

F-3 BY-LAWS OF THE BOARD OF TRUSTEES OF AUBURN UNIVERSITY

CHAPTER I

THE UNIVERSITY

SECTION 1. General Provisions

- 1.1 Auburn University is a public corporation and instrumentality of the State of Alabama, created and existing by virtue of Section 266, Constitution of Alabama of 1901, and Section 16-48-1, et seq., Code of Alabama 1975.
- 1.2 Auburn University is a land-grant university of the State of Alabama. As a Land-grant University, Auburn is dedicated to service to Alabama and the nation through its three divisions of instruction, research, and extension. Instruction is the academic process on campus and elsewhere between professors and students. Research is carried on continually to increase knowledge. Extension programs provide educational services and special assistance throughout the State.
- 1.3 Auburn University consists of two campuses. The principal campus unit was originally chartered in 1856 and is located in Auburn, Alabama. The second campus was authorized by the Board of Trustees, pursuant to action of the Alabama Legislature in 1967 and is located in Montgomery, Alabama (AUM). These educational units, together with certain authorized adjuncts of each, constitute Auburn University, for which the Board of Trustees is the governing body.

CHAPTER II

BOARD OF TRUSTEES

SECTION 1. General Provisions

- 1.1 Under the Alabama Constitution and Statutes, Auburn University is governed by a Board of Trustees.

- 1.2 The Board of Trustees consists of fourteen members, as follows: one member from each congressional district, as these districts were constituted on January 1, 1961, one member from Lee County, three at-large members, and the Governor, who is a member ex officio, with full voting powers.
- 1.3 New members of the Board of Trustees are appointed by an appointing committee, by and with the advice and consent of the State Senate, and hold office for a term of seven years, and until their successors are appointed and qualified, but in no event longer than one year after completion of the term of office. Each member of the Board of Trustees, as constituted on the date this amendatory language is ratified, may serve the remainder of his or her current term and shall be eligible, if otherwise qualified, to serve for no more than two additional seven-year terms. No person shall be appointed as a member of the Board of Trustees after having reached 70 years of age.

Under the laws of the State of Alabama, the Board of Trustees has no power to remove one of its members. Section 60 of the Constitution of Alabama which provides that “[n]o person convicted of embezzlement of the public money, bribery, perjury, or other infamous crime, shall be eligible to the legislature, or capable of holding any office of trust or profit in this state” sets forth the grounds and procedure for removing a Trustee.

- 1.4 Vacancies occurring on the Board of Trustees from death, resignation, or other cause are appointed by the appointing committee, by and with the advice and consent of the State Senate.
- 1.5 The President Pro Tempore or another trustee who he/she designates, along with another Trustee elected by the Board of Trustees, will be members of the appointing committee. The Governor and two members of the Auburn Alumni Association Board of Directors, selected by the Auburn Alumni Association, shall be the other members of the appointing committee.
- 1.6 No Trustee may receive any pay or emolument other than actual expenses incurred in the discharge of Board duties.
- 1.7 No employee of Auburn University is eligible to serve on its Board of Trustees.
- 1.8 The presidents of the Student Government Associations at Auburn University and Auburn University at Montgomery serve ex officio as advisory members to the Board of Trustees.

- 1.9 The immediate Past-Chair of the Auburn University Senate and immediate Past-President of the AUM Faculty Council will be elected as non-voting advisors to the Board of Trustees, replacing their predecessors at the next Board meeting after assuming that status.
- 1.10 Emeritus status shall be conferred automatically when a member of the Board of Trustees completes a term or terms of service. The emeriti members may attend meetings in a non-voting ex officio capacity in appreciation for service to Auburn University.

SECTION 2. Authority and Responsibility of the Board

- 2.1 The entire management and control over the activities, affairs, operations, business, and property of Auburn University shall be completely and absolutely vested in the Board of Trustees of Auburn University.
- 2.2 In the exercise of its responsibility and authority, the Board determines policy; reviews existing policy; periodically evaluates the President; approves the missions, role, and scope of the University and each of its major divisions; and provides ultimate accountability to the public and the political bodies of Alabama. Any authority delegated by the Board shall be subject to the ultimate authority of the Board.

