

Bylaws of Chapman University



MAY 20, 2024

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Article I: PURPOSE

Section 1: Purpose

Chapman University is a California nonprofit public benefit corporation with its principal place of business in Orange, California.

The purpose of Chapman University is to serve as a locus of research, scholarship, and teaching where undergraduate and graduate students can pursue their education within an intellectually demanding, caring and value-centered community, without regard to characteristics protected by federal, state, or local law, including changes that may occur over time.

To fulfill its purpose, Chapman University maintains an ecumenical relationship with the Christian Church (*Disciples of Christ*) and the United Church of Christ, as well as interfaith communities identified by the work of Chapman's Fish Interfaith Center. Chapman's extensive history includes a commitment to instruct the whole person based on four guiding principles or pillars of a Chapman education: intellectual, spiritual, social, and physical.

Additionally, Chapman promotes its legacy of service and encourages students to consider the contributions they make to the betterment of others, locally and globally.

Finally, Chapman actively encourages appreciation of, and provides opportunities for, lifelong learning and fosters an enterprising spirit among all members of the university community.

Article II: BOARD OF TRUSTEES

Section 1: Membership

- A. Chapman University shall be governed by a board of not less than twenty-one (21) nor more than forty-five (45) elected Trustees, not counting those named in C below, Emeritus Trustees, or Emeritus Chairs. There shall be adequate representation, as determined by the Board of Trustees, from members of the Christian Church (*Disciples of Christ*).
- B. No paid employee of the corporation shall be an elected member of the Board of Trustees.
- C. The following persons shall be ex officio members of the Board of Trustees with power to vote on all matters presented to the Board of Trustees:
1. the President of the university;
 2. a. the Regional Ministers of the Christian Church (*Disciples of Christ*) for each of the Pacific Southwest, Northern California/Nevada and Arizona Regions, (or each respective Regional Minister's designee); and
b. the Conference Minister for the United Church of Christ (UCC) Southern California Conference (or the Conference Minister's designee);
 3. the Chair of the Board of Governors;
 4. the President of Town and Gown;
 5. the President of Women of Chapman;
 6. the President of the Alumni Board; and
 7. the Senior Minister of the Orange First Christian Church.
- D. The elected members of the Board of Trustees shall be elected in the manner and serve for the terms set forth in Section 3, below.
- E. The corporation shall have no members within the meaning of Section 5056 of the California Nonprofit Public Benefit Corporation Law (the "Law"). Any action which otherwise would require approval of the members shall require approval only of the Board of Trustees.

- F. The President of the Faculty Senate shall receive all meeting notices and other non-privileged materials sent to the Trustees and shall be invited to attend Board of Trustees meetings. The President of the Faculty Senate shall not be entitled to a vote on any matter before the Board of Trustees and may not serve on a Committee of the Board (but may be elected to serve on any other Standing or Special Committee so long as it is not a Committee that is delegated the authority of the Board).

Section 2: Powers and Duties

- A. Subject to the limitations of Chapman University's Articles of Incorporation, these bylaws, and the law, the activities and affairs of Chapman University shall be conducted, and all corporate powers shall be exercised by or under the direction of the Board of Trustees. The Board of Trustees may delegate the management of the activities of Chapman University to any person or persons or committees, provided that the activities and affairs of Chapman University shall be managed, and all corporate powers shall be exercised under the ultimate direction of the Board of Trustees. Subject to the same limitations, the Board of Trustees shall have all powers permitted to or conferred by the law on the board of directors of a nonprofit public benefit corporation, including but not limited to the power:
1. to exercise general oversight and direction of the policy, program and affairs of the university;
 2. to select, employ, appoint and elect the President;
 3. to create such other offices and positions as the board may deem advisable from time to time;
 4. to approve the appointment of the members of the faculty recommended for tenure, provided that the Board of Trustees may delegate to the officers of the university, or to a Committee of the Board, the power to approve the appointment of the members of the faculty, including initial faculty appointments on tenure track, but shall not otherwise delegate the power to approve the faculty recommended for tenure; and
 5. to make all bylaws and rules necessary and proper to carry on the organization and to govern, advance and conserve the interest of the corporation.
- B. The board shall report regularly to each Christian Church Regional Assembly designated in Article II, Section 1, C2 through its employees designated by the Board of Trustees.

Section 3: Election and Term of Elected Trustees

- A. **Terms.** The elected Trustees shall be elected for a term of three years, and for purposes of having staggered terms, shall be divided into three classes, each of a maximum of fifteen (15) Trustees, with one class to be elected each year. Each elected Trustee, including a Trustee elected to fill a vacancy, shall hold office until the expiration of the term for which Trustee was elected and until a successor has been elected and has qualified. Trustees may succeed themselves in office.
- B. **Elections.** At the second to the last regular meeting of the Board of Trustees of each calendar year or at a special meeting called for the purpose of proposing persons for election as Trustees, the Nominating and Governance Committee of the Board of Trustees shall present the names of the existing Trustees who are being nominated for reelection for an additional term and the names of persons nominated to fill any vacancies on the Board of Trustees.

At the last regular meeting of the Board of Trustees of each calendar year the attending Trustees shall vote to elect Trustees from those nominated. To be elected the nominee must receive the vote of at least two thirds of the Trustees in attendance and eligible to vote.

- C. **Removal.** Any Trustee may be removed from the Board of Trustees by a two-thirds majority vote of the Trustees at any regular or special meeting of the board called expressly for that purpose. Any Trustee proposed to be removed shall be entitled to reasonable notice and an opportunity to be heard.
- D. **Resignation.** Any Trustee may resign effective upon giving written notice to the President, the Secretary, or the Chair of the Board of Trustees.
- E. **Vacancies.** Vacancies in the Board of Trustees may be filled at any regular meeting (or at a special meeting called for the purpose of proposing persons for election as Trustees). At or in advance of such regular or special meeting, the Nominating and Governance Committee shall present the names of persons nominated to fill any vacancies on the Board of Trustees. The attending Trustees shall vote to elect Trustees from those nominated. To be elected the nominee must receive the vote of at least two-thirds of the Trustees in attendance. Each Trustee so elected shall hold office until the expiration of the term of his or her predecessor and until his or her successor has been elected and qualified.

A vacancy or vacancies in the Board of Trustees shall be deemed to exist in case of the death, resignation, or removal of any Trustee, or if the authorized number of Trustees is increased. The Board of Trustees may declare vacant the office of a Trustee who has been declared of unsound mind by a final order of court, is convicted of a felony, or is

found by a final order of judgment of any court to have breached a duty to the corporation arising under Chapter 2, Article 3, of the Law.

- F. Effective January 1, 2022, the maximum voting age for all Trustees (regular or emeritus) is 80 years old, except that: (1) the maximum voting age for all Trustees (regular or emeritus) who are former Board Chairs is 85 years old, and (2) with respect to all Trustees (regular or emeritus) elected before January 1, 2022, the maximum voting age of each such Trustee is the later of their 80th birthday (85th for former Board Chairs) or January 1, 2034.

