

**BYLAWS**

**SOUTHWESTERN UNIVERSITY**

**Georgetown, Texas**

**Amended and Approved by the Board of Trustees**

**January 30, 2015**

**PREAMBLE**

**Structure and Members**

Southwestern University in Georgetown, Texas, (the “University”) is a non-profit corporation organized under the laws of the State of Texas. It has no members within the meaning of the Texas Business Organizations Code.

**Purposes**

The exclusive purposes for which the University is organized and operated are educational within the meaning of section 501(c)(3) of the Internal Revenue Code.

In accomplishing those purposes, the University may

- (i) establish, maintain, and support an institution that promotes higher education in any or all of its branches and confers any or all college and university diplomas, both liberal and professional, regular and honorary; and
- (ii) perform such other functions as may be necessary or appropriate to fulfill the purposes of the University.

**I.**

**BOARD OF TRUSTEES**

**1. Board Responsibility**

Responsibility for the University’s overall educational mission and for its governance, academic life, student life, and fiscal affairs is vested in the University’s Board of Trustees. The board, however, may delegate certain authority in recognition of the established practice of shared governance in American colleges and universities. (Unless otherwise clearly evident, all references to the “board of trustees” or the “board” refer to the University’s Board of Trustees.)

## 2. **Number, Composition, Selection, and Qualifications of Trustees**

The board of trustees shall comprise not more than 45 trustees, excluding any honorary trustees, and shall be composed as follows:

- (a) **Conference Trustees.** Eighteen trustees consisting of four persons from each of the Central Texas, North Texas, Rio Texas, and Texas Annual Conferences of the United Methodist Church and two persons from the Northwest Texas Annual Conference of the United Methodist Church. Conference trustees are nominated by the University's board of trustees, upon recommendation of the board's trusteeship committee, and elected by their respective conferences. The conferences electing conference trustees are referred to as the University's "patronizing conferences."
- (b) **Episcopal Trustees.** Two bishops of the United Methodist Church nominated and elected by the bishops of the University's patronizing conferences after consultation regarding each individual nominee with the board's trusteeship committee, giving due regard to the comments, requests, and concerns of that committee. At least one of the episcopal trustees serving at any given time must be a bishop of one of the University's patronizing conferences.
- (c) **At-Large Trustees.** Up to 20 trustees nominated by the trusteeship committee and elected by the board at large.
- (d) **Recent-Graduate Trustees.** Two recent graduates of the University, one nominated each year by the members of his or her respective graduating class in the spring semester of their senior year and elected by the board of trustees.
- (e) **Ex Officio Trustees.** The following persons who serve as ex officio trustees by virtue of the other positions that they hold:
  - (1) The President of the University,
  - (2) The President of the Association of Southwestern University Alumni, and
  - (3) The President-Elect of the Association of Southwestern University Alumni.

These ex officio trustees shall be formally confirmed at the first board meeting held after they assume the positions that entitle them to board membership.

- (f) **Honorary Trustees.** The board may choose to elect persons who have served the University with particular distinction as honorary trustees. Honorary trustees shall be without voting power and owe the University no fiduciary duties.
- (g) **Qualifications and Voting Rights.** The board may establish qualifications for trustees not inconsistent with the qualifications provided by article eight of the University's amended and restated certificate of

formation filed November 4, 2011, and by these bylaws. All trustees, except for any honorary trustees, shall have full voting power at board and committee meetings.

- (h) **Number.** The number of trustees may be increased or decreased (so long as any decrease does not effectively shorten the term of any incumbent trustee) by amending these bylaws pursuant to article nine, and consistent with article seven, of the University's amended and restated certificate of formation filed November 4, 2011, and pursuant to article VII of these bylaws, provided, however, that the number of trustees shall never be more than 45 nor fewer than five.

### **3. Conference Confirmation Required for Change**

Any change in the composition of the board of trustees or the method of selection for membership on the board shall be confirmed by the University's patronizing conferences.

### **4. Terms of Office**

- (a) Each conference trustee, episcopal trustee, and at-large trustee shall serve a term of three years, provided, however, that this provision shall apply to trustees currently serving four-year terms only upon the end of their current terms. The board may, but need not, divide these trustees into classes so that their terms of office are staggered. Conference trustees, episcopal trustees, and at-large trustees may be re-elected but may not serve in the position to which they were originally elected for more than four consecutive terms or for 12 consecutive years, whichever is shorter. Conference trustees, episcopal trustees, and at-large trustees who have served the maximum number of consecutive terms or years, however, may be re-elected to their previous positions if at least one year has elapsed since they last served in those positions.
- (b) Each recent-graduate trustee shall serve one term of two years.
- (c) Each ex officio trustee shall serve for so long as he or she occupies the position that entitles him or her to membership on the board.

