

RULES AND REGULATIONS OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS FOR THE GOVERNANCE AND ADMINISTRATION OF THE UNIVERSITY OF ARKANSAS

CHAPTER I
DESCRIPTION OF UNIVERSITY COMPONENTS

1. General Provisions

1.1 The University of Arkansas is a land-grant state university offering statewide educational opportunities ranging from certificate programs to post-doctoral study. Its principal campus units, divisions, and administrative units are:

- (1) The University of Arkansas, Fayetteville
- (2) The University of Arkansas for Medical Sciences, Little Rock
- (3) The University of Arkansas at Little Rock
- (4) The University of Arkansas at Monticello
- (5) The University of Arkansas at Pine Bluff
- (6) The Cammack Campus at Little Rock
- (7) Division of Agriculture
- (8) Arkansas Archeological Survey
- (9) System Administration
- (10) Criminal Justice Institute
- (11) Phillips Community College of the University of Arkansas
- (12) University of Arkansas Community College at Hope
- (13) University of Arkansas Community College at Batesville
- (14) University of Arkansas Community College at Morrilton
- (15) Cossatot Community College of the University of Arkansas
- (16) The University of Arkansas at Fort Smith

(17) Arkansas School for Mathematics, Sciences, and the Arts

(18) University of Arkansas Clinton School of Public Service

1.2 These educational and administrative units, together with certain authorized adjuncts to each and those campuses or units later added by merger or otherwise, constitute the University of Arkansas for which the Board of Trustees is the governing board of control. These educational and administrative units are also referred to collectively as the University of Arkansas System.

CHAPTER II BOARD OF TRUSTEES

1. General Provisions

1.1 The Board of Trustees has legal control and responsibility for the functions of the University of Arkansas. Its composition is governed by provisions in the Arkansas Constitution, Amendment 33, and by certain Arkansas Statutes. It is a body corporate and politic.

2. Appointment of Members

2.1 Members of the Board of Trustees are appointed by the Governor, subject to confirmation by the Senate, to serve a term of ten (10) years, one term expiring each year.

2.2 The remaining members of the Board of Trustees confirm members appointed by the Governor to fill an unexpired term.

3. Officers of the Board

The Board of Trustees shall annually elect, officers to serve it. Its Chairman, Vice Chairman, and Secretary, and Assistant Secretary shall be elected from among its membership at a meeting held during the period January 1 to March 1, or as soon as practical thereafter, and shall assume their respective offices on March 1, or as soon as practical thereafter, following the election. Unless removed by a majority of the Board at a regular meeting or at a special meeting called for such purpose, individuals elected as officers shall serve one year terms ending on the last day of February.

3.1 Chairman

The Chairman shall report and be responsible to the Board. The duties and responsibilities of the Chairman shall include the following:

- (1) Preside over the meetings of the Board;
- (2) Call special meetings of the Board, as herein provided; and
- (3) Appoint members to the standing and special committees of the Board.

In case of death, resignation, or disqualification of the Chairman, the Board shall elect a successor as soon as practicable.

3.2 Vice Chairman

Upon the death, absence, resignation, disability, or disqualification of the Chairman, the Vice Chairman shall perform the duties of the Chairman until the Chairman shall resume office or a successor shall have been elected as herein provided. Upon the death, disability, or resignation of the Vice Chairman, the Board shall elect a successor as soon as practicable.

3.3 Secretary and Assistant Secretary

The Secretary and Assistant Secretary shall perform those duties that may be assigned from time to time by the Board of Trustees.

4. Committees

The Board shall establish committees from its membership. They shall include standing committees and special committees. The Chairman of the Board shall be an ex-officio voting member of each committee.

Standing committees of the Board shall be:

4.1 Athletics

This committee shall review and recommend to the Board matters of policy concerning the intercollegiate athletic programs for men and women on each of the constituent campuses having such programs.

4.2 Buildings and Grounds

This committee shall consider proposals concerning real property transactions; repair, renovation, maintenance, and naming of campus facilities; and proposals for new buildings and insurance coverage, and shall transmit its recommendation concerning these matters to the Board of Trustees. It shall consider the President's recommendations for capital expenditures and building priorities and make recommendations to the Board. It shall review architectural plans and make its recommendations to the Board.