Section 4: Emeritus Trustees

- A. The board may elect as Emeritus Trustee any person who has been elected to membership on the Board as provided in Article II, Section 3-B and who has served with distinction not fewer than two full terms (a total of six years) or whose service as a member of the Board of Trustees terminates after his/her seventieth birthday. Recommendations shall be made to the board by the Nominating and Governance Committee.
- B. The designation of Emeritus Trustee shall be reserved for those Trustees whose exemplary and distinguished service to the board extends beyond the standard Trustee requirements to a higher level of dedication. The Emeritus Trustee designation signifies a true and unwavering commitment to the university and its mission.
- C. An Emeritus Trustee (i) shall receive all meeting and other notices, minutes and reports sent to the Trustees, (ii) shall be invited to attend Board of Trustees meetings as a voting member as defined by Article II: Board of Trustees, Section 3: Election and Term of Elected Trustees, item F; (iii) may be elected to serve on, but not chair, any Standing or Special Committee, (iv) shall not be entitled to serve on any Committee of the Board.
- D. The list of Emeriti Trustees will be reviewed annually by the Nominating and Governance Committee. Those Emeriti Trustees who wish to, or can, remain active will be presented for re-election, as part of the consent agenda at the last regular meeting of the Board of Trustees in each calendar year. After such time as an Emeritus Trustee is deemed inactive, he/she would automatically convert to non-voting or Honorary Trustee status, retaining the right to receive notices and attend meetings (and social gatherings, sporting events, lectures, campus events, etc.). Honorary Trustees shall not be entitled to a vote on any matter before the Board of Trustees and may not serve on a Committee of the Board, but may be elected to serve on any other Standing or Special Committee.

Article III: Officers of the Board

Section 1: Election and Terms

- A. The business of the Board of Trustees shall be managed by “Officers of the Board” consisting of a Chair, one or two Vice Chairs, and a Secretary, each of whom shall be a member of the Board of Trustees.
- B. The Chair shall serve for two (2) consecutive years, with the eligibility for one (1) two-year extension, for a maximum tenure of four (4) years. The Vice Chair(s) and Secretary shall each serve for a term of two (2) years, with the eligibility for two (2) two-year extensions, for a maximum tenure of six (6) years. In all cases, Officers of the Board shall continue in office until their respective successor shall have been duly elected and qualified or until such officer’s earlier death, resignation or removal in accordance with these bylaws.
- C. Prior to the last regular meeting of the Board of Trustees in a calendar year, the Nominating and Governance Committee shall submit to the Board of Trustees a proposed nominee for each office of the board then up for election.
- D. At the last regular meeting of the Board of Trustees in each calendar year, the Trustees shall elect the Officers of the Board then up for election by a vote of the majority of the Trustees in attendance.
- E. Vacancies shall be filled by resolution of the board. Each Officer of the Board so elected shall hold office until the expiration of the term of his or her predecessor and until his or her successor has been duly elected and qualified.

Section 2: Chair, Emeritus Chairs, and Honorary Chairs

- A. The Chair of the Board of Trustees shall preside at the meetings of the Board of Trustees and of the Executive Committee, appoint members of the Standing Committees as provided in these bylaws and such other special committees as the Board of Trustees may deem advisable, and attend to all other duties normally entrusted to a Chair. At a minimum, the Chair of the Board and the President of the university, shall sign all diplomas granted by the university.
- B. The Chair of the Board must have been elected to the Board of Trustees and served for at least five years; possess an understanding of and commitment to the university’s culture; have shown financial commitment to the university; be well connected in the community; have proven abilities of leadership, communication, volunteer effectiveness, and management of large and complex activities; and possess a working knowledge of budgets and finance, higher education and the relevant campus activities and industries.

- C. By a two-thirds majority vote of the Trustees at any regular or special meeting of the board, the board may elect as Emeritus Chair any person who has served with distinction and completed their term as the Chair of the Board of Trustees. An election to Emeritus Chair may but need not immediately follow such person's term as Chair or Trustee. The title is intended to express the gratitude of the board for his/her leadership, and as a way to indicate his/her contribution to Chapman University and to its board. The motion to induct a former Chair as Emeritus Chair should describe the major milestones achieved by Chapman University under the leadership of the member under consideration.

An Emeritus Chair shall be, until resignation or removal, a voting member of the Board of Trustees as defined by Article II: Board of Trustees, Section 3: Election and Term of Elected Trustees, item F, shall be eligible to serve as a voting member of any committee of the Board of Trustees (including Chair thereof).

- D. The list of Emeriti Chairs will be reviewed annually by the Nominating and Governance Committee. Those Emeriti Chairs who wish to, or can, remain active will be presented for re-election, as part of the consent agenda at the last regular meeting of the Board of Trustees in each calendar year. After such time as an Emeritus Chair is deemed inactive, he/she would automatically convert to non-voting or Honorary Chair status, retaining the right to receive notices and attend meetings (and social gatherings, sporting events, lectures, campus events, etc.). Honorary Chairs shall not be entitled to a vote on any matter before the Board of Trustees and may not serve on a Committee of the Board, but may be elected to serve on any other Standing or Special Committee.

Section 3: Vice Chairs

- A. Vice Chairs report to the Chair of the Board and may perform responsibilities of the Chair in his or her absence. Vice Chairs shall attend all Board of Trustees meetings. Each Vice Chair shall have such other powers and perform such other duties as may be delegated by the Chair of the Board of Trustees.
- B. A Vice Chair of the Board must have been elected to the Board of Trustees and served for three years; possess an understanding of and commitment to the university's culture; have shown financial commitment to the university; and demonstrate proven abilities of leadership, communication, and volunteer effectiveness.

Section 4: Secretary of the Board

A. The Secretary of the Board shall attend to the following:

1. **Book of Minutes.** The Secretary of the Board shall keep or cause to be kept, at the principal executive office of the university or such other place as the Board of Trustees may direct, full and true minutes of all meetings of the Board of Trustees, the Executive Committee and such special meetings as may be requested, and of all other actions of Trustees and committees of Trustees with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings, the number of trustees present or represented at Trustees' meetings, and the proceedings of such meetings. In the absence of the Secretary of the Board, an Assistant Secretary shall perform these duties.
2. **Trustee's Records.** The Secretary of the Board shall keep, or cause to be kept, at the principal executive office, as determined by resolution of the Board of Trustees, a record of the university's Trustees and members of all committees showing their names and mailing, home, and email addresses.
3. **Notices and Other Duties.** The Secretary of the Board shall give, or cause to be given, timely notice of all meetings of the Board of Trustees required by the Bylaws to be given. He or she shall have such other powers and perform such other duties as may be prescribed by the Board of Trustees or these bylaws.
4. **Board Resolutions.** The Secretary of the Board shall sign all resolutions of the Board of Trustees and each Committee of the Board.

Article IV: BOARD OF TRUSTEES MEETINGS

Section 1: Regular

The Board of Trustees shall hold four regular meetings annually, at a day and time designated by the Chair of the Board. The last meeting held in the calendar year shall be known as the Annual Meeting. Other regular meetings shall be held at a time and place determined by the Board of Trustees.

Section 2: Quorum

A majority of the elected trustees then in office with voting rights according to Article II: Board of Trustees, Section 3: Election and Term of Elected Trustees, item F shall constitute a quorum.

Section 3: Special Meetings

Special meetings shall be called by the Secretary of the Board at the request of (1) the Chair of the Board, (2) a Vice Chair, or (3) five members of the board. The notice of such a meeting shall be in writing and state its purpose and shall be communicated to each member of the board at least two days prior to the time set for the meeting.

Section 4: Notice

Notice shall be delivered (i) personally (which may be oral or written), (ii) by telephone, including a voice messaging system, or (iii) by "electronic transmission by the corporation" (as defined below). Written notice shall be addressed or delivered to each Trustee at their physical or email address, as applicable, as it is shown upon the records of the corporation, or as may have been given to the corporation by the Trustee for purposes of notice, or, if such address is not shown on such records or is not readily ascertainable, at the place in which the meetings of the Board of Trustees are regularly held. "Electronic transmission by the corporation" means a communication (a) delivered by (1) facsimile or email when directed to the facsimile number or email address, respectively, for that recipient on record with the corporation, (2) posting on an electronic message board or network which the corporation has designated for those communications, together with a separate notice to the recipient of the posting, which transmission shall be validly delivered upon the later of the posting or delivery of the separate notice thereof, or (3) other means of electronic communication, (b) to a recipient who has provided an unrevoked consent to the use of those means of transmission for communications under or pursuant to the law, and (c) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

Section 5: Effective Time of Notice

Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mail, first-class, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by electronic means by the person giving the notice to the recipient, as the case may be. Oral notice shall be deemed to have been given at the time it is communicated to the recipient, including by telephone voice messaging system.

