

Higher Education Data Sharing Consortium

Policy Manual

Prepared: March 3, 2008

Approved: June 22, 2008

Revised: June 15, 2010

Revised: June 14, 2011

Revised: November 26, 2012

Revised: August 26, 2016

Revised: August 30, 2017

Revised: August 21, 2018

HEDS Policy Manual Introduction

The HEDS Policy Manual was created to clarify definitions, policies, practices, and procedures required to carry out the mission, values, and vision of the consortium. While the Bylaws record the fundamental practices of the organization and require a vote of the membership to change (Bylaws, Section 8.01), the Policy Manual is intended to describe the administrative or routine procedures required to carry out the fundamental practices.

Updates and changes to the Policy Manual may be made by majority vote of the Board of Directors as needed, subject to the Bylaws as appropriate (Bylaws, Section 4.01).

A current copy of the Policy Manual is posted on the public HEDS website.

In a few instances, the Bylaws reference sections of this Policy Manual. Potential changes to these sections of the Policy Manual that would conflict with the Bylaws may only be made by concurrently changing the Bylaws through the process described in Section 8.01. Alteration, Amendments and Revisions of Bylaws. References in the Bylaws to policy documents are as follows:

Article III (Meeting of Members)

- Section 3.09 (Actions Reserved to Members): "...subject to the approval of the members: ...policies with regard to the sharing and use of data, including the statement of "Understandings Regarding the Use of Information Gathered for HEDS." [also printed in the Data Policies section of the Policy Manual]

Article IV (Directors)

- Section 4.02 (Number of Directors): "...elected in accordance with...Bylaws (Section 4.03) and the Board Policies document."
- Section 4.03 (Election and Term of Directors): "(a) Normally Expiring Terms... according to procedures described in the Board Policies document, Section 3 (Board election procedures)."

Article V (Officers)

- Section 5.02 (Election of Officers and Term): "Officers are to be elected ... according to the guidelines in the current Board Policies document."

I. Mission

The HEDS Consortium Mission

The Higher Education Data Sharing Consortium (HEDS) is an organization of colleges and universities committed to sharing data, knowledge, and expertise to advance undergraduate liberal arts education, inclusive excellence, and student success at member institutions.

HEDS fulfills its mission by:

- Facilitating collaborative efforts among its member institutions on institutional research and effectiveness, strategic planning, and assessment.
- Assembling, analyzing, and openly sharing institutional and survey data among member institutions to advance their educational missions.
- Fostering increased capacity in institutional research, assessment, and institutional effectiveness to lead efforts that help others make sense of and use data to inform and advance liberal learning.
- Offering professional development opportunities through its annual conference, regional workshops, and a network of colleagues at member institutions.

The HEDS Mission is developed by the HEDS Board of Directors to frame the consortium's work within the bounds articulated by Section 1.01 of the HEDS Bylaws, "This Corporation is organized exclusively for charitable, educational and scientific purposes. It supports the educational goals of non-profit, accredited universities and colleges by providing assistance to member institutions in research and planning."

II. HEDS Board of Directors Roles and Responsibilities

HEDS board members are fiduciaries who work in close collaboration with the HEDS director and HEDS staff to steer the organization towards a sustainable future as the consortium works to enact its mission. The roles and responsibilities of board members include:

1. Engage with HEDS mission and purpose. The board collaborates with the HEDS director to ensure that the consortium has a relevant lived mission that articulates the consortium's goals, means, and constituencies served. It is also the board's responsibility to work with the director to ensure that the consortium's activities fulfill the mission.

- Actively participating in one or more HEDS activities (e.g., listserv, data exchange, annual conference presentation) a year.

2. Set expectations for and support the HEDS Director. The board ensures that the director has the support needed to further the goals of the organization while also setting the responsibilities and expectations for the director, evaluating the director's accomplishment of these expectations, and when the position is vacant, undertaking a careful search to find the most qualified individual for the position.

- Putting the interests of the organization above personal interests.
- Representing the range of interests of the institutions in the consortium in board discussions, not only the interests of one's own institution.



- Observing established lines of communication and directing requests for information or assistance to the HEDS director.

3. Protect assets and provide proper financial oversight. The board reviews the consortium's budget and expenditures to ensure that a) proper financial controls are in place, and b) that the consortium's budget and assets are utilized in a manner that supports the consortium's mission and financial sustainability.

- Refraining from intruding on administrative issues that are the responsibility of HEDS staff, except to monitor the results and ensure that procedures are consistent with stated policies.

4. Build a competent board. Board members articulate prerequisites for candidates, orient new members, and periodically and comprehensively evaluate their own performance.