SECTION 3. Officers

- 3.1 The Governor serves ex officio as President of the Board of Trustees. The duties and responsibilities of the President of the Board include:
 - 3.1.1 To report to and be responsible to the Board.
 - 3.1.2 To preside over meetings of the Board.
 - 3.1.3 To call special meetings of the Board in the manner provided by statute.
- 3.2 A President Pro Tempore of the Board shall be elected by the Board at its annual meeting. A Vice President Pro Tempore shall be elected at any annual meeting in which a sitting President Pro Tempore is elected to serve a second term as President Pro Tempore.

- 3.2.1 No member of the Board may be elected to the office of President Pro Tempore more than two complete consecutive terms.
- 3.2.2 Vacancies in the office of President Pro Tempore shall be filled by election of the Board at the first meeting held after the office becomes vacant. The President Pro Tempore shall serve until the next annual meeting. Such partial term as President Pro Tempore shall not count as a term as set out in paragraph 3.21.
- 3.2.3 In the absence of the President and the President Pro Tempore, the Vice President Pro Tempore shall serve temporarily as President Pro Tempore. If there is no Vice President Pro Tempore in office, the senior member of the Board shall serve temporarily as President Pro Tempore.
- 3.2.4 Vacancies in the office of Vice President Pro Tempore shall be filled by election of the Board at the first meeting held after the office becomes vacant. The Vice President Pro Tempore shall serve until the next annual meeting.
- 3.2.5 The Vice President Pro Tempore may or may not be nominated to succeed the President Pro Tempore when a vacancy occurs.
- 3.3 The duties and responsibilities of the President Pro Tempore of the Board include:
 - 3.3.1 To perform the duties of the President of the Board in the absence of the President.
 - 3.3.2 To report to and be responsible to the Board.
 - 3.3.3 To perform such other duties as assigned by the Board.
 - 3.3.4 To appoint members of the standing committees of the Board and to establish special committees of the Board and appoint members thereof. To designate the chairperson and vice-chairperson of all committees as appropriate.
- 3.4 The Board shall appoint the President of Auburn University, who shall serve at the pleasure of the Board, consistent with the terms of any contract.

- 3.5 The Board shall appoint and compensate the Secretary to the Board of Trustees and may appoint accountants, lawyers, and other advisors or assistants, who shall serve at the pleasure of the Board and shall perform such duties as are assigned by the Board or the President Pro Tempore.
- 3.6 The Board of Trustees may elect such other officers as it may deem necessary, and such officers shall serve at the pleasure of the Board.

SECTION 4. Committees

- 4.1 Standing committees, composed of members of the Board, shall be those as established in Chapter II, paragraph 4.4, of these By-Laws. Also, there may be special committees composed of members of the Board.
- 4.2 Each year, during the annual meeting of the Board, the President Pro Tempore of the Board shall appoint members to the standing committees and at any appropriate time special committees of the Board who shall serve until their successors are appointed or the duties of the special committee end.
- 4.3 Each standing committee of the Board shall be composed of at least three members of the Board. More than one half of the members of a standing committee shall be present to review issues assigned to a committee.
- 4.4 Standing committees of the Board are:
 - 4.4.1 Executive Committee. During intervals between meetings of the Board, and subject to such limitations as may be required by law or specifically imposed by the Board, the Executive Committee may make recommendations to the President and/or the Board in all areas of University affairs as it may deem appropriate. This committee may provide recommendations for Board action on matters of policy relating to laws and regulations governing duties and powers of the Board. The committee may review matters of University legal involvement, and oversee presidential evaluation. Recommendations on commemorative activities of the University, including naming of buildings and awarding of honorary degrees, may be the responsibility of this committee, as well as other matters referred to it by the Board of Trustees or the President of Auburn University.

Should it be necessary, the Committee shall have and may exercise all the powers and authority of the Board in the transaction of the business of the University between meetings of the Board except (a) insofar as such power and authority may have been specifically limited by the Board or applicable law, (b) for selling University-owned real estate, (c) for dismissing or appointing the President of the University, (d) for approving the basic academic program of the University, (e) to discuss vacancies on the Board, and (f) to amend the By-Laws of the Board.

