



Governance & Policy Committee

June 2016

June 9, 2016

3:30 - 5:00 p.m.

East Committee Room, McNamara Alumni Center

GOV - JUN 2016

1. Specification of Board Appointment Authority - Action

Docket Item Summary - Page 3

Revised Policy - Page 4

2. Board of Regents Annual Planning Process

Docket Item Summary - Page 11

Presentation Materials - Page 13

3. Draft 2016 Board Policy Report

Docket Item Summary - Page 21

Draft Report - Page 22

Presentation Materials - Page 24



BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

June 9, 2016

AGENDA ITEM: Specification of Board Appointment Authority

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

PRESENTERS: President Eric W. Kaler
Kathryn Brown, Vice President, Office of Human Resources

PURPOSE & KEY POINTS

To adopt amendments to Board of Regents Policy: *Reservation and Delegation of Authority*. The proposed amendments to Article I, Section IV, specify additional administrative appointments for Board approval.

BACKGROUND INFORMATION

A Resolution Related to Specification of Appointment Authority was discussed by the Board of Regents on March 31, 2016 and referred to the Governance & Policy Committee for further consideration. The Governance & Policy Committee discussed the resolution on May 12, 2016 and the president agreed to recommend policy language for consideration by the committee at its June 9, 2016 meeting.

PRESIDENT'S RECOMMENDATION

The President recommends adoption of the proposed amendments to Board of Regents Policy: *Reservation and Delegation of Authority*.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 1 of 7

Delegation of Authority

**RESERVATION AND DELEGATION
OF AUTHORITY**

Adopted: April 5, 2001

Amended: July 9, 2004; December 10, 2004; July 9,
2008; February 12, 2010; February 10, 2012; March
1, 2012

Technical Change: December 11, 2013;
March 31, 2016

Supersedes: (see end of policy)

Draft for Action

RESERVATION AND DELEGATION OF AUTHORITY

ARTICLE I

RESERVATION OF AUTHORITY

SECTION I. GENERAL RESERVATIONS OF AUTHORITY.

Subd. 1. The Board of Regents reserves to itself all authority necessary to carry out its legal and fiduciary responsibilities under the University Charter, the Constitution of the State of Minnesota, and the Board of Regents (Board) Bylaws. This reservation specifically includes all authority to enact laws and policies for the governance of the University of Minnesota (University) and to issue Board directives to executive officers and employees. The Board's reserved authority shall be exercised consistent with the University Charter, the Constitution of the State of Minnesota, Board Bylaws, and relevant Board policies.

Subd. 2. The Board reserves to itself authority to ensure constitutional and institutional autonomy, to approve the University's mission and vision, to set the overall direction of the institution, including the adoption of fundamental plans for the educational, financial, and physical development of the University, and to declare a fiscal emergency.

Subd. 3. No authority that the Board reserves to itself in this policy shall be exercised by any other person or body unless expressly authorized by Board policy or directive.

Subd. 4. The Board reserves to itself authority to approve the use, and revocation of the use, of its corporate name or any abbreviated name, including *University of Minnesota*, by any non-University person or entity, consistent with Board policies. The Board also reserves authority over the removal of the corporate name or any abbreviated name from the name of any University campus, college, school, division, or unit, consistent with Board policies.

Subd. 5. The Board reserves to itself authority to approve any commercial transaction or matter not otherwise subject to Board approval if the transaction or matter:

- a) raises unusual questions of public interest or public policy;
- b) has a significant impact on the University's mission; or
- c) has a value greater than \$2 million.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 2 of 7

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SECTION II. CONDUCT OF BOARD BUSINESS.

The Board reserves to itself authority to establish procedures for the conduct of its business, create committees, set its agenda, require reports from executive officers and employees, hear appeals, and enforce its code of ethics.

SECTION III. ELECTION OF BOARD OFFICERS.

The Board reserves to itself authority to elect and remove Board officers, including the president, chair, vice chair, secretary, and treasurer.

SECTION IV. APPOINTMENT AUTHORITY.

