

BYLAWS OF MESSIAH UNIVERSITY

ARTICLE I

INCORPORATION OF PROVISIONS OF ARTICLES OF INCORPORATION

All provisions of the Articles of Incorporation, as amended, are hereby incorporated into these bylaws with the same force and effect as if the same had been set forth at large herein.

ARTICLE II

THE BOARD OF TRUSTEES

SECTION 1. DUTIES

The duties of the board of trustees shall include, but not be limited to, the following:

- A. to state the mission of the University and determine its basic policies;
- B. to promote and support the vision and programs of the University;
- C. to appoint the president, who is the chief executive officer of the University and through whom the board carries out its program and exercises control;
- D. to direct the securing of financial support for the University and to approve the budget;
- E. to hold title to property and act for the corporation in the exercise of all its legal rights, privileges and power;
- F. to constitute the final court of appeal on issues as defined in appropriate handbooks and manuals for students and employees who after due process, feel that their interests have not been adequately represented;
- G. to assess the performance of the president, their own performance as trustees, and the institutional performance in fulfilling its goals;
- H. to exercise all powers granted to a nonprofit corporation under the provisions of the Nonprofit Corporation Law of 1988, as amended, and to delegate the exercise of such powers to committees of the board.

SECTION 2. NUMBER OF TRUSTEES

The number of trustees shall not be less than 26.

SECTION 3. ELECTION OF TRUSTEES

A trustee shall be elected at any regular meeting or any special meeting called for that purpose by a majority vote of the whole number of the members of the board then serving.

At least six trustees shall be alumni of the University.

Representation by the Brethren in Christ Church will be governed by a covenant agreement between the University and the Church.

SECTION 4. TERM OF OFFICE

All trustees hereinafter referred to as the board shall be elected for a term of four years, which shall begin on July 1 following such election. Board appointment shall be limited to three successive terms, with trustees who have served three successive terms ineligible for re-election until after at least one year. Exceptions to term limitations for the chairperson of the board and the vice chairperson of the board may be recommended by the Committee on Governance for action by the board. The Board of Trustees Leadership Succession Plan allows for the board chair to be elected to a three-year term, renewable once. Non-voting emeritus trustees may be designated from time to time with associated term limits.

SECTION 5. QUALIFICATIONS

All members of the board of trustees shall be supportive of the mission and identity of Messiah **University**, shall be known for their outstanding ability in some field of endeavor compatible with Christian higher education, and shall affirm the Apostles' Creed.

SECTION 6. REMOVAL OF TRUSTEES

A trustee may be removed from office by a two-thirds vote of the board if it is found that the trustee no longer satisfies the qualifications stated in Section 5 above.

SECTION 7. LIMITATION OF TRUSTEE MONETARY LIABILITY

A trustee of the University shall not be personally liable, as such, for monetary damages for any action taken, or for any failure to take any action, unless (1) the trustee has breached or failed to perform the duties of his or her office under Subchapter B ("Fiduciary Duty") of Chapter 57 of the Nonprofit Corporation Law of 1988, and (2) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. This bylaw shall not apply to the responsibility or liability of a trustee pursuant to any criminal statute or to the liability of a trustee for the payment of taxes pursuant to local, state or federal law. No amendment to or repeal of this bylaw shall apply to or have any effect on the personal liability for monetary damages of any trustee of the University for, or with respect to, any act or omission of such trustee occurring prior to such amendment or repeal.

SECTION 8. INDEMNIFICATION

- A. The University shall indemnify any trustee or officer, and may indemnify any other employee or agent, who was or is a party to, or is threatened to be made a party to, or who is called as a witness in connection with any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including any action by or in the right of the University, by reason of the fact that he or she is or was a trustee, officer, employee or agent of the University,

