

**BOARD OF TRUSTEES
BY-LAWS
OF
UNIVERSITY OF MEDICINE AND DENTISTRY**

**ARTICLE I
BOARD OF TRUSTEES**

1. **GENERAL POWERS**

The government, control, conduct, management and administration of the University, including the patient care facilities owned, leased or directed by the University shall be vested in the Board of Trustees of the University.

2. **MEMBERS**

The members of the Board of Trustees shall consist of the Commissioner of Health who shall serve ex-officio, without vote and eleven voting members each of whom shall be appointed by the Governor, with the advice and consent of the Senate for a term of five years and shall serve until his/her successor is appointed and has qualified.

3. **CLASSIFICATION AND TERM**

Any vacancies in the voting membership of the Board occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only.

4. **OATH OF OFFICE**

Each voting member of the Board of Trustees before entering upon his/her duties shall take and subscribe an oath to perform the duties of his/her office faithfully, impartially and justly to the best of his/her ability. A record of such oath shall be filed in the office of the Secretary of State.

5. **REMOVAL**

Each voting member of the Board may be removed from office by the Governor, for cause, after a public hearing.

6. **MEETINGS**

The members of the Board of Trustees shall meet no less than ten times each year at such times and places as shall be agreed upon by the Board. In addition, the Board shall meet no less than twice each year to consider issues solely related to the UMDNJ-University Hospital. A majority of the members of the Board appointed as of the day of the regularly scheduled monthly meeting, but in no event less than five members shall constitute a quorum and shall be necessary to conduct the business of the Board.

The Board may make such rules and regulations covering its meetings as it may in its discretion determine necessary.

7. APPOINTMENT OF CHAIRPERSON

The Governor shall designate one of the voting members as Chairperson of the Board.

8. SELECTION OF OFFICERS

The Board shall select such other officers from among its members as shall be deemed necessary.

9. COMMITTEES

9.1 The Board shall have the power to create such standing, special and advisory committees or bodies as it may deem necessary or conducive to the efficient management and operation of the University, consistent with applicable statutes of the State of New Jersey. The Board shall define the duties and powers of such committees and shall have authority to oversee and regulate committee affairs.

9.2 The members of committees shall be appointed by the Chairperson. Special and advisory committees may include persons who are not members of the Board of Trustees.

9.3 The Chairperson shall be an ex-officio member of all committees except the Governance and Ethics Committee of which Chairperson shall be the Chair.

10. COMPENSATION

The Board of Trustees shall not receive compensation for their services as such. Each member shall be reimbursed for his/her actual expenses incurred in the performance of his/her duties as a member.

11. DUTIES AND POWERS

The Board of Trustees of the University shall have the general supervision over and be vested with the conduct of the University, including its health care facilities, regardless of the source of funding. It shall have the power and duty to:

11.1 Adopt and use a corporate seal;

11.2 Determine educational policies and programs of the University and approve the educational curricula of the various schools;

11.3 Determine policies for the organization, administration and development of the University;

11.4 Study the educational and financial needs of the University, annually acquaint the Governor and Legislature with the condition of the University and prepare and submit an annual request for appropriation to the Division of Budget and Accounting in the Department of Treasury;

11.5 Disburse all monies appropriated to the University by the Legislature and all monies received from tuition, fees, auxiliary services and other sources;

11.6 Direct and control expenditures and transfers of funds appropriated to the University in accordance with provisions of the State budget and appropriation acts of the Legislature and as to funds received from other sources, direct and control expenditures and transfers in accordance with the terms of any applicable trusts, gifts, bequests or other special provisions, reporting changes and additions thereto and transfers thereof to the Director of the Division of Budget and Accounting in the State Department of the Treasury. All accounts of the University shall be subject to audit by the State at any time;

11.7 In accordance with the provisions of the State budget and appropriation actions of the Legislature, appoint and fix the compensation and term of office of a President of the

University who shall be the Executive Officer of the University;

- 11.8 In accordance with the provisions of the State budget and appropriation acts of the Legislature, appoint, upon nomination of the President and following his/her consultation with faculty or faculties concerned, such deans and other members of the academic administrative and teaching staffs as shall be required and fix their compensation and terms of employment;
- 11.9 In accordance with the provisions of the State budget and appropriation acts of the Legislature and upon nomination of the President, appoint, remove, promote and transfer such other officers, agents or employees as may be required to carry out the provisions of these by-laws and assign their duties, determine their salaries and prescribe qualifications for all positions;
- 11.10 Fix and determine, tuition rates and other fees to be paid by students;
- 11.11 Grant diplomas, certificates or degrees;
- 11.12 Enter into contracts and agreements with the State or any of its political subdivisions or with the United States, or with any public body, department or other agency of the State or the United States or with any individual, firm or corporation which are deemed necessary or advisable by the Board for carrying out the duties and obligations of the Board as provided by law;
- 11.13 Accept from any government or governmental department, agency or other public or private body or from any other source grants or contributions of money or property which the Board may use for or in aid of any of its purposes;
- 11.14
 - 11.14.1 Acquire (by gift, purchase, condemnation or otherwise), own, lease, dispose of, use and operate property, whether real, personal or mixed, or any interest therein, which is necessary or desirable for University purpose;
 - 11.14.2 Adopt standing operating rules and procedures for the purchase of all equipment, materials, supplies and services in accordance with Section 6 of P.L. 1994, c. 48 § 169 N.J.S.A. (C.18A:64G-6(n));
 - 11.14.3 Employ architects to plan buildings, secure bids for the construction of buildings and for the equipment thereof, make contracts for the construction of buildings and for equipment and supervise the construction of buildings;
 - 11.14.4 Manage and maintain and provide for the payment of all charges on and expenses in respect of, all properties utilized by the University;
 - 11.14.5 Invest certain monies in such obligations, securities and other instruments as the Board of Trustees shall deem prudent in accordance with State and Federal Law;
- 11.15 Borrow money for the needs of the University, as deemed requisite by the Board in such amounts and for such time and upon such terms as may be determined by the Board, provided that no such borrowing shall be deemed or construed to create or constitute a debt, liability or a loan or pledge of the credit or be payable out of property or funds, other than monies appropriated for that purpose, of the State;
- 11.16 Exercise the right of eminent domain, pursuant to the provisions of the "Eminent Domain Act of 1971," P.L. 1971, c. 361 (C.20:3-1 et seq.) to acquire any property or interest therein;
- 11.17
 - 11.17.1 Adopt by-laws and make and promulgate such rules, regulations and orders, not inconsistent with the provisions of P.L. 1970, c. 102, and amendments; and

