

NATIONAL LEAGUE FOR NURSING

BYLAWS

ARTICLE I

Functions

The functions of the National League for Nursing, Inc. (the “NLN” or the “League”) in furtherance of the object set forth in the Articles of Incorporation shall be:

- 1) To identify the nursing needs of society and to foster programs designed to meet these needs;
- 2) To develop and support services for the improvement of nursing service and nursing education through consultation, continuing education, testing, accreditation, evaluation, and other activities;
- 3) To work with voluntary, governmental, and other agencies, groups, and organizations for the advancement of nursing and toward the achievement of comprehensive health care;
- 4) To respond in appropriate ways to universal nursing needs.

ARTICLE II

Membership

Section 1. Class of Membership. The membership of the NLN shall consist of the following classes: individual and agency. In addition, the NLN Board of Governors (the “Board of Governors” or the “board”) may establish other classes of membership.

Section 2. Individual Membership. Individual membership in the NLN shall be available to any person interested in fostering the development and improvement of nursing services or nursing education who meets the criteria established by the Board of Governors.

Individual membership entitles a member to one vote at any annual or special meeting of the members of the NLN on each matter being considered at such applicable meeting and benefits as noted:

- NLN Publications –*Nursing Education Perspectives, The NLN Report, Professional Development Bulletin, Nursing Education Policy, NLN Member Update*
- Discounted rates: Annual Education Summit, Conferences, Workshops, Audio-Web Seminars, Online Courses and Institutes, Test products
- Opportunities for professional growth

Section 3. Agency Membership. Agency membership in the NLN shall be available to any organization that conducts an educational program in nursing, offers education courses to nurses or is interested in the development of an educated nursing workforce.

- a) Education Agency membership entitles an agency to ten votes on each matter being considered at any annual or special meeting of the members of the NLN, and benefits as noted:

- Faculty Membership: Full- and part-time faculty at NLN-member education agencies receive NLN membership at no additional charge.
 - NLN Publications –*Nursing Education Perspectives, The NLN Report, Professional Development Bulletin, Nursing Education Policy, NLN Member Update*
 - Discounted rates: Annual Education Summit, Conferences, Workshops, Audio-Web Seminars, Online Courses and Institutes, Test products, NLNAC Accreditation
- b) Associate Agency membership. The NLN Associate is a special non-voting category comprised of agencies other than education agencies, entitled to benefits as noted:
- 2 FREE individual NLN memberships
 - Discounted individual NLN membership for all staff/members of the agency or organization
 - NLN Publications –*Nursing Education Perspectives, The NLN Report, Professional Development Bulletin, Nursing Education Policy, NLN Member Update*
 - Discounted rates: Annual Education Summit, Conferences, Workshops, Audio-Web Seminars, Online Courses and Institutes, Test products, NLNAC Accreditation

Section 4. Application for Membership.

- a) Applications for individual membership shall be submitted to the secretary of the NLN and, upon meeting the criteria for membership (including, but not limited to, the payment of dues) as determined by the Board of Governors, shall be accepted.
- b) An applicant for agency membership shall submit an application to the secretary of the NLN, and upon meeting the criteria for membership (including, but not limited to, the payment of dues) as determined by the Board of Governors, shall be accepted.

Section 5. Membership Promotion. Membership promotion shall be the responsibility of the Board of Governors.

Section 6. Education Agency Member Representation. Each education agency member shall designate in writing to the NLN a person as its representative to vote on its behalf and, in general, to represent it in its relationship to the NLN.

Section 7. Honorary Membership. Honorary membership may be conferred at the discretion of the Board of Governors upon persons whose position or special interest in the League and its objectives qualifies them for such honor. Honorary members shall not be required to pay dues but shall have all the privileges of individual membership except those of voting and of holding office.

Section 8. Membership Actions. Except with respect to such duties or responsibilities as are required by applicable law to be exercised by the Board of Governors, no action taken by the membership by vote at an annual or special meeting shall be modified or repealed by the Board of Governors, and the Board of Governors shall not take action contrary to or inconsistent with actions thus taken by the membership.

Section 9. Power to Censure, Suspend, or Expel Members. The Board of Governors, for cause, and in its discretion, may censure, suspend, or expel a member. The affirmative vote of a

majority of the governors (as defined below) shall be required to censure or suspend a member, but the affirmative vote of not less than two-thirds of the governors shall be required to expel a member. These decisions shall be unappealable and binding on the affected member. The action will occur at a meeting of the Board of Governors where the member will be given reasonable notice and an opportunity to appear before the board prior to the decision being made.