Subd. 1. The Board reserves to itself authority to appoint all individuals and approve any individually negotiated terms of employment for those who serve in each of the following positions:

- (a) Executive Vice President and Provost
- (b) Chancellor
- (c) Senior Vice President for Finance and Operations
- (d) Vice President
- (e) Provost
- (f) General Counsel
- (g) Librarian
- (h) Director of Audits
- (i) Dean
- (j) Athletic Director, Twin Cities campus
- (k) Any initial appointment or substantive contract amendment for a position with compensation (meaning base salary plus supplemental compensation, but excluding the value of benefits and incentive or other forms of compensation) that exceeds the base salary of the president. This provision does not apply to faculty positions as defined by Board of Regents Policy: Faculty Tenure.
- (l) Such other administrative positions as the Board may specify from time to time.

The president shall recommend individuals for appointment to these positions, consistent with Board policies and directives.

Subd. 2. The Board reserves to itself authority to remove University officers as provided in the University Charter. The president (a) may remove the general counsel with Board approval and (b) may remove any other individual appointed under subd. 1 of this section, except the director of audits.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 3 of 7

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Subd. 3. The Board reserves to itself authority to appoint members of the boards of University-associated foundations, institutes, committees, and other bodies, consistent with Board policies.

SECTION V. ACADEMIC MATTERS.

Subd. 1. The Board reserves to itself authority to grant academic degrees, grant faculty indefinite tenure, grant continuous appointments to academic professionals, and award the title faculty emeritus, consistent with Board policies.

Subd. 2. The Board reserves to itself authority to establish, name, and abolish colleges, academic institutes, programs, and courses of study, consistent with Board policies.

Subd. 3. The Board reserves to itself authority to establish tuition and student fees and approve policies and reciprocity agreements related to such matters, consistent with Board policies.

Subd. 4. The Board reserves to itself authority to: (a) establish and review policies relating to the conduct of research and the receipt and accounting of sponsored research funds; (b) require timely reporting to the Board of sponsored research activity; and (c) approve financial support greater than \$250,000 to non-University entities for the commercialization of technology, consistent with Board policies.

Subd. 5. The Board reserves to itself authority to approve educational policies and procedures, in consultation with the president and the faculty governance process, consistent with Board policies. This policy is not intended to alter the relationship between the Board, the University Senate, and the faculties regarding educational policies.

SECTION VI. AWARDS, HONORS, AND NAMINGS.

Subd. 1. The Board reserves to itself authority to establish and bestow awards, honors, and recognition, consistent with Board policies.

Subd. 2. The Board reserves to itself authority to name and revoke names of University buildings and other assets, consistent with Board policies.

SECTION VII. BUDGETARY, FINANCIAL, AND INVESTMENT MATTERS.

Subd. 1. The Board reserves to itself authority to approve the following: annual operating budgets; the central reserves budget and minimum reserve level; and adjustments and amendments, consistent with Board policies. The Board also reserves to itself authority to approve any modifications to the central reserves budget and any expenditures from the central reserves general contingency account, consistent with Board policies.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 4 of 7

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Subd. 2. The Board reserves to itself authority to approve all requests for operating and capital budget appropriations from the State of Minnesota and positive or negative adjustments to the budget caused by a 1% or more change in total appropriations within a fiscal year.

Subd. 3. The Board reserves to itself authority to establish investment objectives, approve asset allocation guidelines, and approve the payout rate for endowment distributions.

Subd. 4. The Board reserves to itself authority to authorize issuance and retirement of debt and to engage debt advisers and/or underwriters, consistent with Board policies.

Subd. 5. The Board reserves to itself authority to accept gifts for the benefit of the University, consistent with Board policies.

Subd. 6. The Board reserves to itself authority to approve individual purchases of goods and services with a value greater than \$1,000,000, consistent with Board policies.

SECTION VIII. PROPERTY, FACILITIES, AND CAPITAL BUDGETS.

Subd. 1. The Board reserves to itself authority to approve the purchase or sale of real property with a value greater than \$1,250,000 or larger than ten (10) acres, consistent with Board policies.

Subd. 2. The Board reserves to itself authority to approve leases of real property, easements, and other interests in real property if the initial term amount to be paid by or to the University exceeds \$1,250,000, consistent with Board policies.

Subd. 3. The Board reserves to itself authority to exercise the power of eminent domain to acquire land for University purposes.

