

BY-LAWS
of
LINCOLN UNIVERSITY
OF THE COMMONWEALTH SYSTEM OF HIGHER EDUCATION



ADOPTED BY THE BOARD OF TRUSTEES
NOVEMBER 20, 1999

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**BY - LAWS
OF
LINCOLN UNIVERSITY
OF THE COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

**ARTICLE I
MEMBERSHIP OF THE CORPORATION**

The membership of the corporation shall be composed of such persons, as are from time to time members then in office, of the Board of Trustees of the University.

ARTICLE II BOARD OF TRUSTEES

Section 1

POWERS OF THE BOARD OF TRUSTEES

The entire management, control and conduct of the instructional, administrative, and financial affairs of the University shall be vested in the Board of Trustees. Specifically, and without limiting the foregoing, the Board shall have the power and authority:

- A. To borrow money on behalf of the Corporation to purchase, sell, lease, or otherwise dispose of any property of the University.
- B. To adopt the annual budget which shall define the amount appropriated for all departments and activities of the University.
- C. To define the general educational policy of the University.
- D. To have and exercise all the powers and means necessary or essential to effect the purpose or purposes for which the Corporation is organized and to enter into any obligation necessary for the transaction of its business affairs.
- E. No University funds, securities or other investments of any kind whatsoever shall ever be loaned to or employed for personal use by any member of the Board.

Section 2

NUMBER, APPOINTMENT AND ELECTION OF TRUSTEES

- A. The Board of Trustees of the University shall consist of thirty-nine voting members, including the Governor of the Commonwealth, the Secretary of Education of the Commonwealth, and the President of the University, all three of whom shall be voting members of the Board of Trustees, ex officio.
- B. Twelve of the Trustees shall be designated Commonwealth Trustees, four appointed by the Governor, with the advice and consent of two-thirds of all of the members of the Senate, and four by the President Pro Tempore of the Senate, and four by the Speaker of the House of Representatives. Annually, one appointment shall be made by each of the three Commonwealth appointing authorities for a term of four years. If a vacancy occurs with respect to any Commonwealth Trustee from any cause, the vacancy shall be filled for the unexpired term by the Commonwealth appointing authority who appointed the Commonwealth Trustee whose office was vacant.
- C. Six of the Trustees, designated as Alumni Trustees, shall be elected by the members of the Board from the alumni of the University upon nomination of the Alumni Association for a term of four years. Upon the expiration of the term of any Alumni Trustees, the Board shall elect an Alumni Trustee for a term of four years from nominations submitted by the Alumni Association. If a vacancy occurs from any cause with respect to an Alumni Trustee, the vacancy shall be filled for the unexpired term by the Board of Trustees from the alumni of the University upon nominations of the Alumni Association.

- D. Each of the remaining eighteen Trustees designated as University Trustees, of whom at least three shall be graduates of Lincoln University, shall be elected by members of the Board. Seventeen of the University Trustees shall serve for a term of four years. The remaining Trustee shall be a student representative of the student body, who will serve for a term of one year. The selection process must be approved by the Board of Trustees. Upon expiration of the term of any University Trustee, the Board shall elect a University Trustee for a term of four years, or in the case of the student representative, for a term of one year, from nominations submitted by the Committee on Trustees, Degrees and Nominations. The Chair shall report to the Board when a vacancy on the Board of any University Trustee occurs from death, resignation, or any other cause. Such a vacancy may be filled by the Board at any regular or special meeting by the election of a new University Trustee, and the Board shall fill such vacancy at its next regular meeting whenever the number of University Trustees is less than sixteen.
- E. The Board may from time to time elect Trustees Emeriti for exceptional service to the University upon nomination by the Committee on Trustees, Degrees and Nominations. Criteria for said nominations shall be established by the Committee. Trustees Emeriti will serve in an advisory capacity to the Board Chair on matters identified by the Chair and germane to the mission of the University.
- F. The Board may from time to time elect Honorary Trustees, who shall not be more than four in number at any given time. Honorary Trustees may sit with the Board at all regular and special meetings but shall have no vote.
- G. If immediately prior to the expiration of a term a Trustee shall have served as such for a period of eight or more consecutive years, such Trustee shall not be eligible for re-election as a Trustee in the same category until the annual meeting following the annual meeting at which the prior term expired.
- H. Except for the Lincoln University Board of Trustees, no voting member of the Lincoln University Board of Trustees may be nominated for appointment to any Board of Trustees or Directors for which the Lincoln University Board of Trustees have nominating and/or appointment authority.

Section 3

PERSONAL LIABILITY OF DIRECTORS

- A. To the fullest extent that the laws of the Commonwealth of Pennsylvania, as in effect on January 27, 1987 or as thereafter amended, permit elimination or limitation of the liability of trustees, no Trustee of the Corporation shall be personally liable for monetary damages as such for any action taken, or any failure to take any action, as a Trustee.
- B. This Section 3 shall not apply to any actions filed prior to January 27, 1987, nor to any breach of performance of duty or any failure of performance of duty by any Trustee of the Corporation occurring prior to January 27, 1987. The provisions of this Section shall be deemed to be a contract with each Trustee of the Corporation who serves as such at any time while this Section is in effect and each such Trustee shall be deemed to be so serving in reliance on the provisions of this Section. Any amendment or repeal of this Section or adoption of any By-Law or provision of the Articles of the Corporation which has the effect of increasing trustee liability shall operate prospectively only and shall not affect any action taken, or any failure to act, prior to the adoption of such amendment, repeal, By-Law or provision.