ARTICLE III **Membership Dues**

Section 1. Membership Dues. The Board of Governors shall establish the dues structure for all classes of membership.

Section 2. Membership Year. The membership year shall be a 12-month calendar period. A person or entity that becomes a member of the NLN during a calendar year shall have such member's annual dues pro-rated for the calendar year in which such member becomes a member of the NLN based on the number of months remaining in such calendar year. Privileges commence the first day of the month following the month in which dues are received by the NLN.

Section 3. Payment of Dues. All members of the NLN shall pay their dues directly to the NLN.

Section 4. Default of Payment. Any dues paying member who fails to pay current dues shall be sent a notice. If such dues are not paid within sixty days from the day of notice, the member may, as determined by the criteria established by the Board of Governors, be deemed in default of payment with the loss of any or all privileges of membership, including those described in Article VII, Section 1).

Section 5. Reinstatement Payment. Any former individual or agency member may be reinstated to membership in any year by paying dues.

ARTICLE IV **Meetings of Members**

Section 1. Annual Meeting. There shall be an annual meeting of the members of the League, which shall be held at such place and time of year as the Board of Governors may determine. The Board of Governors shall fix registration fees.

Section 2. Special Meetings. Special meetings of the members shall be called by the secretary upon written request of the president or of a majority of the Board of Governors or upon written request of ten constituent leagues for nursing and ten education agency members, in each case specifying the purpose of such meeting.

Section 3. Notices. Notices of annual or special meetings shall be mailed to each member at such member's last address on the records of the NLN at least 30 days prior to the date of each annual or special meeting stating the place, day, and hour of the meeting and in the case of a special meeting, the purpose or purposes for which the meeting is called.

Section 4. Quorum. Thirty voting members from at least 15 different states, present in person or by proxy, shall constitute a quorum at all meetings of the members.

Section 5. Voting. At meetings of the NLN each education agency member not in default of payment of membership dues shall be entitled to cast the designated number of authorized votes, and individual members not in default of payment of membership dues shall be entitled to cast one vote on each matter being considered at such applicable meeting. At any meeting of the members at which a quorum, as provided in Article IV, Section 4 of these bylaws, is present in person or by proxy, a majority of the votes cast shall decide any matter brought before such meeting unless otherwise specified in these bylaws or required by law.

Section 6. Proxies. Members entitled to vote at an annual or special meeting may vote in person or by proxy. No proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the member executing it, except as otherwise provided by law.

ARTICLE V

Officers and Chief Executive Officer

Section 1. Elected and Appointed Officers.

- a) The elected officers of the NLN shall be a president, a president-elect, a secretary, and a treasurer. Each such elected officer shall also be a member of the board (each, an “officer governor”).
- b) The Board of Governors shall appoint a chief executive officer and fix the compensation for the position. The chief executive officer shall serve at the pleasure of the board with duties and responsibilities conferred by the board or these bylaws.
- c) The chief executive officer shall serve as an *ex-officio* member of the board without vote.

Section 2. Eligibility. Any individual member holding current membership in the NLN shall be eligible to hold any of the elected positions specified in Section 1 of this Article V. Employees of the League are ineligible to hold elected positions.

Section 3. Term of Office.

- a) The presidency shall be filled by the president-elect who shall take office following the close of the annual meeting and shall serve for a term of two years and until a successor is elected.
- b) A president-elect shall be elected at the annual meeting in the manner provided in Article VII of these bylaws, to serve for a term of two years following the close of such meeting, and shall then succeed to the presidency for a term of two years.
- c) The secretary shall be elected at the annual meeting in the manner provided in Article VII of these bylaws, to serve for a term of three years following the close of the annual meeting or until a respective successor is elected. No person shall be elected to serve for more than two consecutive terms in the office of secretary.
- d) The treasurer shall be elected at the annual meeting in the manner provided in Article VII of these bylaws, to serve for a term of three years following the close of the annual meeting or until a respective successor is elected. No person shall be elected to serve for more than two consecutive terms in the office of treasurer.

Section 4. Vacancies.

- a) A vacancy in the office of the president shall be filled by the president-elect who shall complete the unexpired term of the President and shall then continue in office as president during the following biennium. If the president-elect can not complete the unexpired term of president, the Board of Governors, by majority vote of the then remaining members, may appoint a successor to fill the unexpired term of office.
- b) A vacancy in the office of president-elect, secretary, or treasurer shall be filled by a board appointee until the nominating committee can prepare a slate of nominees and submit the slate to the membership for vote at the next annual meeting.

