

# **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 thirty-five (35) members. No member of the University administration or University faculty shall be eligible for membership on the Board of Trustees.

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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.

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

Pursuant to the authority granted by the University's Charter, as documented in the Act of Assembly approved February 9, 1866, which established and incorporated Lehigh University, the Board of Trustees has the general legal authority and responsibility to oversee, 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. Except as otherwise provided by law, by the Charter, 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 and oversight of the mission, 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 ensure 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.

## **2.3 Election and Tenure**

At its annual meeting, after appropriate nomination, the Trustees then in office shall elect, by majority vote, individuals to serve as Trustees to fill then-existing vacancies on the Board, or to re-elect, by majority vote, Trustees eligible and nominated for re-election as Trustees. Each Trustee shall hold office for a term of four (4) 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 Trustee may serve two (2) successive terms as such and then must vacate the office of Trustee for a period of at least one (1) year before he/she may be re-elected to such office.

## **2.4 Resignation and Removal**

### **2.4.1 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.

### **2.4.2 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.

## **2.5 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 are ordinarily chosen. Any Trustee so chosen holds office for the full term of that office.

## **2.6 Meetings of Trustees**

### **2.6.1 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.

### **2.6.2 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) 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.

### **2.6.3 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.

### **2.6.4 Quorum**

A quorum for the transaction of business shall consist of a majority of the Trustees in office and present at any regular or special meeting of the Board after the required notice of meeting has been given.

### **2.6.5 Voting**

Voting by proxy is not permitted.

### **2.6.6 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. Trustees may participate in a Board meeting by means of a telephone or video 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.

### **2.6.7 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.

### **2.6.8 Executive Sessions**

The Board of Trustees and the Executive Committee may, at their option, meet in executive session, limiting attendance exclusively to Trustees.

## **2.7 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 and subcommittee 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; and/or
- 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.

## **2.8 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.

## **2.9 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.

## **2.10 Trustees Emeriti and Honorary Trustees**

The Trustees may bestow the honorary title of Trustee Emeritus upon any Trustee retiring from membership on the Board who has served a minimum of two terms as a Trustee and 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 may be invited to attend, without vote, the annual meeting and regular Board meetings.

The Trustees, upon recommendation by the Committee on Nominations and Trusteeship, may elect as Honorary Trustees those who, because of their positions and/or prestige and their long service to the University, will bring honor upon the Board of Trustees and its purposes. There shall be no limit to the number of Honorary Trustees, however, the number is expected to remain small. Honorary Trustees may be invited to attend, without vote, the annual meeting and regular Board meetings.

# **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. 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 or at such other meeting as the Board may determine to be suitable, provided that the required notice of such meeting is given under these Bylaws. Except as otherwise provided in Section 3.3, the Chairperson of the Board shall serve for a term of three (3) years and until his/her successor is duly elected and qualified. The Chairperson may not succeed himself/herself in office. The Vice Chairperson(s) shall serve a term of the appropriate number of years to coincide with the term of the Chairperson. The Vice Chairperson(s) may not succeed himself/herself in office. An extension of the term of the Board Chairperson, not to exceed one (1) year, may be granted with approval of the Executive Committee. 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(s) if so designated by the Chairperson, in the cases of all committees except the Executive Committee, shall be an ex officio member 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 attend meetings of the Finance Committee and assist the committee with its work.

### **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 University governance 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 ensure 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; and
  - 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 relevant financial information regarding trust funds held by or for the University.



### **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 Article 3.7.1 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
- Campus Planning and Operations Committee
- Committee on Nominations and Trusteeship
- Diversity, Equity and Inclusion Committee
- Executive Committee
- External Engagement Committee
- Finance Committee
- Investment 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 Membership of Committees**

Each committee shall have the number of voting Trustee members as specified in these Bylaws or in the charter of the

committee and shall have no less than three (3) members. All committee chairs and vice chairs shall be Trustees. Non-Trustees may be invited to serve in an advisory role on a committee, however, such individuals shall not be voting members of such committee. Each committee shall have an Officer of the University Administration, or a University staff member designated by such Officer, to assist the committee with its work. The Secretary of the Board shall serve in this role for the Executive Committee.

