

Overall Revisions to Bylaws

Bylaws Change Adopted on Second Reading

The Higher Learning Commission (HLC) Board of Trustees (“the Board”) adopted these bylaws on second reading at its meeting on February 23–24, 2023.

Background

The adopted changes, summarized below, are the result of a comprehensive review of HLC’s Bylaws conducted by Trustees and HLC staff to ensure the Bylaws (i) are legally compliant; (ii) are internally consistent; (iii) accurately reflect how HLC as an organization wishes to govern itself; (iv) position HLC for bold new strategic directions; and (v) are clearly written.

HLC circulated these policy changes to the membership and other interested parties after the Board’s November 2022 meeting. No external comments were received warranting changes in language. However, staff made some additional clarifications regarding quorum requirements for action taken via electronic ballot.

Implementation

These bylaws are effective immediately.

Summary of Changes

Global Changes

1. Standardize various terminology (for example: Board, Trustee, member institution, appointed vs. elected) and use terminology that tracks to the terms of the Bylaws themselves, HLC policy, common understandings of legal terms, and current technology.
2. Use gender neutral pronouns throughout (they/their).

Purposes of HLC and Board Authority/Responsibilities

Article I

Article III

1. Add information regarding legal authority and corporate formalities. *Article I, Section 2*
2. Revise HLC’s purposes to better align with HLC’s Mission and full scope of activities—including mentions of innovation and students. *Article I, Section 3*
3. Consolidate/streamline language about corporate and accreditation responsibilities. *Article III*
4. Add language about retirement plan oversight. *Article III, Section 2(A)(1)*
5. Add language about the Board’s responsibility to set strategic directions in partnership with the CEO. *Article III, Section 2(A)(4)*
6. Add language regarding conflict of interest. *Article III, Section 2(A)(5)*
7. Clarify which policies must be made available for member comment. *Article III, Section 2(B)(6)*

Member Composition and Rights

Article II

Article V

1. Define that a member institution could include a system. *Article II, Section 1.*
2. As required by Illinois law, require that member institutions must vote to elect and remove Trustees. *Article II, Section 3.*
3. Clarify balloting procedures and align with Illinois law, including requiring that the ballot for Trustee elections be open for at least 5 days. *Article V, Section 1.*

Board Structure and Membership

Article IV

1. More fully detail the requirements for being a “Public Member Trustee,” as aligned with federal regulations. *Article IV, Section 1(b)*
2. Create a new third category of “Other Trustees” who are neither institutional representatives nor public members. *Article IV, Section 1(c)*
3. Limit the number of Other Trustees to no more than 1 in 14. *Article IV, Section 2*
4. As required by Illinois law, require extra notice for consideration of potential removal of all Trustees, not just officers. *Article IV, Section 5*

Meetings and Board Action

Article VI

1. Clarify that there are two types of meetings: regular and special. *Article VI, Section 1*
2. Require one in-person meeting per year, except in cases of emergency. *Article VI, Section 1*
3. Reduce the quorum requirement from 3/5 to 1/2. Specify that Board action taken at a meeting generally requires a simple majority. *Article VI, Section 3*
4. Reduce the time frame for meeting notice from 60 days to 14 days, unless otherwise required by law. *Article VI, Section 4*
5. Detail the process by which the Board can act at a meeting or without a meeting. *Article VI, Sections 5-6*

Officers

Article VII

1. Remove the requirement that officers be elected one month prior to taking office. *Article VII, Section 3*

Committees

Article VIII

1. Establish the composition of the Executive Committee as officers and Chairs of standing committees. *Article VIII, Section 1*

Chief Executive Officer (CEO)

Article IV

Article VI

Article VII

Article VIII

Article IX

1. Move language about the CEO to after language about Board Committees so that all sections describing the Board itself are together. *Article VIII, Article IX*
2. Use the term "ex-officio" to refer to non-voting members of the Board (CEO) and clarify that the ex-officio does not vote and does not count towards a quorum. *Article IV, Section 2; Article VI, Section 4; Article VII, Section 1*

Amendments

Article X

1. Establish that amendment to the Bylaws can be made (with appropriate notice and comment period to member institutions) through Board action other than at a meeting.
2. Require a simple majority vote for Bylaws amendments.
3. Allow for conforming changes when Bylaws amendments are made.