Section 6: Waiver of Notice

Notice of a meeting need not be given to any Trustee who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Trustee. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 7: Place and Time

All meetings shall be held on the Chapman University campus unless otherwise directed by the Board of Trustees or its Chair. The place and time shall be indicated in the notice of the meeting.

Section 8: Remote Participation

While physical presence at Board of Trustees meetings is highly encouraged whenever feasible, Trustees may participate in any Board of Trustees meeting through use of conference telephone, electronic video conferencing equipment or similar communication equipment, so long as all the Trustees participating in the meeting can hear one another. All such participating Trustees shall be deemed to be present in person at such meeting.

Section 9: Executive Session

The Chair of the Board may call an executive session at any meeting.

University employees and any other individual who is not a voting member of the Board of Trustees may be excluded from executive sessions.

Article V: OFFICERS OF THE UNIVERSITY

Section 1: Officers of the University

The officers of the University shall include a President and Executive Vice President and Chief Operating Officer. The University may also have at the discretion of the Board of Trustees, one or more Vice Presidents, Executive Vice Presidents, and such other officers as may be appointed in accordance with the provisions of Article V, Section 3 of these bylaws. The President shall be an ex officio member of the Board of Trustees as provided by Article II, Section 1, C1. No other officer of the university need be a member of the Board of Trustees. Any number of offices may be held by the same person, except that the President may not serve concurrently as the Secretary of the Board or as the Chief Operating Officer.

Section 2: Appointment of the President

The President shall be chosen by the Board of Trustees and shall serve until removed by the Board of Trustees, subject to the rights, if any, of the President under any contract of employment.

Section 3: Subordinate Officers

The Board of Trustees may appoint and may authorize the Chair of the Board or the President or another officer to appoint, any other officers that the business of the university may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified for such office as determined from time to time by the Board of Trustees or authorized officer. For the avoidance of doubt, absent a board resolution to the contrary, the President shall have the authority to hire and terminate the other Officers of the University, including the Executive Vice President and Chief Operating Officer.

Section 4: Removal of Officers

Subject to the rights, if any, of an officer of the university under any contract of employment, any officer may be removed, with or without cause, by the Board of Trustees, the President, or by an officer on whom such power of removal may be conferred by the Board of Trustees or the President.

Section 5: Resignation of Officers

Any officer may resign at any time by giving written notice to the Chair of the Board of Trustees, the President, or the appropriate Executive Vice President. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be

necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the university under any contract to which the officer is a party.

Section 6: Vacancies in Offices

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled only in the manner prescribed in these bylaws for regular appointments to that office.

Section 7: Responsibilities of Officers

- A. **President.** Subject to such supervisory powers as may be given by the Board of Trustees to the Chair, the President shall, subject to the control of the Board of Trustees, generally supervise, direct, and control the business and the officers of the university and shall serve as its Chief Executive Officer. The President and any other officer specifically designated by the board shall have the power and authority to execute, acknowledge and deliver all deeds to land, leases, notes and mortgages, when so authorized by the Board of Trustees or Executive Committee through budgetary approval or other specific authorization.

Under the direction of the President, the faculty, including the Provost and Executive Vice President for Academic Affairs, Deans, and other persons who hold faculty appointments, shall have the supervision of the educational program of the university.

The President shall have such other powers and duties as may be prescribed by the Board of Trustees or these bylaws.

- B. **Executive Vice President and Chief Operating Officer.** The Executive Vice President and Chief Operating Officer ("EVP/COO") shall be responsible for all daily business operations and the administration of the university and shall report to the President. The EVP/COO shall work with the President to develop and pursue the university's vision, goals, and strategies.

In addition, the EVP/COO shall serve as the chief financial officer of the university and, in such capacity, shall attend to the following:

1. **Books of Account.** The EVP/COO shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the university, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, and other matters customarily included in financial statements. The books of account shall be open to inspection by any Trustee at all reasonable times.

2. **Deposit and Disbursement of Money and Valuables.** The EVP/COO shall deposit or cause to be deposited all money and other valuables in the name and to the credit of the university with such depositories as may be designated by the Board of Trustees; shall disburse the funds of the university as may be ordered by the President or the Board of Trustees; shall render to the President and Trustees, whenever they request it, an account of all of his/her transactions as EVP/COO and of the financial condition of the university.
 3. **Financial Statements.** The EVP/COO shall prepare or cause to be prepared the university's financial statements. These financial statements shall be audited by an independent certified public accountant appointed by the Board of Trustees, who shall render an opinion in conformance with generally accepted auditing standards.
 4. The EVP/COO shall in general perform all duties as may be required by law, by the Articles of Incorporation of this university, or by these bylaws, or which may be assigned from time to time by the President. In the absence of an EVP/COO serving as the Chief Financial Officer of the university, the President shall appoint a Chief Financial Officer who shall attend to the responsibilities set forth in Article V, Section B-1 through 3 above.
- C. **Executive Vice Presidents.** Executive Vice Presidents shall have such powers and duties as from time to time may be prescribed for them respectively by, as the case may be, the President, the Board of Trustees, or the Chair of the Board of Trustees.

ARTICLE VI: COMMITTEES OF THE BOARD OF TRUSTEES

Section 1: Committees of the Board of Trustees

The Board of Trustees may designate and appoint one or more Committees of the Board, each consisting of at least two (2) Trustees and no non-Trustee or non-voting Trustee members, and delegate to such committees any of the authority of the board except with respect to:

- A. The filling of vacancies on the board or in any Committee of the Board;
- B. The fixing of compensation of Trustees for serving on the Board of Trustees or on any committee;
- C. The amendment or repeal of bylaws or the adoption of new bylaws;
- D. The amendment or repeal of any resolution of the Board of Trustees which by its express terms is not so amendable or repealable;
- E. The appointment of Committees of the Board or the members thereof;
- F. The approval of any self-dealing transaction, as defined in Section 5233(a) of the law, except as provided in Section 5233(d)(3) of the law; or
- G. The expenditure of corporate funds to support a nominee for Trustee after there are more people nominated for Trustee than can be elected.

The chair of each Committee of the Board shall be appointed from among the respective committee's members by the Chair of the Board of Trustees.

The members of each Committee of the Board shall be nominated by the chair of the respective committee in consultation with both the Chair of the Board of Trustees and the university senior staff liaison for the respective committee. It is important to note, however, that new trustees are encouraged to identify a committee based on their liking and interest.

Any Committee of the Board must be established, and the members thereof appointed, by resolution adopted by a majority of the Trustees then in office, and such committee may be designated by any name the Board of Trustees shall specify. The board may appoint, in the same manner, alternate members of any committee who may replace any absent member at any meeting of the committee. The board shall have the power to prescribe the manner in which proceedings of any such committee shall be conducted. Unless the board or such committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of this article applicable to meeting and actions of the Board of Trustees. Minutes shall be kept of each meeting of each committee.

The Committees of the Board are: the Executive Committee, Audit Committee, Compensation and Presidential Assessment Committee, Investment Committee, and Finance Committee, each consisting of at least two (2) Trustees and no non-Trustee or non-voting Trustee members.

All other committees, including the Standing and Special Committees set forth in or created pursuant to Article XII, shall be advisory committees unless established as a Committee of the Board pursuant to this Article VI, Section 1.

Section 2: Powers of Committees of the Board

Committees of the Board have those delegated board authorities set forth in these bylaws.