A review of any actions of the Committee shall be a regular order of business at each meeting of the Board, and such actions shall be subject to revision and alteration by the Board, provided that no rights of third parties shall be affected by any such revision or alteration.

- 4.4.2 Academic Affairs Committee. The Academic Affairs Committee may consider and provide recommendations for Board action on policies relating to the academic freedom, tenure and promotion of faculty, and the overall academic program, including long range plan development, review of existing academic programs, approval of new academic programs, missions statements and statements of role and scope, and other matters related to the orderly development of the University. Further, the committee shall be concerned with the granting of earned degrees, the recruitment, appointment, promotion and dismissal of academic personnel, affirmative action and equal opportunity in the academic areas, research leaves and sabbaticals, the library, and other matters of an academic nature, including but not limited to learning communities, scholarships, admission standards and enrollment management and shall ensure that all academic programs are consistent with the mission of the University.
- 4.4.3 Audit Committee. The Audit Committee may consider policies and take other actions as set forth in the Audit Committee Charter attached as Exhibit A to these By-laws concerning oversight in areas of financial controls and reporting and administration of the Code of Ethics.
- 4.4.4 Finance Committee. The Finance Committee may have as its responsibility oversight of fiscal policies of the University. Specifically, the Committee may consider and provide recommendations to the Board on annual operating budgets

as developed by the President, and general guidelines for proposing legislative budget requests.

- 4.4.5 Property and Facilities Committee. The Property and Facilities Committee may consider and provide recommendations to the Board for action policies related to management of properties of the University, construction and renovation of facilities, consideration of the President's recommendations for project architects and engineers, and other matters concerning the properties of the University. It may consider the recommendations of the President for capital expenditures and building priorities and make recommendations to the Board.

Upon designation of a capital project as an expedited project by the Board of Trustees, the Property and Facilities Committee of the Board shall have the authority to take all action, other than approval of the budget and site otherwise designated by these By-Laws or Board of Trustee Policy as requiring full Board of Trustee approval.

A review of any actions of the Property and Facilities Committee shall be a regular order of business at each meeting of the Board, and such actions shall be subject to revision and alteration by the Board, provided that no rights of third parties shall be affected by any such revision or alteration.

- 4.4.6 Agriculture Committee. The Agriculture Committee may consider and provide recommendations to the Board for action policies related to programs of agriculture, operation of the agriculture experiment stations, cooperative extension system and agricultural lands
- 4.4.7 Auburn University at Montgomery Committee. The Auburn University at Montgomery Committee may consider and provide recommendations to the Board or the appropriate committees of the Board for action policies related to Auburn University at Montgomery.
- 4.4.8 Student Affairs Committee. The Student Affairs Committee may review for alignment with institutional mission and student needs -- the totality of programs serving students' needs that includes promoting a diverse student body, counseling, remedial programs, career and life-planning, financial aid, and co-curricular activities. In addition, the

Committee may assess the current and ideal allocation of resources to those programs; set standards for and keep track of student satisfaction and retention; reflect and make recommendations to meet projected changes and developments in students' needs over the next years; keep current on student support programs in higher education; and determine and review data required from the administration, compare it over time, and assess it in the light of data from other institutions.

4.4.9 The Committee on Institutional Advancement. The Committee on Institutional Advancement may consider and provide recommendations to the Board on policies related to informational and promotional programs, fund raising efforts, government relations, alumni relations, and relations with and activities of other affiliated or support organizations.

4.4.10 Compensation Committee. The Compensation Committee may consider and provide recommendations to the Board on policies related to total compensation of University employees balancing good stewardship of institutional resources with promotion of a quality work force by providing competitive compensation. The Committee shall also annually review and make recommendations concerning the President's compensation package.