### **5. Vacancies and Removal for Cause**

- (a) Any trustee may be removed for cause in accordance with procedures established by the board of trustees. Removal shall be considered at a special meeting of the board called for that purpose. A trustee whose removal has been proposed shall be interviewed by the board of trustees or the executive committee and given an opportunity to be heard.

Removal shall require an affirmative vote of two-thirds of the members of the board of trustees who actually cast votes at the special meeting in person or by proxy. Cause may include, but need not be limited to, failure to carry out the usual and expected duties of a member of the board of trustees and failure to comply with applicable laws and regulations.

- (b) Any vacancy occurring in a trustee position, other than an episcopal-trustee position, whether due to death, resignation, or removal; an increase

in the number of trustees; or otherwise, shall be filled by the affirmative vote of a majority of the remaining trustees though less than a quorum unless the bylaws provide for another method of filling the vacancy. Any vacancy occurring in an episcopal-trustee position, whether due to death, resignation, or removal; an increase in the number of episcopal trustees; or otherwise, shall be filled by the bishops of the University's patronizing conferences pursuant to section 2(b) of this article.

- (c) Each trustee, other than an honorary trustee, is expected to attend at least one-half of the board meetings and meetings of committees of which he or she is a member held during his or her term. A trustee's failure to attend three consecutive board or three consecutive committee meetings, absent circumstances considered extraordinary by the board, shall be deemed to constitute that trustee's resignation from the board.

## **6. Specific Powers and Duties**

As stated in section 1 of this article, the board of trustees has ultimate responsibility for the University's mission, operation, and affairs. Without limiting the generality and breadth of that responsibility, the board shall have the following specific powers and duties:

- (a) The board is the policymaking body of the University and shall set its strategic goals and direction. General institutional and strategic policies should originate with the board or should be approved by the board upon recommendation of the president. The president shall administer and implement the policies adopted by the board of trustees within the broad framework established by the board.
- (b) The board shall ensure that the financial resources of the institution are adequate to provide a sound educational program.
- (c) The board shall protect the institution from undue influence from political, religious, or other external bodies and keep itself free from such influences.
- (d) The board shall not be controlled by a minority of board members or by organizations or interests separate from it.
- (e) The members of the board shall be free of any contractual, employment, or personal or familial financial interests in the institution to the extent not allowed by the board's conflict-of-interest policies or necessarily permitted by reason of the president's employment status.

## **7. Officers and Duties**

- (a) **Officers.**

The officers of the board of trustees shall include a chair, a vice-chair, a secretary/treasurer, and such other officers as the board may deem necessary.

**(b) Duties**

**(1) Chair**

The Chair of the Board of Trustees shall be elected by the board from among its members. (Unless otherwise clearly evident, all references to the “chair” or the “chair of the board” refer to the Chair of the University’s Board of Trustees.) He or she shall serve a two-year term but may be reelected to serve one or more additional terms. The chair shall

- (i) preside over all meetings of the board of trustees;
- (ii) counsel and confer with the president concerning major presidential decisions;
- (iii) appoint chairs and members of standing and other committees and task forces, except those that are otherwise created by the board of trustees itself, and serve as an ex officio member of all such committees and task forces;
- (iv) execute and deliver the correspondence, conveyances, and other instruments necessary or required to effect the instructions and actions of the board;
- (v) perform such other duties as may be requested by the board of trustees or the executive committee.

The chair’s signature, or a facsimile thereof, shall appear on all diplomas issued by the University.

**(2) Vice-Chair**

The Vice-Chair of the Board of Trustees shall be elected by the board from among its members. (Unless otherwise clearly evident, all references to the “vice-chair” or the “vice-chair of the board” refer to the Vice-Chair of the University’s Board of Trustees.)

He or she shall serve a two-year term but may be reelected to serve one or more additional terms. The vice-chair shall:

- (i) in case of the absence of the chair due to death, resignation, disability, removal, disqualification, or for some other reason, act in his or her stead, performing all duties and exercising all powers of the chair; and
- (ii) perform such other duties as may be assigned by the chair or requested by the board of trustees or the executive committee.