- 11.17.2 Review by-laws annually and amend as is necessary and proper for the administration and operation of the University and to implement the provisions of these by-laws;
- 11.18 Authorize any new program, educational department or school not inconsistent with the programmatic mission of the institution or approved by the Commission of Higher Education which will require, at the time of establishment or thereafter, an additional expenditure of money;
- 11.19 Function as a public employer under the “New Jersey Employer Employee Relations Act,” P.L. 1968, c. 303 (C.34:13A-1 et seq.) and conduct all labor negotiations, and with the participation of the Governor’s Office of Employee Relations act as the chief spokesperson with respect to all matters under negotiation.
- 11.20 Sue and be sued in its own name;
- 11.21 Retain independent counsel including representation by the Attorney General in accordance with subsection h. of section 6 of P.L. 1994, c. 48 (C. 18A:3B-6); which gives the Board the right to retain independent counsel for all legal services except in Tort related matters covered by the Self Insurance Trust Fund in which event representation shall be from the Attorney General of the State of New Jersey;
- 11.22
 - 11.22.1 Participate as the general partner or as a limited partner, either directly or through a subsidiary corporation created by the University, in limited partnerships, general partnerships, or joint ventures engaged in the development, manufacture, or marketing of products, technology, scientific information or health care services and create or form for profit or not for profit corporations to engage in such activities; provided that any such participation shall be consistent with the mission of the University and the Board shall have determined that such participation is prudent. Nothing herein shall be construed to authorize any change in the legal status of University Hospital;
 - 11.22.2 The decision to participate in any activity described in paragraph (1) of subsection (v) of section 6 of P.L. 1970, c. 102 (C. 18A:64G-6), including the creation or formation of for profit or not for profit corporations, shall be articulated in the minutes of the Board of Trustees meeting in which the action was approved. A true copy of the minutes shall be delivered to the Governor. No such action shall have effect until 30 days, Saturdays, Sundays and public holidays excepted, after the copy of the minutes shall have been delivered to the Governor. If within the 30 day period, the Governor returns the minutes of the meeting with a veto of the action taken by the Board, the action taken by the Board shall be null and void and of no effect;
 - 11.22.3 The provisions of P.L. 1971, c. 182 (C. 52:13D-12 et seq.) shall continue to apply to the University, its employees and officers;
 - 11.22.4 Nothing herein shall be deemed or construed to create or constitute a debt, liability or a loan or pledge of the credit or be payable out of property or funds of the State;
 - 11.22.5 Funds directly appropriated to the University from the State or derived from the University’s academic programs or derived from payment for coverage provided by the self insurance fund for claims accruing prior to the effective date of P.L. 1992, c. 84, §5 shall not be utilized in the development, manufacture or marketing of products, technology or scientific information;

- 11.22.6 Employees of any joint venture, subsidiary corporation, partnership or other jural entity entered into or owned wholly or in part by the University shall not be deemed public employees;
 - 11.22.7 A joint venture, subsidiary corporation, partnership or other jural entity entered into or owned wholly or in part by the University shall not be deemed an instrumentality of the State of New Jersey;
 - 11.22.8 Income realized by the University as a result of participation in the development, manufacture or marketing of products, technology or scientific information may be invested or reinvested pursuant to paragraph (5) of subsection (n) of section 6 of P.L. 1970, c. 102 (C. 18A:64G-6) or retained by the Board for use in furtherance of any of the purposes of this act;
 - 11.22.9 The Board shall annually report to the State Treasurer on the operation of all joint ventures, subsidiary corporations, partnerships or such other jural entities entered into or owned wholly or in part by the University;
- 11.23
- 11.23.1 Procure and enter into contracts for any type of insurance and indemnify against loss or damage to property from any cause, including loss of use and occupancy, against death or injury of any person, against employees' liability, against any act of any member, officer, employee or servant of the University, whether part-time, full-time, compensated or non-compensated in the performance of the duties of his/her office or employment or any other insurable risk. In addition, the University shall carry its own liability insurance or maintain an actuarially sound program of self insurance, Any joint venture, subsidiary corporation, or partnership or such other jural entity entered into or owned wholly or in part by the university shall carry insurance or maintain reserves in such amounts as are determined by an actuary to be sufficient to meet its actual or accrued claims;
 - 11.23.2 Monies in the fund known as the Self-Insurance Trust Fund administered by the State Treasurer shall continue to be available to the University solely to indemnify and defend claims against the University and its employees, officers and servants but only to the extent that the University has elected on behalf of itself and its employees to obtain representation from the Attorney General pursuant to subsection h. of section 6 of P.L. 1994, c. 48 (C. 18A:3B-6) and such entity or individuals would have been entitled to defense and indemnification pursuant to the "New Jersey Tort Claims Act" (N.J.S.A. 59:1-1 et seq.) as a State entity or State Employee but for the provision of subsection (t) of section 6 of P.L. 1970, c. 102 (C. 18A:64G-6). Any expenditure of such funds shall be made only in accordance with the provisions of the "New Jersey Tort Claims Act" (N.J.S.A. 59:1-1 et seq.) including but not limited to the provisions of chapters 10, 10A and 11 of Title 59 of the New Jersey Statues. Nothing herein shall be construed to authorize the use of the Self-Insurance Trust Fund to indemnify or insure in any way, directly or indirectly the activities of any joint venture, partnership or corporation entered into or created by the university pursuant to paragraphs (1) and (2) of subsection (v) of section 6 of P.L. 1970, c.102 (C. 18A:64G-6).
- 11.24 Create auxiliary organizations subject to the provisions of P.L. 1982, c. 10 (C.18A:64-20 et seq.).

12. ADDITIONAL POWERS AND DUTIES OF BOARD

The Board of Trustees, in addition to the other powers and duties provided herein, shall have and exercise the powers, rights and privileges that are incident to the proper government, conduct and management of the University, and the control of its properties and funds and such powers granted to the University or the Board or reasonably implied, may be exercised without recourse or reference to any department or agency of the State, except as otherwise provided by this act.

13. The University shall have a seal which shall be in the following form:



ARTICLE II
STANDING COMMITTEES

1. GOVERNANCE AND ETHICS COMMITTEE

1.1 IDENTITY

The Governance and Ethics Committee shall be composed of at least 3 members of the Board, one of whom shall be the Chairperson of the Board of Trustees who shall serve as Chairperson of the Committee.

