

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

SECTION: 20
DATE: April 16, 2013

RECOMMENDATION

ACTION REQUESTED

Revisions to Eastern Michigan University Board of Regents Bylaws 4.01 (Chairperson), 4.05.01 (President), 4.06 (Internal Auditor), 5.01 (Committees), 5.04 (Executive Committee), 5.07, 5.07.01, 5.07.02 (Finance and Audit Committee), 5.10.01, 5.10.02 (Personnel and Compensation Committee), Schedule A (Finance and Audit Committee Charter).

STAFF SUMMARY

The Board of Regent's oversight function for EMU's internal and external audit function is currently combined with finance in the Finance and Audit Committee. The amendments to the Bylaws create a new stand alone committee – the Audit committee – to emphasize the increased awareness of the distinction between the finance and the audit oversight functions, the importance of the Board's oversight of the audit function, and to reflect best practices in organizational governance. There are also ancillary amendments to bylaws necessary to reflect the change in the Finance and Audit committee structure.

FISCAL IMPLICATIONS

There are no fiscal implications associated with these changes.

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been reviewed and is recommended for Board approval.

Gloria A. Hage

Date

Board Policy Manual



1. Powers and Limitations of the Regents

1.5. Bylaws

Effective Date: 9-17-75

Revision Date: 12-6-12

**BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY**

Floyd Clack

First appointed in June 2005

Term expires December 31, 2014

C. Beth Fitzsimmons

First appointed in February 2011

Term expires December 31, 2014

Michael Hawks

First appointed in February 2011

Term expires December 31, 2018

Mike Morris

First appointed in February 2011

Term expires on December 31, 2018

Francine Parker

First appointed in January, 2007

Term expires December 31, 2014

James F. Stapleton

First appointed in January 2007

Term expires December 31, 2016

Mary Treder Lang

First appointed in December 2012

Term expires December 31, 2020

James Webb

First appointed in December 2012

Term expires December 31, 2020

FORMER REGENTS

0. William Habel: January 1964 to October 1967

J. Don Lawrence: January 1964 to October 1967
Dr. Martin P. O'Hara: January 1964 to October 1967
Lawrence R. Husse: January 1964 to December 1972
Virginia R. Allan: January 1964 to April 1974
Veda S. Anderson: November 1967 to December 1974
Dr. Charles L Anspach: January 1964 to June 1974
George E. Stripp: January 1967 to December 1976
Dr. Mildred Beatty Smith: January 1964 to June 1977
Edward J. McCornick: January 1964 to December 1978
Dr. John F. Ullrich: January 1975 to October 1979
Linda D. Bernard: October 1977 to December 1980
James T. Barnes, Jr.: October 1979 to December 1982
Carleton K. Rush: June 1974 to December 1982
Dr. Warren L. Board: January 1979 to December 1984
Dr. Timothy I. Dyer: January 1973 to May 1984
Dolores A Kinzel: January 1977 to December 1984
Beth Wharton Milford: April 1974 to December 1986
Geraldine M. Ellington: February 1981 to December 1988
Donald E. Shelton: February 1987 to February 1990
William Simmons: March 1983 to December 1990
Geneva Y. Titsworth: March 1983 to December 1990
John H. Burton: January 1985 to January 1992
Dr. Richard N. Robb: December 1967 to December 1992

Thomas Guastello: January 1985 to December 1992
Robin W. Sternbergh: January 1991 to December 1992
Frederick L. Blackmon: January 1993 to March 1996
Anthony A. Derezinski: January 1984 to December 1996
James Clifton: January 1989 to December 1996
Mara L. Letica: January 1993 to January 1997
Gayle P. Thomas: January 1991 to January 1999
Carl D. Pursell: January 1993 to December 1999
Donna R. Milhouse: April 1999 to February 2000
William J. Stephens: June 1996 to February 2001
Robert A. DeMattia: January 1991 to December 2002
Rosalind E. Griffin: February 1997 to December 2004
Michael G. Morris: February 1997 to December 2004
Steven G. Gordon: May 2001 to March 2005
Joseph E. Antonini: May 1997 to December 2006
Jan A. Brandon: April 2000 to December 2006
Sharon J. Rothwell: January 2003 to December 2006
Karen Quinlan Valvo: March 2001 to December 2006
Ishmael Ahmed: January 2007 to August 2007
Philip A. Incarnati: February 1992 to December 2010
Gary D. Hawks: January 2007 to December 31, 2010
Mohamed Okdie: November 2007 to February 2011
Thomas W. Sidlik: January 2005 to December 2012

BYLAWS

BOARD OF REGENTS EASTERN MICHIGAN UNIVERSITY

PREAMBLE

Eastern Michigan University (the “University”) is a multipurpose institution founded by the State of Michigan in 1849. Originally named Michigan State Normal School, it was the first teacher training college west of the Allegheny Mountains. Teacher preparation was the primary purpose of the institution for 100 years, but this purpose was broadly interpreted and included instruction in liberal arts, science and other areas vital to the background of a well-qualified teacher. The name was changed to Michigan State Normal College in 1899 and, in recognition of the development of regional teachers' colleges in the state, to Eastern Michigan College in 1956. With the establishment of the Colleges of Arts and Sciences and Education, as well as a graduate school, Eastern attained university status June 1, 1959. The College of Business was created in 1964, the College of Health and Human Services in 1975, and the College of Technology in 1980.

The University offers baccalaureate degrees in more than 180 undergraduate programs, and master and doctorate degrees in more than 50 graduate programs through its five colleges and Graduate School.

ARTICLE VIII, Section 6, of the Michigan Constitution, adopted by the people of the State of Michigan in 1963 to become effective January 1, 1964, granted constitutional autonomy to Eastern Michigan University.

The Board of Regents of Eastern Michigan University (the “Board” or “Board of Regents”) reaffirms its obligation to the people of the state of Michigan to provide high quality education to people from all walks of life. It pledges itself to the wisest use and distribution of resources at its disposal to meet this major objective. In keeping with this commitment, Eastern Michigan University will not discriminate against any person because of race, color, sex, marital status, age, religion, national origin or ancestry, Vietnam-era veteran status, non-relevant mental or physical disability, or any other protected status. Further, Eastern Michigan University does not discriminate against any person because of sexual orientation, or gender identity or expression.

The sexual orientation and gender identity or expression provisions of this policy shall not prohibit the University from maintaining relationships with agencies of the federal government, and shall not be applied to conflict with any provisions of the Michigan Constitution. Further, except where approved by separate action of the Board of Regents, the sexual orientation and

gender identity or expression provisions of this policy shall not apply to employment benefits, family housing, financial aid packages, or student residency status.

With respect to students, the Board declares its intention to provide the opportunity for each to realize his or her highest potential, to formulate and enforce reasonable rules governing student conduct, and to give due consideration to the opinions of students on matters related directly to their interest when they are expressed in a responsible manner.

With respect to the alumni, the Board invokes their loyal support of the University and invites their advice and counsel, reminding them that the esteem of the University is measured constantly by their performance as educated men and women.

With respect to the people of Michigan, the Board openly acknowledges that this University is, in the final analysis, their University. As a public institution, Eastern Michigan University is obligated to serve the best interests of the people who support it, as it can best determine those interests, and the operation of the University by the Regents is governed by the Michigan Constitution.

Finally, the Board of Regents holds as its special trust the historic mission of a University to create an intellectual climate that will challenge and encourage the vigorous development and courageous expression of the human mind and spirit. Specifically, the Board of Regents recognizes that it has a primary responsibility to assure the University of the financial and other resources necessary to the successful performance of its mission. The Board believes that the best method of assuring that support is to interpret the University faithfully and continually to its fellow citizens, to the legislature and elected state officials, and to the federal government, and thus persuade them of the essential importance of the University's mission. To those tasks of interpretation and persuasion, the Board is committed by its appointment to office, and to those tasks it pledges itself without reservation.

In order to exercise the principles here declared, to achieve the objectives of Eastern Michigan University and to ensure that the conduct of its own officers will be in accord with the highest standards of educational administration, the Board of Regents adopts its bylaws:

ARTICLE I

THE CORPORATION

1.01

Eastern Michigan University is an institution of higher education having authority to grant baccalaureate, post-baccalaureate and graduate certifications, and masters, specialist, and doctorate degrees.

1.02

Eastern Michigan University shall be governed by a board of control which shall be a body corporate and shall be known as the Board of Regents.

ARTICLE II
THE BOARD OF REGENTS

2.01

The Constitution of the State of Michigan provides that this University shall be governed by a board of control which hereinafter is referred to as the Board of Regents, which shall be a body corporate. The Board has general supervision of the institution and the control and direction of all expenditures from the institutional funds.

2.02

The Constitution of the State of Michigan further provides that the Board, as often as necessary, shall elect a president of the institution under its supervision who shall be the principal executive officer of the institution and who shall be an ex-officio member of the Board without a right to vote.

2.03

The eight-member Board of Regents is appointed by the governor of the state with the advice and consent of the Michigan Senate. Members of the Board of Regents serve without compensation and receive only actual necessary expenses incurred by them in the performance of the duties of their office.

ARTICLE III
MEETINGS OF THE BOARD

3.01 Formal Sessions

Formal sessions of the Board shall be open to the public, and reasonable and proper public notice shall be given as to the time and place.

3.01.01

A “formal session” of the Board is defined as one that is convened for the purpose of taking or memorializing final Board action that is binding on the Board.

3.01.02

A majority of the members of the Board of Regents (each member, individually, a “Regent”) shall constitute a quorum to transact business at a formal session, but a smaller number may meet and adjourn to some other time or until a quorum is obtained.

3.01.03

The business at each formal session shall be conducted under general parliamentary rules set forth in Robert’s Rules of Order as modified by the rules and regulations of the Board.

3.01.04

Formal sessions may be either regular meetings (as defined in Section 3.03) or special meetings (as defined in Section 3.04).

3.02 Informal Sessions

An “informal session” of the Board is defined as one that is not convened for the purpose of taking or memorializing final Board action that is binding on the Board. Informal sessions include those meetings that are not held in formal session.

