

# LEHIGH UNIVERSITY BYLAWS

## ARTICLE I OFFICES, PURPOSES, DISSOLUTION

### 1.1 Offices

The principal office of the Corporation (hereinafter referred to as the "University") shall be located in Bethlehem, Northampton County, Pennsylvania. The University may have such other offices as the Board may determine from time to time.

### 1.2 Purposes and Powers

The University shall have such purposes as are now or may hereafter be set forth in its Charter and shall have and exercise such powers in furtherance of its purposes as are now or may hereafter be set forth in its Charter or allowed by law. In furtherance of the purposes and related powers of the University as are set forth in its Charter, the University shall maintain, administer and support an educational system which may be comprised of the University and such other corporations, associations, entities or activities which may be created by, acquired by, carried on for the benefit of, sponsored by or affiliated with the University. Concomitant with the purposes as set forth in the Charter, it is the mission of the University to provide outstanding educational opportunities for students at the university level without regard to race, color, religion, gender, age, national or ethnic origin, disability, or veteran status. All other provisions of these Bylaws notwithstanding, the University shall accomplish its purposes and exercise its powers in a manner consistent with the provisions of Section 501(c)(3)<sup>1</sup> of the Internal Revenue Code of 1986, as amended.

### 1.3 Dissolution

In the event of termination, dissolution or winding-up of the University, in any manner or for any reason whatsoever, its remaining assets, if any, shall be distributed to one (1) or more organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. No private individual shall share in the distribution of any University assets upon dissolution or sale of the assets of the University.

## ARTICLE II BOARD OF TRUSTEES

### 2.1 Membership

The governing Board of the University shall be the Board of Trustees which shall consist of not less than eighteen (18) nor more than forty-two (42) members (including the President of the University, who shall be a Trustee Ex Officio). No member of the University administration or University faculty, other than the President of the University, shall be eligible for membership on the Board of Trustees.

### 2.2 Classification of Trustees

There shall be the following classifications of Trustees:

- Corporate Trustees
- Appointed Trustees
- Alumni Trustees
- Trustees Emeriti
- Trustee Ex Officio

No person shall serve in more than one (1) classification at any one (1) time, but a person may, after completing service in one (1) classification, serve in a different classification.

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<sup>1</sup> Section 501(c)(3) of the Internal Revenue Code describes the non-profit organizations, including educational institutions, which qualify for exemption from federal income taxation.

### **2.3 Powers and Responsibilities of Board of Trustees**

Except as otherwise provided by law, by the Charter,<sup>2</sup> or by these Bylaws, the Board shall have all powers provided to directors by law and shall have and exercise full power and authority to do all things deemed necessary and expedient in the governance, management, and control of the business and affairs of the University, including, without limitation, the establishment of the University's general, educational, and financial policies. The powers and responsibilities of the Board shall include, but shall not be limited to, the following:

- a. To determine and define the mission and goals of the University, and to assess periodically institutional performance in light of the mission and goals;
- b. To insure that there is adequate university-wide, short-term and long-term planning to attain the University's goals;
- c. To establish, review, and approve major changes in the educational programs of the University consistent with its mission;
- d. To establish criteria and procedures regarding appointment, promotion, tenure, and dismissal of faculty members, and to approve the granting of tenure to faculty members and the promotion of faculty members to full professor;
- e. To appoint and determine the tenure of the President of the University, to provide guidance to the President, to assess his/her performance based on stated University goals and plans, and to set appropriate terms of the President's employment, including compensation;
- f. To approve and authorize all earned degrees upon recommendations of the President and the faculty and honorary degrees upon recommendation of the President and the Faculty Committee on Honorary Degrees;
- g. To oversee and approve the budget of the University and to establish policy guidelines for major fund-raising efforts and for management of the University's endowment and investments;
- h. To authorize the purchase, management, and sale of all land, buildings, and major equipment of the University;
- i. To authorize the construction of new buildings and major renovations of existing buildings;
- j. To establish, disestablish and review the operation of subsidiary organizations;
- k. To authorize borrowing by the University and the securing thereof by mortgage or pledge of real or personal property;
- l. To authorize officers or agents of the University to accept gifts and bequests on behalf of the University;
- m. To attend meetings of the Board and to participate actively on its committees;
- n. To contribute financially to the University's fund-raising goals and to participate in strategies to secure sources of support;
- o. To serve actively as advocates for the University in appropriate matters of public policy in consultation with the President and other responsible parties as the Board shall determine.

### **2.4 Election and Tenure**

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See Sec. 2.4.1

#### **2.4.1 Corporate Trustees**

There shall be ten (10) Corporate Trustees. The Corporate Trustees are granted by the Act of Assembly, approved February 9, 1866, which established and incorporated Lehigh University, the authority and responsibility to manage, direct and govern the University and, on behalf of the University, to acquire and dispose of real and personal property, to sue and be sued, and generally to do and contract all the business of the University. The Corporate Trustees shall be the members of the University in its status as a Pennsylvania non-profit corporation. Whenever action of the members is required or contemplated by law, the action of the Corporate Trustees shall constitute the action of the members.

At its annual meeting, after appropriate nomination, the Corporate Trustees then in office shall select individuals to fill the then-existing vacancies in the classification of Corporate Trustees. Each Corporate Trustee shall hold office for a term of five (5) years and until his/her successor is duly elected and qualified unless he/she sooner resigns or is removed pursuant to Section 2.5 hereof. A Corporate Trustee may serve two (2) successive terms as such and then must vacate the office of Corporate Trustee for a period of at least one (1) year before he/she may be re-elected to such office.

#### **2.4.2 Appointed Trustees**

There shall be not more than twenty-five (25) Appointed Trustees, who shall be non-voting members of the Board and shall be appointed by the Corporate Trustees. Appointed Trustees may serve and vote on any committees to which they may be appointed with the exception of the Executive Committee of which they would be non-voting members. Appointed Trustees shall serve for terms of three (3) years each and until their successors are duly appointed and qualified, unless they sooner resign or are removed. An Appointed Trustee may serve two (2) successive terms as such, and then must vacate the office of Appointed Trustee for a period of at least one (1) year before he/she may be re-elected to such office. Exceptions to the one-year vacancy may include Appointed Trustees who are serving as Board Vice Chairperson, Committee Chairperson, or Subcommittee Chairperson. Exceptions to these limitations may also be granted at the discretion of the Board chair with the approval of the Nominating Committee.