- or is or was serving at the request of the University as a trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding unless the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.
- B. The indemnification and advancement of expenses provided by, or granted pursuant to, this section shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, contract, vote of trustees or pursuant to the direction, howsoever embodied, of any court of competent jurisdiction or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office. It is the policy of the University that indemnification of, and advancement of expenses to, trustees and officers of the University shall be made to the full extent permitted by law. To this end, the provisions of this section shall be deemed to have been amended for the benefit of trustees and officers of the University effective immediately upon any modification of the Nonprofit Corporation Law of 1988 which expands or enlarges the power or obligation of corporations organized under said law to indemnify, or advance expenses to, trustees and officers of the University.
- C. The University shall pay expenses incurred by an officer or trustee, and may pay expenses incurred by any other employee or agent, in defending a civil or criminal action, suit or proceeding in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the University.
- D. The indemnification and advancement of expenses provided by, or granted pursuant to, this section shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a trustee, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.
- E. The University shall have the authority to create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise secure or insure in any manner, its indemnification obligations, whether arising under these bylaws or otherwise. This authority shall include, without limitation, the authority to (i) deposit funds in trust or in escrow, (ii) establish any form of self-insurance, (iii) secure its indemnity obligation by grant of a security interest, mortgage or other lien on the assets of the University, or (iv) establish a letter of credit, guaranty or surety arrangement for the benefit of such persons in connection with the anticipated indemnification or advancement of expenses contemplated by this section. The authority so granted shall be exercised by the board of trustees of the University.
- F. The University may purchase and maintain insurance on behalf of any person who is or was a trustee or officer or representative of the University, or is or was serving at the request of the University as a representative of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the University has the power to indemnify such person against such liability under the laws of this or any other state.
- G. The provisions of this section shall not be deemed to preclude the indemnification of, or advancement of expenses to, any person who is not specified in paragraph A. of this section but

whom the University has the power or obligation to indemnify, or to advance expenses for, under the provisions of the Nonprofit Corporation Law of 1988 or otherwise.

- H. The repeal of this section or any amendment thereof which may impair or otherwise diminish the protection afforded hereby to the persons described herein shall be effective only with respect to acts or omissions by such persons which occur after the effective date of such repeal or amendment and shall have no effect whatsoever with respect to acts or omissions occurring prior to such effective date.
- I. Notwithstanding the foregoing provisions of this Section, the University shall indemnify any person seeking indemnification in connection with a proceeding (or part of it) initiated by such person only if such proceeding (or part of it) was authorized by the board of trustees of the University.

SECTION 9. CONFLICT OF INTEREST

Trustees and officers of Messiah University are expected to act in the best interests of the University. They must exercise a high standard of good faith in their decisions, avoiding any appearance of conflict of interest. Trustees, officers, and their family members (defined as a spouse, parent, sibling, child, or other relative if the latter resides in the same household as the trustee or officer) are not prohibited categorically from doing business with the University. However, a potential conflict of interest exists when the University enters a contract (including a contract of employment) or other transaction with a trustee, officer, or family member of a trustee or officer, or with a business organization in which a trustee, officer or family member of a trustee or officer has a substantial financial interest.

A “financial interest” may arise from any position as owner, officer, board member, controlling stockholder, partner, employee, or other position by which one may receive any personal financial benefit from an organization that furnishes goods or services to the University. “Financial interest” shall not include the ownership of shares in a publicly held corporation.

Each trustee and officer of Messiah University shall complete a disclosure statement in a form authorized by the board of trustees and file the same with the secretary of the board of trustees prior to July 1 of each fiscal year. All of the responses will remain confidential. However, to allow the University to be proactive in addressing potential or real conflicts, and to fulfill auditing and federal reporting requirements, the secretary will forward copies to the chairperson, the trustee Assurance Committee, and the vice president for finance and planning.

If an actual, potential or the appearance of a conflict arises between the annual filings of disclosure statements, the trustee or officer shall promptly and fully disclose the potential conflict to the chairperson of the board. Each actual or potential conflict shall be addressed on a case-by-case basis by the chairperson in consultation with the Assurance Committee. The chairperson and Assurance Committee shall determine if the payments to be made are fair and reasonable, or if otherwise required by the bylaws or deemed advisable, shall refer the transaction to a vote of the board of trustees. All disclosures by a trustee or officer shall be held in confidence except as otherwise required by law or these bylaws.