3.03 Regular Meetings

Regular meetings shall be formal sessions of the Board.

3.03.01

The Board shall hold regular meetings as it deems necessary, but not less than four (4) times per year. Such regular meetings shall be held on dates and at times as the Board may determine, and ordinarily will be held in Welch Hall at Eastern Michigan University in Ypsilanti, Michigan.

3.03.02

The Board shall consider at its regular meetings items that have been placed on the meeting agenda. The Board may consider additional items of business at its regular meeting only by a majority vote of those present.

3.03.03

The Secretary to the Board of Regents shall be responsible for the preparation of the agenda. The Secretary will be responsible for contacting the President, the Chairpersons of Board Committees and the Chairperson of the Board for items to be placed on the agenda.

3.03.04

Persons wishing to speak before the Board at a regular meeting may do so during the Communications portion of the regular meeting. The Communications portion of the meeting shall be limited to thirty (30) minutes. Persons will be asked to identify themselves as to name, address, and organization they represent, if any.

3.03.05

Persons desiring to address the Board must declare their intent on appropriate forms at least twenty-four (24) hours prior to the beginning of the Communications portion of the meeting.

3.03.06

The amount of time allotted for each individual to speak will depend on the number of persons wishing to speak. Normally no individual should speak more than 15 minutes, but if there are more than two speakers, that time shall be reduced accordingly.

3.03.07

In those instances to which more than three persons wish to present their views to the Board and all represent a single organization or unit, the presentation will be limited to one presenter of 15 minutes or three presenters for five minutes each.

3.04 Special Meetings

Special meetings shall be formal sessions of the Board.

3.04.01

Special meetings of the Board may be called by the Chairperson or upon the request of any three Regents in accordance with established rules. Each Regent shall be informed of the special meeting, by messenger or telephone, at least 24 hours before the scheduled meeting time of the special meeting, provided, that any Regent who has previously so notified the Secretary of the Board may elect to be informed of special meetings by email communication, in which case such communication also shall be effective as to such Regent. Only those matters for which the special meeting has been called shall receive consideration unless unanimous consent is granted by the total Board.

3.04.02

A Regent may participate in a special meeting by means of conference telephone or similar communications equipment so long as all persons participating in the meeting can hear each other. Participation in a special meeting pursuant to this provision shall constitute presence at the meeting, for purposes of determining a quorum, provided, however, that more than one-half of the Regents participating in a special meeting must be physically present at the meeting.

3.05 Emergency Actions

Emergency action may be taken by the Board between formal sessions if and when any matter arises that, in the opinion of the Chairperson or any three Regents, requires official action by the Board prior to the next formal session. An affirmative vote, in person or by telephone, facsimile, electronic mail, or other reliable method of communication, from five Regents, is required for action. Any action taken at an emergency meeting shall be presented to the Board for confirmation, at the next formal session of the Board.

ARTICLE IV

OFFICERS AND ORGANIZATION

4.01 Chairperson

The Board shall elect bi-annually, in even-numbered years at its last meeting of the year, one of the Regents to serve as Chairperson. The term of the Chairperson shall be for two years. The Chairperson shall begin the term as the presiding officer on January 1 of the following year. The Chairperson shall perform such duties as may be prescribed by law or by the regulations of the Board. As outlined in Section 4.02 of these Bylaws, the Chairperson shall appoint the Vice Chairperson in the event the position of Vice Chairperson becomes vacant prior to the completion of the two year term. The Chairperson will appoint the Chairs of the standing committees described in Bylaw 5.01, whose membership is not established by the Bylaws.

Deleted: five

4.02 Vice Chairperson

The Board shall elect bi-annually, in even-numbered years at its last meeting of the year, one of the Regents to serve as Vice Chairperson. The term of the Vice-Chairperson shall be for two years. The Vice-Chairperson will begin the term on January 1 of the following year. The Vice Chairperson will act as Chairperson in the absence of the Chairperson, and shall become Chairperson for the remainder of the Chairperson's two year term in the event the position of Chairperson becomes vacant for any reason. In the event the position of Vice Chairperson

becomes vacant for any reason during the Vice Chairperson's term of office, the Chairperson shall appoint one of the Regents to serve as Vice-Chairperson to fill the remainder of the two-year term.

4.03 Vice- President and Secretary

The Board shall appoint a Vice-President and Secretary to the Board who shall be a member of the President's Cabinet and responsible to the Board and shall serve at the pleasure of the Board. In concert with the President, the Vice-President and Secretary plans, coordinates and facilitates the work of the Board of Regents of Eastern Michigan University to enable it to effectively govern the University and to facilitate effective communication between the members of the Board and the President's Cabinet.

The Vice-President and Secretary shall keep a public record of all actions of the Board. The Vice-President and Secretary will duly execute for and on behalf of the Regents of Eastern Michigan University or Eastern Michigan University such instruments or documents which would devolve to a corporate officer and would be usual to that office. The Vice-President and Secretary shall be the custodian of the corporate seal and shall cause it to be used at the direction of the Board of Regents. The Vice-President and Secretary shall sign all requisitions for transactions directed by the Board.

The Vice-President and Secretary shall be the Board of Regents' representative for external organizations affiliated with the University.

4.03.01

The Vice-President and Secretary shall perform such other duties as may be required of him or her by the Board and/or the Chairperson of the Board.

4.03.02

The appointment of the Vice-President and Secretary shall be subject to the ineligibility provision set forth in Section 4.07 of this Article.

4.04 Treasurer

The Board shall appoint a Treasurer to the Board who shall be a member of the President's Cabinet and serve at the pleasure of the Board. The Treasurer is charged with the responsibility for the collection, custody and accounting of all monies due the University. The Treasurer is authorized to sign checks for the expenditure of funds approved by the Board of Regents and to refuse expenditures not authorized by the Board or by budgets approved by the Board.

4.04.01

The Treasurer or his or her designee shall sign all formal applications for grants of funds for research, extension or other University purposes as directed by the Board prior to the President's signature being placed on such documents.

4.04.02

The Treasurer shall prepare an annual financial report at the close of each fiscal year and such other interim reports as the President and Board of Regents may request.

4.04.03

The Treasurer shall perform such other duties as may be required by the President and/or the Board of Regents.

4.04.04.

The Board may also appoint an Assistant Treasurer, who shall serve at the pleasure of the Board, to act in the absence of the Treasurer.

4.04.05

The appointment of the Treasurer and of any Assistant Treasurer shall be subject to the ineligibility provision set forth in Section 4.07 of this Article.

4.05 President

The Board shall, as often as necessary, elect a President of the University who shall serve at the pleasure of the Board. He or she shall be an ex-officio member of the Board without a right to vote and shall serve as the University's chief executive officer.

4.05.01

As the chief executive officer of the University, the President shall exercise such powers as are inherent in the position in promoting, supporting, or protecting the interests of the University and in managing and directing all of its affairs. The President shall be responsible for implementing the policies of the Board, and may issue directions and executive orders not in contravention of existing Board policies. The President shall be responsible for all business policies as heretofore enacted or modified or hereafter established subject to the general policies established by the Board. The President shall, in consultation with the Board, develop an annual budget (including, but not limited to, tuition and fees) and projected multiple year budget for the University, that reflects the Board's policies, for approval by the Board. The President shall be responsible for hiring University employees, subject to Board approval. The hiring of members of the President's administrative team shall be subject to prior consultation and discussion with the Board's Personnel and Compensation Committee, and interviews of candidates considered for a position in the President's administrative team may include Regents, as directed by the Chairperson of the Board and/or the Personnel and Compensation Committee. The President shall review and sign all requisitions for transactions that have been approved by the Board. The President shall exercise such other powers, duties and responsibilities as are delegated to or required of him or her by the Board.

Deleted:

4.06 Auditor

The Board's Audit Committee shall appoint an Internal Auditor who shall report to the Audit Committee, and who shall receive supervision from the Chairperson of the Audit Committee. The Board's Audit Committee shall also be charged with recommending to the Board the selection of an external auditor, who shall be appointed by the Board, and who shall receive supervision from the Chairperson of the Audit Committee.

Deleted: Internal

Deleted: Finance and

Deleted: Finance and

Deleted: Finance and

Formatted: Not Highlight

4.07 Ineligibility

No Regent shall be eligible to be appointed as Secretary, Treasurer, or Assistant Treasurer of the Board, as provided in MCL 390.552.

ARTICLE V

COMMITTEES

5.01

The Board may appoint committees and prescribe their duties and functions. There shall be eight standing committees of the Board:

Deleted: seven

1. Executive Committee
2. Educational Policies Committee
3. Faculty Affairs Committee
4. Finance and Investment Committee
5. Student Affairs Committee
6. Athletic Affairs Committee
7. Personnel and Compensation Committee
8. Audit Committee

Deleted: and Audit

5.02

After the bi-annual election of the Chairperson of the Board, the Chairperson of the Board shall appoint Chairpersons and Vice-Chairpersons of the standing committees and any special committees requested by Regents (except as outlined in Sections 5.04 and 5.10.01 of this Article).

5.03

Special committees may be authorized or appointed by the Chairperson of the Board at his or her discretion.

5.04 Executive Committee

The Executive Committee shall consist of three members: the Chairperson of the Board, the Vice-Chairperson of the Board, and the Chairperson of the Finance ~~and Investment~~ Committee. The immediate past Chairperson of the Board shall also serve on the Executive Committee as an ex-officio member. The Executive Committee's duties shall include, but are not limited to, day-to-day communications with the President and other duties as assigned by the Board.

Deleted: and Audit

5.05 Educational Policies Committee

The Educational Policies Committee shall be charged with the duty of reviewing and evaluating all existing educational programs. The Committee shall also review all educational grants, requests for new programs, requests for new majors and minors, requests for new degrees and personnel appointments prior to action by the Board of Regents. Further, the Committee shall be charged with the responsibility of making final recommendations to the Board on honorary degrees. The Committee shall also perform other duties as assigned by the Board.

5.05.01

The University officer assigned to the Educational Policies Committee shall be the Provost.