#### **2.4.3 Alumni Trustees**

There shall be not more than six (6) Alumni Trustees elected by the Lehigh University Alumni Association from its membership, who shall be non-voting members of the Board and voting members of any committees on which they may serve, except the Executive Committee. Three (3) of the six (6) Alumni Trustees shall be elected from the Lehigh University Alumni who were graduated not less than two (2) nor more than fifteen (15) years prior to their elections. Alumni Trustees shall serve for terms of three (3) years and each Alumni Trustee may serve as such for only one (1) term and no more. The terms of office of Alumni Trustees shall commence at the annual meeting of the Association and shall continue for the designated number of years and until successors are duly elected and qualified unless terminated sooner because of resignation or removal.

#### **2.4.4 Trustees Emeriti**

The Trustees may bestow the honorary title of Trustee Emeritus upon any Trustee retiring from membership on the Board who has during his/her years of tenure provided exemplary and meritorious service, and is deemed by the remaining Trustees to be deserving of special recognition. A Trustee Emeritus shall be entitled to attend, without vote, the annual meeting and all regular Board meetings.

#### **2.4.5 Trustee Ex Officio**

There shall be one (1) Trustee Ex Officio who shall be the President of the University. The President shall be a non-voting Trustee and his/her term as Trustee Ex Officio shall coincide with his/her term as President.

#### **2.4.6 Age Limitation**

An individual is eligible to serve as a Trustee up to and through the academic year in which he/she attains the age of seventy-three (73) years.

## **2.5 Resignation and Removal**

### **2.5.1 Resignation**

Any Trustee may resign at any time by giving written notice to the Chairperson or Secretary of the Board. Such resignation, which may or may not be made contingent upon formal acceptance, shall take effect on the date of receipt of the notice or at any later time specified therein.

### **2.5.2 Removal**

The Board may remove any Trustee who is declared of unsound mind by a court order, is convicted of a felony, fails without good cause acceptable to the Board to meet the attendance requirements adopted by the Board, fails to fulfill the responsibilities for Trustees specified in these Bylaws or required by law or for any other reason, in the Board's judgment, such removal would be in the best interests of the University. The Board may also remove any Trustee for fraudulent or dishonest acts, or for gross abuse of authority or discretion with reference to the University, or for any other acts or statements that may reflect adversely on the University's standing in the community. A Trustee may only be removed from the Board upon the affirmative vote of two-thirds (2/3) of the members of the Board present and entitled to vote at any meeting of the Board, and provided that at least ten (10) days' prior written notice is given to the Board, including said Trustee, of the intention to propose such action.

## **2.6 Vacancies**

Vacancies in Trusteeships, due to death, removal, resignation, or an increase in the authorized number of Trustees, may be filled, at any Board meeting, by election or appointment, as the case may be, in the manner in which Trustees of the classification involved are ordinarily chosen. Any Trustee so chosen holds office for the full term of that office.

## **2.7 Meetings of Trustees**

### **2.7.1 Regular Meetings**

There shall be an annual meeting of the Board of Trustees which shall be held in the month of May each year, or in such other month of the year as the Board may determine to be suitable, provided that the required notice of such meeting is given under these Bylaws. There shall be such additional regular meetings as the Board may from time to time determine. All regular meetings shall be held at such times and places as the Board shall specify. All Trustees shall be given at least twenty (20) days' written notice of all regular meetings.

### **2.7.2 Special Meetings**

Special meetings may be called at any time by the Chairperson of the Board. The Chairperson must call a special meeting upon written request of three (3) Corporate Trustees. Such written request must state the purpose of the special meeting. All Trustees shall be given three (3) days' written notice of special meetings, and the notice shall contain a brief statement of the purpose of the meeting. No business shall be conducted at a special meeting that does not relate to the stated purpose.

### **2.7.3 Notice/Waiver of Notice**

Whenever notice is required to be given by law under the provisions of the Charter or of these Bylaws, said notice may be given by first class United States mail, overnight mail service, telefax or electronic mail. A waiver of such notice shall be in writing signed by the persons entitled to said notice, whether before or after the time for the notice, and shall be deemed equivalent thereto. Attendance at any meeting by a Trustee shall be conclusively deemed a waiver of notice of that meeting unless objection is made at the outset of such meeting to the failure to give proper notice.

### **2.7.4 Quorum**

A quorum for the transaction of business shall consist of six (6) Corporate Trustees, present at any regular or special meeting of the Board after the required notice of meeting has been given.

#### **2.7.5 Voting**

Voting by proxy is not permitted.

#### **2.7.6 Manner of Acting**

Unless otherwise required by law, the Charter, or these Bylaws, the act of a majority of the Trustees present at a meeting at which a quorum is present shall be the act of the Board.

#### **2.7.7 Action by Written Consent**

Any action which may be taken at a meeting of the Trustees may be taken without a meeting if a consent or consents in writing, setting forth the action so taken, shall be signed by all of the Trustees in office and shall be filed with the Secretary.

#### **2.7.8 Executive Sessions**

The Board of Trustees and the Executive Committee may, at their option, meet in executive session, and may excuse the President of the University, as Trustee Ex Officio, from such sessions.

### **2.8 Standard of Care**

Each Trustee of the University shall stand in a fiduciary relation to the University and shall perform his/her duties as a Trustee, including his/her duties as a member of any committee of the Board upon which he/she may serve, in good faith, in a manner he/she reasonably believes to be in the best interests of the University, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his/her duties, a Trustee shall be entitled to rely in good faith on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- a. One (1) or more officers or employees of the University whom the Trustee reasonably believes to be reliable and competent in the matters presented.
- b. Counsel, public accountants, or other persons as to matters which the Trustee reasonably believes to be within the professional or expert competence of such person;
- c. A committee of the Board upon which he/she does not serve, duly designed in accordance with the Bylaws, as to matters within its designated authority, which committee the Trustee reasonably believes to merit confidence.

A Trustee shall not be considered to be acting in good faith if he/she has knowledge concerning the matter in question that would cause his/her reliance to be unwarranted.

### **2.9 Personal Liability of Trustees**

The personal liability of Trustees shall be limited to the fullest extent allowed by law. A Trustee of the University shall not be personally liable, as such, for monetary damages for any action taken, or any failure to take any action, unless:

- a. The Trustee has breached or failed to perform the duties of his/her office, as set forth in Section 2.8 hereof, or otherwise imposed by law; and the breach or failure to perform constitutes self dealing, willful misconduct, or recklessness;
- b. The responsibility or liability of a Trustee is pursuant to any criminal statute; or

- c. The responsibility or liability of a Trustee is for the payment of taxes pursuant to federal, state, or local law.

