THE BOARD OF TRUSTEES OF

THE UNIVERSITY OF ALABAMA

BOARD MANUAL

REV. June 2013
THE BOARD OF TRUSTEES OF
THE UNIVERSITY OF ALABAMA

BOARD MANUAL

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Revised June 2013
THE BOARD OF TRUSTEES OF

THE UNIVERSITY OF ALABAMA

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COOPER SHATTUCK
General Counsel
# BYLAWS OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ALABAMA

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9. Establish financial, budgetary, audit, and business procedures for the efficient and effective management of the University;

10. Recommend to the Board, after an appropriate search process, the appointment and compensation of Presidents. With the approval of the President pro tempore, and with prior notice to the Board, terminate the employment of Presidents;

11. Receive and review recommendations from the Presidents and transmit such recommendations to the Board along with his/her recommendations for appointment and compensation of campus vice presidents and other principal campus academic and administrative staff;

12. Review and recommend action on all legal commitments and all other matters within the province of the Board, including contractual arrangements; and

13. Coordinate the development and recommend to the Investment Committee for adoption by the Board objectives, policies, and practices which will provide for effective and prudent management, control, and preservation of the investment assets of the University. Provide staff assistance to the Investment Committee for overseeing investment activities and performance, and for ensuring the proper control and safekeeping of the investment assets of the University. Supervise the implementation of established investment policies and practices.

SECTION 3. AUTHORITY AND DUTIES OF THE PRESIDENTS.

There shall be a President of each component institution who shall be chief executive officer thereof and who shall have full authority to administer campus affairs and to formulate and issue regulations and orders not inconsistent with the Bylaws, rules, policies and procedures of the Board and the Chancellor. The President shall be responsible for the participation of his campus in the overall planning, resource allocation, and program evaluation of the University. The President shall report directly to the Chancellor and through him to the Board of Trustees. The Chancellor shall provide an opportunity for the President to present his views on any matter which affects the University. Within the general authority granted by the Board and the Chancellor, the President shall perform duties and responsibilities including but not limited to the following:

1. Primary responsibility for all of the factors that contribute to the quality of academic (teaching, research, and public service) and support programs of the campus. Such factors include the general supervision of all campus faculties, the allocation and utilization of available resources within the campus, and any and all matters related to the welfare of the campus;
2. General supervision of all relationships between students and the various levels of campus administration. Such supervision includes but is not limited to admissions, registration and records, academic progress and advising, counseling, housing, scholarships and financial aids, student activities and services, placement, foreign students, and the evaluation and certification of academic credit from other institutions;

3. Financial management of the campus and its component parts in conformity with University management policies and practices. This function shall include but is not limited to the preparation of budgets and legislative requests, assistance in legislative presentations, maintenance of financial records and accounts for activities of the campus, the receipt and expenditure of all campus funds, and preparation of required financial reports;

4. Personnel administration including employment and termination, wage determination, and conditions of employment for faculty and other employees of the campus;

5. Operation and maintenance of the physical plant, purchase of supplies and equipment, and the maintenance of appropriate inventories and records of real and personal property under the jurisdiction of the campus;

6. Fund raising, intercollegiate athletics, auxiliary enterprises, and alumni activities;

7. Participate in the development of objectives, policies, and practices which will provide for effective and prudent management, control, and preservation of the investment assets of the University. Implement assigned investment responsibilities and ensure compliance with restrictions established by external donors, as well as limitations placed by the Board on funds functioning as endowment;

8. Develop and submit to the Chancellor Campus Master Plans, Facilities Development Programs, and Capital Development Programs;

ARTICLE VI

Seals

SECTION 1. OFFICIAL CORPORATE SEAL.

The official corporate seal of The Board of Trustees of The University of Alabama shall be circular in form, encircled with a rope-like band enclosing the words "THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ALABAMA," and the date of
411. **Minimum Standards, Acceptance, and Reporting of Gifts and Use of Gift Revenue**

I. **Application of Rule**

This Rule shall apply to gifts effective during the donor's life and upon the donor's death.