Section 5. President. The president shall preside at all meetings of the members and at all meetings of the Board of Governors. The president shall perform such other duties as are incident to the office of president or that may be assigned by the Board of Governors or these bylaws. The president shall be an *ex-officio* member, without vote, of all committees except the Committee on Nominations and the Executive Committee. The president shall chair the Executive Committee and be a full voting member of the Executive Committee. The president shall also serve as a special trustee of the NLN Foundation for Nursing Education with vote.

Section 6. President-Elect. The president-elect shall perform the duties of the president during the president's absence or inability to act, and shall perform such other duties as are incident to the office of president-elect or that may be assigned by the Board of Governors or these bylaws. The president-elect shall chair the Strategic Planning Committee. The president-elect shall also serve as a special trustee of the NLN Foundation for Nursing Education with vote.

Section 7. Secretary. The secretary shall keep the minutes of all meetings of the Board of Governors, the standing committees and any special committees which the board may from time to time appoint. Such minutes may be in written form or in any other form capable of being converted into written form within a reasonable period of time. The secretary shall issue all notices required by statute, by the Articles of Incorporation, by these bylaws, or by resolution of the Board of Governors. The secretary shall have custody of the seal of the organization, and in general shall perform all duties incident to the office of secretary, subject to the control of the Board of Governors. The secretary shall also serve as a special trustee of the NLN Foundation for Nursing Education with vote.

Section 8. Treasurer. The treasurer shall have the custody of all funds and securities of the NLN. The treasurer shall be bonded in such amounts as determined by the Board of Governors upon recommendation of the Finance Committee. The treasurer may endorse, for collection on behalf of the NLN, checks, notes, and other orders or obligations for the payment of money. The treasurer shall have general responsibility for seeing that funds of the NLN are deposited to its credit in such banks as the Board of Governors may designate. The treasurer shall see that only such bills as have been approved or otherwise authorized by the chief executive officer or Board of Governors are paid. The treasurer shall see that full and accurate accounts are kept and audited annually by a certified public accountant and shall make a financial report to the Board of Governors at the regular meetings and to the membership at the annual meeting. The treasurer shall perform such other duties as may be assigned by the Board of Governors. The treasurer shall also serve as a special trustee of the NLN Foundation for Nursing Education with vote.

Section 9. Chief Executive Officer. The chief executive officer shall serve at the discretion and at the direction of the Board of Governors. Except as herein specifically provided, the duties of the chief executive officer shall be the control and management of the daily operations and everyday affairs of the NLN and those incident to that position and those other duties conferred by action of the Board of Governors. The chief executive officer shall provide general oversight and direction to the chief operating officer of its subsidiaries. The chief executive officer shall be responsible for the disbursement of all funds as appropriated by the Board of Governors. The Board of Governors shall set the compensation of the chief executive officer. The chief executive officer shall be responsible for all decisions regarding the employment and compensation of other officers, managers, agents and employees of NLN, shall collaborate with the applicable subsidiary board in the evaluation of the chief staff officer of NLN subsidiaries, and shall otherwise supervise and conduct the everyday business affairs of the corporation. The chief executive officer shall also serve as a chief executive officer and special trustee of the NLN Foundation for Nursing Education with vote.

Section 10. Compensation. Elected officers shall not receive any compensation for their services as such but may be reimbursed for their expenses.

Section 11. Removal of Officers or Officer Governors.

- a) Any officer governor of the NLN may be removed by the members at any regular or special meeting of the members, when in the members' judgment the best interests of the NLN will be served thereby; it shall be stated in the notice of such that among the objects of the meeting shall be the removal of an officer governor of the NLN. The affirmative vote of a majority of the members shall be required to remove any officer governor prior to the expiration of his or her term.
- b) The chief executive officer may be removed by the Board of Governors at any regular or special meeting of the Board of Governors, when in the governors' judgment the best interests of the NLN will be served thereby. The affirmative vote of a majority of the current governors shall be required to remove the chief executive officer.

ARTICLE VI

Board of Governors

Section 1. Powers.

- a) All the powers of the NLN are vested in and shall be exercised by the Board of Governors unless otherwise prescribed by statute or by Articles of Incorporation or by these bylaws.
- b) The Board of Governors shall oversee and direct all the affairs of the NLN. The board shall employ officers, managers, agents, and employees, including a chief executive officer, and confer upon them those duties and powers that it deems advisable. The Board of Governors shall fix the rate of compensation for the chief executive officer.
- c) The Board of Governors may from time to time delegate such powers and duties to such employees, agents, attorneys, or other persons as it shall deem necessary or desirable.