5.06 Faculty Affairs Committee

The Faculty Affairs Committee shall be charged with the duty of meeting with representatives of the faculty to discuss general concerns of the faculty and the University, excluding any matters covered by the collective bargaining agreement. The Committee shall share its deliberations with the Board and make appropriate referrals to the other committees when further study on a matter is required. The Committee shall also perform other duties as assigned by the Board.

5.06.01

The University officer assigned to the Faculty Affairs Committee shall be the Provost.

5.07 Finance and Investment Committee

Deleted: and Audit

Pursuant to the Michigan Constitution, the Finance and Investment Committee shall work closely with the President and/or his/her executive officers to develop an annual budget for the University that directs and controls the University's funds consistent with the Board's goals, and that establishes annual rates for tuition and fees. The Committee will be charged with oversight and review of the University's borrowing and investment policies, opportunities and strategies, and capital investment criteria. The Committee also shall be charged with the duty of reviewing the financial affairs and the property of the University and reporting its findings thereon to the Board. Further, the Committee shall review all major proposed contracts prior to the contracts being recommended to, or executed by, the Board. The Committee shall perform other duties as assigned by the Board.

Deleted: and Audit

Moved down [1]: The Finance and Audit Committee also shall be charged with selecting the Internal Auditor and meeting with the Internal Auditor to discuss his or her operations and to recommend the adoption or revision of such general policies relating thereto as may be found desirable. The Committee also shall be charged with recommending to the Board the selection of an external auditor, who shall be appointed by the Board.

5.07.01

The University officer assigned to the Finance and Investment Committee shall be the University's Chief Financial Officer.

Deleted: The Finance and Audit Committee also shall be charged with selecting the Internal Auditor and meeting with the Internal Auditor to discuss his or her operations and to recommend the adoption or revision of such general policies relating thereto as may be found desirable. The Committee also shall be charged with recommending to the Board the selection of an external auditor, who shall be appointed by the Board.

Deleted: also

Deleted: and Audit

5.07.02

The Charter of the Finance and Investment Committee is appended to these Bylaws as Schedule A.

Deleted: and Audit

5.08 Student Affairs Committee

The Student Affairs Committee shall be charged with the duty of meeting with student leaders to discuss programs, policies, and general concerns of the students. The Committee shall share its deliberations with the Board and make appropriate referrals to the other Board committees when further study on a matter is required. It shall make appropriate recommendations. The Committee shall also perform other duties as assigned by the Board.

5.08.01

The University officer assigned to the Student Affairs Committee shall be the Provost.

5.09 Athletic Affairs Committee

The Athletic Affairs Committee shall be charged with the duty of meeting regularly with the Athletic Director and representatives of the Athletic Department to review and evaluate all existing athletic programs, policies, advancement initiatives and athletic related community relationships. The Committee shall review and make a recommendation to the Board regarding the Athletic Department's budget prior to presentation of that Budget to the Board, to ensure a high quality academic and athletic experience for student athletes. The Committee shall report its deliberations and findings to the Board and shall make appropriate referrals to other committees when further study on a matter is required. The Chairperson of the Committee shall work closely with the Athletic Director to develop the agenda for Committee meetings. The Committee shall also perform other duties as assigned by the Board.

5.09.01

The University officer assigned to the Athletic Affairs Committee shall be the Athletic Director.

5.10 Personnel and Compensation Committee

The Personnel and Compensation Committee shall be charged with reviewing all policy matters regarding the establishment of goals and objectives, performance assessment and pay structures for the President of the University, the Board Secretary, and Board Treasurer, and will make recommendations to the Board of Regents regarding all such matters.

In addition, the Committee will periodically review with the President the procedures and methods used in the evaluation of the members of the President's administrative team and will advise the President on the performance and operations of the members of the President's administrative team. The President will seek input from the Personnel and Compensation Committee on annual performance evaluations of the President's administrative team prior to the evaluations being presented to those individuals. The Committee will review salary studies, market data and other relevant information for the members of the President's administrative team on an annual basis. In the event of the hiring or termination of any member of the President's administrative team, the President will consult with the Chairperson of the Board and/or the Personnel and Compensation Committee prior to taking any formal action.

The Committee shall also have the authority to review and approve all proposed contracts (including contract renewals or extensions) for temporary or permanent individual employment and proposed contracts for employment consulting for the President’s administrative team and any governmental relations consulting contracts.

At the discretion of the Chairperson of the Board and/or the Committee, the Committee may interview candidates considered for a position in the President’s administrative team prior to the hiring of such individuals, as outlined in Section 4.05.01 of these Bylaws.

The Committee will also work with the President on succession planning and personnel development issues for the President and the members of the President’s administrative team.

The Committee shall also perform other duties as assigned by the Board.

5.10.01

The Committee shall be chaired by the Vice Chairperson of the Board. The Committee shall also include two other members: the Chairperson of the Finance and Investment Committee, and one other Regent who shall be appointed by the Chairperson of the Board.

Deleted: Audit

5.10.02

The University officer assigned to the Committee shall be the Vice-President and Secretary to the Board of Regents.

Deleted: of

Formatted: Font: Bold

Deleted:

Moved (insertion) [1]

Deleted: The Finance and Audit Committee also

Deleted: shall

Deleted: be charged with selecting the Internal Auditor

Deleted: and

Deleted: ing

Deleted: desirable

Deleted: The Committee also shall be charged with recommending to the Board the selection of an external auditor, who shall be appointed by the Board.

5.11 Audit Committee

An External and Internal Auditor shall be appointed and supervised in accordance with Bylaw Section 4.06. The Audit Committee shall

meet with the Internal and External Auditor to discuss his or her operations and to recommend the adoption or revision of such general policies relating thereto as may be found appropriate. The Committee shall also be charged with oversight of the University’s insurance and risk management programs and with oversight and due diligence of the establishment of the

University's entrepreneurial activities. The Charter of the Audit Committee is appended to these Bylaws as Exhibit B.

Deleted: ¶

5.11.01 _____

Formatted: Tab stops: 3.25", Centered

The University Officer assigned to the Audit Committee shall be the University's Chief Financial Officer.

Deleted: , Investment

5.12 Resources and Authority

Formatted: Font: Bold

Any of the aforementioned committees may investigate any matter brought to its attention pertaining to its oversight areas, with full access to all books, systems, records, facilities and personnel of the University. The aforementioned Committees may engage independent counsel and other advisors as it determines necessary to carry out its duties at University expense.

Formatted: Font: Bold

ARTICLE VI

COLLECTIVE AUTHORITY AND ACTION

6.01

The authority of the Board of Regents is conferred upon it as a Board, and the Board can bind the body corporate and the University only by acting as a Board. No individual Regent shall bind the Board or the University to any contractual or other legal obligation without prior approval of the Board. Individual Regents otherwise may take such actions as are expected and consistent with their positions as Regents, or as a member of a Board committee.

ARTICLE VII

AMENDMENTS

7.01

These bylaws may be amended or repealed at any formal session of the Board, by an affirmative vote of a majority of the Regents, provided that copies of the proposed amendments or notices of

repeal are submitted in writing to each Regent at least 24 hours in advance of such formal session.

ARTICLE VIII

INDEMNIFICATION

8.01 Duty to Indemnify Regents

Except as expressly set forth in this Article, the Board will defend, hold harmless, and indemnify (collectively hereafter, “indemnify” or “indemnification”) a Regent against any threatened, pending, or completed action, suit, or proceeding of any kind or type (including arbitration and alternative dispute resolution proceedings), whether civil, criminal, administrative, or investigative, including relative to any appeal, and wherever brought, if the involvement of the Regent in such action, suit, or proceeding arises:

(a) by virtue of the fact that he or she is or was a Regent, or is or was serving pursuant to the request of the Board as a director, officer, trustee, or similar position of another entity (i.e., corporation, partnership, limited liability company, joint venture, trust, etc.), or

(b) from actions taken in the course of duties as a Regent.

This obligation extends to the payment as incurred of all expenses (including attorneys' fees, judgments, penalties, fines, and amounts paid in settlement) (hereafter, “Expenses”).

8.02 Conclusive Presumption of Coverage

Indemnification under this Article shall be conclusively presumed unless a final and nonappealable determination has been made by a court of competent jurisdiction (at the request of the Board or any party to such action, suit, or proceeding) that the Regent:

(a) had no reasonable cause to believe that his or her conduct was in the best interests of the Board or the University, or

(b) failed to satisfy the terms and conditions of this Article, or

(c) with respect to a criminal action, suit, or proceeding, had reasonable cause to believe that his or her conduct was illegal.

The termination of any action, suit, or proceeding by judgment, order, settlement (whether with or without court approval), conviction, or a plea of nolo contendere or its equivalent, shall not create a presumption or be used as evidence that the Regent did not meet the requisite standard of conduct or had any particular belief or that a court has determined that indemnification is not permitted under this Article or by applicable law.

8.03 Reimbursement of Expenses

In the event that a determination is made pursuant to Section 8.02 above that the Regent is not entitled to indemnification under this Article or that indemnification should be revoked or terminated, the Regent shall repay any and all Expenses paid by the Board to or on behalf of the Regent. If a Regent is entitled to indemnification by the Board for a portion of his or her Expenses, but not, however, for the total amount of such Expenses, the Board shall nonetheless indemnify the Regent for that portion of Expenses to which the Regent is entitled to indemnification under this Article.

8.04 Notice and Cooperation By Regent

As a condition to obtaining indemnification under this Article, the Regent must give prompt notice to the Board and the Office of the General Counsel of the pendency of any action, suit, or proceeding for which he or she may seek indemnification, and shall keep the Board and the Office of the General Counsel apprised of all significant developments in the action, suit, or proceeding. A Regent's full cooperation with assigned legal counsel is a condition of continued defense and indemnification under this Article.

8.05 Selection of Legal Counsel

Selection of legal counsel shall be made as follows:

(a) The General Counsel, after consultation with the Board, shall have authority over selection of all legal counsel to represent the individual Regents indemnified under this Section, except in the following cases:

(i) In any criminal matter, the Regent shall have sole authority over the selection of legal counsel.