Indemnification

Article XII

1. Revise indemnification language to clarify obligations and comport with applicable laws.

Adopted Bylaws Change

Wording that was deleted or revised is shown as strikethrough (~~old wording~~); new language, whether through addition or revision, is shown in bold (**new wording**). Wording that was moved is shown with a double underline in its new location (moved to) and a double strikethrough in its previous location (~~moved from~~). Changes between first and second reading, other than minor editing, are indicated in bold italics (*new wording*). These revisions have been made on HLC's website at hlcommission.org/about-hlc.

Article I: Name, and Legal Authority and Purposes

Section 1. Name.

~~This~~ **The** organization shall be known as the Higher Learning Commission (“HLC”).

Section 2. Legal Authority and Corporate Formalities.

HLC is a voluntary, not-for-profit, membership organization established under the laws of the ~~s~~State of Illinois. **The principal offices of HLC shall be located in the State of Illinois. HLC shall continuously maintain a registered office in the State of Illinois and a registered agent whose office is identical with such registered office. The registered office may, but need not be, identical to the principal office.** These bylaws define how HLC fulfills its responsibilities in keeping with its purposes, powers and duties.

Article II: Legal Purposes of HLC

Section 3. Purposes

HLC exists to ~~validate quality in and to stimulate improvement of~~ **advance the common good by fostering quality assurance in** higher education. **Through a culture of continuous**

improvement and innovation, HLC is a leader in equitable, transformative, and trusted accreditation in the service of students and member institutions. ~~It~~ **HLC** achieves these ~~its~~ purposes through a variety of means, including processes of accreditation based on criteria and requirements, made effective through a system of peer review, and communicated to both educational institutions and to the public. ~~At its discretion, HLC offers~~ **may also engage in other activities related to its purposes, including offering** elective training and education programs to enhance quality in higher education.

Article ~~II~~ **II: Jurisdiction of and Membership in HLC**

Section 1. Definition of Membership.

~~Members of HLC~~ **members** are those ~~educational institutions and systems of institutions~~ offering higher education that are, **as defined by HLC policy**, accredited by HLC or that are candidates **for accreditation** with HLC, ~~as defined by HLC policy~~. **Institutions may include systems of institutions, as defined in HLC policy.** To be an HLC member, an ~~educational institution or system of institutions~~ must be within HLC's Jurisdiction as defined in Section 2 of this Article.

Section 2. Jurisdiction for ~~Accreditation~~ Membership.

~~HLC shall extend accreditation and candidacy for accreditation to higher education institutions~~ **Member institutions must be** (1) ~~which are~~ incorporated in, or operating under federal authority within, the United States; and (2) have substantial presence, as defined in HLC policy, in the United States.

Section 3. Voting Rights of Members.

~~HLC members~~ **Member institutions** shall **vote to elect and remove** the ~~members of~~ **Trustees on** the Board of Trustees as provided for in ~~Article VI of these Bylaws~~. **At its discretion,** ~~the~~ Board of Trustees ~~of HLC~~ may refer **other matters** to a vote of the ~~members~~ **member institutions of HLC** on ~~such additional matters as the Board shall determine~~.

Article ~~III~~ **III: Board Authority and Responsibility**

Section 1. Identity of the Board.

The board of directors of HLC shall be called the Board of Trustees (hereinafter, "the Board").

Section 2. Powers and Duties of the Board.

To fulfill its purposes, the HLC Board holds these powers and duties:

A. Corporate

To oversee and manage the business affairs of HLC.

1. To manage the financial affairs of HLC, including establishing a budget, contracting for and reviewing an annual external financial audit, assuring prudent investment of HLC's financial resources, **overseeing any benefits and retirement plans, developing and adopting policies related to business and financial practices**, and receiving gifts and grants to support HLC activities.
2. To authorize or ratify the execution of contracts, agreements and other **financial and legal instruments** in the name of HLC, **including determining who shall be authorized on HLC's behalf to sign checks, drafts, or other orders for payment of money; to sign acceptances, notes or other evidences of indebtedness, and contracts; or to execute and deliver other documents and instruments. The Board may require persons so authorized to give security for faithful performance of their duties.**
3. To employ and terminate the Chief Executive Officer of HLC and such other persons as may be appropriate.
4. **To establish and oversee HLC's strategic directions in coordination with the chief executive officer.**
5. **To develop policies and procedures regarding the obligations and conduct of Trustees, including with respect to objectivity and conflict of interest. These policies and procedures shall be set forth in a Trustee Policies Manual. Adoption or amendment of policies and procedures contained in the Trustee Policies Manual may be conducted in whatever format or manner the Board determines appropriate, as stated therein.**