#### **6.1.4 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 these Bylaws or in charters or resolutions as adopted by the Board from time to time subject to limitations imposed by law. The powers and duties of the Executive Committee, Finance Committee, Audit Committee and Committee on Nominations and Trusteeship shall be primarily set forth in these Bylaws with further clarification or refinement provided in charters or resolutions for said committees adopted by the Board. Each committee shall keep minutes of its meetings and transmit written reports, with its recommendations for action and any necessary supporting information, to the Board at regular Board meetings.

#### **6.1.5 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, any delegation of responsibility to it and a proposed subcommittee charter, and the proposed membership of the subcommittee. Membership of subcommittees, appointment and tenure of subcommittee members, resignation and removal, filling of vacancies, subcommittee meetings and notice of subcommittee meetings, quorum for meetings, and manner of acting for subcommittees shall be in accord with the provisions of these Bylaws applicable to committees stated in this Article VI, unless expressly stated otherwise for subcommittees.

#### **6.1.6 Appointment and Tenure**

Except as otherwise provided, the Chairperson of the Board shall appoint Trustees to serve as members of committees and subcommittees, and shall name a chairperson, who shall be a Trustee, for each. Each committee and subcommittee chairperson shall hold office for a term of three (3) years, unless he/she sooner resigns or is removed from the committee or subcommittee. Each committee and subcommittee chairperson 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 and subcommittee member shall hold office for a term of one (1) year, unless he/she sooner resigns or is removed from the committee or subcommittee. A committee or subcommittee 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(s) of the Board, if so designated by the Chairperson, shall be ex officio members of all committees and subcommittees (except in the case of the Executive Committee and Compensation Subcommittee, of which they are members as provided in these Bylaws).

#### **6.1.7 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 remove any appointed member of a committee. Any member of the Executive Committee may be removed from the Executive Committee by resolution of the Board only.

### **6.1.8 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.

### **6.1.9 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 Trustee 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.

### **6.1.10 Quorum**

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

### **6.1.11 Manner of Acting**

Only Trustee members of committees and subcommittees shall have a right to vote on committee and subcommittee actions and recommendations to the Board. 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. Committees may, at their option, meet in executive session, limiting attendance exclusively to Trustees.

## **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(s) of the Board of Trustees, 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 Executive Committee members. All members of the Board of Trustees shall be eligible for election to the Executive Committee. The Chairperson of the Board shall be the Chairperson of the Executive Committee.

### **6.2.2 Functions**

Except as otherwise may be provided by law 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 governance and oversight of the mission, business and affairs of the University between meetings of the Board and subject to such direction, delegations of authority, and resolutions as may from time to time be made or given to it by the Board of Trustees. The Executive Committee shall meet regularly, and at a minimum 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 of the Board to be elected by the Board. 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 as Officers of the University Administration. 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. The Vice President for Finance and Administration and the Treasurer of the Board shall attend the Finance Committee's meetings and assist the committee with its work.

### **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 oversight of financial planning, for approval of major 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 committee charter, as approved and amended by the Board 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) and no more than eight (8) 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 processes for monitoring compliance with laws and regulations and University policies and procedures.

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 committee charter as approved and amended by the Board from time to time.

## **6.5 Committee on Nominations and Trusteeship**

### **6.5.1 Composition**

The Committee on Nominations and Trusteeship shall be composed of not less than (5) members. The Vice President for Development and Alumni Relations shall attend the committee's meetings, assist the committee with its work, and serve as a liaison between the committee, the Office of Development and Alumni Relations, and the Lehigh University Alumni Association with regard to the identification and nomination of Trustees and other prospective trustees as specified by these Bylaws.

