



Commission on Accreditation
of Healthcare Management Education

CORPORATE BYLAWS

Approved as Revised

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ARTICLE I

Name and Purposes

Section 1.1 Name. The name of this corporation is the Commission on Accreditation of Healthcare Management Education, an Illinois not-for-profit corporation, and its proper acronym is CAHME. Whenever used in these Bylaws, the acronym "CAHME" shall mean the Commission on Accreditation of Healthcare Management Education.

Section 1.2 Purposes. CAHME is organized exclusively for educational and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law)(the "IRC"). In addition to the purposes set forth in CAHME's Articles of Incorporation, CAHME shall endeavor to:

- (a) Assist in assuring the highest quality educational product across healthcare management through providing an accreditation program for "selected academic levels" of healthcare management, with the term "selected academic levels" being intended to refer to degree-granting programs/departments/schools at the undergraduate, graduate and doctoral levels, as well as pre-masters and post-masters residency and fellowship programs in healthcare management.
- (b) Establish leading edge standards and assessment mechanisms of quality at selected academic levels of healthcare management.
- (c) Make the findings of CAHME available to the public.
- (d) Advance continuously the quality of academic education in healthcare management.
- (e) Assume such other responsibilities and to conduct such other activities as are compatible with the operation of an educational accreditation program.
- (f) Develop leaders in education and practice over lifelong careers.

Section 1.3 Rules. The following rules shall conclusively bind the Organization and all persons acting for or on behalf of it: No part of the income of CAHME shall be distributable to its members, directors, or officers except as permitted by the General Not For Profit Corporation Act of the State of Illinois, as amended (the "Act"); no member or director or officer of CAHME shall have any right, title or interest in or to any property of any kind owned by CAHME or used by it in connection with the performance of its functions nor in or to any income or other funds received by CAHME; no part of the net earnings of CAHME shall inure to the benefit of any private member; no substantial part of the activities of CAHME shall be the carrying on of propaganda, or otherwise attempting to influence legislation; and CAHME shall not participate in, or intervene in any manner in, any political campaign on behalf of (or in opposition to) any candidate for public office. Notwithstanding any provision of these Bylaws, CAHME shall not carry on any activity not permitted to be carried on (i) by a corporation exempt from federal income tax under Section 501(c)(3) of the IRC; or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

Section 1.4 Offices. CAHME shall have and continuously maintain in Illinois a registered office and a registered agent whose office is identical with such registered office. The business office may be within or without the State of Illinois as the Board of Directors may determine.

ARTICLE II

Accreditation Program

Section 2.1 Criteria. CAHME establishes criteria for the conduct of education for healthcare management, which may embody all aspects considered by the Board of Directors to be germane to the maintenance of acceptable academic education.

Section 2.2 Procedure. CAHME shall adopt a uniform procedure for consistently applying accreditation surveys and a uniform process of evaluation of academic programs. This procedure is set forth in detail in the Statement of Accreditation Policies and Operating Procedures, as may be amended from time to time by the Board of Directors.

Section 2.3 Authority. The Board of Directors shall have final authority to determine the accreditation of individual programs in academic education for selected academic levels in healthcare management in accordance with the policies and procedures adopted by the Board of Directors. Granting or withdrawing accreditation shall require the vote of two-thirds of the members of the Board of Directors present at a meeting at which a quorum is present.

Section 2.4 Eligibility. Requests for accreditation will be accepted only from programs in academic education for healthcare management based in colleges and universities which are: (a) accredited by the regional accrediting association in the U.S. approved by the U.S. Department of Education; or (b) if located outside of the U.S., accredited/recognized by an entity comparable to the U.S. Department of Education; or (c) accredited by the appropriate recognized specialty accrediting agency.

ARTICLE III

Membership

Section 3.1 Membership. Membership in CAHME may be granted to any organization that: (i) meets the criteria set forth below for each category of membership in CAHME; (ii) shares interest in and supports the purposes of CAHME; (iii) abides by these Bylaws and such other rules and regulations as CAHME may adopt; and (iv) meets such additional criteria for each category of membership in CAHME as the Board of Directors may from time to time establish.

Section 3.2 Application. The Board of Directors, or its designee(s), shall facilitate the consideration of applicants for membership in CAHME. The Board of Directors, or its designee(s), shall review all applicants for membership and determine, based on the criteria set forth in these Bylaws and such other requirements and guidelines as the Board of Directors may prescribe, whether

individual applicants meet the qualifications necessary for membership in CAHME. All such qualified applicants shall become members upon notice from CAHME and payment of applicable dues.

