services and experience and will publicly acknowledge that person as particularly suited for counsel and advice to the Board. The Board encourages the availability of Emeriti Trustees for such counsel and advice and may request special services of them.

**SECTION 5. COMPENSATION OF TRUSTEES.**

No Trustee shall receive pay or emolument other than his actual expenses incurred in the discharge of his duties as such; such expenses shall be paid or reimbursed from University funds upon the authorization of the Chancellor. Such authorization shall be subject to review and certification annually by the President of the Board, or, in his absence, the President pro tempore.

**SECTION 6. PRIMARY FUNCTIONS OF THE BOARD.**

In the exercise of its management and control of the University, the Board recognizes that it must determine major policy, review existing policy, define the missions, role and scope of the University and each of its major divisions or component institutions (hereinafter sometimes referred to as "campus"), and provide ultimate accountability to the public and the political bodies of Alabama. Any authority delegated by the Board shall be subject always to the ultimate authority of the Board.

Within these fundamental responsibilities, the Board will perform where appropriate, many essential functions, including but not limited to the following:

1. Establish policies and goals of the University and direct the Chancellor to implement and achieve those policies and goals;

2. Review and approve academic plans, including new programs and new units, and major modifications in existing programs and units;

3. Approve, upon recommendation of the Presidents, the earned degrees awarded;

4. Designate academic chairs and professorships; award honorary degrees; and name for individuals buildings and other structures (and major portions thereof), streets, geographic areas, and academic, research, and service programs;

5. Approve admission policies and levy fees and charges;

6. Review and approve legislative requests for appropriations;

7. Review and approve annual budgets and budget changes;

8. Approve all gifts where restrictions are indicated, designate the use of unrestricted gifts, and approve and designate the use of testamentary gifts;
9. Approve all loans, borrowing, and issuance of bonds;
10. Approve or authorize the Executive Committee to approve appointments and salaries of principal officials;
11. Approve or designate who shall approve compensation policy for faculty and staff;
12. Approve Campus Master Plans, Facilities Development Programs, and Capital Development Programs;
13. Approve or designate who shall approve all contractual relationships and other major legal obligations executed in the name of the Board;
14. Approve or authorize the Executive Committee to approve all purchases and sales, of real property, and insure that all properties of the University are preserved and maintained; and, by Board Rule, to authorize the Chancellor, after review by the General Counsel, to convey rights-of-way or easements for utilities that serve University facilities, programs, or activities;
15. Establish objectives, policies, and practices which provide for effective and prudent management, control, and preservation of the investment assets of the University;
16. Establish auditing policies and standards and appoint independent auditors;
17. Approve architects, engineers, and project managers, preliminary and final budgets, and award of construction contracts for certain capital projects, as well as the acquisition of certain new equipment and computer software and all land;
18. Approve all depository agreements for the deposit of funds.

ARTICLE II

Meetings of the Board of Trustees

SECTION 1. ANNUAL AND REGULAR MEETINGS.

The Board shall schedule annually, in advance, regular meetings of the Board to be held during the ensuing year and shall designate one of such meetings as the annual meeting of the Board. A scheduled regular or annual meeting may be cancelled or the date, place and time of holding the same may be altered by the Board without further notice or by the President pro tempore upon written notice, given at least seven (7) days prior to the