Article VII: EXECUTIVE COMMITTEE

Section 1: Members

The Executive Committee of the Board shall be composed of the following board members: the Chair of the Board of Trustees; the Vice Chairs, the immediate past Chair of the Board of Trustees; the President of the university; the Secretary of the Board; the Chair of each Committee of the Board, the Chair of each Standing Committee, and such other Trustees as may be nominated by the Chair of the Board of Trustees and approved by resolution of the board. If any of the foregoing is not a voting Trustee, such person shall not be a member of the Executive Committee.

Section 2: Delegated Authority

- A. The Executive Committee shall have the authority to act when it is impossible for the entire Board of Trustees to convene. The role of the Executive Committee is to address exigent concerns, unexpected crisis, or other pressing issues that arise, provided, however, that the Executive Committee shall not have the right:
1. to incur obligations binding upon Chapman University in the aggregate in excess of \$500,000;
 2. to enter into or effect any transaction or series of related transactions involving the sale, lease, license, exchange or other disposition (including by merger, consolidation, sale of stock or sale of assets) by Chapman University of assets valued at \$500,000 or more, other than sales of inventory or investments previously budgeted or otherwise in the ordinary course of business consistent with past practice;
 3. to adopt, amend, or repeal bylaws;
 4. to dispose of real property;
 5. to elect or remove the President of the university;
 6. to elect members of the Board of Trustees or of any committee of the Board of Trustees;
 7. to fix any compensation of the Trustees for serving on the Board of Trustees or on any Committee of the Board of Trustees;
 8. to amend or repeal any resolution of the Board of Trustees which by its express terms is not so amendable or repealable;

9. to establish the Committees of the Board;
 10. to approve the expenditure of funds of the university to support any nominee for service as a Trustee of the university;
 11. to approve any transaction in which any member of such committee has any financial interest, except in compliance with California Corporations Code Section 5233 (d) (3).
 12. to establish a subsidiary or enter into any joint venture or similar business arrangement; and
 13. to merge, reorganize, consolidate, dissolve, wind-up, or liquidate Chapman University, make an assignment for the benefit of creditors of Chapman University or initiate a bankruptcy proceeding involving Chapman University.
- B. Minutes of Executive Committee meetings shall be submitted to the next meeting of the Board of Trustees. The acts of the Executive Committee shall be the acts of the Board of Trustees when approved by said board, provided that the failure of the Board of Trustees to approve the acts of the Executive Committee shall not affect the validity of such acts unless such approval is expressly required hereunder or by applicable law.
- C. Officers, faculty members, employees, students and all Standing and Special Committees shall make reports to the Executive Committee when requested to do so.

Section 3: Meetings

- A. The Chair of the Board of Trustees shall serve as the Chair of the Executive Committee.
- B. The Executive Committee shall meet when called by the Chair of the Board of Trustees.
- C. The Chair of the Board of Trustees at any meeting of the Executive Committee may call an executive session from which paid employees may be excluded.

Section 4: Quorum

Seven members of the Executive Committee or, if greater, a majority of the Executive Committee members shall constitute a quorum.

ARTICLE VIII: AUDIT COMMITTEE

Section 1: Members

- A. At the first meeting of each calendar year, the Chair of the Board of Trustees, with the approval of the Board of Trustees, shall appoint to three-year terms the chair, co-chair, and membership of the Audit Committee, to the extent then up for appointment.
- B. Finance Committee members may serve on the Audit Committee; provided, however, that the Chair of the Audit Committee may not be a member of the Finance Committee and Finance Committee members shall constitute less than one-half of the membership of the Audit Committee.
- C. Each member of the committee shall be able to read and understand fundamental financial statements, including a balance sheet, cash flow statement and income statement, at such time the Trustee is appointed to the Audit Committee.
- D. The university senior staff liaison of the Audit Committee shall be the EVP/COO of the university.

Section 2: Delegated Authority

The Audit Committee shall be a Committee of the Board and shall be responsible for overseeing an annual audit of the university's financial statements performed by a firm of independent Certified Public Accountants. The Audit Committee shall review and approve the scope of the audit, the fee, the annual report, the management letter and follow-up corrective actions, if any. It shall meet privately with the auditors concerning the quality of financial personnel, the adequacy of internal controls, any auditors' concerns or other matters the auditors feel should be brought to the attention of the Audit Committee and to answer any questions the Audit Committee may have. The Audit Committee shall provide oversight for compliance, Enterprise Risk Management, and the annual Conflict of Interest disclosure and review. The Chief Compliance Officer shall report to the Chair of the Audit Committee.

Section 3: Quorum

A majority of the Audit Committee members shall constitute a quorum.

ARTICLE IX: COMPENSATION AND PRESIDENTIAL ASSESSMENT COMMITTEE

Section 1: Members

At the first meeting of each calendar year, the Chair of the Board of Trustees, with the approval of the Board of Trustees, shall appoint to three-year terms the chair, co-chair, and membership of the Compensation and Presidential Assessment Committee, to the extent then up for appointment.

Section 2: Delegated Authority

The Compensation and Presidential Assessment Committee shall be a Committee of the Board and shall be responsible for reviewing the performance and compensation of the President and of the executive officers who report to the President and any other individual who is a "disqualified person" within the meaning of section 4958(f)(1) of the Internal Revenue Code. The Compensation and Presidential Assessment Committee shall have the duty to review and the authority, without further action of the Board of Trustees, to approve the compensation arrangements for the President and such executive officers, including any transaction that may be deemed to have a compensatory effect.

Section 3: Quorum

A majority of the Compensation and Presidential Assessment Committee members shall constitute a quorum.

ARTICLE X: INVESTMENT COMMITTEE

Section 1: Members

At the first meeting of each calendar year, the Chair of the Board of Trustees, with the approval of the Board of Trustees, shall appoint to three-year terms the chair, co-chair, and membership of the Investment Committee, to the extent then up for appointment.

The university senior staff liaison of the Investment Committee shall be the Vice President of Investments and Administration of the university.

Section 2: Delegated Authority

The Investment Committee shall be a Committee of the Board and shall recommend an investment policy to the Board of Trustees, supervise the investment of all endowment and special funds of Chapman University, and determine that funds given for a specified purpose are kept separate and are used only for the purpose for which they are given. The endowment funds shall not be expended for current expenses but shall be retained and preserved inviolate, except that they may be used for collateral. Board-designated / quasi-endowment funds may be expended in accordance with the board established terms thereof.

Section 3: Quorum

A majority of the Investment Committee members shall constitute a quorum.

ARTICLE XI: FINANCE COMMITTEE

Section 1: Members

At the first meeting of each calendar year, the Chair of the Board of Trustees, with the approval of the Board of Trustees, shall appoint to three-year terms the chair, co-chair, and membership of the Finance Committee, to the extent then up for appointment.

The university senior staff liaison of the Finance Committee shall be the EVP/COO of the university.

Section 2: Delegated Authority

- A. The Finance Committee shall be a Committee of the Board and shall review, approve and recommend to the Board of Trustees proposed annual budgets for operations, capital expenditures, and financial management. The Finance Committee shall submit such recommendations annually to the Board of Trustees before the May meeting of the Board of Trustees.
- B. The Finance Committee shall monitor on a continuing basis through appropriate control reports and meetings, management's performance against the approved plans for operating performance, cash management, and capital expenditures.
- C. In addition to approved plans for capital expenditures, the Finance Committee may approve expenditures of up to \$3,000,000 for capital projects, benefit plan changes, or other university matters. All such approvals must be reported to the board at its next regular meeting.
- D. No loans shall be made to any Trustee, member of the Board of Governors, officer, or employee of the university or to any religious, fraternal or charitable organization, unless expressly approved by a vote of the Board of Trustees.