**ARTICLE III
MEETINGS OF THE BOARD**

Section 1

ANNUAL MEETING

An annual meeting of members and Trustees of the Corporation shall be held for the election of Trustees and for the transaction of any other business that may be brought before the meeting at the University on the third Saturday in April of each year. Should the third Saturday in April fall on an Easter weekend, the annual meeting shall automatically be rescheduled to the second Saturday in April.

Section 2

REGULAR MEETINGS

The regular meetings of the Board of Trustees in addition to the annual meeting shall be held on the 3rd Saturday in September, November and February at such time and place as shall be designated from time to time by standing resolutions of the Board. Should the third Saturday in February fall on a President's weekend, the regular meeting shall automatically be rescheduled to the second Saturday in February. To avoid conflicts with such other events as holidays and unforeseen circumstances (Acts of God) the Board Chair shall have the authority to adjust the meeting date of the regularly scheduled meetings of the Board with the appropriate notice requirements as prescribed in the By-Laws. At such meetings the Trustees may transact such business as may be brought before the meeting. Voting by proxy shall not be permitted.

Section 3

SPECIAL MEETINGS

Special meetings of the Board of Trustees or of the members of the Corporation may be called at the discretion of the Chair of the Board and shall be called upon the written request of six members of the Board. Written notice of any special meeting, together with a statement of the business for which it is called, shall be sent to each Trustee or member by appropriate communication at least ten days in advance of the day set for such meeting. Except with the unanimous consent of the Trustees present at any such meeting, no business shall be transacted at any special meeting except as shall be indicated in the notice thereof.

Section 4

ACTION WITHOUT FORMAL MEETING

Any action required or permitted to be taken by the Board of Trustees or by any committee thereof, and to the extent consistent with law, may be taken without a formal meeting. However, a written consent setting forth the action so taken and signed by all members of the Board or a committee, as the case may be, must be filed with the minutes of the proceedings of the Board or the committee.

Section 5

PUBLIC NOTICE OF MEETINGS

Public notice in a form to be prescribed by the Board shall be given at least three days prior to the annual meeting of the members and Trustees of the Corporation and of all regular meetings of the Board of Trustees, and, except in cases involving an emergency, at least twenty-four hours prior to any special or rescheduled meeting of the Board; provided, however, that public notice need not be given of any such meeting unless formal action is scheduled or taken by the members of the Corporation or the Board of Trustees.

Section 6

WAIVER OF NOTICE OF MEETINGS

Whenever notice is required to be given under the provisions of statutes or of the Articles of Incorporation or of these By-Laws, a waiver thereof in writing signed by the persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. Attendance at any meeting by a Trustee shall be conclusively deemed a waiver of notice of that meeting, except when the Trustee attends the meeting for the sole and express purpose of objecting to the absence of proper notice of the meeting.

Section 7

QUORUM AND ACTION BY THE BOARD

Except as may be otherwise required by statute or in cases which the By-Laws specify a larger number as a quorum, twelve voting Trustees present in person shall constitute a quorum for the transaction of business at all meetings of the Board of Trustees, and the act of a majority of the voting Trustees who are present in person at any such meeting at which a quorum is present shall be the act of the Corporation or the Board as the case may be. A fewer number than a quorum may adjourn to a fixed date.

Section 8

CONFLICTS OF INTEREST

- A. In fulfilling the duties of Trustee, each member of the Board of Trustees shall act only in the best interest of the University at all times and avoid behavior that involves either a real conflict of interest, or any appearance of a conflict of interest, especially under circumstances where personnel use of a University affiliation may or appears to be a means of furthering personal gain. A conflict of interest occurs when a member of the Board of Trustees uses the authority of office or any confidential information received in holding office for his private pecuniary benefit or for that of a member of his immediate family or a business with which he or a member of his immediate family is associated. Immediate family includes a parent, spouse, child or sibling.¹
- B. Conflicting Financial Interests (General). If a Trustee has any power to approve or disapprove a transaction proposed to be entered into between the University and any entity that has a significant relationship to that Trustee, or his immediate family, he has a potential conflict of interest and may not participate in the process leading to the approval or disapproval of the

transaction unless the underlying facts giving rise to the potential conflict of interest are disclosed to the Board of Trustees and approval for participation is obtained in writing.

Disclosure shall be in writing to the Board of Trustees and the Trustee can continue to participate in the transaction only on terms approved in writing by the Board of Trustees. A transaction includes a contract, purchase order or similar commitment of funds or resources by the University. Approval or disapproval means execution or a decision not to execute a University Purchase Requisition, Check Request, Purchase Order or Contract. An entity includes an individual, corporation, partnership, association or similar legal entity. A significant relationship exists if a person is a director, trustee, officer or employee of a partner or member in, or has a material financial interest in the entity in question. A material financial interest is subject to review but at a minimum would include a situation where the Trustee owns more than 1% of the outstanding capital (whether debt or equity) of a firm or corporation or has any interest in a partnership or association.

