliated groups may be established with approval of the Board. The purpose of such affiliations shall be to assist in promoting the best interests of the professional engineer and the Society and shall be defined in a charter agreement establishing the affiliation. The affiliated group shall be responsible to the Board for fulfilling the actions defined in the charter.

**OPP No. 6 - BOARD OF DIRECTORS**

Section 1 Procedure. The Board of Directors shall have the direction and general supervision of all matters pertaining to the Society. It shall adopt and monitor a budget and cause the accounts of the treasurer to be audited not less than once a year.

Section 2 Procedure. The Board shall provide for and superintend the publication and distribution of all proceedings or transactions of the Society and shall have authority to appoint an editor and publish an official periodical for the Society.

Section 3 Policy. The Board shall be empowered to invest and reinvest such funds as may be available for the creation of a reserve fund.

Section 4 Policy. Board designees shall attend chapter meetings for the purpose of inquiring into the condition of the profession and to improve the communication between the chapter membership and the Society.

Section 5 Policy. The Board shall hold a regular meeting at the time of the Annual Meeting and at least once each quarter thereafter. It shall hold special meetings at the call of the President, 2/3 vote of the Board, on the petition of 50 members of the Society or 10 percent of the membership, whichever is less.

Section 6 Procedure. A notice of each meeting of the Board shall be transmitted in writing or electronically to each member of the Board at the member’s last recorded address at least 10 days prior to the scheduled date thereof. An agenda and copy of each report and resolution, which are to be considered at such meetings, shall accompany the notice of the meeting and no other matters shall be considered at such meetings without the consent of the majority of the members of the Board in attendance.

Section 7 Policy. All nominations for national awards for NSPE must be submitted for the Board’s consideration a minimum of 90 days prior to the NSPE due date.

Section 8 Procedure. Induction to the College of Fellows of the Society shall be at the sole discretion of the Board. Induction shall be in recognition of a long and distinguished career in the practice of engineering, and for having exhibited personal and professional qualities that have served as a role model for practitioners and for having advanced the state of the profession.

**OPP No. 7 - BALLOTS OF THE BOARD**

Section 1 Policy. The President may at any time direct the Secretary to submit any question to the members of the Board by means of a letter or electronic ballot (proxy).
Section 2 Procedure. Upon direction of the majority of the members of the Board present at any meeting, where less than all members of the Board are present, the Secretary or President shall submit any question to the members of the Board by means of a letter or electronic ballot (proxy).

Section 3 Procedure. The Secretary shall record as a part of the minutes of the appropriate meeting the data concerning each letter ballot or electronic proxy, including the dates of the mailing and the return of the ballots, and the names and votes of all members voting. The Secretary shall notify all members of the Board of the results within three weeks of the date of the original election or action.

**OPP No. 8 – ELECTIONS**

Section 1 Procedure. The election of chapter officers shall be completed on or before July 1st of each year. They shall assume their duties on the first day of the administrative year and shall hold office until their respective successors assume such duties. The procedures for electing chapter officers shall be the same as for state officers.

Section 2 Policy. Each practice division shall elect a Chair and Chair-elect. The procedures for nomination and election to these positions shall be established in the Practice Division Organizational Procedures.

Section 3 Policy. The Young Engineers’ Advisory Council shall elect a chair and chair-elect. The procedures for nomination and election to these positions shall be established in the Young Engineers’ Council Organizational Procedures. These positions shall constitute the officers of the Young Engineers’ Advisory Council.

**OPP No. 9 – OFFICERS**

Section 1 Procedure. President -- The President shall preside at all meetings of the Society and of the Board of Directors; shall be, ex-officio, a member of all committees; may appoint chairs and members of committees if required; and have general direction of the business of the Society. The President, as Chief Executive Officer of the State Society, is authorized to establish all further policies & procedures, make all decisions, take all actions and develop all activities as long as they are consonant with any reasonable interpretation of the State and National Bylaws. The President, as Chief Executive Officer, is responsible for operating the Society within the budget as adopted and empowered to authorize specific expenditure within the administrative operating budget. The President shall exercise supervision over the operations of the Administrative/Public Relations Firm (Executive Director) or employee, and keep the Board apprised concerning that firm or employee.