### **6.5.2 Functions**

The Committee on Nominations and Trusteeship shall make recommendations for the most effective composition and organization of the Board and shall develop practices, strategies and policies that attract, orient, train, organize and assess the performance of Trustees. It shall ensure that the Board's membership and leadership consists of highly qualified and committed individuals; ensure that regular programs for new Trustees are maintained and shall periodically recommend methods by which the Board shall assess performance of the Board and Trustees. The committee shall review and make recommendations to the Board with regard to Trustee governance matters and

governing documents, such as the University Charter and Bylaws. Responsibilities include:

1. Design of Board composition and development of Trustee candidate attributes
2. Assessment of Trustee performance and conduct of triennial Board self-assessments
3. Identification and cultivation of new Trustee candidates
4. Consultation with the Office of Development and Alumni Relations and the Lehigh University Alumni Association regarding candidates for Trustee nomination.
5. Development of Trustee orientation programs as well as programs for continued Trustee education.
6. Monitoring of Board member term limits and oversee succession planning through timely identification of future Board leadership at the subcommittee, committee, and Board officer levels.
7. Review of the University governing documents and presenting recommendations as appropriate to the Board.

## **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 Trustees of the University on April 3, 1998 and last amended on December 15, 2022, with an effective date of such amendments being March 1, 2023.

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 1<sup>st</sup> day of March, 2023.

/s/ Frank A. Roth  
Secretary

# **APPENDIX**

## **LEHIGH UNIVERSITY BOARD OF TRUSTEES COMMITTEE AND SUBCOMMITTEE CHARTERS (as amended March 1, 2024)**

## **Academic Affairs Committee**

### ***Purpose***

To assist the Board of Trustees in fulfilling its oversight responsibilities relating to all aspects of the academic programs and activities of the University. The Committee advises the Board of Trustees on the state and condition of the University's faculty, academic programs, admissions, and activities and relevant progress related to the University's strategic plan. Included within this scope are all undergraduate programs, graduate studies, and research activities.

### ***Responsibilities***

- A.) Annual and Recurring Matters – At least once annually, and as often as necessary and practical, the Committee shall:
- 1.) Review, approve or recommend for Board approval, and report to the Board of Trustees on faculty promotions, including tenure recommendations from the Provost;
  - 2.) Review, approve or recommend for Board approval, and report to the Board of Trustees on modifications and revisions to the Rules and Procedures of the Faculty;
  - 3.) Review the status of the academic programs in each of the colleges and receive reports from the respective Deans on the status of the faculty, research activities, standing of the college against its peer group;
  - 4.) Review the status and success in faculty hiring; and
  - 5.) Review and assess the Committee's charter annually and recommend changes to the Executive Committee as necessary.
- B.) Periodic Matters – The Committee shall periodically review and report to the Board on other matters including:
- 1.) Progress in achieving all academic components of University strategic plans;
  - 2.) Reports from all College Deans on status of their academic and research progress and faculty status;
  - 3.) Accreditation requirements;
  - 4.) College Dean's Advisory Councils;
  - 5.) Teaching outcomes;
  - 6.) Such other matters, internal and external, that may affect the academic status and teaching success of the University; and
  - 7.) Progress on specific academic initiatives, such as cluster hiring.

### ***Composition***

The Committee shall be composed of not less than five (5) Trustee members, including the Chair.

### ***Meetings***

The Academic Affairs Committee shall meet at least three (3) times per year, with authority to convene meetings as circumstances require. Minutes of all meetings will be prepared and reports of the Academic Affairs Committee shall be submitted to the Board of Trustees.

## **Audit Committee**

### ***Purpose***

To assist the Board of Trustees in fulfilling its oversight responsibilities for the processes supporting financial reporting, systems of internal controls, audit, risk management, legal affairs, and the monitoring of legal and regulatory compliance.

### ***Responsibilities***

The Committee will carry out the following responsibilities:

#### Financial Statements

- Review and discuss the annual financial statements with management and the University's external auditors, as well as the results of the audit, including resolution of any disagreements between management and the external auditors pertaining to financial reporting.

#### Internal Controls

- Consider the effectiveness of the University's internal control systems and make inquiries of management and the external and internal auditors concerning the effectiveness of such control systems; and
- Receive reports from Internal Audit regarding compliance with the University's policies on conflicts of interest applicable to Trustees and University personnel and reports related to codes of ethics or stewardship of University resources applicable to University personnel.

#### External Audit

- Oversee the University's selection of an independent external auditor (which shall be a certified public accounting firm) and review the external auditors' proposed audit scope and approach; and
- Review the performance of the external auditors, and exercise final approval on their reappointment or on the discharge of the auditors.