- C. All candidates for membership on the Board shall be advised of this policy prior to assuming their responsibilities as members.

Section 9

CODE OF ETHICAL CONDUCT

In fulfilling the duties of Trustee, each member of the Board of Trustees shall sign a Code of Ethical Conduct as provided by the Association of Governing Boards (AGB), to indicate a commitment to ethical behavior in the execution of trustee responsibilities.

Section 10

ATTENDANCE AT MEETINGS

It shall be the duty of each voting Trustee to attend all meetings of the Board of Trustees unless excused by the Chair of the Board, and in the event that any voting Trustee shall be absent from three consecutive regular meetings with or without being excused by the Chair of the Board, then the Board may declare a vacancy among the same class of voting Trustee, which shall be filled in the manner prescribed for the filling of vacancies occurring from death, resignation or other cause. With regards to Commonwealth Trustees, the appropriate appointing authority shall be so informed.

While it is the duty of each voting Trustee to attend the regularly scheduled Board meetings, the Board of Trustees shall allow a one-time telephonic participation by a member of the Board during the fiscal year as a non-voting member, not to be included in the quorum count.

Section 11

TELEPHONIC PARTICIPATION AT MEETINGS

For any circumstance requiring a vote on any personnel matters relating to the President of the University or Board Officers, telephonic participation will not be permitted.

Section 12

EXPENSES

- A. The Board shall serve without compensation.
- B. Proper administrative expenses of the Board shall be paid from University funds and shall be accounted for in accordance with acceptable accounting practices.

Section 13

PUBLIC MEETINGS

Every meeting of the members or Trustees of the Corporation or the Board at which formal action is scheduled or taken shall be open to the public; provided, however, that at any time during the course of a meeting open to the public, the Chair may order the Board to meet in executive session, for a period not to exceed thirty minutes, to consider personnel matters or disciplinary proceedings or charges brought against an employee of the University, or to consider actions respecting labor negotiations involving the University. The Chair shall determine whether any meeting or any part of any meeting of the Board is to be closed to the public. Subject to any Sunshine Act restrictions, the Board may conduct business (including vote) in a meeting of the Board using a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

Section 14

PROCEDURE AT MEETINGS

- A. Robert's Rules of Order, Revised, as modified by rules and regulations of the Board, shall be observed in conducting the business of the Board.
- B. The Board may adopt rules and regulations necessary for the conduct of its meetings, including meetings open to the public; and at any meeting of the Board, the Chair may enforce the rules and regulations of the Board to the extent necessary to preserve order.

Section 15

ORDER OF BUSINESS

The order of business for each meeting of the Board of Trustees shall be determined by the Chair of the Board and communicated to all Board members in the meeting notice.

¹Any reference to "he", "his", or "him" throughout this Section is meant to include "her".

**ARTICLE IV
OFFICERS OF THE BOARD**

Section 1

ELECTION

- A. At the annual meeting the Board shall elect from among the voting Trustees the Chair of the Board, a Vice-Chair, and a Secretary to serve a two-year term or until their successors have been elected and qualified, and such other officers as from time to time shall be deemed necessary.
- B. In the event of a failure for any reason so to elect any or all of said officers, or in case any vacancy occurs in said offices from any cause, then an election may be held at any regular or special meeting.
- C. All elections of officers shall be by ballot.

Section 2

CHAIR

- A. The Chair of the Board shall preside at all meetings of the Board and shall discharge the duties that pertain to that office.
- B. The Chair shall appoint all committees whose election is not specified in these By-Laws after consultation with the Board and shall fill any vacancies on said committees as they occur.
- C. In case of the absence or disability of the Chair of the Board, the Vice-Chair shall perform the duties of the Chair.
- D. The Chair shall serve a two-year term, beginning July 1 and ending June 30, and may be re-elected.
- E. In no case will the Chair serve more than four years consecutively.

Section 3

VICE CHAIR

- A. The Vice Chair shall be an Ex-officio member of committees of the Board of Trustees as directed by the Chair. In the absence of the Chair, the Vice Chair shall preside over all meetings of the Board and shall discharge the duties pertaining to the office of the Chair.
- B. The Vice Chair shall serve a two-year term, beginning July 1 and ending June 30, and may be re-elected.
- C. In no case will the Vice Chair serve more than four years consecutively.

Section 4

SECRETARY

- A. The Secretary shall attend and keep minutes of all meetings of the Corporation, of the Board of Trustees, and of the Executive Committee.
- B. The Secretary shall issue all necessary notices for such meetings, and shall have charge of the seal of the Corporation, and such books and records as the Board may prescribe.
- C. The Secretary shall transmit promptly to each Trustee a copy of the minutes of the meetings of the Corporation, Board, and Executive Committee; and, as to public meetings of the Corporation, Board, and Executive Committee, the Secretary shall keep copies of said minutes available for examination and inspection by members of the public pursuant to such rules and regulations as the Board may prescribe.
- D. The Secretary shall see that all bonds required by officers and employees of the University for the faithful performance of their duties are filed in his office, and in general perform all the duties as may be assigned by the Board.
- E. The Chair may appoint an Assistant Secretary who shall assist the Secretary in the performance of the Secretary's duties.
- F. The Secretary shall serve a two-year term, beginning July 1 and ending June 30, and may be re-elected.
- G. In no case will the Secretary serve more than four years consecutively.