No amendment to or repeal of this section shall apply to or have any effect on the liability or alleged liability of any Trustee for, or with respect to, any acts or omissions of such Trustee occurring prior to such amendment or repeal.

## **2.10 Conflict of Interest**

The Board has adopted a University Conflict of Interest Policy which is separate from these Bylaws and applies to all Trustees, officers, faculty, and staff members of the University. The University Conflict of Interest Policy shall comply with all legal requirements for such policies as applicable to organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. At least thirty (30) days before the annual meeting, the Secretary shall notify all Trustees of their obligations to agree to abide by the Conflict of Interest Policy and to disclose any potential or real conflicts of interest as defined in the Policy. All Trustees have the continuing responsibility to bring all related material facts concerning a potential or real conflict of interest promptly and completely to the Board. A Trustee shall not vote or participate in the deliberation of a matter in which such Trustee has a conflict of interest, nor shall such Trustee use his/her personal influence, directly or indirectly in the matter, or be counted in determining the existence of a quorum for the purposes of any action of the Board.

# **ARTICLE III OFFICERS**

## **3.1 Officers**

The Officers of the Board of Trustees shall be the Chairperson, one (1) or more Vice Chairpersons, the Secretary, one (1) or more Assistant Secretaries, the Treasurer, and one (1) or more Assistant Treasurers of the Board of Trustees, and such other Officers as the Board may designate from time to time. The Secretary, Assistant Secretary, Treasurer, and Assistant Treasurer need not be members of the Board of Trustees. The Officers of the University Administration shall be the President, two (2) or more Vice Presidents, including the Provost and Vice President for Academic Affairs, and the Vice President for Finance and Administration, and such other Officers as the Board of Trustees may designate from time to time. Only Corporate Trustees are eligible for election as Chairperson of the Board. Other Officers of the Board need not be members of the Board of Trustees. Any person may hold two (2) or more offices except that no person may hold both the offices of (1) Secretary and Chairperson or President, or (2) Treasurer and Chairperson or President.

## **3.2 Election and Tenure**

The Board shall elect the Officers of the Board at its annual meeting. Except as otherwise provided in Section 3.3, the Chairperson of the Board shall serve for a term of five (5) years and until his/her successor is duly elected and qualified. The Chairperson may not succeed himself/herself in office. The Vice Chairperson shall serve a term of five (5) years to coincide with the term of the Chairperson. The Vice Chairperson may not succeed himself/herself in office. The other Officers of the Board shall serve such terms as may be determined by the Board of Trustees at the time of their election. The Board shall elect the President of the University as the office becomes vacant. The term of office of the President shall be as determined by the Board at the time of his/her election or at such other time as may be appropriate. The Vice Presidents and other Senior Administrative Officers of the University shall be appointed by the President after consultation with the Executive Committee. The Vice Presidents and other Senior Administrative Officers shall serve at the pleasure of the President.

## **3.3 Resignation and Removal**

### **3.3.1 Resignation**

Any Board Officer or the President may resign at any time by giving written notice to the Chairperson of the Board or to the Secretary. Any Vice President or other Officer of the University Administration may resign at any time by giving written notice to the President. Any such resignation, which may or may not be made contingent upon formal acceptance, shall take effect on the date of receipt of the notice or at any later time specified therein.

### **3.3.2 Removal**

Any Board Officer or the President may be removed by the Board whenever in its judgment the best interests of the University will be served thereby. Removal shall be without prejudice to the contract rights, if any, of the person so removed.

### **3.4 Chairperson Emeritus**

The Trustees may bestow the honorary title of Chairperson Emeritus upon any Chairperson retiring from the Chairperson position who has during his/her years of tenure provided exemplary and meritorious service, and is deemed by the remaining Trustees to be deserving of special recognition.

### **3.5 Vacancies**

A vacancy in any Board office may be filled by the Board for the unexpired portion of the term. In the event of a vacancy in the office of President, the Board shall direct the Executive Committee to initiate the presidential search process.

### **3.6 Duties of Officers of the Board of Trustees**

#### **3.6.1 Chairperson of the Board of Trustees**

- a.) The Chairperson shall preside, with right to vote, at all meetings of the Board of Trustees and the Executive Committee.
- b.) The Chairperson, or the Vice Chairperson if so designated by the Chairperson, in the cases of all committees except the Executive Committee, shall be an ex officio member, without vote, of all committees.
- c.) The Chairperson may sign, on behalf of the University, any documents or instruments which the Board has authorized to be executed.
- d.) The Chairperson shall propose for action by the Board such measures as may be deemed beneficial to the University.
- e.) The Chairperson shall appoint the members of all committees with the exception of the Executive Committee.
- f.) The Chairperson shall perform all duties incident to the office of the Chairperson and such other duties as may be prescribed by the Board from time to time.

#### **3.6.2 Vice Chairperson(s) of the Board**

- a.) The Vice Chairperson(s) shall perform all the duties and exercise the powers of the Chairperson during his/her absence or incapacity.
- b.) The Vice Chairperson(s) shall perform such other duties as may be assigned to him/her by the Chairperson or by the Board.

#### **3.6.3 Secretary**

- a.) The Secretary shall provide for the keeping of minutes of all meetings of the Board and shall assure that such minutes are filed with the records of the University, and that copies thereof are sent to members of the Board and to appropriate officers of the University.
- b.) The Secretary shall provide for the preparation of reports of the meetings of the Executive Committee and for distribution of the reports to each member of the Board.
- c.) The Secretary shall act as custodian of all corporate records and reports.

- d.) The Secretary shall give or cause to be given appropriate notices in accordance with these Bylaws or as required by law.
- e.) The Secretary shall prepare agenda for all Board meetings.
- f.) The Secretary shall act as custodian of the corporate seal, assuring that it is affixed, when required by law, to documents executed on behalf of the University.
- g.) The Secretary shall perform all duties incident to the office of Secretary and such other duties as may be assigned from time to time by the Chairperson or by the Board.
- h.) The Secretary may delegate any of his/her duties to any duly elected or appointed Assistant Secretary.

#### **3.6.4 Assistant Secretary**

- a.) The Assistant Secretary shall perform all the duties of the Secretary during his/her absence or incapacity.
- b.) The Assistant Secretary shall perform such other duties as may be assigned to him/her by the Secretary or the Chairperson.