1.2 PURPOSE

Generally, the Committee shall be responsible for all matters relating to the organization and governance of UMDNJ and shall perform the traditional duties of an Executive Committee. Subject to ratification by the Board of Trustees, when necessary and in the best interest of the University, the Governance and Ethics Committee shall act on behalf of the Board of Trustees between the Board's regular meetings and shall review and make recommendations to the Board of Trustees on issues involving strategic planning, external affairs, community relations development and senior management employment matters.

1.3 DUTIES AND POWERS

The Committee shall also have the following duties and powers:

1.3.1 GOVERNANCE:

- 1.3.1.1 Monitor, with the assistance of the General Counsel, current standards, initiatives, regulations (actual and proposed), statutes (actual and proposed) and general expert commentary on practices and procedures and regulation of corporate governance for both nonprofit and for-profit corporations and make recommendations to the Board concerning the same.
- 1.3.1.2 Review and make recommendations to the Board, on all matters of corporate governance and concerning any matter of corporate governance being (or to be) considered by the Board.
- 1.3.1.3 Review and assess and from time to time report on the adequacy of the Corporate Governance Guidelines of UMDNJ and recommend changes when necessary or desirable.
- 1.3.1.4 Oversee governance practices and procedures and make recommendations to the Board with respect thereto.
- 1.3.1.5 Conduct an annual performance of self-evaluation of the corporate governance functions of the Committee and lead the Board in an annual performance self-evaluation of the Board.
- 1.3.1.6 Establish criteria and processes for undertaking the self-evaluations mentioned above.
- 1.3.1.7 Review the governance structure of UMDNJ, including charter and by-laws provisions affecting governance and make any appropriate comments or suggestions for change.
- 1.3.1.8 Review the composition of the Board annually to determine the qualifications and areas of expertise needed to further enhance the composition of the Board and the discharge of Board responsibilities and work with the Governor's Office in identifying and attracting candidates with such qualifications and expertise.

- 1.3.1.9 Assist the Chairperson and the Board in identifying appropriate Committee assignments for the Board members and recommend changes in number, function and/or composition of Committees if deemed necessary or desirable.

1.3.2 ETHICS:

- 1.3.2.1 Review the existing policies of UMDNJ concerning ethics and conflicts of interest as well as any Code or Codes of Ethics and/or Business Conduct, and from time to time make recommendations to the Board of Trustees concerning the promulgating, revising, amending and supplementing such Policies and Code or Codes.
- 1.3.2.2 Be responsible for, and oversee, the implementation of such Policies and Code or Codes as well as the requirements of all laws and regulations of the State of New Jersey concerning ethics, business conduct and conflicts of interest.
- 1.3.2.3 Interpret such policies, Code or Codes and laws and regulations as they pertain in individual cases or matters; answer questions which may arise concerning the same; and uphold or impose prohibitions, or grant approvals, in individual cases or matters that in the Committee's judgment are appropriate under the circumstances.
- 1.3.2.4 Review reports of the Compliance Officer to the Audit Committee and offer appropriate comments if any.
- 1.3.2.5 Review reports prepared by management with respect to the ethical environment of UMDNJ.
- 1.3.2.6 Interact and cooperate, on the Board's behalf with the State Commission on Ethics and other governmental agencies concerning the subject matter.
- 1.3.2.7 Review and make appropriate comments concerning reports of the Compliance Officer to the Audit Committee.

1.3.3 GOOD WILL AND MORALE:

- 1.3.3.1 Review, monitor and make recommendations to the Board concerning programs to bolster the morale of the University community and to instill in employees a feeling of pride in the institution.
- 1.3.3.2 Review, monitor and make recommendations to the Board concerning programs to enhance the University's presence, prestige, and perceived value to local, state, national, and international audiences, and matters relating to the University's communications, media relations, marketing, publications, public and community relations, alumni affairs, outreach, development and fundraising as appropriate.

2. FINANCE, INVESTMENT AND ADMINISTRATION COMMITTEE

2.1 IDENTITY

The Finance, Investment and Administration Committee shall consist of at least three members of the Board.

2.2 DUTIES AND POWERS

The Committee shall have the following duties and powers:

- 2.2.1 **Finances:** To provide for the proper oversight and control of the finances of the University and for the accounting of all monies and property received, disbursed or expended by the corporation.

- 2.2.2 **Depositories:** To provide for the deposit of all sums received to the credit of the University as required by statute and to work with the State Treasurer in the discharge of his or her responsibilities to designate depositories and custodians.
- 2.2.3 **Payment of Obligations:** To provide for the issuance of all checks, drafts, notes and orders for the payment of money on behalf of the University and, without limitation, to oversee the payment and satisfaction of all debts and other financial obligations of the University.
- 2.2.4 **Financial Condition:** To render or cause to be rendered to the Board periodic reports on the transactions and financial condition of the University and all such other reports as the Board or Chairperson of the Board may request and, without limitation, to evaluate the economics of the operation of the University and to make recommendations as to how the quality of academic and health care functions may be maintained at a high level.
- 2.2.5 **Budgets:** To review, evaluate, revise if necessary or desirable and submit to the Board the budgets of the University submitted to the Committee by the President.
- 2.2.6 **Investments:** To review management of endowment funds and to provide advice to the Board on investment policy. In addition, subject to oversight and directives of the Board, to discharge on behalf of the Board, all functions, powers and duties relating to the investment or reinvestment of funds.
- 2.2.7 **Fiscal Administration:** To report and make recommendations to the Board concerning fiscal administration of the University, including tuition rates, hospital charges and research grants.
- 2.2.8 **Risk Management:** To assess, calculate and make recommendations concerning liability risk control and risk financing.
- 2.2.9 **Buildings and Grounds:** To review, monitor and make recommendations to the Board concerning the acquisition of property by purchase, lease or gift, the design and location of new buildings, major repairs or renovations of existing buildings, the development, maintenance and landscaping of grounds and all other matters pertaining to the physical care and preservation of the physical plant. The Committee shall also make recommendations to the Board concerning the naming of buildings and other facilities and outdoor areas under the management or control of the University.
- 2.2.10 **Financings:** To review, monitor and make recommendations to the Board concerning financing or refinancing of any University capital debt in connection with University projects.
- 2.2.11 **Contracts:** To oversee and administer the policies and procedures of the University in connection with the letting of contracts, to review (or provide an effective process for reviewing) all contracts proposed to be let without public, competitive bidding, and generally to make recommendations to the Board concerning the processes involved in the letting of University contracts.