Subd. 4. The Board reserves to itself authority to (a) exercise property owner rights regarding the designation, decommissioning, or demolition of historic resources; and (b) take final action on all environmental reviews of historic resources initiated by the administration for which the University is the responsible governmental unit, consistent with Board policies and applicable state and federal laws.

Subd. 5. The Board reserves to itself authority to approve campus master plans and amendments thereto.

Subd. 6. The Board reserves to itself authority to approve multi-year capital plans consisting of projects with a value greater than \$1,000,000.

Subd. 7. The Board reserves to itself authority to approve annual capital budgets consisting of projects with a value greater than \$500,000.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 5 of 7

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Subd. 8. The Board reserves to itself authority to approve capital budget amendments to approved projects and new projects when the amendment has a value greater than \$500,000.

Subd. 9. The Board reserves to itself authority to approve project schematic plans for (a) interior renovations with a value greater than \$5,000,000; (b) projects with a value greater than \$2,000,000 that have an exterior visual impact; (c) projects that vary from adopted campus master plans or that have a significant visual impact; and (d) projects noted during the annual review of the capital budget.

Subd. 10. The Board reserves to itself authority for a subsequent review of approved capital budget projects with a value greater than \$5,000,000 prior to the award of construction contracts.

SECTION IX. LEGAL MATTERS.

The Board reserves to itself, or to one of its committees, authority to direct the president or the general counsel to settle any legal claim or initiate or appeal a lawsuit or administrative proceeding, consistent with Board policies.

SECTION X. AUDIT FUNCTION.

The Board reserves to itself authority to adopt policies regulating the audit function; approve selection of external auditors and the director of audits; and evaluate the performance of the independent auditor, and, jointly with the president, the performance of the internal audit function.

SECTION XI. EMPLOYMENT AND LABOR RELATIONS.

Subd. 1. The Board reserves to itself authority to approve all contracts and other agreements with the exclusive collective bargaining representatives of its employees.

Subd. 2. The Board reserves to itself authority to approve civil service rules and annual pay and benefit plans for University employees.

Subd. 3. The Board reserves to itself authority to establish or discontinue retirement plans for University faculty and staff. For those plans sponsored by the University and governed by formal plan documents, the Board reserves to itself authority to approve amendments to those plans that significantly affect the cost structure of the plans. An amendment is considered to significantly affect the cost structure of the plan if the change causes a cost impact of more than \$250,000.

Subd. 4. The Board reserves to itself authority to review individually negotiated employee severance agreements of unusual importance or significance.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 6 of 7

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SECTION XII. ASSOCIATED ORGANIZATIONS.

The Board reserves to itself authority to approve the legal structure and scope of any relationship between the University and any associated organization, non-profit corporation, foundation, institute, or similar entity that substantially relies upon University resources or personnel to carry out its mission.

ARTICLE II

DELEGATION OF AUTHORITY

SECTION I. DELEGATION OF AUTHORITY TO THE PRESIDENT.

The Board delegates to the president authority to act as chief executive officer of the University, with such general executive management and administrative authority over the University as is reasonable and necessary to carry out the policies and directives of the Board, subject to the limitations noted in Article II, Section II below.

SECTION II. LIMITATIONS UPON PRESIDENTIAL AUTHORITY.

The authority delegated to the president is limited by the following:

- (a) the provisions of the University Charter and the Constitution of the State of Minnesota;
- (b) the provisions of Board Bylaws;
- (c) the provisions of Board policies and directives, including specifically Article I of this policy; and
- (d) the directive that the president shall notify the Board of any matter not otherwise addressed in this section that significantly involves the authority and role of the Board, including its fiduciary, oversight, and public accountability responsibilities.

SECTION III. DELEGATION OF AUTHORITY BY THE PRESIDENT.

Subd. 1. Unless otherwise restricted by specific Board policies or directives, the president shall be responsible for delegating general executive management and administrative authority to other executive officers and employees as necessary and prudent, including authority to execute contracts and other legal documents. The president may condition, limit, or revoke any presidential authority so delegated.

Subd. 2. All delegations and revocations under this section shall be in writing, name the position to whom such authority is delegated, describe the scope and limitations of such authority, and prescribe the extent to which such authority may be further sub-delegated.