B. Accreditation

1. To establish **policies containing standards, criteria and requirements** which, when met, entitle educational institutions to receive **and maintain the status of accreditation or candidacy**, ~~and to establish procedures by which the determination of accreditation or candidacy is made, affirmed, altered, or revoked.~~
2. To establish **other policies and procedures for the oversight of accredited and candidate member institutions by HLC.**

3. To establish policies to ensure HLC remains in compliance with applicable legal requirements.
4. To take accreditation actions regarding member institutions when required by HLC policy.
3. 5. To stimulate quality and institutional improvement in member institutions.
4. 6. To ensure appropriate dissemination of information about HLC policies, procedures, and activities. ~~The Board of Trustees may not act to adopt or change any requirement, criterion or policy by which the accreditation or candidacy of an institution is judged, with the exception of those Policies Mandated from Regulation, Statute, or Other Legal Requirement~~ **With the exception of policies necessary to ensure HLC remains in compliance with applicable legal requirements, the Board will not adopt or amend an accreditation policy unless the proposed amendment new or revised policy has been presented at a scheduled Board meeting, preliminarily voted on by the Board and then circulated in writing to all member institutions for a comment period of not less than sixty (60) days, and adopted at a subsequent Board meeting.** The Board of Trustees will consider the comments before action is taken. All **accreditation** policies adopted by the Board shall be in writing and available to ~~HLC accredited and candidate~~ **member** institutions.

Article V IV: Membership of the Board of Trustees

~~Section 1. Structure.~~

~~The Board shall be comprised of no fewer than sixteen (16) and no more than twenty one (21) persons who are called Trustees. The Trustees shall be broadly diverse. At least one (1) of every seven (7) Trustees shall be representatives of the public, and the others shall be broadly representative of institutions that are members of HLC. The chief executive officer of HLC shall serve as a non-voting member of the Board.~~

Section 2 1. Eligibility for Board Service.

There shall be ~~only two~~ **three** categories of Trustees: ~~those Trustees who are representative of member institutions; and those Trustees who are public members.~~

- a. **Member Institution Trustees.** Member Institution Trustees are Trustees who are ~~representative of member institutions shall be~~ employees of member institutions of HLC or of a system that encompasses ~~a~~ **at least one** member institution of HLC.
- b. **Public Member Trustees.** Public Member Trustees are Trustees who are representative of the public in order to meet the minimum number of public members established in Section ~~4~~ **2. Public Member Trustees** shall not be, or have a familial relationship with, ~~current employees, consultants, owners, shareholders, or members of the governing board of any member institution, or applicant thereof, or~~

~~higher education agency~~ (i) be an employee, member of the governing board, owner, or shareholder of, or consultant to a member institution or an institution that has applied for membership with HLC or (ii) have a spouse, parent, child, or sibling who is an employee, member of the governing board, owner, or shareholder of, or consultant to a member institution or an institution that has applied for membership with HLC. All Public Member Trustees ~~who are representative of the public~~ shall reside or have a principal place of employment within the area of HLC's Jurisdiction as articulated in Article ~~III~~ II, Section 2.

- c. **Other Trustees.** Other Trustees may include other individuals including, for example, individuals associated with institutions of higher education that are not HLC members or individuals who are otherwise involved in higher education. All Other Trustees shall reside or have a principal place of employment within the area of HLC's Jurisdiction as articulated in Article II, Section 2. The Board is not required to have Other Trustees.

Section 2. Structure of the Board.

