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UNIVERSITY OF MASSACHUSETTS

BOARD OF TRUSTEES

BY-LAWS

PREAMBLE

These By-laws shall govern the proceedings and acts of the Board of Trustees of the University of Massachusetts. The University shall consist of five campuses at Amherst, Boston, Dartmouth, Lowell, and Worcester. Its principal office shall be the President's Office at 225 Franklin Street, Boston, Massachusetts.

ARTICLE I ORGANIZATION & OFFICERS

Section 1. Composition and Functions

The composition, functions, duties, powers and responsibilities of the Board of Trustees shall be as provided and authorized by the laws of the Commonwealth as in effect from time to time.

Section 2. Officers of the Board

The Officers of the Board shall be a Chair, and one or two Vice Chairs, all of whom shall be Trustees, and a Secretary. These Officers, with the exception of the Chair, shall be elected by the Trustees at their annual meeting, upon nomination by the Trustee Governance Committee as provided in Article IV, Section 1(a) and shall hold office until the next annual meeting or until their respective successors are elected and qualified.

Section 3. Duties of Officers

The Chair, Vice Chair(s), and Secretary shall have the duties, functions, powers and responsibilities as prescribed by the laws of the Commonwealth, these By-laws, votes of the Board of Trustees and parliamentary custom.

Section 4. Compensation

Members of the Board shall serve without compensation but shall be reimbursed for all expenses reasonably incurred in the performance of their duties.

Section 5. Attendance

If any member, either elected or appointed, is absent from four regular meetings in any calendar year, exclusive of July and August, his or her office as a member of said Board shall be deemed vacant.

**ARTICLE II
MEETINGS OF
THE BOARD OF
TRUSTEES**

Section 1. Annual Meeting, Regular and Special Meetings

- (a) *Annual Meeting.* The Annual Meeting of the Board of Trustees shall be in September, effective September, 2007.
- (b) *Regular Meetings.* Regular Meetings of the Board of Trustees shall be held in the months of February, June, September, December, effective 2007, unless otherwise determined by the Board of Trustees.
- (c) *Special Meetings.* Special Meetings of the Board of Trustees may be called by the Chair, or the President of the University, and shall be called by the Secretary upon written request of any five voting Trustees.
- (d) *Time and Location.* The time and place of all meetings shall be designated by the Chair of the Board, unless otherwise specified by these By-laws. All meetings shall be held within the Commonwealth.

Section 2. Notice

- (a) *Regular Meetings.* Written notice of the regular meetings of the Board shall be sent to each Trustee by mail at least eight days prior to the date fixed for said meeting, which notice shall state the time and place thereof.
- (b) *Special Meetings.* In the case of a special meeting, written notice of the time, place, and purpose(s) of the meetings shall be sent to each Trustee at least two days prior to the date fixed for said meeting.
- (c) *Waiver of Notice.* Notwithstanding any provisions hereof to the contrary, no notice of any meeting need be given to any Trustee who waives the same by written waiver executed before or after the meeting. Waivers so executed shall be filed with the records of the meeting.

Section 3. Agenda of Regular Board Meetings

A written agenda of matters to be considered at each regular meeting of the Board of Trustees shall be sent to each Trustee by mail at least eight days prior to the date fixed for said meeting.

Preliminary notice of items to be included in the agenda of said meeting shall be submitted by a Chancellor to the President with a copy to the Secretary at least thirty-one days before the date fixed for said meeting.

Items and all supporting material to be included in the agenda of said meeting, except for recommendations by standing or other committees of the Board, shall be submitted, in writing, to the Secretary at least nineteen days before the date fixed for said meeting by the President. Any exception to these requirements shall require a written request to and approval by the President; provided, however, that any Trustee may submit an item to the Secretary upon informing the Chair of the Board of the University.

Members of the public wishing to speak on an agenda item shall forward a request to the Secretary no later than twenty-four hours prior to a meeting. The Chair shall have complete discretion in granting or denying request to speak.

Section 4. Consent Agenda

By a vote of a majority of Committee members present at any Committee meeting, action item(s) may be placed on a consent agenda for regular Board meetings. Any item so designated as a consent agenda item by the Committee shall be so designated in the agenda of a regular Board meeting mailed to the Board of Trustees. Unless any Trustee objects to the inclusion of an item on the consent agenda by notifying the President before the Board meeting, all items designated as a consent agenda item in the agenda shall be included in the consent agenda for approval by a single vote by the Board of Trustees without discussion of individual items.