UNIVERSITY OF MINNESOTA
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Page 7 of 7

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Subd. 3. All delegations and revocations under this section shall be reviewed as to form, legality, and consistency by the general counsel.

Subd. 4. Annually, the president shall report to the Board significant changes to the delegations.

SECTION IV. DELEGATION OF AUTHORITY TO THE CHAIR AND VICE CHAIR.

The chair and vice chair of the Board shall have such authority as is authorized by Board Bylaws and policies and is customarily exercised by such officers of a corporation. The chair shall have authority to execute any and all instruments and documents on behalf of the Board.

SECTION V. DELEGATION OF AUTHORITY TO THE BOARD SECRETARY, TREASURER, GENERAL COUNSEL, AND DIRECTOR OF AUDITS.

The secretary, treasurer, general counsel, and director of audits shall have authority to perform such duties for the Board as provided by Board Bylaws, policies, and directives.

The secretary shall have authority to execute such instruments and documents that would customarily devolve upon a corporate officer and are usual to that office.

The secretary and the general counsel shall have authority to accept legal service on behalf of the University.

SECTION VI. CONFORMANCE WITH THIS POLICY.

Subd. 1. No executive officer or employee of the University shall have any authority to take any action or make any representation on behalf of the University beyond the scope of, or materially inconsistent with, the authority delegated to such executive officer or employee as provided in this policy.

Subd. 2. The secretary and the general counsel each shall have the duty to inform the Board of any existing or proposed Board policy or directive that is inconsistent with or alters the delegations of authority as provided in this policy.

SUPERSEDES: General Delegations Adopted October 17, 1980, Last Amended October 10, 1997.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

June 9, 2016

AGENDA ITEM: Board of Regents Annual Planning Process

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

PRESENTERS: Brian R. Steeves, Executive Director & Corporate Secretary

PURPOSE & KEY POINTS

The purpose of this item is to outline the annual planning process used to support and enable the Board of Regents to be effective in exercising its governing responsibilities. The objective of this process is to guide development of quality agendas that result in impactful Board and committee meetings, as well as undertake thoughtful outreach that connects Regents with various parts of the University community.

Planning Framework

Board planning is done at three levels:

- 1. Board Priorities** – Broad statements highlighting a small number of topics for special emphasis during the year. These priorities are intended to inform and assist the president and senior leaders in advancing their work, and guide agenda planning and development throughout the year.
- 2. Board Planning Calendar** – An outline showing major Board meeting topics, timing of committee meetings, and other engagement and outreach efforts the Board plans for the year ahead. This document also lists reports and major approval thresholds required by Board policy.
- 3. Committee Work Plans** – Summary-level roadmaps for how the Board will exercise its fiduciary and governance responsibilities within particular issue areas, and educate itself on topics important to the University's success.

Supporting Effective Governance

To the extent possible, Board and committee agendas are guided by the planning documents summarized above. Items coming before the Board must have a clear link to the Board's fiduciary and governance responsibilities, or provide purposeful background to help fulfill these responsibilities.

In developing agendas, the Board seeks balance across three kinds of items:

- 1. Fiduciary** – Items that need Board approval under its reserved authorities outlined in Board policy and most required reports (examples include: *President's Recommended FY 2017 Annual Operating Budget; Academic Program Changes; Schematic Design: Athletes Village*).
- 2. Education** – Items that provide the Regents with helpful context or background so they have a better understanding of the University and higher education trends (examples include: *Primer on Minnesota Open Meeting Law; Twin Cities Athletics Finances; GASB 68: GASB's New Standards on Accounting and Financial Reporting for Pensions*).
- 3. Governance** – Strategic discussion topics that are framed at an appropriately high level, enabling proactive leadership and helping the Board drive forward thinking (examples include: *University Progress Card; Principles & Objectives to Govern Enrollment Management Through 2025; FY 2017 Budget Framework*).

Process & Timeline

The Board of Regents begins to establish its annual priorities at a retreat each July. Draft priorities and a preliminary planning calendar are then provided to Regents for review and comment following the retreat. Once the priorities and calendar are final, they are distributed to the president and senior leaders, typically in early August.