Section 3.3 Membership Categories. The membership of CAHME shall be composed of the following categories, and such additional categories as may be established by the Board of Directors from time to time:

(a) Corporate Members. Corporate Membership may be granted to any corporation, organization, academic institution or other entity that: (i) sells healthcare related products or services or is otherwise engaged in the healthcare industry; or (ii) is a health-related professional organization; or (iii) provides formal training to healthcare managers/leaders and offer formal undergraduate, graduate and/or doctorate degrees; and (iv) meets such other criteria as the Board of Directors may from time to time establish. CAHME's Corporate Members shall be comprised of the following categories:

(i) The Market – To the extent possible, one-third (1/3) of CAHME's Corporate Members shall be healthcare organizations, such as health systems, rural hospitals, medical group practices, health care plans, healthcare consulting firms, pharmaceutical companies, medical supplier/medical device corporations and other entities which are major sources of employment of health services education graduates.

(ii) The Profession – To the extent possible, one-third (1/3) of CAHME's Corporate Members shall be health-related professional organizations, such as: organizations in health administration related to hospital and health systems management, medical group management, healthcare financial management, or healthcare consulting; trade associations; quality-oriented organizations; national management development entities; accreditation organizations, and other entities which focus upon life-long education, leadership development, career maintenance, and/or career enhancement.

(iii) Academia – To the extent possible, one-third (1/3) of CAHME's Corporate Members shall be represented by the Association of University Programs in Health Administration ("AUPHA") which shall represent those organizations which formally train healthcare managers/leaders and offer formal undergraduate, graduate and/or doctorate degrees.

(b) At-Large Members – At-Large Membership may, in the discretion of the Board of Directors, be granted to an organization that (i) plays an integral role in the healthcare field but, by nature of its mission, is limited in resources but rich in purpose; and (ii) meets such other criteria as the Board of Directors may from time to time establish. At-Large Members shall not be eligible to vote.

Section 3.4 Admission, Resignation and Removal of Corporate Members and At-Large Members/Vacancies.

(a) Resignation. A Corporate Member or At-Large Member may resign from membership by giving ninety (90) days prior written notice to the Chair of the Board of Directors, provided, however, that such resignation shall not relieve the Member of any outstanding financial or other obligation to CAHME.

(b) Grounds for Discipline. A member may be disciplined for any of the following reasons:

- i. failure to comply with these Bylaws or any other rules or regulations of CAHME;
- ii. conviction of criminal activity related to, or arising out of, their work in the healthcare industry;
- iii. limitation, suspension, revocation, or forfeiture by any state, province or country of the member's right to operate its business;
- iv. unauthorized use of CAHME's name, logo, or other symbols on its website, stationary, publications, advertisements, other materials or in any other manner; and
- v. dishonorable, or unprofessional conduct considered prejudicial to the best interests of, or inconsistent with, the purposes of CAHME.

(c) Procedures. Discipline may include, but is not limited to, censure, suspension, probation and expulsion. Disciplinary action shall be taken by a majority vote of the entire Board of Directors, provided that a statement of the charges shall have been sent by certified mail to the last recorded address of the member at least thirty (30) days before final action is to be taken. This statement shall be accompanied by a notice of the time and place of the meeting at which the charges shall be considered, and the member shall have the opportunity to appear in person and/or to be represented by counsel and to present any defense to such charges before action is taken by CAHME. Such disciplinary actions shall be conducted in accordance with procedures established by the Board of Directors.

(d) Non-Payment of Dues. The membership of any member who is in default of payment of dues, required contributions or assessments for more than ninety (90) days, or otherwise becomes ineligible for membership, shall be terminated automatically, according to such rules or procedures as the Board of Directors or their designee(s) shall establish, unless such termination is delayed by the Board of Directors, or its designee(s); provided, however, that such termination shall not relieve the member of any outstanding financial or other obligation to CAHME.

Section 3.5 Reinstatement. Members who have resigned or been terminated for non-payment of dues, required contributions or assessments may be reinstated upon (i) payment of delinquent dues, required contributions or assessments; (ii) application to the Board of Directors; and (iii) meeting such additional terms and conditions as may be established by the Board of Directors.

Section 3.6 Member Rights.

(a) All members shall be entitled to attend CAHME's Annual Meeting and educational and social functions, receive CAHME's publications and communications (if any), and are eligible to serve on the Board of Directors and CAHME's committees and councils.

(b) Corporate Members shall name an individual currently employed by the corporation or organization as its "authorized representative" in CAHME and such person shall have the authority to act on such Corporate Member's behalf with respect to CAHME matters and receive CAHME's notices and other communications on behalf of the member.

(c) Only Corporate Members may vote (the Corporate Members may be referred to herein as the "Voting Members"). The Voting Members' right to vote is specifically limited to the election of CAHME's Directors, the amendment of Article X, Section 10.1 of these Bylaws, the voluntary dissolution of CAHME, and such other matters as the Board of Directors, in its sole discretion, may present to the Voting Members. Each eligible Voting Member in good standing, with the exception of AUPHA, shall have one (1) vote in such matters. AUPHA shall be entitled to cast a number of votes equal to one-third of the total votes cast on matters submitted to a vote of the Voting Members. At-Large Members shall have no right to vote on any matter before the membership.