4.3 Educational Policies and Resources

This committee shall make recommendations to the Board on matters pertaining to the development of a coordinated system of higher education in the University of Arkansas. This committee shall be concerned with definition of mission and assignment of functions of each campus; review of proposals for new degree programs and units of instruction and the termination of existing programs; provision for supportive services and other resources for instructional, research, and public service programs; and the welfare of faculty and staff. It shall advise and assist the President and the Board in maintaining close liaison with the State of Arkansas Coordinating Board of Higher Education.

This committee shall review and recommend to the Board policies and proposals concerning student affairs, including rights and privileges, discipline, and special activities of students on all campuses of the University of Arkansas.

4.4 Fiscal Affairs

This committee shall be concerned with fiscal policies, shall consider the biennial budget requests and operating budgets proposed by the President, and shall submit its recommendations to the Board. It shall submit to the Board recommendations with respect to investments, endowments, and other fiscal matters.

4.5 Audit

This committee shall consider and recommend to the Board matters of policy relating to internal and external audits and such other matters as may be referred to it by the President or the Board.

4.5.1 Audit Committee Charter

The Charter for the Audit Committee adopted April 7, 2000 and revised September 22, 2007, is set forth as follows:

The Audit Committee is a committee of the Board of Trustees. Its primary function is to assist the Board in fulfilling its oversight responsibilities by reviewing financial information which will be provided to the Legislature and others, the systems of internal controls which management and the Board of Trustees have established, and the audit process.

In meeting its responsibilities, the Audit Committee is expected to:

1. Provide an open avenue of communication between the internal auditors, any independent accountant, management, and the Board of Trustees.
2. Review and update the Committee's charter annually with approval by the Board of Trustees.
3. Recommend to the Board of Trustees the independent accountants to be nominated, approve the compensation of the independent accountants, and review and approve the discharge of the independent accountants. Independent accountants are ultimately accountable to the Board of Trustees and to the Audit Committee.
4. Review and concur in the appointment, replacement, reassignment, or dismissal of the director of internal auditing.
5. Confirm and take or recommend any appropriate actions to assure the independence of the internal auditor and the independent accountants. Obtain disclosures regarding the accountants' independence as required by generally accepted government auditing standards and discuss with the accountants all significant relationships to determine the accountants' independence.
6. Inquire of management, the director of internal auditing, and the independent accountants about significant risks or exposures and assess the steps management has taken to minimize such risk to each constituent institution and the University system.

7. Consider, in consultation with the independent accountants and the director of internal auditing, the audit scope and plan of the internal auditors and the independent accountants.
8. Review with the director of internal auditing and the independent accountants the coordination of audit effort to assure completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
9. Consider and review with the independent accountants and the director of internal auditing the adequacy of internal controls including computerized information system controls and security.
10. Review with management and the independent accountants and/or the internal auditors at the completion of an examination:
 - (a) The financial statements and related footnotes and consider whether they are consistent with information known to committee members.
 - (b) The independent accountants' audit of the financial statements and their report thereon.
 - (c) Significant accounting and reporting issues, recent pronouncements, and complex or unusual transactions during the audit period under review.
 - (d) Significant findings and management responses thereto.
 - (e) Any significant changes required in the internal auditors' or independent accountants' audit plan.
 - (f) Any serious difficulties or disputes with management encountered during the course of the audit.
 - (g) Other matters related to the conduct of the audit, which are to be communicated to the Committee under generally accepted auditing standards.

11. Consider and review with management and the director of internal auditing:
 - (a) Significant findings during the year and management's responses thereto.
 - (b) Any difficulties encountered in the course of their audits, including any restrictions on the scope of their work or access to required information.
 - (c) Any changes required in the planned scope of their audit plan.
 - (d) The internal auditing department budget, staffing and organizational structure of the department.
 - (e) Auditing department's compliance with Institute of Internal Auditor's Standards of Professional Practice of Internal Auditing.
12. Review legal and regulatory matters that may have a material impact on the financial statements and related compliance policies.
13. The Chair of the Committee shall meet with the director of internal auditing, the independent accountants, and management separately to discuss any matters that the Chair or these groups believe should be discussed privately.
14. Report Committee actions to the Board of Trustees with such recommendations, as the Committee may deem appropriate.
15. The Audit Committee shall have the power to authorize, oversee and/or conduct investigations into any matters within the Committee's scope of responsibilities.
16. The Committee shall meet at least four times per year or more frequently as circumstances require. The Committee may ask members of management or others to attend the meeting and provide pertinent information as necessary.

