

## SCRLC Bylaws Changes for SCRLC Membership Approval on October 30, 2015

The following changes were approved by the Board of Trustees at their meetings of December 18, 2014, February 13, 2015, and October 30, 2015, and need to be voted on by the full SCRLC Membership.

Revisions are in bold italics.

1. Bylaws section 5.1 ...No officer shall serve more than three consecutive one-year terms, ***with the exception of the Treasurer, who shall serve no more than three (3) consecutive three-year terms.***
  - a. Rationale – There is a steep learning curve required for the Treasurer position. We want and need to be able to maximize the experience and institutional knowledge of Board members who fill this important role.
2. Add Bylaws Committee as a standing committee. Changes as follows:
  - a. Section 7.1: ...The President shall, subject to approval of the Board, appoint the following standing committees: Executive, ***Bylaws & State Regulations***, Nominating and Board Development, Finance and Audit, and Personnel.
  - b. Section 7.1.2. should now become the Bylaws & State Regulations Committee, moving all others down one number:
    - i. 7.1.2. ***Bylaws & State Regulations Committee. The Bylaws & State Regulations Committee shall be responsible for periodically reviewing the Council Bylaws and recommending changes when necessary; ensuring that the Council acts in compliance with all relevant laws and regulations; and reviewing proposed changes in state law and/or regulations and recommending appropriate action to the Board.***
  - c. Rationale – The Bylaws are the responsibility of the Board and not the executive director, who establishes advisory committees. The Bylaws are a living document, vital to our operation, and therefore also would not be an appropriate assignment for an ad-hoc committee.
3. ***“Finance and Audit Committee”*** to replace all instances of “Finance Committee.” Finance and Audit Committee description:
  - a. Section 7.1.3.: ***Finance and Audit Committee.*** The ***Finance and Audit Committee*** shall consist of appointed members of the Board in addition to other SCRLC members ***as*** determined by the President; however, in no circumstances is the independent auditor, or an employee or relative of the independent auditor’s firm to serve on the committee. The Treasurer shall serve on the committee and may chair the committee. In conjunction with the Executive Director, ***the Finance and Audit Committee*** shall develop a budget for approval by the Board of Trustees and propose policies governing the finances of SCRLC for adoption by the Board. ***The Finance and Audit Committee also oversees the accounting and financial reporting processes, including the audit of SCRLC’s financial statements. The committee annually hires an independent auditor and reviews with the independent auditor the results of the audit and the***

***management letter. All policies and actions of the Finance and Audit Committee are subject to approval of the Board.***

- b. Rationale – Audit responsibilities need to be added to the Finance Committee to be in compliance with the Nonprofit Revitalization Act of 2013.
4. Appendix A - Conflict of Interest and Ethics Certification form:
- a. Item 3. ***Other than your role in an SCRLC member institution, did you serve as an officer, director, Trustee, key employee, partner or member of an entity (or a shareholder of a professional corporation) that did business with SCRLC during the past calendar year, is currently, or may be doing business in the current year?***
  - b. Rationale – Item #3 had caused some confusion amongst Board members. Some had answered “yes” because they are part of SCRLC member institutions and might want to pursue SCRLC grants, for example, while some answered “no” even though they, too, are SCRLC member institutions. To address this ambiguity, we have revised the language in the “Conflict of Interest and Ethics Certification” form.