(d) Notwithstanding anything set forth to the contrary herein, no member of CAHME shall have the right to vote, without limitation, on the amendment of CAHME's Articles of Incorporation or the merger of CAHME.

(e) Additional benefits associated with the various membership categories shall be determined by the Board of Directors from time to time.

Section 3.7 Role and Responsibilities. The role and responsibilities of the Corporate Members include, without limitation, the following:

- (a) To support CAHME in fulfilling its mission;
- (b) To abide by these Bylaws and such other rules and regulations as CAHME may adopt;
- (c) To elect the Board of Directors*;
- (d) To represent CAHME to the public; and
- (e) To support CAHME in its efforts to be recognized as an accreditation body by the appropriate regulatory bodies.

* With the exception of AUPHA, each Corporate Member shall have one vote for the slate of nominees to the Board of Directors

Section 3.8 Dues and Assessments. The initial and annual dues for all members of CAHME, and the time for paying such dues and other assessments, if any, shall be determined by the

Board of Directors. Under special circumstances, the Board of Directors, or its designee(s), may waive or reduce the annual dues and/or assessments for any member or class of members.

Section 3.9 Required Contributions. Corporate Members shall directly or indirectly contribute financially to support CAHME operations in amounts and in accordance with the policies adopted by the Board of Directors from time to time. Corporate Member financial support will be utilized in development and implementation of CAHME's operating budget, fiscal year by fiscal year. The Board of Directors will determine the amount and nature of contribution of CAHME's At-Large Members, if any.

Section 3.10 No Transfer. Membership in CAHME is not transferable or assignable.

ARTICLE IV

Meetings of Members

Section 4.1 Annual Meeting. An Annual Meeting of the Voting Members ("Annual Meeting") for receiving reports, and for such other business as may properly come before the meeting, shall be held at such day, time and place as may be determined by the Chair of the Board of Directors. The Annual Meeting shall be chaired by the Chair of the Board of Directors, or, in the absence of the Chair, the Chair-Elect. All of CAHME's members are invited to attend the Annual Meeting.

Section 4.2 Annual Report. At the Annual Meeting, the Chair of the Board of Directors shall present an annual report, a copy of which shall be filed with the minutes of the annual meeting, which sets forth:

- (a) the assets and liabilities of CAHME as of the end of the fiscal year immediately preceding the date of the report;
- (b) the principal changes in assets and liabilities during the year immediately preceding the date of the report;
- (c) the revenue and receipts of CAHME, for both general and restricted purposes, for the year immediately preceding the date of the report; and
- (d) the expenses or disbursements of CAHME during the year immediately preceding the date of the report.

Section 4.3 Special Meetings. Special meetings of the Voting Members may be called by (i) the President and CEO, (ii) the Chair of the Board of Directors, (iii) resolution of the Board of Directors, or (iv) upon written petition signed by the authorized representatives of at least a majority of the Corporate Members entitled to participate at such meeting. Special Meetings of the Voting Members shall be chaired by the Chair of the Board of Directors, or, in the absence of the Chair, the Chair-Elect.

Section 4.4 Place. The person or persons calling a meeting of the Voting Members may designate any place, either within or without the State of Illinois, as the place of such meeting.

Section 4.5 Means of Meeting. Any one or more Voting Members may participate in a meeting by means of a telephone conference or similar communications technique allowing all persons participating in the meeting to communicate with each other at the same time, and participation in a meeting pursuant to this Section 4.5 shall constitute being present at such meeting.

Section 4.6 Notice. Notice of any Annual or Special Meeting of the Voting Members shall state the mode of meeting, place, day and hour and shall be delivered either by electronic communication, facsimile transmission or physical mail to each Voting Member not less than 5 nor more than 60 days before the date of the meeting (unless otherwise required by applicable law), or in the case of a proposed removal of one or more directors, not less than 20 nor more than 60 days before the date of the meeting. Notice of any meeting need not be given to any Member who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her. Notice of any Special Meeting also shall include the purpose or purposes for which the meeting is called.

Section 4.7 Quorum. The presence in person or by proxy of a majority of the Corporate Members eligible to vote shall constitute a quorum at any meeting of the Voting Members, provided that if less than a quorum is present, a majority of the Corporate Members present may adjourn the meeting to another time without further notice.

Section 4.8 Manner of Acting. The act of a majority of the Corporate Members present (in person or by proxy) at a duly called meeting of the Voting Members at which a quorum is present shall be the act of the Voting Members, unless the act of a greater number is required by law, CAHME's Articles of Incorporation, or these Bylaws.

