

**ARTICLES OF INCORPORATION  
AND BYLAWS**

**The University of Dallas  
Irving, Texas**

ARTICLE I

The name of this corporation shall be UNIVERSITY OF DALLAS.

ARTICLE II

The corporation is a non-profit corporation.

ARTICLE III

The purposes for which the corporation is formed are:

(1) The primary purpose for which the corporation is formed, in full recognition of the authority of the will of God, is the support of charitable, literary, scientific, and educational undertakings, as authorized by the Texas Non-Profit Corporation Act (Article 1396-1.01, *et seq* of the Revised Civil Statutes of Texas, as amended), to-wit: to own, maintain, support, and operate the University of Dallas in Dallas County, Texas (and related sites and programs), a Catholic institution of higher learning for the education and training of students in literary, scientific, theological, professional and all other branches of learning, with authority to confer all college and university degrees.

(2) The general purposes and powers are those rights and powers conferred on non-profit corporations under the laws of Texas, or which may hereinafter be conferred; provided, however, that this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purpose of this corporation.

(3) This corporation is organized pursuant to the Texas Non-Profit Corporation Act and does not contemplate pecuniary gain or profit to the members thereof and is organized for non-profit purposes.

ARTICLE IV

The street address of the registered office of the corporation is **1845 E. Northgate Drive, Irving, Texas 75062**, and the name of its registered agent at such address is **“President.”**

#### ARTICLE V

The term for which this corporation is to exist shall be perpetual from the date of its original incorporation, such date being May 25, 1955.

#### ARTICLE VI

The members of this corporation shall consist of those individuals who from time to time constitute its Board of Trustees.

#### ARTICLE VII

This corporation shall be governed by a self-perpetuating Board of Trustees. The number of Trustees shall be no fewer than five (5) nor more than forty (40) voting members, who shall be known as regular voting members, plus voting or non-voting *ex-officio* members, as may be determined in the Bylaws of this corporation. The number of voting members of the Board shall remain the authorized number unless and until such number shall be increased or decreased in such manner as may be provided in the Bylaws.

#### ARTICLE VIII

Regular voting members of the Board shall be nominated by a Committee appointed by the Board. They are elected only by the Board of Trustees. The term of office for voting members is from one to three years as provided in the Bylaws. Others who may be appointed from time to time by the voting members of the Board shall serve as non-voting *ex-officio* members during their terms of office.

#### ARTICLE IX

To the full extent permitted by Texas law, a Trustee of the corporation is not liable to the corporation for monetary damages for an act or omission in such Trustee's capacity as a Trustee.

BYLAWS  
OF  
UNIVERSITY OF DALLAS

ARTICLE 1. NAME AND PURPOSE

**Name**

Section 1. The university is established and maintained as the University of Dallas.

**Purpose**

Section 2. (a) The purpose of the Corporation shall be set forth in its Articles of Incorporation, as have been and shall be amended from time to time.

(b) It shall be a further purpose of the University to promote the moral, spiritual and religious lives of its students and to be publicly identified as a Catholic university.

(c) It shall be a further purpose of the University to provide an academic and collegial community which will help students acquire a mature understanding of their faith, develop their moral and spiritual lives, and prepare them for their calling as men and women of faith in the world.

(d) It shall be a further purpose of the University to fully comply with the obligations of a Catholic university as established in *Ex Corde Ecclesiae*.

ARTICLE 2. BOARD OF TRUSTEES

**Membership**

Section 1. The Board of Trustees is the legal governing body of the University

Section 2. (a) The Board of Trustees shall consist of no fewer than five (5) nor more than forty (40) regular voting members, plus voting *ex-officio* members. The voting *ex-officio* members shall be the Bishop of the Roman Catholic Diocese of Dallas (“Bishop”) who shall hold the title Chancellor of the University and shall be seen as an active participant in the life of the University, the President of the University, and the President of the National Alumni Board. Hereinafter, the term “voting members” shall include regular voting members and *ex officio* members. From time to time, the Board may invite certain guests to attend Board or committee meetings. Such invited guests will not have voting rights and shall not be considered members of the Board.

(b) Regular voting members will be nominated by the Governance Committee and elected to the Board by an affirmative vote of the majority of the Board. Regular voting members will serve for a three (3) year term. Regular voting members may not serve for more than three (3) successive three-year terms plus the balance of the member's current term as of that date. If more than 20% of the voting members' final terms end in any year, the Board, by resolution, may continue one or more of the members for an additional period, not to exceed one term. After an absence of at least one year, an individual who previously served as a voting member may be re-elected to the Board. "Year" shall mean the fiscal year of the University which begins June 1 and ends May 31.

