ARTICLES OF INCORPORATION
AND BY-LAWS

TRANSYLVANIA UNIVERSITY
LEXINGTON, KENTUCKY

The Articles of Incorporation were amended and adopted by the Board of Curators of Transylvania University on November 18, 1967 and recorded on November 27, 1967. The University was originally incorporated in May 1780 by an act of the General Assembly of Virginia.

The By-Laws of Transylvania University were adopted by the Board of Curators June 11, 1960 and revisions were adopted June 14, 1969.
ARTICLES OF INCORPORATION

KNOW ALL MEN BY THESE PRESENTS:

That J. D. Gay, Jr., as President, and L. G. Cox, as Secretary of the Board of Curators of Transylvania University, a Kentucky educational corporation, do hereby certify that at a meeting of said Board of Curators duly called upon notice of the specific purpose, more than two-thirds of said Curators adopted the following Resolution and Amendment of the Articles of Incorporation of said educational corporation, viz:

RESOLVED, That pursuant to the provisions of KRS 273.170, the Articles of Incorporation of Transylvania University be, and the same hereby are, amended and restated as follows:

ARTICLE I. Name

The name of the corporation shall be Transylvania University.

ARTICLE II. Purposes and Powers.

In furtherance and not in limitation of the general powers now or hereinafter conferred upon it by law, the corporation shall also have the following objects, purposes and powers:

To establish and maintain in Lexington, Kentucky, an institution of learning for the instruction of youth in the various branches of science, literature, philosophy, and the liberal, useful and fine arts; and to grant diplomas or confer degrees on its students or others, who are deemed proficient and fitted to receive them. For the accomplishment of these objects, it has power to establish branch organizations; to establish a library or libraries; to print, publish, bind and distribute such books, magazines, papers, and other literature as will further carry out the objects of this corporation; to lease or purchase buildings and equipment and to acquire by purchase or gifts such personal and real property as may be necessary to carry out the objects of this corporation; to receive subscriptions and donations of real and personal property to be applied to the uses and purposes of the corporation; to take, hold and manage real and personal property conveyed to it in trust, the income from which is to be applied to the uses and purposes of this corporation, and to execute such trusts; to purchase, take, own, hold, improve, deal in, subdivide, farm, mortgage or otherwise lien and to lease, sell, exchange, convey, transfer or in any manner whatsoever use and dispose of real property, provided, only, that the utilization thereof shall be in furtherance of the corporate objects or for underwriting the financial costs thereof; to permit the use of any of its property for religious, educational, benevolent or other lawful purposes, and generally to do all things necessary or appropriate to the carrying on of an institute of higher education.
The foregoing powers shall include, without limitation, the power to continue to operate and conduct, and provide for the continued maintenance, aid and support of the historic educational institution known as Transylvania College.

**ARTICLE III. Duration.**

The existence of the corporation shall be perpetual.

**ARTICLE IV. Principal Office.**

The principal office of the corporation is to be located at Lexington, Kentucky, and the name and address of its resident agent is as follows: Mr. J. D. Gay, Jr., Pine Grove, Fayette County, Kentucky.

**ARTICLE V. Board of Curators**

The affairs and management of the corporation shall be conducted by its membership to be designated and known as the Board of Curators. Such Board of Curators shall consist of not less than three (3) nor more than fifty (50) persons, their number, term of office and manner of election to be determined by the By-Laws.

The names and addresses of the persons now serving as Curators of Transylvania University and who are to serve as such until their successors have been elected and qualify are as follows:

- Sterling D. Coke, Lexington, Kentucky
- Webster L. Cowden, Lexington, Kentucky
- Leonard G. Cox, Jr., Lexington, Kentucky
- Wood Hannah, Louisville, Kentucky
- Frank Jones, Maysville, Kentucky
- Charles Allen Thomas, St. Louis, Missouri
- Lewis H. Ware, Ashland, Kentucky
- Frank E. Zorniger, Wilmore, Kentucky
- A. B. Chandler, Versailles, Kentucky
- James C. Codell, Jr., Winchester, Kentucky
- J. Douglas Gay, Jr., Pine Grove, Kentucky
- Mrs. George K. Graves, Jr., Ft. Lauderdale, Florida
- Floyd H. Wright, Lexington, Kentucky
- Samuel Saslaw, Columbus, Ohio
- Ben Allen Thomas, Sr., Shelbyville, Kentucky
- William Young, Lexington, Kentucky
- Leonard W. Boynton, Paris, Kentucky
- Caruthers A. Coleman, Lexington, Kentucky
- Cecil B. Flood, Dallas, Texas
- Charles D. Mitchell, Lexington, Kentucky
- Gilmore N. Nunn, Lexington, Kentucky
- Alfred G. Powell, Lexington, Kentucky
- Harold J. Utter, Lexington, Kentucky
- Clair Vough, Lexington, Kentucky
- Earl D. Wallace, Lexington, Kentucky
- Miss Laura C. Christianson, New York, New York
- Fred A. Dowd, Cincinnati, Ohio
- Carl H. Fortune, Lexington, Kentucky
Jacob H. Graves, Lexington, Kentucky
William T. McConnell, Louisville, Kentucky
Grant McDonald, Lexington, Kentucky
Frank A. Rose, University, Alabama
Jesse H. Simpson, Jr., Louisville, Kentucky
Mrs. William S. Speed, Louisville, Kentucky
Alex G. Campbell, Jr., Lexington, Kentucky
William C. Clay, Jr., Mt. Sterling, Kentucky
Homer L. Drew, Lexington, Kentucky
Lee L. Gladstein, Scottsburg, Indiana
John D. Greever, New York, New York
William P. Hardy, Oak Ridge, Tennessee
Raymond F. McLain, University, Alabama
Dexter Meyer, Jr., South Fort Mitchell, Kentucky
Frank N. Tender, Richmond, Kentucky

**ARTICLE VI. By-Laws and Executive Committee.**

In furtherance and not in limitation of the general powers conferred by law, the Curators are authorized:

1. To make, alter, amend, or repeal the By-Laws of the corporation,
2. To provide for the appointment from amongst its members of an Executive Committee, which Committee shall have and exercise such powers as the By-Laws may prescribe,
3. To authorize the Executive Committee to make, alter, amend, or repeal the By-Laws of the corporation subject to the power of the Curators by a majority vote to alter, amend, or repeal any By-Law made by the Executive Committee.

**ARTICLE VII. Debt Immunity.**

The members of the corporation pursuant to the provisions of KRS 273.160 to 273.290 shall not be personally liable for any debt or obligation of the corporation, solely by reason of being members.

**ARTICLE VIII. Contract Validity.**

No contract or other transaction between the corporation and any other corporation and no other act of the corporation shall, in the absence of fraud, in any way be affected or invalidated by the fact that any of the Curators of the corporation are pecuniarily or otherwise interested in, or are directors or officers of, such other corporation. Any Curators of the corporation individually or any firm or association of which any Curator may be a member, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of the corporation, provided that the fact that he individually or such firm or association is so interested shall be disclosed or shall have been known to the Curators or a majority of such members thereof as shall be present at any meeting of the Curators at which action upon any such contract or transaction shall be taken. Any Curator of the corporation who is also a director or officer of such
other corporation or who is so interested may be counted in determining the existence of a quorum at any meeting of the Curators which shall authorize any such contract or transaction, and may vote thereat to authorize any such contract or transaction, with like force and effect as if he were not such director or officer of such other corporation or not so interested. Any Curator of the corporation may vote upon any contract or other transaction between the corporation and any subsidiary or affiliated corporation without regard to the fact that he is also a director of such subsidiary or affiliated corporation.