Section 4.9 Informal Action. Any action taken at any annual or special meeting of the Voting Members, or any other action which may be taken at a meeting of the members entitled to vote, may be taken by ballot without a meeting in writing by mail, e-mail, or any other electronic means pursuant to which the members entitled to vote thereon are given the opportunity to vote for or against the proposed action, and the action receives approval by a majority of the members casting votes, or such larger number as may be required by the Act, the Articles of Incorporation, or the Bylaws, provided that the number of members casting votes would constitute a quorum if such action had been taken at a meeting. Voting must remain open for not less than 5 days from the date the ballot is delivered; provided, however, in the case of a removal of one or more directors, a merger, consolidation, dissolution or sale, lease or exchange of assets, the voting must remain open for not less than 20 days from the date the ballot is delivered. Such informal action shall become effective only if at least five days prior to the effective date of such informal action a notice in writing of the proposed action is delivered to all Voting Members on the subject matter of the vote (which can be accomplished by stating the effective date of such action on the ballot or materials accompanying the ballot).

Section 4.10 Proxies. Any Corporate Member may vote by proxy executed in writing.

ARTICLE V

Board of Directors

Section 5.1 Authority and Responsibility. The affairs of CAHME shall be managed by the Board of Directors (also referred to herein as the “Board”), which shall have supervision, control and direction of the affairs of CAHME, shall determine its policies or changes therein within the limits of these Bylaws, shall actively promote its purposes, have discretion in the disbursement of funds and shall have the power and authority to cause CAHME to do all acts consistent with the Act, its Articles of Incorporation and these Bylaws. The Board of Directors may adopt such rules and regulations for the conduct of its business as shall be deemed advisable and may, in the execution of the powers granted, appoint such agents as it may consider necessary.

Section 5.2 Number and Qualifications. Members of the Board of Directors need not be (i) residents of the State of Illinois; or (ii) affiliated with a member.

Section 5.3 Composition. The Board of Directors shall be composed of up to twenty voting (20) members as follows:

(a) Up to 5 individuals from the Corporate Membership category known as the Market as defined in Article III, Section 3.3(a)(i); Only individuals from Corporate Members who have current membership in CAHME are eligible to hold membership representing the Market on the Board of Directors. At its discretion, in the event that there are not enough members from the Profession, the Board of Directors may add one additional member from the Market in its place.

(b) Up to 5 individuals from the Corporate Membership category known as the Profession as defined in Article III, Section 3.3(a)(ii); Only individuals from Corporate Members who have current membership in CAHME are eligible to hold membership representing the Market on the Board of Directors. At its discretion, in the event that there are not enough members from the Market, the Board of Directors may add one additional member from the Profession in its place.

(c) Up to 5 individuals from the Corporate Membership category known as Academia as defined in Article III, Section 3.3(a)(iii); These individuals must be from CAHME accredited programs.

(d) Up to 2 individuals representing the At-Large Members as defined in Article III, Section 3.3(b);

(e) Such number of individuals that meet the definition of “representative of the public” set forth herein as necessary to ensure that at least one-seventh (1/7) of the CAHME Board of Directors consists of individuals that qualify as a “representative of the public.” For purposes of this Article III, Section 5.3(e), “representative of the public” means a person who is not: (i) an employee, member of the governing board, owner, or shareholder of, or consultant to, an institution or program that either is, or has been, accredited by CAHME or has applied for candidacy; (ii) member of any trade association or membership organization related to, affiliated with, or associated with CAHME; or (iii) a spouse, parent, child, or

sibling of an individual identified in (i) or (ii) of this definition. For purposes of these Bylaws, “representative of the public” means a person who is not: (i) an employee, member of the governing board, owner, or shareholder of, or consultant to, an institution or program that either is, or has been, accredited by CAHME or has applied for candidacy; (ii) member of any trade association or membership organization related to, affiliated with, or associated with CAHME; or (iii) a spouse, parent, child, or sibling of an individual identified in (i) or (ii) of this definition;

(f) CAHME’s President and CEO shall be an ex officio, voting member of the Board of Directors; and

(g) The Chairs of the Accreditation Council and the Standards Council, if not serving currently as members of the Board of Directors from one of the categories above, will serve as ex officio voting members of the Board of Directors for the duration of their term as Chair of the respective Council.

Section 5.4 Nominations & Elections. Annually, the Governance Committee (as defined in Article VII, Section 7.1), with the advice and approval of the Board of Directors, shall recommend to the Corporate Members eligible to vote, a slate of directors to fill expiring terms within each category described in Article V, Section 5.3(a)-(c) and (e) above. The Governance Committee will solicit nominations from each of the categories described above using a process defined by the Board of Directors. During the Annual Meeting, the Corporate Members eligible to vote will consider the recommendations of the Governance Committee and elect members to the board to replace those directors whose terms are expiring. The slate proposed by the Governance Committee shall, to the extent practicable, maintain the proportional balance expressed in Article V, Section 5.3(a)-(c) and (e) above.