#### Internal Audit

- Review with Internal Audit and approve the charter, plans, activities, staffing, and organizational structure of the internal audit function; and
- Review the reports issued by the internal audit function and ensure management has agreed to implement corrective actions where necessary.

#### Legal, Corporate Governance, and Risk Management

- Receive reports from the University's General Counsel regarding major legal matters and the University's policies with respect to legal compliance and administration of the University's legal affairs;
- Receive reports from the University's General Counsel, in the role of Secretary of the Board of Trustees, regarding matters of University corporate governance that the Committee deems relevant to the exercise of its oversight responsibilities as provided in this charter; and
- Receive reports from the Director of Risk Management the University's major policies with respect to risk management, including but not limited to the University's Enterprise Risk Management Program, the adequacy of University insurance coverages and risk transfer.

#### Other Responsibilities

- Review the University's principal tax return as a tax-exempt organization prior to filing; and
- Review and assess the adequacy of the Committee charter annually, requesting Executive Committee approval for proposed changes, and ensure appropriate disclosure as may be required by applicable law or regulation.

### ***Authority***

The Audit Committee has the authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- Retain independent counsel, accountants, auditors, or others to advise the Committee or assist in the conduct of any necessary investigation or audit within the areas of the Committee's responsibilities; and

- Establish procedures for receiving, investigating, and addressing complaints regarding financial and auditing matters

### ***Composition***

The Audit Committee shall be composed of at least three (3) Trustee members. Each Committee member shall be both independent and financially literate. At least one member shall be qualified to be designated as a “financial expert,” as defined by applicable legal requirements.

### ***Meetings***

The Committee shall meet at least three (3) times a year, with authority to convene additional meetings, as circumstances require. The Committee will invite members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. It will hold at least annually meetings in executive session with external auditors, internal auditors, and the Vice President for Finance and Administration. Minutes of the Committee’s meetings will be prepared and reports provided to the Board.

## **Campus Planning and Operations Committee**

### ***Purpose***

To assist the Board of Trustees in fulfilling its oversight responsibilities relating to all physical campus policies and practices of the University. The Committee advises the Board of Trustees on the state and condition of the University's physical assets, on campus master planning, facilities development and facilities operations, capital project planning and construction, and strategic initiatives related to campus physical assets.

### ***Responsibilities***

The Campus Planning and Operations Committee is responsible for the oversight and stewardship of the University's physical assets, for campus master planning, for development of policies and project coordination that affect all aspects of the physical campus, planned or existing. The Campus Planning and Operations Committee will specifically review, approve, and recommend to the Board:

1. Physical campus master planning concepts, goals and design elements;
2. Design concepts for major capital building projects and major campus improvements;
3. Site selection for new capital projects;
4. Final selection of architects/design consultants and construction managers for major capital projects and planning efforts;
5. Final construction budgets and schedules for major capital projects;
6. The acquisition of new property and deaccessioning of University-owned property;
7. General guidelines for the management of the University's physical assets; and
8. Oversight and stewardship of campus maintenance, physical plant operations, utilities and infrastructure.

The Committee shall:

1. Report periodically to the Board on the status of capital projects and other major facilities and related issues regarding the campus;
2. Review and recommend adoption or amendment of policies and procedures as they pertain to physical plant and related issues regarding the campus;
3. Review, give direction, and approve planning, site selection, design, schedule, and budgets for major campus capital projects and improvements;
4. Perform other activities related to this charter as requested by the Board; and
5. Review and assess the adequacy of the Committee charter annually, requesting Executive Committee approval for proposed changes.

### ***Composition***

The Campus Planning and Operations Committee shall be composed of no less than five (5) Trustee members.

### ***Meetings***

The Campus Planning and Operations Committee shall meet at least three (3) times per year, with authority to convene meetings as circumstances require. Minutes will be prepared and reports of the Campus Planning and Operations Committee shall be submitted to the Board of Trustees.

## **Committee on Diversity, Equity and Inclusion**

### ***Responsibilities***

The following will be the principal responsibilities of the Committee. These responsibilities are set forth as a guide and may be amended from time to time with Executive Committee approval.

