

C O N T E N T S

STANDING ORDERS OF THE BOARD OF TRUSTEES

ORDER I.	Special Committees and Subcommittees	S-1
ORDER II.	Special Assignments	S-2
ORDER III.	Attendance	S-2
ORDER IV.	Matters Requiring Approval of the Board of Trustees	S-2
ORDER V.	Matters to be Presented to the Board of Trustees for Information	S-3
ORDER VI.	Procedures for the Election of Trustees by Alumni	S-4
ORDER VII.	Selection Group on Board Membership for Business and Industry Trustees	S-5
ORDER VIII.	Rules and Regulations for the Conduct of Public Meetings of the Board of Trustees, its Standing Committees and its Special Committees	S-6
ORDER IX.	Governance of the University	S-9
ORDER X.	Delegation of Corporate Authority	S-13
ORDER XI.	Trustee Emeritus	S-14

STANDING ORDERS OF THE BOARD OF TRUSTEES

ORDER I. THE FOLLOWING SPECIAL COMMITTEES AND SUBCOMMITTEES ARE HEREBY ESTABLISHED:

- (1) Subcommittee on Architect/Engineer Selection (of the Committee on Finance and Physical Plant).
 - (a) This subcommittee will be composed of three members of the Committee on Finance and Physical Plant.
 - (b) When it becomes necessary for the Board to appoint an executive architect or engineer for major University physical plant projects, University staff will prepare a list of not less than three nor more than five firms for consideration by the subcommittee.
 - (c) The qualifications of these firms to perform this particular professional activity as well as background information regarding the type of firm and previous professional work will be presented to the subcommittee.
 - (d) Based on this information, and upon any recommendation that may be forthcoming from a program committee, and any additional information the subcommittee may request, the subcommittee, after discussion with the staff, will recommend to the Committee on Finance and Physical Plant the firm that they recommend the Board should appoint.

- (2) Subcommittee on Audit (of the Committee on Finance and Physical Plant).
 - (a) This subcommittee will be composed of four members of the Committee on Finance and Physical Plant.
 - (b) This subcommittee shall be responsible for reviewing on a regular basis the performance and determinations of the auditing firm and informing the Committee on Finance and Physical Plant regarding relevant financial oversight matters.

- (3) Subcommittee on Finance (of the Committee on Finance and Physical Plant).
 - (a) This subcommittee will be composed of three members of the Committee on Finance and Physical Plant.
 - (b) This subcommittee shall be responsible for reviewing on a regular basis certain of the University's material financial matters, including the operating and capital budgets, balance sheet management and debt strategy, and informing the Committee on Finance and Physical Plant regarding relevant financial oversight matters.

- (4) Governance Advisory Group The President of the Board is directed to appoint a governance advisory group, strictly advisory in nature, including representatives from all constituent groups appointed or elected to the Board of Trustees, for the purpose of providing counsel and advice to the President of the Board in matters concerning the development of strategies, policies, and practices that orient, educate, organize, motivate, and assess the performance of trustees. The group shall assume such additional responsibilities as may from time to time be assigned by the Board's leadership with the approval of the full Board including, but not limited to:
 - (a) recommending to the Board candidates for election to membership on the Executive Committee; and

- (b) reviewing the service of a Trustee upon retirement. The group may recommend to the Board that emeritus/a status be awarded to the retired trustee. Criteria to be considered by the group shall include offices held, attendance record, participation in the activities of the Board, length of service, or other significant contributions.

The group shall regularly inform the Board of its practices and priorities.

ORDER II. SPECIAL ASSIGNMENTS

- (1) Trustee Representative at All Commencements. The Board of Trustees shall be represented at all Commencements by the President of the Board or by trustees designated by the President of the Board.
- (2) Trustee Representative at Meetings of the Executive Board of the Alumni Association. On recommendation of the Executive Board of the Alumni Association, the President of the Board is authorized to appoint a trustee to attend all official meetings of the Executive Board of the Alumni Association.
- (3) Trustee Liaison to Capital Campaigns. The President of the Board is directed to appoint a liaison trustee to interact with developmental activities for capital campaigns and to apprise the Board of Trustees of the activities and the progress of campaigns.

