PROPOSED RESOLUTION
IMPLEMENTING RECOMMENDATIONS OF THE JOINT TASK FORCE
ON GOVERNANCE AND CONTINGENTLY APPROVING
ANTICIPATED CHANGES IN THE RUTGERS LAW

WHEREAS, in July 2013, the Chair of the Rutgers Board of Governors and the Chair of the Rutgers Board of Trustees appointed a Joint Task Force on Governance to study the effectiveness of the existing governance structure of Rutgers; and

WHEREAS, as a consequence of the work of the Joint Task Force on Governance, the structure of governance at Rutgers has been the subject of ongoing discussion among the Board of Governors and the Board of Trustees; and

WHEREAS, on June 19, 2014, the Board of Trustees adopted a Resolution to assess its governance structure, to continue to review and evaluate the Report of the Joint Task Force on Governance, and to welcome dialogue with State legislative leaders; and

WHEREAS, as a result of these ongoing discussions and deliberations, the Board of Trustees has determined to implement certain recommendations set forth in the Report of the Joint Task Force on Governance, including the recommendation that the number of members of the Board of Trustees be reduced, inasmuch as a smaller size membership may lead to greater efficiencies in the governance process; and

WHEREAS, the achievement of the reduction in membership as determined by the Board of Trustees requires amendments to the Bylaws of the Board of Trustees (“Bylaws”) and statutory amendments to the Rutgers Act of 1956 (codified at N.J.S.A. 18A:65-1 et seq.) (“Rutgers Law”); and

WHEREAS, any amendment to the compact embodied in the Rutgers Law requires the approval of the Rutgers Board of Trustees; and

WHEREAS, the Board of Trustees has reviewed the attached proposed amendment to the Rutgers Law and the attached changes to its Bylaws and has determined that both are necessary to effectuate the contemplated reduction in the size of its membership.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Rutgers, The State University of New Jersey, that, as part of the process necessary to reduce the membership of the Board of Trustees as contemplated herein the Board of Trustees will accept a proposed legislative measure to amend the Rutgers Law in the verbatim form as attached hereto, such that the number of public Trustees are reduced from eleven to five members, to be achieved by eliminating those Trustees serving ex officio pursuant to N.J.S.A. 18A:65-15.I.b.ii., and further, that, immediately upon taking the oath of office as a member of the Board of Governors, all Trustees appointed by the Board of Trustees to the Board of Governors, pursuant to the provisions of subsection b.ii. of 18A:65-14, cease their membership on the Board of Trustees. The Board of Trustees will not consider any other or further amendments to the Rutgers Law, whether or not material; and
BE IT FURTHER RESOLVED that, in a furtherance of the goal of reducing the size of the Board of Trustees, and contingent upon the above-mentioned amendment to the Rutgers Law being passed by the New Jersey Legislature and becoming State Law with no changes, alterations, additions, or further amendments to the form attached hereto, whether or not material, the Trustees do hereby adopt the attached amendment to Article I of the Board’s bylaws which reduces through attrition the number of alumni/ae and charter Trustees; and

BE IT FURTHER RESOLVED that the effective date of the Board of Trustees’ adoption of the proposed amendments to the Bylaws shall be the date the above-mentioned amendment to the Rutgers Law becomes State Law; and

BE IT FURTHER RESOLVED that should the proposed amendment to the Rutgers Law be passed by the New Jersey Legislature and become State Law with no changes, alterations, additions, or further amendments to the form as attached hereto, whether or not material, this resolution shall memorialize and does hereby embody the Board of Trustees’ approval of, and consent to, such amendment so that it can become effective immediately upon the signature thereof by the Governor of the State of New Jersey; and

BE IT FINALLY RESOLVED that in the event the Rutgers Law is not changed as reflected herein, this resolution shall become null and void and all actions taken hereto shall be considered void ab initio.

Attachments:  Proposed Amendment to Rutgers Law
Proposed Amendment to Board of Trustees’ Bylaws

Board of Trustees
Rutgers, The State University
of New Jersey
December 8, 2014

Reduces membership of Rutgers board of trustees and eliminates dual membership on Rutgers board of trustees and Rutgers board of governors.