**ARTICLE V
COMMITTEES OF THE BOARD**

Section 1

COMMITTEES AND APPOINTMENT OF MEMBERS

- A. The committees of the Board shall consist of an Executive Committee, a Business Affairs Committee, and Educational Policy and Academic Affairs Committee, a Planning and Development /External Affairs Committee, a Buildings and Property Committee, a Committee on Trustees, Degrees and Nominations, a Student Affairs Committee, an Evaluations Committee, an Audit Committee, and an Investment Committee, and such other committees and subcommittees as the Board may from time to time find necessary and desirable. The Chair and membership of each committee established shall be appointed by the Chair of the Board subject to the approval of the Board unless otherwise provided in these By-Laws. Non-Board members from the specific faculty committees may be appointed to serve on any Committee of the Board of Trustees. Membership on all standing committees shall be for a term of one year or until the next annual meeting, whichever first occurs. The Chair of the Board and the President of the University shall be ex-officio members of all committees of the Board which are established and shall have the right to vote at all meetings of the committees, except that the President shall not be an ex-officio member of the Evaluations Committee.
- B. The Chairs of committees of the Board shall have the authority to establish such subcommittees as they shall deem necessary or desirable to properly discharge the responsibilities of their respective committees, and, when authorized by the Board to appoint non-voting, advisory members to their respective committees and subcommittees.
- C. The Chair of the Board or the Board shall name alternate members to serve on committees and subcommittees of the Board in the absence or upon the resignation or removal of the duly appointed members of any committee or subcommittee.
- D. All committees and subcommittees shall continue to function past the date of the annual meeting, allowing time for the newly elected Chair of the Board to establish new committees and have them approved. Committee activities should not stop during this interim.

Section 2

COMMITTEE QUORUM

A majority of the voting members of a committee shall constitute a quorum.

Section 3

MEETINGS OF COMMITTEES

- A. Each committee shall meet at such time and place as shall be designated from time to time by resolution of the committee of the Board. Standing committees shall meet at least quarterly.
- B. To the extent the committees of the Board have been delegated authority by the Board to make significant decisions and to take significant action, all meetings at which such decisions are scheduled to be made or are made, and at which such action is scheduled to be taken or is taken,

shall be open to the public, and public notice of such meetings shall be given in a form to be prescribed by the Board of Trustees. At any time during the course of a public meeting, the committee Chair or presiding committee member may order the committee to meet in executive session, for a period not to exceed thirty minutes, to consider personnel matters or disciplinary proceedings or charges brought against an employee of the University, or to consider actions respecting labor negotiations involving the University. The Chair of each committee shall determine whether any meeting of the committee is to be closed to the public.

- C. If any Trustee, other than an ex-officio Trustee or an Emeritus Trustee, without valid written explanation, fails to attend three consecutive meetings of any committee to which the Trustee has been appointed, then this matter shall be reported to the Board by the committee Chair and the Board may declare a vacancy among the same class of Trustee which shall be filled by the Board in the manner prescribed for the filling of vacancies occurring from death, resignation or other cause.

Section 4

PROCEDURE AT MEETINGS

- A. Robert's Rules of Order, Revised, as modified by rules and regulations of the Committee or Board, shall be observed in conducting the business of the committee.
- B. Any committee may adopt rules and regulations not inconsistent with existing Board rules and regulations, necessary for the conduct of its meetings, including meetings open to the public; and at any meeting of the committee, the committee Chair or presiding committee member may enforce the rules and regulations of the committee or Board to the extent necessary to preserve order.

Section 5

MINUTES OF MEETINGS

Each committee of the Board shall keep minutes of meetings. As to minutes of all public meetings, the committee Chair shall make copies of said minutes available for examination and inspection by members of the public pursuant to such rules and regulations as the Board may prescribe.

Section 6

EXECUTIVE COMMITTEE

- A. The Executive Committee shall consist of the Chair of the Board, who shall also chair the Executive Committee, elected officers of the Board, Board Committee Chairpersons, the President, ex-officio, and not less than eleven nor more than thirteen members appointed by the Chair of the Board, subject to the approval of the Board. Unless otherwise determined by the Executive Committee, the Committee shall meet on call of the Chair.
- B. Except for the appointment or termination of the President, The Executive Committee shall have and exercise the authority of the Board of Trustees in the management of the University. The Executive Committee shall also have the authority to establish subcommittees, and shall report the same to the Board at its next scheduled meeting.

- C. The Executive Committee shall keep regular minutes of its proceedings and shall make a report of all of its actions at each meeting of the Board of Trustees.
- D. The Executive Committee shall meet at least six times each year. Special meetings of the Executive Committee may be called upon forty-eight hours notice by the President, or by the Board Chair, and shall be called by the Secretary at the written request of three members of the Executive Committee.
- E. Seven members of the Executive Committee shall constitute a quorum.