- 4.5 The Board of Trustees will establish such special committees as it deems advisable.
- 4.6 All members of the Board are entitled to attend any committee meetings.
- 4.7 Each standing or special committee will provide public notice as required by law of scheduled meetings and will prepare and maintain minutes of its meeting except for meetings of the Executive Committee in Executive Session.
- 4.8 All matters considered by standing or special committees shall be reported to the Board with an advisory recommendation for action by the Board. The report shall include a summary of committee members' comments on the matters reviewed and suggestions for further administrative action.
- 4.9 Annually, faculty members, or with respect to the Committee on Institutional Advancement, members from affiliated or support organizations, shall be appointed as a non-voting advisory

member(s) of most standing committees. The appointments will be made by the President Pro Tempore as follows:

- Academic Affairs Committee - Chair of University Senate
- As provided in paragraph 4.91, recommendations for other appointments shall be made to the President Pro Tempore for other committees as follows:
 - Finance Committee, Compensation Committee and Institutional Advancement - one from AU College of Business and one from AUM School of Business
 - Property and Facilities Committee - one from College of Engineering or College of Architecture, Design and Construction
 - Agriculture Committee - one from College of Agriculture
 - Auburn University at Montgomery Committee - one from AUM
 - Student Affairs Committee - one member of the faculty
 - The Committee on Institutional Advancement – one or more faculty members from the AU or AUM faculty as well as one or more members from affiliated or support organizations.

4.9.1 The University Senate at the Auburn Campus or Faculty Council at AUM shall submit a list to the President or Chancellor of three faculty members from within the faculty of the college or campus stated above. The President or Chancellor, in consultation with the Dean(s)/Chancellor of the college or campus, shall select a name from that list or if no name is selected, shall request the University Senate or Faculty Council to forward additional names until a member is selected. The recommendations will then be forwarded to the President Pro Tempore so that the appointments can be made at each annual meeting.

Members from affiliated or support organizations shall be recommended by the President.

4.10 The President of the Student Government Associations of Auburn University and Auburn University at Montgomery

shall serve as non-voting advisory members of the Student Affairs Committee

SECTION 5. Meetings

- 5.1 The Board shall hold one regular meeting during each quarter of the calendar year, in accordance with a schedule determined by the Board at its annual meeting. Other meetings may be called and held as provided by law. Public notice of scheduled meetings will be given as required by law.
- 5.2 The annual meeting of the Board is held on the first Monday in June at Auburn, Alabama, unless the Board, in regular session, determines to hold this meeting at some other time and place.
- 5.3 Special meetings may be called by the Governor on at least ten days written notice and shall be called by the Governor on the written application of any three members of the Board, in the manner provided by applicable law of the State of Alabama.
- 5.4 In lieu of notice, a written waiver of notice of any meeting shall be sufficient, provided such waiver is signed by at least nine members of the Board.
- 5.5 The members of the Board of Trustees may recess at any regular or special meeting from one date to another as established by approved schedule or at the call of the President Pro Tempore, and at the continuation of such recessed meeting, they may transact any business relating to the affairs of the University.
- 5.6 An agenda for Board and committee meetings will be prepared by the President of Auburn University, in consultation with the President Pro Tempore, and transmitted to Board members at least seven days in advance of meetings. This requirement does not preclude consideration of matters proposed by the President or members of the Board which could not reasonably have been included in the agenda. Subject to approval by majority vote of those present, the Board may consider any other item of business.
- 5.7 Vote by proxy shall not be permitted. This does not preclude a member of the Board of Trustees not present at a meeting from having entered into the minutes for that meeting an opinion on any agenda item on which action is taken, provided that such personal views should be submitted in writing.

- 5.8 Consistent with requirements of applicable open meetings law and so long as a quorum of the Board or Committee is physically at the same location, the Board and committees may meet by telephone conference or video conference.

SECTION 6. Quorum

- 6.1 One more than half of the members of the Board shall constitute a quorum, but a smaller number may adjourn or recess from day to day until a quorum is present.

CHAPTER III

ADMINISTRATION

SECTION 1. General Provisions

- 1.1 The administration of Auburn University, under the authority of the Board of Trustees, is unified in the Office of the President.