~~The Board shall be comprised of no fewer than sixteen (16) and no more than twenty-one (21) persons who are called Trustees.~~ **If possible, the Board will consist of an odd number of Trustees.** ~~The Trustees shall be broadly diverse. At least one (1) of every seven (7) Trustees shall be representatives of the public, and the others~~ **Member Institution Trustees** shall be broadly representative of **member institutions that are members of HLC.** **At least one (1) of every seven (7) Trustees shall be Public Member Trustees. No more than one (1) of every fourteen (14) Trustees shall be Other Trustees.** ~~The chief executive officer of HLC shall serve as a non-voting~~ **be an ex-officio** ~~member of the Board~~ **without the power to vote.**

Section 3. Terms of Office.

Each Trustee shall serve a term of four (4) years with an option to extend for subsequent terms of two (2) years upon approval of the Board, for a total of no more than twelve (12) years of service as a Trustee altogether. ~~A person who is appointed Trustee to fill a vacancy on the Board shall serve the remainder of the uncompleted term.~~ Terms shall begin on September 1. ~~Except in cases of removal or resignation, a Trustee completing a term of office shall serve at the Board's discretion until an elected successor assumes office. No person shall be appointed or reappointed or elected to a term or a portion of a term as a Trustee if by completion of that appointment the person will have served more than twelve (12) years as a Trustee.~~

Section 4. Resignations.

A Trustee may resign at any time upon written notification to the Board chair. Such resignation becomes effective when delivered unless the Board chair and the resigning Trustee set an alternative effective date.

Section 5. Removal.

A Trustee may be removed **with or without cause** upon recommendation of the majority of the Board and upon the subsequent affirmative vote of two-thirds (2/3) of member institutions voting ~~in a regular or special election for Trustees~~. A Trustee shall ~~be subject~~ automatically be subject to a vote by member institutions for removal upon the loss of eligibility for service as defined in Section ~~2~~ **1** of this Article ~~or for violation of Board participation requirements outlined in the Trustee Policy Manual, as provided for in Article XI, Section 1~~, unless the Trustee voluntarily resigns. **Voting shall follow the procedures detailed below in Article V, Section 1, with the exception that the ballot for a vote by member institutions to remove a Trustee shall remain open for at least twenty (20) days.**

Section 6. Vacancies.

When a vacancy on the Board occurs, the Board may at its discretion appoint a successor **by majority vote of the Board**. ~~If appointed,~~ That successor shall serve the remainder of the unexpired term. A Trustee appointed **by majority vote of the Board** to fill a vacancy may stand for election to a full term if nominated by the ~~N~~nominating ~~C~~committee provided such election does not extend the Trustee's service beyond the term limit as defined in Section 3 of this Article.

Article ~~VI~~ **V**: Election of the Board of Trustees

Section 1. Election.

Member institutions shall elect all ~~members of the Board~~ **Trustees**, except ~~ex officio members and members~~ **Trustees** appointed by **a majority vote of the Board** to fill a vacancy. ~~The vote shall be conducted without a meeting.~~ Each member institution shall receive a ballot, which may be provided electronically; ~~the vote shall be conducted without a meeting.~~ Balloting may be conducted through any means that guarantees the confidentiality of the vote. **The ballot shall remain open for at least five (5) days.** If a quorum of one-twentieth (1/20) of member institutions cast ballots, the election will be decided by a majority of those members. Each member **institution** shall be eligible to cast one (1) vote through its chief executive officer. ~~Balloting may be conducted through any means that guarantees the confidentiality of the vote.~~

Section 2. Nominations.

A nominating committee comprised of Trustees will nominate a slate of nominees to stand for election to the Board of Trustees, providing assurance that the Board of Trustees will be broadly diverse and **that**

Member Institution Trustees will be broadly representative of member institutions. The Board will solicit nominations from ~~the membership~~ **member institutions** as part of the nomination process. The pool of nominees also will be available in the event that the Board needs to ~~make an appointment to~~ fill a vacancy in an unexpired term.

