

OPENING STATEMENT

Since its founding in 1963, Oral Roberts University has had a significant impact on the lives of thousands of young men and women through its ministry of Christian higher education. This impact reaches beyond students and alumni, and is perpetuated by a faculty dedicated to the Mission of educating the whole person in spirit, mind, and body, thereby preparing its graduates to be professionally competent servant-leaders who are spiritually alive, intellectually alert, physically disciplined, and socially adept. The fiduciary responsibility to preserve these values is entrusted to the Board of Regents, Business and Spiritual. Recent events, culminating from a systemic failure of proper governance over many years, has diminished greatly the trust and respect of the students, alumni, faculty and stakeholders in the University and placed the University at financial risk.

Based on our review and analysis, we believe that the current condition of the University is as follows:

- A. In the opinion of the North Central Association of Colleges and Schools, the University has academic programs of high standing, quality students, and an effective faculty in place.
- B. Necessary actions have not been taken to ensure the future fiscal and economic sustainability and viability of the University, thereby jeopardizing the accomplishment of its Mission.
- C. There has existed a predominant Presidential leadership practice that has denied stakeholders participation in shared governance of the University.
- D. The University's Certificate of Incorporation and Bylaws fail to provide acceptable standards of institutional authority and governance. The Bylaws are inadequate to govern a contemporary Christian university, are obsolete, and are in dire need of revision.

I. PROPOSAL

In order to ensure that the Mission of the University remains intact, providing a Christian education in a world desperately in need of these values, the Green family submits this Proposal to the Board of Regents:

- A. In recognition of the history of the University and to safeguard its founding vision for the spiritual development of students, we propose that Oral Roberts continue as Chancellor of the University and be appointed as a member of the Board of Trustees throughout his lifetime. We have heard Oral Roberts give witness to the founding vision of this University.

1. We believe in his vision to grow this Ministry of Christian Higher Education.
 2. The University community will seek the spiritual advice and counsel of the Chancellor.
- B. Oral Roberts Evangelistic Association, Inc. and Oral Roberts University shall be autonomous from each other as to all matters, including but not limited to financial matters, governance and leadership. Any material transactions between these two institutions must be approved by the new Board of Trustees of the University and must be at arm's length. Further, no person who serves as a director of Oral Roberts Evangelistic Association, Inc. may at the same time serve as a member of the University's Board of Trustees.
- C. In keeping with acceptable standards of accountability, a new model of shared governance will be implemented to regulate the decision making processes of the University.
1. Revise the Certificate of Incorporation and Bylaws to transition the University from a founder governed organization to one of basic contemporary institutional governance; to reflect new authority structures of the University under a model of shared governance; and to clarify the University's legal, ethical and spiritual requirements and expectations.
 2. Replace the Board of Regents, Business and Spiritual, with a single Board of Trustees, who will govern the University in trust on behalf of its students, faculty, alumni and other stakeholders, and in full and complete compliance with the revised Certificate of Incorporation and Bylaws.
 - a. This single Board of Trustees will consist of not less than 9 and not more than 22 members.
 - b. To qualify as members of the Board of Trustees, individuals must:
 - i. acknowledge these core beliefs:
 - (1) The Bible is the expressed Word of God and is our final authority in all matters of faith and practice. (II Timothy 3.16; Psalm 119.89-91; II Peter 1.20-21).

- (2) God, all-loving Creator of the Heavens and the earth, eternally exists in three persons: Father, Son and Holy Spirit. (Genesis 1.1,26; John 1.1-2; 4.24; Romans 1.19-20; Ephesians 4.5-6).
 - (3) Jesus is the eternal and second person of the Trinity. Though fully Divine, He became fully human. He was born of the virgin Mary and lived a sinless life. He was crucified for crimes He didn't commit, and through His resurrection, freed all people from the power of sin and death. He will return again, ushering in the eternal Kingdom of God. All who respond to the work and teachings of Jesus by a personal belief that issues forth in personal obedience to Jesus and His teachings will live forever with Him. (Matthew 1.18-25; John 1.1; 12.44-45; Romans 9.5; Hebrews 4.15; Ephesians 5.2; I Thessalonians 4.16-17).
 - (4) Salvation, a free gift from God, is God's desire for all humanity to be in right relationship with Him. In turning from a self-centered life and turning to God and accepting the work Christ accomplished in His death and resurrection, one receives new and eternal life. (John 3.16-17; 14.6; Ephesians 2.8-10; I Timothy 2.4; I John 2.2).
- ii. acknowledge the University's spiritual commitments as set forth in the Faculty and Administration Handbook:
- (1) Confesses to be a child of God, redeemed by the life, death, and resurrection of Jesus Christ who has sent the Comforter, the Holy Spirit, to abide within.
 - (2) Is open to receiving the Baptism of the Holy Spirit with the releasing of the prayer language of the indwelling Holy Spirit, as St. Paul did and taught in 1 Corinthians 14:14-15, when he said, ". . . I will pray with the Spirit, and I will pray with the understanding also," and is willing to assist others in this experience.