4.6 Personnel

This committee shall consider and make recommendations to the Board on matters pertaining to:

- (1) Formal assessment of the performance of the President;
- (2) Formal assessment of the performance of the Board;
- (3) Consultation with the President on the performance of Chancellors;
- (4) Review for consistency of grievance procedures on the campuses, between campuses, and within campuses, and whether such procedures are supplemental to or in conflict with Board of Trustee policies;
- (5) Review of procedures on appointment, termination, promotion, tenure, and accrual of leave time;
- (6) Review the extent to which employee handbooks at various campuses are inconsistent and may give contractual rights to employees even in a termination-for-cause employment situation;
- (7) Review of affirmative action procedures to determine if they are accomplishing their intended purposes;
- (8) Consideration of whether a conflict of interest policy for employees and Board members is needed in addition to provisions in state law;
- (9) Review the method of handling personnel records and files and requests for inspection and copying of personnel records under the Freedom of Information Law;
- (10) Review individual campus and unit personnel policies;
- (11) Review and monitor employee benefit programs;
- (12) Determine if specific policies are necessary with regard to sexual harassment or if general grievance procedures are adequate; and
- (13) Review of employee and Board member relationships to foundations which support University of Arkansas programs.

4.7 Advancement and Development

This committee will oversee the following areas: capital campaigns, alumni affairs, annual giving, and deferred and planned giving.

This committee will develop facts concerning the present status of the above denominated areas, determining the needs for the future, and setting goals and ways to achieve the goals.

This committee will focus on and orient around individual campuses. However, it is clear there will need to be universitywide policies, standards and goals.

4.8 University Hospital - Board of Trustees Joint Committee

This committee shall meet quarterly (and for special meetings) to review activities related to accreditation of the University Hospital and to report to the Board.

4.9 Agriculture

This Committee shall review and make recommendations to the Board on matters of policy pertaining to the role and scope of the University of Arkansas in the field of agriculture, and the accomplishment of the University's educational, research, and public service mission in the field of agriculture through its several campuses, the Cooperative Extension Service, the Experiment Stations, and other activities relating to agriculture. It shall seek advice from other private or governmental organizations within the State of Arkansas involved in the promotion and development of agriculture in the State of Arkansas. It shall make recommendations to the Board as to policies which will implement the mission of the University of Arkansas in the field of agriculture.

4.10 Community College

This committee shall make recommendations to the Board on matters pertaining to the development of a coordinated system of comprehensive two-year colleges in the University of Arkansas. This committee shall recommend to the Board criteria for evaluating additional two-year campuses for the University of Arkansas and shall participate in the review of admission of additional campuses. It shall advise and assist the President and the Board in maintaining a relationship with the Board of Visitors, the local community, and the two-year college faculty and staff. This committee shall be concerned with the definition of mission, role and scope, and the relationship of two-year campuses with all other campuses and units in the University.

5. Meetings

- (1) Meetings of the Board shall be scheduled at least five times a year.
- (2) Special meetings may be called by the Chairman.
- (3) An agenda will be prepared by the President, after consultation with the Board Chairman, and mailed to the members one week in advance of regular meetings. All Board members may submit agenda items to the Chairman prior to a scheduled meeting.
- (4) A quorum for all meetings shall consist of six members.
- (5) Meetings of the Board and its committees are subject to the Arkansas Freedom of Information Act, requiring open meetings except for executive sessions "for the purpose of discussing or considering employment, appointment, promotion, demotion, disciplining, or resignation of any public officer or employee."
- (6) Meetings of committees of the Board shall normally be held in advance of scheduled meetings of the full Board.
- (7) Agenda for meetings of committees of the Board normally shall be circulated to all members of the Board one week in advance of committee meetings.