(c) To avoid the loss of too many Trustees in a single year, the board may, by affirmative vote of a majority of the Board, suspend the full application of the term limits. Such suspension shall apply to no more than 50% of the Trustees subject to a term limit and the suspension shall continue for no more than two years beyond the year in which a Trustee extended by a suspension of his or her term would have been required to leave the Board.

(d) A regular voting member may be removed from the Board for any cause, including excessive absence, failure or unwillingness to abide by policies and regulations, failure or unwillingness to carry out the duties of a Trustee, or actions, inactions or statements that negatively reflect on or are contrary to the best interests of the University. A regular voting member may be removed only upon the recommendation of the Governance Committee at a regular Board meeting and upon the affirmative vote of a majority of the voting members present. The Governance Committee will review the attendance, participation and support of each individual Board member annually and may recommend removal of a regular voting member who fails to meet expectations related to attendance or University support.

(e) If a vacancy occurs due to a regular voting member's death, disability, resignation or other cause, such vacancy may be filled for the unexpired term by the same procedure outlined for the election of voting members. A vacancy in an *ex-officio* member shall be filled only by the *ex officio* member's successor.

## **Emeritus Board**

Section 3. (a) Retired board members and others who have shown exemplary service to the University over extended periods of time may be nominated as members of the Emeritus Board. Charter members of the Emeritus Board will be nominated by the President, the current Chairman of the Board, and the incoming Chairman of the Board by the April 11, 2011 meeting of the Governance Committee and will be selected for membership on the Emeritus Board from among such nominees by a vote of the trustees on May 5, 2011. In following years, the Governance Committee may nominate additional members of the Emeritus Board. Upon such nomination, the full board will review such nominations and additional members for the Emeritus Board may be selected from among such nominees by a vote of the trustees at the next full board meeting.

(b) Appointment to the Emeritus Board is permanent; members do not serve terms. The Emeritus Board will meet annually at a State of the University meeting held by the current president and Chairman of the Board where they will have an opportunity to give advice and counsel based on their experience and long years of service at the University. Emeritus Board members will be listed after the Board of Trustees on University publications, they will receive University publications, and be invited to University events, lectures, and convocations. The Emeritus Board is not a governing board.

## **Officers**

Section 4. (a) The University President - The University President serves as the Chief Executive Officer of the University. In the absence of any Board officer at a meeting of the Board of Trustees, the President shall preside over the meetings.

(b) Officers of the Board of Trustees - The officers of the Board of Trustees shall consist of the Chair, Vice-Chair, Treasurer and Secretary who shall be selected from among the voting members of the Board of Trustees. Officers must have at least one (1) full year of service prior to nomination as an officer and officers may serve no more than two (2) consecutive full terms in the same office.

(c) Terms of Office – All Board Officers shall be elected for a two (2) year term with the election of new officers occurring in May of odd numbered years. Regular terms of office shall begin immediately following the May meeting and the new officers shall preside at the Organizational Meeting in October. Officers may serve no more than two consecutive two-year terms plus, if applicable, the unexpired period of a predecessor's term in the same office. After having served two consecutive terms, nothing in this section shall prohibit a Trustee from subsequently serving in the same office, so long as there is a two year break between the terms of office. These limits shall not apply to Trustees serving consecutively in different offices. The Board of Trustees shall have the power to remove any officer according to the same process for removing a regular member. A regular member may be removed as a Board officer without also removing the regular member from the Board.

### (d) Duties and Responsibilities of Officers of the Board of Trustees

(1) Chair of the Board - The Chair of the Board shall preside at the meetings of the Board of Trustees and maintain all other duties as set forth in these Bylaws. The Chair shall be empowered and authorized to execute such instruments and documents, which would be the responsibility of the principal corporate officer.

(2) Vice-Chair of the Board – In the absence of the Chair, the Vice-Chair shall perform the duties ordinarily performed by the Chair.

(3) Treasurer - The Treasurer shall ordinarily serve as the Chair of the Finance Committee and shall otherwise serve as the Board's designated authority regarding financial policy matters.

(4) Secretary - The Secretary shall be responsible for certifying the minutes of all meetings of the Board. The Secretary shall supervise custody of the University seal and supervise the seal's use in connection with written documents of the corporation executed by the Trustees or in their name. The Secretary shall duly execute for and on behalf of the Board of Trustees of the University of Dallas such instruments and documents as directed by the Board. The Secretary shall cause all notices to be given as required by Texas law and these Bylaws and shall perform such other duties as the Board of Trustees may direct.