- d) The Board of Governors shall appoint board members of the NLN's subsidiaries or affiliates unless otherwise provided for by the bylaws or Certificates of Incorporation/Articles of Incorporation of those entities.
- e) The Board of Governors shall initiate and recommend the criteria and procedures for the nominating process to be used by the Nominations Committee in preparing the slate of candidates as described in Article X, Section 9 of these bylaws.

Section 2. Number. The Board of Governors shall be composed of a maximum of seventeen elected members as determined by the board, consisting of the officer governors and no more than thirteen elected non-officer members. In addition, the Board of Governors shall appoint two public member governors (each a "public governor" and, together with the "officer governors" and "member governors," the "governors").

Section 3. Eligibility. Any individual member, except an NLN employee, shall be eligible for membership on the Board of Governors unless otherwise provided in these bylaws.

Section 4. Term of Office.

- a) Officer Governors. The officer governors' terms on the Board of Governors shall coincide with their terms as provided for in Article V, Section 3 of these bylaws.
- b) Member Governors. One-third of the member governors shall be elected at each annual meeting of NLN in the manner provided in Article VII, Section 1 of these bylaws and shall hold office for three years and until their respective successors are elected and qualified or their earlier resignation and removal.
- c) Public Governors. Commencing at the 2008 annual meeting of the NLN, two public governors shall be appointed to the Board of Governors each serving a three year term. Public governors do not need to hold individual or agency membership in the NLN. A public governor must never have been a nurse. As the term of each public governor expires, a subsequent public governor shall be appointed to hold office for a term of three years at the annual meeting.
- d) No Member governor may serve for more than two consecutive terms. Member governors who have completed two consecutive terms shall be once again eligible for election to the board three years after expiration of their second term.
- e) Member governors filling an unexpired term for one half of the term or more shall be considered to have served one term.

Section 5. Vacancies.

- a) Officer Governors. If any vacancy occurs among the officer governors, such vacancy shall be filled according to Article V, Section 4 of these bylaws.
- b) Member Governors. If any vacancy occurs among the member governors, the Board of Governors by majority vote of the then remaining members may appoint a successor to hold office for the unexpired term.

- c) Public Governors. If any vacancy occurs among the public governors, the Board of Governors by majority vote of the then remaining members will appoint a successor to fill the unexpired term.
- d) Resignations. Resignations from the Board of Governors shall be deemed effective upon receipt by the secretary, unless otherwise specified therein.

Section 6. Regular Meetings. A minimum of two regular meetings of the board of Governors shall be held each year.

Section 7. Special Meetings. Special meetings of the Board of Governors shall be called by the secretary at the written request of the president or of a quorum of the Board of Governors specifying the purpose of such meeting.

Section 8. Voting.

- a) By Written Consent. Action by written consent may be taken by the Board of Governors without a meeting and without prior notice if all of the governors entitled to vote consent in writing to such action. Such written consent shall be given to the secretary and filed with the records of the board and shall have the same effect as a vote for all purposes.
- b) At Meetings. At any meeting of the Board of Governors at which a quorum is present, the vote of a majority of the governors present shall decide any matter brought before such meeting, unless otherwise specified in these bylaws or required by law.

Section 9. Notice of Board Meetings.

- a) The secretary shall give at least 10 days written notice of all board meetings to each governor to the last address on the records of the NLN. An announcement by the president or secretary at the annual meeting shall constitute sufficient notice of any meeting to be held, during or directly following the annual meeting, in the city where the annual meeting is held.
- b) The notice of any special meeting of the Board of Governors other than one announced at an annual meeting as above provided shall include a statement of the purpose of such a meeting.
- c) In the event a special meeting of the Board of Governors is called by the secretary at the written request of the president or of a quorum of the Board of Governors and such request specifies that the purpose of such meeting is an emergency situation, the secretary shall give at least four hours telephone notice of such a meeting where practicable to each member to the last residence and/or business telephone number on the records of the NLN.

Section 10. Quorum. Ten members of the Board of Governors shall constitute a quorum at all meetings thereof.

Section 11. Place of Meetings. The meetings of the Board of Governors shall be held at such place or places as shall be determined by the board. The president shall make such determination when there is no consensus. A special emergency meeting called for by notice set forth in Article VI, Section 9 (c) of these bylaws, may be held in such a place or in such manner as shall be determined by the president.

Section 12. Compensation. Governors shall not receive any compensation for their services as such but may be reimbursed for their expenses.