**Article IX. Indemnification.**

Any person made a part to any action, suit or proceeding by reason of the fact that he, his testator or intestate, is or was a Curator, officer or employee of this corporation or of any corporation which he served as such at the request of this corporation, shall be indemnified by the corporation against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such officer, Curator; or employee is liable for negligence or misconduct in the performance of his duties. Such right of indemnification shall not be deemed exclusive of any other rights to which such Curator, officer, or employee may be entitled by law.

**Article X. Repealer.**

All provisions of the Charter of the corporation inconsistent with the provisions hereof, whether the same be in the form of an Act of the General Assembly of a Commonwealth or of an Amendment to the Articles of Incorporation, are hereby repealed.

The preceding Amended Articles of Incorporation of Transylvania University were adopted at a meeting of the Board of Curators of Transylvania University which meeting was the annual fall meeting of the Board of Curators and of which meeting all members of the Board of Curators were notified by a Notice setting forth that one of the purposes of the meeting was to consider and vote upon Amended Articles of Incorporation, which Amended Articles had been declared to be advisable by a resolution of the Executive Committee of Transylvania University, which meeting was duly held pursuant to said notice at the permanent offices of the corporation on North Broadway in Lexington, Kentucky, on the 18th day of November, 1967, and at which meeting more than a majority of the Board of Curators was present in person and at which meeting these Amended Articles of Incorporation of Transylvania University were adopted by the holders of more than two-thirds (2/3) of the voting power of the Board of Curators entitled to vote and at which meeting J. D. Gay, Jr., as President of the corporation, and L. G. Cox, as Secretary of the
corporation, were authorized and directed to sign, acknowledge, and certify these Amended Articles of Incorporation of Transylvania University as is here done.

We, the undersigned, pursuant to the authority herein recited, do make, file and record these Amended Articles of Incorporation of Transylvania University and do certify that the facts herein stated are true and we have accordingly hereunto set our hands and seals on the date set opposite our respective names.

November 22, 1967 /s/ J. D. Gay Jr. (SEAL)

November 22, 1967 /s/ Leonard G. Cox Jr. (SEAL)

STATE OF KENTUCKY
COUNTY OF FAYETTE

BE IT REMEMBERED that on the 22nd day of November, 1967, personally appeared before me, a Notary Public, J. D. Gay, Jr., a party to the foregoing Amended Articles of Incorporation, known to me personally to be such and to be also the President of the Board of Curators of Transylvania University, and I having first made known to him the contents of said Amended Articles of Incorporation, he did acknowledge that he signed, and sealed and delivered the same as his voluntary act and deed pursuant to the authority therein recited and deposed that the facts therein stated were truly set forth.

Given under my hand and seal of office the day and year aforesaid.

My Commission will expire on the 30th day of March, 1969.

/s/ Gladys M. Sholar
Notary Public, Fayette County, Kentucky

STATE OF KENTUCKY
COUNTY OF FAYETTE

BE IT REMEMBERED that on this the 22nd day of November, 1967, personally appeared before me, a Notary Public, L. G. Cox, a party to the foregoing Amended Articles of Incorporation, known to me personally to be such and to be also the Secretary of the Board of Curators of Transylvania University, and I having first made known to him the contents of said Amended Articles of Incorporation, he did acknowledge that he signed, and sealed and delivered the same as his voluntary act and deed pursuant to the authority therein recited and deposed that the facts therein stated were truly set forth.

Given under my hand and seal of office the day and year aforesaid.

My Commission will expire on the 30th day of March, 1969.

/s/ Gladys M. Sholar
Notary Public, Fayette County, Kentucky

The foregoing was prepared by Clay and Marye, Attorneys at Law, 50 Broadway, Mt. Sterling, Kentucky.

/s/ William C. Clay
I.

OFFICE

1.1. Location. The principal office of the corporation shall be in Lexington, Fayette County, Kentucky, but the corporation may have offices at such other places as may be determined by the Board of Curators.

1.2. Process Agent. The Executive Committee shall designate a process agent as required by law.

II.