(ii) In the event the named parties to any action, suit, or proceeding include a Regent and the Board or other Regents, and a named Regent has been advised by the General Counsel, or by legal counsel selected under Section 8.05(a) above, that there may be one or more legal defenses/positions available to him or her that conflict or may conflict with those available to one or more other named Regents (or the named Board), the named Regent then shall have the right to select separate legal counsel, and the Board shall then indemnify such named Regent for all Expenses incurred by such named Regent; provided, the Board will not be required to indemnify such named Regent for any settlement of any such action, suit, or proceeding effected without the Board's prior written consent.

(b) A Regent may, at any time at his or her own expense, retain separate legal counsel rather than avail himself or herself of this Article. In such event, the Board will not reimburse Expenses or provide any indemnification under this Article.

In matters where an individual Regent is a named party and the General Counsel has selected legal counsel for the named Regent, such legal counsel will keep the named Regent informed of the status of the action, suit, or proceeding.

8.06 Strategy and Settlement

Except in the case of a criminal matter, the Board shall have sole decision-making authority over all litigation and settlement strategies. In any criminal matter, the Regent involved shall have sole decision-making authority over all litigation and settlement strategies. Once the Board has settled an action, suit, or proceeding, the Board shall not be required to further indemnify a Regent with respect to that action, suit, or proceeding.

8.07 Non-Exclusivity

The indemnification provided in this Article shall not be exclusive of any other rights to which a Regent may be entitled under any statute, bylaw, insurance policy, agreement, or otherwise.

8.08 No Duplication of Recovery

Indemnification will be made under this Article only to the extent that the Regent is not made whole for his or her Expenses from all other sources of indemnification, including insurance maintained by the University. In no case will indemnification under this Article be in an amount which, when combined with the indemnification from all other sources of indemnification, exceeds the actual amount of Expenses incurred by the Regent.

8.09 Actions Brought By Regent

The Board shall not be required to indemnify a Regent in connection with an action, suit, or proceeding brought by such Regent unless such action, suit, or proceeding was authorized by the Board in advance and the Board expressly agrees to such indemnification.

8.10 Actions Brought By Board

The Board shall not commence, and hereby waives any right to commence, any action, suit, or proceeding, for monetary damages, against a current or former Regent, for breach of the Regent's fiduciary duty, or relative to any act or omission of the Regent, except as follows:

- i. Acts or omissions not in good faith or that involve intentional misconduct or knowing violation of law;
- ii. An act or omission that is grossly negligent; or
- iii. A transaction from which the Regent derived an improper personal benefit.

The Board shall not be required to indemnify a Regent in connection with an action, suit, or proceeding brought by or on behalf of the Board against the Regent.

8.11 Enforcement

If a claim for indemnification under this Article is not paid in full by the Board within ninety (90) days after a written claim has been received by the General Counsel, the Regent making the claim may at any time thereafter bring suit against the Board to recover the unpaid amount of the

claim, and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim.

8.12 Modifications

The right to indemnification set forth in this Article shall be deemed to be a contract right between the Board and each Regent who serves in such capacity at any time while this Article is in effect, and any repeal or modification of this Article shall not affect any rights or obligations then existing, with respect to any state of facts then or theretofore existing, or any action, suit, or proceeding theretofore or thereafter brought or threatened based in whole or in part upon any such state of facts.

8.13 Application

This Article applies to any Regent of the University. The indemnification provided for in this Article continues as to a person who ceases to be a Regent, and the rights and benefits of this Article shall inure to the benefit of the heirs, executors, administrators, personal representatives, successors, and assigns of Regents.

8.14 Severability

Each and every section, term, and provision of this Article shall be considered severable in that, in the event a court finds any section, term, or provision to be invalid or unenforceable, the validity and enforceability, operation, or effect of the remaining sections, terms, and provisions shall not be affected, and this Article shall be construed in all respects as if the invalid or unenforceable section, term, or provision had been omitted.

8.15 Inquires, Notices and Communication

All inquires, notices, and communications regarding this Article or related to any action, suit, or proceeding for which indemnification is or may be sought pursuant to this Article shall be directed to the Office of the General Council.

**SCHEDULE A TO BYLAWS OF
BOARD OF REGENTS OF EASTERN MICHIGAN UNIVERSITY**

Regents of Eastern Michigan University
Committee Charter
Finance and Investment Committee

Deleted: and Audit

Finance and Investment Committee Mission:

The Finance and Investment Committee provides oversight to the Board of Regents of the financial and investment performance, policies and practices of Eastern Michigan University by ensuring effective management of the University's revenues and expenses, providing uncompromising stewardship for the University's financial and capital resources and by providing business and financial guidance to the many different constituencies at the University.

I. Responsibilities of the Finance and Investment Committee:

a. Finance Responsibilities:

- Review and monitor the overall financial health of the University
- Review and ensure that financial policies are current and applicable
- Review University budgets, including strategy, forecast projections, tuition/fees and assumptions for State Appropriations
- Review building and capital needs (including property acquisitions and disposals) and the related debt program, including structure, policy, strategy and future capacity
- Review tax compliance and exposure management
- Review all major contracts prior to their being recommended to the Board for action.
- Review annually the travel and hosting expenses of the President and his/her family.

b. Investment Responsibilities

- Review investment policies, including investment goals, model asset allocation, distribution policies and performance benchmarks, and investment reporting policies and practices, and ensure adherence to such policies
- Review investment costs, including cost of internal management, fees to outside managers, custodial, reporting and brokerage fees.
- Review performance of investments compared to relevant benchmarks or indices.

II. Composition and Meetings:

The Chairperson of the Board of Regents will appoint the Chairperson of the Finance and Investment Committee. The Chief Financial Officer will act as the staff liaison to the Finance and Investment Committee. All appointments will be at the pleasure of the Board Chairperson. The Finance and Investment Committee may, at its discretion, hire financial expertise from outside the University, subject to approval by the Board.

The Finance and Investment Committee will advise the Board on matters pertaining to its oversight areas and will present periodic reports and recommendations, but will not have the power to bind the Board on any matter. The Finance and Investment Committee may meet as often as necessary, but not less than five times in a calendar year (corresponding with regularly

Deleted: and Audit (FA)

Deleted: A

Deleted: , audit

Deleted: A

Deleted: o

Deleted:

Deleted: ¶

<#>c. Audit Responsibilities¶

<#>Be directly responsible for the appointment, compensation and retention of the University's independent internal auditor, review and approve the annual internal audit plan, evaluate annually the performance of the auditor, and provide the auditor with direct access to the FA Committee. ¶

<#>Recommend to the Board the selection of an external auditor, who shall be appointed by the Board, evaluate annually the performance of the auditor, and provide the auditor with direct access to the FA Committee ¶

<#>Review with the administration and the independent auditor the clarity and completeness of the annual audit of the university's financial statements and supplemental information. Review and approve the annual statements and supplemental information. ¶

<#>Meet with internal and external auditors at least three times per year.¶

<#>Review annually the travel and hosting expenses of the President and his/her family. ¶

<#>Review annually the compensation plans, policies and programs (including salary, benefits and perquisite benefits) of the President and other "Key Officers" as determined by the FA Committee. ¶

<#>Review annually with the independent auditors the University's Risk Assessment and Risk Management policies and procedures. Ensure that the financial risk of lost assets, operational risk of ineffective and inefficient operations, compliance risk of violating laws, regulations and University policies and procedures and reputational risk regarding public relations matters are effectively managed. ¶

<#>Establish and provide on-going review of the University's procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, or other matters of questionable fiduciary and stewardship actions. Ensure that confidential, anonymous reporting mechanisms are in place and that all employees, students and other University stakeholders are aware of their existence.

... [1]

Deleted: A

Deleted: Vice President for Business and Finance

Deleted: the FA

Deleted: FA

Deleted: FA

Deleted: FA

Deleted: FA

Deleted: FA

scheduled Board meetings).

**SCHEDULE B TO BYLAWS OF
BOARD OF REGENTS OF EASTERN MICHIGAN UNIVERSITY**

Regents of Eastern Michigan University
Committee Charter
Audit Committee

I. Audit Responsibilities

- Be directly responsible for the appointment, compensation and retention of the University's independent internal auditor, review and approve the annual internal audit plan, evaluate annually the performance of the auditor, and provide the auditor with direct access to the FA Committee.
- Recommend to the Board the selection of an external auditor, who shall be appointed by the Board, evaluate annually the performance of the auditor, and provide the auditor with direct access to the FA Committee
- Review with the administration and the independent auditor the clarity and completeness of the annual audit of the university's financial statements and supplemental information. Review and approve the annual statements and supplemental information.
- Meet with internal and external auditors at least three times per year.
- Review annually the compensation plans, policies and programs (including salary, benefits and perquisite benefits) of the President and other "Key Officers" as determined by the Audit Committee.
- Review annually with the independent auditors the University's Risk Assessment and Risk Management policies and procedures, financial risk of lost assets, operational risk of ineffective and inefficient operations, compliance risk of violating laws, regulations and University policies and procedures and reputational risk regarding public relations matters are effectively managed. Ensure that the University is properly insured against losses.
- Establish and provide on-going review of the University's procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, or other matters of questionable fiduciary and stewardship actions. Ensure that confidential, anonymous reporting mechanisms are in place and that all employees, students and other University stakeholders are aware of their existence.
- Review the University's insurance and risk management programs.
- Oversee due diligence of the establishment of the University's entrepreneurial activities.

Deleted: III. Resources and Authority:

The FA Committee may investigate any matter brought to its attention pertaining to its oversight areas, with full access to all books, systems, records, facilities and personnel of the University. The FA Committee may engage independent counsel and other advisors as it determines necessary to carry out its duties at University expense.