Section 13. Removal of Member and Public Governors. Any member or public governor of the NLN may be removed by the Board of Governors with or without cause at any regular or special meeting of the Board of Governors; it shall be stated in the notice of such that among the objects of the meeting shall be the removal of a member or public governor. The affirmative vote of a majority of the current governors shall be required to remove any member or public governor prior to the expiration of his or her term.

ARTICLE VII

Elections of Officers, Governors, NLNAC Commissioners, Nominations Committee Members, and Advisory Council Executive Committees

Section 1. Method. Election of officers, governors, NLNAC commissioners, members of the NLN Nominations Committee and Advisory Council Executive Committees are required to be elected at the annual meeting or board meeting at which the individual is to take office shall be held by ballot at such meetings. Members entitled to vote at the annual meeting may vote in person or by proxy as provided in Article IV, Sections 5 and 6 of these bylaws.

Members not in default of payment as of the 55th day prior to the opening date of the annual meeting initiating the term of office are eligible to vote.

Section 2. Votes. The elections provided for in Section 1 of this article shall be by majority of the votes cast, provided that a quorum of the members as defined in Article IV, Section 4 of these bylaws is present. A tie vote shall be decided by lot.

Section 3. Report. An independent certified public accountant shall perform such work, tests, and audit procedures as may be determined to be necessary and appropriate to ensure a proper and valid election. In the event that an auditor is necessary, the auditor shall submit a report to the secretary who shall present the results to the members.

ARTICLE VIII

Constituent Leagues for Nursing

Section 1. Definition. As used in these bylaws the term “constituent league for nursing” shall mean any organization now or hereafter organized in any locality that is authorized as such by the NLN as provided in Section 2 of this article. It shall be allowed to embrace a state, a part of a state, or parts of, or the whole of, two or more states.

Section 2. Authorization. The Board of Governors may authorize the formation of or the continuation of an existing organization as a constituent league for nursing upon its meeting such standards as the board may determine. All amendments to governing documents of constituent leagues are subject to approval by the NLN Board of Governors.

Section 3. Disqualification. A constituent league for nursing may be disqualified as such by the Board of Governors of the NLN for failure to comply with the bylaws of the NLN or for any other reason deemed sufficient by the board, provided due notice shall have been given to the constituent league for nursing at least 30 days before such action is taken and provided the constituent league has been given an opportunity to be heard.

Section 4. Dissolution. The Board of Governors shall establish procedures to be followed for the dissolution or restructuring of constituent leagues.

ARTICLE IX **Advisory Councils**

Section 1. Authorization. The Board of Governors shall establish and dissolve advisory councils as needed.

Section 2. Functions. An advisory council provides various mechanisms to accomplish the mission related work of the NLN, serves as a link between the Board of Governors and members, and provides a forum to address issues.

Section 3. Advisory Council Executive Committee. The advisory councils' executive committee shall consist of a chair, chair-elect and three members-at-large.

Section 4. Member Participation in Advisory Councils. All NLN members are eligible to participate in the work of one or more advisory councils.

Section 5. Term of Office.

- a) The chair shall be filled by the chair-elect who shall take office following the close of the annual meeting and shall serve for a term of two years.
- b) The chair-elect shall be elected at the annual meeting in the manner provided in Article VII, to serve for a term of two years, and then shall succeed to the chair for a term of two years.
- c) Members shall be elected at the annual meeting in the manner provided in Article VII, to serve for a term of three years.
- d) One member shall be elected each year to the advisory council executive committee.

Section 6. Vacancies.

- a) A vacancy in the office of the chair shall be filled by the chair-elect who shall complete the unexpired term of the chair and shall then continue in office as chair unless such chair-elect shall have assumed such position by appointment pursuant to Article IX, Section 6B. If the chair-elect can not complete the unexpired term of chair, the executive committee of such an advisory council by majority vote of the then remaining members may appoint a successor to fill the unexpired term of office.
- b) A vacancy in the office of chair-elect, shall be filled by an executive committee appointee by majority vote of the then remaining members of such advisory council, who shall have been previously elected in accordance with Article IX, Section 5c until the nominations committee can prepare a slate of nominees and submit the slate to the membership of the NLN for vote at the next annual meeting.
- c) If any vacancy occurs among the executive committee members of an advisory council, the executive committee by majority vote of the then remaining members of such advisory council

may appoint a successor to hold office for the unexpired term. Appointed members to advisory councils may not serve in the chair-elect position.

Section 7. Removal of Advisory Council Members.