Article ~~VII~~ VI: Meetings and Action of the Board of Trustees

Section 1. Regular Types of Meetings ~~of the Board.~~

The Board shall have two types of meetings: regular meetings and special meetings. The Board of Trustees shall conduct at least two (2) regularly ~~scheduled~~ meetings ~~of the Board~~ each year. The **regular** meetings shall be at a location and time designated by the Board of Trustees. Such meetings may take place in any format that allows Trustees to communicate simultaneously with one another, including but not limited to teleconference, videoconference or in-person. At least one ~~in-person~~ **regular** meeting will be held each year **will be in-person, unless required otherwise by an emergency.** A special meeting can be called by the chair of the Board or on the written request of one-quarter (1/4) of the members of the Board Trustees. ~~Participation in meetings of the Board of Trustees is limited to members of the Board, HLC staff, and others expressly invited by the Board of Trustees to participate. As defined in policies adopted by the Board, the Board may meet in executive session. All discussion and decisions about institutions, personnel or other confidential matters shall be conducted in executive session.~~

Section 2. Special Meetings ~~of the Board.~~

~~A special meeting can be called by the chair of the Board or on the written request of one quarter (1/4) of the members of the Board.~~

Section 2. Conduct of Meetings.

Participation in **Board** meetings of the Board of Trustees is limited to **members of the Board Trustees,** HLC staff, and others expressly invited by the Board of Trustees to participate. As defined in policies adopted by the Board, the Board may meet in executive session. All discussion and decisions about institutions, personnel or other confidential matters shall be conducted in executive session.

Section 3. Quorum ~~and Action Related to Board Meetings.~~

A quorum of ~~three-fifths (3/5)~~ **half (1/2)** of the Trustees is required when the Board conducts business ~~at a regular or special meeting.~~ For the purpose of determining whether there is a quorum **for action taken at a meeting** and for any other usage in these Bylaws, attendance shall be defined as either physical presence or as participation by any other means that allows Trustees to communicate simultaneously with other members **Trustees. For the purpose of determining whether there is a quorum for**

action taken through a means other than a meeting, attendance shall be defined as participation in the voting process. The presence of ex-officio members shall not be counted in determining whether a quorum exists. ~~Unless otherwise stated in these Bylaws, the Trustee Policies Manual, or as otherwise required by law, action of the Board at a meeting shall be determined by a majority of the Trustees voting.~~

Section 4. Notice of Board Meetings.

Written notice of a meeting of the Board of Trustees shall be provided to each Trustee at least ~~sixty (60)~~ **fourteen (14)** days in advance of the meeting, and may be provided to other persons by publication (print or electronic) or in response to inquiry. The written notice of the meeting shall state the time and place or mode by which the meeting will be conducted. Written notice may be provided to Trustees electronically. Where a meeting will consider the removal of an officer **or Trustee**, such written notice of the meeting to Trustees will contain notification of the proposed removal, and such notification will be provided at least twenty (20) days before the meeting.

In case of an emergency or where the Board, in its sole discretion, identifies an urgent matter requiring its prompt attention, the Board of Trustees may hold a meeting with less than ~~sixty (60)~~ **fourteen (14)** days notice, provided there is agreement by two-thirds (2/3) of the full Board of Trustees to waive such notice.

A member of the Board who attends a meeting waives objection to lack of notice or defective notice unless the Trustee objects at the beginning of the meeting to holding the meeting or to the transaction of business.

Section 5. Action at a Meeting

Unless otherwise stated in these Bylaws, the Trustee Policies Manual, or as otherwise required by law, action of the Board at a meeting shall be determined by a majority of the Trustees voting.

Section 5.6. Action Without a Meeting.

The Board may also conduct business and take action via any means, such as an electronic ballot, that allows for the Board to review the relevant materials and to comment. A Trustee is entitled to vote on business conducted outside of a meeting if they receive materials related to the vote and do in fact vote within the time frame set forth for the vote. Action taken by the Board outside of a meeting must be determined by unanimous consent of all Trustees entitled to vote.

Section 5 6 7. Minutes of the Board Meeting and Record of Actions.

The Board of Trustees shall prepare and maintain minutes of the Board meetings and a permanent record of all its ~~accrediting~~ actions. It shall distribute the minutes and the record or make ~~it~~ **them** available **upon request** for inspection to ~~representatives of member institutions of HLC and to such other~~ persons or groups as the Trustees **Board** may designate.

Article VII: HLC Officers

Section 1. Structure.

The officers of HLC shall include a chair, a vice chair who serves as the secretary of HLC and who is also the chair-elect, a treasurer, a chief executive officer and other officers as the chief executive officer **r** deems necessary for the proper management of HLC.

The chair, vice chair and treasurer shall be Trustees.