- Making attendance at all meetings of the board (e.g., monthly board phone calls, board retreat, in person meetings at the HEDS annual conference) a high priority.
- Cooperating with and respecting the opinions of fellow board members, HEDS director, and HEDS staff. While healthy constructive disagreement and/or criticism is welcome, personal prejudices are to be left out of all board discussions.
- Being prepared to discuss the issues and business on the agenda, having read all background material relevant to the topics at hand.

5. Enhance the organization's public standing. The board clearly articulates the organization's mission, accomplishments and goals to the public and garners support from the community.

- Representing the organization in a positive and supportive manner, including supporting the actions of the board even when the board member personally did not support the action taken.

6. Maintain confidentiality. Board members will have access to confidential financial, personnel and other matters concerning the organization, staff, and member institutions in board materials or discussions from time to time. Board members shall not disclose such confidential information to anyone.

7. Ensure legal and ethical integrity. HEDS embraces the principle that diversity is essential for communities of practice to enrich both the participants in these communities and the people and organizations with which these communities interact. HEDS is committed to being open and welcoming organization and offering all of their programs and activities without regard to race, color, creed, ethnicity, religion, gender, national origin, marital status, veteran status, actual or perceived sexual orientation, gender identity and expression, status with regard to public assistance, disability, or age.

The board is ultimately responsible for adherence to legal standards and ethical norms. Any board member who engages in discriminatory or harassing conduct while engaged in HEDS activities is subject to removal from those activities. Complaints involving a board member or the HEDS director alleging misconduct will be investigated promptly and as confidentially as possible by a task force of the board appointed by the executive committee and, when appropriate, the HEDS director.

If a board member cannot or does not fulfill these commitments to the organization, the chair of the board will contact them to discuss their responsibilities with them.

III. Board Election Policies

Beginning of Board members' terms of office

See Bylaws, Section 4.03 (c).

The Nominating Committee

The Nominating Committee develops the slate of candidates for the annual HEDS Board of Directors election.

The Nominating Committee consists of three (3) people who are (a) from member institutions in good standing and (b) not on the Board. Each Committee member will serve a three-year staggered term so that one Committee member's term expires each year. The Board of Directors appoints the members of the Nominating Committee.

The Board shall also appoint one member of the Committee to serve as Chair. The responsibility of the Nominating Committee Chair is to organize the work of the Committee. Customarily, a Committee member will serve as Chair during the last year of her, his or their term, but the Board has the discretion to appoint any member of the Committee to serve as Chair.

The Board will review the membership of the Nominating Committee at the second board meeting during the annual conference, and identify candidates to fill any vacancies for the upcoming year. The Board Chair will contact these candidates and ask them about serving on the Nominating Committee. Vacancies on the Committee should be filled by August 1.

Responsibilities of the Nominating Committee.

The role of the Nominating Committee is to create the best possible slate of candidates for the HEDS Board of Directors. In creating a slate, the Nominating Committee should consider the diversity of institutions in HEDS, the diversity of positions within HEDS institutions that are impacted by the consortium's work, the diversity of people within and across HEDS institutions, and the commitment of potential candidates to advance the work of the consortium. The nominating committee should choose which aspects are most relevant to creating a balanced slate of candidates.

The Nominating Committee creates a slate of nominees by considering recommendations from people at member institutions, including people who offer themselves for consideration. Anyone at a HEDS institution is eligible to recommend a candidate. The Committee may also identify potential candidates on their own through the course of their deliberations. The Nominating Committee can nominate individuals on the Board of Directors who are eligible to serve an additional term.

The Nominating Committee shall create a slate with the number of nominees based on the table below:

Number of Board Openings	Number of Nominees
3	6-8
4	7-9
5	8-10
6	9-11
7	10-12
8	11-13
9	12-14

Final responsibility for the slate of nominees rests with the Nominating Committee. The deliberations of the Nominating Committee, including all discussions of individual qualifications and the names of those considered who do not finally appear on the slate, are confidential.

After the Nominating Committee agrees on a candidate, the committee shall contact the member to determine if the member is willing to serve on the Board. Only members who have expressed their willingness to serve on the Board shall be included on the slate of nominees.

When the Nominating Committee completes the slate of nominees, it will inform the Board Chair of the slate. The Board Chair will share the draft slate with the Board of Directors and the leadership of the HEDS staff. The slate will not be shared with member institutions until the time of the election.

If there are serious operational problems within the Nominating Committee, the Committee Chair may discuss these problems with the Board Chair.

HEDS Board of Director Election Procedures

Elections to the HEDS Board of Directors will be completed in advance of the annual meeting of the membership, according to the following process:

- On October 1, the HEDS staff will send forms to the HEDS listserv requesting recommendations for candidates to stand for election to the HEDS Board of Directors. The window for accepting recommendations will close at the end of the day on October 31.
- On November 1, the HEDS staff will send completed forms to the Chair of the Nominating Committee.
- The Nominating Committee will review all potential candidates for the Board of Directors and determine the final slate of nominees according to the guidelines specified above.
- The Nominating Committee shall report the names of the final slate of nominees to the Board Chair by January 15. After sharing the list with the current Board Members, the HEDS staff will prepare and deliver ballots with the slate of nominees to primary contacts of each member institution in good standing by February 15. Only primary contacts may vote for members of the HEDS Board of Directors.
- The ballot shall list all the nominees in random order with appropriate biographical information, indicating the total number of directors to be elected.
- The member institutions shall cast their votes electronically and the election will close on April 1.