3. UNIVERSITY AFFAIRS/RESEARCH COMMITTEE

3.1 IDENTITY

The University Affairs/Research Committee shall consist of at least three members of the Board

3.2 DUTIES AND POWERS

The University Affairs/Research Affairs Committee shall consider and make recommendations to the Board on any matters which may be appropriate, including but not limited to academic affairs, student affairs and research.

4. JOINT CONFERENCE/PLANNING COMMITTEE

4.1 IDENTITY

The Joint Conference/Planning Committee shall consist of at least three members of the Board, one of whom shall be Committee Chairperson, and any other members from outside the Board deemed necessary by the Board members of the Committee, so long as they are appointed by the Board.

4.2 DUTIES AND POWERS

The Joint Conference/Planning Committee shall have the following duties and powers:

- 4.2.1 To consider such matters as may be appropriate, including the operation, services, budget, quality, compliance, patient safety and educational programs of both University Hospital and University Behavioral HealthCare and the requirements for the establishment and operation of auxiliary organizations and volunteer services at the University Hospital and University Behavioral HealthCare.
- 4.2.2 To establish a formal means of liaison to assure effective communication among the Board of Trustees, governing body, administration, medical staff and surrounding community of the University Hospital and University Behavioral HealthCare.
- 4.2.3 To review and grant initial appointment, reappointment and renewal or modification of clinical privileges, based on medical staff recommendation, in accordance with the by-laws, rules and regulations and policies of the medical staff of the hospital and to advise the Board of Trustees of such appointments and modification.
- 4.2.4 To review, annually reappraise and make recommendations to the Board of Trustees regarding the Quality Assurance Plan of University Hospital and University Behavioral HealthCare.
- 4.2.5 To review and consider reports as may be appropriate attesting to an ongoing quality assurance process that objectively and systematically monitors and evaluates the quality of patient care and make recommendations to the Board regarding the improvement of patient care and the resolution of identified problems.
- 4.2.6 To receive and review quality assurance monitoring and evaluation reports from University Behavioral HealthCare and recommend action when necessary to improve the quality of patient care clinical performance and to make appointments to the medical professional staff and perform the credentialing function for University Behavioral HealthCare.
- 4.2.7 To review and recommend to the Board of Trustees on matters related to the by-laws of the Medical Staff; Rules and Regulations and to perform other such duties as may be assigned by the Board of Trustees.
- 4.2.8 To receive and review safety management reports and to recommend corrective action where necessary to assure a safe environment for patients, personnel and visitors.
- 4.2.9 To review and receive periodic reports from the University Hospital Compliance Officer.
- 4.2.10 To review and oversee the information, procedures and reporting systems that University Hospital and University Behavioral HealthCare have in place to provide reasonable assurance that they deliver quality and safe medical care to patients;
- 4.2.11 To review University Hospital and University Behavioral HealthCare's compliance programs, which are intended to foster compliance with all federal and state laws and regulations applicable to healthcare providers and required to participate in Federal health care programs

and receive periodic reports from compliance.

- 4.2.12 To review at least annually the University Hospital Code of Ethics and efforts to educate employees and promote adherence to the Code and coordinate such review with the Governance and Ethics Committee and make reports to the Ethics and/or Audit Committees, as appropriate.

During discussion or consideration of any matter involving quality assurance, peer review, and compliance at University Hospital and University Behavioral HealthCare, including but not limited to the fulfillment of those duties set forth at (4.2.7, 4.2.8, 4.2.9, 4.2.10, 4.2.11, and 4.2.12 above, those members of the Committee who are not members of the Board of Trustees shall be excused, except for the Chief Executive Officers of University Hospital and University Behavioral HealthCare, the Dean of the UMDNJ-New Jersey Medical School, the Medical Director and the Chairperson of the Quality Assurance Committees of University Hospital and University Behavioral HealthCare. Other University, University Hospital or University Behavioral HealthCare staff may participate only by express invitation of the Chairperson of the Committee. Any and all such discussions shall be considered confidential and privileged.

5. AFFIRMATIVE ACTION COMMITTEE

5.1 IDENTITY

The Affirmative Action Committee of the Board of Trustees shall consist of at least three members of the Board.

5.2 DUTIES AND POWERS

The Affirmative Action Committee shall review and make recommendations to the Board of Trustees concerning Affirmative Action issues of the University.

6. AUDIT COMMITTEE

6.1 IDENTITY

- 6.1.1 The Audit Committee (the “Committee”) shall be comprised of not less than four members, all of whom shall be non-employee trustees of the University.
- 6.1.2 All members of the Committee shall meet the independence requirements of the New York Stock Exchange, Section 10A(m)(3) of the Securities Exchange Act of 1934 (the “Exchange Act”) and the rules and regulations of the Securities and Exchange Commissions (the “Commission”).

Independence can only be satisfied under the following circumstances:

- 6.1.2.1 The Committee member has no financial relationship with the University, nor is the member a partner, shareholder or officer of an organization that has financial relationship with the University;
- 6.1.2.2 Neither the Committee member nor any Committee member's relative is an employee of the University;
- 6.1.2.3 Neither the Committee member nor any Committee member's relative is currently employed by, or has in the past three years been affiliated with or employed by, a present or former auditor of the University;
- 6.1.2.4 Neither the Committee member nor any Committee member's relative receives or has received in any of the past three years direct or indirect compensation from the University for consulting, legal or financial services, regardless of the amount received

and regardless of whether it is or was paid to the Committee member or to a firm with which the Committee member or any Committee member's relative was associated; and

- 6.1.2.5 The Committee member is in compliance with all standards regarding independence of auditors as may appear in GAGAS or may be established by the United States General Accounting Office.
- 6.1.3 The members of the Committee shall serve one-year terms and shall be appointed by the chairman, on such date as the chairman shall determine. The members of the Committee may be replaced by the chairman.
- 6.1.4 Each Committee member should have knowledge of the University's governmental functions, and sufficient time to accomplish the responsibilities of the Committee.
- 6.1.5 Each Committee member shall be financially literate (attachment A) as such qualification is interpreted by the Board in its business judgment, or shall become financially literate with a reasonable period of time after appointment to the Committee.
- 6.1.6 In the event the Board does not have sufficient members qualified or available to serve on the Committee, or wishes to broaden the expertise on the Committee, the Board may request that the State Treasurer recommend one or more qualified individuals to sit on the Committee.
- 6.1.7 The Committee Chair shall have accounting or related financial management expertise as the Board interprets such qualification in its business judgment.
- 6.1.8 At least one member of the Committee shall be an "audit committee financial expert" as defined by the Commission.