Section 3: Quorum

A majority of the Finance Committee members shall constitute a quorum.

ARTICLE XII: STANDING AND SPECIAL COMMITTEES

Section 1: Standing and Special Committees

- A. The Board of Trustees may, by resolution, create, remove, or modify one or more Standing Committee or Special Committee to serve at the pleasure of the Board of Trustees. The Standing Committees, Special Committees, and other advisory committees serve as advisory committees to the Board of Trustees. With the exception of the Nominating and Governance Committee, which shall have only voting trustees as members, appointments to all other Standing Committees, Special Committees, and advisory committees shall have at least one (1) Trustee as a member at all times, but other appointments to such committees need not but may be Trustees.

The Board of Trustees shall appoint and discharge advisory committee members at will. All actions and recommendations of an advisory committee shall require ratification by the Board of Trustees before being given effect. Each member of a Standing Committee, Special Committee, or any other advisory committee, including non-Trustee members, shall have the right to vote on any matter before that committee.

- B. As of the date hereof, the Standing Committees shall be the:
- a) Academic Committee;
 - b) Digital Resources Committee;
 - c) Interfaith and Church Relations Committee;
 - d) Nominating and Governance Committee;
 - e) Real Estate and Campus Development Committee;
 - f) Student Life Committee; and
 - g) University Advancement Committee.
- C. The chair of each Standing Committee shall be a Trustee and appointed by the Chair of the Board of Trustees.
- D. The members of each Standing Committee shall be determined by the chair of the respective committee in consultation with both the Chair of the Board of Trustees and the university senior staff liaison of that respective committee. It is important to note, however, that new trustees and governors are encouraged to identify a committee based on their liking and interest.
- E. The duties, composition, quorum, and governing rules of each Standing Committee shall be set forth in their respective committee charter, which may be adopted and amended by resolution of the Board of Trustees. Current standing committee charters shall be maintained in the Appendix to the bylaws.

- F. The university senior staff liaison for each Standing Committee shall be as follows (or the equivalent employed university staff member):
- a) Academic Committee - Provost
 - b) Digital Resources Committee – Chief Information Officer
 - c) Interfaith and Church Relations Committee – Dean of the Chapel
 - d) Real Estate and Campus Development Committee – Vice President of Campus Planning and Design
 - e) Student Life Committee – Vice President for Student Affairs and Dean of Students
 - f) University Advancement Committee – Chief Advancement Officer
- G. The Board of Governors shall serve as an advisory committee as set forth in Article XIII.

Article XIII: BOARD OF GOVERNORS

Section 1: Membership

The Board of Governors shall be composed of no more than 45 regular members and ex officio members, who shall include the President of the university, the Chief Advancement Officer of the university, and the President Elect or immediate past President of the Alumni Board. Subject to the maximum number specified above, the number of members of the Board of Governors shall be fixed by resolution.

Section 2: Election

- A. The regular members shall be nominated by the Governorship Committee of the Board of Governors, approved by the Nominating and Governance Committee of the Board of Trustees and the President of the university, and shall be elected by the Board of Trustees for a term of three years. They shall be divided into three equal classes, with one class to be elected each year at the Annual Meeting of the Board of Trustees by a majority vote of those trustees present. Each elected Governor, including a Governor elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and has qualified.
- B. All candidates for membership on the Board of Governors, whether on initial election or to fill a vacancy, shall be approved by the Board of Trustees.
- C. The Board of Trustees may elect as Emeritus Governor any person who has been elected to membership on the Board of Governors as provided in Article XIII, Section 2-A and who has served with distinction not fewer than two full terms (a total of six years) or whose service as a member of the Board of Governors terminates after such Governor's seventieth birthday. This person shall be a Governor for life or until resignation. Governors who do not meet the term requirements, but whose extraordinary and distinctive service to the university clearly merits exceptional recognition may also be elected as Emeriti Governor. Recommendations shall be made by the Nominating and Governance Committee of the Board of Trustees. An Emeritus Governor shall receive all notices and minutes sent to other members and shall be invited to attend Board of Governors meetings as a voting member. An Emeritus Governor shall be eligible to serve on any Standing or Special Committee of the Board of Trustees.

Section 3: Vacancies

Any member of the Board of Governors may be recommended for removal from the Board of Governors by a two-thirds majority vote of the governors at any regular or special meeting of the Board of Governors called expressly for that purpose. The removal of the Governor needs

to then be approved by the Board of Trustees. Any Governor proposed to be removed shall be entitled to reasonable notice and an opportunity to be heard.

Any vacancies occurring in the Board of Governors may be filled for the unexpired term by the Board of Trustees at any meeting.

Section 4: Powers and Duties

The Board of Governors is an advisory committee that shall be responsible for advising the President of the university and the Board of Trustees regarding strategic planning, academic programs and the external relations of the university. Members of the Board of Governors are required to serve on Standing Committees, Special Committees, and other Board of Trustees advisory committees.

Article XIV: OFFICERS OF THE BOARD OF GOVERNORS

Section 1: Officers of the Board of Governors

- A. The officers of the Board of Governors shall be a Chair, an Executive Vice Chair, a Vice Chair, and a Secretary. The officers shall hold office for one year and until their successors are elected and qualified.
- B. The officers of the Board of Governors shall be nominated by the Governorship Committee of the Board of Governors and elected by the Board of Governors.
- C. Vacancy in any office shall be filled by the Board of Governors.

Section 2: Duties

- A. The Chair of the Board of Governors shall preside at all meetings of the Board of Governors and shall act as executive head of the Board of Governors when it is not in session and shall represent it officially on public occasions. The Chair of the Board of Governors shall be an ex officio member of the Board of Trustees.
- B. The Executive Vice Chair or Vice Chair of the Board of Governors shall act in the absence of the Chair of the Board of Governors.
- C. The Secretary of the Board of Governors shall keep or cause to be kept the minutes and manage or cause to be managed the correspondence of the Board of Governors and perform other such duties as assigned by the officers of the Board of Governors.

Article XV: Board of Governors Meetings

Section 1: Regular Meetings

The Board of Governors shall meet at least three times per academic year. These meetings may be held in conjunction with regular or special programs featuring one or more of the university's academic programs.

Section 2: Special Meetings

Special meetings shall be called by the Secretary of the Board of Governors at the request of (1) the Chairman of the Board of Governors, (2) the Executive Vice Chair of the Board of Governors, or (3) the Vice Chair of the Board of Governors, or (4) five members of the Board of Governors. The notice of such a meeting shall be in writing and state its purpose and shall be communicated to each member of the Board of Governors in the manner set forth in Article IV, at least two days prior to the time set for the meeting.

Section 3: Quorum

One more than one-third of the regular membership of the Board of Governors shall constitute a quorum.

Article XVI: Indemnification of Trustees, Officers, Employees and Other Agents

Section 1: Definitions for the Purpose of This Article

- A. Agent. “Agent” means any person who is or was a trustee (whether elected, emeritus, or ex-officio), governor, officer, employee, or other agent of this corporation, or is or was serving at the request of this corporation as a director, trustee, ex-officio director or trustee, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, trustee, ex-officio director or trustee, officer, employee, or agent of a foreign or domestic corporation that was a predecessor corporation of this corporation or of another enterprise at the request of the predecessor corporation;
- B. Attorney General. “Attorney General” means the Attorney General of the State of California.
- C. Proceeding. “Proceeding” means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and
- D. Expenses. “Expenses” includes, without limitation, all attorneys’ fees, costs, and any other expenses incurred in the defense of any claims or proceedings against an agent by reason of the agent’s position or relationship as agent and all attorneys’ fees, costs, and other expenses incurred in establishing a right to indemnification under this Article.