Senior leader liaisons to Board committees work with committee chairs/vice chairs and assigned Board staff to develop committee work plans in August. The committee portfolios outlined in Board of Regents Policy: *Board Operations and Agenda Guidelines* serve as a guide along with input from committee members.

At the September Board meeting, each committee discusses its work plan to provide an opportunity for additional input and to identify potential gaps. Work plans are only for discussion; no formal action is taken.

Throughout the year, Board and committee leadership, Board staff, and senior leaders use the priorities, planning calendar, and committee work plans to guide agenda development. Modifications occur in consultation with Board leadership and committee chair(s).

BACKGROUND

Board of Regents Policy: *Board Operations and Agenda Guidelines* states, "Each year the Board outlines its priorities and its committees develop work plans with advice of the president or delegate. Committee work plans outline major agenda items and discussion topics for the year." The policy also requires the Board's executive director/corporate secretary to maintain and provide to Regents "an annual planning calendar that outlines Board and committee meetings along with reports and other actions required by Board policy."



Board of Regents Annual Planning Process

Brian R. Steeves

*Executive Director & Corporate Secretary
University of Minnesota Board of Regents*



UNIVERSITY OF MINNESOTA

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Planning Objectives

- Guide development of quality agendas that result in impactful Board and committee meetings, and
- Undertake thoughtful outreach that connects Regents with various parts of the University community.



Three Levels of Planning

- ① **Board Priorities** – Broad statements highlighting a small number of topics for special emphasis during the year.
- ② **Board Planning Calendar** – Outline showing major Board meeting topics, timing of committee meetings, and outreach efforts. Lists reports and approval thresholds required by Board policy.
- ③ **Committee Work Plans** – Summary-level roadmaps for how the Board will exercise its responsibilities within particular issue areas.



① **Priorities**

University of Minnesota Board of Regents 2015-16 Priorities

- **Raise national profile of the University's academic health sciences and guide evolution of the M-Health partnership.**
- **Oversee implementation of UMTC strategic plan, monitor progress toward Operational Excellence goal of \$90 million in administrative cost reallocations by FY 2019, and identify additional opportunities for transformational change within the University.**
- **Establish principles and objectives to govern campus enrollment strategies, graduation targets, and tuition/aid philosophy over the next decade.**
- **Define and give voice to the University's 21st Century land grant mission and demonstrate its impact on all corners of Minnesota.**
- **Create a vision to guide long-term development and change in key areas of campus and bring UMTC Master Plan into alignment.**



② Planning Calendar

	July 8-10	September 10-11	October 8-9	December 10-11	February 11-12	March 30-31	May 12-13	June 9-10
Work Sessions	-	FY 2017 Budget Assumptions	Principles & Objectives to Govern Enrollment Management through 2025	Aligning Tuition/Aid Philosophy with Enrollment Management Strategy	A Vision to Guide Long Term Development & Change in Key Areas of UMTC Campus	Raising the National Profile of the University's Academic Health Sciences	The University's 21 st Century Land Grant Mission	Driving Transformational Change through Implementation of the UMTC Strategic Plan
Major Board Discussion Topics	UMTC Campus Planning: Housing & AHC Facilities Intercollegiate Athletics Report Title IX Primer UMAA Report	University Progress Card - Review Six-Year Capital Plan - Review 2016 Capital Budget Request - Review Data Security	M-Health LOI - Review/Action University Progress Card - Action Six-Year Capital Plan - Action 2016 Capital Budget Request - Action Update on UMTC Strategic Plan Implementation Cost Drivers at the U	UPPAR - Review Research Report Financial Report UMF Private Giving Report FCC Report	UPPAR - Action Resolution on Enrollment Principles & Tuition/Aid Philosophy - Review Academic Medicine & Clinical Care in a Changing Health Care Marketplace OpEx Update: Efficiency & Productivity	M-Health Agreement - Review/Action Resolution on Enrollment Principles & Tuition/Aid Philosophy - Action Student Rep Report	Operating Budget - Review & Public Forum Capital Improvement Budget - Review Recognitions	Operating Budget - Action Capital Improvement Budget - Action University Progress Card Update FCC Report <i>Code of Ethics Annual Review</i>
Committee Meetings	-	ASA FIN FAC FSA LIT - AUD	ASA FIN FAC FSA - GOV [AUD]	ASA FIN FAC FSA - GOV AUD	ASA FIN FAC FSA LIT - AUD	Breakfast with Legislators Full Board visit to CSE	ASA FIN FAC FSA - GOV AUD	ASA FIN FAC FSA LIT (off cycle) GOV AUD
Lunch Guests	-	-	ROTC Cadets & Instructors	System-wide Admissions Leaders	-	CSE Faculty & Staff	-	Health Sciences Faculty