PRIME Sponsor

CO-Sponsor District CO-Sponsor District

Same as 12/13 Same as 14/15

Suggested allocation:

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. N.J.S.18A:65-15 is amended to read as follows:
   18A:65-15. I. The membership of the board of trustees shall be classified as follows and consist of:
   a. the president of the corporation, serving as an ex officio non-voting member;
   b. five public trustees, appointed and to be appointed by the Governor of the State, with the advice and consent of the Senate,
      viz.:
      i. five public trustees, serving under section 4 of chapter 49 of the Laws of 1945 for five-year terms expiring respectively, one, two, three, four, and five years after June 30, 1956, whose respective successors shall be appointed upon the expiration of such terms and annually thereafter to serve five-year terms, and
      ii. six public trustees appointed governors under subsection b.i. of section 18A:65-14 and serving by virtue thereof for and during their respective initial and subsequent terms as governors;
   c. not less than 12 nor more than 20 trustees who shall be alumni or alumnae of Rutgers, The State University, as may be determined from time to time by the board of trustees, elected by the board in accordance with such rules, regulations and schedules, and modifications thereof, as may be prepared and adopted from time to time by the board, the terms of such alumni trustees or alumnae trustees to be six years for full terms, with power in the board to provide for shorter or interim terms when deemed by it to be advisable.
   d. Charter trustees:
      i. in the number of trustees serving as such on August 31, 1956 without definite term, who shall continue to serve indefinitely; provided, that upon the occurrence of any vacancy among such charter trustees, no successor shall be elected to fill such vacancy until such time as the number of such trustees has been reduced below 25, and thereafter vacancies within that number shall be filled by the board subject to the following paragraph II; ii. two women elected by the board of trustees serving six-year terms expiring respectively on June 30, 1963 and 1965 and one woman elected by the board of trustees serving a five-year term expiring June 30, 1961, whose respective successors shall be elected by the board upon the expiration of such terms and thereafter to serve six-year terms.
   II. All trustees elected or appointed for terms commencing on or after September 1, 1956, other than those serving ex officio

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
pursuant to subsections I.a. and I.b.i. of this section, shall serve for terms of six years (subject to the provisions of subsection I.c. of this section and of subsection (a) of section 18A:65-16), and may succeed themselves for not more than one additional term after having served one full six-year term.

III. The ex officio members of the board of trustees as constituted on August 31, 1956, pursuant to the charter, statutes, or resolutions of the board from time to time adopted, ceased to be such members on August 31, 1956, with the exception of the president of the corporation who continued as ex officio trustee and ex officio governor, without voting power as hereinabove provided and the Commissioner of Education who so continued until July 1, 1967.

IV. A member of the board of trustees appointed to the board of governors pursuant to subsection b.ii. of N.J.S.18A:65-14 shall cease being a member of the board of trustees immediately upon taking the oath of office as a member of the board of governors.

(cf: P.L.1994, c.48, s.178)

2. N.J.S.18A:65-16 is amended to read as follows:

18A:65-16. (a) The terms of all governors and trustees which are limited shall, unless otherwise expressly provided herein, commence on July 1 in the first year, and end on June 30 in the last year, of such term.

(b) In case a governor or a trustee is elected president and he thereby becomes a nonvoting governor or trustee ex officio, a vacancy in his prior office as governor or trustee shall thereby occur.

(c) In case a trustee is appointed a governor by the Governor of the State, and he thereby becomes a trustee during his term as governor, a vacancy in his prior office as trustee shall thereby occur.

(d) Any vacancy occurring during the term of any governor or trustee (other than by the expiration of his term) shall be filled for the unexpired term only, in the same manner and subject to the same provisions, as in the case of his appointment or election; subject, however, to the provisions of subsection I.d. of section 18A:65-15.

(cf: P.L.1994,c.48,s.179)

3. N.J.S.18A:65-30 is amended to read as follows:

18A:65-30. Each board shall have the power to appoint and regulate the duties, functions, powers and procedures of committees, standing or special, from its members and such advisory committees or bodies, as it may deem necessary or conducive to the efficient management and operation of the corporation and the university, consistent with this chapter and other applicable statutes. The board of governors may appoint
trustees who are not governors to membership on its committees, without vote.