Section 2 Procedure. Executive Vice President (President-Elect) -- The Executive Vice President (President-Elect) shall act as President in the President’s absence, and shall undertake assignments at the request of the President or the Board. The principal activity of the Executive Vice President (President-Elect) shall be in training to perform the duties of the President.

Section 3 Procedure. Vice Presidents -- The Vice Presidents shall have such duties as the President may assign. In the absence of, or in case of the inability of the President and Executive Vice President (President-Elect) to serve, it shall be the duty of one of the Vice Presidents to perform all the duties of the President. The selection of which Vice President shall assume the duties of the President shall be determined by a majority vote of the Board.

Section 4 Procedure. Treasurer -- It shall be the duty of the Treasurer to protect all money and records of account of the Society, make an annual report of receipts and disbursements to the Society; give such security, to secure the faithful discharge of duties as may be determined from time to time by the President. The fee for security shall be paid out of the treasury of the Society. The Treasurer is also responsible for the actual disbursement of all funds, except that the Board of Directors may authorize any person or persons to sign any check or other
written instrument for the payment of money, negotiable notes, drafts or other obligations of the Society. The Treasurer shall file a report quarterly at a meeting of the Board of Directors and at General Membership meetings. He/she shall also file any reports required by law. At the expiration of the term of office, all books, papers, and money belonging to the Society shall be turned over to the successor Treasurer, who shall give the preceding Treasurer a receipt therefore.

Section 5 Procedure. Secretary -- The Secretary shall record proper proceedings of meetings and perform such duties as are required by law, or assigned by the Board.

Section 6 Procedure. NSPE Delegate –The Delegate to the House of Delegates shall attend and represent the Society at the NSPE House of Delegates Assembly and represent the Society in all other matters of the House of Delegates. The Delegate shall report actions taken by the House of Delegates to the Society Board of Directors and shall consult with the Board of Directors on a regular basis to properly represent the wishes of the Society before the House of Delegates. The Delegate will vote for the Society at National based on the Board wishes and votes.

Section 7 Procedure. NSPE Alternate Delegate – Perform the Delegates duties in the absence of the Delegate.

**OPP No. 10 – COMMITTEES**

Section 1 Policy. The Standing Committees of the Society shall be as set forth by the Board. The following
committees should be considered:

- Licensure and Qualification for Practice
- Continuing Professional Competency (Education)
- Legislative and Government Affairs
- Ethics and Practices
- Engineers Week
- Honor Awards
- Public Relations
- Publications (official magazine or newsletter)
- Membership
- Chapter Activities
- Budget and Finance
- Nominating
- Policy Review
- MATHCOUNTS

Two or more of these functions may be combined into a single committee.

Section 2 Procedure. There shall be an Executive Committee consisting of the following officers and directors-
Past-President, President, Executive Vice President (President-Elect), Vice Presidents, Treasurer and Secretary.
The Executive Committee shall act as an auxiliary body of the Board to review, select, assemble and organize material and issues to be presented to the Board and to perform any other actions or duties as may be authorized by the Board. All actions taken by the Executive Committee shall be reported to the full Board by the President or another officer selected by the Executive Committee at the next meeting of the Board for ratification or recommended action by the Board. The Executive Committee shall not be empowered to pass any resolutions or take any other actions of a policy nature that would be binding on the Society.
Section 3 Policy. Each of the standing committees shall consist of members appointed annually by the President, who shall also designate the chair of each committee or otherwise provided for by the Society Functional Organization. The practice divisions may appoint such committees as are necessary to carry on their activities.