3

Work Plans

Academic & Student Affairs Committee 2015-2016 Work Plan

Date	Topics
2015	
September 10-11	<ul style="list-style-type: none"> • 2015-16 Committee Work Plan Discussion • Report on Undergraduate, Graduate & Professional Approvals Leadership will provide a required report of academic condition approved by the Board in 2014-15. Presentation will include explanation of faculty and administrative review and with descriptions from associate deans in two colleges • Twin Cities Campus Accreditation Preparations & As Student Learning Leadership will provide assurance that the Twin Cities campuses are prepared for a successful accreditation. Presentation will include description of assessment efforts, which is a focal point of during accreditation.
October 8-9	<ul style="list-style-type: none"> • University Enrollment Management Committee will discuss enrollment management strategies. To prepare the committee for the discussion provide information about merit- and need-based financial use of SAT and ACT scores, holistic review, system-wide collegiate target setting, and management of specific retrenchment. The discussion will complement the full work session: Principles & Objectives to Govern Enrollment Management through 2025. • University Tuition & Financial Aid Management Committee will discuss financial aid management strategies. Presenters will provide information about need-based aid, and other strategies. The discussion the full Board's December work session: Aligning Tuition Philosophy with Enrollment Management Strategy. <p>Full Board items:</p> <ul style="list-style-type: none"> • Work Session – Principles & Objectives to Govern Enrollment Management through 2025 • Update on UMTC Strategic Plan Implementation
December 10-11	<ul style="list-style-type: none"> • 2015 University Plan, Performance, and Accountability Committee will consider the University's accountability mission. Presentation will include discussion of, and from, each campus. • Twin Cities Campus Undergraduate Education Update Leadership will provide its traditional report from the Undergraduate Education on the Twin Cities campus challenges, new and continuing strategies, and measure success. If necessary, discussion could also include to be addressed at the October meeting.

Facilities, Planning & Operations Committee 2015-2016 Work Plan

The Facilities, Planning & Operations Committee oversees the University's physical asset buildings, infrastructure, and equipment) and operations. This committee considers the condition, and use of existing facilities and infrastructure; oversees policy related to tech operations, and physical planning; reviews renewal, replacement, and new construction recommends capital projects.

Specifically, this committee recommends:

- project components of the University capital budget
- district and campus master plans
- real estate transactions
- capital budget amendments
- schematic plans

This committee also reviews:

- semi-annual capital plan management reports
- miscellaneous facilities reports and significant
- approved capital budget the award of construct consistent with Board

This committee provides governance oversight to:

- long range physical asset planning strategies
- public safety and emergency preparedness
- technology infrastructure and long range planning
- operational services such as housing, parking, transportation, and dining

Date	Topics
2015	
September 10-11	<ul style="list-style-type: none"> • Long-Range Facility Planning part 1: Current Practice and The purpose of this item is to inform the committee of the current practice and principles used to guide prioritization/allocation relate Year Capital Improvement Plan, Annual Capital Budget, and Education Asset Preservation and Replacement list. This item review the Facilities Condition Assessment, a required annual provide an update on the development of building by build • Project Components of the 2015 Six-Year Capital Improvement (Review) Leadership will present for review the President's recommended Capital Plan, including major capital improvements planned 2016 through 2021. • Project Components of the 2016 State Capital Request (Review) Leadership will present for review the proposed 2016 State Request that the University will submit to the State of Minnesota during the 2016 legislative session. • Annual Report on Real Estate (Information) This report provides information on real property transactions \$250,000 or 10 acres for fiscal year 2015. This report is required policy.