#### **3.6.5 Treasurer**

- a.) The Treasurer shall perform all duties incident to the office of Treasurer, including, but not limited to, custody and collection of all funds and overseeing and effectively investing such funds for or on behalf of the University subject to the general direction of the Finance Committee, and such other duties as may be assigned to him/her by the Chairperson or the President.
- b.) The Treasurer may delegate any of his/her duties to any duly elected or appointed Assistant Treasurer.
- c.) The Treasurer shall be an ex officio member of the Finance Committee, without vote.

#### **3.6.6 Assistant Treasurer**

- a.) The Assistant Treasurer shall perform all the duties of the Treasurer during his/her absence or incapacity.
- b.) The Assistant Treasurer shall perform such other duties as may be assigned to him/her by the Treasurer, the Chairperson, or the President.

### **3.7 Duties of Officers of the University Administration**

#### **3.7.1 President of the University**

- a.) The President of the University shall be the chief executive officer of the University and the official advisor to and executive agent of the Board of Trustees and its Executive Committee. The President shall, as educational and administrative head of the University, 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 in meeting its policy-making responsibilities. The President shall report to the Board regarding the appointment of faculty and Officers of the University Administration.
- b.) The President shall have power, on behalf of the University, to perform all acts and execute all documents to make effective the actions of the Board or its Executive Committee. The

President may delegate to Officers of the University Administration authority to execute documents on behalf of the University to make effective actions of the Board or its Executive Committee or as necessary for the general operation of the University in accordance with these Bylaws.

- c.) The President shall insure that the University Administration implements and administers the University Conflict of Interest Policy, which is separate from these Bylaws and applies to all Trustees, officers, faculty, and staff members of the University.
- d.) The President and the Vice President for Finance and Administration shall present to the Board an annual report, in appropriate detail, showing the following:
  - 1. The assets and liabilities, including the trust funds, of the University as of the end of the fiscal year immediately preceding the date of the report, as well as changes in said assets and distribution during said fiscal year;
  - 2. The revenue, receipts, expenses and disbursements of the University, both unrestricted and restricted to particular purposes, for the fiscal year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the University; and
- e.) Except as otherwise provided in these Bylaws, the President shall be an ex officio member without vote of all committees of the Board.

### **3.7.2 Vice Presidents**

Each Vice President shall have such powers and shall perform such duties as may be assigned by the President or the Board of Trustees. In case of the absence or disability of the President, the duties of the office shall be performed by the Provost and Vice President for Academic Affairs. In case of the absence or disability of the Provost and Vice President for Academic Affairs, the duties of the President shall be performed by any Vice President designated by the Executive Committee of the Board.

- a.) The Provost and Vice President for Academic Affairs shall be the chief academic officer of the University. He/she shall supervise the academic programs of the University and direct the Deans of the Colleges, the faculty, and other academic personnel. He/she shall recommend to the Board, for its consideration and approval, the granting of tenure to faculty members and the promotion of faculty members to full professor.
- b.) The Vice President for Finance and Administration shall be the chief financial and administrative officer of the University. He/she shall keep the President and the Board apprised of the University's financial condition and shall present, with the President, the annual report as set forth in Section 3.6.1 d.) of these Bylaws. The Vice President for Finance and Administration shall be responsible for oversight of the general administrative and operating systems and personnel of the University.

## **ARTICLE IV APPOINTMENTS**

### **4.1 Approval of Appointments**

All members of the faculty and all other employees shall be recommended for appointment or reappointment through appropriate lines of authority which are to be established by the University Administration and approved by the Board. Recommendations for appointments or reappointments shall be subject to the approval of the appropriate Vice President and ultimately the approval of the President.

### **4.2 Faculty Appointments**

The President may delegate to the Provost and Vice President for Academic Affairs the authority to appoint faculty members subject to Board approval of the appointment procedures. The granting of tenure and the promotion of faculty members to full professor shall be subject to the approval of the Board of Trustees.

#### **4.3 Offices Held at the Pleasure of the Board**

All employees of the University regardless of rank shall hold their offices at the pleasure of the Board of Trustees. This section is not intended to limit any obligations to a University employee under contract provided such contract was duly authorized and executed by the University as provided by these Bylaws.

### **ARTICLE V INDEMNIFICATION**

#### **5.1 Indemnification of Trustees, Officers, and Employees**

##### **5.1.1 Third Party Actions**

The University shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the University) by reason of the fact that he/she is or was a Trustee, officer, employee, or agent of the University, or is or was serving at the request of the University, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit, or proceeding if he/she acted in good faith and in a manner he/she reasonably believed to be in, or not opposed to, the best interests of the University, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful.

The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he/she reasonably believed to be in, or not opposed to, the best interest of the University, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was unlawful.

##### **5.1.2 Derivative Actions**

The University shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the University to procure a judgment in its favor by reason of the fact that he/she is or was a Trustee, officer, employee, or agent of the University, or is or was serving at the request of the University, as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him/her in connection with the defense or settlement of such action or suit if he/she acted in good faith and in a manner he/she reasonably believed to be in, or not opposed to, the best interests of the University; except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his/her duty to the University unless and only to the extent that the Court of Common Pleas of the county in which the registered office of the University is located or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses which the Court of Common Pleas or such other court shall deem proper.

##### **5.1.3 Procedure for Effecting Indemnification**

Unless ordered by a court, any indemnification under Section 5.1.1 of these Bylaws (relating to third party actions) or Section 5.1.2 of these Bylaws (relating to derivative action) shall be made by the University only as authorized in the specific case upon a determination that indemnification of the Trustee, officer, employee, or agent is proper in the circumstances because he/she has met the applicable standard of conduct set forth in such section. Such determination shall be made:

- a.) By the Board of Trustees by a majority vote of a quorum consisting of Trustees who were not parties to such action, suit or proceeding; or

- b.) If such a quorum is not obtainable, or even if obtainable, if a majority vote of a quorum of disinterested Trustees so directs, by independent legal counsel in written opinion.

#### **5.1.4 Mandatory Indemnification**

Notwithstanding any contrary provision of these Bylaws, to the extent that a Trustee, officer, employee, or agent of the University has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in either Section 5.1.1 or 5.1.2 of these Bylaws, or in defense of any claim, issue, or matter therein, he/she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him/her in connection therewith.

#### **5.1.5 Advances**

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the University in advance of the final disposition of such action, suit, or proceeding as authorized by the Board of Trustees in a specific case upon receipt of an undertaking by or on behalf of the Trustee, officer, employee, or agent to repay such amount if it shall ultimately be determined that he/she is not entitled to be indemnified by the University as authorized in this article.