(e) Election of Officers – Board officers will be elected at the May meeting in odd-numbered years as follows:

(1) Voting members will recommend qualified candidates for Board officers to the Nominating Committee no later than thirty (30) calendar days before the regular February meeting in odd-numbered years.

(2) Nomination of qualified voting members for Board officer will occur at the regular February meeting in odd numbered years:

(i.) The Nominating Committee will recommend a slate of Board candidates for each Board officer position and will also announce the names of other voting members nominated for Board officer positions but not selected for the recommended slate.

(ii.) Trustees may nominate other qualified officer candidates from the floor with a second by two (2) other Trustees. Any voting member nominated from the floor must consent to being considered as an officer candidate.

(3) An affirmative vote of a majority of regular voting members will be required to elect a qualified member as a Board officer.

(i.) If there is only one nominee for each office, a Trustee may move for election of the nominated slate and the vote may be approved by unanimous consent.

(ii.) If there are two or more nominees for a single office, election of each office shall be conducted separately by roll call and election for each officer shall be by majority vote. If a majority vote is not achieved in the first round of voting, the voting procedure shall continue and the Trustee with the lowest number of votes in each round shall be dropped from the vote until one candidate receives a majority vote.

(iii.) Elected officers will assume office at the conclusion of the May meeting, except that the outgoing officers will preside at May commencement ceremonies.

(f) In the event of a vacancy in the office Chair, the Vice-Chair will assume the position of Chair and shall serve as Interim-Chair until the next May meeting at which time a Chair shall be elected to serve out the previous Chair's term of office. An Interim Vice-Chair shall be elected after nomination from the floor at the next Board meeting by a majority vote. For a vacancy in any other officer position, an election shall be held for the unexpired term at a subsequent meeting of the Board of Trustees with nominations from the floor and affirmative majority vote.

## **Meetings**

Section 5. (a) Regular meetings of the Board of Trustees shall be held at least four times each year including an organizational meeting in October, a Board retreat which will occur between the October and February meetings and regular business meetings in February and May on a date to be fixed by the Chair.

(b) Special meetings of the Board of Trustees may be called upon forty-eight hour notice by the Chair, or in the Chair's absence by the Vice Chairman, or by the President or Chancellor in extraordinary circumstances.

(c) Except as otherwise allowed herein, a quorum of the Board of Trustees is necessary to transact the business of the Board. A *quorum* shall consist of one more than half the members of the total voting membership of the Board.

(d) Except as specifically set forth in these Bylaws, when a *quorum* is present, all decisions of the Board shall be by majority vote of the voting members present or voting by proxy. When a member is unable to attend a meeting due to extended illness, injury or other significant extenuating circumstance, the Board may consent to allowing a personal representative to vote by proxy on the member's behalf or the member may be permitted to vote by written absentee ballot on an item-by-item basis or on the agenda as a whole at the discretion of the Chair.

(e) Board and Executive Committee agendas will be prepared by the Chair and the President. Board materials will be provided in advance of all Board and Committee meetings.

(f) Attendance is expected at all Board and Committee meetings as an ongoing responsibility of a Trustee. Failure to attend three (3) successive regular meetings may be considered "excessive absence" and may subject the Trustee to removal in accordance with these Bylaws.

(g) To ensure open and free discussion at all meetings, confidentiality is expected.

(h) Any regular, special or committee meeting may be held by conference telephone or similar technology, including the internet, and any board member may participate in any meeting by such medium as long as all members participating in the meeting can communicate and hear each other. Participation in a meeting in this way shall constitute presence in person at the meeting.

(i) Any action that the Board or its committees is required or permitted to take may be taken without a meeting if a majority of members eligible to vote on the action consent in writing to that action. Action taken by written consent shall have the same force and effect as any other validly approved action of the Board or committee. All actions taken by consent shall be filed with all other minutes of the Board.

### **Powers and Duties of the Board**

Section 6. (a) The Board shall supervise the general management of the University by the President. It shall consider and act upon all major organizational changes as recommended by the President. It shall annually evaluate the performance and effectiveness of the President.

(b) The President shall act as the legal representative of the University. The Board shall be charged with the approval or disapproval of all legal acts of the University, agreements, contracts, affiliations with the governmental agencies, diocesan institutions, or any other institutions and/or organizations. The Board shall provide duties for the President and the President shall prepare, for Board approval, a delegation of authority manual for his administration (administrative and academic) to carry out these duties.