Section 2: Successful Defense by Agent

To the extent that an agent of this corporation has been successful on the merits in the defense of any proceeding referred to in this Article, or in the defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the claim. If an agent either settles any such claims or sustains a judgment rendered against the agent, then the provisions of Sections 3 through 5 below shall determine whether the agent is entitled to indemnification.

Section 3: Actions Brought by Persons Other Than the Corporation

The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any Proceeding (other than an action by or in the right of the corporation to procure a judgment in its favor, an action brought under California Corporations Code Section 5233 concerning self-dealing transactions, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to the assets held in charitable trust) by reason of the fact that such person is or was an agent of the corporation, against Expenses, judgments, fines, settlements and other amounts actually and reasonably

incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the corporation and, in the case of a criminal Proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the corporation or that the person had reasonable cause to believe that the person's conduct was unlawful. The determination of the agent's conduct shall be made in accordance with Section 5.

Section 4: Action Brought by or on Behalf of the Corporation

The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action by or in the right of the corporation, or brought under California Corporations Code Section 5233 concerning self-dealing transactions, or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. The determination of the agent's shall be made in accordance with Section 5. No indemnification shall be made under this Section 4:

- A. In respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation in the performance of such person's duty to the corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;
- B. Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or
- C. Of Expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval unless it is settled with the approval of the Attorney General.

Section 5: Determination of Agent's Good Faith Conduct

Except as provided in Section 2, any indemnification under this Article shall be made by the corporation only if authorized in the specific case, upon a determination that indemnification of

the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in subdivision Section 3 or 4, as applicable, by:

- A. A majority vote of a quorum consisting of Trustees who are not parties to such proceeding; or
- B. The court in which such proceeding is or was pending upon application made by the corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by this corporation.

Section 6: Limitations

No indemnification or advance shall be made under this Article, except as provided in Sections 2 or 5-A, in any circumstances when it appears:

- A. That the indemnification or advance would be inconsistent with a provision of the articles, bylaws, a resolution of the Trustees, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- B. That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 7: Advance of Expenses

Expenses incurred in defending any proceeding may be advanced by this corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to repay the amount of the advance unless it is determined ultimately that the agent is entitled to be indemnified as authorized in this article.

Section 8: Contractual Rights of Non-Trustees and Non-Officers

Nothing contained in this article shall affect any right to indemnification to which persons other than Trustees and officers of this corporation, or any subsidiary hereof, may be entitled by contract or otherwise.

Section 9: Insurance

The Board of Trustees may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not this corporation would have the power to indemnify the agent under Corporations Code

Section 5238; provided, however, that the corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the corporation for a violation of California Corporations Code Section 5233 concerning self-dealing transactions.

Section 10: Fiduciaries of Corporate Employee Benefit Plan

This article does not apply to any proceeding against any Trustee, investment manager, or other fiduciary of an employee benefit plan in that person's capacity as such, even though that person may be an agent of the corporation as defined in Section 1 of this article. Nothing contained in this article shall limit any right to indemnification to which such a Trustee, investment manager, or other fiduciary may be entitled by contract or otherwise, which shall be enforceable to the extent permitted by applicable law.

Article XVII: CONFLICTS OF INTEREST

Section 1: Conflicts of Interest

It is the policy of Chapman University to conduct its affairs, and to require its personnel (as defined below) to conduct their affairs, so as to avoid all conflicts of interest between the university and such personnel or, in the case where a conflict of interest cannot be avoided, to require that the transaction or matter that is the subject of the conflict of interest be approved by an independent body of representatives of the university. For these purposes, the term "Personnel" means the members of the Board of Trustees (the "Board"), the officers and key employees of the university as identified in the annual list published by the Chair of the Audit Committee, and the term "Person" means any one of the personnel. Generally, a "conflict of interest" shall be deemed to exist when a Person, either directly or indirectly through affiliated parties, has an economic or legal interest adverse to the university; as further detailed in the University's Board of Trustee Policy on Conflicts of Interest. In addition, the policy shall be interpreted so as to be consistent with other policies of the university encouraging and protecting freedom of expression. Personnel are required to complete the Conflicts of Interest Annual Disclosure Statement.

Accordingly, no Person shall engage in any transaction or voluntarily adopt any position in which he, she or any of his or her affiliates has a conflict of interest with the university, unless: (1) the transaction or matter shall have been fully disclosed to and approved in writing in advance by the Chair of the Audit Committee, (except that if the Chair of the Audit Committee is the disclosing party, then to the Chair of the Board of Trustees) or (2) such transaction or position is otherwise in strict accordance with other written university policies.

Article XVIII: MISCELLANEOUS PROVISIONS

Section 1: Fiscal Year

The fiscal year of the university begins on June 1 of each year and ends on May 31 of the succeeding year.

Section 2: Rules of Procedure

In the event of disagreement over the customary procedural protocols which may be in effect from time to time, *Robert's Rules of Order, Revised*, shall be the default parliamentary authority for all matters of procedure not specifically covered in these bylaws.

Section 3: Nondiscrimination

The institution does not discriminate in its educational and employment policies against any person on the basis of gender, race, color, religion, age, disability, sexual orientation, national or ethnic origin, or on any other basis proscribed by federal, state, or local law, with regard to characteristics protected by federal, state or local law, including changes that may occur over time.

Section 4: Amendments

These bylaws may be amended at any regular or special meeting of the Board of Trustees by a vote of three-fourths of all members present, provided a majority of the elected Trustees shall be present and participating in the meeting, and further provided that the proposed amendment shall have been read at a regular or special meeting of the Board of Trustees at least thirty (30) days prior to the meeting taking action thereon and that a copy thereof shall have been distributed to each Trustee at least seven (7) days prior to the meeting taking action thereon.

Appendices

Chapman University Committee Responsibilities, Descriptions and Charters

The **Committees of the Board** are the Executive Committee; Audit Committee; Compensation and Presidential Assessment Committee; Investment Committee; and Finance Committee. The charters for the Committees of the Board are included in the university bylaws.

The **Standing Committees** are the Academic Committee; Digital Resources Committee; Interfaith and Church Relations Committee; Nominating and Governance Committee; Real Estate and Campus Development Committee; Student Life Committee; and University Advancement Committee. The charters of the Standing Committees are part of the appendix of the university bylaws, and changes to them require resolution of the board, as per Article XII Standing and Special Committees; Section 1, item A.

ACADEMIC COMMITTEE

Section 1: Membership

The Academic Committee shall have at least one (1) Trustee as a member at all times. Other appointments to the Committee need not but may be Trustees. The Board of Trustees may appoint and discharge Committee members at will. All actions and recommendations of the Committee shall require ratification by the Board of Trustees before being given effect.

Unless otherwise appointed by the Board or the Chair of the Board of Trustees, at the first meeting of each calendar year, the members of the Committee shall select a chair of the Committee.

Section 2: Committee Authority and Responsibilities

1. The Committee shall be responsible for recommending policies to the Board of Trustees regarding the academic programs for both the Orange campus and the Rinker campus. The Committee shall review recommendations of the Provost regarding any substantive academic program changes and make recommendations to the Board of Trustees.
2. The Committee shall review recommendations of the Provost regarding faculty tenure matters and make recommendations to the Board of Trustees.

3. The Committee shall make recommendations to the Board of Trustees regarding the adoption or modification of the Faculty Manual, which defines the terms of employment of the full-time faculty.
4. The Committee shall be responsible for making recommendations to the Board of Trustees for awarding honorary degrees and other University honors as determined by the Committee. Nominations of individuals for honorary degrees shall be made on the basis of three criteria: (i) service to the University; (ii) service to humanity; and (iii) distinction in the individual's personal achievements. Honorary degrees shall be awarded on the basis of nomination by the Committee after approval by the faculty and Board of Trustees.
5. The Committee shall study and discuss demographic trends and other issues that affect enrollment and apprise the Board of Trustees how those issues may affect Chapman University.
6. The Committee shall solicit Trustee opinion and advice/guidance in regard to future enrollment policies and programs.
7. The Committee shall regularly review enrollment marketing strategy.