Finance Committee 2015-2016 Work Plan

Date	Topics
2015	
September 10-11	<ul style="list-style-type: none"> • 2015-16 Committee Work Plan • University Tax Compliance Activities • Annual Asset Management Report • Financial Components of the President's Recommended 2015 Six-Year Capital Plan and 2016 State Capital Budget - Review • Resolution Related to Issuance of Debt – Bell Museum • Consent Report <ul style="list-style-type: none"> o Central Reserves General Contingency Allocations o Purchase of Goods and Services \$1,000,000 and Over o [Commercial Transactions or Other Matters Subject to Board Approval] • Information Items <ul style="list-style-type: none"> o Quarterly Purchasing Reports (3rd and 4th Qtrs. FY 2015) o Issuance of Debt - Series 2015A and 2015B <p>Full Board items:</p> <ul style="list-style-type: none"> • FY 2017 Budget Assumptions: BOR Work Session • President's Recommended Six Year Capital Plan – Review • President's Recommended 2016 State Capital Budget – Review • Receive & File: Annual Asset Management Report
October 8-9	<ul style="list-style-type: none"> • Financial Components of the President's Recommended 2015 Six-Year Capital Plan, 2016 State Capital Budget and Debt Capacity Update - Action • Administrative Cost Benchmarking/Reallocation Primer The purpose of this discussion is to update the committee on the fourth year of results for the cost benchmarking analysis of the University. In addition, the discussion will present to the committee how expenditures are being reallocated within the defined categories of Mission, Student Aid, Mission Support and Facilities, and Leadership and Oversight. • GASB 68: GASB's New Standards on Accounting and Financial Reporting for Pensions The committee will be updated on the new accounting and financial reporting requirements for pensions instituted by the Governmental Accounting Standards Board. The presentation will focus on the implementations of the new standards and prepare the committee for what they should expect to see when presented with the University's Annual Financial Report in December. • Operational Excellence Initiative(s): Travel This presentation will highlight an initiative by the administration to streamline and reduce the cost of travel by University employees. The discussion will highlight potential efficiencies and savings. • [Resolution Related to Debt] • Consent Report <ul style="list-style-type: none"> o Central Reserves General Contingency Allocations



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Balanced Agendas

- **Fiduciary** – Items needing Board approval under its reserved authorities and most required reports.
- **Education** – Helpful context or background that leads to a better understanding of the University and higher education trends.
- **Governance** – Strategic discussion topics framed at an appropriately high level, enabling proactive leadership and helping the Board drive forward thinking.



Discussion Questions

1. How well does the planning framework support fulfillment of the Board's governance responsibilities?
2. Have Board Work Sessions been effective in providing Regents with opportunities to drive forward thinking?
3. Should consideration of the Board's fundamental planning documents continue to include committee review, or move directly to the full Board?





BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

June 9, 2016

AGENDA ITEM: Draft 2016 Board Policy Report

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

PRESENTERS: Brian R. Steeves, Executive Director & Corporate Secretary
Jason Langworthy, Board Associate, Policy & Committees

PURPOSE & KEY POINTS

The purpose of this item is to review and seek feedback on the draft 2016 Board policy report.

This annual report contains two sections:

1. **Policy Review Summary** – The summary notes the outcome of policies that underwent comprehensive review or were added to the policy work plan during the past year.
2. **Policy Work Plan** – The policy work plan includes those policies identified for comprehensive review and those requested for inclusion by the Board or administration, as well as policies held over from the previous year.

BACKGROUND INFORMATION

At its October 2015 meeting, the committee heard an overview of the policy review process. The Board policy report is presented annually in July to the Board of Regents as a receive and file report.



Office of the Board of Regents 2016 Board Policy Report

2015-16 POLICY REVIEW SUMMARY

The objective of the policy review process is to ensure that the Board’s policies align with the strategic direction and mission of the University. Over the past year, the Office of the Board of Regents coordinated review of policies included in the 2015-16 Policy Work Plan, listed below.

Policies Reviewed by Policy Implementers – No Revisions Recommended
1. Academic Misconduct
2. Code of Conduct
3. College Constitutions
4. Eminent Domain
5. Foundations at the University
6. Gift Solicitation and Acceptance
7. Individual Conflicts of Interest
8. Institutional Conflicts of Interest
9. Purchasing
10. Tuition and Fees

Policies Amended by the Board of Regents	Date Amended
11. Awards, Honors, and Recognition	May 2016
12. Namings	December 2015

Policies Pending Action by the Board of Regents	Anticipated Action
13. Student Conduct Code*	June or July 2016

* - Indicates a policy added to the work plan at the request of the Board or President.