(c) The Board shall be responsible for the realization of the aims and purposes of the University, including ensuring that the University continues its educational and religious mission and its essential purpose as a Catholic institution of higher education. It shall determine the broad educational directions in the light of these objectives. Major changes in University aims or purposes or in the *curriculum* shall be subject to the action of the Board.

(d) The Board shall have the responsibility to develop sources of funds by promoting bequests and annuities, preparing the way for solicitation of prospective donors, through personal giving and direct solicitation of gifts.

(e) The Board shall annually approve both short term and long-range planning for the growth and development of the University prepared by the President. The University administration and faculty are expected to exercise initiative in recommending improvements and developments for the consideration of the Board.

(f) The Board shall have final approval of substantive amendments or revisions of the *Faculty Handbook*, including any revisions or amendments. The *Faculty Handbook* is subject to the provisions in these Bylaws, and in the event of a conflict, these Bylaws shall prevail.



(g) The Board shall perform an annual self-evaluation of its performance and it shall be reviewed at the first regular Board meeting after the evaluation is completed.

(h) The Board shall elect voting members and Board officers by majority vote, subject to Section 2 of these Bylaws.

## **Committees**

### **Section 7. Standing Committees.**

(a) **General Provisions.** Except as otherwise provided in this Section, the following provisions shall apply to all standing committees:

(1) Each standing committee will elect a chair each year and will adopt a written charter of its roles and responsibilities.

(2) A majority of the members of standing committees shall be voting members of the Board of Trustees of the University, and the presence of a majority of the voting members assigned to a Committee shall be necessary and sufficient for the conduct of committee business. Exception is allowed for the Audit Committee wherein only the Chair must be a voting member of the Board of Trustees. Standing committees shall bring major problems or policy matters to the attention of the Board, with such recommendations as may be appropriate. A standing committee may appoint such sub-committees as it deems necessary to assist it, but sub-committees shall only have authority to report findings and recommendations to the parent committee.

(3) Standing committee members shall be nominated by the Governance Committee, after consultation with the University President and the Board Chair. Committee members shall be elected annually by the voting members of the Board, at the last Board meeting of the academic year. The Chair, in consultation with the President, shall recommend chairs of all standing committees from among the voting members of each committee, except for the Governance Committee, which shall elect its own chair from among its Committee members. When appropriate, the University President shall appoint a University administrator to work with each committee and to serve as a liaison between the Committee and the President's office. Standing committees shall meet on a regular basis, but at least once a year, at the call of the Committee Chair, and be actively engaged with the appropriate administrators in fulfilling the duties and obligations of the committee.

(4) Standing committee meetings may include participation by conference call and/or voting by written proxy ballot on an item-by-item basis as determined by the committee chair or by participation by a member's personal representative with the consent of the committee chair.

(5) Standing Committee meeting agendas will be as directed by the Committee Chair.

**(b) The Executive Committee**

(1) The Executive Committee shall consist of the Chancellor, the President of the University, the Board Chair, the Vice Chair, the chair of all the standing committees and two (2) at large voting members of the Board of Trustees appointed by the Chair. The Board Chair shall serve as Chair of the Executive Committee and shall preside over the meetings of the Committee, or in his absence, the Vice Chair shall preside.

(2) The Executive Committee shall exercise the powers of the Board of Trustees in the interim between Board meetings except that, unless specifically empowered by the Board to do so, it may not sell or alienate the University land, alter bylaws, or appoint or remove the President of the University or a member of the Board of Trustees. A majority of members of the Executive Committee is necessary to transact the business of the Committee. All decisions of the Committee shall be by majority vote of the participating Committee members. When a member is unable to attend in person or by teleconference, the member will be allowed to vote by written absentee ballot (by fax or email) on an item-by-item basis.

(3) The Executive Committee shall meet on call of its Chair. Notice of Executive Committee meetings and the agenda shall be provided to each voting member of the Board; specifically including the President. The Executive Committee shall report any actions taken at the next scheduled meeting of the Board of Trustees. The Executive Committee shall select one of its members to serve as secretary of the Executive Committee. Minutes of Executive Committee meetings shall be distributed in a timely fashion to each voting member of the Board.

(4) The University General Counsel may be present at all meetings of the Executive Committee to advise on any significant contractual and litigation matter related to the University.