Section 4 Policy. Each standing committee shall inform the Board of its activities at least once each year, or as otherwise directed by the President.

Section 5 Policy. The President shall appoint such other special committees as may be desirable for the conduct of the business of the Society, while notifying the Board of such appointment.

Section 6 Policy. No committee shall commit the Society without specific authorization from the Board.

**OPP No. 11 - PRACTICE DIVISIONS**

Section 1 Policy. Practice divisions, comprised of members having common professional interests, shall operate under the Bylaws of the Society. Operating Rules and any changes thereto must have the approval of the Board before becoming effective. The Board may create or dissolve a practice division after conducting a hearing on the need for such action. The President may appoint a committee to conduct the affairs of the practice divisions.

Section 2 Policy. The practice divisions shall provide effective forums for discussion and united action for members grouped according to type of professional employment. The goal of practice divisions shall be improved professional recognition, improved conditions of employment, and other matters of mutual benefit.

Section 3 Policy. Membership in each practice division shall be limited to members of the Society, except as specifically provided for in the Rules of the division.

Section 4 Policy. The officers of each practice division shall include a Chair, Chair-elect, the immediate past Chair, and such other officers as determined by the division and approved by the Board.

Section 5 Policy. Officers shall assume the duties usually performed by officers in like positions, subject to rules, which may be adopted by the division and approved by the Board.

Section 6 Policy. The officers shall constitute the practice division executive board.

Section 7 Procedure. When considered necessary for promoting or forwarding its special objectives, any practice division may establish a fund for that purpose, to be maintained in the treasury of the Society. Such funds may be obtained through dues and/or assessment of its own members; or by other means, which are authorized by the Board. The Treasurer of the Society shall be the custodian of all practice division funds, the expenditure of which shall be subject to the approval of the officers of the division, the VP of Membership and the President.

Section 8 Procedure. Minutes shall be kept and filed for all meetings of practice divisions and the division executive board. An annual report outlining the division's activities for the year, including financial statement and officers, shall be made to the Board.

Section 9 Policy. All actions by practice divisions shall be consistent with the policies of the Society.

Section 10 Policy. Practice divisions serving the Society shall be as follows:

- Professional Engineers in Construction
- Professional Engineers in Higher Education
OPP No. 12 – YOUNG ENGINEERS’ ADVISORY COUNCIL

Section 1 Policy. All Society members who are 35 years old or younger at the beginning of the administrative year shall be members of the Young Engineers’ Advisory Council (hereafter referred to as YEAC). Only those members who are voting members of the Society shall be voting members of the YEAC. The YEAC shall report to the Society VP of Membership.

Section 2 Procedure. The YEAC shall provide effective forums for discussion and united action for issues related to the professional employment and development of young engineers. The goal of the YEAC shall be improved professional development and recognition, improved conditions of employment, and other matters of mutual benefit for its members.

Section 3 Policy. The YEAC shall establish Operating Rules that shall govern their activities. These Operating Rules and any changes thereto shall receive approval by the Board before becoming effective.

Section 4 Policy. The officers of the YEAC shall include a Chair, Chair-elect, the immediate past Chair, and such other officers as determined by the YEAC and approved by the Board.

Section 5 Policy. Officers shall assume the duties usually performed by officers in like positions, subject to rules, which may be adopted by the YEAC and approved by the Board.

Section 6 Policy. The officers shall constitute the YEAC’s executive board.

Section 7 Procedure. When considered necessary for promoting or forwarding its special objectives, the YEAC may establish a fund for that purpose, to be maintained in the treasury of the Society. Such funds may be obtained through dues and/or assessment of its own members; or by other means, which are authorized by the Board. The Treasurer of the Society shall be the custodian of all funds, the expenditure of which shall be subject to the approval of the officers of the YEAC.

Section 8 Procedure. Minutes shall be kept and filed for all meetings of the membership and the executive board. An annual report outlining the YEAC’s activities for the year, including financial statement and officers, shall be made to the Board.