SECTION 2. President of the University

- 2.1. The President of the University shall be the chief executive officer of the University and shall be responsible and accountable for all of the affairs of the University, except those which by law or these By-Laws are made the responsibility of other persons but in all cases subject to the authority of the Board. The President shall have the power, in the name of the University, to make and execute, or authorize the making and execution of, all contracts and written instruments made in the ordinary course of the operations of the University, except those which must be specifically approved and authorized by the Board
- 2.2. All officers, staff, faculty and other employees of the University, except those provided for in Chapter II, section 3.5, shall be under the final authority of the President of the University, who shall exercise overall direction in implementing the policies of the Board.
- 2.3. The President shall be an ex-officio non-voting member of all Board committees.
- 2.4. Except as otherwise provided for in these By-Laws or Board policy, the President of the University shall appoint all officers, staff, faculty and other employees of the University.

- 2.5. In the case of an extended absence of the President, the duties of that office shall be assigned to a Presidential delegate approved by the Board of Trustees. In the case of disability of the President, the Board of Trustees shall designate an interim President.
- 2.6 Presidential Evaluation and Compensation
 - 2.6.1 The President shall be evaluated, at the annual meeting of the Board, according to written objectives, specific and general, developed by the President, discussed with the President Pro Tempore and presented to the Board before the outset of each academic year. The President shall report on these goals at each meeting of the Board.
 - 2.6.2 The President shall be formally evaluated by the Board at least every four years or at any other time deemed desirable by the Board. The evaluation shall be conducted by an outside evaluator who will be appointed by the Board with approval of the President.
 - 2.6.3 The Compensation Committee shall serve as the President's Compensation Committee and based on the annual evaluation, review the President's compensation package.

SECTION 3. Other Officials

- 3.1 The Provost and the Chancellor of Auburn University at Montgomery shall be appointed by the President of Auburn University, upon prior approval of the Board. Vice Presidents of Auburn University and the Director of Intercollegiate Athletics shall be appointed by the President upon prior consultation with the Board of Trustees. Such officials shall exercise such powers and perform such duties under the supervision of the President of Auburn University. All senior administrators reporting to the President shall be evaluated annually by the President.
- 3.2 The directors of the Agricultural Experiment Station and Cooperative Extension System shall be appointed by the President, upon prior approval of the Board.

CHAPTER IV

BOARD POLICY STATEMENTS

SECTION 1. General Provisions

- 1.1 Policies and procedures statements are prepared by the President and approved by the Board of Trustees to guide administrative decisions and Board action. These are distributed on campus in the form of a Policies and Procedures Manual.
- 1.2 Board policy statements are approved by majority vote of those Trustees present at any regular or special meeting of the Board of Trustees having a quorum in attendance.
- 1.3 A policy or group of policies may be waived by majority vote at any regular or special meeting of the Board having a quorum present. Such waiver may be limited to a specific time period or may be indefinite until terminated by Board action.

CHAPTER V

CODE OF ETHICS

SECTION 1. General Provisions

- 1.1. A member of the Board of Trustees shall, when making decisions in that capacity, exercise independent judgment so that no minority cohort of the Board, or organization or interest separate from the Board, controls the decisions of the Board, and accordingly, such that the sole concern of each member is the benefit of the institution.
- 1.2. A member of the Board of Trustees shall not use his or her position on the Board of Trustees of Auburn University to profit financially from any service on the Board of Trustees, except by receiving normal and customary reimbursement for expenses for service as a Trustee.
- 1.3. In order to avoid any potential or real conflict of interest involving the position of a Trustee of Auburn University and any business or economic interest which said member of the Board has, the Board member shall fully and publicly disclose said interest and will not participate in the discussion, debate, or voting upon said matter.

Said disclosure shall be duly noted in the minutes of the meeting of the Board of Trustees or committee, if appropriate. The Board of Trustees, or a duly charged committee thereof, has the responsibility for administering the disclosures required in this Code of Ethics.

- 1.4. No member of the Board of Trustees shall disclose confidential information regarding current or planned decisions or actions to others.
- 1.5. Upon appointment to the Board and thereafter at each annual meeting, each member of the Board of Trustees shall affirm that he or she has reviewed this Code of Ethics and will comply with its requirements on a form and in a manner set forth by the Board of Trustees, or a duly charged committee thereof.