6.2 PURPOSE

The Committee is appointed by the Board of Trustees to assist the Board in fulfilling its oversight responsibilities.

6.3 DUTIES AND POWERS

- 6.3.1 The Committee's primary duties and responsibilities are to assist the Board with respect to:
 - 6.3.1.1 The adequacy and integrity of the University's internal controls and financial reporting process and the reliability of its financial reports.
 - 6.3.1.2 The independence, qualifications and performance of the University's internal auditors ("Internal Auditor") and external independent auditor ("Independent Auditor").
 - 6.3.1.3 The University's compliance with certain legal, regulatory and ethical requirements.
- 6.3.2 The Committee shall have the authority to conduct investigations and recommend to the Board the retention of independent legal, accounting or other consultants or experts to advise the Committee. The Board shall consider any such recommendations and the appropriate funding, as recommended by the Committee, for payment of compensation to the Independent Auditor for the purpose of rendering or issuing an audit report and to any advisors employed by the Committee, as well as for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

6.4 COMMITTEE MEETINGS

- 6.4.1 The Committee shall hold meetings at least quarterly each fiscal year and at any additional time as either the Board or Committee deems necessary.
- 6.4.2 The Committee may request that the members of management, any employee of the University; the University's outside counsel and/or the University's Independent Auditor be present at meetings as needed.
- 6.4.3 The Committee shall meet at least quarterly, in separate private sessions, with each of (i) management, (ii) the University's senior internal auditing officer, (iii) its chief compliance officer and (iv) the Independent Auditor.
 - 6.4.3.1 One meeting per year with the Independent Auditor shall be held prior to commencement of the audit and another upon the issuance of the final audit report.
 - 6.4.3.2 Additional meetings shall be held upon the request of a Committee member, a Board member, or the Independent Auditor, and may include such staff members as the Committee or Board determines necessary.
- 6.4.4 The Committee may form and delegate authority to subcommittees when appropriate including, without limitation, the authority to pre-approve permitted audit related and non-audit services when appropriate.
- 6.4.5 Minutes of each meeting will be kept and distributed to the entire Board.

6.5 GENERAL PRINCIPLES AS TO INDEPENDENT AUDITOR

- 6.5.1 The following principles shall apply with respect to the Committee and the University's Independent Auditor.
 - 6.5.1.1 The Committee shall assist the Board in retaining an Independent Auditor to conduct an audit of the University's financial statements by making a recommendation to the Board after engaging in an auditor selection process.
 - 6.5.1.1.1 The Committee shall have the sole and direct authority to recommend appointment or replacement of the Independent Auditor.
 - 6.5.1.1.2 The auditor selection process shall be based upon public, competitive bidding principles and shall take place no less than once every five years.
 - 6.5.1.1.3 The Board shall award the contract based upon the University's governing statutes and regulations.
 - 6.5.1.2 In order to ensure the independence of the auditor selection process, the Committee shall adhere to the following procedures when making a recommendation to the Board to award a contract to an auditor:
 - 6.5.1.2.1 An evaluation committee shall be established by the Board to conduct the solicitation and evaluation of eligible auditors. The evaluation committee shall consist of no less than three Board members.

- 6.5.1.2.2 The evaluation committee shall be responsible for drafting requests for proposals (RFPs), soliciting responses to such RFPs, accepting and evaluating proposals, and providing a final written report to the Committee. The evaluation committee may draw upon the expertise of the Division of Purchase and Property to assist it in the drafting of the RFP, soliciting responses to the RFPs, and evaluating proposals. The role of staff of the University shall be limited to providing assistance with the RFP design.
 - 6.5.1.2.3 The evaluation committee shall review all responses to RFPs for responsiveness and responsibility and shall evaluate such responses pursuant to criteria established by the Committee, as described below, and shall rank the responses with respect to such criteria. The evaluation committee shall prepare a written report of such evaluation and shall forward the report to the Committee.
 - 6.5.1.2.4 Prior to the solicitation of the engagement of any auditor, the Committee shall establish criteria for the selection of an auditor and may weigh the criteria established. The weighted criteria shall be used by the evaluation committee during the evaluation of proposals. In developing the criteria to be used by the evaluation committee, the Committee shall include the following:
 - 6.5.1.2.4.1 Proposed fee for services;
 - 6.5.1.2.4.2 Quality of response to RFP package;
 - 6.5.1.2.4.3 Demonstrated ability and qualifications to conduct governmental audits;
 - 6.5.1.2.4.4 Quality of relevant service to the governmental entities in previous transactions; and
 - 6.5.1.2.4.5 Familiarity with federal laws, rules and regulations relevant to governmental audits.
 - 6.5.1.2.5 Upon receipt of the evaluation committee's report, the Committee shall review the report and determine whether to re-rank the responses based upon interviews. In such event, the Committee shall interview the firms responding to the RFP and rank the candidates after such interviews based upon the established evaluation criteria.
 - 6.5.1.2.6 The Committee shall make a recommendation to the Board for award of an audit contract.
 - 6.5.1.2.7 The Board of Directors (Trustees?) shall review the recommendation and make an award to a firm.
 - 6.5.1.2.8 The Committee shall also issue a report to the State Treasurer within six months of making the recommendation to the Board that sets forth the steps taken to comply with these procedures for selection of an auditor.
- 6.5.1.3 The Committee shall be directly responsible for the oversight of the work of the Independent Auditor (including resolution of disagreements between management and the Independent Auditor regarding financial reporting), or review for the University. The Independent Auditor shall report directly to the Committee. At no time shall the auditor report to any staff member of the University.