(5) The Executive Committee shall report to the Board the results of the annual review of Presidential effectiveness and recommend annual compensation for the President, as well as approving compensation for personnel with the rank of Dean and above. Any search committee formed to evaluate candidates for appointment to positions at the rank of Dean and above shall have at least two voting members of the Board serving as full search committee members

(6) The Executive Committee of the Board shall grant prior approval for the appointment or dismissal of University employees with the rank of Dean and above.

(7) The Executive Committee shall review all nominations for honorary degrees and present for approval of the Board such candidates, as the Committee deems worthy.

**(c) The Finance Committee.**

(1) The Committee shall be composed of no fewer than three (3) voting members of the Board.

(2) The Committee shall concern itself with the business affairs of the University, and monitor the development and implementation of a comprehensive fiscal plan which is both realistic and related to the academic goals and priorities of the University. The fiscal plan shall be approved and periodically reviewed by the Board of Trustees.

(3) The Committee shall review the University's annual operating and capital budgets and submit them with the Committee's recommendation to the Board for approval prior to the beginning of each fiscal year.

(4) The Committee shall review, advise, or approve, as appropriate, general administrative questions brought to it by management concerning operational and expenditure issues for human resources, information technology systems, safety, physical and data security and facilities and maintenance.

**(d) The Endowment and Investment, Committee.**

(1) The Committee shall be composed of no fewer than three (3) voting members and shall meet at least twice a year. The Committee shall submit on a regular basis a report to the Board on the state of the endowment, changes in investments, and estimates of future earnings compared to current and past yields.

(2) The Committee shall develop and maintain investment policy guidelines to be ratified by the Board. Acting within the scope of investment policy guidelines, the Committee shall have charge of the investment of endowment funds of the University, including the power to effect purchases, sales, or exchanges of securities and other investment assets of the University. In cooperation with the Development and Alumni Relations Committee, the Committee shall discuss University Development activity and its impact on the University endowment.

(3) The Committee may employ investment counsel and may delegate authority to purchase or sell securities for the account of the University to such investment counsel, or to any officer of the University Administration, subject to such limitations as the Committee or Board may impose.

(4) The Committee shall monitor the expenditure of income from specific endowment funds to ensure that such expenditure is in accordance with the purpose and specific requirements of each endowment fund.

**(e) The Academic Affairs Committee.**

(1) The Committee shall be composed of no fewer than three (3) voting members.

(2) The Committee shall concern itself with the academic affairs of the University. It shall inform itself of the character and quality of the University's academic programs, its accreditation, and important policy matters relating to faculty affairs.

(3) The Committee shall monitor the development of the academic programs, and review proposals for major changes in the *curriculum* or in the various degree programs. The Committee shall also monitor retention, career services and academic success initiatives. It shall review all major policy proposals requiring Board approval in the areas of academics or faculty affairs. It shall forward recommendations for new facilities or major renovations to the Finance Committee.

(4) The Committee shall bring major problems or policy concerns in the above areas to the attention of the Board, with such recommendations, as the Committee deems appropriate.

(5) The Chairman of the Enrollment Management and Student Affairs Committee shall sit as a member of the Academic Affairs Committee.

**(f) The Enrollment Management and Student Affairs Committee.**

(1) The Committee shall be composed of no fewer than three (3) voting members.

(2) The Committee shall concern itself with the enrollment management and student affairs of the University. It shall inform itself of the character and quality of the University's enrollment initiatives and student affairs and important policy matters relating to enrollment management and student affairs. .

(3) The Committee shall monitor the development of the student recruiting, admissions, financial aid, retention policies, athletics and academic success initiatives, making recommendations to the Board after appropriate consultation with the President. It shall review all major policy proposals requiring Board approval in the areas of enrollment management and student affairs. It shall forward recommendations for new facilities or major renovations to the Finance Committee.

(4) The Committee shall bring major problems or policy concerns in the above areas to the attention of the Board, with such recommendations, as the Committee deems appropriate.

(5) The Chairman of the Academic Affairs Committee shall sit as a member of the Enrollment Management and Student Affairs Committee.

**(g) The Development and Alumni Relations Committee**

(1) The Committee shall be composed of no fewer than three (3) voting members.

(2) The Committee shall concern itself with the University's program in fundraising and alumni affairs. The Committee shall provide leadership in the comprehensive effort to generate greater understanding and support for the University. Subject to Board approval, the Committee may establish and shall supervise such committees, councils, advisory boards, or associations as may be appropriate to support the University's development program.

(3) The Committee shall review for Board approval comprehensive plans for alumni relations and for developing the philanthropic financial resources necessary to achieve the University's purpose, goals and objectives.

