



BOARD OF TRUSTEES
HANDBOOK

TABLE OF CONTENTS

I.	LEGAL STATUS.....	3
II.	INSTITUTIONAL MISSION.....	3
III.	POLICY DEVELOPMENT	3
IV.	POLICIES AND BY-LAWS.....	3
	IV.1 Composition, Election, and Term of Office	3
	IV.2 Election of Officers.....	3
	IV.3 Office of the Board	4
	IV.4 Meetings	4
	IV.5 Attendance.....	4
	IV.6 Quorum, Manner of Acting, and Voting	4
	IV.7 Meeting Agenda.....	5
	IV.8 Records of Board Action.....	5
	IV.9 Conflicts of Interest and Disclosure	5
	IV.10 Removal of Board Members; Special Meeting	5
	IV.11 Resignations	5
	IV.12 Authority, Duties, Responsibilities, and Expectations.....	6
	IV.13 Official Business of the Board.....	6
	IV.14 Employment of the College President	6
	IV.15 Amendment.....	7
	IV.16 Fiduciary Duties	7
	IV.17 Evaluation	7
	IV.18 General Institutional Oversight and Powers	7

I. LEGAL STATUS

Wade College, Inc. is organized under the Texas Business Corporation Act. As such, the college operates for profit. Articles of Incorporation and Articles of Amendment are on file at the Office of the Secretary of State of Texas.

II. INSTITUTIONAL MISSION

Wade College shall have a clearly defined, comprehensive, and published mission specific to the institution and appropriate for higher education; the mission shall address teaching and learning. The mission statement must be approved by the Wade College Board of Trustees ("Board") and undergoes an annual review. The mission statement, at a minimum, is published in the *Wade College Catalog* and on the *Wade College Website*.

III. POLICY DEVELOPMENT

It is the policy of Wade College to publish documents such as the *Wade College Board of Trustees Handbook*, *Wade College Catalog*, *Wade College Student Handbook*, *Wade College Website*, *Wade College Administrative Evaluation Handbook*, *Wade College Annual Security Report and Safety Plan*, *Wade College Fiscal Management Handbook*, *Wade College Learning Assessment Handbook*, *Wade College Library Collection Development Handbook*, *Wade College Financial Aid Policies and Procedures Manual*, *Wade College Copyright Manual*, *Wade College Intellectual Property Manual*, *Wade College Tuition and Enrollment Agreements*, and *Wade College Faculty Handbook*; such publications include relevant college policies and offer information and guidance regarding procedures to carry out these policies.

All policies of Wade College must be approved by the Board. Further, all policies will be reviewed annually to assure that they are current, pertinent and consistent.

IV. POLICIES AND BY-LAWS

IV.1 Composition, Election, and Term of Office

The number of Trustees shall be five. Trustees need not be residents of the State of Texas nor shareholders in the college. The majority of Trustees at any given time may not be shareholders or employees of the college.

The Trustees shall be elected by the shareholders of Wade College, Inc. At the 2002 annual meeting of shareholders, there shall be elected in accordance with the provisions of Section IV.1 of these By-Laws, five Trustees, who shall be divided into three classes. There shall be two Trustees in the first class, each of whom shall hold office until the second annual meeting of shareholders after his or her election or until his or her earlier death, resignation, disqualification or removal; there shall be two Trustees in the second class, each of whom shall hold office until the third annual meeting of shareholders after his or her election or until his or her earlier death, resignation, disqualification or removal; there shall be one Trustee in the third class, who shall hold office until the fourth annual meeting of shareholders after his or her election or until his or her earlier death, resignation, disqualification or removal. At each annual meeting of shareholders thereafter, Trustees shall be elected for the class whose term of office expires at the meeting, and they shall hold office until the third annual meeting after their election or until his or her earlier death, resignation, disqualification or removal.

When a vacancy occurs on the Board, the remaining members of the Board shall be authorized to fill this vacancy by appointment until such vacancy on the Board is voted on by meeting of the shareholders. The newly-elected Board member will be placed within the class from which the vacancy arose.

IV.2 Election of Officers

Officers of the Board shall be a Board chairperson and a secretary. Officers are nominated by the Board and are elected by the majority vote of the Board members present and hold their offices for their Board terms or until his or her earlier death, resignation, disqualification or removal. No one person shall hold more than one office. In the case of a vacancy in any office, such vacancy shall be filled by the Board as

soon as practicable by electing a successor to the unexpired term of office. This provision does not preclude the re-election of an officer.

The Board chairperson shall preside at all regular and special meetings of the Board and review the agenda prepared for each meeting. The Board chairperson is the Board spokesperson unless, in individual instances, this authority is delegated to another Board member by Board action.