Formatted: Centered, Indent: First line: 0.5", Space After: Auto, No bullets or numbering, Tab stops: Not at 0.5"

Formatted: Font: (Default) Times New Roman, 12 pt, Underline

Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: I, II, III, ... + Start at: 1 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.75"

Formatted: Font: (Default) Times New Roman, 12 pt

Formatted: Outline numbered + Level: 1 + Numbering Style: Bullet + Aligned at: 0.25" + Tab after: 0.5" + Indent at: 0.5"

Deleted: ¶

Formatted: Font: (Default) Times New Roman, 12 pt

The aforementioned responsibilities of the Audit Committee may be modified or supplemented as appropriate at any time.

Formatted: Indent: Left: 0"

II. Composition and Meetings:

Formatted: Indent: First line: 0.5"

The Chairperson of the Board of Regents will appoint the Chairperson of the Audit Committee. The Chief Financial Officer will act as the staff liaison to the Audit Committee. All appointments will be at the pleasure of the Board Chairperson. The Audit Committee may, at its discretion, hire appropriate expertise from outside the University, subject to approval by the Board.

The Audit Committee will advise the Board on matters pertaining to its oversight areas and will present periodic reports and recommendations, but will not have the power to bind the Board on any matter. The Audit Committee may meet as often as necessary, but not less than four times in a calendar year (corresponding with regularly scheduled Board meetings).

Formatted: Not Highlight

Deleted: ¶

IV. Adoption of Chapter:

The Board of Regents has adopted this Charter on March 21, 2006, and amended this Chapter on June 23, 2009 and April 16, 2013.

AALIB:553891.10\025676-00099

Authority for Creation and Revision

Minutes of the Board of Regents, September 17, 1975: para. .1570M; May 22, 1985: para. .3103M; May 19, 1992: para. .4557M; September 22, 1992: para. .4604M; January 26, 1993: para. .4656M; January 23, 1996: para. .5072M; June 20, 2000: para. .5689M; March 18, 2003: para. .6099M; March 16, 2004: para. .6251M; March 15, 2005: para. .6422M; June 21, 2005: para. .6465M; August 2, 2005, para. .6472M; March 21, 2006, para. .6601M; ; June 19, 2007 para. .6723M; June 23, 2009; September 21, 2010; September 18, 2012; December 6, 2012

c. Audit Responsibilities

Be directly responsible for the appointment, compensation and retention of the University's independent internal auditor, review and approve the annual internal audit plan, evaluate annually the performance of the auditor, and provide the auditor with direct access to the FA Committee.

Recommend to the Board the selection of an external auditor, who shall be appointed by the Board, evaluate annually the performance of the auditor, and provide the auditor with direct access to the FA Committee

Review with the administration and the independent auditor the clarity and completeness of the annual audit of the university's financial statements and supplemental information. Review and approve the annual statements and supplemental information.

Meet with internal and external auditors at least three times per year.

Review annually the travel and hosting expenses of the President and his/her family.

Review annually the compensation plans, policies and programs (including salary, benefits and perquisite benefits) of the President and other "Key Officers" as determined by the FA Committee.

Review annually with the independent auditors the University's Risk Assessment and Risk Management policies and procedures. Ensure that the financial risk of lost assets, operational risk of ineffective and inefficient operations, compliance risk of violating laws, regulations and University policies and procedures and reputational risk regarding public relations matters are effectively managed.

Establish and provide on-going review of the University's procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, or other matters of questionable fiduciary and stewardship actions. Ensure that confidential, anonymous reporting mechanisms are in place and that all employees, students and other University stakeholders are aware of their existence.

The aforementioned responsibilities of the FA Committee may be modified or supplemented as appropriate at any time.

Board Policy Manual

1. Powers and Limitations of the Regents

1.5. Bylaws

Effective Date: 9-17-75

Revision Date: 4-16-13

**BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY**

Floyd Clack

First appointed in June 2005

Term expires December 31, 2014

C. Beth Fitzsimmons

First appointed in February 2011

Term expires December 31, 2014

Michael Hawks

First appointed in February 2011

Term expires December 31, 2018

Mike Morris

First appointed in February 2011

Term expires on December 31, 2018

Francine Parker

First appointed in January, 2007

Term expires December 31, 2014

James F. Stapleton

First appointed in January 2007

Term expires December 31, 2016

Mary Treder Lang

First appointed in December 2012

Term expires December 31, 2020

James Webb

First appointed in December 2012

Term expires December 31, 2020

FORMER REGENTS

0. William Habel: January 1964 to October 1967

J. Don Lawrence: January 1964 to October 1967

Dr. Martin P. O'Hara: January 1964 to October 1967

Lawrence R. Husse: January 1964 to December 1972

Virginia R. Allan: January 1964 to April 1974

Veda S. Anderson: November 1967 to December 1974

Dr. Charles L Anspach: January 1964 to June 1974

George E. Stripp: January 1967 to December 1976

Dr. Mildred Beatty Smith: January 1964 to June 1977

Edward J. McCornick: January 1964 to December 1978

Dr. John F. Ullrich: January 1975 to October 1979

Linda D. Bernard: October 1977 to December 1980

James T. Barnes, Jr.: October 1979 to December 1982

Carleton K. Rush: June 1974 to December 1982

Dr. Warren L. Board: January 1979 to December 1984

Dr. Timothy I. Dyer: January 1973 to May 1984

Dolores A Kinzel: January 1977 to December 1984

Beth Wharton Milford: April 1974 to December 1986

Geraldine M. Ellington: February 1981 to December 1988

Donald E. Shelton: February 1987 to February 1990

William Simmons: March 1983 to December 1990

Geneva Y. Titsworth: March 1983 to December 1990

John H. Burton: January 1985 to January 1992

Dr. Richard N. Robb: December 1967 to December 1992

Thomas Guastello: January 1985 to December 1992

Robin W. Sternbergh: January 1991 to December 1992

Frederick L. Blackmon: January 1993 to March 1996

Anthony A. Dereziński: January 1984 to December 1996

James Clifton: January 1989 to December 1996

Mara L. Letica: January 1993 to January 1997

Gayle P. Thomas: January 1991 to January 1999

Carl D. Pursell: January 1993 to December 1999

Donna R. Milhouse: April 1999 to February 2000

William J. Stephens: June 1996 to February 2001

Robert A. DeMattia: January 1991 to December 2002

Rosalind E. Griffin: February 1997 to December 2004

Michael G. Morris: February 1997 to December 2004

Steven G. Gordon: May 2001 to March 2005

Joseph E. Antonini: May 1997 to December 2006

Jan A. Brandon: April 2000 to December 2006

Sharon J. Rothwell: January 2003 to December 2006

Karen Quinlan Valvo: March 2001 to December 2006

Ishmael Ahmed: January 2007 to August 2007

Philip A. Incarnati: February 1992 to December 2010

Gary D. Hawks: January 2007 to December 31, 2010

Mohamed Okdie: November 2007 to February 2011

Thomas W. Sidlik: January 2005 to December 2012

BYLAWS

BOARD OF REGENTS EASTERN MICHIGAN UNIVERSITY

PREAMBLE

Eastern Michigan University (the “University”) is a multipurpose institution founded by the State of Michigan in 1849. Originally named Michigan State Normal School, it was the first teacher training college west of the Allegheny Mountains. Teacher preparation was the primary purpose of the institution for 100 years, but this purpose was broadly interpreted and included instruction in liberal arts, science and other areas vital to the background of a well-qualified teacher. The name was changed to Michigan State Normal College in 1899 and, in recognition of the development of regional teachers' colleges in the state, to Eastern Michigan College in 1956. With the establishment of the Colleges of Arts and Sciences and Education, as well as a graduate school, Eastern attained university status June 1, 1959. The College of Business was created in 1964, the College of Health and Human Services in 1975, and the College of Technology in 1980.

The University offers baccalaureate degrees in more than 180 undergraduate programs, and master and doctorate degrees in more than 50 graduate programs through its five colleges and Graduate School.

ARTICLE VIII, Section 6, of the Michigan Constitution, adopted by the people of the State of Michigan in 1963 to become effective January 1, 1964, granted constitutional autonomy to Eastern Michigan University.

The Board of Regents of Eastern Michigan University (the “Board” or “Board of Regents”) reaffirms its obligation to the people of the state of Michigan to provide high quality education to people from all walks of life. It pledges itself to the wisest use and distribution of resources at its disposal to meet this major objective. In keeping with this commitment, Eastern Michigan University will not discriminate against any person because of race, color, sex, marital status, age, religion, national origin or ancestry, Vietnam-era veteran status, non-relevant mental or physical disability, or any other protected status. Further, Eastern Michigan University does not discriminate against any person because of sexual orientation, or gender identity or expression.

The sexual orientation and gender identity or expression provisions of this policy shall not prohibit the University from maintaining relationships with agencies of the federal government, and shall not be applied to conflict with any provisions of the Michigan Constitution. Further, except where approved by separate action of the Board of Regents, the sexual orientation and

gender identity or expression provisions of this policy shall not apply to employment benefits, family housing, financial aid packages, or student residency status.

With respect to students, the Board declares its intention to provide the opportunity for each to realize his or her highest potential, to formulate and enforce reasonable rules governing student conduct, and to give due consideration to the opinions of students on matters related directly to their interest when they are expressed in a responsible manner.

With respect to the alumni, the Board invokes their loyal support of the University and invites their advice and counsel, reminding them that the esteem of the University is measured constantly by their performance as educated men and women.

With respect to the people of Michigan, the Board openly acknowledges that this University is, in the final analysis, their University. As a public institution, Eastern Michigan University is obligated to serve the best interests of the people who support it, as it can best determine those interests, and the operation of the University by the Regents is governed by the Michigan Constitution.

Finally, the Board of Regents holds as its special trust the historic mission of a University to create an intellectual climate that will challenge and encourage the vigorous development and courageous expression of the human mind and spirit. Specifically, the Board of Regents recognizes that it has a primary responsibility to assure the University of the financial and other resources necessary to the successful performance of its mission. The Board believes that the best method of assuring that support is to interpret the University faithfully and continually to its fellow citizens, to the legislature and elected state officials, and to the federal government, and thus persuade them of the essential importance of the University's mission. To those tasks of interpretation and persuasion, the Board is committed by its appointment to office, and to those tasks it pledges itself without reservation.