ORDER III. ATTENDANCE

- (1) Regular attendance at meetings by members of the Board is expected. If an appointive or elective member of the Board is unable to attend at least four of the six scheduled meetings each year, such Board member should discuss with the President of the Board the question of his/her ability to continue attendance appropriate to a trustee.

ORDER IV. MATTERS REQUIRING APPROVAL OF THE BOARD OF TRUSTEES

- (1) Basic University Organization and Policy
 - (a) All matters pertaining to the Corporate Charter and Bylaws.
 - (b) All reports of standing or special committees of the University's Board of Trustees.
 - (c) All major modifications of educational policy.
 - (d) Authorization to grant degrees to graduates.
 - (e) University intellectual property policy.
- (2) Fiscal Matters
 - (a) Establishment of, or changes in existing, major University fiscal policies.
 - (b) Annual operating budgets and changes in the approved totals, state appropriation requests, and appropriation of building funds unappropriated.
 - (c) Acceptance of gifts, bequests, grants, fellowships, scholarships, loan funds that are not in accord with established policy.
 - (d) Establishment of, or changes in, fees including tuition, room and board.
 - (e) Authorization to borrow money; authorization of persons to sign checks, contracts, legal documents, and other obligations, and to endorse, sell, or assign securities.
 - (f) Selection of firm to make annual audit of University accounts.
 - (g) Purchase of property over \$1 million in value or sale of University property, with the exception of the sale of property up to \$3 million in

value gifted to the University for the express purpose of sale with proceeds benefitting the University.

(3) Personnel Matters

(a) The establishment of senior administrative positions responsible directly to the President and the determination of the functions of such positions shall be made by the President of the University. The appointment to and removal of senior administrative officers in these positions shall be made by the President of the University, subject to the approval of the Board of Trustees. All other administrative officers with the title of vice president or dean shall be appointed by the President, subject to the approval of the Board of Trustees. Removal of such administrative officers with the title of vice president or dean shall be made by the President and, in such event, the President shall inform the Board of Trustees of such removal at the next regular meeting of the Board.

(4) Physical Plant

- (a) Establishment of, or changes in existing policies, on matters such as selection of architects, naming of buildings and roads, preservation of campus landmarks.
- (b) Approval of land and other real estate to be considered for purchase over \$1 million in value or sale, with the exception of the sale of land and other real estate up to \$3 million in value gifted to the University for the express purpose of sale with proceeds benefitting the University.
- (c) Approval of specific names for individual buildings and roads.
- (d) Design plans for buildings and facilities to be constructed or significant alteration to existing buildings, with the exception of temporary buildings or buildings under \$5 million in cost. Review and approval may be requested by the administration in lieu of presentation as an information item for projects of a special nature that fall below the \$5 million level.
- (e) Projects under \$5 million in cost that are bond-financed.
- (f) Approval to award contracts for construction; provided, however, that the Officers of the University shall have the discretion to expend up to an additional 10 percent of the authorized construction cost, as necessary.
- (g) Appointment of architect for construction of major projects.

(5) Miscellaneous

- (a) Selection of the recipients of Distinguished Alumni Awards, honorary degrees, and the Penn State Medal.
- (b) Selection of specific dates for trustee meetings.

ORDER V. MATTERS TO BE PRESENTED TO THE BOARD OF TRUSTEES FOR INFORMATION

(1) Basic University Organization and Policy

- (a) New curricula and major changes in existing curricula.
- (b) Major policy matters affecting student welfare and activities.
- (c) Major policy matters affecting research.

(2) Fiscal Matters

Financial statements, and gifts, bequests, grants, fellowships, scholarships, loan funds that are in accord with established policy.

- (3) Personnel Matters
 - (a) Policies. New policies or changes in existing policies governing appointments, promotions in academic rank, leaves of absence, resignations, retirements, academic freedom and tenure, hours and conditions of employment, and fringe benefits.
- (4) Physical Plant
 - (a) New construction or renovation projects with a cost between \$1,000,000 and \$4,999,999.
 - (b) Naming of rooms, portions of buildings, and plazas.
 - (c) Real estate purchases less than \$1 million in value.
 - (d) Proceeds from the sale of land and other real estate gifted to the University for the express purpose of sale.
 - (e) Capital budget request submitted to the Commonwealth of Pennsylvania.