**(3) Secretary/Treasurer**

The Secretary/Treasurer of the Board of Trustees shall be elected by the board of from among its members. (Unless otherwise clearly evident, all

references to the “secretary/treasurer” or the “secretary/treasurer of the board” refer to the Secretary/Treasurer of the University’s Board of Trustees.) He or she shall serve a two-year term but may be reelected to one or more additional terms. The secretary/treasurer shall:

- (i) maintain records of the proceedings of the board, carefully preserving and keeping in order all books, papers, documents, and records of the board of trustees;
- (ii) sign official documents;
- (iii) in the absence of the chair, the vice-chair, and the president, call a board meeting to order and call upon the trustees present to choose a chair pro tempore to preside;
- (iv) affix the official seal of the University to and attest all documents executed in the name of the University or the board of trustees and requiring attestation;
- (v) prepare certified excerpts from the minutes of the board of trustees; and
- (vi) perform such other duties as may be assigned by the chair or requested by the board of trustees or the executive committee.

The secretary/treasurer’s signature, or a facsimile thereof, shall appear on all diplomas issued by the University.

The president or his or her designee shall provide to the secretary/treasurer staff assistance necessary for him or her to perform these duties. In addition, the president’s office shall be the repository for the board’s records and documents.

## **8. Meetings of the Board**

### **(a) Regular Meetings**

The board shall meet at least twice annually. Regular meetings of the board shall be held in the fall and spring. The spring meeting shall be known as the annual meeting. The dates of the regular meetings shall be established by the chair.

### **(b) Special Meetings**

Special meetings of the board shall be called by the chair if he or she

- (1) deems a special meeting of the board to be in the best interest of the University;
- (2) has received a request, in which the chair concurs, from the president for a special meeting;

- (3) has received written requests for a special meeting from 15 trustees; or
- (4) has received a written petition from two-thirds of the University faculty that they wish to appeal the president's suspension of an action of the faculty or wish to request a special meeting of the board for some other purpose.

**(c) Notice**

Written notice stating the place, date, and time of any regular or special meeting of the board shall be delivered not fewer than seven days before the meeting, either personally, by mail, by email and/or other electronic message, or by other satisfactory means (including but not limited to facsimile and overnight delivery), to each trustee at his or her address reflected in the records of the University. If mailed, the notice shall be deemed delivered when deposited in the United States mail in a sealed envelope correctly addressed with first-class postage prepaid. Any trustee may waive notice of any meeting. A trustee's attendance at any meeting shall constitute a waiver of notice of the meeting, except when a trustee attends a meeting for the express purpose of objecting to the transaction of any business because the meeting has not been lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting need be specified in the notice or waiver of notice of such meeting unless specifically required by law, and the board's authority to act at any meeting shall not be limited to any items specified in the meeting notice. At any such meeting at which every trustee shall be present even though without notice, any matter pertaining to the University's purposes may be considered and acted upon.

**(d) Place**

Board meetings shall be held on the University campus in Georgetown, Texas, unless otherwise directed by the board or its chair.

**(e) Quorum**

Eighteen members of the board shall constitute a quorum for transacting business, but a majority of those present at the time and place of the meeting, although less than a quorum, may adjourn without notice until a quorum appears. The vote of a majority of the trustees present at any meeting shall prevail, unless the vote of a greater number is required by law, the certificate of formation, or these bylaws. Trustees present only by proxy may not be counted toward a quorum, but their proxies may be voted if a quorum otherwise is present.

**(f) Nature**

Meetings of the board are executive and confidential in nature unless the board determines otherwise by an affirmative vote of two-thirds of the trustees present and voting, provided, however, that University administrative officers who are designated by the chair may be present and, when matters within their supervision or responsibility are under discussion, may have the privilege of the floor.

**(g) Voting**

A trustee may vote in person or by written proxy. No proxy shall be valid after three months from the date of its execution. Each proxy shall be revocable unless it expressly provides that it is irrevocable or unless otherwise made irrevocable by law. With respect to any action (i) that is required by the Texas Business Organizations Code, or its successor legislation, (the “TBOC”) to be taken at a meeting of the board of trustees or (ii) that may be taken at a meeting of the board or any board committee, such action may be taken without any such meeting if a written consent setting forth the action to be taken is signed (as provided by the TBOC) by a sufficient number of members of the board or committee as would be necessary to take the action at a meeting at which all, and not just a quorum, of the members of the board of trustees or members of the committee were present and voted.