CHAPTER III ADMINISTRATION

1. General Provisions

The administration of the University of Arkansas, under the authority of the Board of Trustees, is unified in the office of the President.

2. The President

The President shall be the Chief Executive Officer of the University of Arkansas and shall be appointed by and responsible to the Board of Trustees. The President shall have a discussion annually with the Board of Trustees concerning an evaluation of his or her performance. Subject to the direction and control of the Board of Trustees and the laws applicable to the University of Arkansas, the President shall be responsible for the management of the affairs and execution of the policies of the University of Arkansas and all of its campuses, divisions, and units of administration. The President shall have broad discretionary authority to effect these functions and meet these responsibilities of the office.

The President shall attend and shall participate in, without the privilege of voting, all of the meetings of the Board of Trustees and of its committees, except as excused by the Board.

The President and the Chief Fiscal Officer, as provided in Board Policy 300.1, shall have the authority to contract on behalf of the Board of Trustees and the University of Arkansas.

As chief executive, the President shall be the official administrative spokesperson for the University of Arkansas and the officer responsible for liaison with the General Assembly, the Governor, state offices and governmental bodies, and the federal government. The President shall be responsible to the Board of Trustees for the prompt and effective enforcement of all laws relating to the University and of all resolutions, policies and procedures, budgets, and rules and regulations adopted by the Board for the operation of the University and all of its campuses, divisions and units of administration. It shall be the President's duty to bring to the attention of the Board all matters which, in his or her opinion, affect the University and require consideration by the Board. There shall be appropriate materials provided to the Board members and sufficient time for thoughtful discussion before decisions are required. The President shall make recommendations to the Board for securing the necessary personnel and the fiscal resources required for the operation of the University and shall make recommendations with respect to the adoption, modification or rescission of policies, budgets, and regulations applicable to the University and all of its campuses, divisions, and units of administration.

The President shall prepare and submit to the Board of Trustees an annual report to correspond with the fiscal year of the University and, in addition, any other reports he or she may deem wise or as the Board may require.

The President shall coordinate the activities of the University and all of its constituent campuses and units in accordance with the principles prescribed by the Board of Trustees. The President shall adjudicate all issues of jurisdiction and all issues in dispute between or among the constituent campuses and administrative units of the University. The President shall be a member of all faculties on all campuses of the University and shall have the responsibilities of facilitating the promotion of goals, programs, and needs of each campus after consultation with the Chancellor. The President shall establish administrative organizations to assist in the execution of the policies of the University of Arkansas. The President shall be assisted by Vice Presidents and other staff officers and by Chancellors of the several campuses of the University. The President shall prescribe the duties and assignments of the Vice Presidents and other staff officers. Furthermore, the President shall, in consultation with the Chancellors, establish and define the duties of universitywide councils, committees, or other bodies organized to advise and assist him or her. All official communications from faculty, staff, and students on a particular campus or unit shall emanate through the appropriate Chancellor or Director to the President.

The President's duties and responsibilities as defined herein expressly exclude any duties on behalf of or in connection with The University of Arkansas Foundation, Inc. ("Foundation"). It is expressly contemplated by the Board that the President may, if he or she so desires, and with the advice and consent of the Board of Trustees, enter into a consulting contract or other arrangement with the Foundation in regard to fund raising and other activities for the Foundation. Such consulting agreement shall not include any of the duties defined above.

3. Internal Audit Department Charter

The Internal Audit Department is a vital part of the University of Arkansas and functions in accordance with the policies established by the Board of Trustees. The Internal Audit Director reports to the Board of Trustees through the Chairman of the Audit Committee. University Internal Auditors may be stationed on component sites, but will be carried on the University payroll and shall report directly to the Internal Audit Director. The Internal Audit Director is responsible for directing all internal audit activities and coordinating all external audit activities for each of the University of Arkansas components.

3.1 Purpose

The Internal Audit Department's purpose is to assist the University of Arkansas System Board of Trustees and the President in the effective discharge of their responsibilities. The Internal Audit Department meets this purpose by providing an independent, objective assurance and consulting activity designed to add value and improve the University's operations. The Department helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of the University's risk management, control and governance processes.