In order to exercise the principles here declared, to achieve the objectives of Eastern Michigan University and to ensure that the conduct of its own officers will be in accord with the highest standards of educational administration, the Board of Regents adopts its bylaws:

ARTICLE I

THE CORPORATION

1.01

Eastern Michigan University is an institution of higher education having authority to grant baccalaureate, post-baccalaureate and graduate certifications, and masters, specialist, and doctorate degrees.

1.02

Eastern Michigan University shall be governed by a board of control which shall be a body corporate and shall be known as the Board of Regents.

ARTICLE II

THE BOARD OF REGENTS

2.01

The Constitution of the State of Michigan provides that this University shall be governed by a board of control which hereinafter is referred to as the Board of Regents, which shall be a body corporate. The Board has general supervision of the institution and the control and direction of all expenditures from the institutional funds.

2.02

The Constitution of the State of Michigan further provides that the Board, as often as necessary, shall elect a president of the institution under its supervision who shall be the principal executive officer of the institution and who shall be an ex-officio member of the Board without a right to vote.

2.03

The eight-member Board of Regents is appointed by the governor of the state with the advice and consent of the Michigan Senate. Members of the Board of Regents serve without compensation and receive only actual necessary expenses incurred by them in the performance of the duties of their office.

ARTICLE III

MEETINGS OF THE BOARD

3.01 Formal Sessions

Formal sessions of the Board shall be open to the public, and reasonable and proper public notice shall be given as to the time and place.

3.01.01

A “formal session” of the Board is defined as one that is convened for the purpose of taking or memorializing final Board action that is binding on the Board.

3.01.02

A majority of the members of the Board of Regents (each member, individually, a “Regent”) shall constitute a quorum to transact business at a formal session, but a smaller number may meet and adjourn to some other time or until a quorum is obtained.

3.01.03

The business at each formal session shall be conducted under general parliamentary rules set forth in Robert's Rules of Order as modified by the rules and regulations of the Board.

3.01.04

Formal sessions may be either regular meetings (as defined in Section 3.03) or special meetings (as defined in Section 3.04).

3.02 Informal Sessions

An “informal session” of the Board is defined as one that is not convened for the purpose of taking or memorializing final Board action that is binding on the Board. Informal sessions include those meetings that are not held in formal session.

3.03 Regular Meetings

Regular meetings shall be formal sessions of the Board.

3.03.01

The Board shall hold regular meetings as it deems necessary, but not less than four (4) times per year. Such regular meetings shall be held on dates and at times as the Board may determine, and ordinarily will be held in Welch Hall at Eastern Michigan University in Ypsilanti, Michigan.

3.03.02

The Board shall consider at its regular meetings items that have been placed on the meeting agenda. The Board may consider additional items of business at its regular meeting only by a majority vote of those present.

3.03.03

The Secretary to the Board of Regents shall be responsible for the preparation of the agenda. The Secretary will be responsible for contacting the President, the Chairpersons of Board Committees and the Chairperson of the Board for items to be placed on the agenda.

3.03.04

Persons wishing to speak before the Board at a regular meeting may do so during the Communications portion of the regular meeting. The Communications portion of the meeting shall be limited to thirty (30) minutes. Persons will be asked to identify themselves as to name, address, and organization they represent, if any.

3.03.05

Persons desiring to address the Board must declare their intent on appropriate forms at least twenty-four (24) hours prior to the beginning of the Communications portion of the meeting.

3.03.06

The amount of time allotted for each individual to speak will depend on the number of persons wishing to speak. Normally no individual should speak more than 15 minutes, but if there are more than two speakers, that time shall be reduced accordingly.

3.03.07

In those instances to which more than three persons wish to present their views to the Board and all represent a single organization or unit, the presentation will be limited to one presenter of 15 minutes or three presenters for five minutes each.

3.04 Special Meetings

Special meetings shall be formal sessions of the Board.

3.04.01

Special meetings of the Board may be called by the Chairperson or upon the request of any three Regents in accordance with established rules. Each Regent shall be informed of the special meeting, by messenger or telephone, at least 24 hours before the scheduled meeting time of the special meeting, provided, that any Regent who has previously so notified the Secretary of the Board may elect to be informed of special meetings by email communication, in which case such communication also shall be effective as to such Regent. Only those matters for which the special meeting has been called shall receive consideration unless unanimous consent is granted by the total Board.

3.04.02

A Regent may participate in a special meeting by means of conference telephone or similar communications equipment so long as all persons participating in the meeting can hear each other. Participation in a special meeting pursuant to this provision shall constitute presence at the meeting, for purposes of determining a quorum, provided, however, that more than one-half of the Regents participating in a special meeting must be physically present at the meeting.

3.05 Emergency Actions

Emergency action may be taken by the Board between formal sessions if and when any matter arises that, in the opinion of the Chairperson or any three Regents, requires official action by the Board prior to the next formal session. An affirmative vote, in person or by telephone, facsimile, electronic mail, or other reliable method of communication, from five Regents, is required for action. Any action taken at an emergency meeting shall be presented to the Board for confirmation, at the next formal session of the Board.

ARTICLE IV

OFFICERS AND ORGANIZATION

4.01 Chairperson

The Board shall elect bi-annually, in even-numbered years at its last meeting of the year, one of the Regents to serve as Chairperson. The term of the Chairperson shall be for two years. The Chairperson shall begin the term as the presiding officer on January 1 of the following year. The Chairperson shall perform such duties as may be prescribed by law or by the regulations of the Board. As outlined in Section 4.02 of these Bylaws, the Chairperson shall appoint the Vice Chairperson in the event the position of Vice Chairperson becomes vacant prior to the completion of the two year term. The Chairperson will appoint the Chairs of the standing committees described in Bylaw 5.01, whose membership is not prescribed in the Bylaws.

4.02 Vice Chairperson

The Board shall elect bi-annually, in even-numbered years at its last meeting of the year, one of the Regents to serve as Vice Chairperson. The term of the Vice-Chairperson shall be for two years. The Vice-Chairperson will begin the term on January 1 of the following year. The Vice Chairperson will act as Chairperson in the absence of the Chairperson, and shall become Chairperson for the remainder of the Chairperson's two year term in the event the position of Chairperson becomes vacant for any reason. In the event the position of Vice Chairperson becomes vacant for any reason during the Vice Chairperson's term of office, the Chairperson shall appoint one of the Regents to serve as Vice-Chairperson to fill the remainder of the two-year term.

4.03 Vice- President and Secretary

The Board shall appoint a Vice-President and Secretary to the Board who shall be a member of the President's Cabinet and responsible to the Board and shall serve at the pleasure of the Board. In concert with the President, the Vice-President and Secretary plans, coordinates and facilitates the work of the Board of Regents of Eastern Michigan University to enable it to effectively govern the University and to facilitate effective communication between the members of the Board and the President's Cabinet.

The Vice-President and Secretary shall keep a public record of all actions of the Board. The Vice-President and Secretary will duly execute for and on behalf of the Regents of Eastern Michigan University or Eastern Michigan University such instruments or documents which would devolve to a corporate officer and would be usual to that office. The Vice-President and Secretary shall be the custodian of the corporate seal and shall cause it to be used at the direction of the Board of Regents. The Vice-President and Secretary shall sign all requisitions for transactions directed by the Board.

The Vice-President and Secretary shall be the Board of Regents' representative for external organizations affiliated with the University.

4.03.01

The Vice-President and Secretary shall perform such other duties as may be required of him or her by the Board and/or the Chairperson of the Board.

4.03.02

The appointment of the Vice-President and Secretary shall be subject to the ineligibility provision set forth in Section 4.07 of this Article.

4.04 Treasurer

The Board shall appoint a Treasurer to the Board who shall be a member of the President's Cabinet and serve at the pleasure of the Board. The Treasurer is charged with the responsibility for the collection, custody and accounting of all monies due the University. The Treasurer is authorized to sign checks for the expenditure of funds approved by the Board of Regents and to refuse expenditures not authorized by the Board or by budgets approved by the Board.

4.04.01

The Treasurer or his or her designee shall sign all formal applications for grants of funds for research, extension or other University purposes as directed by the Board prior to the President's signature being placed on such documents.

4.04.02

The Treasurer shall prepare an annual financial report at the close of each fiscal year and such other interim reports as the President and Board of Regents may request.

4.04.03

The Treasurer shall perform such other duties as may be required by the President and/or the Board of Regents.

4.04.04.

The Board may also appoint an Assistant Treasurer, who shall serve at the pleasure of the Board, to act in the absence of the Treasurer.

4.04.05

The appointment of the Treasurer and of any Assistant Treasurer shall be subject to the ineligibility provision set forth in Section 4.07 of this Article.

4.05 President

The Board shall, as often as necessary, elect a President of the University who shall serve at the pleasure of the Board. He or she shall be an ex-officio member of the Board without a right to vote and shall serve as the University's chief executive officer.

4.05.01

As the chief executive officer of the University, the President shall exercise such powers as are inherent in the position in promoting, supporting, or protecting the interests of the University and in managing and directing all of its affairs. The President shall be responsible for implementing the policies of the Board, and may issue directions and executive orders not in contravention of existing Board policies. The President shall be responsible for all business policies as heretofore enacted or modified or hereafter established subject to the general policies established by the Board. The President shall, in consultation with the Board, develop an annual budget (including, but not limited to, tuition and fees) and projected multiple year budget for the University, that reflects the Board's policies, for approval by the Board. The President shall be responsible for hiring University employees, subject to Board approval. The hiring of members of the President's administrative team shall be subject to prior consultation and discussion with the Board's Personnel and Compensation Committee, and interviews of candidates considered for a position in the President's administrative team may include Regents, as directed by the Chairperson of the Board and/or the Personnel and Compensation Committee. The President shall review and sign all requisitions for transactions that have been approved by the Board. The President shall exercise such other powers, duties and responsibilities as are delegated to or required of him or her by the Board.