Section 5. Quorum

In accordance with M.G.L., Chapter 75, nine Trustees shall constitute a quorum. A lesser number may adjourn any meeting to a future date without further notice.

Section 6. Order of Business

Unless otherwise determined by the Chair of the Board, the following shall be the order of business at regular meetings of the Board:

- I. Call to Order
- II. Consideration of the Minutes of Prior Meeting(s)
- III. Chair's Report
- IV. President's Report
- V. Consent Agenda
- VI. Reports of Standing Committees
- VII. Other Business
- VIII. Consideration of Honorary Degrees (where applicable)

IX. Trustee Governance Committee Report (at annual meeting)

Section 7. Executive Sessions

- (a) By a vote of a majority of the voting Trustees present at any meeting, the Board may enter into executive session, closed to the public, for the purpose(s) listed in (e) below, consistent with the provisions of the Open Meeting Law. The vote shall be taken by roll call and the purpose(s) of the session and the reason(s) why it is to be confidential shall be announced before the executive session. The presiding officer shall state before the executive session whether the meeting will reconvene in open session after the executive session.
- (b) The Board shall maintain accurate records of its executive sessions, setting forth the date, time, place, members present or absent, and actions taken at each executive session.
- (c) The records of any executive session may remain secret only so long as publication may defeat the lawful purposes of the executive session.
- (d) All votes taken in executive session shall be taken by roll call and shall become part of the records of said executive session.
- (e) Executive Sessions may be held only for the following purposes:
 - i. To discuss the reputation and character, physical condition or mental health rather than the professional competence of an individual. An open meeting shall be held if the individual involved requests in writing that the meeting be open.
 - ii. To consider the discipline or dismissal of, or to hear complaints or charges brought against an officer, employee, or individual. An open meeting shall be held if the individual involved requests in writing that the meeting be open.
 - iii. To discuss strategy with respect to collective bargaining or litigation if an open meeting may have a detrimental impact on the bargaining or litigation position of the University.
 - iv. To discuss the deployment of security personnel or devices.
 - v. To investigate charges of criminal misconduct or to discuss the filing of criminal complaints.
 - vi. To consider the purchase, exchange, lease, or value of real property, if such discussions may have a detrimental effect on the negotiating position of the University or a person, firm, or corporation.
 - vii. To comply with the provisions of any general or specific law or federal grant-in-aid requirements.
 - viii. To consider the award of honorary degrees.

- ix. To consider award of tenure to a member of the faculty.
- x. Or for any other purpose permitted by law.

**ARTICLE III
COMMITTEES
OF THE BOARD**

Section 1. Standing Committees

There shall be seven standing committees of the Board of Trustees: the Executive Committee, the Compensation Committee, the Committee on Academic and Student Affairs, the Committee on Administration and Finance, the Audit Committee, the Committee on University Advancement and the Science, Technology and Research Committee.

Section 2. Members of Standing Committees

- (a) The Board of Trustees at its annual meeting shall elect the Chairs of each standing committee, and may elect Vice Chairs of said Committees, other than the Executive Committee. After consultation with the Chair of each standing committee, the Chair of the Board shall appoint the members of each such committee, except as otherwise provided in these by-laws.
- (b) The Executive Committee shall be composed of the Chair of the Board of Trustees, the Vice Chair(s) of the Board of Trustees, the Chairs of each of the standing committees of the Board, a voting student Trustee, and such other members of the Board as may be appointed by the Chair of the Board.
- (c) The Chair of the Board shall be the Chair of the Executive Committee and a voting member ex officio of each standing committee.
- (d) The President of the University shall be a non-voting ex officio member of each standing committee.
- (e) If, for any reason, a vacancy occurs in a standing committee, or its chair, the Chair of the Board shall appoint a successor. A successor so appointed shall serve until the next annual meeting of the Board of Trustees.
- (f) In the event that a member of a standing committee declares his/her inability to serve for a period, the Chair of the Board shall appoint a substitute who shall serve during such period, or until the next annual meeting of the Board of Trustees.