ORDER VI. PROCEDURES FOR THE ELECTION OF TRUSTEES BY ALUMNI (see also the Charter)

- (1) Qualifications of Candidates for Trustee. See Art. 2 of the Corporate Bylaws.
- (2) Date of Election. Elections for alumni members of the Board shall be held each year on the day preceding the annual Commencement, under the direction of two judges annually appointed for that purpose by the President or Acting President of the Board, and may be held either in connection with the Delegate Convention for the election of other members of the Board, or at such other hour of the same day, and such other place, as the Board may from time to time direct.
- (3) Nominations. The Secretary of the Board of Trustees, or such other officer as may be from time to time designated by said Board, shall send to each qualified elector (see Charter provision) whose address is known a notice stating the date at which the next election will be held and the names of alumni trustees whose terms will expire by law on the thirtieth day of June next following. Such notice shall be sent each year not less than ninety days preceding the date on which such election is to be held, and shall invite nominations for vacancies then to occur. All persons who are nominated by as many as fifty electors shall be announced as soon as practical after the tenth day of April each year in a circular sent to all electors, with a form of ballot.
- (4) Correction of Mailing List. The Office of the President is instructed to provide for correction of the mailing list.
- (5) Form of Ballot. Only the official nominating and voting ballots may be used to nominate and vote for candidates.
- (6) Position on Ballot. Immediately after the last day fixed for depositing ballots to nominate candidates for alumni trustee, the President of the Board of Trustees shall fix a day and hour for casting lots for the position of names upon the election ballots. The Secretary of the Board of Trustees shall give at least three days' notice by mail of said date and hour to all candidates nominated. Any candidate may appear in person or by a representative duly authorized in

S-5

writing. In the event that any candidate is not present in person or by duly authorized representative at the time of casting of lots, it shall be the duty of the Secretary to appoint some person to represent such absentee. After said lots are cast, the Secretary shall accordingly establish the order in which the names of said candidates are to appear on the election ballot.

- (7) Designation of Incumbents. The asterisk identifying incumbents shall be eliminated from election ballots, but the booklets of biographical sketches shall continue to identify incumbents with an asterisk.
- (8) Position in Booklet of Biographical Sketches. Candidates' names shall be in alphabetical order in the booklet of biographical sketches.
- (9) Duplicate Ballots. A duplicate ballot may be issued to a voter only on a written or personal application to the Secretary of the Board of Trustees stating that the original ballot has been lost, mutilated, or destroyed.
- (10) Deadline for Receipt of Nominations. Ballots for the nomination of alumni trustees must be received at the office of the Secretary of the Board of Trustees before 5:00 p.m., February 25.
- (11) Candidate May Withdraw Name. Each candidate nominated shall be given the privilege of withdrawing his/her name.
- (12) Election Returns. All ballots for alumni trustees returned to the proper official in response to said circular and received by him/her on or before the day of election shall be safely kept by him/her, and by him/her delivered at the time and place of election to the two judges named in the charter and shall by them be counted as cast at that time and place. Said judges shall make return to the Board of Trustees of the persons for whom ballots have been cast, either by letter or by electors in person, with the number of votes for each person; and the Board of Trustees shall thereupon determine and declare what persons have been elected to fill the vacancies aforesaid. A plurality of votes only shall be required to elect and, in case of an equality of votes between two or more candidates, the person or persons who shall hold said office or offices of trustee shall be designated by ballot of the Board of Trustees.
- (13) Announcement of Results. The names of the winning candidates in the election shall be given publicity in the public press (and no reference shall be made to the other candidates for the three offices). The names of all candidates and the number of votes received by each shall be reported to the Alumni Association for publication in The Penn Stater only.

ORDER VII. SELECTION GROUP ON BOARD MEMBERSHIP FOR BUSINESS AND INDUSTRY TRUSTEES (see also the *Charter*)

The Selection Group on Board Membership for Business and Industry Trustees shall be composed of five members (three seated or emeriti trustees representing business and industry endeavors excepting those standing for reelection; and two trustees from among those elected by the alumni, elected by agricultural associations, or appointed by the governor.) The selection group shall be appointed annually by the President of the Board for the purpose of recommending two candidates for membership on the Board of Trustees representing business and

industry endeavors. The names and qualifications of the candidates shall be submitted for confirmation by the Board of Trustees (approval or rejection of recommended candidates only).