- 6.5.1.4 The Committee shall review and approve in advance all audit, audit related and non-audit services (to the extent permitted by and consistent with the requirements of the Exchange Act).
- 6.5.1.5 The Committee shall review and approve in advance all fees to be paid to the Independent Auditor for audit, audit related and non-audit services consistent with the requirements of the Exchange Act and contract.
- 6.5.1.6 If the University's Independent Auditor identifies a significant problem that is not being adequately addressed by management, it shall be communicated to the Committee in a timely fashion.
- 6.5.2 The Committee shall obtain and review an annual report from the Independent Auditor describing:
 - 6.5.2.1 The Independent Auditor's internal quality-control procedures;
 - 6.5.2.2 Any material issues raised by the most recent internal quality-control review or peer review of the firm or by an inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm;
 - 6.5.2.3 Any steps taken to deal with such issues; and
 - 6.5.2.4 Any matters described in reports filed by the Independent Auditor with the Public Company Accounting Oversight Board.
- 6.5.3 The Committee shall regularly review:
 - 6.5.3.1 All critical accounting practices and policies to be used and;
 - 6.5.3.2 The appropriateness of accounting principles followed by the University, changes in accounting principles and the reasons for changes not mandated by standards, setters or regulators and their impact on the University's financial statements.
- 6.5.4 The Independent Auditor shall report to the Committee:

Written communications with management, such as the management letter provided by the Independent Auditor and the University's response to the letter as well as any schedule of unadjusted audit differences.
- 6.5.5 The Committee shall review the annual management letter with the Independent Auditor.
- 6.5.6 The Committee shall undertake the following with respect to the Independent Auditor's independence:
 - 6.5.6.1 Ensure that the Independent Auditor submits annually, a formal written statement including the written disclosures required by Independence Standards Board Standard No. 1 delineating all relationships between the Independent Auditor and the University.
 - 6.5.6.2 Actively engage in a dialogue with the Independent Auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the Independent Auditor.

- 6.5.6.3 Consider whether the provision of non-audit services by the Independent Auditor is compatible with maintaining the independence of the Independent Auditor.
- 6.5.7 Where the Committee believes that the Independent auditor's performance is not adequate in quality or independence, recommend such steps as may be necessary to elicit appropriate performance, including replacement of the auditor.

6.6 PRIMARY RESPONSIBILITIES

6.6.1 Financial Reporting and Disclosure

- 6.6.1.1 The Committee shall review and discuss with management and the Independent Auditor the audited financial statements of the University, the results of the year-end audit by the Independent Auditor and the other financial information, including management's discussion and analysis of financial condition and results of operations in any University filings.
- 6.6.1.2 The Committee shall regularly review with the Independent Auditor any audit problems, any risks of material statements due to fraud, difficulties with management's response (including restrictions or attempts to restrict the auditor's activities, restrictions on access to information, and significant disagreements with management) and responsibilities, budget and staffing of the University's internal audit and control functions.
- 6.6.1.3 The Committee shall discuss with the Independent Auditor the matters the Independent Auditor determines are required to be discussed by Statement on Auditing standards No 61.
- 6.6.1.4 Based on the review and discussions with management and the Independent Auditor referred to in this charter the Committee will advise the Board of Trustees whether it recommends that the audited financial statements be included in the University's Annual report or any governmental filings.
- 6.6.1.5 The Committee shall discuss with management and the University's Independent Auditor the University's quarterly financial statements and shall discuss with the Independent Auditor the matters the Independent Auditor determined are required to be discussed by Statement on Auditing Standards No 71.

6.6.2 Audits/Internal Controls

- 6.6.2.1 The Committee shall review the proposed audit plans of both the Internal Auditor and the Chief Compliance Officer for the coming year and the coordination of such plans with the Independent Auditor and shall review and discuss with management their results of such audits. The Committee shall review the actions taken as a result of internal audit findings.
- 6.6.2.2 The Committee shall review the audited financial statements and interim statements and discuss them with management and internal auditors. These discussions should include a review of particularly sensitive accounting estimates, reserves and accruals, judgmental areas, audit adjustments (recorded or not) and other such matters as the Committee or Independent Auditor shall deem appropriate.

- 6.6.2.3 The Committee shall discuss with management, the Independent Auditor, and the Internal Auditor, and the Chief Compliance Officer:
 - 6.6.2.3.1 The adequacy of the University's internal accounting controls financial reporting process and compliance procedures.
 - 6.6.2.3.2 The status of internal control recommendations made by the Independent Auditor, the Internal Auditor, and Chief Compliance Officer.
 - 6.6.2.3.3 The adequacy of compliance with the University's Code of Ethics.
 - 6.6.2.3.4 The effectiveness of electronic data processing procedure and controls and related security programs.
- 6.6.2.4 The Committee shall review and recommend to the Board of Trustees the appointment, replacement, reassignment or dismissal of the Internal Auditor and chief Compliance Officer and provide input to the President and Chairman of the Board of Trustees and members of the Board of Trustees, concerning their performance evaluation.
- 6.6.3 Compliance Oversight – Ethics Committee
 - 6.6.3.1 The Committee shall be knowledgeable about the content and operation of the University's Compliance Programs and shall exercise reasonable oversight with respect to the implementation and effectiveness of the programs including:
 - 6.6.3.1.1 Review and evaluate the adequacy of the Compliance Programs in conjunction with the Ethics Committee to ensure it addresses all important areas of ethical conduct and compliance with civil and criminal laws.
 - 6.6.3.1.2 Discussions with the University's General Counsel on the adequacy of the policies and practices of the University related to compliance with key regulatory requirements.
 - 6.6.3.1.3 Establishment of procedures for the receipt, retention and treatment of complaints received by the University regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submissions by employees.
 - 6.6.3.1.4 Periodic review of the University's policies with respect to risk assessment, including but not limited to, key legal and compliance major financial risk exposures and the steps management has taken to monitor and control such exposures, and the use of these assessments to modify the University's Program in order to meet emerging threats to compliance.
- 6.6.4 Other
 - 6.6.4.1 The Committee shall periodically receive reports from and discuss with the University's General Counsel any material government investigations, litigation or legal matters.
 - 6.6.4.2 The Committee shall:
 - 6.6.4.2.1 Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

- 6.6.4.2.2 Review and reassess the adequacy of the policy regarding the Independent Auditor, proposing changes as necessary.
- 6.6.4.3 The Committee shall discuss and preview with management financial press releases and financial information provided to analysts and rating agencies prior to their release.
- 6.6.4.4 The Committee shall report to the full Board of Trustees all significant items discussed at any Committee meeting.
- 6.6.4.5 The Committee shall conduct an annual performance evaluation of the Committee.
- 6.6.5 Scope of Responsibilities
 - 6.6.5.1 While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the University's financial statements and disclosures are complete, accurate and in accordance with generally accepted accounting principles. This is the responsibility of management and the Independent Auditor. Nor is it the duty of the Committee to conduct investigation or to assure compliance with laws and regulations and the University's Code of Conduct.
 - 6.6.5.2 The Committee shall have such additional responsibilities related to financial matters of the University as the Board may, from time to time, assign to the Committee.