Section 9 Policy. All actions by the YEAC shall be consistent with the policies & procedures of the Society.

OPP No. 13 – MEETINGS

Section 1 Policy. The Annual Meeting of the Society shall be held as ordered by the Board for receiving the annual reports and the transaction of any other business. All members of the Society are welcome at this meeting.

Section 2 Procedure. Periodic and/or special meetings of the Board, called as provided for in the Bylaws shall be meetings open to all members of the Society. A “closed” or “executive” session may be called only to discuss personnel, disciplinary or other legal matters that require strict confidentiality. A “closed” meeting shall be called only upon a vote of the Board. Only business specifically allowed for in a “closed” meeting shall be discussed.
Section 3 Policy. The order of business at meetings of the Board shall be determined by the President and may be subject to approval of the Board.


**OPP No. 14 - OFFICIAL PERIODICAL**

Section 1 Procedure. The Society shall publish an official periodical. This publication shall be produced and shall be distributed to all members of the Society, either via mail or electronically. The subscription cost for members shall be included in their annual dues fee. The Board shall establish a subscription rate for non-members interested in receiving the publication.

Section 2 Procedure. Paid advertisements may be sold to generate revenue in conjunction with the official periodical. The Board shall establish advertising standards and rates. Any revenue generated shall be deposited in the general fund of the Society.

**OPP No. 15 – DISCIPLINE**

Section 1 Procedure. Charges or complaints of alleged violations of the Code of Ethics or of laws and regulations governing the profession may be filed in writing by anyone having factual knowledge of the matters. Charges concerning the NSPE Bylaws or Society Bylaws, or for conduct unbecoming a Professional Engineer or for conduct unbecoming a member of the Society or for conduct prejudicial to the good order of the Society may be filed by any member in good standing. Each member is responsible to render written reports of factual knowledge of alleged violations of the Code of Ethics. Charges shall be filed with the Secretary of the Society.

Section 2 Procedure. The Ethics and Practices Committee, chaired by the Executive Vice President (President-elect), shall conduct an initial informal investigation of alleged violations. When such informal investigations indicate that a formal investigation is advisable, the Society president shall direct the Ethics and Practices Committee to conduct a formal investigation and recommend whether or not a hearing is warranted.

Section 3 Policy. Hearings shall be conducted by a Hearing Commission of not less than three members of in good standing appointed by the President, which shall render a recommendation to the Board.

Section 4 Policy. A two-thirds vote of the Board shall be necessary to a finding sustaining a charge or charges. Thereafter the penalty shall be determined by majority vote.

Section 5 Policy. Disciplinary action may be taken by the Society against a member who resigns his membership after charges of unethical conduct have been filed against such member, in which case the former member shall have the same rights of defense and procedure as prescribed for members in good standing. In the case of resigned members, the Society may issue a notice of censure or prescribe that the Society records show that such member shall not be eligible for membership for a stipulated number of years, or indefinitely, or both, and may publish its findings.

Section 6 Procedure. If a professional engineer is charged who is not a member, the accused will be advised of the charges and offered the service of the Society in investigating and adjudicating the charges. If the person charged consents, the case will be handled in the established manner.

Section 7 Procedure. The person who filed the charges will be notified of the final decision and it shall be published in the official publication of the Society unless the Board shall have determined that justice is better served by withholding publication.
Section 8 Policy. The Board may adopt and publish a policy and procedures to govern the handling of disciplinary matters. The procedures shall provide for due process, for representation by counsel, for cooperation and exchange of information with and recommendations to the State Registration Board, for recording and disposition of records, for use of advisory counsel by the Society and for cooperation with other state societies and the National Society.