- a) Any advisory council member of the NLN may be removed by the Board of Governors at any regular or special meeting of the Board of Governors; it shall be stated in the notice of such that among the objects of the meeting shall be the removal of an advisory council member of the NLN. The affirmative vote of a majority of the Board of Governors shall be required to remove any advisory council member prior to the expiration of his or her term.

ARTICLE X
Committees

Section 1. Standing Committees. Unless otherwise stated in these bylaws, standing committees shall be appointed by the Board of Governors. Standing committees shall be:

- a) Bylaws Committee
- b) Executive Committee
- c) Finance Committee
- d) Nominations Committee
- e) Strategic Planning Committee
- f) Audit and Compliance Committee
- g) Certification Committee

Section 2. Special Committees. The Board of Governors may establish such special committees as it may deem appropriate. Other committees not appointed by the Board of Governors may be formed by members of the NLN but any such committees shall not have any authority to act for the NLN on any occasion without a specific resolution to do so enacted by a majority of the Board of Governors present at a meeting at which a quorum is present and such a resolution is presented. Such committees shall have members, duties, and terms of office as shall be determined by the body appointing them.

Section 3. Composition. Unless otherwise expressly provided in these bylaws:

- a) The Board of Governors appoints chairs and members of standing committees. All standing committee chairs shall be members of the Board of Governors.
- b) Any member shall be eligible to serve on any committee.
- c) The Board of Governors may appoint non-members to standing committees when special expertise is needed.
- d) The president shall be an *ex-officio* member, without voting rights, of all committees except the Executive Committee, where the president shall be a voting member, and the Committee on Nominations, where the president may be a voting member only if appointed as the board's designated member of such committee.

Section 4. Duties. Committees shall operate under rules which shall be consistent with the bylaws and policies of the NLN as determined by the Board of Governors. A majority of the

members in good standing of any committee then in office shall constitute a quorum. Committees shall have such duties as are specified in these bylaws and as may be assigned by the body by which they are appointed or elected. In addition, the Board of Governors may refer any matter to any committee for consideration if, in the board's judgment, the matter is within the realm of competency of the committee. Unless otherwise specified in these bylaws, committees shall report to and work under the direction of the body by which they are appointed or elected.

Section 5. Term of Office. Except as otherwise specified in these bylaws, members and officers in good standing of all committees shall serve for two years.

Section 6. Bylaws Committee. The Bylaws Committee shall consist of at least five members of the NLN who shall be appointed by the Board of Governors. This committee shall receive and study any suggestions for amendments to the Certificate of Incorporation and bylaws of the NLN and any proposals for amendments to the bylaws as provided in Article XVI, Section 1, and may initiate proposals for amendments as provided in that section.

Any proposed amendments to the Certificate of Incorporation of the NLN shall be submitted by this committee with its recommendations, if any, to the Board of Governors. Any proposals for amendments to these bylaws initiated in accordance with Article XVI, Section 1, shall be filed with the secretary as provided in that section. In addition, this committee shall provide for the review of articles of incorporation or charters and bylaws or proposed amendments thereto of constituent leagues for nursing and all NLN subsidiaries and report thereon to the board.

Section 7. Executive Committee. The Board of Governors shall designate an Executive Committee, which shall include, at a minimum, the president who shall chair the committee, the president-elect, the secretary, the treasurer, and two governors elected by the Board of Governors annually for one-year terms. The chief executive officer shall be an *ex-officio* member without vote. The Executive Committee shall act for the Board of Governors in the evaluation of the CEO and when there exists an inability to convene a quorum of the board in emergencies or in special circumstances as directed by the board. The Executive Committee is not permitted to do one or more of the following:

- amend the Articles of Incorporation of the NLN or these bylaws;
- dissolve the corporation;
- dismiss or elect new board members or officers;
- hire or fire the chief executive officer;
- enter into major contracts or sue another entity;
Major contracts are hereby defined as those contracts obligating the NLN in excess of an amount and term as established by the Board of Governors; or any contract pertaining to real estate, real estate leases, real estate liens, or any other contractual limitation imposed by a majority of the Board of Governors.
- change a board-approved budget; and
- adopt or eliminate major programs.
A major program is hereby defined as any program specifically denominated as a major program by a majority of the Board of Governors.

Section 8. Finance Committee. The Finance Committee shall consist of at least five members who shall be appointed by the Board of Governors. The chair shall be the NLN treasurer. This committee shall recommend to the NLN Board of Governors yearly budgets and long term financial plans for the NLN and its subsidiaries. The committee shall provide financial

oversight for the NLN and its subsidiaries including assuring adequate financial resources, advice concerning short and long term investments, and review of such activities as fund raising, employment practices, and internal and external auditing.