6.7 ATTACHMENT A

6.7.1 Financial Literacy Definition

- 6.7.1.1 A Director shall be "financial literate" if he or she is able to read and understand fundamental financial statements, including a company's balance sheet, income statement and cash flow statement or will become able to do so within a reasonable period of time after his or her appointment to the Committee.
- 6.7.1.2 A Director shall have "accounting or related financial management expertise" if he or she has past employment experience in finance or accounting, professional certification in accounting or any other comparable employment, experience or background which results in the individual's financial sophistication, including being or having been a Chief Executive Officer, Chief Financial Officer or controller of a company which has audited financial statements or other senior officer with financial oversight responsibilities.

6.7.2 Audit Committee Financial Expert Definition

Item 401(h) (1) of Regulation S-IC defines "audit committee financial expert" as a person who has, through:

- 6.7.2.1 Education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor, or
- 6.7.2.2 Experience in one or more positions that involve the performance of similar functions, or
- 6.7.2.3 Experience actively supervising such persons; or
- 6.7.2.4 Experience overseeing or assessing the performance of companies or public

accountants with respect to the preparation, auditing or evaluation of financial statements, or

6.7.2.5 Other relevant experience, the following attributes:

6.7.2.5.1 An understanding of generally accepted accounting principles (“GAAP”) and financial statements;

6.7.2.5.2 The ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves;

6.7.2.5.3 Experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the company’s financial statements, or experience actively supervising one or more persons engaged in such activities;

6.7.2.5.4 An understanding of internal controls and procedures for financial reporting; and

6.7.2.5.5 An understanding of audit committee functions.

7. COMPENSATION COMMITTEE

7.1 IDENTITY

The Compensation Committee shall consist of at least three members of the Board.

7.2 DUTIES AND POWERS

7.2.1 The Compensation Committee shall review, monitor and make recommendations regarding the evaluation and compensation of the president of the University.

7.2.2 Periodically, the committee will review the procedures and methods used in the evaluation and compensation of the University executive officers, faculty and staff and other compensation-related matters in order to maintain and enhance the University’s competitive status in higher education.

The Compensation Committee shall have:

7.2.2.1 The power and responsibility to recommend guidelines to the Board for determining executive compensation.

7.2.2.2 Oversight of compensation practices and policies for the compensation of all other UMDNJ employees and the responsibility to make recommendations to the Board concerning these policies and procedures.

7.2.2.3 Without limitation of the foregoing consideration of the reasonableness of the compensation proposed for each new hire of executive personnel, including without limitations any proposed severance, incentive or other financial benefits, and making appropriate recommendations to the Board concerning the same.

8. LEGAL COMMITTEE

8.1 IDENTITY

The Legal Committee shall consist of at least three members of the Board.

8.2 DUTIES AND POWERS

- 8.2.1 The Committee shall review, monitor and make recommendations to the Board concerning the defense and settlement of all liability claims and all litigation against the University.
- 8.2.2 The Committee shall assist the General Counsel in the engagement of outside counsel, shall oversee the process and shall make recommendations to the Board when necessary or desirable.
- 8.2.3 The Committee shall address other legal matters which the Board may assign to it from time to time.

ARTICLE III
OFFICERS OF THE BOARD OF TRUSTEES

1. OFFICERS

The officers of the Board of Trustees shall be a Chairperson of the Board, a Vice-Chairperson, a Board Secretary, and a Chairperson of the Finance Committee. Except for the Chairperson who is appointed by the Governor, the Board shall select these and such other officers from among its members as shall be necessary.

2. REMOVAL AND RESIGNATION

All officers of the Board, with exception of the Chairperson of the Board, may be removed from office at any time with or without cause by the Board. Any such officer may resign by giving written notice to the Board of his resignation by delivering the same to the Chairperson of the Board or the Secretary; and such notice shall be effective on the date stated therein and/or upon approval of the Board.

3. VACANCIES

Whenever a vacancy shall occur in any office of the Board of Trustees by reason of removal, resignation, death, inability to act or otherwise, such vacancy shall be filled for the unexpired term by the same mechanism by which the original appointment was made.

4. COMPENSATION

No officer of the Board of Trustees shall receive compensation as such, but such officers may be reimbursed for actual expenses incurred by them in the performance of their duties as officers or as members of the Board.

5. DUTIES AND POWERS

The duties and powers of the officers of the Board of Trustees shall be as follows:

5.1 Chairperson of the Board

The Chairperson of the Board shall preside at all meetings of the Board of Trustees. Subject to the direction and control of the Board of Trustees, shall have general charge of all the business and affairs of the University and shall perform such other duties and services as may be prescribed from time to time by the Board of Trustees and shall be ex-officio a member of all committees of the Board of Trustees.

5.2 Vice-Chairperson of the Board

The Vice-Chairperson shall, in the event of the absence or inability of the Chairperson to exercise his office, act as Chairperson with all the rights, privileges and powers as the Chairperson.

5.3 Secretary

5.3.1 It shall be the duty of the Secretary, with the assistance of an Assistant Secretary, who shall be a member of the University's staff, to give notice and keep the minutes of all meetings of the Board of Trustees and to see that paper notice is given and minutes kept for all meetings of committees of the Board. The Secretary shall perform such other duties and exercise such other powers as may be prescribed from time to time by the Board of Trustees.

5.3.2 The Secretary shall, in the event of the absence or inability of both the Chairperson and

Vice-Chairperson to exercise their offices, act as Chairperson with all the rights, privileges and powers of the Chairperson.

ARTICLE IV
HEALTH CARE FACILITIES

1. HOSPITAL BOARD OF TRUSTEES

The Board of Trustees of the University of Medicine and Dentistry of New Jersey shall serve as the Board of Trustees of such patient care facilities as are owned, leased or operated by the University.

1.1 PURPOSE

The University of Medicine and Dentistry of New Jersey hospitals and its associated clinics and other patient care facilities shall serve as primary facilities for the clinical aspects of the teaching and research programs of the University. They shall serve the people of the State by organizing demonstration programs in health care, by providing facilities where the most recent advances of research can be rapidly applied to meet patient needs and by serving as a referral and consultation center for other institutions. The Board of Trustees shall have the power to create new services within the hospital.