#### **5.1.6 Scope**

The indemnification provided in these Bylaws shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any agreement, vote of disinterested Trustees, or otherwise, both as to action in his/her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Trustee, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such a person.

### **5.2 Insurance**

The University shall have the power to purchase and maintain insurance on behalf of any person who is or was a Trustee, officer, employee or agent of the University, or is or was serving at the request of the University as a Trustee, director, officer, employee or agent of another non-profit corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against any liability asserted against him/her and incurred by him/her in any such capacity, or arising out of his/her status as such, whether or not the University would have the power to indemnify him/her against such liability under the provisions of these Bylaws.

### **5.3 Modification**

The duties of the University to indemnify and to advance expenses to a Trustee or officer provided in this article shall be in the nature of a contract between the University and each such Trustee or officer, and no amendment or repeal of any provision of this article shall alter, to the detriment of such Trustee or officer, the right of such person to the advance of expenses or indemnification related to a claim based on an act or failure to act which took place prior to such amendment, repeal or termination.

## **ARTICLE VI BOARD COMMITTEES**

### **6.1 Principles Governing Committees**

#### **6.1.1 Standing Committees**

The Board of Trustees shall have the following standing committees:

Academic Affairs Committee  
Audit Committee

Cultural Affairs Committee  
Development Committee  
Executive Committee  
Finance Committee  
Nominating Committee  
Physical Planning and Plant Committee  
Public Affairs Committee  
Student Affairs Committee

### **6.1.2 Creation of Committees**

The creation and continuation of committees is discretionary with the Board. The Board may create or abolish additional or existing committees. If the Board determines that any one (1) or more of such committees should not exist, it shall assign the functions of such committees to a new or existing committee of the Board, to the Board acting as a committee of the whole, or to an individual officer or agent of the University.

### **6.1.3 Powers, Duties, and Reporting**

Each committee shall have and exercise the powers and duties granted or assigned to it as they may be set forth in policy directives or charters as adopted by the Board from time to time or in these Bylaw, subject to limitations imposed by law. The powers and duties of the Executive Committee, Finance Committee, Audit Committee and Nominating Committee shall be primarily set forth in these Bylaws with further clarification or refinement provided in policy directives or charters for said committees adopted by the Board. The powers and duties of the remaining standing committees shall be set forth in specific policy directives or charters for those committees adopted by the Board from time to time. Each committee shall keep minutes of its proceedings and transmit written reports, with its recommendations for action and supporting data, to the Board at regular Board meetings.

### **6.1.4 Subcommittees**

Any committees may, with the approval of the Executive Committee, appoint a subcommittee to perform any of its functions. In requesting approval for the appointment of a subcommittee, a committee shall advise the Executive Committee of the proposed purpose of the subcommittee and any delegation of responsibility to it, and the names of the proposed members. Subcommittees may be composed of Trustees, non-trustees, committee members, and/or non-committee members.

### **6.1.5 Appointment and Tenure**

Except as otherwise provided, the Chairperson of the Board shall appoint, after consultation with the President of the University, Trustees, elected representatives from the University Forum and appropriate administrative officers to serve as members of committees, and shall name a chairperson, who shall be a Board member, for each. Each committee chairman shall hold office for a term of three (3) years, unless he/she sooner resigns or is removed from the committee. Each committee chairman may succeed himself/herself for one (1) term unless the Executive Committee deems it advisable for the individual to serve an additional term(s). Each committee member shall hold office for a term of one (1) year, unless he/she sooner resigns or is removed from the committee. A committee member may succeed himself/herself for an indefinite number of terms. The Chairperson of the Board (except in the case of the Executive Committee) or the Vice Chairperson, if so designated by the Chairperson, and the President of the University shall be ex officio members, without vote, of all committees.

### **6.1.6 Resignation and Removal**

#### **a.) Resignation**

Any member of a committee may resign at any time by giving written notice to the Chairperson of the committee or to the Secretary of the Board. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt of the notice or at any later time specified therein.

b.) **Removal**

The Chairperson of the Board may, upon consultation with the President of the University, remove any appointed member of a committee. Any member of the Executive Committee may be removed by resolution of the Board only. Any ex officio member of a committee ceases to be such if he/she ceases to hold the designated position which is the basis of ex officio membership.

**6.1.7 Vacancies**

A vacancy in any committee or any increase in the membership thereof, shall be filled for the unexpired portion of the term in the same manner in which original appointment to such committee is made.

**6.1.8 Meetings and Notice**

Meetings of a committee may be called by the Chairperson of the Board, the Chairperson of the committee, the President, or three (3) of the committee's voting members. Unless otherwise specified by these Bylaws, each committee shall meet as often as is necessary to perform its duties.

Notice of a meeting of a committee may be given at any time and in any manner reasonably designed to inform the committee members of the time and place of the meeting and to provide them reasonable opportunity to attend.

**6.1.9 Quorum**

A majority of the voting members of a committee constitutes a quorum for the transaction of business at any meeting of such committee.

**6.1.10 Manner of Acting**

The act of a majority of the voting members of a committee present at a meeting at which a quorum is present shall be the act of the committee so meeting. Members of any committee may participate in a meeting of that committee by means of a telephone conference or similar telecommunications equipment to which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at the meeting. No act taken at a meeting at which less than a quorum was present is valid unless approved in writing by the absent members. Action may be taken without a meeting by a writing setting forth the action so taken signed by each member of the committee entitled to vote on such action.

**6.2 Executive Committee**

**6.2.1 Composition**

The Executive Committee shall be composed of the Chairperson of the Board of Trustees, the Vice Chairperson of the Board of Trustees, the President of the University as Trustee Ex Officio, and not less than three (3) additional persons who shall be members of the Board of Trustees and who shall be elected by a majority of the whole Board at its annual meeting. All members of the Board of Trustees shall be eligible for election to the Executive Committee, provided, however, that a majority of the members of the Executive Committee shall be Corporate Trustees. The Secretary of the Board shall be an ex officio member of the Executive Committee, without vote. The Chairperson of the Board shall be ex officio the Chairperson of the Executive Committee.

**6.2.2 Functions**

Except as otherwise may be provided by statute or by a resolution of the Board of Trustees, the Executive Committee shall have and exercise the powers and authority of the Board of Trustees in the management of the business of the University between meetings of the Board and subject to such regulations and instructions as may from time to time be made or given to it by the Board of Trustees. The Executive Committee shall meet regularly, at least two (2) times per year. The Executive Committee shall present to the Board of Trustees, at its annual meeting and otherwise as required by vacancies, nominations for officers to be elected by the Board. The committee shall develop and administer a program of orientation for newly elected Trustees. When a vacancy in the office of

President of the University occurs, the committee shall initiate and oversee the presidential search process. The committee shall consult with the President of the University regarding the selection of persons for appointment to major administrative offices of the University. The committee shall approve the creation of all subcommittees of Board committees.