Section 3: Quorum

A majority of the members of the Committee shall constitute a quorum.

DIGITAL RESOURCES COMMITTEE CHARTER

Section 1: Membership

The Digital Resources Committee shall have at least one (1) Trustee as a member at all times. Other appointments to the Committee need not but may be Trustees. The Board of Trustees may appoint and discharge Committee members at will. All actions and recommendations of the Committee shall require ratification by the Board of Trustees before being given effect.

Unless otherwise appointed by the Board or the Chair of the Board of Trustees, at the first meeting of each calendar year, the members of the Committee shall select a chair of the Committee.

Section 2: Committee Authority and Responsibilities

1. The Committee shall be responsible for guiding programs that provide electronic resources in support of the University's mission. The Digital Resources Committee shall give attention to different areas in service of the University's mission such as Data Management, Cybersecurity, Library Resources, Administrative Information Systems, Research Systems and Instructional Support Systems.
2. The Chair of the Committee shall attend the following Board Committee meetings: (i) the Finance Committee meeting where the annual IT Capital Budget is discussed; (ii) the Audit Committee meeting where the annual IT Capital Budget is discussed; and (iii) the Audit Committee meeting where Information Security is discussed.

Section 3: Quorum

A majority of the members of the Committee shall constitute a quorum.

INTERFAITH AND CHURCH RELATIONS COMMITTEE CHARTER

Section 1: Membership

The Interfaith and Church Relations Committee shall have at least one (1) Trustee as a member at all times. Other appointments to the Committee need not but may be Trustees. The Board of Trustees may appoint and discharge Committee members at will. All actions and recommendations of the Committee shall require ratification by the Board of Trustees before being given effect.

Unless otherwise appointed by the Board or the Chair of the Board of Trustees, at the first meeting of each calendar year, the members of the Committee shall select a chair of the Committee.

Section 2: Committee Authority and Responsibilities

1. The Committee shall assume responsibility for promoting good relations between the University and the supporting communion of the Christian Church (Disciples of Christ) and the United Church of Christ, as well as interfaith communities identified by the work of the Fish Interfaith Center.
2. The Committee shall also promote, through suggestions and information given to the proper University administrative officers, fellowship and involvement with other religious bodies in recognition of the non-denominational, ecumenical, and interfaith spirit, which has been characteristic of the University.

Section 3: Quorum

A majority of the members of the Committee shall constitute a quorum.

NOMINATING AND GOVERNANCE COMMITTEE CHARTER

Section 1: Membership

The Nominating and Governance Committee shall be solely composed of voting trustees as members at all times. The Board of Trustees may appoint and discharge Committee members at will. All actions and recommendations of the Committee shall require ratification by the Board of Trustees before being given effect.

Unless otherwise appointed by the Board or the Chair of the Board of Trustees, at the first meeting of each calendar year, the members of the Committee shall select a chair of the Committee.

Section 2: Committee Authority and Responsibilities

1. The Committee shall advise the Board of Trustees regarding the desired Board composition in terms of influence, diversity and talents.
2. The Committee shall select nominees for the Board of Trustees and may select nominees for the Board of Governors. The Committee shall seek recommendations from all Committees of the Board.
3. The Committee shall present nominations for the officers of the Board of Trustees at the Board's last regular meeting of the calendar year.
4. The Committee shall oversee the onboarding of new Trustees.
5. The Committee shall periodically present to the Board evaluative criteria and measures relating to the Board's performance.
6. The Committee shall be responsible for considering and recommending any proposed changes in the Bylaws.

Section 3: Quorum

A majority of the members of the Committee shall constitute a quorum.

REAL ESTATE AND CAMPUS DEVELOPMENT COMMITTEE CHARTER

Section 1: Membership

The Real Estate and Campus Development Committee shall have at least one (1) Trustee as a member at all times. Other appointments to the Committee need not but may be Trustees. The Board of Trustees may appoint and discharge Committee members at will. All actions and recommendations of the Committee shall require ratification by the Board of Trustees before being given effect.

Unless otherwise appointed by the Board or the Chair of the Board of Trustees, at the first meeting of each calendar year, the members of the Committee shall select a chair of the Committee.

Section 2: Committee Authority and Responsibilities

1. The Committee shall recommend to the Board of Trustees policies governing the acquisition, management and sale of all real property. The Committee shall monitor and review the implementation of these policies and shall request reports from the President and administration as necessary. The Committee shall propose to the Finance Committee any acquisitions or dispositions of University property. The Finance Committee shall in turn make its recommendations to the Board of Trustees for decision.
2. The Committee shall review changes recommended by the administration in the Master Plan for the campus and shall make appropriate recommendations to the President and Board of Trustees.
3. The Committee shall be informed on and review all matters relating to the physical resources, new construction and major renovations, facilities, infrastructure, maintenance and development of the university's campus property, and shall make recommendations to the President and the Board of Trustees on strategic physical development matters.

Section 3: Quorum

A majority of the members of the Committee shall constitute a quorum.

STUDENT LIFE COMMITTEE CHARTER

Section 1: Membership

The Student Life Committee shall have at least one (1) Trustee as a member at all times. Other appointments to the Committee need not but may be Trustees. The Board of Trustees may appoint and discharge Committee members at will. All actions and recommendations of the Committee shall require ratification by the Board of Trustees before being given effect.

Unless otherwise appointed by the Board or the Chair of the Board of Trustees, at the first meeting of each calendar year, the members of the Committee shall select a chair of the Committee.

Section 2: Committee Authority and Responsibilities

1. The Committee shall solicit Trustee opinion and advice/guidance in regard to student life issues, policies, and programs.
2. The Committee shall review recommendations of the President regarding substantive changes in student life and make recommendations to the Board of Trustees.
3. The Committee shall evaluate the quality of student life programs and activities.
4. The Committee shall recommend policy for the intercollegiate athletic program and budget and provide oversight for continuing the improvement of this program.
5. The Committee shall provide leadership for developing and sustaining athletic facilities and resources and conduct periodic review of them.
6. The Committee shall monitor compliance with NCAA and Southern California Intercollegiate Athletic Conference regulations.

Section 3: Quorum

A majority of the members of the Committee shall constitute a quorum.

UNIVERSITY ADVANCEMENT COMMITTEE CHARTER

Section 1: Membership

The University Advancement Committee shall have at least one (1) Trustee as a member at all times. Other appointments to the Committee need not but may be Trustees. The Board of Trustees may appoint and discharge Committee members at will. All actions and recommendations of the Committee shall require ratification by the Board of Trustees before being given effect.

Members of the Committee must themselves be participants in the advancement process and shall seek and encourage Board member giving. The Finance Committee Chair shall be the chair of the Committee.

Section 2: Committee Authority and Responsibilities

1. The Committee shall be responsible for a program that will provide an ever-increasing awareness of the University, with an emphasis on brand management and obtaining financial support for current operational needs, endowment, and capital growth.
2. The Committee shall give attention to different areas of University life such as strategic marketing and communications, media and public relations, alumni and parent activities, career services and professional development, giving through estate and trust planning vehicles, and all other types of fund raising.
3. The Committee shall suggest development goals and policies/procedures aligned with and in support of the institutional mission and strategic priorities.
4. The Committee shall serve as the steering committee for all capital or comprehensive campaigns.

Section 3: Quorum

A majority of the members of the Committee shall constitute a quorum.