The secretary shall keep the official seal and maintain records of all meetings and other official actions and correspondence of the Board. The secretary shall prepare the meeting agenda, ensure pre-meeting distribution of the agenda to Board members and other authorized recipients, and distribute the minutes of meetings and related reports. The secretary shall also ensure distribution of available documentation to Board members concerning action items appearing on a given agenda in sufficient time to allow Board members adequate study time of the items. See also Section IV.7.

IV.3 Office of the Board

The Board shall maintain an office at Wade College, 1950 Stemmons Freeway, Suite 4080, LB #562, Dallas, Texas, 75207. This address is the official mailing address for the Board, records, meeting minutes, and the college seal shall likewise be kept at this location.

IV.4 Meetings

The Board holds bi-annual meetings usually in January and May. Special meetings other than regular meetings may be called at any time by the Board chairperson or a majority vote of the Board. Regular meetings normally will be held at:

WADE COLLEGE
INFOMART
1950 Stemmons Freeway, Suite 4080
Dallas, Texas 75207

Notice of the time of meetings shall, at least ten (10) days before the day on which the meeting is to be held, be mailed either electronically and/or via the United States Postal Service to each Board member. Notice shall be deemed to have been given when deposited in the mail or sent via electronic mail.

IV.5 Attendance

It shall be the duty of the members of the Board to attend the meetings of the Board so as to take part in its deliberations.

IV.6 Quorum, Manner of Acting, and Voting

At each meeting of the Board, not less than a majority of the total number of Trustees then acting and whom have no have contractual, employment, or personal or familial financial interests in the institution must be present to constitute a quorum and the act of the majority of the Trustees so present at the meeting at which a quorum is present shall constitute the act of the Board.

Members of the Board may participate in and hold a meeting of the Board by means of a conference telephone or similar communications equipment of which all persons participating in the meeting can hear each other, and participation in the meeting in this manner shall constitute presence at the meeting.

If a quorum shall not be present at any meeting, the Board members present may adjourn the meeting to a future date.

Voting shall be done by the show of hands. All Board members shall have a vote.

IV.7 Meeting Agenda

The agenda is prepared by the Board secretary and approved by the Board chairperson. When a proposed agenda item requires supporting materials for distribution to Board members, copies of such materials must be provided no later than three (3) calendar days prior to the day of a meeting. The agenda may be modified by the chairperson, if without objection, or upon a majority vote of the Board members in attendance at a Board meeting.

IV.8 Records of Board Action

The secretary shall ensure the accurate and faithful reporting of Board meeting activities through a system of written minutes. The minutes will be approved and authenticated by the secretary or, in his/her absence, a specific designee, prior to final publication and distribution. Minutes will be distributed to each Board member.

IV.9 Conflicts of Interest and Disclosure

Neither the presiding officer of the Board, nor the majority of other voting members of the Board, have contractual, employment, or personal or familial financial interests in the institution. Furthermore, the Board is not controlled by a minority of Board members or by organizations or interests separate from it.

If a Board member's outside activity constitutes a conflict of interest, then the Board member shall (a) file an affidavit with the Secretary of the Board stating the nature and extent of such conflict or the potential conflict; (b) absent himself/herself from discussion regarding any issue which involves his/her role as a Board member and his/her outside activity, and (c) refrain from voting on any such issue.

Conflict of interest includes: (1) serving simultaneously as a member of the Board and as an officer, director, or employee of a business entity doing business with the college, or (2) having a financial interest in a business entity doing business with the college, or (3) participation or involvement in any outside activity which would create the appearance of divided loyalties and advancing self-interest if the Board member were to engage in deliberations or votes concerning matters of interest to both the college and the outside activity or (4) any conference or discussion with any person or entity which would create a risk of disclosing confidential or proprietary information of the college particularly when such discussions could implicate and further exacerbate conflicts as defined in (3) above.

IV.10 Removal of Board Members; Special Meeting

Board members, by a majority vote of members entitled to vote and voting on the matter at a meeting of the members called pursuant to this section at which a quorum is present, may remove any member of the Board for substantiated cause. Cause includes incompetence, non-attendance of regularly scheduled board meetings, or conviction by a court for any felony.

Prior to the Board voting for removal, the Board must give to the Board member who may be removed: (a) notice of the impending vote; (b) specifics of the alleged violation(s); (c) adequate time to prepare a rebuttal to the accusations; and (d) a specific date, time, and place for the presentation of a response. Notwithstanding the above, immediate removal of a Board member shall be ordered if such member is convicted of a felony by a court.

IV.11 Resignations

Any Board member may resign at anytime by giving written notice thereof to the Board chairperson or secretary. Such resignation shall take effect as of its date unless some other date is specified therein, in which event it shall be effective as of that date. The acceptance of such resignation shall not be necessary to make it effective.