A trustee or officer who is deemed to have a conflict of interest shall be disqualified from participating in the portion of any meeting of the board of trustees which authorizes the contract or other transaction. The compensation or payments to be made under the contract or transaction shall be presumed to be fair and reasonable if:

- A. Prior to making its determination, the trustees obtain and rely upon appropriate data as to comparability; and
- B. The contract or transaction is fair as to the University as of the time it is authorized by the trustees; and
- C. All material facts regarding the relationship, interests, contract or transaction are disclosed, and the trustees authorize the contract or transaction by an affirmative vote of a majority of the disinterested trustees.
- D. The trustees adequately document in official minutes the basis for the determination concurrently with making that determination. The documentation should include:
 - (i) The terms of the approved transaction and the date approved;
 - (ii) The comparability data obtained and relied upon by the trustees and how the data was obtained;
 - (iii) The members of the board of trustees present during the discussion of the approved transaction, those voting, and those excluded.

ARTICLE III

BOARD MEETINGS

SECTION 1. SCHEDULING

The board shall fix the dates for regularly scheduled meetings with proper notice to be given at the direction of the chairperson of the board.

SECTION 2. SPECIAL MEETINGS

Special meetings of the board may be called whenever the chairperson or president deems it necessary or when at least ten members of the board request a special meeting.

SECTION 3. NOTICE

Notification of all meetings of the board shall be made to each member of the board at least five days before the meeting. In case of special meetings the purpose of the meeting shall be indicated.

SECTION 4. PLACE

All meetings shall be held at Messiah University unless the chairperson directs otherwise and so indicates in the notice of the meeting.

SECTION 5. QUORUM

A quorum shall consist of a majority of the members of the board.

SECTION 6. VOTING

At all meetings, each voting member present shall have but one vote, and votes of members not present may be received and recorded when a majority of those present so direct.

SECTION 7. ACTION WITHOUT MEETINGS

The board shall be empowered to transact corporate business without a meeting by having the secretary transmit a statement of the proposed business to each member of the board. Receipt by the secretary of written confirmation of a unanimous affirmative vote of the members of the board shall be required for the approval of such proposed business. A decision so made shall have the same force and effect as a decision at a meeting of the board. The secretary shall record the decision as a part of the minutes.

SECTION 8. USE OF CONFERENCE TELEPHONE AND SIMILAR MEANS

Members of any committee of the board of trustees may participate in a committee meeting by means of conference telephone or other electronic medium such that all persons participating in the meeting can hear each other or otherwise simultaneously communicate. Participation in a meeting by this means shall constitute presence in person at the meeting.

SECTION 9. BOARD RESOURCE PERSONS

Administrative resource persons who shall attend any regular board meeting not held in executive session shall include the provost, the vice president for finance and planning, the vice president for advancement, the vice president for operations, and such other persons as may be designated by the president or the chairperson. These resource persons are without vote, but at the discretion of the chairperson may have voice.

The chairperson of the Community of Educators shall attend any regular board meeting not held in executive session. He/she shall be without vote, but at the discretion of the chairperson of the board may have voice.

The chairperson of the Ranked Faculty Meeting shall attend any regular meeting of the Committee on Education not held in executive session. This person shall be without vote, but at the discretion of the chairperson of the committee may have voice.

ARTICLE IV

OFFICERS

SECTION 1. SELECTION

The board shall elect the following officers to serve as stipulated in the Leadership Succession Plan: a chairperson of the board, a chair-elect, a vice chairperson, a secretary, and a treasurer. The officers shall be elected from among the members of the board.

SECTION 2. CHAIRPERSON OF THE BOARD

The chairperson of the board shall be the chief executive officer of the board and shall discharge the duties which usually pertain to that office. Subject to the approval of the board and in consultation with the president, the chairperson shall appoint the chairpersons and members of all board committees, and shall be an ex officio member of all board committees. The chairperson may, with the consent of the board, delegate authority to take actions and execute documents consistent with actions authorized by the board to the president of the University or to other officers of the board.

SECTION 3. CHAIR-ELECT

The chair-elect shall be elected for a one-year term effective the final year of the chairperson's term(s) of service and shall serve as chairperson beginning July 1 of the following year. The chair-elect shall work directly with the chairperson to facilitate the transition into leadership, and shall perform duties as may be agreed upon or assigned by the chairperson.

SECTION 4. VICE CHAIRPERSON

In the temporary absence or disability of the chairperson, the vice chairperson shall perform the duties of the chairperson of the board until the board elects and installs a new chairperson.