BOARD OF CURATORS

2.1. Membership. The management of all the affairs, property, and business of the corporation shall be vested in a Board of Curators constituting the membership of the corporation and consisting initially of forty-five (45) persons. Those persons constituting the Board of Curators at the time of the adoption of these By-Laws shall continue to serve as such for the balance of the term for which each was elected and shall continue to hold office until his successor is elected and qualified. At each annual meeting of the Board of Curators held hereinafter, the Board of Curators shall elect nine (9) Curators with the term of office of each Curator to be five (5) years or until his successor shall be duly elected and shall qualify. Any vacancy occurring in the Board whether by death, resignation or otherwise may be filled for its unexpired term only. A person shall be eligible for election to the Board of Curators only if he has not reached his seventieth (70) birthday at the time of election but this age limitation shall be effective only from and after the adoption of these By-Laws and will not apply to any person now serving on the Board of Curators. Any Curator attaining the age of seventy (70) during his term may complete his duly elected term to the Board. Any vacancy occurring in the Board by either death, resignation or otherwise shall be filled for its unexpired term by an appointment of a successor to be made by the Executive Committee.

2.2 Qualifications. Both men and women shall be eligible to serve as Curators. An effort should be made by the Board of Curators to have at least five Transylvania alumni and at least five members from the Christian Church (Disciples of Christ) on the Board at all times. Although some consideration in the selection of Board members should be accorded
to the goal of attaining a wide geographical distribution in Board membership, the Board should reflect primarily imagination, initiative, experience, and a blend of educational, managerial, investment, legal, and business talents. Curators should be sought who have dedication, competence, and stature although persons possessing willingness and ability to serve should be selected over persons of more resounding reputation who might be unable to give freely of their time. Each member of the Board should possess the following basic qualifications:

A. A sincere and genuine interest in the University.
B. A vital concern about (a) interesting students in attending Transylvania and (b) interesting donors in supporting Transylvania.
C. A personal record of civic, business, and/or professional achievements.
D. A devotion to the welfare of the University sufficient to manifest itself in: (a) regular attendance at Board meetings, (b) annual contributions to the University, (c) creative interpretation of the program of the University to the general public.
E. A knowledge of the objectives, ideals, history, and potential of Transylvania.

2.3. Functions. The primary functions of the Board shall be:

A. To elect its members.
B. To select qualified executives to administer the affairs of the University and to determine their tenure.
C. To support and assist the President and other executive officers of the University.
D. To formulate policies upon the recommendations of either University officers or members of the Board.
E. To inquire into the conduct of the affairs of the University.
F. To accept responsibility for the fiscal integrity of the University.
G. To take any and all action necessary to promote the quality and welfare of the University.

2.4. Meetings. The annual meeting of the Board of Curators shall be held during the Commencement week of Transylvania University, and special meetings may be called at any time by the Chairman of the Board, and shall be called by the Secretary of the Board upon the written demand of five or more Curators. Notice of any regular or special meeting of the Board shall be given to each Curator at least five (5) days prior to the date for which the meeting is called, either personally or by mail or telegram, the five days time to be measured from the date of sending such notice; provided that if such notice be given less than seven (7) days prior to any such meeting, notice to Curators residing outside the Commonwealth of Kentucky shall be given by telephone or telegraph.

2.5. Quorum. A majority of the members of the Board shall constitute a quorum for ordinary business. In the absence of a quorum at the time and place set for a meeting, the Curator or Curators present may adjourn
the meeting from time to time until a quorum is present. At least one day’s notice of the time and place of each adjourned meeting shall be given to each Curator.

2.6. *Curator Removal.* A majority of all the Curators shall have power to remove a Curator from office for any cause the Board may deem to be sufficient.

2.7. *Compensation.* The Board of Curators shall have the power to fix the compensation of the President and other officers and employees of the University and it may vest in the President of the University subject to approval of the Executive Committee the power to appoint, employ and discharge deans, vice-presidents, professors, instructors, agents and other employees and to fix their compensation and tenure.