ORDER VIII. RULES AND REGULATIONS FOR THE CONDUCT OF PUBLIC MEETINGS OF THE BOARD OF TRUSTEES, ITS STANDING COMMITTEES AND ITS SPECIAL COMMITTEES

- (1) Meetings Open to the Public. A meeting of the Board of Trustees, its Executive Committee, its Standing Committees, and its Special Committees shall be open to the public, except as provided in paragraph (13) hereof. The term "meeting" means any prearranged gathering which is attended or participated in by a quorum and held for the purpose of deliberating University business or taking official action. The term "University business" means the framing, preparation, making or enactment of policy or regulations, the creation of liability by contract or otherwise, or the adjudication of rights, duties and responsibilities, but not including administrative action. The term "administrative action" means the execution of policies relating to persons or things previously authorized or required by official action adopted at an open meeting of the Board of Trustees. The term "administrative action" does not include the deliberation of University business. The phrase "deliberating University business" shall mean the discussion of University business held for the purpose of making a decision. The phrase "official action" means (1) the making of a recommendation pursuant to statute, ordinance or executive order, (2) the establishment of policy, (3) the making of a decision on University business or (4) the vote taken on any motion, proposal, resolution, rule, regulation, ordinance, report or order.
- (2) Annual Public Notice of All Meetings. Public notice of the date, time, and place of all regularly scheduled meetings of the Board of Trustees, its Executive Committee, its Standing Committees, and its Special Committees for the calendar year shall be published annually in all daily newspapers of general circulation published in Centre County, and in at least one daily newspaper of general circulation in Pennsylvania. Such notice for meetings at locations other than University Park shall be published in a daily newspaper of general circulation in the political subdivision in which such meetings are to be held.
- (3) Public Notice of Individual Meetings. Public notice of the date, time, and place of each regular meeting shall be given and published in the daily newspapers of general circulation as indicated above, at least three days prior to the time of each regularly scheduled meeting, and at least twenty-four hours prior to the time of the meeting in the case of special or rescheduled meetings. This provision shall not apply in case of a meeting called to deal with an emergency involving a clear and present danger to life or property.
- (4) Posting of Notices. Public notice of all meetings of the Board of Trustees, its Executive Committee, its Standing Committees, and its Special Committees shall be posted at the offices of the Secretary of the Board of Trustees at University Park, Pennsylvania.
- (5) News Media Notices. Notice of the date, time, and place of meetings shall be furnished on request to any newspaper publishing in the political subdivision in which the meeting will be held and to any radio and television station which

regularly broadcasts into the political subdivision (Centre County in the case of meetings at University Park).

- (6) Notice to Others. Notice of meetings shall also be furnished to anyone providing a stamped, self-addressed envelope prior to the meeting.
- (7) Meeting Room. Meetings of the Board of Trustees, its Executive Committee, its Standing Committees, and its Special Committees shall be held in a room large enough to accommodate the members of the Board of Trustees, officers of the University, and invited guests. Space shall also be available for up to twenty-five visitors, including representatives of the news media, on a first-come, first-served basis. The room will be opened one-half hour prior to the starting time of the meeting.
- (8) Arrangements for News Media Area and Press Conferences. An area in the meeting room shall be designated by the University for use by the press and other news media, subject to such rules and regulations as the University may adopt. To further facilitate communications between the Board and the public, the President of the Board and/or the President of the University shall hold press conferences as necessary following meetings of the Board of Trustees.
- (9) Visitors to the Meetings. Visitors to the meetings, including representatives of the news media, shall be present as observers, and not as participants. Any form of participation including speaking, the presentation of petitions, and the display of banners, posters, and other forms of signs is prohibited. This rule does not apply to guests invited by the President of the Board or the President of the University.
 - (a) The President of the Board or the President of the University shall be authorized to invite one student and one faculty member to participate in the discussion of agenda items at meetings of the Board of Trustees under existing Rules and Regulations.
 - (b) Three non-voting faculty representatives and three non-voting student representatives may be invited to attend and participate in the meetings of standing committees and of special committees, except executive sessions of the committees. The faculty and student representatives shall be selected by the President of the University in such manner as he/she deems appropriate.
- (10) Photographic and Recording Equipment. Visitors to the meeting, including representatives of the news media, shall be allowed to use battery-operated audio tape recorders, television cameras and photographic equipment subject to the following regulations:
 - (a) A designated area in the meeting room shall be used by all visitors to the meeting using television cameras or photographic equipment.
 - (b) Television cameras and related equipment shall be allowed entry into the meeting room for set up purposes during the one-half hour period prior to the starting time of the morning and afternoon meetings. Television cameras and related equipment shall not be allowed entry into the meeting room after the starting time of the meeting, except during the course of a meeting recess, in which event entry will be permitted.
 - (c) Television cameras and photographic equipment shall be required to use available light during the meeting. Artificial lighting and flashes shall