Section 3. Committee Meetings

- (a) *Time and Location.* Committee meetings may be held at any time and place designated by the Chair of the Committee, the Chair of the Board, the President of the University, or three members of the Committee, after consultation with the President.
- (b) *Notice.* The Secretary shall send a written notice of the time and place of the meeting by mail to each member of such committee at least eight days prior to such meeting.
- (c) *Waiver of Notice.* Notice need not be given to any member who waives such notice in writing before or after the meeting, or who attends the meeting.

- (d) *Assignment of Agenda Items/Joint Meetings.* Should any matter be an appropriate subject for consideration by more than one committee, the President, after consultation with the respective chairs of said committees and the Chair of the Board, shall determine to which committee or committees the matter shall be referred, and whether a joint meeting shall be held.
- (e) *Quorum.* No quorum shall be required for any meeting of a standing committee for the transaction of business, except in the case of the Executive Committee, where a majority of members shall constitute a quorum.
- (f) *Executive Session.* By a vote of a majority of members present at any committee meeting, the committee may enter into executive session, closed to the public, as provided in Article II, Section 7 of these By-laws for the purpose(s) stated therein.

Section 4. Agenda of Committee Meetings

- (a) A written agenda of matters to be considered at each meeting of a committee of the Board shall be sent to each committee member at least eight days prior to such meeting.

Preliminary notice of items to be included in the agenda of said meeting shall be submitted by a Chancellor to the President with a copy to the Secretary at least thirty-one days before the date fixed for said meeting.

Items and all supporting material to be included in the agenda of said meeting shall be submitted, in writing, to the Secretary at least nineteen days before the date fixed for said meeting:

By the President of the University; or
By any member of the Trustee Committee; or
By the Director of Internal Auditing.

Any exception to these requirements shall require a written request to and approval by the President; provided, however, that any Trustee may submit an agenda item to the Secretary upon informing the Chair of the Committee.

- (b) Each Committee, as a standing agenda item, shall reserve fifteen (15) minutes for public participation. Individuals seeking to speak to a Committee should so inform the Trustees' Office in writing, setting forth the purpose for which they seek to speak, at least twenty-four (24) hours before the relevant meeting. Generally, the subject should be related to an item on the meeting agenda. An individual speaker is permitted to speak at the pleasure of the Chair for a maximum of three (3) minutes. The speaker's presentation may be supplemented by written material provided to the Secretary.

Section 5. Responsibilities of Standing Committees

The Chair may appoint sub-committee(s) of any standing committee to assist the full committee in carrying out its duties and responsibilities. Said sub-committees shall be assigned to a full standing committee.

- (a) The *Executive Committee* shall have the responsibility of considering, reviewing, and making recommendations to the full Board on matters affecting the Board, the University and its general administration.
- (b) The *Compensation Committee* shall consider and recommend to the Board on all matters pertaining to the compensation of the President of the University consistent with the Executive Compensation Policy.
- (c) The *Committee on Academic and Student Affairs* shall have the responsibility of considering, reviewing and making recommendations to the full Board on matters concerning academics and students at the University including but not limited to:
 - i. policies involving academic programs and research, including the quality, character, and scope of instruction and research, admissions, financial aid, graduation, curriculum, degrees, support programs, and public service activities;
 - ii. policies involving student affairs, activities, and services;
 - iii. policies involving faculty status; other than collective bargaining issues or personnel policies;
 - iv. President's recommendations for award of tenure;
 - v. an Athletic ad hoc Committee of the Committee on Academic and Student Affairs shall have the following responsibilities:
 - the responsibility of considering and reviewing and making recommendations to the full Board on matters concerning intercollegiate athletics at the University of Massachusetts including but not limited to:
 - master athletic plans including athletic affiliations and overall athletic development;
 - policies involving athletic departments, activities and services.
- (d) The *Committee on Administration and Finance* shall have the responsibility of considering, reviewing, and making recommendations to the full Board on matters relative to the administrative operation and fiscal management of the University and the responsibility of considering, reviewing and making recommendations to the full Board on matters relative to financial control and auditing of the University including but not limited to:
 - i. the annual state budget request and the annual operating budget including the allocation of funds to the campuses and other operating units of the University;
 - ii. the annual financial statement(s) of the University and the campuses;

