

45-Day Notice of Proposed Amendments to Appraisal Institute Bylaws

November 16, 2020

45-Day Notice of Proposed Amendments to Appraisal Institute Bylaws

At a meeting subsequent to the 45-Day Notice distribution, the Appraisal Institute Board of Directors will consider proposed amendments to the Appraisal Institute Bylaws concerning the election process. The proposed amendments are expected to have minimal financial impact.

If you have any comments on the proposed changes, please contact your elected Directors and/or send your comments via email to 45daynotice@appraisalinstitute.org by December 31, 2020. Comments sent to this email address will be compiled for distribution to the Board of Directors and the Vice President Election Process Project Team prior to the Board meeting.

Background/Rationale

A Vice President Election Process Project Team (VPEPPT) was appointed by President Sherman to recommend changes, if any, to the Vice President election process.

The VPEPPT considered a variety of materials and information, as well as input from Board members, Third Regional Directors, and AI Professionals.

The proposed Bylaws amendments reflect the following VPEPPT recommendations:

- That NNC members may serve again on the NNC after at least four (4) years have passed, instead of six (6) years, to widen the pool of potentially eligible individuals from each Region.
- That NNC members may serve on national committees except the Audit Committee and the Strategic Planning Committee. However, NNC Members may not serve as national committee chairs.
- That petitions for additional nominations should be based on a minimum of 30% of voting members of the Board.
- That rationale in support of a petition for additional nominations should be provided to the Board.
- That input on VP candidates and nominees may be received only from Designated Members, Candidates for Designation and Practicing Affiliates.

The VPEPPT also has made policy recommendations to Appraisal Institute policy on election process. The VPEPPT policy recommendations are listed in the Exposure of Vice President Election Process Project Team (VPEPPT) Policy Recommendations [below](#).

The Board of Directors may adopt the proposed amendments to the Bylaws by a vote of sixty percent (60%) of the Directors voting.

1 **Bylaws Text**

2
3 To amend the Bylaws, Article XI, National Governance: Committees, Part B: Committees of the Board,
4 Section 3. Nominating Committee, as follows:

5
6 To be eligible to serve as a member elected by a Region on the Nominating Committee, an individual:

- 7
- 8 1) shall be a Designated Member in good standing;
- 9
- 10 2) shall have at least one (1) year of service as a Chapter President, two (2) years of service as a
- 11 regional representative or two (2) years of service on a national committee or on the national
- 12 Board of Directors;
- 13
- 14 3) shall not have served on the Nominating Committee or its predecessors in the previous ~~six~~ **four**
- 15 **(64)** years;
- 16
- 17 4) shall not be serving concurrently as a Board member or Third Regional Director unless the
- 18 member’s Region requests an exception that is approved by the Executive Committee;
- 19
- 20 5) **Except for the Audit Committee and the Strategic Planning Committee, individuals may**
- 21 **serve concurrently on other national Appraisal Institute boards or committees, except that**
- 22 **individuals may not serve concurrently as Chairs of such committees** ~~shall not be serving~~
- 23 ~~concurrently on any other national Appraisal Institute board or committee; and~~
- 24
- 25 6) shall satisfy the other requirements for committee service set forth in these Bylaws.

26
27 ...

28
29 b) Powers and Duties

30 The Nominating Committee shall report to the Board of Directors and shall:

- 31
- 32 1) interview and evaluate candidates for Vice President and for any other vacant Officer position(s);
- 33
- 34 2) identify key issues for the written questionnaire that candidates for Vice President and for any
- 35 other vacant Officer position(s) must complete;
- 36
- 37 3) identify key issues for the oral interviews of candidates for Vice President and for any other
- 38 vacant Officer position(s);
- 39
- 40 4) solicit input from **Designated Members, Candidates for Designation and Practicing Affiliates**
- 41 ~~the membership, chapters and regions~~ on the candidates for Vice President and for any other
- 42 vacant Officer position(s) prior to finalization of the Nominating Committee’s decision;

- 43 5) nominate for Board of Directors consideration an individual (or two (2) individuals if there is a
44 deadlock after three consecutive votes between the same candidates) for Vice President and for
45 any other vacant Officer position(s);
46
- 47 6) submit its nomination (or two (2) nominations if there is a tie vote as noted above) for Vice
48 President to the Board of Directors at its second regular meeting, with the rationale for its
49 decision, unless a vacancy in the office of Vice President occurs during the course of a Vice
50 President's term, in which case the nomination(s) for Vice President and rationale shall be
51 submitted to the Board of Directors as soon as practicable after notice of the impending vacancy
52 is received or after the vacancy occurs;
53
- 54 7) submit its nomination (or two (2) nominations if there is a tie vote as noted above) for any other
55 vacant Officer position(s) to the Board of Directors, with the rationale for its decision, as soon as
56 practicable after notice of the impending vacancy is received or after the vacancy occurs;
57
- 58 8) nominate for Board of Directors consideration one (1) or more International Designated Members
59 for election to the International Designated Member position on the national Board of Directors;
60 and
61
- 62 9) perform such other duties as may be assigned to it by the Board of Directors.
63
64