2.8. *Life Curators.* Each Curator upon reaching the age of seventy (70) or after serving on the Board of Curators for fifteen (15) years shall be eligible, upon nomination by the Executive Committee, for election by the Board of Curators as a Life Curator. Each Life Curator shall have the privilege of attending all Board meetings but shall not have the right to vote.

2.9. *Officers.* The officers of the Board of Curators shall consist of a Chairman, Vice Chairman, a Secretary, and a Treasurer, to be nominated by the Executive Committee and to be elected at the annual meeting of the Board. Each officer shall serve for a term of three years.

2.10. *Chairman.* The Chairman shall be the chief executive of the corporation and shall preside at all meetings of the Board of Curators.

2.11. *Vice Chairman.* The Vice Chairman shall exercise the powers and perform the duties of the Chairman during the absence or disability of the Chairman.

2.12. *Secretary.* The Secretary shall attend and keep the minutes and records of all meetings of the Board of Curators and shall be custodian of the corporate seal and shall affix and attest the seal to all requisite documents.

2.13. *Treasurer.* The Treasurer shall, subject to the supervision of the Board of Curators, have responsibility for the custody of all permanent funds of the corporation including endowment, scholarship, other capital funds, and property of the corporation. The Treasurer shall enter into a bond with surety thereon in the penalty sum of $100,000.00 for the faithful discharge of the duties of his office and any premium on such bond shall be paid by Transylvania University.

2.14. *Staff Assistant.* A Staff Assistant to the Board of Curators shall be designated and his tenure determined by the President of Transylvania University. He shall perform the following duties:

A. Assist in fund raising.
B. Maintain a list of candidates for Board membership.
C. Serve as Secretary to each committee of the Board.
D. Perform any duty assigned to him by any committee of the Board.
E. Prepare and keep current records concerning service rendered to the Board by its members.
F. Serve as University Administration-Board of Curators liaison.

III.

STANDING COMMITTEES

3.1. Standing Committees. The Board of Curators shall have the following standing committees and an effort shall be made to have each member of the Board serve on one or more of the following committees:
   A. Executive Committee
   B. Liberal Arts
   C. Student Affairs
   D. Real Estate and Construction
   E. Financial Affairs
   F. Planning and Development
   G. Resources
   H. Legal
   I. Graduate Program

3.2. Executive Committee Meetings. The Executive Committee will meet in July, August, October, December, February and April and at other times on call of its Chairman.

3.3. Other Committee Meetings. Each other standing committee will meet on call of its Chairman.

3.4. Executive Committee Membership. The Executive Committee shall be composed of the Chairmen of the eight (8) other standing committees, the Chairman of the Executive Committee, the Chairman of the Board of Curators and the Treasurer of the corporation, provided, however, that in the absence of the chairman of any one of the eight (8) other standing committees, then the Vice Chairman of the particular committee may be invited to attend and to vote at any meeting of the Executive Committee. The President of the University will serve as an ex-officio member of the Committee but without having the right to vote. Other Curators and other University officers may attend meetings of the Executive Committee only at the invitation of the Chairman of the Committee.

3.5. Membership of other Committees. Each other standing committee shall be composed primarily of Curators. Committee members shall be named by the Chairman of the respective committee after consultation with other members of the Executive Committee. Persons other than Curators may be named to committees and may also be called in as committee consultants as required.
3.6. *Executive Committee Minutes.* The Executive Committee shall keep a permanent written record of its meetings and shall send a copy thereof to each member of the Board of Curators.

3.7. *Committee Reports.* Each other standing committee shall give a written report to the Executive Committee at least annually which shall be recorded in the minutes of the meeting.

3.8. *Special Reports.* Each other standing committee shall, when requested by the Chairman of the Executive Committee present to the Board a comprehensive report on some aspect of the matters under its charge.

3.9. *Quorum.* A majority of the members shall constitute a quorum competent for the transaction of business at meetings of each standing committee. In the absence of a quorum at the time and place set for a meeting, the voting member or members present may adjourn the meeting from time to time until a quorum is present. At least one day’s notice of the time and place of such adjourned meeting shall be given to each committee member.