Section 7

BUSINESS AFFAIRS COMMITTEE

- A. The Business Affairs Committee shall consist of not less than four members of the Board appointed by the Chair of the Board subject to the approval of the Board.
- B. Where time permits, the Committee shall review the annual budget prior to its submission to the Board.
- C. The Business Affairs Committee shall also:
 - 1. Cause to be prepared and kept current a financial plan for the University, projected at least five years ahead, based on educational goals, assumptions, and requirements as provided at the policy level by the Board.
 - 2. Require the preparation of capital and operating budgets and recommend the budgets to the Board.
 - 3. Report the financial condition of the University at each regular meeting of the Board and require the preparation of an annual report on the financial condition of the University.
 - 4. Provide for bonding of appropriate officers and staff for the safekeeping of funds and documents.
 - 5. Fix the kinds and amounts of insurance to be placed by the University.
 - 6. Review and recommend policies relating to the salaries, welfare and benefits of the faculty, administrative and non-administrative staff.
 - 7. In consultation with the University Administration and the Buildings and Property Committee, make recommendations to the Board with respect to capital budget expenditures on the construction or major alterations of buildings.
 - 8. Recommend policies and procedures to the Board where possible conflict of interest situations may arise between members of the Board and the provision of services to the University.

Section 8

EDUCATIONAL POLICY AND ACADEMIC AFFAIRS COMMITTEE

- A. The Educational Policy and Academic Affairs Committee shall consist of not less than five members of the Board appointed by the Chair of the Board, subject to the approval of the Board.
- B. The Committee shall consider and report to the Board on matters involving the educational programs of the University, information technology, and the library of the University. The Committee shall also have responsibility for making recommendations to the Board regarding educational policies, and the Board shall have final authority to review and approve such recommendations.
- C. The Educational Policy and Academic Affairs Committee shall provide oversight and governance related to the University's development of its information and library system, and technology policy..
- D. The Committee shall conduct an annual assessment of the University's technology and information holdings and report its findings with recommendations, to the Board of Trustees.
- E. This Committee shall meet from time to time and at least twice each academic year with the Faculty Committee on Educational Policies In order to insure adequate communication and informed consideration of educational and similar matters by the Board. When the Board and Faculty Committees meet together, the President of the University shall serve as Chair of the combined group

Section 9

STUDENT AFFAIRS COMMITTEE

- A. The Student Affairs Committee shall consist of not less than three members of the Board appointed by the Chair of the Board, subject to the approval of the Board.
- B. The Committee shall consider and report to the Board on questions involving student affairs and general student welfare.

Section 10

BUILDINGS AND PROPERTY COMMITTEE

- A. The Buildings and Property Committee shall consist of not less than three members of the Board appointed by the Chair of the Board, subject to approval of the Board.
- B. The Committee shall from time to time inspect the buildings and property of the University to ascertain that they are maintained in good condition and meet requisite standards of safety, shall maintain a comprehensive development plan for the campus subject to Board approval in outline, and make recommendations to the Board on all major improvements, construction, acquisitions and sales.

- C. The Committee shall also be responsible for oversight and governance related to the general maintenance and operations of the University's African museum.

Section 11

COMMITTEE ON TRUSTEES, DEGREES AND NOMINATIONS

- A. The Committee on Trustees, Nominations and Degrees shall consist of not less than five members of the Board appointed by the Chair of the Board, subject to the approval of the Board.
- B. The Committee shall have responsibility for receiving all nominations and for submitting nominations from time to time to the Board of Trustees for the office of Trustee, annually for the officers of the Board, and in accordance with Article II, Section 2H of these By-Laws, for nominations for appointment to any Board of Trustees or Directors for which the Lincoln University Board of Trustees have nominating and/or appointing authority.
- C. The Committee shall also request from the Faculty its recommendations for the award of honorary degrees, and in any event the Committee shall make its report to the Board of Trustees at the Board's September meeting, if possible, otherwise at such other meeting as the Board may determine.

Section 12

PLANNING AND DEVELOPMENT /EXTERNAL AFFAIRS COMMITTEE

- A. The Planning and Development /External Affairs Committee shall consist of not less than five members of the Board appointed by the Chair of the Board, subject to the approval of the Board.
- B. The Committee shall have the responsibility in cooperation with the University's Administration to periodically review and update the institution's short and long-range plans.
- C. The Committee shall also be responsible for supervising fund-raising activities.
- D. The Committee shall serve in an advisory capacity to the public relations staff of the University. The Committee shall also have responsibility for making public relations policies, and the Board shall have final authority to review and approve such recommendations.
- E. The Committee shall have the responsibility, in collaboration with the University's Development Officer, to plan and expand special programs. The Committee shall also have the responsibility of assisting the University administration in establishing and maintaining good relations between the University and the Commonwealth of Pennsylvania, the federal government, and local governmental and community groups and institutions.
- F. The Committee shall also have the responsibility for maintaining close relations with University alumni for alumni annual giving.

Section 13

EVALUATIONS COMMITTEE

- A. The Evaluations Committee shall consist of not less than three members of the Board appointed by the Chair of the Board, subject to the approval of the Board.
- B. The Evaluations Committee shall evaluate the performance of the Board of Trustees and its individual committees with respect to governance responsibilities and adequacy of its leadership.
- C. The Evaluations Committee shall have the authority and responsibility to review and evaluate the performance of the President of the University at least annually.
- D. The methodology employed by the Evaluations Committee may include, but need not be limited to, quantitative measurements, Presidential self-evaluation and formal/informal Committee evaluations.
- E. The Committee shall provide a report of its evaluation to the Chair of the Board who shall share the results with the full Board and may share the results with the President of the University.
- F. As deemed appropriate, the Evaluations Committee may recommend, through the Executive Committee of the Board, that the Board authorize an independent institutional needs assessment.

