



VP Draft 1/24/2022

GOVERNANCE COMMITTEE CHARTER

Effective as of [____], 2022

1.0 AUTHORITY

This Governance Committee (the “Governance Committee”) is a committee of the Board of Directors (the “Board” or “Directors”) established under Section 8.2.2 of the Bylaws of the Society of Hispanic Professional Engineers (“SHPE”). Capitalized terms used in this charter of the Governance Committee (the “Charter”) that are not otherwise defined herein have the meanings given to them in the Bylaws of SHPE.

2.0 PURPOSE

The Governance Committee is responsible for SHPE’s governance oversight, risk management, and leading board performance initiatives. The Governance Committee shall perform the following functions: (a) regularly assess the composition of the Board in alignment with the NBOD agreed-upon composition markers; (b) inform and advise the Board regarding updates and best practices in non-profit governance; (c) in coordination with the Chief Executive Officer regularly review SHPE’s Bylaws, Committee charters, policies, and procedures and ensure that they are consistent with California non-profit corporation law and with best practices in non-profit governance, and make recommendations to the Board where updates or revisions are needed; and (d) lead annual Board self-evaluation efforts, as defined by the NBOD, based on the evolving needs of the organization, and provide regular reports to the Board on its performance.

Oversee the work of two standing sub-committees: Elections Sub-Committee and Nominations Sub-Committee. In addition to the scope of responsibilities described in the sub-committee charters, the Governance committee will oversee the: (a) engagement of succession planning for, and identification of individuals qualified to become members of, the Board, and assist the Board and Chief Executive Officer in the recruitment of new board members; and (b) screening of individual candidates for Board positions, and nomination to the Board via a slate of Officers and Directors.

3.0 MEMBERSHIP

- Per SHPE Bylaws, Section 8.2, the NBOD Chair shall appoint the Governance Committee Chair (the “Chair”) and the members of the Governance Committee.
- The Governance Committee shall consist of at least three members, including the Chair. Each committee member shall be appointed to serve for one-year terms.
- The NBOD Chair may fill vacancies on the Governance Committee by appointment, as needed. The Board may remove a member from the Governance Committee at any time, with or without cause.
- All Governance Committee members must be Governance, Risk Management, and Compliance (GRC) literate as such qualification is interpreted by the Board in its business judgment, or become GRC literate within a reasonable period of time after appointment to the Governance Committee. It is preferred that at least one member of the Governance



Committee have governance, risk, and compliance or related regulatory/law expertise (i.e. Attorney, GRCP, GRCA, Parliamentarian, Certified Auditor, etc.).

- No members of the Governance Committee shall have any material financial interest in SHPE or in any entity doing business with SHPE.
- Governance Committee members may not receive any compensation from SHPE in excess of the compensation, if any, received by Directors for their Board services. Members of the Governance Committee may seek reimbursement of expenses reasonably incurred on behalf of SHPE and submit to the Board for review.

4.0 MEETINGS AND OPERATIONS

- The Governance Committee shall hold four (4) meetings per year at a time and place fixed by the Governance Committee or at such other intervals as needed as determined by the Chair or a majority of the Governance Committee members.
- The Chair shall preside over all meetings of the Governance Committee. A majority of the Governance Committee members shall constitute a quorum. Governance Committee approvals shall require a vote of a majority of the Governance Committee members present at a meeting at which a quorum is present.
- Members of the Governance Committee may participate in a meeting by means of a telephone conference, electronic video screen communication, or electronic transmission.
- The Governance Committee shall report its activities to the Board on a regular basis at regularly scheduled NBOD meetings throughout the year. The Governance Committee shall also keep documented minutes of its meetings.
- The Governance Committee may invite any non-Governance Committee members to attend meetings or meet with the Governance Committee members.
- The Governance Committee shall review this Charter periodically and recommend any proposed changes to the Board for review.

5.0 RESPONSIBILITIES

In addition to any other duties as the Board may assign to the Governance Committee from time to time, the Governance Committee shall have the following responsibilities:

Board Functionality and Performance

- Facilitate the NBOD's review, on an annual basis, of SHPE's mission statement and the NBOD approved measurements by which SHPE's performance is evaluated.
- Lead the administration of NBOD's annual self-evaluation performance initiatives, based on the NBOD approved measurement criteria, and provide regular reports to the Board on its performance.



- Make recommendations to the Board regarding measuring or improving its performance. Make recommendations to the NBOD concerning the size, structure, composition and functioning of the NBOD and its Committees.
- Regularly review Bylaws and other governance documents. Periodically review all Board standing committee and Board support committee charters.

GRC, Ethics, & Conflict of Interest

- Advise and update the NBOD on risks and best practices related to nonprofit and membership association governance in the global context and provide recommendations to the NBOD for adjustments in SHPE's guidelines and policies.
- Regularly review the Code of Conduct, Conflict of Interest Policy, and other corporate governance guidelines and operating policies.
- Ensure SHPE maintains an appropriate Conflict of Interest Policy and review Annual Conflicts of Interest Forms required from each Director. In collaboration with the NBOD Executive Committee, assess any and all conflicts of interest that may arise under the Conflict of Interest Policy and bring to resolution.

Education and Orientation

- Serve as a resource for Directors in developing a full and common understanding of their roles and responsibilities.
- Oversee orientation and education/training programs for the NBOD.
- Commit and reinforce adherence to SHPE's Bylaws and Core Values by existing and new NBOD members.

6.0 GENERAL PROVISIONS

- In accordance with SHPE Bylaws, Sections 8.3.2 and 8.3.3, the Governance Committee oversees the activities of two standing sub-committees: Election sub-committee and Nominations sub-committee. The Governance Committee may establish additional subcommittees of its members, as it deems appropriate to assist in its duties, provided that the Governance Committee shall retain ultimate responsibility for such matters.
- In discharging its role, the Governance Committee is empowered to inquire into any matter it considers appropriate to carry out its responsibilities, with access to all books, records, and personnel of SHPE and, subject to the direction of the Board, the Governance Committee is authorized and delegated the authority to act on behalf of the Board with respect to any matter necessary or appropriate to the accomplishment of its purposes.
- While fulfilling its duties, the Governance Committee may at any time seek advice and assistance from outside legal counsel, accounting or other subject advisors as the



Governance Committee deems necessary to carry out its duties on such terms as the Governance Committee may determine.

- The Governance Committee shall receive appropriate funding, as it determines, from SHPE for payment of compensation to any independent auditors, outside legal counsel, or accounting or other advisors employed by the Governance Committee, and for ordinary administrative expenses of the Governance Committee that are necessary or appropriate in carrying out its duties.
- The Governance Committee shall conduct an annual performance self-evaluation to ensure that the Governance Committee is fulfilling its responsibilities and report the results of such evaluation to the governance committee of the Board.