### **6.3 Finance Committee**

#### **6.3.1 Composition**

The Finance Committee shall be composed of not less than five (5) members. In addition, the Vice President for Finance and Administration, and the Treasurer of the Board shall be ex officio members, without vote.

#### **6.3.2 Functions**

The Finance Committee shall meet at least three (3) times per year and shall have general responsibility for oversight of the University's financial assets, for financial planning, for development of financial policies of the University, and for coordination of all programs affecting the fiscal affairs or financial condition of the University. Particular areas of the Finance Committee's responsibility are set forth in its Policy Directives or Committee Charter which has been adopted by the Board as same may be amended from time to time.

Reports of the Finance Committee shall be submitted to the Board of Trustees.

### **6.4 Audit Committee**

#### **6.4.1 Composition**

The Audit Committee shall be composed of not less than three (3) members.

#### **6.4.2 Functions**

The Audit Committee shall assist the Board of Trustees in fulfilling its oversight responsibilities for the financial reporting process, the systems of internal controls, the audit process, and the University's process for monitoring compliance with laws and regulations and the code of conduct.

The Audit Committee shall recommend the designation of an independent auditor (which shall be a certified public accounting firm) each year and shall cause to be prepared and submitted to the Board of Trustees at least once per year an audited financial statement of the University's and its related organization's receipts and expenditures for the audit period and financial conditions as of the close of the period. The committee may require a representative of the independent auditor or any officer or employee of the University to appear before it and answer questions which it may have regarding the audited financial statement of the financial condition of the University. Reports of the Audit Committee shall be submitted to the Board of Trustees. Particular areas of the Audit Committee's responsibility are set forth in its Policy Directives or Committee Charter which have been approved by the Board as same may be amended from time to time.

### **6.5 Nominating Committee**

#### **6.5.1 Composition**

The Nominating Committee shall be composed of not less than (5) members, including one (1) representative without vote from the University Development Office, and one (1) representative with vote from the University Alumni Association.

#### **6.5.2 Functions**

The Nominating Committee shall present to the Board of Trustees, at its annual meeting and otherwise as required by vacancies, nominations for Trustees. The committee shall determine criteria for the selection and qualification of members of the Board and officers with the exception of President of the University. The committee shall furnish information relating to the background and qualifications of all such nominees to all Board members at least two (2)

weeks prior to the Board meeting at which an election is scheduled to take place. The committee will consult at least annually with the Lehigh University Alumni Association with regard to selection of key Alumni Association officers and nominees for the office of Trustee from the general alumni body.

## **ARTICLE VII THE FACULTY OF THE UNIVERSITY**

### **7.1 Members of the Faculty**

The voting members of the Lehigh faculty (hereinafter referred to as the “Faculty”) are those with the rank of assistant professor, associate professor, or professor. Instructors with full-time academic appointments in teaching and research are also voting members of the Faculty, provided that they are not candidates for Lehigh degrees. Also included as voting Faculty members are the President, Provost and Vice President for Academic Affairs, and the Dean of each College.

### **7.2 Faculty Role and Responsibilities**

The Faculty works with the University Administration in the task of formulating policies and procedures that promote the academic and research missions of the University, in particular policies pertaining to the admission, registration, instruction, and discipline of students; the appointment, promotion, tenure, and dismissal of Faculty; the assurance of academic freedom; and the furtherance of scholarship and research. The Faculty may be called upon for committee and advisory service related to the academic, research, and disciplinary life of the University.

All policies and procedures of the University, including those pertaining to the Faculty which may be contained in a separate Rules and Procedures of the Faculty manual, shall be subject to the approval of the Board of Trustees. The Board of Trustees may delegate approval authority regarding policies and procedures to the President and the University Administration as permitted by law, the University’s Charter, and these Bylaws.

The Faculty shall be ultimately responsible to the President through lines of authority established for the administration of the academic affairs of the University. Generally, Department Chairpersons shall be responsible to the Deans of their respective Colleges, who shall be responsible to the Provost and Vice President for Academic Affairs, who shall be responsible to the President.

## **ARTICLE VIII DISCRIMINATION PROHIBITED**

**8.1** In administering its affairs, the University shall not discriminate against any person on the basis of race, color, religion, gender, age, national or ethnic origin, disability, or veteran status.

## **ARTICLE IX MISCELLANEOUS**

**9.1** Throughout these Bylaws, the use of the masculine gender shall be deemed to include the feminine and the singular, the plural, and vice versa.

### **9.2 Surety Bond**

The Board of Trustees shall require the Treasurer and any other officer or employee of the University to be covered by surety bonds or other appropriate insurance coverage in such form and in such amount as the Executive Committee may determine.

## **ARTICLE X CORPORATE SEAL**

**10.1** The seal of the University, by which acts of the University shall be authenticated, shall be in such form as the Board of Trustees shall deem proper and shall bear the name of the University and the date of its founding.

**ARTICLE XI**  
**REVIEW AND AMENDMENT OF BYLAWS**

**11.1 Procedure**

These Bylaws may be amended at any meeting of the Board of Trustees by a two-thirds (2/3) vote of those present, provided written notice of the substance of the proposed amendment is given to all Trustees at least twenty (20) days before the meeting.

**11.2 Review**

Prior to each annual meeting of the Board of Trustees, the Executive Committee shall review these Bylaws and recommend any amendments deemed necessary.

## Secretary's Certificate

THIS IS TO CERTIFY THAT the foregoing Bylaws of LEHIGH UNIVERSITY have been duly adopted by the Board of said University on April 3, 1998 and amended on October 9, 1998, June 4, 1999, June 2, 2000, February 2, 2002, June 7, 2002, October 11, 2002, February 7, 2003, and February 6, 2004.

IN WITNESS WHEREOF, the undersigned, duly elected Secretary of the University, has signed this Certificate and affixed the seal of the University hereon dated the 6th day of February 2004.

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Secretary

Approved: 02.06.04

## **COMMITTEE CHARTERS**

### **Academic Affairs Committee**

#### **Composition**

The Academic Affairs Committee shall be composed of not less than five (5) members. In addition, the Provost and Vice President for Academic Affairs shall be an ex officio member, without vote.