3.10. *Chairman of the Executive Committee.* The Chairman of the Executive Committee shall be appointed by the Chairman of the Board in consultation with the President of the University.

3.11. *Chairmen of Standing Committees.* The Chairman of the Board of Curators in consultation with the officers of the Board, the duly appointed Chairman of the Executive Committee and the President of the University, shall name a Chairman and a Vice Chairman for each of the eight (8) other standing committees.

3.12. *Terms of Membership.* The term of each standing committee shall be not less than three years with not more than one-half of the members being replaced in any one year.

3.13. *Vacancies.* A vacancy on a standing committee may be filled in the same manner in which the original appointment to membership was made.

### IV.

**EXECUTIVE COMMITTEE**

4.1. *Powers.* The Executive Committee shall have power, for and on behalf of the corporation, to transact all business, and to do and perform any and all acts and things that the Board might rightfully do in the interim between meetings of the Board, provided, however, that as to those matters which have been placed by these By-Laws under the supervision of any standing committee of the Board, the concurrence of that committee normally shall be sought. The Executive Committee shall have general control of the grounds, buildings, and other property of the corporation, and shall make such additions, improvements and repairs thereto as may from time to time be deemed necessary or appropriate.
4.2. **Nominations.** The Executive Committee shall maintain a comprehensive file of prospective Board members and monitor also the service of Curators on the Board in order that the Executive Committee will be in a position to nominate Curators to fill vacancies occurring on the Board whether through death, resignation, completion of elected term, or otherwise. The Executive Committee will also nominate Curators to serve as officers of the Board of Curators.

4.3. **Degrees.** The Executive Committee, upon the recommendation of the President and Faculty of Transylvania University, shall have power to grant such literary honors as are usually granted by the best colleges and universities in the United States, and such other honors as the Board and Faculty may deem appropriate, and in testimony thereof, to grant suitable academic degrees, certificates or diplomas, under the seal of the corporation, and every such grant shall entitle its possessor to all the privileges and immunities which, by any law or usage, are allowed to the possessors of like degrees, certificates or diplomas granted by any college or university in the United States.

4.4. **Officers.** The Executive Committee shall elect a Vice Chairman of the Executive Committee and a Secretary of the Executive Committee.

4.5. **Liaison.** The University President shall serve as the liaison officer between the University and the committee.

V.

**COMMITTEE ON LIBERAL ARTS**

5.1. The Committee on Liberal Arts shall serve as an advisory committee acting as a Board of Visitors to the University, familiarizing itself with curricula, departmental courses, honors programs, extracurricular academic programs, and the library. Members of the Committee will be expected to know each department head and to have some acquaintance with other members of the University faculty. The Committee shall advise the Dean of each college on the qualifications that college graduates should have and shall consider programs submitted to it by the Dean of each college and by the President for the educational role of each college of the University and for the University as a whole, the admission of students at all levels, educational and research programs, and the coordination of all educational activities.

5.2. The President of the University shall appoint a member of the administrative staff of the University to serve as liaison officer between the University and the committee.

VI.

**COMMITTEE ON STUDENT AFFAIRS**

6.1. The Committee on Student Affairs shall serve as an advisory committee and shall have general supervision over the extracurricular activities
and of all non-academic matters that affect the life of the students of the University. Its members will be expected to be familiar with college housing facilities, recreational facilities, and on and off campus programs. The Committee shall make recommendations to the Executive Committee on (a) housing, (b) recreation, (c) food service, (d) health service, (e) extracurricular activities, (f) parking, (g) athletics.

6.2. The President of the University shall appoint a member of the administrative staff of the University to serve as liaison officer between the University and the committee.

VII.

COMMITTEE ON REAL ESTATE AND CONSTRUCTION

7.1. The Committee on Real Estate and Construction shall have charge of and control of all campus real estate and shall be responsible for the supervision and management of the physical facilities of the corporation. It shall make recommendations to the Executive Committee (a) concerning maintenance problems and requirements and (b) concerning the location and design of all university buildings.