- iii. tuition and fees and student fee and major trust fund budgets;
 - iv. investment policies, grants and contracts policies, and compensation policies;
 - v. property, real and personal of the University including its acquisition, disposition, management and control;
 - vi. capital budgets and bond financing;
 - vii. information technology policies and plans;
 - viii. personnel matters including policies on personnel, labor relations and collective bargaining policies and agreements;
 - ix. affirmative action policies and implementation;
 - x. administrative redesign policies and implementation.
- (e) *The Audit Committee* shall have the responsibility of considering, reviewing and making recommendations to the full Board on all matters relative to auditing including but not limited to:
- i. initiation of audits;
 - ii. audits of the University, its components and affiliates;
 - iii. review and approve the selection of external audit firms and the deployment of auditors pursuant to the Audit Protocols.
 - iv. solicitation and receipt of advice from individuals who, in the sole judgment of the committee, shall qualify as “financial experts,” as defined by Section 407 of the Sarbanes Oxley Act of 2002, and regulations promulgated by the Securities and Exchange Commission under that section.
- (f) *The Committee on University Advancement* shall have the responsibility of considering, reviewing and making recommendations to the full Board on matters related to any of the University’s advancement operations including but not limited to development, marketing, public affairs and public relations, community relations, and alumni and parent relations. The Committee will guide:
- i. fundraising and development policies and initiatives, including but not limited to fundraising goals for campuses and the University; and on fundraising policies concerning the Foundation(s)’s relationship to the University;
 - ii. policies on alumni, donor, and prospect records and data;
 - iii. marketing and external relations policies.

- (g) The *Science, Technology and Research Committee* shall have the responsibility of considering, reviewing and making recommendations to the full Board on matters concerning science, technology and research at the University including but not limited to:
- i. policies designed to strengthen the University's overall research and development enterprise;
 - ii. policies in support of the strategic growth of the University as a high-quality, globally oriented, state-responsive public research university;
 - iii. policies involving economic development, technology transfer, industry partnerships and sponsorships.

As research is clearly part of the academic enterprise overseen by the Committee on Academic and Student Affairs, the work of the Science, Technology and Research Committee will be performed in conjunction and consonant with the policies approved by the Committee on Academic and Student Affairs in areas of potential overlap.

Section 6. Committee of the Whole

The Chair may convene the Board as a Committee of the Whole to discuss, review, consider and receive information concerning any matters affecting the University. The Secretary shall send a written notice of the time and place of the meeting by mail to each member at least eight days prior to such meetings. A written agenda of matters to be considered shall be included with said notice. Items to be included in the agenda shall be determined by the Chair upon recommendation of the President.

The Chair may assign a member to chair a meeting of the Committee of the Whole or may chair the meeting. A quorum of the Committee shall be nine members and any action taken by the Committee shall be forwarded as a recommendation to the full Board.

**ARTICLE IV
SPECIAL
COMMITTEES**

Section 1. Trustee Governance Committee and Special Committees.

(a) Trustee Governance Committee. There shall be a Trustee Governance Committee of the Board of Trustees. The committee shall consist of not less than three nor more than five members. The committee members and committee chair shall be appointed by the Chair of the Board in June of each year, effective 2007. Said Committee shall serve until the appointment of a new Committee in June of the following year.

This committee shall be responsible for ensuring the effective composition and workings of the Board of Trustees in carrying out its responsibilities for the University.

The duties and responsibilities of the committee shall be to:

- i. assess the requirements and representatives of the membership of the Board and, as appropriate, identify for the Chair and President recommendations regarding the composition of the Board.
- ii. nominate candidates for election as officers of the Board and as chairs of the standing committees.
- iii. oversee the development and implementation of the Board's program for new Trustee orientation and ongoing Trustee development.
- iv. assess and, as appropriate, recommend to the Chair and President changes in the committee structure of the Board.
- v. periodically undertake a self-assessment of the effectiveness of the Board.
- vi. take on other assignments regarding the membership, structure and operation of the Board as assigned by the Chair.

(b) Other Special Committees. The Chair may establish and appoint other special committees from time to time to have such duties as he or she may determine.

**ARTICLE V
SEAL OF THE
UNIVERSITY**

The Common Seal of the University and of the Board of Trustees shall consist of a flat faced circular die with the words "University of Massachusetts" and the date "1863" and the Great Seal of the Commonwealth cut or engraved thereto.