Section 14

AUDIT COMMITTEE

- A. The Audit Committee shall consist of not less than four members of the Board appointed by the Chair of the Board subject to the approval of the Board.
- B. The Audit Committee shall have the authority and duty to audit or have audited the accounts of the University and to consult with the University's auditors, to insure that University financial statements accurately portray its final condition. It may request access to any records or accounts of any official of the University for this purpose.
- C. The Audit Committee's scope of responsibility and authority includes assuring the adequacy of accounting systems and controls; recommend the selection of independent auditors and other related activities required to maintain the integrity of the University's financial information.

Section 15

INVESTMENT COMMITTEE

- A. The Investment Committee shall consist of not less than four members of the Board of Trustees appointed by the Chair subject to the approval of the Board
- B. The Committee shall have the authority to provide guidance regarding investment opportunities and to recommend changes to the University's investment portfolio.

- C. The Committee shall conduct periodic assessments of the University's endowment, approve endowment investment guidelines, specify objectives, and recommend.
- D. Spending policies to the Board of Trustees.
- E. The University's selection of investment firms and advisors is subject to Board approval. The Investment Committee shall review and have oversight of the University's selection. The selection is bound by the University's procurement process.
- F. The Committee shall periodically review the performance of investment vehicles to ensure adequate return on the investment.
- G. The Committee shall have the power to invest and re-invest any endowment or other funds of the University, and to make such changes in investments from time to time as it may deem advisable, and to authorize and approve all purchases and sales of bonds, stocks and other investments in accordance with the authority and limitations given and imposed by resolution of the Board.

**ARTICLE VI
OFFICERS OF THE UNIVERSITY**

Section 1

THE PRESIDENT

- A. The President shall be elected by the Board.
- B. The President shall be the executive officer of the Board of Trustees, the chief educational and administrative officer of the University, and Chair of the Faculty. The President shall be the official medium of communication between the Faculty and the Board of Trustees and between the students and the Board of Trustees. The President shall recommend to the Board all promotions and appointments and admission to tenure of the Faculty; shall sign all diplomas and confer all degrees, and shall preside at all commencements; shall be responsible for the discipline of the University and for carrying out all measures officially agreed upon by the Faculty concerning matters committed to the Faculty by the Board, and for executing such other measures concerning the internal administration of the University as the Board of Trustees may direct. The President may specifically delegate such responsibility, as a matter of routine procedure, to other officers of administration or to agencies created for the purpose subject to the approval of the Board of Trustees, but the President shall be accountable for implementation of any delegated assignments. The President may appoint such officers and give such titles as the Board may approve, and may make temporary appointments until the next meeting of the Board in order to fill vacancies in the teaching or administration staff of the University.
- C. The Board shall, if it deems it appropriate, designate an officer of the University, or a member of the Board, to act as President during absence or disability of the President.
- D. The President shall hold office at the pleasure of the Trustees, and may be removed only by the affirmative vote of a majority of the voting members of the Board then in office. No resolution to remove the President shall be considered at any meeting of the Board of Trustees unless the Secretary at least one month before the meeting shall have mailed to each member of the Board at the last known address written notice that such a resolution is to be presented.
- E. The President shall make reports to the Board of Trustees at each regular meeting of the Board, containing such recommendations respecting the University as shall be deemed necessary, setting forth facts and information respecting the affairs and operations of the University, and furnishing as and when required, lists of teachers, students, and employees of the University. The President shall each year, not later than the first day of October, make a report to the Board of all of the activities of the University, including instructional, administrative and financial, for the preceding scholastic and fiscal year.
- F. In the event of a prospective or existing vacancy in the office of President, the Chair of the Board shall appoint a special committee, the members of which need not all be trustees, which, pursuant to policies and procedures approved by the Board, shall seek and evaluate candidates for the office. The special committee shall, at a regular or special meeting, recommend one candidate to the Board of Trustees. Twenty (20) voting members of the Board of Trustees shall constitute a quorum for the selection of President. After careful consideration, the Trustees

shall vote by ballot. To be elected pursuant to this section, the nominee must receive the affirmative vote of a majority of the voting Trustees present. The commencement of the term of the person elected shall be fixed by the Board.

- G During the absence or disability of any officer of the University, other than the President, the President with the concurrence of the Executive Committee, may appoint a substitute who shall act during the absence or disability of such officer until the next regular meeting of the Board of Trustees, or until the next special meeting of the Board called to act upon the appointment.

Section 2

VICE PRESIDENTS

One or more Vice Presidents may be appointed by the President subject to the approval of the Board. They shall serve at the pleasure of the President and perform such duties as may be assigned to them by the President. The execution or extension of Vice Presidential employment contracts are subject to Board approval.