**(h) The Marketing Committee**

(1) The Committee shall be composed of no fewer than three (3) voting members.

(2) The Committee shall concern itself with the University's program in public relations. The Committee shall provide leadership in the comprehensive effort to generate greater understanding, awareness and support for the University. Subject to Board approval, the Committee may establish and shall supervise such committees, councils, advisory boards, or associations as may be appropriate to support the University's development program.

(3) The Committee shall review for Board approval comprehensive plans for marketing and public relations to achieve the University's purpose, goals and objectives.

**(i) The Governance Committee**

(1) **Purpose** – The Governance Committee will:

(a) Review the composition of the Board to assure that the Board can

deliberate and act in ways that are commensurate with the needs of the University and consistent with the Board's fiduciary obligation.

(b) Recruit and vet highly qualified and committed candidates for Board membership, recommend members to serve on Board committees and as committee chairs and develop and recommend strategies, policies and practices that orient, educate, motivate and assess the performance of Board members.

(c) Assist the Chair and President in their joint responsibility to help the Board function effectively and efficiently and guide the Board in review of its own effectiveness and efforts to maintain the University's excellence and sustain its future growth.

(d) Review and discuss specific and/or significant risks and exposures facing the University and assesses the adequacy of actions proposed by the University to manage such risks in consultation with the President and General Counsel. The Committee consults with the President and General Counsel to review the University's compliance with laws, policies and regulations related to the University's operation, making the protection of students, faculty, staff and constituents a top priority. A comprehensive list of legal and compliance issues that fall within the authority of the Committee is set forth below. To the extent that the identified matters fall in whole or in part within the purview of another committee of the Board, the scope of this Committee's review and oversight will be limited to legal and compliance issues.

## (2) **Composition and Structure**

(a) The Committee shall be composed of no fewer than 4 voting members and shall include the Chancellor of the University and the President. Nominees to serve on the Committee shall be determined based on consultation between the chair and the President. Committee membership shall be confirmed by vote of the Board based on nominations as recommended by the Chair and President.

(b) The Committee will consult with other Board committees as appropriate in the exercise of its responsibilities. The Committee may convene a joint meeting with members of another Board committee to discuss issues of joint interest.

## (3) **Meetings**

(a) Discussion and communication between Committee members and the General Counsel, or any other attorney representing the University, on any matter that relates to the legal functions of the University, and/or any matter related to legal issues affecting or involving the University, including but not limited to litigation strategy, will be protected by the attorney-client privilege and any other privileges and protections as are applicable and appropriate.

(d) The Committee may move into a confidential meeting with the General Counsel at any time to discuss litigation and/or matters protected by the attorney-client privilege or other legal protections. All such meetings will be privileged and confidential. If outside counsel has been retained to represent the Board separately from the General Counsel, then the Committee will meet with outside counsel as appropriate.

**(5) Legal and Compliance Issues Within the Scope of this Committee’s Responsibility**

(a) The following partial, but not exclusive list of legal subjects falls within the Committee’s authority and may be brought to the Committee for discussion and oversight.

Threatened or pending litigation involving the university, including review of significant settlement agreements	Legal aspects of compliance issues (e.g. financial aid compliance, health, safety and environmental)
Employment disputes	Administrative agency complaints
Government inquiries and investigations	Conflicts of interest
Campus safety and security and Clery Act compliance	First Amendment issues, including academic freedom and protests
Discrimination complaints, including harassment	Student conduct and other legal issues affecting students
Employee misconduct	Faculty disputes and investigations
Mandatory reporting compliance	Contract matters and disputes
Athletics and NCAA compliance	Intellectual property and technology transfer
Privacy issues	Employee contracts , including unusual or significant severance or termination arrangements and payments
Development	Policy development
Whistleblower complaints	Risk management issues
Finance, tax and investments	Real Property, facilities, leases and construction

(j) **The Audit Committee.**

(1) The Committee shall periodically appraise the financial and accounting systems of the University and recommend changes it deems appropriate.

(2) The Committee shall present to the Board a recommendation on the appointment of an independent auditor; review the independent auditor's proposed audit scope and the results of the firm's audit. The Committee may request any designated independent auditor, or any officer or employee of the University to appear before it to report on the financial condition of the University and answer any questions the Committee may have.

(3) The Committee shall provide assurance that expenditure of income from specific endowment funds and other restricted gifts are in accordance with the purpose and specific requirements of the donor agreement and/or intent.