7.2. The President of the University shall appoint a member of the administrative staff of the University to serve as liaison officer between the University and the committee.

VIII.

COMMITTEE ON FINANCIAL AFFAIRS

8.1. The Committee on Financial Affairs shall have general supervision over the finances, funds, stocks, bonds, other securities, and off-campus real estate of the corporation and shall make recommendations to the Executive Committee concerning the sale and purchase of assets. The Treasurer of the University shall serve on the Committee on Financial Affairs, ex-officio, by virtue of his responsibility for the custody of the permanent funds of the corporation.

8.2. The Executive Committee may also delegate at its election to the Committee on Financial Affairs the following additional powers:

A. To supervise the investments of the corporation and to make and to change investments, to sell, assign, and transfer any part of the stock and securities held by the corporation or any rights or privileges appurtenant thereto and to designate a person or persons to execute and deliver in the name and on behalf of the corporation instruments for the assignment and transfer of stocks and securities registered in its name.

B. To enforce its rights under stocks or securities held by it, to participate in the reorganization of the issuer of any such stocks or securities, and to deposit any such stocks or securities with such protective or reorganization committee and on such terms as the committee on finance may determine.

C. To designate a person or persons to execute and deliver in the name and on behalf of the corporation proxies to vote
on behalf of the corporation and the power to revoke any such proxy.

8.3. The Committee on Financial Affairs shall receive and review each year the proposed budgets of the University showing estimated receipts and disbursements of the corporation for the next academic year as submitted by the President of the University and the Vice President for Financial Affairs and shall present such budgets with such changes as the Committee may make for the consideration and action of the Executive Committee. The Executive Committee may approve, amend, or reject budgets so submitted.

8.4. No monies of the corporation shall be expended unless the expenditure is authorized by the budget or by other action of the Committee on Financial Affairs which shall report its action to the Executive Committee at its next meeting. All requests for expenditures not authorized by the budget shall be presented through the Committee on Financial Affairs which shall make recommendations to the Executive Committee.

8.5. The Committee on Financial Affairs shall maintain a continuing review of University expenditures and take such steps as may be proper to assure the University adequate fiscal controls.

8.6. The Committee on Financial Affairs shall recommend, subject to the approval of the Executive Committee, independent auditors who shall audit the accounts of the corporation, verify the financial statements presented by officers of the University, and deliver to the Board a written report of the independent audit for the preceding year.

8.7. The President of the University shall appoint a member of the administrative staff of the University to serve as liaison officer between the University and the committee.

IX.

COMMITTEE ON PLANNING AND DEVELOPMENT

9.1. The Committee on Planning and Development shall be concerned with long range planning and shall have oversight of all programs designed to elicit financial support or to cultivate the interest of the University’s constituencies in its welfare.

9.2. The Committee on Planning and Development shall determine the acceptability of gifts and memorials proposed for installation on the campus or in buildings of the University subject, however, to the approval of the Committee on Real Estate and Construction when that Committee’s area of responsibility is involved.

9.3. The Committee on Planning and Development shall also create new programs for the University, plans for student enrollment, recommendations concerning faculty, and proposals for new physical facilities.

9.4. The President of the University shall appoint a member of the administrative staff of the University to serve as liaison officer between the University and the committee.
X.

COMMITTEE ON RESOURCES

10.1. The Committee on Resources shall innovate policies and plans concerning the financial development, fund raising, and public relations affairs of the University.

10.2. The President of the University shall appoint a member of the administrative staff of the University to serve as liaison officer between the University and the committee.

XI.

COMMITTEE ON GRADUATE PROGRAMS

11.1. The Committee on Graduate Programs shall serve as an advisory committee and shall create and establish graduate programs for Transylvania University and supervise the administration thereof.

11.2. The President of the University shall appoint a member of the administrative staff of the University to serve as liaison officer between the University and the committee.

XII.