Section 3

THE BUSINESS AND FINANCIAL VICE PRESIDENT

- A. The Business and Financial Vice President shall be appointed by the President subject to the approval of the Board. Such officer shall have charge of the business administration of the University, including general charge of the Physical Plant, and shall be directly responsible to the President.
- B. The Business and Financial Vice President shall be responsible for the receipt, deposit and safekeeping of all cash, securities and funds of whatever sort belonging to or due the University and for the payment of all bills within the allotment and shall supply the President, the Board and committees of the Board with budget estimates and such other statements and information as may be requested; and under the direction of the President, shall have charge of all accounting, including that of endowment, building and operating funds, and shall be responsible for all accounting and auditing functions and procedures; and shall perform such other duties as may be assigned to him by the President.
- C. The Business and Financial Vice President shall be responsible for the safekeeping of the funds and securities belonging to the University and the record thereof. Subject to the approval of the Board, the Business and Financial Vice President may deposit, withdraw, exchange, sell, collect, invest, deliver, transfer or otherwise acquire, sell or dispose of securities, cash or other personal property for and on behalf of the University, and execute all stock powers and other documents necessary to make effective the foregoing authority. The Business and Financial Vice President may keep the securities in a safe deposit vault or may contract with a responsible bank or trust company to act as custodian for safekeeping such securities. A report shall be given at each regular meeting of the Board.
- D. The Business and Financial Vice President shall file with the Board's Secretary a bond for the faithful performance of all duties in such sum as shall be fixed by the Board, with a responsible surety company approved by the Board, the premium on the bond to be paid by the University.

- E. The Business and Financial Vice President and all other employees handling cash and securities shall give bond in such amount as shall be required by the Board, and the expense thereof shall be borne by the University.
- F. In the absence or disability of the Business and Financial Vice President, the President shall, subject to the approval of the Board, designate an officer of the University, a member of the Board, or any other person to act as Business and Financial Vice President.

**ARTICLE VII
GENERAL COUNSEL**

The Board of Trustees shall select a General Counsel, which shall represent the University in all legal matters. General Counsel shall serve at the pleasure of the Board and may be an individual or a firm. All matters requiring legal advice or legal action shall be referred to General Counsel. When requested General Counsel or, if General Counsel is a firm, one of its members shall attend meetings of the Board of Trustees and of the Executive Committee. The General Counsel and or a member of his or her law firm may not be a member of the Lincoln University Board of Trustees or to any board to which the Lincoln University Board of Trustees has nominating or appointing authority.

The Board may from time to time obtain legal counsel to address specific matters related to Board business. Said Counsel shall not be a member of the Lincoln University Board of Trustees or any board to which the Lincoln University Board of Trustees has nominating or appointing authority.

ARTICLE VIII
INSPECTION OF BOOKS, RECORDS AND DOCUMENTS

All minute books, documents and records of the University shall at all reasonable times be open to the inspection of the President, the Vice President, any member of the Board, or any officer when authorized by the President or by the Board of Trustees or any of the Committees of the Board pursuant to the function and purpose of such Committees.

**ARTICLE IX
INDEMNIFICATION OF, AND ADVANCEMENT OF EXPENSES TO,
TRUSTEES, OFFICERS, ETC.**

Section 1

TRUSTEES AND OFFICERS—RIGHT TO INDEMNIFICATION

Except as prohibited by law, every Trustee and officer of the Corporation shall be entitled as of right to be indemnified by the Corporation, against expenses and any liability paid or incurred by such person. Except as prohibited by law, every Trustee and officer of the Corporation shall be entitled as of right to be indemnified by the Corporation against expenses and any liability paid or incurred by such person in the defense of any actual or threatened claim, action, suit or proceeding, civil, criminal, administrative, investigative or other, whether brought by or in the right of the Corporation or otherwise, in which he or she may be involved in any manner, as a party, witness or otherwise, or is threatened to be made so involved, by reason of such person being or having been a Trustee or officer of the Corporation or of a subsidiary of the Corporation or by reason of the fact that such person is or was serving at the request of the Corporation as a trustee, director, officer, employee, fiduciary or other representative of another corporation, partnership, joint venture, trust, employee benefit plan or other entity (such claim, action, suit or proceeding hereinafter being referred to as Action). Persons who are not Trustees or officers of the Corporation may be similarly indemnified in respect of service to the Corporation or to another such entity at the request of the Corporation to the extent the Board of Trustees at any time designates any of such persons as entitled to the benefits of this Section. As used in this Article VII, indemnitee shall include each Trustee and officer of the Corporation and each other person designated by the Board of Trustees as entitled to the benefits of this Article VII, expenses shall include fees and expenses of counsel selected by an indemnitee and liability shall include amounts of judgments, excise taxes, fines, penalties and amounts paid in settlement.

Section 2

TRUSTEES AND OFFICERS—RIGHT TO ADVANCEMENT OF EXPENSES

Every indemnitee shall be entitled as of right to have his or her expenses in defending any Action paid in advance by the Corporation prior to final disposition of such Action, provided that the Corporation receives a written undertaking by or on behalf of the indemnitee to repay the amount advanced if it should ultimately be determined that the indemnitee is not entitled to be indemnified for such expenses.