- not be used during the meeting.
- (d) No voice-over broadcasting shall be permitted during the meeting.
- (11) Procedures for Committee Meetings and Board Meetings. In conducting the business of the Board of Trustees, its Standing Committees, and its Special Committees, the procedures for the meetings of the Standing Committees and the Special Committees shall provide for full discussion of both information and action items. Following discussion of action items, Standing Committees will vote to recommend an action to the Board of Trustees. Special committees recommend action to Standing Committees. The Board of Trustees meeting will be devoted primarily to (a) taking formal action on committee recommendations as a block, with Board members having the opportunity to raise questions concerning any of the recommended action items and to call for a separate vote on a given item; (b) considering and acting upon matters which have not come to the Board through a Standing Committee; and (c) receiving the report of the President of the University. The vote of each member of the Board or of a committee on any resolution, rule, order, regulation, ordinance or the setting of official policy must be publicly cast and, in the case of a roll call vote, recorded.
- (12) Agenda for the Meetings. The agenda and supporting material for the meetings of the Board of Trustees, its Executive Committee, its Standing Committees, and its Special Committees shall be available to the public at the time of the meetings. In addition to making available to the public at the time of the meeting the agenda and supporting material, the University will make available five days in advance of the meeting an agenda of items to be considered with a note that the agenda of items is subject to change without notice prior to the meeting.
- (13) Executive Sessions of the Board of Trustees. The Board of Trustees, its Executive Committee, its Standing Committees, and its Special Committees may hold an executive session for one or more of the following reasons:
- (a) To discuss any matter involving the employment, appointment, termination of employment, terms and conditions of employment, evaluation of performance, promotion or disciplining of any specific prospective officer or employee or current officer or employee employed or appointed by the University, or former officer or employee, provided, however, that the individual employees or appointees whose rights could be adversely affected may request, in writing, that the matter or matters be discussed at an open meeting.
 - (b) To hold information, strategy and negotiation sessions related to the negotiation or arbitration of a collective bargaining agreement or, in the absence of a collective bargaining unit, related to labor relations and arbitration.
 - (c) To consider the purchase or lease of real property up to the time an option to purchase or lease the real property is obtained or up to the time an agreement to purchase or lease such property is obtained if the agreement is obtained directly without an option.
 - (d) To consult with its attorney or other professional advisor regarding information or strategy in connection with litigation or with issues on which identifiable complaints are expected to be filed.
 - (e) To review and discuss University business which if conducted in public would violate a lawful privilege or lead to the disclosure of information or confidentiality protected by law, including matters related to the initiation

and conduct of investigations of possible or certain violations of the law and quasi-judicial deliberations.

- (f) To discuss matters of academic admission or standings.

The executive session may be held during an open meeting, at the conclusion of an open meeting, or may be announced for a future time. The reason for holding the executive session must be announced at the open meeting occurring immediately prior or subsequent to the executive session. If the executive session is not announced for a future specific time, members of the Board of Trustees shall be notified 24 hours in advance of the time of the convening of the meeting specifying the date, time, location and purpose of the executive session. Official action on discussions held in executive session shall be taken at an open meeting. An executive session may be called by the President of the Board of Trustees or the President of the University, or, in the absence of the President of the Board of Trustees, the Vice President of the Board. A majority of the members present and voting may determine to adjourn and direct that notice of a public meeting at a subsequent time be given, rather than proceed in executive session.