Office of the Board of Regents 2016 Board Policy Report

2016-17 POLICY WORK PLAN

Each year, the Office of the Board of Regents develops an annual policy work plan that includes policies scheduled for comprehensive review, policies requested for inclusion by the Board or the President, or policies held over from the previous year.

Policies for Comprehensive Review in 2016-17	Last Reviewed/ Amended	Policy Implementer
1. Associated Organizations	March 2007	General Counsel
2. Board Operations and Agenda Guidelines	December 2012	Board of Regents
3. Campus Public Art	March 2010	University Services
4. Central Reserves Fund	March 2010	University Finance
5. Disability Services	July 2010	Provost
6. Employee Health Benefits	February 2011	Human Resources
7. Employee Performance Evaluation and Development	February 2011	Human Resources
8. Historic Preservation	May 2010	University Services
9. Investment of Reserves	May 2010	University Finance
10. Legal Review of Contracts and Transactions	February 2010	General Counsel
11. Openness in Research	February 2010	Research
12. Responsibilities of the Board and Individual Regents	September 2009	Board of Regents
13. Student Financial Aid	March 2010	Provost
14. University of Minnesota Press	June 2010	Research

Policies Carried Over from 2015-16	Last Reviewed/ Amended	Policy Implementer
15. American Indian Advisory Boards	January 1994	Equity and Diversity
16. Board Authority	March 2009	Board of Regents
17. Board Policy Development	March 2009	Board of Regents
18. Equity, Diversity, Equal Opportunity, and Affirmative Action	July 2009	Equity and Diversity
19. Legal Defense and Indemnification of Employees	March 1985	General Counsel
20. Research Involving Human Subjects	September 2012	Research
21. Student Services Fee	June 2005	Provost

Policies Requested for Possible Inclusion	Last Reviewed/ Amended	Policy Implementer
22. Employee Compensation and Recognition	July 2012	Human Resources
23. Intercollegiate Athletics – Twin Cities Campus	February 2014	President
24. Sexual Harassment	May 2012	Human Resources

Draft 2016 Board Policy Report

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Policy Work Plan

- 92 Board policies.
- Each one comprehensively reviewed every six years.
- Policies divided into six “classes.”
- 14-16 policies make up each work plan.



Comprehensive Review

- Do the principles established in the policy still align with University's strategic direction and mission?
- Does the policy align with current practice?
- Is the policy is still needed?



Comprehensive Review

Outcomes:

- No revisions needed
 - *College Constitutions*
- Held over
 - *American Indian Advisory Boards*
- Action
 - *Awards, Honors, and Recognition*



2015-16 Policy Review Summary

- 10 policies reviewed by policy implementers with no revisions recommended.
- 2 policies amended by the Board.
- 1 policy pending action by the Board.



2016-17 Policy Work Plan: Comprehensive Review

1. Associated Organizations
2. Board Operations and Agenda Guidelines
3. Campus Public Art
4. Central Reserves Fund
5. Disability Services
6. Employee Health Benefits
7. Employee Performance Evaluation and Development



2016-17 Policy Work Plan: Comprehensive Review

8. Historic Preservation
9. Investment of Reserves
10. Legal Review of Contracts and Transactions
11. Openness in Research
12. Responsibilities of the Board and Individual Regents
13. Student Financial Aid
14. University of Minnesota Press



2016-17 Policy Work Plan: Policies Carried Over

15. American Indian Advisory Boards
16. Board Authority
17. Board Policy Development
18. Equity, Diversity, Equal Opportunity, and Affirmative Action
19. Legal Defense and Indemnification of Employees
20. Research Involving Human Subjects
21. Student Services Fee



2016-17 Policy Work Plan: Requested for Possible Inclusion

- 22. Employee Compensation and Recognition
- 23. Intercollegiate Athletics – Twin Cities
Campus
- 24. Reservation and Delegation of Authority
- 25. Sexual Harassment



Comments or Questions?



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