4.06 Auditor

The Board's Audit Committee shall appoint an Internal Auditor who shall report to the Audit Committee, and who shall receive supervision from the Chairperson of the Audit Committee. The Board's Audit Committee shall also be charged with recommending to the Board the selection of an external auditor, who shall be appointed by the Board, and who shall receive supervision from the Chairperson of the Audit Committee.

4.07 Ineligibility

No Regent shall be eligible to be appointed as Secretary, Treasurer, or Assistant Treasurer of the Board, as provided in MCL 390.552.

ARTICLE V

COMMITTEES

5.01

The Board may appoint committees and prescribe their duties and functions. There shall be eight standing committees of the Board:

1. Executive Committee
2. Educational Policies Committee
3. Faculty Affairs Committee
4. Finance and Investment Committee
5. Student Affairs Committee
6. Athletic Affairs Committee
7. Personnel and Compensation Committee
8. Audit Committee

5.02

After the bi-annual election of the Chairperson of the Board, the Chairperson of the Board shall appoint Chairpersons and Vice-Chairpersons of the standing committees and any special committees requested by Regents (except as outlined in Sections 5.04 and 5.10.01 of this Article).

5.03

Special committees may be authorized or appointed by the Chairperson of the Board at his or her discretion.

5.04 Executive Committee

The Executive Committee shall consist of three members: the Chairperson of the Board, the Vice-Chairperson of the Board, and the Chairperson of the Finance and Investment Committee. The immediate past Chairperson of the Board shall also serve on the Executive Committee as an ex-officio member. The Executive Committee's duties shall include, but are not limited to, day-to-day communications with the President and other duties as assigned by the Board.

5.05 Educational Policies Committee

The Educational Policies Committee shall be charged with the duty of reviewing and evaluating all existing educational programs. The Committee shall also review all educational grants, requests for new programs, requests for new majors and minors, requests for new degrees and personnel appointments prior to action by the Board of Regents. Further, the Committee shall be charged with the responsibility of making final recommendations to the Board on honorary degrees. The Committee shall also perform other duties as assigned by the Board.

5.05.01

The University officer assigned to the Educational Policies Committee shall be the Provost.

5.06 Faculty Affairs Committee

The Faculty Affairs Committee shall be charged with the duty of meeting with representatives of the faculty to discuss general concerns of the faculty and the University, excluding any matters covered by the collective bargaining agreement. The Committee shall share its deliberations with the Board and make appropriate referrals to the other committees when further study on a matter is required. The Committee shall also perform other duties as assigned by the Board.

5.06.01

The University officer assigned to the Faculty Affairs Committee shall be the Provost.

5.07 Finance and Investment Committee

Pursuant to the Michigan Constitution, the Finance and Investment Committee shall work closely with the President and/or his/her executive officers to develop an annual budget for the University that directs and controls the University's funds consistent with the Board's goals, and that establishes annual rates for tuition and fees. The Committee will be charged with oversight and review of the University's borrowing and investment policies, opportunities and strategies,

and capital investment criteria The Committee also shall be charged with the duty of reviewing the financial affairs and the property of the University and reporting its findings thereon to the Board. Further, the Committee shall review all major proposed contracts prior to the contracts being recommended to, or executed by, the Board. The Committee shall perform other duties as assigned by the Board.

5.07.01

The University officer assigned to the Finance and Investment Committee shall be the University's Chief Financial Officer.

5.07.02

The Charter of the Finance and Investment Committee is appended to these Bylaws as Schedule A.

5.08 Student Affairs Committee

The Student Affairs Committee shall be charged with the duty of meeting with student leaders to discuss programs, policies, and general concerns of the students. The Committee shall share its deliberations with the Board and make appropriate referrals to the other Board committees when further study on a matter is required. It shall make appropriate recommendations. The Committee shall also perform other duties as assigned by the Board.

5.08.01

The University officer assigned to the Student Affairs Committee shall be the Provost.

5.09 Athletic Affairs Committee

The Athletic Affairs Committee shall be charged with the duty of meeting regularly with the Athletic Director and representatives of the Athletic Department to review and evaluate all existing athletic programs, policies, advancement initiatives and athletic related community relationships. The Committee shall review and make a recommendation to the Board regarding the Athletic Department's budget prior to presentation of that Budget to the Board, to ensure a high quality academic and athletic experience for student athletes. The Committee shall report its deliberations and findings to the Board and shall make appropriate referrals to other committees when further study on a matter is required. The Chairperson of the Committee shall work closely with the Athletic Director to develop the agenda for Committee meetings. The Committee shall also perform other duties as assigned by the Board.

5.09.01

The University officer assigned to the Athletic Affairs Committee shall be the Athletic Director.

5.10 Personnel and Compensation Committee

The Personnel and Compensation Committee shall be charged with reviewing all policy matters regarding the establishment of goals and objectives, performance assessment and pay structures for the President of the University, the Board Secretary, and Board Treasurer, and will make recommendations to the Board of Regents regarding all such matters.

In addition, the Committee will periodically review with the President the procedures and methods used in the evaluation of the members of the President's administrative team and will advise the President on the performance and operations of the members of the President's administrative team. The President will seek input from the Personnel and Compensation Committee on annual performance evaluations of the President's administrative team prior to the evaluations being presented to those individuals. The Committee will review salary studies, market data and other relevant information for the members of the President's administrative team on an annual basis. In the event of the hiring or termination of any member of the President's administrative team, the President will consult with the Chairperson of the Board and/or the Personnel and Compensation Committee prior to taking any formal action.

The Committee shall also have the authority to review and approve all proposed contracts (including contract renewals or extensions) for temporary or permanent individual employment and proposed contracts for employment consulting for the President's administrative team and any governmental relations consulting contracts.

At the discretion of the Chairperson of the Board and/or the Committee, the Committee may interview candidates considered for a position in the President's administrative team prior to the hiring of such individuals, as outlined in Section 4.05.01 of these Bylaws.

The Committee will also work with the President on succession planning and personnel development issues for the President and the members of the President's administrative team.

The Committee shall also perform other duties as assigned by the Board.

5.10.01

The Committee shall be chaired by the Vice Chairperson of the Board. The Committee shall also include two other members: the Chairperson of the Finance and Investment Committee, and one other Regent who shall be appointed by the Chairperson of the Board.

5.10.02

The University officer assigned to the Committee shall be the Vice-President and Secretary to the Board of Regents.

5.11 Audit Committee

An External and Internal Auditor shall be appointed and supervised in accordance with Bylaw Section 4.06. The Audit Committee shall meet with the Internal and External Auditor to discuss his or her operations and to recommend the adoption or revision of such general policies relating thereto as may be found appropriate. The Committee shall also be charged with oversight of the University's insurance and risk management programs and with oversight and due diligence of the establishment of the University's entrepreneurial activities. The Charter of the Audit Committee is appended to these Bylaws as Exhibit B.

5.11.01

The University Officer assigned to the Audit Committee shall be the University's Chief Financial Officer.

5.12 Resources and Authority

Any of the aforementioned committees may investigate any matter brought to its attention pertaining to its oversight areas, with full access to all books, systems, records, facilities and personnel of the University. The aforementioned Committees may engage independent counsel and other advisors as it determines necessary to carry out its duties at University expense.

ARTICLE VI

COLLECTIVE AUTHORITY AND ACTION

6.01

The authority of the Board of Regents is conferred upon it as a Board, and the Board can bind the body corporate and the University only by acting as a Board. No individual Regent shall bind the Board or the University to any contractual or other legal obligation without prior approval of the Board. Individual Regents otherwise may take such actions as are expected and consistent with their positions as Regents, or as a member of a Board committee.

ARTICLE VII

AMENDMENTS

7.01

These bylaws may be amended or repealed at any formal session of the Board, by an affirmative vote of a majority of the Regents, provided that copies of the proposed amendments or notices of repeal are submitted in writing to each Regent at least 24 hours in advance of such formal session.

ARTICLE VIII
INDEMNIFICATION

8.01 Duty to Indemnify Regents

Except as expressly set forth in this Article, the Board will defend, hold harmless, and indemnify (collectively hereafter, “indemnify” or “indemnification”) a Regent against any threatened, pending, or completed action, suit, or proceeding of any kind or type (including arbitration and alternative dispute resolution proceedings), whether civil, criminal, administrative, or investigative, including relative to any appeal, and wherever brought, if the involvement of the Regent in such action, suit, or proceeding arises:

(a) by virtue of the fact that he or she is or was a Regent, or is or was serving pursuant to the request of the Board as a director, officer, trustee, or similar position of another entity (i.e., corporation, partnership, limited liability company, joint venture, trust, etc.), or

(b) from actions taken in the course of duties as a Regent.

This obligation extends to the payment as incurred of all expenses (including attorneys' fees, judgments, penalties, fines, and amounts paid in settlement) (hereafter, “Expenses”).

8.02 Conclusive Presumption of Coverage

Indemnification under this Article shall be conclusively presumed unless a final and nonappealable determination has been made by a court of competent jurisdiction (at the request of the Board or any party to such action, suit, or proceeding) that the Regent:

(a) had no reasonable cause to believe that his or her conduct was in the best interests of the Board or the University, or

(b) failed to satisfy the terms and conditions of this Article, or

(c) with respect to a criminal action, suit, or proceeding, had reasonable cause to believe that his or her conduct was illegal.

The termination of any action, suit, or proceeding by judgment, order, settlement (whether with or without court approval), conviction, or a plea of nolo contendere or its equivalent, shall not create a presumption or be used as evidence that the Regent did not meet the requisite standard of conduct or had any particular belief or that a court has determined that indemnification is not permitted under this Article or by applicable law.

8.03 Reimbursement of Expenses

In the event that a determination is made pursuant to Section 8.02 above that the Regent is not entitled to indemnification under this Article or that indemnification should be revoked or

terminated, the Regent shall repay any and all Expenses paid by the Board to or on behalf of the Regent. If a Regent is entitled to indemnification by the Board for a portion of his or her Expenses, but not, however, for the total amount of such Expenses, the Board shall nonetheless indemnify the Regent for that portion of Expenses to which the Regent is entitled to indemnification under this Article.