CHAPTER VI

AMENDMENT OR REPEAL OF BY-LAWS

SECTION 1. General Provisions

- 1.1 Upon approval by the affirmative vote of nine members of the Board of Trustees, these By-Laws shall become effective at the conclusion of the Board's annual meeting in June 1984.
- 1.2 New By-Laws may be adopted, and By-Laws may be amended or repealed, at any meeting of the Board by the affirmative vote of nine members of the Board, but no action shall be taken unless such proposed adoption, amendment, or repeal shall have been given at a previous meeting or notice in writing of the proposed change shall have been served upon each member of the Board at least thirty (30) days in advance of the final vote upon such change, provided; however, that by an affirmative vote of at least nine members of the Board the requirements for such notice may be waived at any time.

SECTION 2. Suspension of By-Laws

- 2.1 The By-Laws or any one of them may be suspended at any meeting by an affirmative vote of at least nine members of the Board and not otherwise.

CHAPTER VII

REPEALING CLAUSE

SECTION 1. General Provisions

- 1.1 All rules, orders, regulations, resolutions and By-Laws heretofore adopted by the Board, which are in conflict with these By-Laws, are hereby repealed but such repeal shall not affect actions heretofore taken pursuant to such rules, orders, regulations, resolutions and By-Laws.

Approved November 4, 1983
Amended June 2, 1986
Amended December 17, 1991
Revised June 1, 1992
Revised November 6, 1998
Revised June 4, 2001
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Revised November 15, 2002
Revised June 11, 2004
Revised November 10, 2006
Revised April 25, 2008
Revised June 19, 2009

Auburn University Board of Trustees Audit Committee Charter

Section I. Purpose

The primary purpose of the Audit Committee (the "Committee") is to assist the Board of Trustees in fulfilling its oversight responsibilities in the areas of financial controls and reporting and administration of the Code of Ethics. The scope of the Committee's activities encompasses the examination and evaluation of the adequacy and effectiveness of the University's system of internal controls and the quality of performance in carrying out assigned responsibilities.

Section II. Responsibilities

The Committee shall:

- 2.1. Select and appoint the independent auditor.
- 2.2. Review and approve (or disallow) the fees to be paid to the independent auditor, authorize (or prohibit) the provision of any non-audit services by the independent auditor, and consider any questions of resignation or dismissal of the independent auditor.
- 2.3. Meet with the independent auditors before and after an independent audit commences to discuss the nature and scope of the audit and review the auditor's findings (such meeting(s) shall be held in the absence of senior administrators, if deemed appropriate by the Committee).
- 2.4. Review the independent auditor's "management letter", senior administrators' responses, and the internal auditor's annual report, if such items are prepared.
- 2.5. Present the Committee's review and evaluation of the audit report to the full Board.
- 2.6. Review the results of non-audit services completed by the auditors, if such services have been performed.
- 2.7. Review the internal audit function and if outsourced, annually review the proposed scope of the internal audit services and related fees.

- 2.8 Monitor Board member compliance with the University's Code of Ethics Policy.
- 2.9 Verify that the University is in compliance with all applicable criteria for accreditation.

Section III. Audit Committee Members

- 3.1 The Committee shall be comprised of three (3) Trustees, appointed by the President Pro Tem, each of whom shall be independent Trustees and free from any relationship that, in the opinion of the President Pro Tem, would interfere with the exercise of his or her independent judgment as a member of the Committee.
- 3.2 All members of the Committee shall have a working familiarity with basic finance and accounting practices, and at least one (1) member of the Committee shall have accounting or related financial management expertise. Committee members may enhance their familiarity with finance and accounting by participating in educational programs conducted by the University or an outside consultant.

Section IV. Meetings of the Audit Committee

The Committee shall meet as frequently as circumstances dictate but, at a minimum, it shall meet at least once in connection with the preparation of the annual audit and again before the presentation of the annual audit report to the full Board.

Section V. Implementation

The Committee, in consultation with the President Pro Tempore, shall develop procedures to implement this Charter.