1.2 DUTIES AND POWERS

Within each health care facility of the University, an individual shall be appointed to serve as the chief executive officer. Such person shall be accountable to the Board of Trustees through the President and the established administrative structure for each campus delegated with responsibility for operation of health service programs for the University. Such person shall be appointed to his/her position by the Board of Trustees upon the nomination of the appropriate administrative officer and the recommendation of the President.

Within each health care facility of the University the medical/dental/professional staff granted clinical privileges shall be organized under by-laws approved by the Board of Trustees. The Board of Trustees shall through designated mechanisms consider recommendations of each medical/dental/professional staff and appoint to the medical/dental/professional staff of each health care facility, in numbers not exceeding each health care facility's needs, the practitioners who meet the qualifications for membership as set forth in each health care facility's medical/dental/professional staff by-laws. Such by-laws and/or Staff Rules and Regulations shall delineate the qualifications, status, clinical duties and responsibilities of such individuals and shall specify the required mechanisms for appointment and evaluation of the individual's performance. Each member of each health care facility's medical/dental/professional staff shall have appropriate authority and responsibility for good care of his or her patients, subject to such limitations as are contained in these by-laws and in the by-laws, rules and regulations for the medical/dental/professional staff of each health care facility and subject further to any limitations attached to his or her appointment.

All applications for appointment to each health care facility's medical/dental/professional staff shall be in writing and addressed to the Administrator of the health care facility. They shall contain full information concerning the applicant's education, licensure practice, previous hospital and malpractice experience and any unfavorable history regarding licensure and hospital privileges. All initial appointments to each health care facility's medical/dental/professional staff shall be for not more than one year, renewable for two year periods thereafter (except for appointments to the University Behavioral Health care which shall be renewable every year thereafter) by the Board of Trustees following evaluation and submission to the Board of a written recommendation for reappointment by the appropriate chief-of-service of the health care facility and after review in accordance with the procedures for such by the medical/dental/professional staff of the facility. The medical/dental/professional staff will objectively and systematically monitor and evaluate the quality and appropriateness of patient care and clinical performance and identify and resolve problems in and pursue opportunities to improve patient care and clinical performance. The Board of Trustees delegates to the medical/dental/professional staff of each health care facility through its Chief Executive Officer, the responsibility to develop an ongoing effective and efficient quality assurance program. Periodic reappraisal of each health care facility medical/dental/professional staff must include documented evidence of the individual's current licensure, health status, professional performance, judgment and clinical/technical skills, as indicated by results of quality assurance and risk management activities.

When an appointment to the medical/dental/professional staff, other than medico-administrative position holders, is to be reviewed or when privileges have been or are proposed to be reduced, suspended, or terminated, the staff member shall be so notified and, if he or she requests shall be afforded to a hearing before a committee of review as defined in the by-laws of the medical/dental/professional staff by-laws which have been adopted by the Board of Trustees, so as to assure due process and afford full opportunity for the presentation of all pertinent information. The recommendation of the committee of review shall be considered by the Board of Trustees prior to taking final action of the matter.

Where charges are made against medical/dental/professional staff employed at any of the health care facilities of the University in administrative positions which are medico-administrative in nature such shall be subject to review by a designated procedure of the Board of Trustees to include trustees of the UMDNJ and representatives elected by the Medical/Dental/Professional Staff Governance and Ethics Committee of each health care facility as appropriate to that facility to determine the nature of the reason for the action and whether both his or her administrative position and/professional staff membership and privileges or either shall be affected should charges related to such individual's performance be presented. When the reason for action concerning a medico-administrative position is determined by such a joint body to involve the individual's clinical competence, the medical/dental/professional staff shall provide for a review of the decision, including the right to a hearing if requested by the individual and a recommendation of the Board of Trustees on any proposed action. When the reason for the action is determined by the review body to be purely administrative in nature and does not involve the individual's clinical competence, the Board of Trustees shall follow its usual personnel policies or the terms of any individual contract if there be one.

The Board of Trustees shall, in the exercise of its discretion, delegate to the medical/dental/professional staff of each health care facility the responsibility for providing appropriate professional care to the health care facility's patients.

The medical/dental/professional staff of each health care facility shall conduct a continuing review and appraisal of the quality of professional care rendered in the health care facility and shall routinely report the results of such review to the Board of Trustees.

The medical/dental/professional staff of each facility shall make recommendations to the Board of Trustees through procedures prescribed by the Board of Trustees concerning (1) appointments, reappointments and alterations of staff status, (2) granting of clinical privileges, (3) disciplinary actions, (4) all matters relating to professional competency and (5) such specific matters as may be referred to it by the Board of Trustees. In the event that the Board of Trustees does not concur in the recommendation of the medical/dental/professional staff relative to clinical privileges, the recommendation shall be referred for further consideration to the Joint Conference/Planning Committee, if pertaining to University Hospital and/or University Behavioral HealthCare, or the University Affairs/Research Committee, prior to final action of the Board of Trustees.

Only medical/dental/professional staff who are authorized or duly licensed to practice their profession in the State of New Jersey and who have been duly appointed to membership on the medical/dental/professional staff of a University health care facility shall be permitted to be directly responsible for a patient's diagnosis and treatment in the specified health care facility.

Evidence of current licensure, as well as other items of credentials, shall be included in the content of each practitioner's credentialing record. Each physician and dentist appointed to the medical/dental/professional staff of any University health care facility shall observe the ethical principles of his or her profession.

All recommendations to the Board of Trustees for staff appointment must include a clear delineation of privileges to be granted to the applicant. Privileges granted shall be commensurate with the training, experience, competence, judgment, character, and current capability of the candidate. The methodology and mechanism used by the medical/dental/professional staff to classify privileges and the scope of such classifications shall be well defined by the medical/dental/professional staff. The standards to be met by applicants to the staff for each category must be clearly stated.

ARTICLE V
AMENDMENTS

Proposed amendments to the University Board of Trustees By-laws may be recommended by any voting or nonvoting member of the Board of Trustees or by the President of the University.

A majority of the voting members of the Board shall be required for acceptance.

By-laws of the Board of Trustees of the University of Medicine and Dentistry of New Jersey as amended and accepted _____, 2006.