65 To amend the Bylaws, Article X, National Governance: Officers, Part C: Election, Term and Succession,
66 as follows:
67

68 ...
69

70 Additional nomination(s) for Vice President or any other vacant Officer position(s) not filled by automatic
71 succession may be received from the Board of Directors, provided a written petition **and rationale** signed
72 by at least ~~thirty~~ **twenty** percent (~~30~~ **20**%) of ~~the voting~~ Directors is delivered in writing to the Chief
73 Executive Officer no later than forty-five (45) days after the Nominating Committee's submission of its
74 nomination(s) to the Board. Such petition(s) may be in electronic form. The Chief Executive Officer shall
75 promptly notify the Board of Directors of any written petition for additional nomination(s) that is received.
76 At the close of the forty-five (45) day petition period, the membership, chapters and regions shall be
77 notified of all the nomination(s) and **Designated Members, Candidates for Designation and Practicing**
78 **Affiliates** shall have the opportunity for input prior to the Board's decision.

Exposure of Vice President Election Process Project Team (VPEPPT) Policy Recommendations

November 16, 2020

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Vice President Election Process Project Team (VPEPPT) Policy Recommendations

At a meeting subsequent to the 45-Day Notice distribution, the Appraisal Institute Board of Directors will consider proposed amendments to Appraisal Institute policy concerning the election process. The proposed amendments are expected to have minimal financial impact.

If you have any comments on the proposed recommendations, please contact your elected Directors and/or send your comments via email to comments@appraisalinstitute.org by December 31, 2020. Comments sent to this email address will be compiled for distribution to the Board of Directors and the Vice President Election Process Project Team prior to the Board meeting.

The Board will consider whether to adopt proposed amendments to Appraisal Institute policy on the election process or take some other action.

Background/Rationale

A Vice President Election Process Project Team (VPEPPT) was appointed by President Sherman to recommend changes, if any, to the Vice President election process.

The VPEPPT considered a variety of materials and information, as well as input from Board members, Third Regional Directors, and AI Professionals.

The VPEPPT has made the following recommendations for amendments to Appraisal Institute policy on the election process:

- For National Nominating Committee (NNC) members to receive earlier and more extensive information and training regarding their responsibility as NNC members.
- Once Candidates are officially made public, NNC members must complete a non-conflict of interest statement for each Candidate.
- That thoughtful rationale in support of a petition for additional nominations be provided confidentially to Board members to improve transparency; however, petitioner names are to remain confidential at the request of individual petitioner(s) in the interest of privacy.
- That written comments and input are encouraged when Candidates are officially made public and for any additional nominations through the petition process, but only from Designated Members, Candidates for Designation and Practicing Affiliates. Communications from individuals and entities other than Designated Members, Candidates for Designation or Practicing Affiliates should not be accepted, and, if offered, should be rejected by NNC members and Board members.

- That written comments and input submitted on behalf of a chapter or region should be prohibited because of the lack of any consistent methodology to directly obtain the input of all Designated Members, Candidates for Designation and Practicing Affiliates from a chapter or region.
- That written comments and input by chapter, region, or headquarters office staff employees or contractors should be prohibited because of potential conflict. In the event a Designated Member, Candidate for Designation or Practicing Affiliate is also a staff employee or contractor, the status of Designated Member, Candidate for Designation or Practicing Affiliate will control, but the communication should not be related to staff or contractor employment.
- Candidates may not initiate contact with Board members throughout the entire process.
- In the open session question and response period conducted by the Board during contested election proceedings, the random draw questions for each nominee should be identical.
- Should Board members desire to ask questions in executive session during the question and response period conducted by the Board during contested election proceedings, that an executive session may occur, and the questions for each nominee need not be identical.
- Language addressing the NNC and Board voting process using paper ballots should be revised to permit electronic voting, in addition to other future alternatives that are now unknown.
- That the term “Multi-Candidate Elections” be used in lieu of “Contested Elections” within the Policies and Procedures for Contested Elections for Vice President of the Appraisal Institute because multiple candidates may arise from either the NNC or by petition.