3.2 Authority

The Internal Audit Department is authorized to have full, free and unrestricted access to all University property, personnel and records (including medical).

3.3 Responsibility and Scope of Activities

The Internal Audit Department is responsible for providing the Board and the President with information about the adequacy and effectiveness of the internal administrative and accounting controls and the quality of operating performance when compared with established standards. The Internal Audit Department will carry out this responsibility by:

- (1) Developing annual audit risk assessments and risk-based audit plans, and obtaining approval from the Audit Committee of such audit plans. The nature of the assessments and audit plans are to determine that the University's financial and operational information is accurate and timely, University management's actions are in compliance with policies, procedures and applicable laws and regulations, and University resources are acquired economically, used efficiently and adequately protected.
- (2) Including in the annual audit plan time to follow-up on significant findings from previous audits.
- (3) Investigating reported occurrences of fraud, embezzlement, theft, waste, etc., and recommending controls to prevent or detect such occurrences.
- (4) Conducting special audits at the request of management and with subsequent Board approval.
- (5) Preparing written audit reports on the results of all audit engagements, including any recommendations for improvement.
- (6) Providing consulting services upon request by the Audit Committee and/or senior management with the Committee's approval. Potential conflicts of interest and/or impairments to independence and objectivity must be made to the Audit Committee prior to commencing consulting engagements.

3.4 Independence and Objectivity

The Internal Audit Director reports to the Board of Trustees through the Chairman of the Audit Committee. The Internal Audit Director is responsible for directing all internal audit activities and coordinating all external audit activities for each of the University of Arkansas components. University Internal Auditors may be stationed on component sites, but will be carried on the University of Arkansas System payroll and shall report directly to the Internal Audit Director. The Internal Audit Department will maintain a high degree of independence and objectivity, and will not be assigned duties or engage in any activities that they would normally be expected to audit or review.

3.5 Professional Standards and Code of Ethics

Current editions of the International Standards for the Professional Practice of Internal Auditing and Code of Ethics, published by the Institute of Internal Auditors, Inc., Statements on Auditing Standards published by the American Institute of Certified

Public Accountants, and Government Auditing Standards published by the Comptroller General of the United States will serve as guidelines for internal audit activities.

3.6 Quality Assurance and Improvement Program

The Internal Audit Director will establish and maintain a quality assurance program to evaluate the operations of the Internal Audit Department. The purpose of this program is to provide reasonable assurance that audit work conforms to the International Standards for the Professional Practice of Internal Auditing. The quality assurance program will include continuing professional development, supervision, internal reviews and external reviews.

Internal reviews will be performed periodically by members of the internal audit staff to appraise the quality of the audit work performed. Qualified persons who are independent of the organization will perform external reviews of the Internal Audit Department at least once every five years. Results of the quality reviews will be communicated to the Audit Committee and President.

3.7 Component Practices

Nothing in this policy shall prohibit a component of the University from having its own financial analysts who may perform such activities as management of a component may require.

4. The Chancellors

The Board of Trustees shall appoint the Chancellor of any campus upon recommendation of the President. The Chancellor of a campus shall exercise complete executive authority thereon, subject to the policies established by the Board of Trustees and the President. The Chancellor shall be the leader of and the official spokesperson for the campus and shall promote the educational excellence and general development and welfare of the campus. The Chancellor shall define the authority of administrative committees and officers of that campus, and all projects, programs, and institutional reports to be undertaken on behalf of that campus shall be subject to authorization and approval of the Chancellor.

The Chancellor shall be responsible to the President for enforcement of the policies and procedures, budgets, regulations, and decisions of the Board of Trustees concerning that campus. It shall be his or her duty to keep the President, and through the President, the Board of Trustees fully informed concerning the operations and needs of that campus. The Chancellor shall make an annual report to the President corresponding to the fiscal year of the University of Arkansas, which report shall also be provided to the Board of Trustees. The Chancellor shall further provide any other reports that may be required.

At the meeting of the Board a designated Chancellor or Director shall give a report on the state of the campus or unit. Further, each Chancellor and Director shall be prepared to report to the Board on the status of his or her campus at any meeting upon request of the President or any member of the Board.