SECTION 5. SECRETARY

The secretary shall keep minutes of the proceedings of the board and of the Executive Committee, shall be custodian of the seal of the University and of all records of the board, and shall fix the University seal to any document when so authorized. In the absence of the secretary, the duties of the office may be delegated by the secretary to an assistant secretary (vice president for advancement) or the assistant to the board of trustees.

SECTION 6. TREASURER

The treasurer shall be responsible on behalf of the board for oversight of the University's financial affairs. He/she shall work closely with the University's chief financial officer, board-approved auditor, and Committee on Finance. In the absence of the treasurer, the duties of the office may be delegated by the treasurer to an assistant treasurer (vice president for finance and planning).

ARTICLE V

COMMITTEES OF THE BOARD

SECTION 1. COMMITTEE STRUCTURE

The board shall establish such standing committees and ad hoc committees as it deems appropriate to the discharge of its duties. Standing committees shall include the Executive Committee, Committee on Advancement, Assurance Committee, Committee on Education, Committee on Enrollment Management, Committee on Finance, Committee on Operations, and Committee on Governance. The chairperson of the board shall appoint all committee members and committee chairpersons. All committees shall submit their minutes to the board, with the exception of the Committee on Governance, which shall submit its minutes to the Executive Committee.

SECTION 2. EXECUTIVE COMMITTEE

The Executive Committee shall consist of the president, the chairperson and vice chairperson of the board, the immediate past chairperson of the board (who shall serve for two years, with his or her term as a trustee deemed extended as necessary), the chairpersons of the standing committees, and other trustees at the discretion of the chairperson.

The Executive Committee shall act on behalf of the board in the interim between meetings of the board and shall have at such times all the powers consistent with these bylaws. The Executive Committee shall not act when the full board could meet and act, and shall be without authority unilaterally to alter qualifications for board membership or removal, alter either the mission or identity of Messiah University, or remove the president. The Executive Committee shall advise the president on fiscal, legal, personnel, programmatic and governance matters. The Executive Committee shall oversee preparation and implementation of the University's strategic plan.

The chairperson of the board shall serve as the chairperson of the Executive Committee.

SECTION 3. COMMITTEE ON ADVANCEMENT

The Committee on Advancement shall consist of at least five members. Subgroups, chaired by a committee member, may be appointed to carry out specific assignments.

This committee shall serve in an advisory capacity to the administration of the University, and shall recommend long-range planning and policy to the board in areas pertaining to fundraising, public relations and marketing, and alumni and parent relations.

SECTION 4. ASSURANCE COMMITTEE

The Assurance Committee shall consist of at least three members. Subgroups, chaired by a committee member, may be appointed to carry out specific assignments. All members shall have working knowledge of financial reporting standards, and at least one of the members will be a financial expert with professional knowledge of generally accepted accounting principles, risk assessment and internal control practices. One of the members shall also be a member of the Committee on Finance.

The Committee is responsible for evaluating the dynamic components that comprise the College's assurance program: internal audit, external audit, enterprise risk management, compliance protocols, technology infrastructure and data security. The committee shall be responsible to authorize appropriate procedures for and review the results of the annual audit. It shall review the University's financial statements, and assure the board that the statements reflect the University's financial condition. The committee shall determine the adequacy of internal controls and risk management procedures, determine the extent of the College's compliance with established policies and regulations (notifying the board of noncompliance), and ensure adherence to the University's conflict of interest policy.

SECTION 5. COMMITTEE ON EDUCATION

The Committee on Education shall consist of at least five members. Subgroups, chaired by a committee member, may be appointed to carry out specific assignments.

This committee shall review curricular and cocurricular policies including those pertaining to term-tenure and promotions; review new curricular and cocurricular programs; and serve in an advisory capacity to the administration of the University in matters pertaining to curricular and cocurricular policies and programs.

SECTION 6. COMMITTEE ON ENROLLMENT MANAGEMENT

The Committee on Enrollment Management shall consist of at least five members. Subgroups, chaired by a committee member, may be appointed to carry out specific assignments.

This committee shall serve in an advisory capacity to the administration of the University, reviewing reports and trends in enrollment and financial aid, and shall recommend strategy and policy to the board in areas pertaining to meeting optimal enrollment goals.

SECTION 7. COMMITTEE ON FINANCE

The Committee on Finance shall consist of at least five members. Subgroups, chaired by a committee member, may be appointed to carry out specific assignments.