- HEDS staff shall tally the ballots after April 1 and the Director shall notify all nominees of the result. In the case of a tie vote for the last seat to be filled, a second ballot shall be sent to the primary contacts, to determine which of the nominees receiving a tie vote shall be elected.
- If no tie vote is necessary, member institutions will be notified of the results by April 15. If there is a tie, the HEDS staff will notify member institutions as soon as possible after the second ballot is completed and the HEDS Board is notified.
- These procedures are referenced in the Bylaws Section 4.03(a).

Nomination and Election Procedures for officers of the HEDS Board of Directors

The HEDS Director will distribute Board officer nomination forms, a listing of the Board members, and an envelope to each new and continuing member of the Board in attendance at the annual meeting.

- Each Board member will write his, her, or their nomination(s) for each office, if any. A person may be nominated for more than one office. Board members may nominate themselves for officer positions.
- Each Board member will seal his, her, or their nomination forms (even if blank) in the envelope provided and give the envelope to the HEDS Director.
- Envelopes from all Board members in attendance must be returned by the beginning of the next Board meeting.
- The HEDS Director will call the next Board meeting to order and temporarily assume the position of Chair.
- The HEDS Director will unseal the envelopes and announce the slate for each office.
- Nominated board members may withdraw their names from candidacy for any office. Nominations may also be made from the floor at this time.
- After each candidate has accepted nomination, votes will be held using paper ballots for each office in the following order: Chair, Vice Chair/Secretary, and Treasurer. The HEDS Director will conduct the vote and tally the ballots.
- After all three offices are filled, the newly-elected Board Chair will assume responsibility for chairing the remainder of the meeting.
- This procedure is referenced in Bylaws Section 5.02.

Transaction of business by the Board of Directors by electronic means

The Board of Directors can transact both formal and informal business by electronic means. The Board may make decisions while conducting business electronically by voice vote, although votes on individual decisions must be collected by written or electronic means if any Board member so requests. Any informal Board business conducted by electronic means will require that a quorum of the Board is available to participate.

Conflict of Interest

Each member of the Board shall sign the following conflict of interest statement each year. The form may be signed and submitted to the HEDS Director electronically:

A conflict of interest or an appearance of a conflict, can arise whenever a transaction, or an action, of the Higher Educational Data Sharing (HEDS) Consortium conflicts with the personal interests, financial or otherwise, of a board member, an immediate family member of a board member, or the board member's employer (collectively "your personal interests").



Please describe below any relationships, transactions, or positions you hold (volunteer or otherwise), or circumstances that you believe could create a conflict of interest, now or in the future, between the HEDS Consortium and your personal interests.

_____ I have no conflicts of interest to report.

I have the following conflicts of interest, or potential conflicts of interest, to report:

1. _____
2. _____
3. _____

I understand that it is my obligation to disclose a conflict of interest, or the appearance of a conflict, to the Chair of the Board when a conflict, or the appearance of a conflict, arises, and that for transactions in which I have a conflict, I will abstain from any deliberation or vote on the matter involving the conflict.

Signature: _____ Date: _____

IV. Membership Policies

Membership Policy Statement

The Membership Policies document serves as a public document to supplement the Bylaws of the Higher Education Data Sharing Consortium (HEDS). The Membership Policies document is subject to the HEDS Bylaws, but complements them by clarifying definitions, policies, practices, and procedures regarding HEDS membership.

HEDS Consortium Institutional Membership

Candidates for institutional membership in HEDS will share the following core criteria, established in Section 2.02(a) of the Bylaws:

- Private
- Non-profit
- Regionally accredited
- Grants bachelor degrees

Additional criteria for institutional membership are:

- A commitment to undergraduate liberal arts education
- A commitment to openly share institutional and survey data with other HEDS institutions, and to work collaboratively with these institutions to use these data to advance undergraduate liberal arts education, inclusive excellence, and student success among consortium members.

Primary Contacts

Each member institution shall appoint a primary institutional contact to serve as its chief representative to HEDS and to vote in HEDS elections, on the annual budget, and on any proposed changes to the Bylaws. The HEDS staff will contact primary contacts about their institutions' participation in the consortium's data sharing opportunities. Primary contacts should forward information about data sharing opportunities to others at their institutions who might find them useful, and the HEDS staff may reach out to other individuals at HEDS institutions about participating in HEDS surveys. The HEDS staff will inform primary contacts when other people at their institutions express interest in participating in or providing data for a HEDS data sharing opportunity.