OPP NO. 16 - ANTITRUST COMPLIANCE STATEMENT

The Maryland Society of Professional Engineers is committed to strict compliance with federal and state antitrust laws. The antitrust laws are designed to promote free and open competition and to penalize any activities that unreasonably lessen business competition. These activities include agreements among competitors on prices, agreements to boycott or refusal to deal with third parties, and agreements to divide or allocate markets. Because association meetings bring together competitors, any unauthorized discussion of such topics can lead to an inference that an illegal agreement was reached.

Accordingly, the following guidelines apply to any meeting or other activity conducted under the auspices of State Society:
• There shall be no discussion of prices, discounts, or other terms and conditions of sale.
• There shall be no discussion of the areas in which members will compete or the products and services that they will offer.
• There shall be no discussion of any agreement or understanding to boycott a third party or to deal with it only on certain terms.
• Without prior authorization, there shall be no discussion of agreements to deal exclusively with certain parties, requirements that purchasers of particular products or services purchase other products or services, standard-setting, certification, statistical reporting, or codes of ethics and other self-regulatory activities.
• Minutes of all meetings shall be kept and the person presiding shall immediately terminate any discussion that may violate these guidelines.

Severe civil and criminal penalties, including fines and imprisonment, can result from violations of these antitrust laws. Whenever in doubt about how to apply these guidelines, the officers, members, and guests of State Society should consult its legal counsel.

OPP NO. 17 - CONFLICT OF INTEREST POLICY

Article I

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

Article II

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

Article III

Procedures

1. Duty to Disclose: In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest:
a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
c. After exercising due diligence, the governing board or committee shall determine whether the organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in SSP's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.
e. In case a Conflict of Interest is determined during the procedure the Ethics Committee will then be responsible for conducting an investigation and/or making recommendations to the board.

Approved by the Board of Directors 12/10/08

OPP NO. 18 - NON-HARASSMENT POLICY

It is illegal to harass others on the basis of their gender, age, race, color, national origin, sexual orientation, religion, marital or veteran status, citizenship, disability and other personal characteristics. Harassment includes making derogatory remarks about such characteristics, making "jokes" about ethnic or other groups, and other verbal, physical or visual behavior. Sexual harassment is also prohibited. Propositions, repeated requests for dates, sexually offensive jokes, sexually provocative pictures, innuendo’s, and other verbal, physical and visual
harassment are prohibited. The harassment of an employee by another employee will lead to disciplinary action, up to and including immediate termination in cases of gross misconduct. An employee who believes he/she is being harassed is encouraged to speak with his or her supervisor, or if the supervisor is not appropriate, to the next level supervisor in an attempt to reach resolution. No employee will suffer retaliation or criticism of any type because he or she has raised concern about harassment or discrimination. Any employee who believes he or she is being harassed has the right to file a charge with the Equal Employment Opportunity Commission and/or the Department of Fair Employment & Housing (or other appropriate federal, state or local agency). The harassment of an employee by a State Society member must be reported to the State Society CEO/Executive Director, who must immediately report the incident to the State Society President. Together they shall conduct proper investigations and recommend actions against the member in accordance with State Society policy. No employee will suffer retaliation or criticism of any type because he or she has raised concern about harassment or discrimination.

Approved by the Board of Directors 12/10/08

OPP NO. 19 - DOCUMENT RETENTION POLICY

The corporate records of Maryland Society of Professional Engineers (MDSPE) and its subsidiaries (hereafter the “Company”) are important assets. Corporate records include essentially all records you produce as an employee or member, whether paper or electronic. A record may be as obvious as a memorandum, an e-mail, a contract or a case study, or something not as obvious, such as a computerized desk calendar, an appointment book or an expense record.

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

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

From time to time the Company establishes retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that bear special consideration are identified below. While minimum retention periods are suggested, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention identified above, as well as any other pertinent factors.