Section 5.5 Term. Other than the President and CEO of CAHME who serves ex officio and the Chairs of the Accreditation Council and the Standards Council in the event they are serving ex officio, each member of the Board of Directors shall serve a three (3) year term on the Board, or until such time as a successor is duly elected, qualified and takes office. A person may serve on the Board of Directors for a maximum of two consecutive full terms. Following completion of two consecutive terms on the Board, former members may be elected back to the Board after a three (3) year hiatus. Notwithstanding anything set forth above to the contrary, the individual elected by the Board to serve as the Chair-Elect shall serve a three (3) year term on the Board coinciding with such individual’s rotation through the offices of Chair-Elect, Chair and Past-Chair.

Section 5.6 Attendance at Meetings. Board members are required to attend at least two-thirds of the regularly scheduled meetings of the Board each year.

Section 5.7 Resignation and Removal. Any member of the Board may resign at any time by giving written notice to the Chair. Any member of the Board of Directors (other than the President and CEO of CAHME who serves ex officio) may be removed from office by vote of a two-thirds of the Corporate Members whenever, in their judgment, the best interests of CAHME would be served by such removal. No Director shall be removed, with the exception of the President and CEO, unless written notice of a meeting to remove the Director is delivered to all Corporate Members who are entitled to vote. Such notice must state that a purpose of the meeting is to vote upon the removal of one or more Directors named in the notice, and only the named Directors may be removed at such

meeting. Any Board member representing a Corporate Member on the Board will be automatically removed if they leave employment or membership with that Corporate Member. Any Board member representing a Corporate Member on the Board will be automatically removed if the Corporate Member they represent drops their membership.

Section 5.8 Vacancies. In the event of the death, resignation, inability to act or removal of a member of the Board of Directors, the Corporate Members shall, in accordance with the procedure set forth in Article V, Section 5.4, elect a successor to serve for the unexpired term. A person may serve on the Board of Directors for a maximum of two successive full terms; and partial terms during which the person filled a vacancy will not be counted. The Board will insure that appointees filling vacancies are from the appropriate career category so as to maintain balance between practitioners and academicians.

Section 5.9 Role and Responsibilities. Without limiting the generality of Article V, Section 5.1, the role and responsibilities of the Board of Directors shall include the following:

- (a) establishing and implementing CAHME policy; determining membership criteria, qualifications, rights and privileges, and the grounds and procedures for termination of membership in CAHME; establishment of CAHME's dues structure and rates; adopting rules and regulations for the conduct of the business of CAHME as shall be deemed advisable; implementing the non-profit goals and objectives of CAHME; and exercising discretion in the disbursement of CAHME's funds and appointing of such agents as it deems necessary; and electing the Secretary/Treasurer of CAHME;
- (b) to establish accreditation policies and Criteria for Accreditation the conduct of academic education for healthcare management and affiliated/related practicums or fellowships as may be designated;
- (c) to adopt and amend the Statement of Accreditation Policies and Operating Procedures;
- (d) to conduct and to provide oversight of the accreditation function and to make all decisions on awarding, changing or withdrawing accreditation, except as delegated to the Accreditation Council;
- (e) to perform continuous quality assessment and evaluation of the accreditation process;
- (f) to set the policy framework regarding the financial affairs of CAHME;
- (g) to represent CAHME to the public;
- (h) to promote the integrity of the accreditation process, including the independent operation of CAHME; and
- (i) to support the officers of CAHME in the interpretation and promotion of the accreditation program.

Section 5.10 Regular Meetings. The Board of Directors may take action to set the time, date, and place for the holding of a regular annual meeting of the Board of Directors and at least one (1) additional regular meeting of the Board of Directors without other notice than such action.

Section 5.11 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chair or any three (3) members of the Board with such three (3) members representing at least two (2) Membership categories. Notice of any special meeting of the Board of Directors shall state the time, date, and place of the meeting and shall be delivered at least five (5) days prior to the date of such meeting. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Illinois, as the place for holding any meeting called by them.

Section 5.12 Meeting by Conference Call. Any action to be taken at a meeting of the Board of Directors or any committee thereof may be taken through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such a meeting shall constitute presence in person at the meeting of the persons so participating. Notwithstanding anything set forth to the contrary in these Bylaws, notice of any meeting to be held by conference call (whether regular or special) may be delivered a minimum of twenty-four (24) hours prior to the meeting.

Section 5.13 Waiver of Notice. Notice of any meeting need not be given to any member of the Board of Directors who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called and convened.

Section 5.14 Quorum. Two-thirds of the members of the Board of Directors shall constitute a quorum for the transaction of business at any duly called meeting of the Board of Directors; provided that when less than a quorum is present at said meeting, a majority of the members of the Board of Directors present may adjourn the meeting to another time without further notice.