LEGAL COMMITTEE

12.1. The Legal Committee or General Counsel shall either prepare (or examine and render an opinion on) every lease, contract, or other document to which Transylvania proposes to become a party, shall represent or arrange for the representation of Transylvania University in any litigation in which Transylvania University shall become a party whether as plaintiff or defendant, shall upon request advise officers of Transylvania University, its Board of Curators, and its Executive Committee concerning the legality and advisability of actions proposed to be taken, shall upon request, be present at any student disciplinary hearings, conducted by Transylvania University, and shall perform generally the service of rendering legal counsel to Transylvania University.

12.2. The President of the University shall appoint a member of the administrative staff of the University to serve as liaison officer between the University and the committee.

XIII.

AD HOC COMMITTEES

13.1. The Executive Committee may create from time to time ad hoc committees, designating the Chairman and members thereof, and requiring each respective committee to report to the Chairman of the Executive Committee.

XIV.

OFFICERS OF THE UNIVERSITY

14.1. President. The Board of Curators shall appoint for such term and
for such compensation as it shall determine a President, who shall have
general supervision of the affairs of the corporation, shall sign or counter-
sign all certificates, contracts, and other instruments of the corporation as
authorized by the Board of Curators, shall make reports to the Board of
Curators, shall exercise supervision over the educational interests of the
University, shall present a report at each annual meeting of the Board of
Curators on the operations, programs, and objectives of the University,
and shall perform all other duties incident to his office or required of him
by the Board of Curators.

14.2. Vice President for Financial Affairs. The President shall nominate
and the Executive Committee shall elect a Vice President for Financial
Affairs who shall be responsible, under policies approved by the Board
of Curators, for the management of current operating funds and of perma-
nent and endowment funds of the University and who shall also be respon-
sible for functions normally assigned to a controller related to budget con-
trol, the daily operations of the Business Office and the payment and dis-
bursement of all funds. In addition, he shall be responsible to the Execu-
tive Committee and to the Treasurer for the permanent fund assets of the
University. The Vice President for Financial Affairs shall enter into a bond
with surety thereon in the penalty sum of $100,000.00 for the faithful
discharge of the duties of his office and any premium on such bond shall
be paid by Transylvania University.

14.3. Other Officers. The President shall nominate and the Executive
Committee shall elect one or more additional Vice Presidents and such
other administrative officers as may be needed from time to time to pro-
vide for the efficient operation of the University and who shall have such
responsibilities and perform such duties as may from time to time be
prescribed by the Executive Committee. The Vice Presidents, in the order
established by the Executive Committee, shall exercise the functions of
the President during the absence or disability of the President and shall
have such powers and discharge such duties as may be assigned to each
Vice President from time to time by the Executive Committee.

XV.

Bank Account

15.1. Permanent Funds. The Treasurer may establish accounts in one
or more banks as may be designated by the Executive Committee and
shall disburse therefrom the permanent funds of Transylvania University
as distinguished from operational funds thereof. Checks may be drawn by
any two officers designated by the Executive Committee upon recommenda-
tion of the President or the Treasurer. No permanent fund cash balance
may be expended for current fund operating expenses or other current
fund needs without the specific authorization of the Executive Committee.
15.2. **Current Funds.** The Vice President for Financial Affairs may establish accounts in one or more banks as may be designated by the Executive Committee and shall deposit therein all funds coming into his hands. Such account or accounts shall be used for the operating expenses of the University as distinguished from the permanent funds thereof. Checks thereon may be drawn by any two officers designated by the Executive Committee upon recommendation of the President or the Treasurer.

**XVI.**

**AMENDMENTS**

16.1. **Amendments.** These By-Laws may be amended by a majority vote of the Board of Curators of Transylvania University.

**XVII.**

**PRIOR BY-LAWS**

17.1. **Prior By-Laws.** These By-Laws shall become effective upon the date of their adoption and thereupon all By-Laws of Transylvania University heretofore adopted by the Board of Curators whether included in the term “Charter and Statutes” or otherwise are hereby rescinded and repealed.