(a) Tax Records. Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of deductions, business costs, accounting procedures, and other documents concerning the Company’s revenues. Tax records should be retained at least six years from the date of filing the applicable return.
(b) Employment Records/Personnel Records. State and federal statutes require the Company to keep certain recruitment, employment and personnel information. The Company should also keep personnel files that reflect performance reviews and any complaints brought against the Company or individual employees under applicable
state and federal statutes. The Company should also keep all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel in the employee’s personnel file. Employment and personnel records should be retained for six years.

c) Board and Board Committee Materials. Meeting minutes should be retained in perpetuity in the Company’s minute book. A clean copy of all Board and Board Committee materials should be kept for no less than three years by the Company.

d) Press Releases/Public Filings. The Company should retain permanent copies of all press releases and publicly filed documents under the theory that the Company should have its own copy to test the accuracy of any document a member of the public can theoretically produce against that Company.

e) Legal Files. Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of ten years.

f) Marketing and Sales Departments. The Company should keep final copies of marketing and sales documents for the same period of time it keeps other corporate files, generally three years. An exception to the three-year policy may be sales invoices, contracts, leases, licenses, and other legal documentation. These documents should be kept for at least three years beyond the life of the agreement.

g) Development/Intellectual Property and Trade Secrets. Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to the Company and are protected as a trade secret where the Company:

(i) derives independent economic value from the secrecy of the information; and

(ii) the Company has taken affirmative steps to keep the information confidential.

The Company should keep all documents designated as containing trade secret information for at least the life of the trade secret.

h) Contracts. Final, execution copies of all contracts entered into by the Company should be retained. The Company should retain copies of all the final contracts for at least three years beyond the life of the agreement, and longer in the case of publicly filed contracts.

(i) Electronic Mail. E-mail that needs to be saved should be either:

(i) printed in hard copy and kept in the appropriate file; or

(ii) downloaded to a computer file and kept electronically or on disk as a separate file.

The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy. A more complete table of documents is attached to this policy. Failure to comply with this document retention policy may result in civil and criminal penalties..

Maryland Society of Professional Engineers Document Destruction Table
The Sarbanes-Oxley Act addresses the destruction of business records and documents and turns intentional document destruction into a process that must be carefully monitored.
Professional Societies and their related non-profit entities should have a written, mandatory document retention and periodic destruction policy. Policies such as this will eliminate accidental or innocent destruction. In addition, it is important for administrative personnel to know the length of time records should be retained to be in compliance.

The following table provides the minimum requirements.
This information is provided as guidance in determining your organization’s document retention policy.

Type of Document Minimum Requirement
Accounts payable ledgers and schedules 7 years
Audit reports Permanently
Bank Reconciliations 2 years
Bank statements 3 years
Checks (for important payments and purchases) Permanently
Contracts, mortgages, notes and leases (expired) 3 years beyond life of agreement
Contracts (still in effect) Permanently
Correspondence (general) 2 years
Correspondence (legal and important matters) Permanently
Correspondence (with customers and vendors) 2 years
Deeds, mortgages, and bills of sale Permanently
Depreciation Schedules Permanently
Duplicate deposit slips 2 years
E-Mail Depends on type of document
Employment applications 6 years
Expense Analyses/expense distribution schedules 7 years
Year End Financial Statements Permanently
Insurance Policies (expired) 3 years
Insurance records, current accident reports, claims, policies, etc. Permanently
Intellectual Property/Trade Secret Development Permanently
Internal audit reports 3 years
Inventories of products, materials, and supplies 7 years
Invoices (to customers, from vendors) 7 years
Legal Files 10 years
Marketing and Sales Documents 3 years
Minute books, bylaws and charter Permanently
Patents and related Papers Permanently
Payroll records and summaries 7 years
Personnel files (terminated employees) 7 years
Press Releases/Public Filings Permanently
Retirement and pension records Permanently
Tax returns and worksheets 6 years
Timesheets 7 years
Trademark registrations and copyrights Permanently
Withholding tax statements 7 years

Adopted ___________________________________

Last Amended ______________________________