Section 9. Nominations Committee.

- a) The Nominations Committee shall consist of no more than seven members. Members shall be elected at the annual meeting in the manner provided in Article VII of these bylaws. The chair of the Nominations Committee, shall be appointed by the Board of Governors in accord with Article X section 3a for a term of two years.

Commencing at the 2008 annual meeting of the NLN, the elected members of the Nominations Committee will be divided into three classes, with the term of office of each class expiring upon the election and qualification of their successors at the annual meeting of the NLN. Each class shall have two members. Members of the first class shall have an initial term of one year while the members of the second class shall have an initial term of two years, and the third shall have an initial term of three years.

This committee shall be advisory to the board on all matters relating to board development.

This committee shall prepare and present a report each year to the secretary of the NLN on such date as the board may approve. The report shall set forth a slate of candidates, consisting of two candidates for each position eligible for election at the upcoming annual meeting and shall document compliance with the Board of Governors recommended criteria and procedures followed by the committee.

The committee shall solicit nominations for all officer governors, member governors, the elected members of the Nominations Committee, the executive committees of the advisory councils, and NLNAC commissioners that are eligible for election at the upcoming annual meeting. The committee shall seek nominations from members and individuals who have demonstrated that they possess the competencies and skills required.

The slate shall contain candidates who reflect the broad membership of the NLN, consumers and providers of nursing, from all regions of the country, and from diverse segments of society whenever possible. Candidates for the NLNAC Board of Commissioners are not required to be members of the NLN.

Members of the Nominations Committee are not eligible for nomination or election to any position with the NLN or its subsidiaries during their term on the Nominations Committee.

Upon approval by the board of the procedures followed by the committee, the slate shall be published in the official organ of the NLN and set forth in the ballots to be voted by the members of the NLN at the annual meeting.

All officer governors, member governors, the elected members of the NLN Nominations Committee, members of the advisory council executive committees, and NLNAC commissioners shall be nominated by the NLN Nominations Committee and elected by the full membership of the NLN.

- b) Any Nominations Committee member of the NLN may be removed by the Board of Governors at any regular or special meeting of the Board of Governors; it shall be stated in the notice of such meeting that among the objectives of the meeting shall be the removal of a Nominations Committee member of the NLN. The affirmative vote of a majority of the Board of Governors shall be required to remove any Nominations Committee member prior to the expiration of his or her term.

Section 10. Strategic Planning Committee. The Strategic Planning Committee shall consist of the Board of Governors. The NLN Staff Management Team will participate as *ex-officio* members without vote. The president-elect shall serve as chair. The Board of Governors shall monitor implementation of the strategic plan and annually evaluate progress toward goals.

Section 11. Audit and Compliance Committee. The Board of Governors shall appoint an Audit and Compliance Committee each year from among its members. The committee shall include four members, one of whom shall be the chair. With the exception of the Treasurer, who shall serve in an ex-officio capacity, no member of the Finance Committee may serve on the Audit Committee. Audit Committee responsibilities shall include:

- hiring, compensating, and supervising the external auditor's activities;
- independent audit of all finances;
- combined audit of the NLN and its subsidiaries,
- oversight of corporation compliance with good business practices and consistent application of NLN policies;
- setting guidelines for complaints relating to infrastructure, accountability trail, and compliance with appropriate business behaviors.

Section 12. Certification Committee. The Certification Committee shall consist of at least nine members of the NLN who shall be appointed by the Board of Governors. At least six members of the committee must be registered nurses credentialed as certified nurse educators. At least one member shall be a public member. A Board of Governors member will serve as a liaison member without vote.

The sole function of the Certification Committee shall be to design, implement, and evaluate the nurse educator certification program. The Certification Committee shall report to the Board of Governors on an annual basis and shall establish policies and procedures for its operation consistent with the purposes of the academic nurse educator certification program.

The officers of the Certification Committee shall be the chair, a vice chair, and a secretary. Commencing in October 2007, officers will be elected biennially by the committee from among its members. The officers perform those duties that are usual to their positions and that are assigned to them by the Board of Governors.

Committee members shall serve staggered terms of three years. A member may not serve more than two consecutive three-year terms. If a vacancy occurs among the members for any reason, the Board of Governors shall fill that portion of the term not yet expired.