- (14) Maintaining Order. The presiding officer at public meetings of the Board of Trustees, its Executive Committee, its Standing Committees, and its Special Committees shall have the authority to maintain order during the public meeting. Any person who, in the opinion of the presiding officer, prevents, disturbs, or interrupts a public meeting may be requested to leave the public meeting, and, upon failure to comply, may be subject to forcible removal and/or arrest for violation of the Penal Code of Pennsylvania.
- (15) Minutes of Public Meetings. The minutes of public meetings of the Board of Trustees, its Executive Committee, its Standing Committees, and its Special Committees shall be available for inspection and copying during regular business hours at the office of the Secretary of the Board of Trustees. A copy of minutes of public meetings shall be available to a member of the public upon payment of the reasonable cost of reproduction.
- (16) Revisions in the Rules and Regulations for Public Meetings. The Board of Trustees will periodically review the Rules and Regulations for the Conduct of Public Meetings and make such revisions as experience indicates are appropriate and desirable.

ORDER IX. GOVERNANCE OF THE UNIVERSITY

- (1) Role of the Board of Trustees in University Governance
- (a) Authority of the Board of Trustees. The Board of Trustees of The Pennsylvania State University is the corporate body established by the charter with complete responsibility for the government and welfare of the University and all the interests pertaining thereto including students, faculty, staff, and alumni.
- (b) Guiding Policies. In the exercise of this responsibility, the Board shall be guided by the following policies:
1. Delegation of authority. The authority for day-to-day management and control of the University, and the establishment of policies and procedures for the educational program and other operations of the University, is delegated to the President, and by him/her either by delegation to or consultation with the faculty and the

2. Reports and information required. This delegation of authority requires that the Board rely on the judgment and decisions of those who operate under its authority. However, this reliance of the Board must be based upon its continuing awareness of the operations of the University. Therefore, the Board shall receive and consider thorough and forthright reports on the affairs of the University by the President or those designated by the President. It has a continuing obligation to require information or answers on any University matter with which it is concerned.
 3. Advisor to the President. It is the duty of the Board to advise the President on any University matter.
- (c) Responsibilities of the Board of Trustees. The Board of Trustees shall carry out certain responsibilities as a Board, without delegation. These responsibilities are:
1. The selection, support, compensation (in accordance with the Board of Trustees Policy and Authorization for Executive Compensation adopted in 1982), and evaluation of the President of the University. This responsibility includes a commitment to grant the President broad delegated authority, to support the President in his/her exercise of such authority, to judge the performance of the President, and if necessary, to remove the President. In the selection of a President, the Board shall consult with representatives of the faculty and the student body.
 2. The determination of the major goals of the University and the approval of the policies and procedures for implementation of such goals. The determination of the major goals of the University shall include the establishment and review of long-range plans for the educational, financial, and physical development of the University.
 3. The review and approval of the operating and capital budget of the University.
 4. Such other responsibilities as law, governmental directives, or custom require the Board to act upon. Among these are included:
 - a. Amend the Charter and Bylaws
 - b. Buy real estate over \$1 million in value and sell real estate, with the exception of the sale of real estate of up to \$3 million in value gifted to the University for the express purpose of sale with proceeds benefitting the University
 - c. Borrow money
 - d. Transfer trust assets
 - e. Transfer securities
 - f. Authorization to receive certain government grants
 - g. Establish appropriate investment policies and exercise prudent oversight of the University's endowment, finances, and other tangible assets
 - h. Ensure an independent audit of the University's finances
 - i. Review and continuously improve the Board's performanceIt is recognized that the performance of some of these responsibilities does involve the Board to some extent in the day-to-day operations of the University. Whenever possible, the Board shall devote its major time and consideration to its broader responsibilities for the welfare of the University.
- (d) Responsibility to Inform the Citizens of Pennsylvania. The Board of Trustees shall inform the citizens of the Commonwealth of Pennsylvania

of the University's performance of its role in the education of the youth of Pennsylvania.