- 1) To promote and ensure diversity, equity and inclusion within the Board, including engaging in the implementation of goals outlined by the Committee on Nominations and Trusteeship;
- 2) To identify recommendations to University leadership that fall within the Committee's responsibilities and that will have the greatest impact on the largest number of constituents within the University community;
- 3) To recommend specific actions to improve diversity, equity and inclusion at the University among its constituencies including faculty, staff, undergraduate students, graduate students, and alumni;
- 4) To aid the University in ensuring and fostering an inclusive institutional culture, actively incorporate and promote equal access, opportunity, and success for all students, faculty, staff, and administrators;
- 5) To receive reports each academic year from appropriate University administrators regarding areas within the Committee's responsibilities, including goals, plans, and success measures in the areas of diversity, equity and inclusion;
- 6) To promote Board awareness and support of the University's commitment to diversity, equity, and inclusion;
- 7) To review and assess the Committee's charter and recommend changes to the Executive Committee as necessary; and
- 8) To collaborate with external organizations, experts, and resources to stay current on best practices in diversity, equity, and inclusion and recommend their implementation within the University, ensuring that the University remains at the forefront of diversity, equity and inclusion efforts.

### ***Composition***

The Committee on Diversity, Equity and Inclusion shall consist of no less than five (5) Trustee members. As provided in the University Bylaws, non-Trustees may be invited to serve in an advisory role for the Committee, however such individuals shall not be voting members of the Committee. Nomination of individuals to serve in an advisory role for the Committee shall be made by the Committee Chair in consultation with the Chair of the Committee on Nominations and Trusteeship and the Chair of the Board of Trustees.

### ***Meetings***

The Diversity, Equity and Inclusion Committee shall convene at least three (3) times a year, with authority to convene meetings as circumstances require. Minutes will be prepared and reports of the Diversity, Equity and Inclusion Committee shall be submitted to the Board of Trustees.

## **Committee on Nominations and Trusteeship**

### ***Composition***

The Committee on Nominations and Trusteeship shall be composed of not less than (5) members. The Vice President for Development and Alumni Relations shall serve as a liaison between the Committee and the Office of Development and Alumni Relations and the Lehigh University Alumni Association.

### ***Functions***

The Committee on Nominations and Trusteeship shall make recommendations for the most effective composition and organization of the Board and shall develop practices, strategies and policies that attract, orient, train, organize and assess the performance of Trustees. It shall ensure that the Board's membership and leadership consists of highly qualified and committed individuals; ensure that regular programs for new Trustees are maintained and shall periodically recommend methods by which the Board shall assess performance of the Board and Trustees. The Committee shall review and make recommendations to the Board with regard to Trustee governance matters and governing documents, such as the University Charter and Bylaws. Responsibilities include:

1. Design of Board composition and development of Trustee candidate attributes;
2. Assessment of Trustee performance and conduct of triennial Board self-assessments;
3. Identification and cultivation of new Trustee candidates;
4. Consultation with the Office of Development and Alumni Relations and the Lehigh University Alumni Association regarding identification of possible candidates for Trustee nomination;
5. Development of new Trustee orientation programs as well as programs for continued Trustee education;
6. Monitor Board member term limits and oversee succession planning through timely identification of future Board leadership at the subcommittee, committee, and Board officer levels;
7. Review the University governing documents and make recommendations as appropriate to the Board; and
8. Review and assess the Committee's charter and recommend changes to the Executive Committee as necessary.

### ***Meetings***

The Committee on Nominations and Trusteeship shall meet at least three (3) times per year, with authority to convene meetings as circumstances require. Minutes of all meetings will be prepared and reports of the Committee on Nominations and Trusteeship shall be submitted to the Board of Trustees.



## **Executive Committee**

### ***Composition***

The Executive Committee shall be composed of the Chairperson of the Board of Trustees, the Vice Chairperson(s) of the Board of Trustees 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 Executive Committee members. The Chairperson of the Board shall be the Chairperson of the Executive Committee.