The chief executive officer shall be appointed and retained in accordance with Article IX and shall be an ex-officio member of the Board ~~without the power to vote. The chief executive officer's presence shall not be counted in determining whether a quorum exists.~~

Each other employee who is appointed by the chief executive officer as an officer shall hold such role at the chief executive officer's pleasure and shall have such powers and perform such duties as may be assigned by the chief executive officer or the Board ~~of Trustees.~~

Section 2. Terms of Office.

The term of office of the chair, vice chair and treasurer shall be two (2) years, commencing on September 1 following their election. When a Trustee is elected as an officer, the term of that person as a Trustee shall, upon approval of the Board, be extended so long as that person otherwise meets the requirements for service as a Trustee and does not otherwise exceed the term limit as defined in Article IV, Section 3.

Section 3. Election of Trustee Officers.

The chair, vice chair and treasurer shall be elected from among the Trustees by majority vote of the Board ~~of Trustees at least one (1) month before the beginning of the terms of office.~~

Section 4. Duties of Trustee Officers.

The chair shall preside at all meetings of the Board and shall perform other duties required by these Bylaws or customary to the office. The vice chair shall perform the duties of the chair in the absence of the chair and shall perform other duties required by these Bylaws or customary to the office. The treasurer shall perform duties as required by these Bylaws or customary to the office.

Section 5. Resignations.

If a Trustee who is an officer wishes to resign **as an officer**, that officer shall submit a written notification to the chair (or, in the case of the chair's resignation, to the vice chair). Such resignation becomes effective when delivered unless the chair (or, in the case of the chair's resignation, the vice chair) and the resigning officer set an alternative effective date.

Section 6. Removal of Officers.

A Trustee who is an officer can be removed ~~from office~~ **as an officer** at any time by an affirmative vote of two-thirds (2/3) of the Trustees participating in a ~~regularly scheduled Board meeting or special meeting~~ of the Board.

If the chief executive officer is no longer employed by HLC as the chief executive officer they shall automatically be removed as an officer.

Any employee appointed by the chief executive officer to serve as an officer may be removed as an officer at any time by the chief executive officer.

Section 7. Vacancies.

~~When~~ **If** there is a temporary vacancy of a Trustee officer, a temporary replacement for that officer may be ~~appointed~~ **elected** by a majority of the Board ~~of Trustees~~ as needed. If there is a temporary vacancy of the chair, the vice chair shall perform the duties of the chair. If the vice chair is unable to perform those duties, the Board may at its discretion ~~appoint~~ **elect** another ~~Board member~~ **Trustee** to act in place of the chair until such time as the chair resumes those duties.

~~When~~ **If** there is a permanent vacancy of a Trustee officer, a replacement for that officer shall be elected by a majority vote of the Board ~~of Trustees~~ to complete the remainder of that term.

In the case of a **permanent** vacancy of the chair, the vice chair shall succeed to the office of chair to complete the remainder of that term. If the vice chair chooses not to fill a vacancy in the position of the chair, then a chair shall be elected by a majority vote of the Board ~~of Trustees~~ to complete the remainder of that term.

~~Article IX: Chief Executive Officer~~

~~Section 1. Employment:~~

~~The Board of Trustees shall employ a chief executive officer of HLC, who shall be a full-time employee of HLC. The Board shall review the performance of the chief executive officer annually and it shall have the power to terminate the chief executive officer. The chief executive officer shall have such title as the Board~~

~~of Trustees shall designate, and shall serve such term of office, with such compensation and under such conditions of employment, as the Board of Trustees shall determine.~~

Section 2. Duties and Responsibilities.

~~In keeping with the goals and objectives established by the Board and within its policies, the chief executive officer shall provide leadership for the organization and shall have the authority and the responsibility for managing the activities of HLC. The chief executive officer has the authority to employ and to terminate all HLC staff as well as to execute documents on behalf of the Board and HLC that are consistent with the direction of the Board as well as the best interests of the organization. The chief executive officer will be the chief advisor to, and the principal agent of, the Board.~~

Article X VIII: Committees of the Board of Trustees

Section 1. Executive Committee.