**ARTICLE VI
AMENDMENT
TO THE BY-LAWS**

The Trustees shall have the power to amend, alter or repeal these By-laws, from time to time, by affirmative vote of a majority of the whole Board as then constituted, provided that notice of the proposal to make, alter, amend, or repeal the by-laws was included in the notice of the meeting of the Trustees in which such action takes place.

Doc. T03-030
Addendum to the By-Laws
Doc. T91-100
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AUDIT COMMITTEE CHARTER

This Audit Committee Charter is a supplement to Board of Trustees' By-Laws, Doc. T91-100, Article III section 5(e), the Audit Committee of the University of Massachusetts (the Committee). This supplement to the by-laws provides details on audit matters at the University.

Purpose

The primary function of the Committee is to assist the Board of Trustees in fulfilling its oversight responsibilities relating to: the integrity of the University's financial statements, the systems of internal control, the independence and performance of the external and internal audit functions, and the University's compliance with legal and regulatory requirements. In so doing, it is the responsibility of the Committee to maintain free and open communication among the Committee, independent auditors, the internal auditors and management of the University. The Committee shall take all appropriate actions to set the overall University tone for quality financial reporting, sound business risk practices, and ethical behavior.

Composition & Independence

Members, to the extent permissible under Massachusetts General Law, must be independent of management and the University (including its component units and related organizations), and be free of any financial or personal relationship that would impair such independence.

A majority of members shall be financially literate and the Chair of the Committee shall be a financial expert. Financial literacy is defined as being able to read and understand fundamental financial statements. Financial expert means a person who has one or more of the following: an understanding of generally accepted accounting principles and financial statements; experience applying such principles; experience preparing or auditing financial statements; experience with internal controls; and an understanding of audit committee functions.

Duties and Responsibilities

It is not the Committee's duty to plan or conduct audits or to determine that the University's financial statements are complete, accurate and in accordance with generally accepted accounting principles. Management is responsible for the preparation, presentation, and integrity of the University's financial statements and for the appropriateness of the accounting principles and reporting policies used by the University.

The following shall be the principal duties and responsibilities of the Committee regarding audit matters. These are set forth as a guide that the Committee may modify or supplement as appropriate.

- Be directly responsible for the appointment, compensation, oversight and retention of the University's independent external auditor. The independent external auditor shall report directly to the Committee.
- Pre-approve all audit and non-audit services provided by the independent external auditor. The independent auditor is specifically prohibited from performing the following services:
 - Bookkeeping
 - Financial information systems design, implementation or operation
 - Appraisal or valuation services
 - Actuarial services
 - Internal audit outsourcing services
 - Management functions or human resources services
 - Investment banking services
 - Legal services
- Ensure proper rotation of the lead audit partner on the University's engagement, consistent with NACUBO recommendations.
- Provide sufficient opportunity for the independent external auditors and the internal auditor to meet privately with the Committee.
- Confirm with management and the independent external auditor to determine whether the external auditor is satisfied with the disclosures and content of the financial statements, including the nature and extent of any significant changes in accounting principles. Make inquiries of management and the external auditor concerning the effectiveness of the University's system of internal controls.
- Review with management, the independent auditors and the internal auditors their judgments about: the quality, not just the acceptability, of the University's accounting principles; the consistency in the application of accounting policies; the reasonableness of significant judgments; the degree of aggressiveness or conservatism in applying the accounting principles; and the clarity and completeness of the financial statements and related disclosures.
- Review and approve the annual financial statements of the University and the audit report on Federal Awards as required by OMB Circular A-133.
- Review with management and the independent external auditor all matters required to be communicated to the Committee under generally accepted auditing standards, including communications under Statement of Auditing Standards No. 114, The Auditor's Communication with Those Charged with Governance.
- Receive periodic reports from the Director of Internal Audit regarding all audit activity at the University. Annually review and approve the Internal Audit.
- Maintain adequate policies and guidelines for receiving complaints regarding accounting controls and reports of financial fraud. Receive briefing on any financial fraud situation or whistleblower complaints from the internal auditor or management.
- Monitor the University's conflict of interest policies, principles of employee conduct, and fraud policy.