4. This act shall take effect immediately.

STATEMENT

Under current law, the board of trustees of Rutgers University includes charter trustees, alumni trustees, and public trustees. Of the 11 public trustees appointed by the Governor, six of these are also members of the Rutgers board of governors. This bill removes from the board of trustees the six trustees who also serve on the Rutgers board of governors.

Under current law, N.J.S.18A:65-14, the Rutgers board of trustees appoints from among its members seven trustees to also sit on the board of governors. The bill provides that a trustee appointed by the board of trustees to sit on the board of governors will cease being a member of the board of trustees immediately upon taking the oath of office as a member of the board of governors. The resulting vacancy in the board of trustees will be filled in accordance with the provisions of existing law.

Reduces membership of Rutgers board of trustees and eliminates dual membership on Rutgers board of trustees and Rutgers board of governors.
BYLAWS OF THE BOARD OF TRUSTEES
(As Amended June 19, 2014)

I. PURPOSE, POWERS, AND MEMBERSHIP

1. The Board of Trustees shall have and exercise the powers prescribed by the laws of the State of New Jersey, which include (a) acting in an overall advisory capacity, (b) controlling properties, funds, and trusts as permitted by statute, (c) sole authority over the investment of funds under its control, (d) representation on the membership of the committees of the several colleges of the University, (e) electing seven of its members to membership on the Board of Governors, and (f) provide advice and consent to the Board of Governors on the appointment of the President of the University.

The seven members of the Board of Trustees to be elected to membership on the Board of Governors shall be, as determined by the Board of Trustees, the most qualified candidates and shall be, by their experience and expertise, persons who can best further the mission of the University.

2. As prescribed by the laws of the State of New Jersey, and as further specified by the Board of Trustees, the membership of the Board of Trustees shall consist of sixty-two members classified as follows:

A. One ex-officio Trustee without a vote, the President of the University.

B. Eleven public Trustees, including five public Trustees appointed by the Governor of the State of New Jersey to the Board of Trustees, and six public Trustees appointed by the Governor to the Rutgers University Board of Governors, with the advice and consent of the New Jersey Senate.

C. Twenty-six alumni Trustees, elected by the Board of Trustees. Pursuant to Resolution adopted by the Board of Trustees on December 8, 2014, and commencing with the fiscal year beginning on July 1, 2015, the Board of Trustees will reduce the number of alumni Trustees by attrition, until the number of alumni Trustees reaches sixteen in accordance with this provision of the Bylaws.

D. Twenty-eight charter Trustees, of whom at least three shall be women, elected by the Board of Trustees. Pursuant to Resolution adopted by the Board of Trustees on December 8, 2014, and commencing with the fiscal year beginning on July 1, 2015, the Board of Trustees will reduce the number of charter Trustees by attrition, until the number of charter Trustees reaches twenty in accordance with this provision of the Bylaws and provided that the number of charter Trustees appointed in accordance with N.J.S.A 18A:65-15d.ii. shall not be reduced through attrition. Commencing with the charter Trustee election of 1991 and continuing biannually thereafter, with the final total of three being reached in 1995, three of the charter Trustees shall be initially elected as undergraduate
students entering their junior year at the University following the completion of a minimum of two full years of study at the University. Efforts will be made to the extent possible to diversify representation among the three Rutgers campuses in the selection of the student charter Trustees. Commencing in 1995, and at least one of the three student charter Trustee seats shall be occupied by a student from the Camden or Newark campuses. If a student charter Trustee resigns during his or her term of office, the vacancy shall be filled by an undergraduate student entering his or her junior year at the University following the completion of a minimum of two full years of study at the University.

3. From time to time the Board may elect as Trustees Emeriti former members of the Board who have rendered distinguished service to the Board and the University. Trustees Emeriti elected on or after September 20, 2012 shall enjoy all privileges of membership, except the vote, for the first six years after receiving such designation. After the first six years of Emeritus service, Trustees Emeriti then will be designated as honorary Trustee Emerita/Emeritus for life, but will no longer enjoy the privileges of membership. At any point, a Trustee Emerita/Emeritus or a Trustee Emerita/Emeritus-elect can (upon request) move to honorary Trustee Emerita/Emeritus status.