The primary contact designates other employees of her, his, or their institution who may participate in the HEDS listserv and have access to HEDS data. The primary contact also signs the Statement of Understandings for his, her, or their institution. This means that the primary contact is responsible for informing all people on his, her, or their campus who participate in any HEDS activities of the confidentiality requirements of the Statement of Understandings.

Since HEDS membership belongs to the institution, all primary contacts are only permitted to participate in HEDS activities while they are employed by a member institution.

Participation of HEDS institution employees in HEDS activities

All employees of a HEDS institution are eligible to participate in the HEDS listserv and have access to data developed and shared by the consortium as long as they abide by the confidentiality principles outlined in the Statement of Understandings. There is no limit to the number of employees at a HEDS institution who are eligible to participate in HEDS activities.

HEDS Consortium Emeritus Membership

Eligibility

- Any individual who has been at a HEDS institution, or a sequence of member institutions, for at least five years and has since retired. Applications for Emeritus membership should be forwarded to the HEDS Director for review. The HEDS Director will bring emeritus applications to the Board of Directors for approval.

Benefits and Restrictions

- Emeritus members will be able to attend and present at conferences at the same cost as institutional representatives and will have access to the HEDS listserv.
- Emeritus members will not:
 - Be voting representatives
 - Be able to use survey instruments restricted to institutional members
 - Have access to confidential institutional data via the HEDS website
 - Be eligible to serve on the Board of Directors

Annual Dues

Invoicing and Payment of Annual Dues –

- HEDS annual membership dues invoice will be mailed in July to all primary contacts of record at member institutions and Emeritus Members from the prior fiscal year. Invoices are payable to HEDS upon receipt.

V. Committee Policies

Committees of the Board

To meet the needs of the consortium, the Board of Directors can create and eliminate committees at any time. Terms of appointment to standing committees will begin immediately following the annual meeting of the membership. If an institutional representative or contact leaves a member institution, any elective or appointive office or committee position s/he held in HEDS shall be considered vacant. Currently, the Nominating Committee is the only Board Committee. We describe the goals and mechanisms by which the Nominating Committee operates in Section II of this manual under the heading *Board Election Procedures*

VI. Data Policies

Data-Sharing Activities.

HEDS Member Data

The HEDS Director is responsible for ensuring that HEDS disseminates data a) according to the principles described in the Statement of Understandings, and b) in a manner that maintains the security of member institution's data.

HEDS stores data for member institutions on commercial, password protected servers. The HEDS staff will grant permission for access to the appropriate data on these servers only to HEDS Primary Contacts or individuals at HEDS institutions designated by primary contacts.

All data submitted to HEDS become the collective property of the organization and cannot be withdrawn at any time, except to make corrections to existing errors in the data.

Third-party Data-sharing

In accordance with Bylaws 2.07, the Board authorizes the Director to examine and pursue potential data sharing activities with third parties when it is in the best interest of the HEDS membership to do so. The Board is responsible for reviewing and approving these activities and the HEDS staff is responsible for implementing these activities in accordance with the HEDS consortium's data sharing and confidentiality policies.

Use and Publication of HEDS Data

The "Understandings Regarding the Use of Information Gathered for HEDS" (a.k.a "the statement of understandings") outlines the ground rules for the use and publication of HEDS data. The full statement is included below. Unless explicitly indicated on the HEDS website or other official HEDS communications, all data sharing activities need to maintain the confidentiality of member data, and HEDS data reports cannot be disclosed to the general public or forwarded to any third party without the prior permission of the HEDS Office and Board of Directors.

It is important to note, however, that these conditions do not apply to reports that include data from both HEDS and non-HEDS institutions. For example, the frequency reports from the HEDS Alumni Survey include both HEDS and non-HEDS institutions in the comparison groups. This report would not fall under the confidentiality conditions described in the “Understandings Regarding the Use of Information Gathered for HEDS.” On the other hand, any report that includes only data from HEDS institutions does fall under these confidentiality conditions.

Understandings Regarding the Use of Information Gathered for HEDS

The following statement is signed by each member institution’s primary contact as a duly authorized agent of that institution. This statement is sometimes referred to as the *HEDS Statement of Understandings*.