This committee shall annually recommend a budget which shall be presented by the president to the board for approval and have general oversight over the fiscal affairs of the University. The committee shall serve in an advisory capacity to the administration of the University in matters pertaining to University finances.

It shall also be responsible to oversee investing the funds of the University and shall advise the board and the administration of the University regarding the purchase, sale, assignment, transfer, encumbrance or other disposition of any securities or other personal and/or real property owned by the University. Any instruments respecting the disposition of any such property shall be executed pursuant to an authorization resolution by the board. Any such transaction shall be reported at the next meeting of the committee.

SECTION 8. COMMITTEE ON OPERATIONS

The Committee on Operations shall consist of at least five members. Subgroups, chaired by a committee member, may be appointed to carry out specific assignments.

This committee shall exercise general responsibility for: developing policy for the maintenance of buildings, grounds, and equipment; recommend to the board the erection of new facilities and major additions; and periodically review and recommend to the board an updated campus master plan. The committee shall also oversee campus support services and the auxiliary enterprises of the University. The committee shall serve in an advisory capacity to the administration of the University in matters pertaining to operations and property.

SECTION 9. COMMITTEE ON GOVERNANCE

The Committee on Governance shall consist of not less than five members of which no more than two may be incumbent officers of the board. The committee shall evaluate the composition and leadership of the board and recommend means for maximizing board effectiveness and the active contribution of all board members. It shall periodically review the bylaws and recommend amendments to the board. It shall recommend prospective members of the board with all such recommendations reviewed by the Executive Committee prior to submission to the board. The committee shall nominate prospective officers to be voted upon by the board.

ARTICLE VI

THE PRESIDENT OF THE UNIVERSITY

SECTION 1. APPOINTMENT

The president of the University shall be appointed by the board to serve as the chief executive officer of the University.

SECTION 2. RESPONSIBILITIES

The President shall:

- A. serve as a nonvoting member of the board of trustees;
- B. develop, formulate and direct the University policy and governance in accordance with the policies of the board;
- C. be the official communication channel between various sectors of the University and the board;
- D. formulate the agenda for board meetings in consultation with the chairperson of the board;
- E. employ such other persons as he or she, in consultation with the Executive Committee, deems necessary to achieve the goals and mission of the University;
- F. serve, either personally or by designated representative, as resource person for all board committees;
- G. present an annual budget to the board for final action;
- H. maintain official University handbooks, manuals and documents;
- I. administer the University in such a manner that there shall be no illegal discrimination in any area of the University and its program with respect to gender, race, color, disability, and national or ethnic origin; and
- J. submit to the board an annual written report of the activities of the University.

ARTICLE VII

COMMUNITY OF EDUCATORS

The Community of Educators shall be comprised of the faculty, the cocurricular educators, the administrative educators, and/or such other employees as authorized and defined by University governance policies. Subject to the authority of the board and the president, the Community of Educators shall be responsible to:

- A. establish curricular and cocurricular policies;
- B. define standards for student achievement and institute procedures to increase the efficiency and improve the quality of student instruction and guidance;
- C. establish requirements for student admission and conditions of graduation;
- D. establish standards for assessing the proficiency of students and for assigning honors;
- E. establish academic and social standards, including grounds for the dismissal of students and the withholding of academic credit or degree; and
- F. establish governance procedures appropriate for executing these responsibilities.

ARTICLE VIII

EMPLOYEE RIGHTS AND RESPONSIBILITIES

The rights, responsibilities, status and procedures governing all employees shall be determined by the board and prescribed in manuals approved by the president.

ARTICLE IX

AMENDMENTS

Amendments of these bylaws may be made at any regular meeting of the board by a two-thirds vote of the members present provided that a copy of the proposed amendments shall have been given to each member of the board at least ten days prior to such meeting.

Revised: April 14, 1987
Oct. 14, 1987
Dec. 9, 1993
March 1, 1994
May 2, 1994
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Oct. 16, 1998
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Oct. 17, 2002
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Oct. 19, 2007
May 16, 2008
May 15, 2009
Oct. 14, 2011
Jan. 29, 2013
Jan. 28, 2014
May 2, 2014
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Oct. 20, 2017
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