Trustees elected as Emeriti prior to September 20, 2012 shall continue the privileges of membership, except the vote, and hold their Emeritus designation for life. At any point, a Trustee Emerita/Emeritus elected prior to September 20, 2012 can request to move to honorary Trustee Emerita/Emeritus status.

**II. BOARD OF TRUSTEES APPOINTMENTS TO CAMDEN CAMPUS BOARD OF DIRECTORS**

1. Pursuant to the New Jersey Medical and Health Sciences Education Restructuring Act, P.L. 2012, Chapter 45, Section 26, Item (b), (N.J.S.A. 18A:65-14.6), the Board of Trustees shall appoint two members to the Rutgers University-Camden campus board of directors from among its non-public members (i.e., from among its alumni/alumnae and charter trustees). Trustees shall be appointed to the Camden campus board of directors from among those Trustees nominated by the Nominating Committee, which shall nominate sufficient Trustees to fill two positions, including vacant positions as may arise. The term of office of a member appointed by the Board of Trustees shall be coterminous with the Trustee’s term on the Board of Trustees. Trustees appointed to serve on the Camden campus board of directors shall serve the interests of the University and promote the development of the Camden campus consistent with the powers and limitations prescribed by law and as set forth in University policy, including applicable conflicts of interest, and ethics requirements. Vacancies on the board of directors shall be filled in the same manner as the original appointments for the remainder of the unexpired term.

2. Trustees serving on the Camden campus board of directors shall report to the Board of Trustees concerning the operations and programs of the Camden campus in such manner and frequency, but not less than twice per fiscal year, as the Board of Trustees shall determine.
III. MEETINGS OF THE BOARD

1. At least three regular meetings and one annual meeting of the Board shall be held each year, upon the call of the Chair, on the campuses of Rutgers University, or at such other place in New Jersey as the Board or the Chair shall designate, at such time as shall be specified in the notice of the meeting. At least one meeting each year shall be held on the Camden and Newark campuses, respectively, unless prohibited by extenuating circumstances, and the annual meeting shall be held on the New Brunswick campus.

2. An agenda for each meeting shall be prepared by the Chair, in consultation with the President, which shall be transmitted to each Trustee, including each Trustee Emeritus, at least five days prior to each meeting.

3. An annual year-end meeting shall be held during the month of June in each year for the appointment or election, as appropriate, of Governors and Trustees, and members of the Executive Committee, the Nominating Committee, the Rutgers Research and Educational Foundation, and the Rutgers University-Camden campus board of directors, and for the consideration of such other business as may require action by the Board. Officers of the Board shall be elected at the spring meeting (generally occurring in April) to ensure a seamless transition of leadership on July 1 of that calendar year.

4. Special meetings of the Board may be called by the Chair, or by the Secretary upon the written request of seven or more Trustees, upon notice to the Trustees not less than 48 hours prior to the hour fixed for the meeting, stating the purpose of the meeting.

5. Meetings of the Board of Trustees shall be in conformance with the Open Public Meetings Act, P.L. 1975, Chapter 231 (N.J.S.A. 10:4-6, et seq.) and any amendment thereto. It is the policy of the Board that all Trustees attend all meetings of the Board and all Committee meetings in person whenever possible. When such a Trustee determines such attendance is not feasible, the Chair of the Board or the Chair of a Board Committee may permit participation by the Trustee via telephone conference call or videoconferencing. All such requests should be made to the Secretary of the University, who shall in turn consult with the Chair of the Board of Trustees for the Board of Trustees meetings or the Chair of the Committee for the Committee meetings, at least two days in advance of the meeting. It is the policy of the Board that the use of such communications equipment should be requested and permitted only sparingly.

6. Any organization, group, or individual from within or without the University may be recognized to be heard only on agenda action items approved in accordance with Section III.2 above and that will be voted on by the Board of Trustees at that meeting. These requests to be heard shall have been registered with the Secretary of the University at least 24 hours before the meeting at which the Board will take action on the agenda item. Presentations shall be subject to reasonable time limits, which shall generally be three minutes per presentation.
7. Recognizing the authority and responsibility invested in the Board of Trustees for the shared governance of the University, regular attendance at full Board and committee meetings is expected of all Trustees with the exception of Trustees Emeriti. Specifically, within a two-year rolling period, each Trustee is expected to attend a minimum of two-thirds of all Board of Trustees meetings (including full meetings of the Board, as well as the Trustee's assigned Board of Governors committee meetings and any special committee meetings). Each June the Board of Trustees Executive Committee will meet to review the attendance of each Trustee. The Executive Committee may direct the Chair (or the Vice Chairs) to meet with any Trustee whose attendance falls below the two-thirds expectation. Attendance will also be a factor in determining whether a sitting Charter or Alumni Trustee will be renominated for a second term.