The Higher Education Data Sharing (HEDS) Consortium is a not-for-profit organization of private colleges and universities that assists member institutions in their planning, management, institutional research, decision-support, policy analysis, educational evaluation, and assessment by assembling and sharing a mutually agreed upon and regularly updated set of information, and by providing other services as directed by the Board. HEDS member institutions have a collective interest in assuring appropriate confidentiality for the data they provide through Consortium activities. They also have a proprietary interest in that information, since they are assuming the internal costs of compiling it and paying the HEDS Office for its collection, analysis, and distribution. HEDS has an interest in assuring that this information is not made available to third parties without appropriate permission and compensation, and HEDS members conduct their activities with the following understandings:

Primary HEDS data sharing activities involve information that is either not available through other public sources or that is shared earlier with the consortium than publicized by third parties. HEDS members agree that they will use these data from other institutions received through HEDS only for their own internal planning and management, and not for external publication. For instance, it is appropriate to use such data in presentations to senior administrators or a board, but not for admissions publications or news releases. Even within the institution, HEDS members shall use discretion in how data for other institutions are used. It is usually appropriate to share data fully with senior administrators and trustees, but it may not be appropriate to provide hard copy to faculty committees, and is almost certainly advisable to share data with students only when institutional identities are masked.

Exceptions are data that HEDS may directly download from public sources (such as IPEDS), purchase from third party vendors, or collect from members as third party reports (e.g., NACUBO Endowment; AAUP Faculty Salary).

The HEDS representatives at each institution must assure that anyone to whom data are given understands their confidential character and the ground rules governing their use.

Under the "fair play" ground rule, a HEDS institution is entitled to receive information from other members only in those areas and for those years for which it has provided comparable information.

While HEDS surveys and reports usually identify data with the institutions from which they came, some HEDS reports will, by request of HEDS members, provide data only in a masked or aggregated form. In those cases, HEDS shall maintain the confidentiality of the institutional data except where specific permission for release is granted by the participating institutions. For unit record data from surveys, confidentiality must be assured for both institutions and individuals.

HEDS explicitly recognizes the value of research and publication in higher education. Accordingly, any HEDS member may undertake and publish studies using HEDS data in professional associations and publications so long as appropriate confidentiality is preserved. Participating institutions may not be identified by name without their permission. Institutions are advised to create comparison groups of 3 or more institutions instead and report peer information based on a group.

For specific research studies, participating institutions may seek permission from the HEDS Director to receive larger data sets that are not generally made available to institutions. The HEDS Director shall notify the Board of Directors of any such arrangements.

Finally, in all data sharing activities, members are reminded of the Association of Institutional Research's Code of Ethics (<http://www.airweb.org/AboutUs/LeadershipAndGovernance/Pages/CodeofEthics.aspx>)

Peer Exchange of Survey Data

HEDS creates opportunities for member institutions to share comparative data from HEDS surveys as well as third-party surveys. Currently, these surveys include:

- HEDS surveys
 - HEDS Alumni Survey
 - HEDS First Destination Survey
 - HEDS Research Practices Survey
 - HEDS Sexual Assault Campus Climate Survey
 - HEDS Senior Survey
 - HEDS Faculty/Staff Survey of Campus Climate for Sexual Assault
 - HEDS Diversity and Equity Campus Climate Survey
- Third-party surveys
 - National Survey of Student Engagement (NSSE)

The HEDS Director will monitor and evaluate other third-party surveys to determine whether sharing data from these surveys would benefit HEDS institutions.



When institutions participate in sharing data from one of these surveys, they typically receive:

- A data file that includes responses from individuals from their own and all other HEDS institutions that have agreed to share data from that survey. Institutions will be identified in the file, but student identification numbers, social security numbers, ZIP codes, day/month/year of birth, country, all comment fields, and customized questions will not be included. [HEDS staff will not share this information with any individuals, institutions, or organizations.]
- For HEDS surveys, institutions will also receive a frequency report comparing their institutions to all other institutions, both HEDS and non-HEDS institutions, that participated in that survey.
- An additional custom report or customizable report.

The HEDS staff will deprecate information in these shared survey files to ensure that the files meet the data confidentiality conditions to which participants agreed in taking the surveys. The HEDS staff may alter the kinds of data member institutions receive depending on the sensitivity of the information from the survey.

The HEDS staff will initiate data sharing on third-party surveys by sending an email to the primary contacts at HEDS institutions.

Anytime HEDS institutions participate in HEDS surveys they automatically share their data with one another unmasked in data files as described above. These files will include data only from the HEDS institutions that participate in these surveys. This means that the confidentiality conditions outlined in the Statement of Understandings apply to the use of the data from these files.

However, it is important to remember that institutions that are not part of HEDS also participate in HEDS surveys. The HEDS staff also prepares and distributes reports that include comparisons of individual institutions to the aggregated responses of HEDS and non-HEDS institutions that participated in the survey. Because these reports include data from both HEDS and non-HEDS institutions and are distributed to both HEDS and non-HEDS institutions, these reports are not subject to the conditions described in the Statement of Understandings.

VII. Financial Policies

Fund Balance Policy

Statement of Purpose

Consistent with accepted non-profit association management practices, the Board of Directors will designate and maintain reserve funds. These funds will help to ensure the long-term financial stability of the organization and position it to respond to varying economic conditions and changes affecting the organization's financial position and the ability of the organization to continuously carry out its mission.