- (3) Is manifesting the fruit of the Holy Spirit (Galatians 5:22-23, 25) and is desiring the gifts of the Holy Spirit (1 Corinthians 12:1-14) as an expression of love for all people in service through a community of faith and lay witness ministry in the world.
 - iii. demonstrate a commitment to and passion for the Mission of the University and the full Gospel of the Word of God; and
 - iv. possess sufficient knowledge, experience, and skills to help discharge the business, professional, and spiritual duties of the Board.
3. Organize the Board of Trustees to strengthen the trust and confidence of University stakeholders in the fiduciary responsibility of University leadership and to focus its work around the primary responsibilities of:
 - a. safeguarding the Mission of the University;
 - b. supporting and directing Presidential leadership;
 - c. providing adequate human, physical, and fiscal resources; and
 - d. establishing policies and planning through the processes of shared governance.
4. Invite the faculty to share in a more effective fulfillment of the educational Mission of the University.
5. The new Board of Trustees will organize and appoint members to a Board of Reference, initially consisting of not only persons who are currently members of the Business Board of Regents, but also other persons selected by the Green family. The Board of Trustees may from time to time add members to or remove members from the Board of Reference. The purpose of the Board of Reference is to help maintain the standing of the University and its influence and to assist the Board of Trustees in the transition of the University into its new form of governance.
6. Establish an effective office of the President as the legitimate agent of the Board of Trustees and a capable executive for the University.

- D. Establish a Presidential Search Committee to identify a candidate who will lead and fulfill the Mission of the University and who understands the University's adopted shared governance structure.
 - 1. The Board of Trustees will form a Search Committee with institutional and stakeholder representatives.
 - 2. The Board of Trustees will establish an opportunity statement and Presidential profile that will guide the Search Committee in seeking prospects and candidates.
 - 3. It is expected that the Search Committee will ultimately nominate to the Board of Trustees a candidate who will be considered for election as the President. An interim President will be selected by the Green family until a candidate is elected by the Board of Trustees.
- E. The Board of Trustees will work in harmony and cooperation with the North Central Association of Colleges and Schools and its Higher Learning Commission and with the University's professional accreditors, with a focus on leadership, governance and finances.
- F. The Board of Trustees will work with other University leaders to reestablish the effective and positive image of the University and enable it to sustain its rightful place in the community of Christian colleges and universities. To facilitate this work, the University will become a full member of the Evangelical Council on Financial Accountability.

II. STATEMENT OF COMMITMENT

- A. This Proposal shall be effective until January 31, 2008, subject to earlier termination as set forth below. This Proposal shall be deemed accepted by the University when Mart Green, representative of the Green family, receives written notice from the Chairman of the Board of Regents that the Proposal has been approved by the members of the Business Board of Regents and by all of the Spiritual Regents.
- B. If the University timely accepts this Proposal as set forth above, then for a period of seven (7) days following the date of acceptance of this Proposal, the Green family shall have the right to revoke this Proposal if the Green family is not reasonably satisfied that all outstanding litigation involving the University cannot be settled on a fair and reasonable basis for the University.

- C. Following acceptance of this Proposal by the University, and if the Green family has not revoked this Proposal within the seven (7) day period referred to in paragraph B above, then, within an additional seven (7) day period thereafter, the following conditions must be met to the satisfaction of the Green family:
1. Approval of the amended Certificate of Incorporation and Bylaws, in the form provided with this Proposal, by the Business Board of Regents and by all of the Spiritual Regents.
 2. Appointment of the following persons to the new Board of Trustees:
 - a. Don H. Argue, Ed. D.
 - b. Fredrick A. Boswell, Jr.
 - c. Stanley Burgess, Ph. D.
 - d. Hal Donaldson
 - e. Mart D. Green, Chairman
 - f. Rob Hoskins
 - g. Lynette (Troyer) Lewis
 - h. Ron Luce
 - i. Charles W. McKinney, ED.D.
 - j. Oral Roberts (Life Member)
 - k. Russell P. Spittler, Ph. D.
 - l. Dr. R. Lamar Vest
 - m. William (Billy) Wilson

If any of these persons fails to serve, the remaining appointees will fill the vacancy. In addition, the current Business Board of Regents will nominate six (6) Business Regents for consideration by the Green family to serve on the new Board of Trustees. Three (3) of these nominees will be selected for Board membership by the Green family in consultation with Oral Roberts.

3. Without the written consent of the Green family, which shall not be unreasonably withheld, the University shall not, either directly or indirectly, (i) have made or agreed to make any payment to or confer any other monetary benefit on any Regent, either Business or Spiritual (in his or her capacity as either a Regent, an officer, or in any other capacity) or to any family member or affiliate of any such Regent; (ii) have made or agreed to make any payment in full or partial settlement of any litigation involving the University or any Regent; or (iii) have entered into any agreement or commitment other than in the ordinary course of its daily business.

4. Arrangements shall be made to permit the University to use all mailing lists owned or held by Oral Roberts Evangelistic Association, Inc. and/or Oral Roberts Ministries.

Prior to the time when this Proposal is accepted by the University, the Green family may amend or supplement this Proposal in whole or in part at its sole discretion. If this Proposal is timely accepted by the University in the manner set forth above, and if all four of the conditions contained in this paragraph C are satisfied within the timeframe set forth above, then the Green family will commit to donate \$62 million to the University. The right to utilize these funds shall vest solely with the Board of Trustees. If this Proposal is not timely accepted by the University, or if it is so accepted and then all four of the conditions set forth in this paragraph C are not satisfied within the timeframe set forth above, then this Proposal shall be deemed to be refused and withdrawn.