There shall be an Executive Committee of the Board **consisting** of at least five (5) Trustees ~~consisting of~~ **including** the chair, vice chair, treasurer, and ~~other Trustees elected by the Board~~ **chairs of all standing Board committees**. The Executive Committee is authorized by the Board of Trustees to act for the Board between meetings of the Board, - except in such areas excluded by **these Bylaws or** Board policy. However, the Executive Committee may not act for the Board on the following: ~~validating or deciding~~ **taking** actions on member institutions; employing or terminating the chief executive officer; approving or revising policy; altering the Board-established budget; initiating litigation; filling vacancies on the Board or on any of its committees; ~~appointing~~ **electing** or removing any Trustee officer or Trustee; or taking any other action expressly prohibited by law. All actions by the Executive Committee shall be reported to the Board **no later than** at its next meeting.

Section 2. Standing Committees.

The Board of Trustees may establish such standing committees as it determines are necessary to fulfill its responsibilities. **The Board will elect members of standing committees.** The chair of each standing committee must be a ~~member of the Board~~ **Trustee**, and the majority of the committee members must be Trustees. The Board will define in policy the composition, charge, and powers of these committees. ~~Members of standing committees are appointed by the Board of Trustees.~~

Section 3. Ad Hoc Study Groups and Task Forces.

The Board of Trustees may establish ad hoc study groups and task forces to conduct research, provide advice, and make other recommendations for Board consideration. In establishing these study groups and task forces, the Board shall set and revise as needed the time and budget, provide the charge, and name the members in writing.

Article IX: Chief Executive Officer

Section 1. Employment.

The Board of Trustees shall employ a chief executive officer of HLC, who shall be a full-time employee of HLC. The Board shall review the performance of the chief executive officer annually and it shall have the power to terminate the chief executive officer. The chief executive officer shall have such title as the Board of Trustees shall designate, and shall serve such term of office, with such compensation and under such conditions of employment, as the Board of Trustees shall determine **in writing.**

Section 2. Duties and Responsibilities.

In keeping with the goals and objectives established by the Board and within its policies, the chief executive officer shall provide leadership for the organization and shall have the authority and the responsibility for managing the activities of HLC. The chief executive officer has the authority to employ and to terminate all HLC staff as well as to execute documents on behalf of the Board and HLC that are consistent with the direction of the Board as well as the best interests of the organization. The chief executive officer will be the chief advisor to, and the principal agent of, the Board.

Article XI: Policy-Making Functions of the Board

Section 1. Type and Process of Policy Making.

The Board of Trustees shall develop as necessary policy in five (5) areas: accrediting standards, accreditation process, Board of Trustees conduct, legal mandates, and business operations of HLC.

a. *Accrediting Standards (Criteria for Accreditation, Eligibility Requirements, and Related Policies)*

~~The Board of Trustees may not act to adopt or change any requirement, criterion or policy by which the accreditation or candidacy of an institution is judged, with the exception of those Policies Mandated from Regulation, Statute, or Other Legal Requirement, unless the proposed amendment has been presented at a scheduled Board meeting, circulated in writing to all member institutions for a comment period of not less than sixty (60) days, and adopted at a subsequent Board meeting. The Board of Trustees will consider the comments before action is taken.~~

b. *Policies Related to the Accreditation Process*

~~The Board of Trustees shall adopt policies related to the accreditation process at the Board of Trustees meeting subsequent to the first meeting when the policy was presented. Proposed policies affecting candidate and accredited institutions shall be made available to them for comment during the period between the first and second reading of the proposed policy.~~

c. *Policies Related to Board Conduct*

~~Policies and procedures regarding the obligation of Board of Trustee members and regarding the~~

conduct of Board activities shall be set forth in a Board of Trustees' Policy Manual. Adoption or amendment of policies and procedures for the Trustee Policy Manual may be conducted in whatever format or manner the Board determines is appropriate and specifies within a written policy.

~~d. *Policies Mandated from Regulation, Statute, or Other Legal Requirement*~~

~~The Board of Trustees shall develop and adopt policies to ensure HLC compliance with federal law and judicial mandates. Policies developed for this reason affecting candidate and accredited institutions may be adopted without a period for comment.~~

~~e. *Policies Related to HLC Business Operations*~~

~~The Board of Trustees shall develop and adopt policies to ensure HLC operates with appropriate business and financial practices. Policies developed for this reason may be adopted without a period of comment.~~

Section 2. Commitment to Written Policies.