(4) The Committee shall have a minimum of three members, all of whom are independent of management and free from any relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment as a Committee member. The Chair of the Committee shall be a voting member of the Board and have or have access to accounting and related financial management expertise. Neither the President of the University nor Chair of the Board of Trustees may serve as members of the Audit Committee. They or any staff member of the University may, upon invitation of the Committee, attend any meetings in support of the Committee's work.

(k) **The Real Estate Committee.**

(1) The Committee shall be composed of no fewer than three (3) voting members and shall meet at least twice a year. The Committee shall submit on a regular basis a report to the Board on the progress of University land development.

(2) Acting within the scope of land policy and development guidelines established by the Board of Trustees, the Committee shall have charge of all real estate belonging to the University, including land used for the University campus and operations. The Committee shall supervise the University's land development program. Subject to Board approval, the Committee may employ land development counsel, or establish a land development subsidiary, and delegate to such counsel, subsidiary or officer of the University Administration, authority to develop non-campus University lands in accordance with such limitations and requirements as the Committee or Board may impose.

(3) The Committee shall approve an annual facilities report, prepared by the Administration, of physical plant deferred maintenance, capital budget expenditures, periodic campus master plan updates and University security and safety programs.



(4) The Committee shall approve periodic master plan updates.

(1.) **The Nominating Committee** – The Nominating Committee shall screen potential nominees for Board officers, investigate and assess candidate suitability to hold a Board officer position and recommend a slate of candidates to be elected as officers of the Board in odd-numbered years. In December of every even-numbered year, the Board Executive Committee will appoint at least three (3) voting members of the Board to serve on the Nominating Committee. The Nominating Committee will solicit Board members to identify qualified voting members for service as Board officers, and shall submit a slate of voting-members from recommended nominees for election to Board officer positions. The slate of Board officer candidates shall not include the name of any Trustee who has not specifically expressed a commitment to serving as an officer if approved by the Board. Membership on the Nominating Committee will not preclude a Trustee from being nominated as an officer if the trustee meets all other requirements for office.

### ARTICLE 3. THE OFFICERS OF THE ADMINISTRATION

#### **Members**

Section 1. The officers of the administration shall be elected by the Board and shall be the President, one or more Vice-Presidents, and such other officers as may be designated by the Board.

#### **The President**

Section 2. The President serves at the will of the Board of Trustees, and shall have the academic, administrative, and the executive responsibility for the University. The President shall give an annual report on the state of the University to the Board.

The President of the University is the chief executive officer of the University and a voting member of the Board of Trustees. The President should understand and be committed to the purposes of the University, and have the qualifications necessary for academic leadership. As educational and administrative head of the University, the President shall exercise a general superintendence over all the affairs of the institution, and bring such matters to the attention of the Board as are appropriate to keep the Board fully informed to meet its policy-making responsibilities. The President shall have power, on behalf of the Trustees, to perform all acts and execute all documents to make effective the actions of the Board or its Executive Committee. The President of the University exercises those specific responsibilities which are assigned by the Board of Trustees, from time to time, a record of which will be found in the minutes of the Board meetings.

The President shall not be entitled to vote on any matter which involves the President's authority, compensation, duties, and responsibilities. Further, the President may be excluded from meetings of the Board or its Committees where such matters are discussed.

### **The Vice-Presidents**

Section 3. The Board of Trustees shall appoint one or more Vice-Presidents to perform duties assigned to them by the President.

### **Other Officers**

Section 4. (a) The Provost, Deans of the various schools, the Dean of Students, Registrar, and the Controller shall be appointed by the President with the approval of the Executive Committee of the Board.

(b) Other officers whose duties do not entail legal commitments by the University may be appointed by the President.

## ARTICLE 4. INDEMNIFICATION

Section 1: To the full extent permitted by the Texas Non-Profit Corporation Act, as amended from time to time, the University shall indemnify any Trustee, any Officer of the Board of Trustees, and any Officer of the Administration against lawful judgments, penalties (including excise and similar taxes), fines, settlements, and reasonable expenses (including court costs and attorneys' fees) actually incurred by any such person who was, is, or is threatened to be made a named defendant or respondent in any proceeding because the person is or was a Trustee, an Officer of the Board of Trustees, or an Officer of the Administration, and may advance to such person such reasonable expenses as are incurred by such person in connection therewith. The indemnification provided for in this article shall only apply to acts or omissions in good faith and in the best interests of the University.