**(h) Order of Business**

The board normally shall observe the following order of business at its regular meetings:

- (1) Call to order;
- (2) Invocation;
- (3) Consent agenda items, including correction and approval of minutes of the preceding meeting(s); review and ratification of any actions taken by standing committees, including the executive committee; and conferring of regular and honorary degrees;
- (4) Report and recommendations of the president;
- (5) Reports of the standing committees;
- (6) Reports of other committees and task forces;
- (7) Unfinished business;
- (8) New business; and
- (9) Executive session.

The order of business, however, may be varied for good cause in the discretion of the chair.

**(i) Conduct of Business**

The chair shall preside at all board meetings; in the absence of the chair, the vice-chair shall preside; in the absence of the vice-chair, the president shall preside; and in the absence of the president, the secretary/treasurer shall call the meeting to order and a chair pro tempore shall be chosen by the board from among the trustees present. The secretary/treasurer shall act as secretary/treasurer of all meetings of the board, but in the absence of the secretary/treasurer, the presiding chair may appoint any person to act as secretary/treasurer of the meeting.

## **9. Compensation of Trustees and Reimbursement of Expenses**

Trustees shall not receive any salary or compensation for their services, provided, however, that nothing in these bylaws shall be construed as precluding any trustee who is in compliance with all conflict-of-interest policies prescribed by the board from receiving compensation in a reasonable amount for personal services rendered (other than services rendered as a trustee) that are reasonable and necessary in carrying out the University's purposes as the board of trustees may determine nor shall these bylaws in any way affect the right of any University employees who serve as trustees, including the president, to receive their full salaries or other compensation to which they are entitled as employees. A recent-graduate trustee, in the board's discretion, may be reimbursed for certain expenses incurred by him or her in carrying out his or her duties as a trustee.

## **10. Committees**

### **(a) Standing Committees**

Standing committees of the board shall include the Executive Committee and the Trusteeship Committee, together with such other standing committees as the board may create. The board may delegate to its standing committees proper powers and duties. Non-trustees may serve on standing committees, but any committee that exercises the powers of the board must consist of a majority of persons who are trustees.

### **(b) General Regulations**

#### **(1) Appointment and Term of Standing Committees**

Members of standing committees shall be appointed by the chair, by and with the consent of the board, and shall serve at the pleasure of the appointing chair or until the succeeding chair shall be elected. The chair and the president shall be ex officio members of each committee.

#### **(2) Method of Filling Vacancies in Standing Committees**

If a vacancy occurs on any standing committee, the chair may appoint another member to serve on the committee until the next regular board meeting, at which time the chair shall seek board confirmation of the appointment. If confirmed, the appointment shall stand at the pleasure of the appointing chair or until the standing committees are reconstituted.

#### **(3) Committee Meetings**

Meetings of any committee may be called by the chair of the committee, the chair of the board of trustees, or the president. A majority of any committee shall constitute a quorum.

#### **(4) Committee Records**

Each standing committee shall keep records of its proceedings, and any actions exercising delegated powers of the board shall be formally reported to the board at its next regular meeting.

**(5) Authority of Standing Committees**

The authority of all standing committees shall be subject to the policies of the board of trustees.

**(c) Executive Committee**

**(1) Membership**

The Executive Committee of the Board of Trustees shall be composed of the chair, vice-chair, and secretary/treasurer of the board; the president of the University; the chairs of all of the board's standing committees; and former board chairs who are trustees. (Unless otherwise clearly evident, all references to the "executive committee" refer to the Executive Committee of the University's Board of Trustees.)

**(2) Meetings**

The executive committee shall meet at the discretion of the chair.

**(3) Powers and Duties**

- (i) The executive committee shall consider and frame issues for board consideration and action and shall prepare agendas for board meetings. If, in the sound discretion of the chair, it is not reasonable or not practicable, by reason of timing or other appropriate considerations, to convene a board meeting to take an action otherwise within the board's authority, the executive committee may exercise all of the powers and authority of the board to act upon questions and transact business of every kind in the assignment of affairs by the University, except as otherwise provided for in the certificate of formation or these bylaws, provided, however, that the chair shall inform the board within a reasonable period of time of any such actions taken or business transacted.
- (ii) Unless affirmatively and expressly authorized by the board to do so, the executive committee may not exercise broad powers and authority to do any of the following:
  - a. alter, modify, or rescind any affirmative action taken or policy approved by the board;
  - b. elect trustees;

- c. sell, lease, convey, or transfer any real or personal property used by the University in the direct pursuit of its educational mission, including campus, grounds, buildings, and equipment;
- d. execute any transaction covered by subchapters F or G of chapter 22 of the Texas Business Organizations Code; or
- e. take any other action that would substantially impair the University's ability to accomplish its educational mission.