~~All policies adopted by the Board shall be in writing and available to HLC accredited and candidate institutions.~~

Article XII: Accreditation Decisions

Section 1. Accrediting Actions.

~~When HLC policy requires the Board to make an accreditation decision, the Board may conduct its review of such actions in executive session at a regularly scheduled or special meeting or, at the Board's discretion, by any means that allows for the Board to review the relevant materials and to comment. Balloting may be conducted through any reasonable means.~~

Section 2. Appeals.

~~The Board of Trustees will appoint an appeals body empowered to consider an appeal of an action that withdraws or denies candidate or accredited status. The appeals body will be selected and will function pursuant to HLC policy regarding such appeals.~~

Article XIII X: Amendments to the HLC Bylaws

The HLC Bylaws may be amended by action of the Board of Trustees only after the proposed amendment(s) have **has** been first presented at a scheduled Board meeting, and subsequently **preliminarily voted on by the Board and then** circulated in writing to all member institutions for a comment period of not less than sixty (60) days. After considering the comments, the Board may adopt the amendment(s) at a Board meeting by a vote of no fewer than ~~two-thirds (2/3)~~ **half (1/2)** of the members of the full Board **Trustees, including conforming changes as applicable.**

Article ~~XIV~~ XI: Controlling Law and Forum

Any disputes, claims, and causes of action arising out of the operation, management, and conduct of HLC by its officers, Board, or staff or arising out of the interpretation of the Bylaws, resolutions, and policies of the Board of Trustees, or arising out of accrediting actions, shall be controlled and governed by the laws of Illinois.

The forum for such disputes, claims, and causes of action shall be the state or federal court of competent jurisdiction located in Cook County, Illinois.

Article ~~XV~~ XII: Indemnification

To the fullest extent permissible by law, HLC shall indemnify and hold harmless each Trustee, officer, ~~member of an Appeals Panel, member of a visiting team, Accreditation Review Council member, Institutional Actions Council member, agent, employee,~~ **peer reviewer, member of an HLC decision-making body**, or other person acting on behalf of HLC (“**Indemnified Person**”) against and from all loss, cost, and expense (**including attorney’s fees**) **actually and** reasonably incurred by such **Indemnified** ~~p~~**Persons** in the payment, defense, or settlement of any **threatened, pending or actual** claim, suit, or proceeding brought against such **Indemnified** ~~p~~**Person** (**other than action by or in the right of HLC**) because ~~he or she~~ **they are or were an Indemnified Person** ~~acted~~ **acting** on behalf of HLC. The rights specified in this Section shall apply whether or not such **Indemnified** ~~p~~**Persons** continues to act in such a capacity at the time the loss, cost, or expense is incurred.

To the fullest extent permissible by law, ~~T~~**the** rights specified in this section shall apply to those ~~individuals~~ **Indemnified Persons** whom the Board determines, by a majority vote of a quorum of disinterested Trustees, acted in good faith and in ~~its~~ **HLC’s** best interest. However, such rights shall not apply in relation to any matters as to which any such **Indemnified** ~~p~~**Person** shall be finally adjudged in such claim, suit, or proceeding to be liable for willful misconduct.

HLC may authorize the purchase and maintenance of insurance on behalf of such **Indemnified** ~~p~~**Persons** and HLC against any liability that arises from their actions in such capacities.

Article ~~XVI~~ XIII: Corporate Seal

~~The~~ **Any** corporate seal **adopted** shall be in such form as may be approved by the Board of Trustees of HLC.

Article ~~XVII~~: Checks, Notes and Contracts

~~The Board of Trustees of HLC shall determine the persons who shall be authorized on HLC’s behalf to sign checks, drafts, or other orders for payment of money; to sign acceptances, notes or other evidences of~~

~~indebtedness, and contracts; or to execute and deliver other documents and instruments. The Board may require officers, agents, employees and other persons so authorized pursuant to this Article to give security for faithful performance of their duties.~~

Article ~~XVIII~~ XIV: Books and Records

HLC shall keep in its offices correct and complete records of the accounts and transactions of HLC and a current list of the members, Trustees, and officers of HLC. Such books and records may be in written form or in any other form capable of ready conversion to written or printed form.