### ***Functions***

1. Except as otherwise may be provided by law 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 governance and oversight of the mission, business and affairs of the University between meetings of the Board and subject to such direction, delegations of authority, and resolutions as may from time to time be made or given to it by the Board of Trustees;
2. The Executive Committee shall present to the Board of Trustees, at its annual meeting and otherwise as required by vacancies, nominations for Officers of the Board to be elected by the Board;
3. When a vacancy in the office of President of the University occurs, the Committee shall initiate and oversee the presidential search process;
4. The Committee shall consult with the President of the University regarding the selection of persons for appointment as Officers of the University Administration; and
5. The Committee shall approve the creation of all subcommittees of Board committees.

### ***Meetings***

The Executive Committee shall meet regularly, and at a minimum at least two (2) times per year, with authority to convene meetings as circumstances require. Minutes of all meetings will be prepared and reports of the Executive Committee shall be submitted to the Board of Trustees.

## **External Engagement Committee**

### ***Responsibilities***

The External Engagement Committee:

- Shall review and recommend fundraising and alumni relations programs designed to enable the University to realize its short- and long-range goals; and
- Will work with the Development and Alumni Relations Office in fulfilling its mission, which is:
  - Establishing, cultivating and maintaining life-long relationships with alumni, parents and friends to advance the mission of the University;
  - Maximizing financial support from alumni, parents and friends; and
  - Supporting the priorities established by University leadership.

Additionally, the External Engagement Committee will:

- Recommend periodic fundraising campaigns to the Board of Trustees;
- Report progress in University fundraising campaigns, and other University initiatives and goals within the Committee's responsibilities, regularly to the Board of Trustees;
- Work to create ownership of stated fundraising goals among Board members;
- Serve as an advocate for the Alumni Association with the Board;
- Receive periodic reports from appropriate University offices on other matters of external engagement, including but not limited to governmental relations and visibility in traditional media and social media;
- Work with the Development and Alumni Relations Office to maximize financial support from corporations, foundations and associations; and
- Review and assess the Committee's charter and recommend changes to the Executive Committee as necessary.

### ***Composition***

The External Engagement Committee shall be composed of not less than five (5) Trustee members. As provided in the University Bylaws, non-Trustees may be invited to serve in an advisory role for the Committee, however such individuals shall not be voting members of the Committee. Nomination of individuals to serve in an advisory role for the Committee shall be made by the Committee Chair in consultation with the Chair of the Committee on Nominations and Trusteeship and the Chair of the Board of Trustees.

### ***Meetings***

The External Engagement Committee shall convene at least three (3) times a year, with authority to convene meetings as circumstances require. Minutes will be prepared and reports of the External Engagement 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, financial planning and operations, investment performance and capital expenditures.

### ***Responsibilities***

The Finance Committee is responsible for the oversight of the University's financial assets, for financial planning, for approval of major 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, including, in coordination with the Investment Committee, recommending to the Board of Trustees investment policy guidelines for the University's endowment and long-term investment pool and asset allocation targets and ranges with respect thereto; and
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;
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, interim operating performance, and the status of reserves; and
3. Review and assess the adequacy of the Committee charter annually, requesting Executive Committee approval for proposed changes.

### ***Composition***

The Finance Committee shall be composed of not less than five (5) Trustee members. The Chair of the Investment Committee shall be a member of the Finance Committee and, additionally, the Finance Committee Chair shall be an ex officio member of the Investment Committee. The Vice President for Finance and Administration and the Treasurer shall attend meetings of the Committee and assist the Committee with its work.

### ***Meetings***

The Finance Committee shall meet at least three (3) times per year, with authority to convene additional meetings as circumstances require. At least one Committee meeting per year shall include a report from the Chief Investment Officer and/or the Chair of the Investment Committee regarding the performance of the University's endowment and long-term investment pool. Minutes will be prepared and reports of the Finance Committee shall be submitted to the Board of Trustees.

## **Investment Committee**

### ***Purpose***

To assist the Board of Trustees in fulfilling its oversight responsibilities related to the University's endowment investment performance results and management of the University's long-term investment pool.