- (e) Responsibility for Development of Effective Relationships. The Board of Trustees shall assist the President in the development of effective relationships between the University and the various agencies of the Commonwealth of Pennsylvania and the United States of America which provide to the University assistance and direction.
 - (f) Expectations of Membership. In exercising the responsibilities of trusteeship, the Board of Trustees is guided by the expectations of membership, each of which is equally important:
 - 1. Understand and support the University's mission, vision, and values
 - 2. Act in good faith at all times and in the best interests of the University in a non-partisan manner
 - 3. Make the University a top philanthropic priority to the very best of one's personal ability
 - 4. Prepare diligently, attend faithfully, and participate constructively in all Board meetings and related activities by reading the agenda and supporting materials
 - 5. Speak openly within the Board and publicly support decisions reached by the Board
 - 6. Make decisions and instruct the administration as a Board, not as individuals
 - 7. Participate regularly in events that are integral parts of the life of the University community
 - 8. Disclose promptly and fully any potential or actual conflicts of interest, and personally maintain exemplary ethical standards
 - 9. Refrain from requests of the president or staff for special consideration or personal prerogatives, including admissions, employment, and contracts for business
 - 10. Maintain confidentiality without exception
 - 11. Advocate the University's interests, but speak for the Board or the University only when authorized to do so by the Board or the Chair
 - 12. Respect established channels to acquire information or open communication with constituents
 - 13. Extend goodwill to one another and to all members of the University community.
 - (g) Final Responsibility of the Board. The Board of Trustees is the final repository of all legal responsibility and authority to govern the University, under the Corporation Code of Pennsylvania. It can delegate but it cannot abandon this responsibility and authority. The Board has the responsibility and duty to direct all organizations and persons participating in governing the University, whether such participation be in the establishment of policies, rules, and regulations, or in the administration of such policies, rules, and regulations. In order to perform this responsibility and duty, and consistent with the Charter, the Board of Trustees hereby directs that governing of the University henceforth be conducted in accordance with the following general plan of organization.
- (2) Internal Governance
- (a) What Internal Governance Is Concerned With. This plan of organization concerns only the internal governance of the University. It is not concerned with the operation of the Board of Trustees, with the functions of the officers of the corporation, or with the establishment of financial

- policy and fiscal and budgetary controls, which matters are the responsibility of the Board of Trustees, the President, and the Treasurer in accordance with established policy.
- (b) Who Performed By. The internal governance of the University shall be performed by the President and his/her administration, by the faculty, and by the student body in accordance with the delegations of authority and advisory roles hereinafter set forth.
- (3) Role of the President in University Governance
- (a) Chief Executive Officer. The Board of Trustees hereby directs that the President of the University, subject to the revisions and orders of the Board, shall be chief executive officer of the University, consistent with such orders of the Board. He/she shall be responsible only to the Board and shall report to the Board.
 - (b) Duties as Chief Executive Officer. The President, as chief administrative officer, shall carry out all orders and directives of the Board of Trustees and shall administer all policies of the Board. The President shall also administer all policies established by him/her and by the faculty. The President may delegate such administrative authority as he/she deems appropriate to his/her staff, to the Treasurer, to the deans of the various administrative units, and to others, who shall exercise such delegated authority in the name of the President.
 - (c) Responsibility for Senior Administrative Positions. The establishment of senior administrative positions responsible directly to the President and the determination of the functions of such positions shall be made by the President of the University. The appointment to and removal of senior administrative officers in these positions shall be made by the President of the University, subject to the approval of the Board of Trustees. All other administrative officers with the title of vice president or dean shall be appointed by the President, subject to the approval of the Board of Trustees. Removal of such administrative officers with the title of vice president or dean shall be made by the President and, in such event, the President shall inform the Board of Trustees of such removal at the next regular meeting of the Board.
 - (d) Duties as Chief Policy Officer. The President, as chief policy officer, shall have final authority, subject to the revisions and orders of the Board, to establish policy concerning educational policy and planning, student affairs, the instructional program, courses and curricula, personnel, admissions, graduation requirements, scholarships and honors, calendar requirements, business, planning, research, and finance.
 - (e) Delegation to the Faculty. Provided, however, the President shall delegate to the faculty, as appropriately organized, subject to the revisions and orders of the President, the authority to establish policy concerning the approval and supervision of the instructional program, including courses and curricula, academic admission standards, graduation requirements, and scholarships and honors.
 - (f) Consultation with the Faculty. The President shall consult with the faculty, as appropriately organized, in the establishment of policy concerning educational policy and planning, including general admissions policy, calendar, academic personnel, student affairs, and any other matter he/she shall deem appropriate.
 - (g) Consultation with Student Body on Student Affairs. The President shall consult with the student body, as appropriately organized, in the area of