IV.12 Authority, Duties, Responsibilities, and Expectations

The chief duty of the Board is to provide for the progress and welfare of Wade College, and to establish the policies which govern the college's organization and operation. Authority vested in the Board may be exercised only through Board action taken in regular or special meetings. No individual member may speak or act on behalf of the Board unless specifically authorized by Board approval. Every member of the Board shall be under obligation to support any decision or policy adopted by the majority and shall not publicly oppose such decision or policy after it has been adopted.

As the governing body, the chief duties and responsibilities of the Board include:

1. preserving institutional independence and defending its right to manage its own affairs through its chosen administrators and employees;
2. working to enhance the public image of Wade College;
3. nurturing Wade College to the end that the college achieves its full potential within its role and mission;
4. insisting on clarity of focus and mission of Wade College;
5. periodically reviewing and approving any proposed updates to the mission statement of Wade College [The yearly *Institutional Effectiveness Report* provides the foundation for the review and any proposed updates to the mission statement];
6. acting as a policy-making body; discussing and taking action on the policies as presented by the President [While new policies will usually be presented by the President, it is understood that policies may originate with the Board];
7. acting as an appraisal body sitting in judgment upon recommendations that may come to it through the President;
8. appointing a President of Wade College, establishing his/her compensation package, designating the President as the Chief Executive Officer of the college, and investing in that individual the general responsibility for interpreting Board policy into administrative action and administering and operating the college in accordance with Board-approved policies. Any and all powers and duties, either express or implied, for carrying out the administration and operation of the college may be delegated to the President and may be exercised by the President in the name of the Board. Only the President shall be directly responsible to the Board. All other administrators, faculty members, and other employees shall be indirectly responsible to the Board through the President, and they shall report or confer with the Board through the President;
9. periodically causing to be evaluated the President of the institution and assisting the President in the achievement of performance goals;
10. considering the yearly institutional plan and budget presented by the President, recommending any changes thought necessary, and adopting the institutional plan and budget, with any revisions, when they meet with the approval of the Board;
11. approving capital expenditures;
12. approving all funds distributed to the Wade College, Inc. shareholders;
13. monitoring the fiscal stability of the institution;
14. studying and voting upon recommendations of the President for substantial capital outlay and determining the means of financing them;
15. considering major financial concerns of Wade College;
16. approving tuition and fees in accordance with the needs of Wade College;
17. approving official college publications upon the recommendations of the President; and
18. approving the organizational structure of Wade College upon the recommendations of the President.

IV.13 Official Business of the Board

Official business of the Board can be transacted only at regular meetings of the Board, or in special meetings called for that purpose.

IV.14 Employment of the College President

The President of Wade College shall be appointed by the Board. Although eligible as a member and officer of the Board, the President cannot hold the office of Board chairperson.

The President serves without fixed term. In the event of a vacancy in the Office of the President of the college, the Board shall appoint a successor thereto at the earliest convenient opportunity, seeking whatever assistance is desired from professional consultants, employment firms, faculty, students, ex-students, present administrators of the college, or others.

IV.15 Amendment

The policies and bylaws of the Board may be amended by majority vote of the Board at any proper meeting.

IV.16 Fiduciary Duties

Each Trustee on the Wade College Board of Trustees is deemed a fiduciary and has the duty to act in the best interests of Wade College. As fiduciaries, Trustees are held to a higher standard of conduct and have two primary duties: (1) duty of due care; and (2) duty of loyalty.

The fiduciary duty of due care requires a Trustee to be diligent and careful in performing the duties for which he/she is undertaken. It requires each Trustee to exercise his/her unbiased and honest judgement in pursuit of Wade College interests with undivided loyalty and in utmost good faith.

The fiduciary duty of loyalty requires a Trustee to act only in the best interests of Wade College and its constituencies even if at the expense of his/her own interests.

A breach of fiduciary duty involves a willful violation of either the duty of due care or loyalty. A violation could result in: (1) all damages caused by the breach; and (2) punitive damages.

IV.17 Evaluation

On an annual basis (specifically, at the end of each Board meeting in May), the Board shall self-evaluate its performance in accordance with the responsibilities and expectations as outlined in Section IV.12 Authority, Duties, Responsibilities, and Expectations of this Wade College Board of Trustees Handbook.

The evaluation shall be completed via the Wade College Board of Trustees Annual Evaluation Form ("Form") distributed to each Board member; anonymous results of each Form will be tabulated by the Board Secretary, forwarded to Board members in a timely fashion, and reviewed by the Board at the subsequent Board meeting (specifically, at the beginning of each Board meeting in January).

IV.18 General Institutional Oversight and Powers

Any business and/or affairs of the college not contained in this handbook and exercised by the corporate Board of Directors—except as otherwise expressly required by state and/or federal law—must be approved by the Wade College Board of Trustees.