II. **General Gift Policy**

All gifts directed to or intended for The Board of Trustees of The University of Alabama (the "University"), a public corporation and constitutional instrumentality of the State of Alabama, or any of its campuses, programs, or divisions, however named or identified, are the property of the University, subject to control and management by the Board but within the limits of and subject to any restrictions or directions of the donor of the gift, accepted and agreed to by the Board, in accordance with this Rule.

To the extent that a donor or grantor does not otherwise specifically direct or that a contrary intent of the donor does not otherwise readily appear, income and other revenues from gifts or grants to the University, to a campus, or to a program or division of a campus shall be used on behalf of the campus to which the gift was directed or for the campus whose efforts or relationship with the donor generated or promoted the gift. The income from the corpus of the 1884 Federal Land Grant endowment has been and is currently designated for use by the campus of The University of Alabama, Tuscaloosa.

Each campus, in its annual budget development and presentations to the Chancellor, shall identify the manner in which revenue generated from these funding sources, not otherwise restricted, shall be used. It is the policy of the Board that, to the extent possible, these gift and coal lands resources be used for programs designed to establish and maintain the University's regional and national reputation.

III. **Minimum Standards**

A. Minimum standards for named gifts to The Board of Trustees of The University of Alabama for its campuses, divisions, or programs, including the summation of gifts and state matching funds, are established by the Board. Individual campuses, through their Presidents, may adopt higher minimums (but not lower minimums) for each category of named gift to be used on that campus. The minimum gift amounts set by the Board are as follows:
1. Endowed Research Chair $1,000,000
2. Endowed Academic Chair 1,000,000
3. Endowed Professorship 100,000
4. Endowed Research Fund 100,000
5. Endowed Fellowship 50,000
6. Endowed Loan Fund 20,000
7. Endowed Scholarship or Support Fund 10,000
8. Building or Part of Building proposed to be Named for Donor or Donor’s Designee Fifty-one percent (51%) of cost of building or part of building, not including land, equipment or furnishings. The matter of naming buildings for individuals will be decided in all cases by the Board.
9. Academic Program proposed to be Named for Donor The greater of $5 million or an endowment in an amount that would generate 20% of the school, college, or division’s current annual operating cost. In all cases, only the Board has the authority to name programs, buildings, property, or part thereof for individuals.

B. The Board shall biennially review minimum standards for gifts to consider whether adjustments are needed in order to assure adequate income for designated uses.

C. In special cases where contributions for a named gift are less than the required minimum or where the minimum amount is to be paid in multiple payments, some of which are to be made subsequent to acceptance of the gift, the President, the Chancellor, or any Board member may recommend and the Board may accept such gifts as exceptions to the minimum standards, upon such conditions, if any, as the Board may deem appropriate.

D. Only in cases in which it is impractical for a donor to make gifts of endowment which meet the minimum amount will the Board consider, upon recommendation of the Chancellor and the appropriate President, named
gifts supported by pledges of annual or periodic contributions to be expended annually for a designated purpose. Such gifts, if accepted by the Board, shall be designated as "sponsored" gifts (e.g., Sponsored Academic Chair). If such pledges are discontinued or decreased or become inadequate to provide for the designated purpose, the Board shall consider whether the designation should be continued.

IV. Acceptance of Gifts

A. In order to protect the donor and the University, gifts must be accepted either by The Board of Trustees or by its duly authorized personnel as set forth herein.

B. The following categories of gifts must be accepted either by the Board or by the Executive Committee of the Board upon recommendation of the Chancellor and the appropriate President. The Executive Committee shall make such acceptance only when action prior to the next Board meeting is advisable or necessary.

1. Endowed gifts, unless donated pursuant to a fund-raising campaign previously approved by the Board that established an endowment fund. Investment of gifts of endowment must comply with Board Rule 404.

2. Gifts restricted as to use, unless restricted to a program previously approved by the Board, or unless received pursuant to a fund-raising campaign previously approved by the Board that established the restrictions, or unless restricted to a normal campus activity.

3. Gifts restricted as to investments.

4. Gifts of real property or an interest therein.

5. Gifts of undivided interests or future interests.

6. Gift-sales or gifts subject to any encumbrance.

7. Gifts which, because of their unusual nature, either present a potential detriment, financial or otherwise, or a serious question as to whether they are within the role and scope of the campuses.

8. Gifts conditioned on the naming of a program, building, property, or part thereof.

9. All testamentary gifts.