#### **Functions**

The Academic Affairs Committee shall review and make recommendations with regard to the general academic policies and programs, including graduate studies and research activities, of the University. It shall also work with the officers of the University in periodically reviewing and overseeing the implementation of regulations and procedures relating to visiting committees; recommend to the Board a chairman for each visiting committee; and act on recommendations of the administration on appointments to membership of the various visiting committees. Reports of the Academic Affairs Committee shall be submitted to the Board of Trustees.

### **Cultural Affairs Committee**

#### **Composition**

The Cultural Affairs Committee shall be composed of not less than three (3) members. In addition, one (1) representative from the Dean's Office of the College of Arts and Sciences shall be an ex officio member, without vote.

#### **Functions**

The Cultural Affairs Committee shall review and recommend policies to enhance the cultural climate experienced by the Lehigh family. Reports of the committee shall be submitted to the Board of Trustees.

### **Development Committee**

#### **Composition**

The Development Committee shall be composed of not less than five (5) members. In addition, the Vice President for Advancement shall be an ex officio member, without vote.

#### **Functions**

The Development Committee shall review and recommend fund-raising and public relations programs which are deemed necessary or desirable to enable the University to carry out its purpose. Reports of the Development Committee shall be submitted to the Board of Trustees.

### **Finance Committee**

#### **Purpose**

To assist the Board of Trustees in fulfilling its oversight responsibilities relating to financial and investment performance, policies and practices of the University. The Committee advises the Board of Trustees on the state of the University's budget, on financial planning and operations, investment performance and capital expenditures.

#### **Duties and Responsibilities**

The Finance Committee is responsible for the oversight of the University's financial assets, for financial planning, for development of financial policies of the University and for coordination of all programs affecting the fiscal affairs or financial condition of the University. The Finance Committee shall specifically approve and recommend to the Board:

1. The University's annual operating and capital budgets, including tuition rates.
2. Funding of construction of buildings and major capital improvements.
3. Borrowing by the University and the securing thereof by mortgage or pledge of real or personal property.
4. General guidelines for the management of the University's endowment and investments.
5. Establishment, dissolution and review of subsidiary organizations.

The Committee shall:

1. Report periodically to the Board on the status of the University's annual budget and endowment investment performance results.
2. Review other financial activities of the University, including insurance coverages, benefit plans and funding, proposed new contracts in excess of \$5 million, post-completion of major constructions projects, and interim operating performance.
3. Oversee the activities of its Capital Structure Subcommittee and Investment Subcommittee and other subcommittees as needed. Current Subcommittee Responsibilities are outlined in their respective charters.
4. Perform other activities related to this charter as requested by the Board of Trustees.
5. Review and assess the adequacy of the Committee charter annually, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.

### **Composition**

The Finance Committee shall be composed of not less than five (5) members and shall be staffed by the Vice President of Finance & Administration, the Treasurer of the Board of Trustees, and other members of the Finance and Administration stem as appropriate.

### **Meetings**

The Finance Committee will meet at least three (3) times per year, with authority to convene additional meetings, as circumstances require. All Committee members are expected to attend each meeting, in person or via tele- or video-conference. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes will be prepared.

## **Physical Planning and Plant Committee**

### **Composition**

The Physical Planning and Plant Committee shall be composed of not less than five (5) members, at least one (1) of whom shall be appointed upon nomination of the Lehigh University Alumni Association. In addition, the Vice President for Finance and Administration and the Assistant Vice President for Facilities Services and Campus Planning of the University shall be ex officio members, without vote.

### **Functions**

The Physical Planning and Plant Committee shall review policies for (a) the long-term physical development of the University; (b) the design, construction, and renovation of new or existing facilities; and (c) the budgeting and cost control for construction and renovation projects. It shall also review policies and make recommendations with respect to the maintenance and operation of buildings and the care of grounds. Reports of the Physical Planning and Plant Committee shall be submitted to the Board of Trustees.

## **Public Affairs Committee**

### **Composition**

The Public Affairs Committee shall be composed of not less than three (3) members. In addition, the Vice President for Administration and Government Affairs and the Vice President for University Relations shall be ex officio members, without vote.

## **Functions**

The Public Affairs Committee was created to facilitate and promote the development of the areas surrounding the Lehigh campus. While this is the primary focus of the committee, University staff are involved in numerous other community, civic, and economic development activities in the Lehigh Valley as a whole. This committee may be the vehicle for the Board to participate in the direction of these activities. It is acknowledged that the overall strength and image of Lehigh is directly linked to the environment surrounding our campus. In order to accomplish this mission, the committee shall:

- Become knowledgeable about redevelopment activities in the Lehigh Valley which directly and indirectly affect Lehigh;
- Facilitate changes to the Lehigh Valley which are in the best interests of Lehigh and the adjacent community;
- Promote good relationships with the City of Bethlehem, other Lehigh Valley municipalities and their residents; and
- Recommend, to the Board of Trustees, actions by Lehigh University which may assist in accomplishing these goals.

The committee shall meet at least four (4) times a year.

## **Student Affairs Committee**

### **Composition**

The Student Affairs Committee shall be composed of not less than five (5) members. In addition, the Vice President for Student Affairs of the University shall be an ex officio member, without vote.

### **Functions**

The Student Affairs Committee shall review and make recommendations with regard to the general policies within the division of Student Affairs. Reports of the Student Affairs Committee shall be submitted to the Board of Trustees.

## **SUBCOMMITTEE CHARTERS**

### **Capital Structure Subcommittee**

#### **Composition**

The Capital Structure Subcommittee shall consist of no more than five (5) members of Lehigh University's Finance Committee and shall be staffed by members of the Finance and Administration stem as appropriate.

#### **Functions**

The Bylaws of the University state, "The Finance Committee of the Board of Trustees has general responsibility for oversight of the University's financial assets, for financial planning, for development of financial policies of the University, and for coordination of all programs affecting the fiscal affairs or financial condition of the University."

The Finance Committee has established the capital structure subcommittee to provide oversight related to the integration of operational planning with larger strategic priorities. The subcommittee is charged with:

- 1) Review of budget assumptions and parameters as they relate to prudent and effective use of the institution's financial resources within the context of the financial structure and priorities of the institution.
- 2) Review the capital structure of the University's balance sheet and recommend strategies to support and advance the institution's strategic plan.
- 3) Monitor the use of financial resources from a long term prospective recognizing the responsibility to maintain equity between current and future generations of the Lehigh community.
- 4) Develop and monitor policies with regard to financing of capital projects including fundraising and long-term financial implications.