- student affairs.
- (4) Faculty
- (a) Responsibilities. The faculty, as appropriately organized, pursuant to delegation from the President, and subject to the revisions and orders of the President, shall establish policy concerning the approval and supervision of the instructional programs including courses and curricula, academic admissions standards, graduation requirements, and scholarships and honors.
 - (b) Consultation by the President. The faculty shall be consulted by the President concerning student affairs, educational policy and planning, academic personnel, and any other matter upon the request of the President.
 - (c) Communication with the Board. Official faculty communication to the Board of Trustees shall be made through the President.
- (5) Student Body
- (a) Consultation by the President. The student body shall be consulted by the President concerning the establishment of policy for student affairs.
 - (b) Communication with the Board. Official student communication to the Board of Trustees shall be made through the President.
 - (c) Participation in the Deliberations of the Faculty. Students may also participate in an appropriate manner in the deliberations of the faculty subject to the revisions and orders of the President.

ORDER X. DELEGATION OF CORPORATE AUTHORITY

- (1) Board of Trustees Delegation of Authority to Certain University Administrative Officers. The President, Vice President, Secretary, Treasurer, Assistant Treasurer, Senior Vice President for Finance and Business, and Corporate Controller of this Corporation, or any one of such officers be and they are hereby fully authorized and empowered on behalf of the Corporation to execute and acknowledge all deeds, agreements and contracts, and to transfer and endorse, sell, assign, set over and deliver any and all shares of stock, bonds, debentures, notes, evidences of indebtedness or other securities now or hereafter standing in the name of or owned by this Corporation, and to make, execute, acknowledge, and deliver, under the corporate seal of this Corporation, any and all written instruments necessary or proper to effectuate the authority hereby conferred.

The Treasurer, or in the absence of the Treasurer, the Senior Vice President for Finance and Business, may delegate in writing to such employees of the Corporation as they may deem appropriate, the authority to execute and acknowledge on behalf of the University standardized agreements and contracts for which those employees have administrative responsibility.

The Executive Director, Office of Investment Management, or in his absence, the Chief Investment Officer, is hereby fully authorized and empowered on behalf of the Corporation to transfer and endorse, sell, assign, set over and deliver any and all shares of stock, bonds, debentures, notes or other securities now or hereafter standing in the name of or owned by this Corporation, and to make, execute, acknowledge, and deliver, under the corporate seal of this Corporation, any and all written instruments necessary or proper to effectuate the authority hereby conferred.

The Associate Vice President for Finance and Business and Controller, or, in his/her absence, the Associate Controller, be and they are hereby fully authorized and empowered on behalf of the Corporation to execute and acknowledge all agreements and contracts related to the affairs of the College of Medicine.

The Associate Secretary and Assistant Secretary of this Corporation, or any one of such officers, be and they are hereby fully authorized and empowered on behalf of this Corporation to make, execute, acknowledge, and deliver, under the corporate seal of this Corporation, any and all written instruments necessary or proper to effectuate the authority hereby conferred.

ORDER XI. TRUSTEE EMERITUS

- (1) Granting the Status of Trustee Emeritus to Former Members of the Board. The status of Trustee Emeritus shall be reserved for any living former member of the Board of Trustees who has served as a board member for 12 years or more with distinction. The President of the Board shall request a review of the service of a Trustee upon retirement. Criteria to be considered by the committee shall include offices held, attendance record, participation in the activities of the Board, length of service, or other significant contributions. A trustee emeritus shall have none of the obligations of membership on the Board of Trustees, but shall be entitled to all of the privileges except those of making motions, of voting and of holding office. Any trustee having served 20 years on the effective date of this resolution will be entitled to automatic trustee emeritus status in accordance with the prior policy.