IV. OFFICERS OF THE BOARD

1. The officers of the Board shall be a Chair, two Vice-Chairs, a Treasurer, a Secretary, and an Associate Secretary, all of whom shall hold office until the annual meeting next succeeding their election and until their respective successors shall be elected, so long as they shall continue to be Trustees, except that the Treasurer, the Secretary, and Associate Secretary shall not be required to be Trustees and shall normally be the Senior Vice President for Finance and Treasurer, the Secretary of the University, and the Associate Secretary of the University, respectively. The Chair and Vice-Chairs shall be ineligible to succeed themselves in their respective offices after serving three consecutive one-year terms.

2. The Chair shall preside over and be the chief officer of the Board; he or she shall be an ex officio member of all committees. In the absence or disability of the Chair, the Vice Chair designated by the Chair, or, in the absence of such designation, the Vice Chair who is senior in service, shall serve in his or her stead.

3. The Secretary shall attend all sessions of the Board and act as clerk thereof and record all votes and the minutes of all proceedings to be kept for archival purpose; and shall perform like duties for the committees of the Board when required. He or she shall give notice of all meetings of the Board and of its committees and shall perform such other duties as may be prescribed by the Board or by the Chair. In the absence of the Secretary, the Associate Secretary shall perform such duties.

4. The Treasurer shall act as the chief fiscal officer of the Board.

5. In case of the absence of any officer of the Board, or for any other reason that the Board may deem sufficient, the Board may delegate the powers or duties of such officer to any other officer, or to any Trustee, for the time being.

V. COMMITTEES OF THE BOARD

1. The Board shall have the following committees, the Trustee members of which, with the exception of the Executive and Nominating Committees, shall be appointed by the Chair
following each annual meeting:

A. Standing Committees

(1) Executive Committee. This committee shall consist of not less than seven nor more than nine Trustees, including the Chair and Vice Chairs of the Board, elected at the annual meeting. Except as limited by statute, it shall have and exercise any and all powers of the Board in the intervals between meetings of the Board and shall be available for consultation and advice with the President, the Chair of the Board of Trustees, and the Chair of the Board of Governors as may be desired. No member of the Executive Committee shall serve for more than three consecutive one-year terms, except that any member who may be elected Chair or Vice-Chair of the Board shall continue his or her membership until his or her term of service as an officer of the Board expires. At the request of the Chair, meetings of the Executive Committee may be convened via telephone conference call.

(2) Nominating Committee. This committee shall consist of not less than three Trustees elected at the annual meeting. Each member of the Nominating Committee shall serve for one three-year term and shall not be immediately eligible for another term, and the chair of the Committee shall serve as chair for no more than two years. The chair of the Committee shall be appointed by the Chair of the Board. Members shall be elected according to a rotation system so that no more than two members shall be elected in one year except in cases of resignation or death when a successor shall be elected to fill the unexpired term. In addition to the above-mentioned members of the Committee, all former Chairs of the Board who are still active members of the Board may serve on the Committee.

(a) At the spring meeting, the Committee shall make nominations for officers of the Board to be elected at such meeting with their terms of office beginning on July 1 of that calendar year. At each annual meeting, the Committee shall make the following nominations for individuals who are to be elected at such meeting: members of the Executive Committee; members of the Nominating Committee; members of the Rutgers Research and Education Foundation; members of the Rutgers-Camden campus board of directors; Governors; Charter Trustees; alumni/alumnae Trustees recommended in accordance with the Alumni Trustee Selection Process approved by the Board on June 12, 2008; and student charter Trustees recommended by the University Senate to be selected by the Committee from among at least three names to be submitted by the University Senate for each student charter Trustee vacancy. The Nominating Committee shall also make nominations from time to time in order to fill vacancies in the foregoing positions arising from resignation, death, or other reason. Nominations may also be made by an instrument or instruments in writing signed by
at least seven Trustees and filed with the Secretary at least ten days before the date on which the election will take place.