Section 5.15 Manner of Acting. The act of a majority of the members of the Board of Directors at a meeting at which a quorum is present shall be the act of the Board of Directors, except where otherwise provided by law or these Bylaws.

Section 5.16 Informal Action. Any action requiring a vote of the Board of Directors may be taken without a meeting if consent, setting forth the action so taken, is approved by all the members of the Board entitled to vote with respect to the subject matter thereof. Such resolutions and evidence of the Board's approval shall be filed with the minutes of the proceedings of the Board of Directors.

Section 5.17 Compensation. Directors shall not receive any remuneration for their services as Directors. Nothing contained herein shall be construed to preclude any Director from serving CAHME in any other capacity and receiving reasonable compensation therefor.

ARTICLE VI

Officers

Section 6.1 Officers. The officers of the Board of Directors shall be a Chair, Chair Elect, Past Chair, Secretary/Treasurer and such other officers as the Board of Directors may authorize (collectively, the “Officers”).

Section 6.2 Election. At its last regular meeting prior to July 1 each year, the Board of Directors shall elect a Chair-Elect and such other officers from amongst the members of the Board of Directors as it deems appropriate, and each of their elections shall be effective as of the immediately following July 1. Whenever the position of Chair Elect becomes vacant, the Board of Directors shall elect from amongst its members a new Chair Elect. Election shall be by secret ballot of the Board of Directors with all Directors present having the privilege of voting, including the Chair of the meeting. The Chair-Elect at the end of his/her term in office shall automatically become Chair, the then-serving Chair shall automatically become Past-Chair, and the currently serving Past Chair shall automatically be deemed to have resigned his/her office.

Section 6.3 Term of Office. Each officer shall serve a one year term in office, commencing on the 1st day of July, or until such time as their successors are duly elected, qualified, and take office. In no case will an officer serve more than two years in the same office. Notwithstanding anything set forth in these Bylaws to the contrary, an individual elected to serve as Chair-Elect may complete a full rotation through the offices and remain on the Board of Directors notwithstanding the term limits set forth in Article V, Section 5.5. For example, if the individual elected to serve as Chair-Elect has served on the Board for four (4) years, such individual may continue to serve on the Board for a maximum of three (3) additional years so that he or she may serve as Past-Chair notwithstanding the term limit established in Article V, Section 5.5.

Section 6.4 Removal/Resignation. Any officer may be removed from office by a vote of two-thirds of the members of the Board of Directors whenever, in its judgment, the best interests of CAHME would be served by such removal. Such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election of an officer or agent shall not of itself create any contract rights. Any officer may resign at any time by giving written notice to the Chair. Any such resignation shall take effect at the time specified therein or, if no time is specified, upon delivery. Acceptance of the resignation shall not be necessary to make it effective.

Section 6.5 Vacancies. A vacancy in any office because of death, resignation, removal or incapacity shall be filled by a vote of a majority of the remaining members of the Board of Directors; provided, however, that a vacancy in the office of Chair shall be filled by the then-serving Chair Elect. In the absence of a Past Chair, the office of Past Chair shall remain vacant until the conclusion of the then-current Chair’s term in office, provided, however, the Board shall elect an individual to serve as Chair of the Governance Committee.

Section 6.6 Chair. The Chair shall be the principal elected officer of CAHME and shall,

in general, supervise all of the business affairs of CAHME, subject to the direction and control of the Board of Directors, by communicating with the President and CEO as necessary regarding the business of CAHME. The Chair shall preside over all meetings of the Board of Directors and Executive Committee meetings. The Chair shall, in general, perform all duties customarily incident to the office of Chair and such other duties as may be prescribed by the Board of Directors. The Chair may sign on behalf of CAHME all contracts, documents and instruments authorized by the Board of Directors. The Chair automatically shall succeed to the office of Past-Chair following the conclusion of his or her term in office as Chair.

Section 6.7 Chair-Elect. The Chair-Elect shall assist the Chair and shall substitute for the Chair when required. The Chair-Elect shall, in general, perform all duties customarily incident to the office of Chair-Elect and such other duties as may be prescribed by the Board of Directors. The Chair-Elect automatically shall succeed to the office of Chair upon expiration of the Chair's term of office, and in the event of the death, resignation, removal, or incapacity of the Chair.

Section 6.8 Past-Chair. The Past-Chair shall have such duties as may be assigned by the Chair or the Board of Directors. The Past-Chair shall act as Chair in the absence or incapacity of both the Chair and the Chair-Elect, and when so acting, shall have all the responsibility, power, and authority of the Chair.

Section 6.9 Secretary/Treasurer. The Secretary/Treasurer shall perform the duties normally expected of the secretary of an Illinois not-for-profit corporation, including seeing that all notices are duly given in accordance with applicable law, the Articles of Incorporation, and these Bylaws; being custodian of the corporate records; ensuring accurate minutes of the meetings of the Board and maintenance of a record of the mailing address of each CAHME member; and performing such other duties as may be assigned by the Chair or the Board.