The Chancellor shall make recommendations for the development of the educational programs of the campus and shall serve as the general advisor to the President, and through the President, the Board of Trustees with respect to all programs and activities of the campus. The Chancellor shall present to the President all matters concerning the campus which are to be considered by the Board of Trustees or any of its committees. The Chancellor shall be expected to attend all meetings of the Board of Trustees when an agenda item for the campus is to be presented unless excused by the President.

Subject to the policies prescribed by the Board of Trustees and the President, the Chancellor shall make recommendations to the President with respect to the budget and the appointment of full-time academic personnel.

The Chancellor shall be the official medium of communication between the President and all deans, heads of departments and department chairs and all other administrative officers, faculty, staff, and students of the campus.

The Chancellor shall be a member of all faculties and other academic bodies of the campus and shall be a member of the campus governing body.

5. Campus Governance

5.1 Scope and Purpose

The constituency of each principal campus shall develop a system of campus government to establish policies and procedures for campus governance. The purposes shall be to provide a system that permits a broad base for governance of that campus through appropriate participating involvement of the administration, students, faculty, and staff in the determination of guidelines and policies for campus affairs and to generate and promote understanding, collaboration and a sense of community on the campus. The responsibility and authority hereinafter described in this section shall be vested in the campus organization by the University of Arkansas Board of Trustees and shall be subject to review by the Board.

5.2 Authority and Responsibility

The campus governance organization on each campus shall, under the Board of Trustees, be the legislative body responsible for developing educational policies and

programs on that campus. Among other matters, this responsibility includes such areas as:

- (1) Admissions requirements
- (2) Curriculum and courses
- (3) Degrees and requirements for degrees
- (4) Calendar and schedules
- (5) Academic honors
- (6) Student affairs
- (7) Interpretation of its own legislation.

The campus government shall have the authority to make recommendations to the Chancellor, President, and the Board of Trustees on any matter of general faculty or campuswide concern, including such matters as appointment, promotion, tenure, dismissal, and non-reappointment. Through the Chancellor, action on any matter under this paragraph is reported to the President and, when requested by the campus government or considered necessary or desirable by the President, through the President to the Board of Trustees.

5.3 Organization and Operation

Each campus shall, consistent with provisions of this section, design any campus governmental structure and operate in any manner it determines consistent with the principles of sound democratic government. The following features shall be included:

- (1) Members of the administration, faculty, staff, and students under the administrative jurisdiction of each of the principal campuses shall have representation in the governance of that campus.
- (2) The local organization shall be predominantly faculty.
- (3) Meeting notices and tentative agenda shall be publicized at least five (5) days in advance of the meeting.
- (4) Meetings shall be open to all represented persons, although floor privileges may be limited.
- (5) Summaries of the meetings shall be made available to all members of the local governing body promptly after the meeting.
- (6) Minutes of the meetings shall be forwarded promptly to the Chancellor and shall be deposited in the campus library.

5.4 Actions Disapproved by the Chancellor

The Chancellor of the campus may disapprove any action of the local government within two (2) weeks after receipt of same. If the Chancellor and the campus organization are unable to reconcile their differences, the local organization may, by at least three-fifths (3/5) vote of those present and voting, provided that a quorum is present, appeal these differences to the President for mediation and to the Board of Trustees. If settlement is not achieved within thirty (30) days, the President shall submit the issue to the Board of Trustees for resolution.

5.5 Implementation of Local Governance

The constituency of each campus shall submit a proposed plan through the Chancellor and the President to the Board of Trustees. Upon review and recommendation by the Chancellor and the President and approval by the Board of Trustees, the proposed plan shall be adopted and shall supersede all existing instruments of governance pertaining to that campus. Subsequent amendments shall follow the same procedure. Until such a plan is submitted and approved, all rights, privileges, and obligations granted to faculties and other groups by existing documents relating to campus governance shall remain in effect.

6. Universitywide Governance

No provision of these regulations shall be interpreted to prohibit establishment of a universitywide government to consider matters of universitywide impact and concern.

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 May 30, 1980 (Revised)
 April 21, 1978 (Revised)
 June 27, 1975