(iii) The executive committee may perform such other duties and exercise such other powers as the board of trustees may delegate to it.

**(d) Trusteeship Committee**

**(1) Membership**

The Trusteeship Committee shall consist of not fewer than five members of the board of trustees, two of whom shall be the President of the University and the President of the Association of Southwestern University Alumni and at least one of whom shall be a member of a United Methodist Church. (Unless otherwise clearly evident, all references to the "trusteeship committee" refer to the Trusteeship Committee of the University's Board of Trustees.)

**(2) Duties**

The trusteeship committee shall

- (i) nominate candidates for conference trustees and at-large trustees;
- (ii) confer with the bishops of the University's patronizing conferences concerning their nomination of candidates for episcopal trustees;
- (iii) nominate candidates for officers of the board of trustees; and
- (iv) perform such other duties and exercise such other powers as the board of trustees or the executive committee may delegate to it.

**(e) Other Committees and Task Forces.** The board of trustees or the executive committee may create other standing committees and may delegate to such committees proper powers and duties. In addition, the chair may appoint special committees and task forces to consider issues best addressed separately from the work of standing committees.

- (f) **Telephonic Participation in Meetings.** Trustees should endeavor to attend all board meetings and, when possible, most committee meetings in person. Unless otherwise restricted by these bylaws, however, members of the board of trustees, of any standing committee, or of any special committee or task force, if the chair of the meeting concurs, may participate in a board, committee, or task force meeting by conference telephone or similar communications equipment that enables all individuals participating in the meeting to hear one another. Participation in a meeting pursuant to this section shall constitute presence in person at the meeting.

## II.

### OFFICERS

The executive and administrative officers of the University shall consist of the President of the University, elected by the board of trustees in accordance with section 1(a) of this article, and such other administrative officers that the president may appoint in accordance with section 2(a). (Unless otherwise clearly evident, all references to the “president” refer to the President of the University.)

#### 1. President

The president is the chief executive officer of the University.

##### (a) Election

The president shall be elected by the board of trustees on the recommendation of a committee specially appointed by the chair for the purpose of recommending a candidate for president. An affirmative vote of two-thirds of the trustees present and voting shall be required for election.

##### (b) Duties

The day-to-day governance of the University is committed to the president. He or she is responsible for implementing the policies adopted by the board of trustees, for overseeing every phase of the University’s operations, and for formulating and enforcing all rules and regulations. In performing his or her duties, he or she shall strive to establish a direct relationship with every member of the University community. By way of enumeration, but not by way of limitation, the president shall

- (i) advise and counsel with the board of trustees in establishing, changing, and developing policy for the governance and operation of the University;
- (ii) keep abreast of educational trends throughout the nation and keep the board apprised of significant developments;
- (iii) report to the board at its meetings, and at such other times as the occasion may require, concerning legislation adopted by the officers and faculty of the University;

- (iv) supervise, review, recommend, and present to the board budgets for the operation of the University to the board;
- (v) appoint, with the concurrence of the chair of the board, all other administrative officers of the University;
- (vi) maintain continuity in the overall operations of the University, taking into consideration its policies, traditions, and achievements of the past, and furnish leadership in development of plans and programs that will enrich the resources and services of the University;
- (vii) act as the official medium of communication between the board of trustees and the University's officers, staff, faculty, and students;
- (viii) prescribe such rules and regulations as are necessary for the administration, control, and discipline of the University and for the direction and guidance of its employees;
- (ix) head all divisions of the University, providing such supervision and direction as to promote their efficient operation;
- (x) in his or her discretion, suspend an action of the faculty of the University. In doing so, he or she shall submit to the body concerned, in writing, at its next regular meeting, a statement of his or her action and his or her reasons for taking that action, and he or she shall report his or her action to the board of trustees or the executive committee at its next regular meeting together with any pertinent statement submitted by the body affected;
- (xi) preside at public academic occasions;
- (xii) exercise general responsibility for the care and use of the real and personal property of the University. In carrying out this responsibility, he or she shall execute all deeds, deeds of trust, bills of sale, assignments, transfers, releases, notes, obligations or contracts, or other instruments of the University as the board of trustees may direct;
- (xiii) establish policies and procedures for determining developmental needs of the University and exercise overall control of the University's fundraising activities;
- (xiv) oversee the University's intercollegiate athletics program, its resources, and its compliance with NCAA and conference regulations;