Section 2: For purposes of this Article III, "Officer of the Administration" means any person with title of President, Vice-President or Dean who is or was responsible for the administration of a major administrative unit within the University, and such other persons whom the Board may designate as an "Officer of the Administration." The term "Officer of the Administration" also means any person who, while an officer, is or was serving at the request of the University as director, officer, partner, trustee, employee, agent, or similar functionary of the University or of another association, partnership, trust, employee benefit plan, or other enterprise.

"Trustee" means any person who is or was a Trustee and any person who, while a Trustee, is or was serving at the request of the University as director, officer, partner, trustee, employee, agent, or similar functionary of the University or of another association, partnership, trust, employee benefit plan, or other enterprise.

“Proceeding” means any threatened, pending, or completed action, suit, or proceedings, whether civil, criminal, administrative, arbitral, or investigative, any appeal in any such action, suit, or proceedings, and any inquiry or investigation that could lead to such an action, suit or proceeding.

Section 3: The indemnification provided by this Article III shall not be deemed exclusive of any other rights to which the person claiming indemnification may be entitled under any statute, insurance coverage, or otherwise both as to any action in his or her official capacity and as to any action in another capacity while holding office, and shall continue as a person who shall have ceased to be a Trustee, Officer of the Board of Trustees, or Officer of the Administration engaged in any other enterprise at the request of the University and shall inure to the benefit of the heirs, executors, and administrators of such person.

Section 4: The University shall have the power to purchase and maintain insurance or, to the extent permitted by applicable law, another arrangement on behalf of any person who is or was a Trustee, Officer of the Board of Trustees, Officer of the Administration, employee, or agent of the University, or who is or was serving at the request of the University as director, officer, employee, or agent or any other capacity in another association or a partnership, trust, or other enterprise against any liability asserted against such person in such capacity, arising out of such person’s status as such, whether or not such person is indemnified against such liability by the provisions of Article III.

Section 5: The University may indemnify and advance expenses to an employee or agent who is not a Trustee, Officer of the Board of Trustees, or Officer of the Administration to such further extent, consistent with law, as may be provided by general or specific action of the Board, by contract, or as permitted or required by common law.

#### ARTICLE 5. CONFLICT OF INTEREST

1. A Trustee shall be considered to have a conflict of interest if:
  - (a) such Trustee has existing or potential financial or other interests which may impair or might reasonably appear to impair such Trustee’s independent, unbiased judgment in the discharge of his or her responsibilities to the University; or
  - (b) such Trustee is aware that a member of his or her family (which for purposes of this paragraph shall be a spouse, parent, sibling, child, and any other relative if the latter resides in the same household as the Trustee), or any organization in which such Trustee (or any member of his or her family) is an officer, director, employee, member, partner, trustee, or controlling stockholder, has existing or potential financial or other interests which impair or

might reasonably appear to impair such Trustee's independent, unbiased judgment in the discharge of his or her responsibilities to the University. Any Trustee who is uncertain whether her or she has a conflict of interest in any matter may request the Board or the Executive Committee to determine whether a conflict of interest exists, and the Board or the Executive Committee, shall resolve the question by majority vote of the disinterested voting members of the Board or disinterested voting members of the Executive Committee, as the case may be, even though the disinterested Trustees or members of the Executive Committee be less than a *quorum*.

2. Each Trustee shall disclose to the Board any potential conflict of his or her interest or such Trustee's family member's interest at the earliest practicable time. No Trustee shall vote on any matter, under consideration at a Board or committee meeting, in which such Trustee or Trustee's family member has a conflict of interest. A disclosure shall be made to the Board or to such committee of the material facts as to a Trustee's relationship or interest or that of his or her family member and as to the proposed contract or transaction in which such Trustee or family member is interested. The Trustee having a conflict of interest or whose family member has a conflict of interest may be counted in determining whether a *quorum* was present at such meeting but may not be counted in calculating the majority necessary to carry the vote. The Trustee having a conflict of interest or whose family member has a conflict of interest shall abstain from voting. Any such matter may be authorized or ratified by a majority of the disinterested voting members of the Board present at such meeting even if the disinterested voting members be less than a *quorum*.

3. Each Trustee shall sign an annual no-conflict statement and submit it to the Governance Committee at the first meeting of each academic year and advise the Governance Committee of any change in status during the year.

4. This Article shall not be construed to invalidate any contract or transaction which would be valid in the absence of this provision.

#### ARTICLE 6. BYLAW CHANGES

The Bylaws of the University may be amended by a majority vote of the voting members of the Board at the second reading of the proposed changes. Proposed amendments shall be presented to the Board by the Governance Committee.