8.04 Notice and Cooperation By Regent

As a condition to obtaining indemnification under this Article, the Regent must give prompt notice to the Board and the Office of the General Counsel of the pendency of any action, suit, or proceeding for which he or she may seek indemnification, and shall keep the Board and the Office of the General Counsel apprised of all significant developments in the action, suit, or proceeding. A Regent's full cooperation with assigned legal counsel is a condition of continued defense and indemnification under this Article.

8.05 Selection of Legal Counsel

Selection of legal counsel shall be made as follows:

(a) The General Counsel, after consultation with the Board, shall have authority over selection of all legal counsel to represent the individual Regents indemnified under this Section, except in the following cases:

(i) In any criminal matter, the Regent shall have sole authority over the selection of legal counsel.

(ii) In the event the named parties to any action, suit, or proceeding include a Regent and the Board or other Regents, and a named Regent has been advised by the General Counsel, or by legal counsel selected under Section 8.05(a) above, that there may be one or more legal defenses/positions available to him or her that conflict or may conflict with those available to one or more other named Regents (or the named Board), the named Regent then shall have the right to select separate legal counsel, and the Board shall then indemnify such named Regent for all Expenses incurred by such named Regent; provided, the Board will not be required to indemnify such named Regent for any settlement of any such action, suit, or proceeding effected without the Board's prior written consent.

(b) A Regent may, at any time at his or her own expense, retain separate legal counsel rather than avail himself or herself of this Article. In such event, the Board will not reimburse Expenses or provide any indemnification under this Article.

In matters where an individual Regent is a named party and the General Counsel has selected legal counsel for the named Regent, such legal counsel will keep the named Regent informed of the status of the action, suit, or proceeding.

8.06 Strategy and Settlement

Except in the case of a criminal matter, the Board shall have sole decision-making authority over all litigation and settlement strategies. In any criminal matter, the Regent involved shall have sole decision-making authority over all litigation and settlement strategies. Once the Board has settled an action, suit, or proceeding, the Board shall not be required to further indemnify a Regent with respect to that action, suit, or proceeding.

8.07 Non-Exclusivity

The indemnification provided in this Article shall not be exclusive of any other rights to which a Regent may be entitled under any statute, bylaw, insurance policy, agreement, or otherwise.

8.08 No Duplication of Recovery

Indemnification will be made under this Article only to the extent that the Regent is not made whole for his or her Expenses from all other sources of indemnification, including insurance maintained by the University. In no case will indemnification under this Article be in an amount which, when combined with the indemnification from all other sources of indemnification, exceeds the actual amount of Expenses incurred by the Regent.

8.09 Actions Brought By Regent

The Board shall not be required to indemnify a Regent in connection with an action, suit, or proceeding brought by such Regent unless such action, suit, or proceeding was authorized by the Board in advance and the Board expressly agrees to such indemnification.

8.10 Actions Brought By Board

The Board shall not commence, and hereby waives any right to commence, any action, suit, or proceeding, for monetary damages, against a current or former Regent, for breach of the Regent's fiduciary duty, or relative to any act or omission of the Regent, except as follows:

- i. Acts or omissions not in good faith or that involve intentional misconduct or knowing violation of law;
- ii. An act or omission that is grossly negligent; or
- iii. A transaction from which the Regent derived an improper personal benefit.

The Board shall not be required to indemnify a Regent in connection with an action, suit, or proceeding brought by or on behalf of the Board against the Regent.

8.11 Enforcement

If a claim for indemnification under this Article is not paid in full by the Board within ninety

(90) days after a written claim has been received by the General Counsel, the Regent making the claim may at any time thereafter bring suit against the Board to recover the unpaid amount of the claim, and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim.

8.12 Modifications

The right to indemnification set forth in this Article shall be deemed to be a contract right between the Board and each Regent who serves in such capacity at any time while this Article is in effect, and any repeal or modification of this Article shall not affect any rights or obligations then existing, with respect to any state of facts then or theretofore existing, or any action, suit, or proceeding theretofore or thereafter brought or threatened based in whole or in part upon any such state of facts.

8.13 Application

This Article applies to any Regent of the University. The indemnification provided for in this Article continues as to a person who ceases to be a Regent, and the rights and benefits of this Article shall inure to the benefit of the heirs, executors, administrators, personal representatives, successors, and assigns of Regents.

8.14 Severability

Each and every section, term, and provision of this Article shall be considered severable in that, in the event a court finds any section, term, or provision to be invalid or unenforceable, the validity and enforceability, operation, or effect of the remaining sections, terms, and provisions shall not be affected, and this Article shall be construed in all respects as if the invalid or unenforceable section, term, or provision had been omitted.

8.15 Inquires, Notices and Communication

All inquires, notices, and communications regarding this Article or related to any action, suit, or proceeding for which indemnification is or may be sought pursuant to this Article shall be directed to the Office of the General Council.

SCHEDULE A TO BYLAWS OF BOARD OF REGENTS OF EASTERN MICHIGAN UNIVERSITY

Regents of Eastern Michigan University
Committee Charter
Finance and Investment Committee

Finance and Investment Committee Mission:

The Finance and Investment Committee provides oversight to the Board of Regents of the financial and investment performance, policies and practices of Eastern Michigan University by ensuring effective management of the University's revenues and expenses, providing uncompromising stewardship for the University's financial and capital resources and by providing business and financial guidance to the many different constituencies at the University.

I. Responsibilities of the Finance and Investment Committee:

a. Finance Responsibilities:

- Review and monitor the overall financial health of the University
- Review and ensure that financial policies are current and applicable
- Review University budgets, including strategy, forecast projections, tuition/fees and assumptions for State Appropriations
- Review building and capital needs (including property acquisitions and disposals) and the related debt program, including structure, policy, strategy and future capacity
- Review tax compliance and exposure management
- Review all major contracts prior to their being recommended to the Board for action.
- Review annually the travel and hosting expenses of the President and his/her family.

b. Investment Responsibilities

- Review investment policies, including investment goals, model asset allocation, distribution policies and performance benchmarks, and investment reporting policies and practices, and ensure adherence to such policies
- Review investment costs, including cost of internal management, fees to outside managers, custodial, reporting and brokerage fees.
- Review performance of investments compared to relevant benchmarks or indices.

II. Composition and Meetings:

The Chairperson of the Board of Regents will appoint the Chairperson of the Finance and Investment Committee. The Chief Financial Officer will act as the staff liaison to the Finance and Investment Committee. All appointments will be at the pleasure of the Board Chairperson. The Finance and Investment Committee may, at its discretion, hire financial expertise from outside the University, subject to approval by the Board.

The Finance and Investment Committee will advise the Board on matters pertaining to its oversight areas and will present periodic reports and recommendations, but will not have the power to bind the Board on any matter. The Finance and Investment Committee may meet as often as necessary, but not less than five times in a calendar year (corresponding with regularly scheduled Board meetings).

**SCHEDULE B TO BYLAWS OF
BOARD OF REGENTS OF EASTERN MICHIGAN UNIVERSITY**

Regents of Eastern Michigan University
Committee Charter
Audit Committee

I. Audit Responsibilities

- Be directly responsible for the appointment, compensation and retention of the University's independent internal auditor, review and approve the annual internal audit plan, evaluate annually the performance of the auditor, and provide the auditor with direct access to the FA Committee.
- Recommend to the Board the selection of an external auditor, who shall be appointed by the Board, evaluate annually the performance of the auditor, and provide the auditor with direct access to the FA Committee
- Review with the administration and the independent auditor the clarity and completeness of the annual audit of the university's financial statements and supplemental information. Review and approve the annual statements and supplemental information.
- Meet with internal and external auditors at least three times per year.
- Review annually the compensation plans, policies and programs (including salary, benefits and perquisite benefits) of the President and other "Key Officers" as determined by the Audit Committee.
- Review annually with the independent auditors the University's Risk Assessment and risk management policies and procedures, financial risk of lost assets, operational risk of ineffective and inefficient operations, compliance risk of violating laws, regulations and University policies and procedures and reputational risk regarding public relations matters are effectively managed. Ensure that the University is properly insured against losses.
- Establish and provide on-going review of the University's procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, or other matters of questionable fiduciary and stewardship actions. Ensure that confidential, anonymous reporting mechanisms are in place and that all employees, students and other University stakeholders are aware of their existence.
- Review the University's insurance and risk management programs.
- Oversee due diligence of the establishment of the University's entrepreneurial activities.

The aforementioned responsibilities of the Audit Committee may be modified or supplemented as appropriate at any time.

II. Composition and Meetings:

The Chairperson of the Board of Regents will appoint the Chairperson of the Audit Committee. The Chief Financial Officer will act as the staff liaison to the Audit Committee. All appointments will be at the pleasure of the Board Chairperson. The Audit Committee may, at its discretion, hire appropriate expertise from outside the University, subject to approval by the Board.

The Audit Committee will advise the Board on matters pertaining to its oversight areas and will present periodic reports and recommendations, but will not have the power to bind the Board on any matter. The Audit Committee may meet as often as necessary, but not less than four times in a calendar year (corresponding with regularly scheduled Board meetings).

IV. Adoption of Chapter:

The Board of Regents has adopted this Charter on March 21, 2006, and amended this Chapter on June 23, 2009 and April 16, 2013.

AALIB:553891.10\025676-00099

Authority for Creation and Revision

Minutes of the Board of Regents, September 17, 1975: para. .1570M; May 22, 1985: para. .3103M; May 19, 1992; para. .4557M; September 22,1992; para. .4604M; January 26,1993; para. .4656M; January 23, 1996; para. .5072M; June 20, 2000; para. .5689M; March 18, 2003; para. .6099M; March 16, 2004; para. .6251M; March 15, 2005; para. .6422M; June 21, 2005; para. .6465M; August 2, 2005, para. .6472M; March 21, 2006, para. .6601M; ; June 19,2007 para. .6723M; June 23, 2009; September 21, 2010; September 18, 2012; December 6, 2012, April 16, 2013