The subcommittee will meet at least semiannually and will report to the Finance Committee at least annually.

### **Compensation Subcommittee**

#### **Composition**

The Compensation Subcommittee shall be comprised of the Chairperson and all Vice Chairpersons of the Board of Trustees and at least one (1) but no more than three (3) other members, all of whom shall be Corporate Trustees of Lehigh University.

#### **Functions**

The Compensation Subcommittee shall have the following functions and responsibilities:

- 1) To guide and direct the development of policies and procedures for reviewing the performance and determining the compensation of the President, the Officers of the University Administration, other Senior Administrative Officers, and any other highly compensated University employees and to make recommendations to the Board of Trustees (or the Executive Committee) with respect to such policies and procedures.
- 2) To review annually the performance and to approve the compensation of the President, the Officers of the University Administration, other Senior Administrative Officers, and any other highly compensated University employees whose performance and compensation should be reviewed and approved by the Board of Trustees in accordance with applicable legal requirements and to make recommendations to the Board of Trustees (or the Executive Committee) with respect to the compensation of such individuals. Such review shall include determination by the Subcommittee that the compensation of such individuals is reasonable and in accordance with legal requirements applicable to the University as a non-profit tax exempt organization. As required by law, all Subcommittee members who participate in such review and determination shall be without conflict of

interest with respect to the individuals and compensation arrangements under review. A Subcommittee member shall recuse himself/herself and shall not participate in a review or determination of compensation in which he/she has a conflict of interest.

- 3) To review the relevant portions of the University's Form 990 filed annually with the Internal Revenue Service pertaining to the compensation of University employees.
- 4) To engage external independent and qualified compensation professionals, experts, or counsel for purposes the Subcommittee deems necessary or useful, including but not limited to: (i) for the collection and analysis of comparability, market or benchmark data regarding the compensation of the presidents, officers, and senior administrators of peer universities; (ii) for advice and counsel with respect to the reasonableness of compensation and compliance with applicable legal requirements; and (iii) for advice and counsel with respect to the development of policies and procedures for reviewing the performance and determining the compensation of the President, the Officers of the University Administration, and other Senior Administrative Officers of the University.

### **Global Affairs Subcommittee**

#### **Composition**

The Global Affairs Subcommittee of Academic Affairs shall consist of no more than six (6) members and shall be composed of a minimum of three (3) University Trustees. The Subcommittee shall be chaired by a University Trustee who shall serve for a term of (3) years. The Chair may serve for two three-year terms. The Subcommittee can have up to (2) Ex-Officio members.

The Subcommittee shall work closely with the Provost and other appropriate members of the university faculty and administration.

The Provost, with the advice of the Subcommittee, will identify a small group of individuals, not limited to Lehigh alumni and parents, who will serve as Lehigh's Regional Ambassadors/Advisors and who will work closely with the Subcommittee. In addition, the Provost, with the advice of the Subcommittee, will identify a larger group of individuals, not limited to Lehigh alumni and parents, who will act as a Global network of friends.

#### **Functions**

The Global Affairs Subcommittee shall have the following functions and responsibilities:

1. To advise, oversee, and promote the effective planning, development, and coordination of University wide global initiatives and goals.
2. To ensure that the university leadership and the Board's Executive Committee:
  - a. Share the same vision for the University's global agenda.
  - b. Have a mutual understanding of the high level criteria to evaluate both long and short term projects
  - c. Have a mutual understanding of the necessary resources to meet the initiative's overall mission
  - d. Provide two-way communication regarding the initiative's progress and accomplishments against a set of university established goals and metrics.
3. To promote Board awareness and support of the University's global agenda.
4. To advise the Provost in establishing a small Global Advisory Board for the University comprised of selected Regional Ambassadors/Advisors, as well as a larger network of global friends.
5. To ensure that the global activities of Lehigh's colleges and administrative departments have the benefit and support of a strong network of engaged global alumni.

## **Investment Subcommittee**

### **Composition**

The Investment Subcommittee shall consist of no more than nine (9) members and shall be composed of, but not limited to, Lehigh University alumni who have knowledge and expertise in the investment area. Members will be selected by the Subcommittee subject to approval by the Finance Committee. The Subcommittee shall be composed of three classes with three members in each class serving three-year terms. A member may serve three successive terms and then must vacate such position for a period of at least one year before being re-appointed to the Subcommittee.

The Investment Subcommittee shall be chaired by a University Trustee, who shall also be a member of the Finance Committee. The Chairman shall serve for a term of three (3) years. The Chairman may serve for two three-year terms.

### **Functions**

The Investment Subcommittee was established by the Finance Committee in order to fulfill certain responsibilities related to the management of the University's Endowment Fund.

According to the University's Endowment Fund Policy Statement, "the Investment Subcommittee is charged with:

- 1) Recommending and monitoring investment policies and guidelines. This will include the establishment of asset allocation guidelines from the approved list of asset classes.
- 2) Recommending and monitoring of investment managers and when necessary, recommending changes.
- 3) Recommending to the Finance Committee investment policy guidelines for the Endowment Fund, and monitoring performance.
- 4) Recommending to the Finance Committee asset allocation targets and ranges, and monitoring conformance.
- 5) Selecting, monitoring, dismissing and reallocating funds between investment managers and implementing those decisions subject to prior notification to the Finance Committee Chair and reporting the activity at the next scheduled Finance Committee meeting.
- 6) Measuring performance of individual managers, of asset categories, and of the total portfolio. Reporting performance regularly to the Finance Committee.
- 7) Meeting with each investment manager regularly to review their investment results, holdings, and activity.
- 8) Maintaining and distributing to the Finance Committee minutes of all meetings of the Investment Subcommittee.
- 9) Meeting independently of the Finance Committee at least three times annually to review investment performance and the general direction of the endowment fund.

## **Subcommittee on University Governance and Academic Appointments**

### **Composition**

The Subcommittee shall be composed of not less than three (3) members. In addition, the President, Provost and Vice President for Academic Affairs, and General Counsel shall be ex-officio members, without vote.

### **Functions**

The Subcommittee on University Governance and Academic Appointments shall report to the Academic Affairs Committee of the Board of Trustees. The Subcommittee shall review and make recommendations to the Academic Affairs Committee with regard to University governance matters and governing documents, such as the University Charter, Bylaws, and policies. The Subcommittee shall also review and make recommendations to the Academic Affairs Committee on academic appointment, promotion and tenure decisions presented to the Academic Affairs Committee pursuant to the University Bylaws and policies.