The objectives of the funds are:

1. To enable HEDS to sustain operations through increasing expenses or declines in revenues.
2. To provide resources for strategic initiatives.
3. To provide tuition benefits to eligible HEDS staff members.

Reserve Fund Targets

Reserve fund targets will be reviewed annually by the Board of Directors following review of the previous year's financial statements and will be informed by analyses of possible shortfalls and expenses provided by the HEDS staff. There are three components of the HEDS reserve funds targets.

1. The target amount of reserve funds for sustaining operations is 1.0 of the necessary expenses in the current year's operating budget, exclusive of any one-time special revenues or expenses. Necessary expenses are items in the operating budget that are essential to the operations of the consortium. Examples of necessary expenses include staff salary and benefits, liability insurance, survey administration engines, and accountant's fees.
2. The target amount of reserve funds for strategic initiatives is 0.2 of the necessary expenses in the current year's operating budget, exclusive of any one-time special revenues or expenses.
3. When necessary, reserve funds will include an amount designated for supporting tuition benefits for HEDS employees and dependents. This amount will be based on both long- and short-term estimates of the cost of supporting this benefit. The need for this benefit will be monitored annually by the Board of Directors. Should the need to support this benefit arise, the HEDS Director will bring to the Board of Directors any relevant information to determine that amount that should be set aside for this purpose.

Reserve Fund Shortfalls or Overages

If at the time of the annual review any of the reserve funds are not at or near their target levels, the Board of Directors will develop a written plan for moving the balances towards the target amounts. The reserve funds for sustaining operations is the most critical of the three components of the reserve funds. It is designed to sustain the consortium during an extended emergency. If the consortium reserves fall below this amount, the Board of Directors and the HEDS Director will develop a plan for replenishing this component of the reserves. This plan may include constraining operational budgets to replenish this component of the reserve. The reserve funds for strategic initiatives is designed for supporting new programming or strategically important one-time needs. It is not as essential as the reserves that are designated for sustaining operations during an emergency. When the strategic reserves fall below the designated amount, the Board of Directors and the HEDS Director should develop a plan for replenishing the reserves, but this plan should not constrain operational budgets.

Use of Reserve Funds

The HEDS Director may access up to \$20,000 annually for purposes outlined above. For amounts exceeding \$20,000, the HEDS Director will obtain approval from the Board of Directors or the Executive Committee.

Investment of Funds

The Board of Directors will assure that the reserve funds are invested prudently and that HEDS receives a reasonable rate of return considering the size of the reserve fund, the instruments in which it is invested, the need for liquidity, and other relevant factors.

Report to Membership

The Treasurer will assure that the membership receives an update on the reserves at the annual meeting.

Capitalization of Equipment

HEDS does not currently own any property or equipment that requires capitalization. In the event that we do acquire property or equipment, we describe the consortium's policy on capitalization below.

If HEDS acquires property or equipment that requires capitalization, as defined below, HEDS will establish a Capital Fund to move the purchase of capitalized items out of operating activities. The Capital Fund will be established as a Board-designated portion of all unrestricted net assets.

The Capital Fund should remain sufficiently funded to ensure regular replacement of depreciated equipment. To ensure this, the annual reimbursement of the Capital Fund will generally be equal to the amount of that year's accumulated depreciation barring a specific decision to the contrary from the Board.

Property and equipment are carried at cost. Depreciation of property and equipment is determined using straight line and accelerated methods for financial statement purposes at rates based on the following estimated useful lives:

- Buildings 15 – 40 years
- Leasehold improvements 10 – 40 years
- Equipment 3 – 7 years
- Office furniture & fixtures 7 – 15 years
- Vehicles 5 – 10 years

Upon sale or retirement, the cost and related accumulated depreciation are eliminated from the respective accounts, and the resulting gain or loss is included in the results of operations.

Expenditures for major improvements that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

The cost cutoff for capitalization is \$5,000. Property and equipment with costs equal to or above this amount are capitalized and all others are charged to expense as incurred.

Salary Pool

Since HEDS employees are leased employees of Wabash College, the size of both merit and cost-of-living increases for HEDS employees will be tied to the sizes of merit and cost-of-living policies set each year by Wabash College. The HEDS Director will inform the Board Chair, Vice Chair, and Treasurer of these policies each year as she or he prepares salary increase recommendations for the HEDS staff.

Powers of Officers

Routine Operating Expenditures

The HEDS Director has the authority to write checks and/or authorize all operating expenditures that are described in the approved HEDS operating budget without any specific authorization from the Chair or Treasurer of the Board of Directors. The HEDS Director should seek authorization from the Board Chair



or Treasurer to write a check and/or authorize any operating expenditure that exceeds or differs in kind from the amounts described in the approved HEDS operating budget by \$4,000 or more. The HEDS Director will provide the Treasurer with a detailed monthly update of the consortium's expenditures.