(b) From time to time the Committee shall also nominate former Trustees for election as Trustees Emeriti or honorary Trustees Emeriti as more fully described in section I.3. of these Bylaws. Trustees Emeriti shall be elected at the first fall meeting of the Board, and those elected as Trustees Emeriti shall begin their six-year term at the next Trustee meeting following their election.

(c) Upon expiration of the maximum statutory period for service as an alumni Trustee or as a charter Trustee, two consecutive six-year terms, or equivalent service as a Trustee for at least twelve of the preceding sixteen years, there shall be a presumption against the renomination of an alumni Trustee or a charter Trustee until four years have elapsed since the last year of service.

(d) There shall be a presumption against the renomination of a Trustee or former Trustee who, at the conclusion of the term for which nomination is proposed, will have served a total of more than twelve of the last sixteen years.

(e) In considering nominations to fill charter Trustees vacancies, the Committee shall actively seek able individuals, prepared to serve the University, who otherwise might not be proposed for membership on the Board.

B. Joint Committees

(1) Joint committees are created by actions of the Board of Governors and the Board of Trustees.

(2) Committee on Investments. This Committee, which shall meet at least quarterly, shall consist of four Governors and four Trustees of whom one shall be designated as chair by the Chair of the Board of Trustees. It shall oversee the investment of funds and monetary assets under the control and management of the respective Boards and advise each on the policy and procedure with respect thereto, including retention of investment advisers and oversight of the adviser’s function in accordance with the University’s Investment Policy.

C. Trustees’ Membership on Board of Governors’ Committees. The Board of Governors and the University place great emphasis on the level of professional and personal experience and knowledge of members of the Board of Trustees, and shall request the advice and counsel of Trustees on a variety of University matters. The Chair of the Board of Trustees shall name the candidates from the Board of
Trustees, and the Chair of the Board of Governors shall then appoint the membership from these candidates to serve in an advisory capacity on each of the following Board of Governors’ committees:

(1) Committee on Audit.
(2) Committee on Finance and Facilities. In particular, the Trustees serving on this committee shall make recommendations to the Chairs of the Boards of Governors and Trustees and to the President with respect to buildings, grounds, and other property of which the Board of Trustees has control pursuant to Rutgers, The State University Law enacted in 1956 (N.J.S.A. 18A:65-1 et seq.), which is also known as the “Rutgers Act of 1956.”
(3) Committee on Academic and Student Affairs.
(4) Committee on Alumni and University Relations.
(5) Committee on Intercollegiate Athletics.
(6) Committee on Health Affairs.

D. Special Committees. The Chair of the Board may also appoint special committees from time to time and prescribe their powers and duties.

2. All committees shall report to the Board from time to time and make such recommendations as they may deem appropriate, and shall advise with respect to such matters within their province as may be requested by the President or the Chair of the Board.

3. Members of all committees shall hold office until the next annual meeting following their appointment, or until their successors shall be appointed. In the event of a conflict of interest, a Trustee may be reassigned to another committee at the discretion of the Chair. In the event of a breach of confidentiality, a Trustee may be removed from governing board committees.

VI. FISCAL YEAR

The fiscal year shall begin on the first day of July and end on the thirtieth day of June in each year.

VII. BYLAWS AMENDMENTS

These Bylaws may be amended or supplemented by the affirmative vote of two-thirds of those present at any regular meeting or at any special meeting called for that purpose. Five days' notice of any proposed amendment or supplement shall be given, either setting forth such proposed amendment or supplement in full or summary thereof.

Adopted November 2, 1956.
Amended: June 1, 1957; September 26, 1958; June 13, 1960; February 10, 1961; January 29, 1971; September 15, 1972; November 3, 1972; September 19, 1973;
December 4, 1974; June 15, 1977; April 23, 1980; February 18, 1982; April 21, 1983;
June 16, 1988; October 19, 1989; June 14, 1991; October 20, 1994; April 20, 1995;
October 16, 2003; June 12, 2008; April 30, 2009; June 25, 2009; October 29, 2009;
December 17, 2009; September 20, 2012; December 6, 2012; September 19, 2013;