



To: Institute Members
From: Susan Frelich Appleton
Chair, Governance Committee
Date: March 31, 2015
Re: Bylaw Amendments

The Governance Committee recommends approval at the Annual Meeting (May 18-20, 2015) of proposed amendments to Bylaws 4.03 and 4.11, shown in the attached Annex.

The proposed amendment to Bylaw 4.03 updates the name of the Program Committee, now called the Projects Committee. The new name more accurately reflects the Committee's role of advising the Director, Executive Committee, and Council about ongoing and potential ALI projects.

The proposed amendments to Bylaw 4.11 will:

- (1) change the terms for appointed standing committee members from (a) three terms of up to two years to (b) two three-year terms; and
- (2) permit the Council, in extraordinary circumstances, to allow an appointed chair of a standing committee to continue to serve beyond his or her term limit.

These changes will simplify the term structure and provide greater continuity for the work of the committees. Under current rules, in some instances an entire committee reached the term limit at the same time. Three-year terms, appropriately staggered, will assure that only one-third of a committee's membership will be term-limited in a particular year. To effectuate this goal, the Council has authorized the President, on a one-time basis only, to adjust the terms of current committee members in order to assure an appropriately staggered set of terms for each committee. The changes also allow, in special cases, for a committee chair who otherwise would be term-limited to continue serving to avoid disruption of a sensitive committee responsibility.

At its January 2015 meeting, the Council approved the proposed Bylaw amendments, along with conforming changes to other governance documents. We recommend that the Institute's membership approve the proposed amendments.

I send my personal regrets that a conference in China prevents me from attending the Annual Meeting as well as my personal thanks that Chancellor Harvey Perlman, a Governance Committee member, has agreed to present these recommendations in my absence.

Proposed Amendment to Bylaw 4.03

- 4.03** A. The Executive Committee is composed solely of Council members and is a required standing committee of the Institute. Its primary responsibility is the oversight of the management of the business and affairs of the Institute under a broad delegation of the Council's authority except what is reserved to the Council by applicable law, by these Bylaws, or by the Council by Rule, resolution, or other recorded action.
- B. Six other standing committees of the Institute are also required: Audit, Governance, Investment, Membership, Nominating, and ~~Program~~Projects. The Council, by Rule, may create additional standing committees.
- C. Each standing committee of the Institute must have a formal charter adopted (or amended) only by the Council, in which the committee's composition, authority, and responsibilities are stated. The Executive and Nominating Committees are appointed only by the Council, but the Council may delegate its authority to appoint any of the other standing committees.
- D. Any delegation of Council authority to a standing or other committee, whether by charter or otherwise, is not exclusive, and the Council continues to retain and may exercise all delegated authority.

Proposed Amendments to Bylaw 4.11

- 4.11** A. ~~Appointed members of standing committees serve for a fixed term set at the time of appointment not to exceed two years. The term of appointed members of standing committees is three years.~~ All terms begin and end at the close of an annual meeting of the membership. Except as provided in paragraph ~~B~~C, or ~~CD~~ of this Bylaw 4.11, appointed members of standing committees may serve no more than ~~three~~two consecutive terms.
- B. At the end of the ~~third~~second consecutive term an appointed member or chair of a standing committee is eligible for reappointment for ~~one additional term two years~~ only as chair, unless that person previously served more than ~~two~~one consecutive terms as chair.
- C. In extraordinary circumstances, at the request of the President, the Council may grant a one-time extension to allow an appointed chair of a standing committee to serve beyond the term limits under paragraphs A and B of this Bylaw 4.11.
- ~~CD.~~ Members of a standing committee at the time this Bylaw 4 is approved by the membership are eligible for reappointment to that standing committee only as provided in the applicable transition rule approved by the Council on December 7, 2006.

DE. Members of a standing committee who are ineligible for reappointment to the committee as a result of term limits under paragraph A, B, C, or ~~ED~~ of this Bylaw 4.11 and the applicable transition rule approved by the Council on December 7, 2006, may be reappointed to the committee after two years have elapsed.

EF. The Council may appoint special committees and prescribe the authority and responsibilities of each.

FG. Any member of a standing or special committee may be removed, with or without cause, by the Council or by any other person or entity that is authorized to appoint the committee.