Expenditures from Reserves

Per the previous section on the Fund Balance Policy, The HEDS Director may access up to \$20,000 annually for purposes outlined in the Fund Balance Policy. For amounts exceeding \$20,000, the HEDS Director will obtain approval from the Board of Directors or the Executive Committee.

Board Financial Reporting

The HEDS Board of Directors will adhere to the following procedures for financial accountability:

- The HEDS Director will contract annually with a certified public accountant to review the finances of HEDS.
- The accountant will discuss the results of this review in an annual conference call that includes the Board Chair, the Treasurer, and the HEDS Director.
- The Treasurer and Director of HEDS will provide copies of the accountant's report to the full Board of Directors for discussion at a board meeting or on a board conference call.
- The Treasurer will report to the full membership on the results of the financial review at the annual meeting of the members.
- A copy of the financial review will be available to all HEDS members on the public HEDS web site.
- The HEDS Director will provide a quarterly summary on expenditures and income to the HEDS Executive Committee.

Financial Planning

The HEDS Director, Board Chair, Vice Chair, and Treasurer are responsible for:

- Developing a long-range financial planning model for HEDS.
- Advising the Board of the financial consequences of alternative strategic and tactical decisions.
- Advising the Board on the development of financial policies and operating procedures that represent accepted best practice.

Duties of Treasurer

As stated in the Bylaws, section 5.05,

The Treasurer shall be responsible for oversight of the corporate accounts and finances and for making such reports to the Board as shall be requested by the Board concerning the financial condition and operations of the Corporation. The Treasurer shall make an annual financial report to the members.

Timeline of Treasurer's responsibilities

- Fiduciary responsibility. On a monthly basis, the treasurer reviews the spreadsheet of budgeted and actual expenses to date that is prepared by the HEDS Assistant Director as well as the account statements.

- Presentation to membership. At the annual meeting, the treasurer presents a summary of the previous year's finances as well as the budget proposal for the upcoming fiscal year to the membership.
- Each fall the treasurer participates in a conference call with HEDS staff and the HEDS accountant to discuss the accountant's annual review.

The Treasurer has access to statements for all accounts.

- Fidelity account (see description in Accounts section). The treasurer receives electronic notification of availability of statements each month from Fidelity and downloads and reviews these statements each month.
- Hoosier Heartland State Bank Business Premium Money Market account. (see description in Accounts section). The HEDS Assistant Director emails the Treasurer a copy of the statement monthly for review.
- Tri-County Bank and Trust Business M/M Savings account (see description in Accounts section). The HEDS Assistant Director emails the Treasurer a copy of the statement monthly for review.
- PNC Premium Money Market Account. The HEDS Assistant Director emails the Treasurer a copy of the statement

Financial Accounts

Operating Accounts

- Tri-County Bank and Trust Business M/M Savings account. This account is used to pay the monthly expenses to Wabash College. Wabash College pays HEDS expenses and each month sends a list of those expenses to HEDS. The HEDS Assistant Director reviews the expenses and reconciles them with HEDS records before paying Wabash College for those expenses from the Tri-County Account.
- PNC Premium Money Market Account. This account is used for operating funds. If the Tri-County account would exceed the FDIC limits, funds are moved to this account to ensure that HEDS operating accounts stay within the FDIC limits.

Reserve Accounts

- Fidelity Account. This account contains part of the HEDS reserve fund. These funds are invested in a mutual fund (Fidelity Balanced) and four CDs that renew on a rotating quarterly basis, one each quarter.
- Hoosier Heartland State Bank Business Premium Money Market account. This account contains the rest of the reserve fund.

The policies regarding the reserve accounts may be found in section VI. Financial Policies of the HEDS Policy Manual. The manual specifies that "The Treasurer will assure that the membership receives an update on the reserves at the annual meeting." These policies also call for an annual review of the reserves by the Board following review of the previous year's financial statements.

Fiscal Year Dates

Fiscal year dates are July 1 through June 30.

Schedule for Developing Budget

- The first draft is prepared by HEDS staff for treasurer's review in April.
- The proposed budget is presented to the board in May for review, discussion, and possible changes.
- A final version is reviewed for approval by the board at the first board session at the annual conference.
- The treasurer presents the proposed budget to the membership during the business meeting of the annual conference.

HEDS Assistant Director Responsibilities

- Draft a budget for the upcoming fiscal year each April.
- Maintain all HEDS financial accounts.
- Pay invoices and process reimbursements as needed.
- Reconcile expenses that Wabash presents for payment each month with HEDS records. Pay Wabash monthly.
- Maintain HEDS books.
- Provide appropriate information for the accountant to be able to conduct a review and prepare tax returns at the end of each fiscal year.
- Prepare monthly spreadsheets of budgeted versus actual expenses and send these to the HEDS treasurer along with bank statements each month.
- Provide historic and summary financial data for HEDS board retreat and June board meetings.