- (xv) as and when necessary and appropriate, represent the University at meetings of organizations of which the University is a member or with which it is associated;
- (xvi) interpret and explain the programs and needs of the University to the public pursuant to and in accordance with policies established by the board of trustees;
- (xvii) prepare and submit to each of the University's patronizing conferences an annual report on the state of the University, including significant developments regarding its financial condition, its faculty and students, and its physical plant and other properties; and
- (xviii) perform such other duties and functions as the board of trustees or the executive committee may assign to him or her.

The president's signature, or a facsimile thereof, shall appear on all diplomas issued by the University.

## **2. Other Administrative Officers**

### **(a) Composition**

The president, with the concurrence of the chair of the board of trustees, shall appoint such vice-presidents, deans, associate deans, and other administrative officers as are needed to administer the University effectively and efficiently.

### **(b) Duties**

The administrative officers appointed by the president shall perform the duties and functions assigned to them by the president.

## **3. Compensation**

Executive and administrative officers shall be entitled to receive salary or compensation in amounts reasonable for such personal services rendered that are necessary to carry out the University's purposes as the board of trustees may determine, provided, however, that in no event shall such salary or compensation be excessive.

The executive committee shall establish a compensation committee and adopt policies and procedures for the compensation of the executive and administrative officers of the University.

## **III.**

### **FACULTY**

The faculty shall consist of the president of the University, the deans of instruction, the vice-presidents, the dean of students, professors, associate professors, assistant professors, instructors, staff with faculty rank, and such other personnel designated by the president.

## **1. Faculty Member**

A University faculty member is a citizen, a member of a learned profession, and a member of this educational institution. As a person of learning and an educator, he or she enjoys a special position in the community. A faculty member should as teacher, scholar, administrator, and individual discharge his or her duties and responsibilities in such manner as to bring honor to the profession, to the University, and to the faculty member.

## **2. Powers and Duties**

The faculty of the University, of which the president is the chief executive officer, shall, subject to the approval of the board of trustees,

- (a) concern itself with all matters connected with the educational program of the University: academic, cultural, social, and religious;
- (b) nominate to the board of trustees for favorable action candidates for all degrees;
- (c) delegate to committees of its own constitution such of its powers and functions as it may see fit; and
- (d) exercise such other powers and duties as the board of trustees may delegate to the faculty.

## **3. Academic Freedom**

Academic freedom is the cornerstone of a free society, and it will be scrupulously defended at the University. The board of trustees desires to maintain, commensurate with the idea of a university of the first class, a learned faculty chosen on the basis of scholarship, teaching ability, interest in youth, and general usefulness, who will search for truth and who, by precept and example, will instruct, guide, and inspire the University's students.

## **4. Tenure**

To provide assurance to faculty members so that they may feel secure in their positions, tenure is established as follows:

- (a) The initial appointment of a faculty member is on a year-to-year basis unless stated otherwise in writing by the president to the faculty member involved until
  - (1) professors have completed five years of satisfactory service in that rank;
  - (2) associate professors have completed six years of satisfactory service in that rank or a higher rank;
  - (3) assistant professors have completed seven years of satisfactory service in that rank or a higher rank; or

- (4) instructors have completed seven years of satisfactory service in that rank or a higher rank.
- (b) Tenure shall be granted by the board of trustees upon recommendation of the president.
- (c) After the expiration of the probationary periods set forth above, service will be continued during good behavior and satisfactory service, except for resignation, retirement, or circumstances due to financial exigencies or good cause shown.
- (d) In the case where dismissal is for good cause, the issue will be determined by an equitable procedure established by the board of trustees affording protection to the rights of the individual and to the interests of the University.