The Secretary/Treasurer shall have custody of all corporate funds, property and securities subject to such regulations as may be imposed by the Board of Directors; shall cause to be kept full and accurate accounts of receipts and disbursements and shall cause to be deposited all corporate funds and other valuable effects in the name of and to the credit of the corporation in a depository or depositories designated by the Board of Directors. The Secretary/Treasurer shall oversee the performance of the annual audit and preparation of the annual budget; give to the board, whenever they require it, an account of the financial condition of the corporation and shall, in general, perform all duties incident to the office of treasurer, subject to the control of the Board of Directors.

ARTICLE VII

President and CEO

The administrative and day-to-day operation of CAHME and the administration of the accreditation program, subject to these Bylaws and such policies as may be adopted by the Board of Directors, shall be the responsibility of a salaried staff head or organization retained by and responsible to the Board of Directors. The salaried staff head or, in the case of a firm, chief staff officer retained by the firm, shall have the title of "President and CEO." The Board of Directors shall determine the compensation, duties, responsibilities, authority and performance objectives of the position, conduct

performance reviews, in its discretion, and dismiss the President and CEO, subject to any applicable contract rights. The President and CEO shall have the authority to execute contracts on behalf of the CAHME as approved by the Board of Directors, and shall employ and may terminate the employment of personnel necessary to carry out the work of CAHME, and shall perform such other duties incident to the office of President and CEO and as may be specified by the Board of Directors.

ARTICLE VIII

Committees and Councils

Section 8.1 Executive Committee. The Officers, and such other members of the Board as may be elected by the Board of Directors, shall constitute the Executive Committee.

(a) Authority & Responsibilities. The Executive Committee shall be empowered to act for the Board of Directors when the Board of Directors is not in session on matters of accreditation processes and business affairs which are delegated from the Board of Directors to the Executive Committee, except that the Executive Committee may not grant or withdraw accreditation under any circumstances and except as otherwise set forth in the Act. Notwithstanding the foregoing, the delegation of authority to the Executive Committee shall not operate to relieve the Board of Directors or any individual Officer or member of the Board of Directors of any responsibility imposed by law. In addition, the Executive Committee is designated by the Board of Directors to act as CAHME's Compensation Committee provided, however, that when in session conducting functions of such committee, the President and CEO shall not be a member of the Compensation Committee.

(b) Meetings and Voting. The Executive Committee shall meet in person or by conference call upon the request of the Chair or a majority of the Executive Committee. Each member shall have one (1) vote. When the Executive Committee is comprised of Five (5) members, three (3) members of the Executive Committee shall constitute a quorum for the transaction of business at any duly called meeting of the Executive Committee; provided when less than a quorum is present at said meeting, a majority of the members present may adjourn the meeting without further notice. The act of a majority of the members present at a duly called meeting at which a quorum is present shall be the act of the Executive Committee.

(c) Action by Written Consent. Any action requiring a vote of the Executive Committee may be taken without a meeting if a consent, setting forth the action taken, is approved by all the members of the Executive Committee entitled to vote with respect to the subject matter thereof.

Section 8.2 Governance Committee. A Governance Committee shall be appointed by the Board of Directors. The Past-Chair shall serve as the Chair of the Governance Committee. The Governance Committee shall be comprised of (i) the Chair, (ii) Chair-Elect, (iii) President and CEO; and (iv) at least one member from each membership category; and (v) such number of non-Directors as the Board of Directors may determine. The Governance Committee, with the advice and consent of the Board of Directors, shall propose a slate of candidates for election to the Board of Directors.

The Governance Committee shall also be responsible for Evaluation and Development activities including definition of role, responsibilities and expectations of individual board members. The Governance Committee shall nominate members of councils and committees in a manner defined by the Board of Directors in a Policy Statement on appointments.

Section 8.3 Committees and Councils of the Board. In addition to the Executive and Governance Committees, the Board of Directors, by resolution adopted by the vote of two-thirds of the members of the Board of Directors in office, may designate one or more committees or councils, each of which shall consist of two or more members of the Board of Directors. Such committees and councils, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in carrying out the responsibilities assigned to the committee or council by the Board; provided, however, that the designation of such committees and councils and the delegation thereto of authority shall not operate to relieve the Board of Directors of any responsibility imposed upon it by law. A majority of all members of committees having the authority of the Board of Directors must be members of the Board of Directors. The requirements of this section do not apply to the Standing Councils: The Accreditation Council and The Standards Council.