### ***Responsibilities***

1. Fiduciary oversight of the Investment Office in order to achieve the long-term investment pool's investment objectives;
2. Review the Investment Office investment decisions/recommendations and provide feedback as appropriate;
3. The oversight responsibilities stated herein shall be accomplished in part by the Committee Chair and the Vice President for Finance & Administration receiving quarterly reports from the Chief Investment Officer on the investment performance of the University's endowment and long-term investment pool;
4. In coordination with the Finance Committee, recommend to the Board of Trustees investment policy guidelines for the University's endowment and long-term investment pool, and monitor conformance;
5. In coordination with the Finance Committee, recommend to the Board of Trustees asset allocation targets and ranges for the University's endowment and long-term investment pool, and monitor conformance;
6. Maintain and distribute to the Board of Trustees minutes of all meetings of the Committee;
7. Report long-term investment pool performance regularly to the Board of Trustees; and
8. Review and assess the Committee's charter and recommend changes to the Executive Committee as necessary.

### ***Composition***

The Committee shall consist of no more than five (5) Trustee members. As provided in the University Bylaws, non-Trustees may be invited to serve in an advisory role for the Committee, however such individuals shall not be voting members of the Committee. The number of such non-Trustee advisors must be less than the number of Trustee members of the Committee. All of the individuals serving as Committee members or in an advisory role shall have knowledge and expertise in the investment area. Nomination of individuals to serve in an advisory role for the Committee shall be made by the Committee Chair in consultation with the Chair of the Committee on Nominations and Trusteeship and the Chair of the Board of Trustees. The Committee shall be chaired by a University Trustee, as provided by the University Bylaws, and the Chair shall also be a member of the Finance Committee. The Chair of the Finance Committee is an ex-officio member of the Committee.

### ***Meetings***

The Investment Committee shall meet at least (3) times per year, with authority to convene additional meetings, as circumstances require. Minutes will be prepared, and reports of the Investment Committee shall be submitted to the Board of Trustees. The Committee Chair shall coordinate with the Finance Committee Chair so that at least one meeting of the Finance Committee each year includes a report from the Chief Investment Officer and/or the Chair of the Investment Committee regarding the investment performance of the University's endowment and long-term investment pool.

### ***Conflict of Interest***

In addition to the requirements of the University's Conflict of Interest Policy, which shall apply to all members of the Committee and to individuals serving in an advisory role, on an annual basis all members of the Committee and individuals serving in an advisory role will complete an Investment Committee Conflict of Interest Questionnaire and disclose any direct material financial interest with current investment managers or firms that manage funds for the University. If such relationship exists, the member will disclose this information to the Committee and will recuse

himself / herself from all Committee discussions and actions pertaining to that manager and/or firm. As provided in the University's Conflict of Interest Policy, Committee members and individuals serving in an advisory role for the Committee also have an ongoing responsibility to disclose promptly to the University and the Committee any material interest related to proposed new investment managers or firms proposed to manage funds for the University, and Committee members and individuals serving in an advisory role for the Committee shall recuse himself / herself from all Committee discussions and actions pertaining to that manager or firm.

## **Student Affairs Committee**

### ***Purpose***

The Student Affairs Committee shall seek to enrich the living and learning experience of Lehigh undergraduate and graduate students on campus, in and about Bethlehem, nationally and globally, through the promotion and integration of cultural, experiential and academic opportunities.

### ***Responsibilities***

- The Committee is charged with reviewing regularly the general policies related to student life and shall consider and make recommendations to the Board of Trustees to improve, enhance and ensure the vitality of same; and
- The Committee shall review and assess the Committee's charter and recommend changes to the Executive Committee as necessary.

### ***Composition***

The Student Affairs Committee shall be composed of not less than five (5) Trustee members.

### ***Meetings***

The Student Affairs Committee shall meet at least three (3) times per year, with authority to convene additional meetings, as circumstances require. Minutes will be prepared and reports of the Student Affairs Committee shall be submitted to the Board of Trustees.

## **Compensation Subcommittee**

### ***Responsibilities***

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.
- 5) Review and assess the Committee's charter and recommend changes to the Executive Committee as necessary.

### ***Composition***

The Compensation Subcommittee shall be composed 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 members of the Executive Committee of the Board.

### ***Meetings***

The Compensation Subcommittee shall meet at least two (2) times per year, with authority to convene meetings as circumstances require. Minutes of meetings will be prepared and reports of the Compensation Subcommittee shall be submitted on a confidential basis to the Executive Committee.