Section 3

RIGHT OF INDEMNITEE TO INITIATE ACTION

If a written claim under Section 1 or Section 2 of this Article is not paid in full by the Corporation within thirty days after such claim has been received by the Corporation, the indemnitee may at any time thereafter initiate an Indemnitor Action to recover the unpaid amount of the claim and, if successful in whole or in part, the indemnitee shall also be entitled to be paid the expense of prosecuting such Indemnitor Action. The only defense to an Indemnitor Action to recover a claim for indemnification under Section 1 shall be that the indemnitee's conduct was such that under Pennsylvania law the Corporation is prohibited from indemnifying the indemnitee for the amount claimed, but the burden of providing such defense shall be on the Corporation. Neither the failure of

the Corporation (including its Board of Trustees and independent legal counsel) to have made a determination prior to the commencement of such Indemnitee Action that indemnification of the indemnitee is proper in the circumstances, nor an actual determination by the Corporation (including its Board of Trustees or independent legal counsel) that the Indemnitee's conduct was such that indemnification is prohibited by Pennsylvania law, shall be a defense to such Indemnitee Action or create a presumption that the indemnitee's conduct was such that indemnification is prohibited by Pennsylvania law. The only defense to an Indemnitee Action to recover a claim for advancement of expenses under Section 2 shall be the indemnitee's failure to provide the undertaking required by Section 2.

Section 4

INSURANCE AND FUNDING

The Corporation may purchase and maintain insurance to protect itself and any person eligible to be indemnified hereunder against any liability or expense asserted or incurred by such person in connection with any Action, whether or not the Corporation would have the power to indemnify such person against such liability or expense by law or under the provisions of this Article VII.

Section 5

NON-EXCLUSIVITY; NATURE AND EXTENT OF RIGHTS

The rights to indemnification and advancement of expenses provided for in this Article VII shall **(i)** not be deemed exclusive of any other rights, whether now existing or hereafter created, to which any indemnitee may be entitled under any agreement or by-law, charter provision, vote of Trustees or otherwise, **(ii)** be deemed to create contractual rights in favor of each indemnitee who serves the Corporation at any time while this Article VII is in effect (and each such indemnitee shall be deemed to be so serving in reliance on the provisions of this Section), and **(iii)** continue as to each indemnitee who has ceased to have the status pursuant to which he or she was entitled or was designated as entitled to indemnification under this Article VII and shall inure to the benefit of the heirs and legal representatives of each indemnitee. Any amendment or repeal of this Article VII or adoption of any By-Law or provision of the Articles of the Corporation which limits in any way the right to indemnification or the right to advancement of expenses provided for in this Article VII shall operate prospectively only and shall not affect any action taken, or failure to act, by an indemnitee prior to the adoption of such amendment, repeal, By-Law or other provision.

Section 6

PARTIAL INDEMNITY

If an indemnitee is entitled under any provision of this Article VII to indemnification by the Corporation for some or a portion of the expenses or a liability paid or incurred by the indemnitee in the preparation, investigation, defense, appeal or settlement of any Action or Indemnitee Action but not, however, for the total amount thereof, the Corporation shall indemnify the indemnitee for the portion of such expenses or liability to which the indemnitee is entitled.

Section 7

APPLICABILITY OF ARTICLE

This Article VII shall apply to every Action other than an Action filed prior to January 27, 1987, except that it shall not apply to the extent that Pennsylvania law does not permit its application to any breach of performance of duty or any failure of performance of duty by an indemnitee occurring prior to January 27, 1987.

ARTICLE X THE FACULTY

Section 1

The Faculty shall consist of the President of the University and those whose duties are primarily instructional or in the direct supervision of instruction, classified by rank as follows:

- Professor
- Associate Professor
- Assistant Professor
- Instructor
- Lecturer

The term *Visiting* may be added to any of the regular ranks in order to designate a temporary appointment to a teaching position. Teaching Assistants and Research Associates may also be appointed where appropriate, but shall not be considered members of the Faculty.

Section 2

The Faculty shall hold stated meetings while the University is in session, and in addition shall meet at the call of the President, who shall preside at such regular and special meetings. The Faculty shall appoint a Secretary who shall keep a record of the proceedings at their meetings. They shall make such rules of procedure and provide for and appoint such committees as in their judgment may be necessary, subject to the approval of the Board of Trustees. In the event of the absence of the President, the Provost shall preside at meetings of the Faculty.

The voting privilege shall be extended to all Faculty members who are in the full-time employ of the University.

Section 3

The Faculty shall recommend to the Board of Trustees requirements for admission, courses of instruction, conditions of graduation, the degrees to be conferred, and rules and methods for the conduct of the educational program of the University. The Faculty shall recommend to the Board candidates for degrees in course and for honorary degrees, and shall designate persons to receive the awards of fellowships, scholarships and prizes. Subject to the primary authority of the President, the

Faculty may participate with the President, Provost, Deans and other officers of the administration in matters of student discipline through such committee structure and under such conditions as the Board of Trustees shall approve.

**ARTICLE XI
AMENDMENTS**

These By-Laws may be amended, altered or repealed at any regular or special meeting of the Board, by a vote of two-thirds of all of the members present in person, provided a quorum of the Board shall be present in person and participate in the meeting. Notice of the nature of any proposed amendment shall be given in the notice of the meeting at which action on such amendment shall be considered.

Lincoln University

of the Commonwealth System of Higher Education

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