Section 8.4 Standing Councils. CAHME shall have two standing councils – an Accreditation Council and a Standards Council. The members of the standing councils shall be appointed by majority vote of the Board of Directors and shall consist of both academics and practitioners drawn from: (i) members of the Board of Directors, (ii) authorized representatives of Members of CAHME who are not members of the Board of Directors, (iii) other qualified individuals, and (iv) one representative of the public as defined in Article V, Section 5.3(e). The Board of Directors, by a majority vote, shall select an individual to serve as Chair of each of the standing councils to serve a maximum term of two years. If that individual is not otherwise currently serving on the Board of Directors, he or she shall become an ex officio voting member of the Board of Directors during his or her term of service as Chair of the respective Council.

(a) Accreditation Council - The Accreditation Council shall oversee the accreditation process and make recommendations to the Board of Directors on individual accreditation decisions.

(b) Standards Council - The Standards Council shall maintain and continuously improve the accreditation standards and shall recommend standards for approval by the Board of Directors. All standards of the Commission will be reviewed thoroughly by the Standards Council at least every four (4) years. The Standards Council will function within a charge, mission, and policy framework as set by the Board of Directors.

Section 8.5 Other Committees and Councils. Other committees and councils not having or exercising the authority of the Board of Directors in the management of the corporation may be designated by resolution adopted by a majority of the members of the Board of Directors present at a meeting of the Board of Directors at which a quorum is present. Members of such committees and councils may include members of the Board of Directors or any other persons, whether or not affiliated with a Member, and shall be appointed by the Chair with the concurrence of the Board of Directors.

Section 8.6 Governance of Committees and Councils.

(a) Quorum and Manner of Acting. At all meetings of any standing or other committee or council, a majority of the members thereof shall constitute a quorum for the transaction of business unless otherwise set forth herein. A majority vote by committee members present and voting at a meeting at which a quorum is present shall be required for any action.

(b) Committee Vacancies. Except as otherwise provided herein, vacancies in the membership of a standing committee shall be filled by appointments made in the same manner as the original appointments to that committee.

(c) Policies and Procedures. The Board of Directors shall develop and approve policies and procedures for the operation of all standing and other councils and committees. All standing and other councils and committees shall report to the Board of Directors.

ARTICLE IX

Administration

Section 9.1 Gifts. The Board of Directors and/or the President and CEO may accept on behalf of the corporation any grant, contribution, gift, bequest or devise for the general purposes of the corporation.

Section 9.2 Indemnification and Hold Harmless. CAHME shall indemnify all individuals serving or those who have served as officers, directors, committee members, council members, volunteers or employees of CAHME against any and all liabilities (including reasonable attorneys' fees) arising out of or relating to such individuals' activities as officers, directors, committee members, council members, volunteers or employees subject to any limitation of the laws of the State of Illinois limiting the right of CAHME as an Illinois not-for-profit corporation to indemnify officers, directors, committee members, volunteers or employees. Expenses incurred in defending an action, suit or proceeding may be paid by CAHME upon receipt of an agreement by the officer, director, committee members, volunteer or employee to repay such amount if it is ultimately determined that the individual is not entitled to be indemnified by CAHME under this section or applicable law. In addition, CAHME may purchase and maintain insurance policies insuring such individuals against any and all liability resulting from said individuals' activities as an officer, director, committee member, council member, volunteer or employee regardless of whether or not CAHME would be empowered to so indemnify without purchasing said insurance.

Section 9.3 Fiscal Year. The fiscal and operating year of the corporation shall begin on July 1 and end on June 30.

Section 9.4 Information. The Bylaws, Form 990, Statement of Accreditation Policies and Operating Procedures, Criteria for Accreditation, and actions of CAHME regarding accreditation shall be made available to all Members and members of the Board of Directors and the public.

ARTICLE X

Dissolution

Section 10.1 Voluntary Dissolution. CAHME may be voluntarily dissolved only pursuant to the affirmative vote of two-thirds of all the Corporate Members approving a resolution to dissolve adopted by the Board of Directors.

Section 10.2 Disposition of Assets. In the event of dissolution of CAHME, the Board of Directors, after paying or making provision for the payment of all of CAHME's liabilities, shall distribute CAHME's remaining assets exclusively for CAHME's purposes in such manner, or to such organization(s) organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization(s) under Section 501(c)(3) of the IRC, and in accordance with Illinois law, as the Board of Directors shall determine. Any assets not so disposed of shall be disposed of by the Court of Common Pleas of the county in which CAHME's principal office is then located, exclusively for such purposes, or to one or more organizations which are organized and operated exclusively for such purposes, as said Court shall determine to best accomplish CAHME's exempt purposes.

ARTICLE XI

Amendments

Except with respect to Article X, Section 10.1 hereof, the amendment of which requires approval of two-thirds approval of all Corporate Members, these Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a vote of two-thirds of the members of the Board of Directors, at any regular or special meeting of the Board, provided that at least thirty (30) days written notice is given of the intention to alter, amend or repeal or to adopt new Bylaws at such meeting.