VIII. Staff Policies

HEDS Employee Confidentiality Agreement

All members of the HEDS and Center of Inquiry staff will sign the following document in September of each year:

All members of the HEDS and Center of Inquiry staff are entrusted with access to various kinds of confidential data, both in paper and electronic form. It is our responsibility to both respect and protect the confidentiality of such information on two levels:

1. Protection of the individual

The privacy and confidentiality of individual information residing in the databases of HEDS or its member institutions is protected by federal laws such as FERPA (Family Educational Rights and Privacy Act) and the Federal Trade Commission Rules on Safeguarding Customer Information. In addition, the confidentiality of individual data acquired through surveys or other research methodologies is protected under federal human subjects protection regulations, the IRB policies of member institutions, and the informed consent agreement signed by the participants.

2. Protection of the institution

All institutions with which we work, HEDS members or otherwise, must also be protected in any public use of data. We must prevent the release of any institutional information that is associated with the



institution by name unless given specific authorization by the institution to do so.

We will not share confidential information with anyone who does not have a legitimate need for that information and specific authorization for access to it.

We will also observe best practices in maintaining the security of data in our charge to avoid accidental, inadvertent, mischievous, or criminal access to confidential data.

We also acknowledge that our responsibility to protect the confidentiality of institutional data and individual data does not end when one of us is no longer employed at the Center or HEDS.

I acknowledge that I have read the information above and understand my responsibility to respect and maintain the confidentiality and security of all records and information to which I have access. I further understand that this obligation continues should I no longer be employed by HEDS or the Center of Inquiry.

Name _____

Signature _____

Date _____

Responsibilities and Evaluation of the HEDS Director

The HEDS Director is responsible for developing appropriate strategic goals for the consortium in consultation with the Board of Directors, moving the consortium toward these goals, and effectively managing all activities of the consortium. Specifically, the HEDS Director is responsible for:

- Creating rich face-to-face meetings for representatives from HEDS institutions.
- Developing and implementing data reporting, sharing, and analysis strategies that advance undergraduate liberal arts education, inclusive excellence, and student success at member institutions.
- Maintaining a membership that is consistent with the consortium’s mission and its financial health.
- Ensuring the short- and long-term financial health of the consortium.
- Creating activities that promote the professional development of individuals at member campuses who use data to advance the undergraduate arts liberal education, inclusive excellence, and student success at member institutions.
- Developing and promoting cooperative and collaborative relationships with external organizations and individuals in ways that advance the strategic goals of the consortium.
- Creating a strong, collaborative “community of practice” among individuals at member institutions that advances their capacity to use data to advance their institution’s educational missions.
- Soliciting the views of institutional representatives on an ongoing basis about both the operation and direction of the consortium.
- Communicating effectively and on a regular basis with the HEDS Board of Director and HEDS institutional representatives about the consortium’s strategic goals, activities, financial health, and other important aspects of the consortium’s work.

- Hiring, developing, and evaluating the HEDS staff to support the work of the consortium.

The Board of Directors will evaluate the HEDS Director's performance and annual goals at regular intervals set by the Board Chair and the HEDS Director. This evaluation will include the following steps:

- The Director will share a brief self-reflection on the previous year and proposed goals and objectives for the next year with the Board Chair, Vice Chair, and Treasurer.
- The Board Chair, Vice Chair, and Treasurer will provide feedback to the HEDS Director on her, his, or their performance, and work with the HEDS Director on revising the Director's goals and objectives as necessary.
- The Board Chair will discuss the results of the review, as well as any recommendations from the Board Chair, Vice Chair, and Treasurer, with the rest of the Board.
- The Board Chair will send a summary of the evaluation to the Dean of Wabash College

HEDS Staff Evaluations

Staff hiring, evaluation, operational practices, and firing are under the purview of the HEDS Director. The HEDS Director shall periodically update the Board Chair, Vice Chair, and Treasurer, on both the mechanisms and results of her, his, or their evaluations of the HEDS staff.

IX. Non-discrimination policy

The Center of Inquiry, the Higher Education Data Sharing Consortium, and the Teagle Assessment Scholar Program embrace the principle that diversity is essential for communities of practice to enrich both the participants in these communities and the people and organizations with which these communities interact. The Center of Inquiry, the Higher Education Data Sharing Consortium, and the Teagle Assessment Scholar Program are committed to being open and welcoming organizations and offering all of their programs and activities without regard to race, color, creed, ethnicity, religion, gender, national origin, marital status, veteran status, actual or perceived sexual orientation, gender identity and expression, status with regard to public assistance, disability, or age.