A minimum of two regular meetings of the Certification Committee shall be held each year. Special meetings of the Certification Committee shall be called by the secretary at the written request of the chair or of a quorum of the members specifying the purpose of such meeting. At a meeting, the presence of a majority of the members in-person or by electronic communication

permitted by law shall constitute a quorum. A majority of votes carries any action, except where provided otherwise by law or these bylaws. Members may not vote by proxy.

ARTICLE XI **Subsidiaries**

Section 1. Subsidiaries. NLN subsidiaries shall be formed, purchased, or otherwise acquired with the purpose and intent of advancing the mission and goals of the NLN through the pursuit of the distinct mission and goals of the subsidiaries. Subsidiaries may also be sold or dissolved.

Section 2. Subsidiary Governance.

- a) Authority. Unless otherwise specified in these bylaws, the NLN Board of Governors has the full authority to carry out the duties and functions of the principal member, or as a shareholder, member, or holder of other equity interests, as authorized under the Certificate of Incorporation/Articles of Incorporation, bylaws, operating agreements, other similar organizational instruments, or other similar documents of any NLN subsidiary.
- b) Sanctions. NLN subsidiaries must be in compliance with their Certificate of Incorporation/Articles of Incorporation, bylaws, or NLN policies. Violations of the bylaws and/or Certificate of Incorporation/Articles of Incorporation, or NLN policies will be assessed by the NLN Board of Governors on an individual basis. The Board of Governors may impose any of the following sanctions:
- fines as defined in binding contracts;
 - jeopardy of existing agreements;
 - termination of subsidiary staff;
 - dissolution of subsidiary board.

ARTICLE XII **Bonding, Signatures, and Indemnifications**

Section 1. Bonding. The treasurer, the chief executive officer, and all personnel and agents responsible for the receipt, custody, or disbursement of funds or securities may be required to give bond for the faithful discharge of their duties in such sums and with such sureties as the Board of Governors shall determine.

Section 2. Signatures. All checks, drafts, and other orders for the payment of money shall be signed by such agent or agents of the NLN and in such manner as shall be determined by resolution of the Board of Governors.

Section 3. Indemnifications. To the maximum extent permitted by law, the NLN shall indemnify governors, officers, former governors, former officers of the NLN, its subsidiaries, and any person who may have served at its request as a director or officer of another corporation for any and all expenses incurred in connection with the defense of any action, suit, or proceeding in which he or she is made or threatened to be made a party by reason of being or having served in such capacity. Such indemnification shall not be deemed exclusive of any other rights to which such governor or officer may be entitled, under any bylaw, agreement, vote of the Board of Governors or members, or otherwise.

The NLN may, to the extent permitted by law, pay expenses (including attorneys' fees) incurred by an officer or director in defending any civil, criminal, administrative, or investigative action, suit, or proceeding in advance of the final disposition of such action, suit, or proceeding upon receipt of an undertaking by or on behalf of such officer or director, to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the NLN under this Section 3, Article XII. Such expenses (including attorneys' fees) incurred by other employees and agents may be paid upon such terms and conditions, if any, as the Board of Governors deems appropriate.

ARTICLE XIII **Fiscal Year**

The fiscal year of the NLN shall be the calendar year.

ARTICLE XIV **Parliamentary Authority**

The rules contained in *Robert's Rules of Order*, as from time to time revised, shall govern the NLN in all cases to which they are applicable and in which they are not inconsistent with these bylaws or any special rules of order the NLN may adopt.

ARTICLE XV **Official Organ**

The NLN shall establish and maintain or designate an official organ with an appropriate title.

ARTICLE XVI **Amendments**

Section 1. Amendments to Bylaws Considered at Annual Meeting. These bylaws may be amended after notice as provided in this section by a majority of the votes cast in person or by proxy at any annual or special meeting of the members of the NLN at which a quorum is present.

Proposals for amendments to these bylaws may be initiated only by action of the Board of Governors, the Bylaws Committee, or by petition of 15 percent of the individual members and 15 education agency members of the NLN in good standing.

Amendments proposed as above and provided for submission to the membership of the NLN at an annual meeting of the members shall be filed with the secretary at least 120 days, or such shorter period, as the board may prescribe, in advance of such meeting. Copies of all proposed amendments filed, unless initiated by the Board of Governors or the Bylaws Committee, shall be submitted by the secretary to the Bylaws Committee for study and recommendation.

The secretary shall cause notice of each proposed amendment, with the recommendations thereon, if any, of the Bylaws Committee, to be published in the official organ of the NLN, not less than 10 days nor more than 50 days prior to the annual meeting of the members at which the amendment is to be considered.