**CHAPMAN UNIVERSITY AND BRANDMAN UNIVERSITY
BOARD OF TRUSTEES AND BOARD OF REGENTS**

Joint Policy on Conflicts of Interest
For Fiscal Year June 1, 2020 through May 31, 2021

Chapman University and Brandman University, California non-profit corporations (collectively, the “Universities”; individually, the “University”), intend to pursue their mission and purpose in compliance with the law and with high ethical standards in their conduct. All persons associated with the Universities’ business are expected to act with honesty, integrity, and loyalty and to maintain high standards of personal and ethical conduct in such affairs.

The Universities expect their Trustees, Regents, and key employees to recognize and refrain from activities or investments which are likely to involve, or might appear to involve, a conflict of interest with the interests of the Universities.

The intent of this policy is not to disqualify the Universities’ Trustees, Regents or key employees who have potential conflicts of interest from involving themselves with either University’s activities or affairs. Rather, the intent is to require disclosure and review of any activities or relationships which may fall within the scope of this policy.

A Trustee, Regent or key employee of either University shall be considered to have a conflict of interest if:

- (1) He or she has existing or potential financial or other interests that impair or might reasonably appear to impair his or her independent, unbiased judgment in the discharge of his or her responsibilities to either University; or
- (2) A member of his or her family, or any organization in which the Trustee, Regent or key employee is an officer, director, employee, member, partner, trustee, or controlling stockholder, has such existing or potential financial or other interests; or
- (3) He or she discloses or uses confidential or privileged information obtained through his or her association with either University for personal gain or any other unauthorized purpose.

All such persons shall disclose any possible conflict of interest at the earliest practical time to the University Compliance Officer who shall report all disclosures to the Audit Committee of both Boards. Furthermore, the Trustee, Regent or key

employee shall absent himself or herself from discussions of, and abstain from voting on, such matters under consideration by the Board of Trustees, Board of Regents or their respective committees. The minutes of such meetings shall reflect that disclosure was made and that the Trustee, Regent or key employee who has a conflict or possible conflict abstained from discussing or voting on the matter. Any Trustee, Regent or key employee who is uncertain whether a conflict of interest may exist in any matter may request that the Board(s) or committee(s) resolve the question in his or her absence by majority vote.

Each Trustee, Regent and University key employee shall complete, sign and return a disclosure form annually. See *Attachment A*.

Definitions For The Purposes Of This Policy

Family Member: A spouse, parents, siblings, children, and any other relative or close associate if residing in the same household as the Trustee, Regent or key employee.

Key Employee: Any full-time university employee whose decisions have the potential to have a significant impact on university resources and the title of Director, Controller, Assistant Vice President, Associate Vice President, Chief Information Officer, Vice President, Dean, Assistant Dean, Associate Dean, Vice Provost (Chapman)/Vice Chancellor (Brandman), Associate Vice Provost (Chapman)/Associate Vice Chancellor (Brandman), Assistant Vice Provost (Chapman)/Assistant Vice Chancellor (Brandman), Executive Vice President, Provost (Chapman)/Chancellor (Brandman) , President, and/or who serves as a corporate officer.

Confidential Or Privileged Information: Information that is not public and pertains to the operation of any part of either University, however promulgated, whether spoken, written, or in an electronic-generated form which is not otherwise known to the individual from a source other than either University (e.g., rates or charges involved in competitive bidding or other material price or contract requirements, anticipated programs or operations, real estate sites for purchase or sale, investment decisions, etc.).

Examples Of Activities Requiring Disclosure And Refrain From Participation In Decision-Making

Financial Interest: Whenever a Trustee, Regent, key employee or his or her family member has a financial interest in a company or organization or is doing business with either University or anticipates a situation or transaction where he or she may have an interest in a company or organization conducting business with either University.

Competition with either University: Whenever a Trustee, Regent, key employee, or his or her family member has a financial interest in a company or organization competing with either University or is doing business which competes with either University or anticipates a situation or transaction where he or she may compete with either University.

Consultant for or Contract with either University: Whenever a Trustee, Regent, key employee or his or her family member has a financial interest in a company or organization that receives a payment from either University or receives payment from either University as a consultant or contractor or anticipates a situation where he or she may receive payment from either University as a consultant or contractor.

Business Relations: Whenever a Trustee, Regent, key employee or his or her family member has an employment, consulting or other official relationship with a company or organization that has or seeks to have a business, consulting or official relationship with either University or receives a payment or item of significant economic value from that business or organization.

Use of University Resources: Whenever a Trustee, Regent, key employee or his or her family member, except in an official, authorized capacity or incidental manner, uses either University's personnel, resources, equipment, services or facilities for personal gain or profit without full disclosure, approval and reimbursement of costs.

Disclosure of Confidential or Privileged Information: Whenever a Trustee, Regent, key employee or his or her family member discloses confidential or privileged information in any form to an unauthorized party, whether the disclosure was intentional or inadvertent.

Accepting a Personal Gift or Favor: Whenever a Trustee, Regent, key employee or his or her family member accepts a personal gift or special favor from an individual or entity that provides, or seeks to provide, services or supplies to either University. This provision does not include occasional gifts of nominal or modest value (less than \$500.00 in value or isolated invitations to lunch or dinner).

Attachment A
CHAPMAN UNIVERSITY AND BRANDMAN UNIVERSITY
BOARD OF TRUSTEES AND BOARD OF REGENTS

Joint Conflicts of Interest Annual Disclosure Statement
For Fiscal Year June 1, 2020 through May 31, 2021

I have read the Joint Policy on Conflicts of Interest ("Policy") and I am filing this form in accordance with the Policy.

1. Do you or a family member have any financial, ownership, or management interest in any entity that provides goods or services of any kind to Chapman University, Brandman University, or a related entity (e.g., Chapman Filmed Entertainment) which has had any business dealings with either University or related entity within the past 12 months?

No

YES. If "yes", please explain (attach additional pages as necessary).

2. Have you or a family member received gifts, loans or remuneration for services (other than salary as an employee) in excess of \$500.00 from any business or organization that has had business dealings with either University or related entity in the past 12 months or which there is a reasonable possibility will have business dealings with either University or related entity in the next 12 months?

No

YES. If "yes", please explain (attach additional pages as necessary).

3. Do you or any of your family members perform any consulting or other professional services related to your work at Brandman University or Chapman University? If so, do you or any of your family members perform these services for a company or other entity that you or they own in whole or in part, or manage? If so, are any of that company's or entity's professional services performed for either Chapman University or Brandman University?

No

YES. If "yes", please explain (attach additional pages as necessary).

4. Do any of your family members receive any compensation directly from Brandman University or Chapman University, including pay as an employee or consultant?

No

YES. If "yes", please explain (attach additional pages as necessary).

5. Are you or a family member involved with or intend to become involved with (e.g., consult, volunteer, etc.) an individual or entity that competes with either University or related entity where sharing of confidential or privileged information is likely?

No

YES. If "yes", please explain (attach additional pages as necessary).

6. Do you feel you have any other conflict of interest within the scope of the Policy that is not stated above?

No

YES. If "yes", please explain (attach additional pages as necessary).

I certify that I have read and understood the Chapman University and Brandman University Joint Policy on Conflicts of Interest. The responses set forth are true and correct to the best of my knowledge and I have complied with the Joint Policy on Conflicts of Interest and will use my best efforts to comply in the future.

I am responding in my capacity as:

A member of the Chapman University Board of Trustees

A member of the Brandman University Board of Regents

A member of both the Chapman University Board of Trustees and a member of the Brandman University Board of Regents

A Key Employee of Chapman University

A Key Employee of Brandman University

NAME _____

DATE _____

SIGNATURE _____

TITLE _____