#### IV.

### MISCELLANEOUS

#### 1. Property

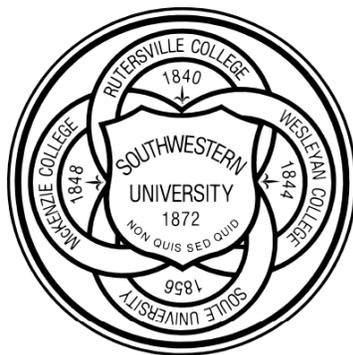
All property of the University shall be held in the name of “Southwestern University, Georgetown, Texas.”

#### 2. Fiscal Year

The fiscal and operating year of the University shall be from July 1 to June 30.

#### 3. Seal of the University

The corporate seal of the University shall be in the following form:



**4. Conflict of Interest**

The board of trustees shall establish a conflict-of-interest policy consistent with the Texas Business Organizations Code and the University's status as an organization described under section 501(c)(3) of the Internal Revenue Code.

**5. Indemnification**

The University shall indemnify and hold harmless its trustees and officers to the fullest extent permitted by law from any damage, loss, reasonable costs and fees incurred, or liability that results from service as a trustee or officer of the University or service at the request of the University with another entity. Such indemnification may include, without limitation, advancing the trustee's or officer's reasonable expenses. In addition, the University shall have the power to indemnify (which indemnification shall include, without limitation, advancing reasonable expenses) to the fullest extent permitted by law such other persons (including, without limitation, an employee or agent of the University or any person who is or was acting at the request of the University as a trustee, officer, employee, or agent of another corporation, supporting organization, partnership, joint venture, trust, or other enterprise) as the board of trustees may determine. The University shall have the power to purchase and maintain at its expense insurance on behalf of such persons to the fullest extent permitted by law, whether or not the University would have the power to indemnify such persons under the foregoing provisions.

**6. Discrimination Prohibited**

The University in the administration of its affairs shall not discriminate against any person on the basis of sex, race, color, religion, age, disability, national or ethnic origin, sexual orientation, or any other impermissible factor.

**V.**

**DEGREES**

Nomination for all degrees shall be made by the faculty. The board of trustees shall elect individuals to receive degrees from those nominated upon an affirmative vote of two-thirds of the trustees present and voting.

**VI.**

**PATRONIZING CONFERENCE CONFIRMATION**

All matters requiring confirmation or action by the patronizing conferences shall be accomplished as follows:

- (a) The matters shall be submitted by the University to the respective patronizing conferences at least 90 days prior to each patronizing conference's next annual session.

- (b) Regarding election of conference trustees, election shall be accomplished upon a majority vote at the respective conference's annual session.
- (c) Regarding matters requiring collective confirmation of patronizing conferences, confirmation shall be accomplished upon the affirmative vote of three-fifths of the patronizing conferences, with each patronizing conference having one vote.
- (d) Should any patronizing conference fail to notify the board of trustees of its action on any matter requiring confirmation or action within 30 days following the close of its next annual session before which the matter was submitted by the University, the matter shall be deemed acted upon affirmatively or confirmed.
- (e) Actions that require confirmation by the patronizing conferences shall be specifically designated in the certificate of formation and bylaws, as applicable.

## **VII.**

### **AMENDMENTS**

Except as otherwise provided in these bylaws, the board of trustees may at any meeting amend or rescind these bylaws by the affirmative vote of two-thirds of the members of the board of trustees present at such meeting.

## **VIII.**

### **BYLAWS REPEALED**

All former bylaws are repealed and replaced by these bylaws, effective as of January 30, 2015.

#### **History of Bylaws:**

Approved January 29, 1971  
 Amended April 28, 1978  
 Amended April 18, 1980  
 Amended May 1, 1981  
 Amended October 21, 1982  
 Amended April 21, 1987  
 Amended December 10, 1999  
 Amended April 3, 2001  
 Amended November 12, 2004  
 Amended October 7, 2005  
 Amended October 26, 2007  
 Amended March 27, 2009  
 Amended October 29, 2010  
 Amended October 28, 2011  
 Amended January 30, 2015

## **IX.**

### **DEFINITIONS**

**1. “Internal Revenue Code”**

The term “Internal Revenue Code” refers to the Internal Revenue Code of 1986, as amended, and future corresponding revenue laws of the United States.

**2. “Patronizing Conferences”**

The term “patronizing conferences” refers to the conferences of the United Methodist Church that elect members to the University’s board of trustees, namely the Central Texas, North Texas, Northwest Texas, Rio Texas, and Texas Annual Conferences.