



Governance & Policy Committee

June 2018

June 8, 2018

7:45 a.m. - 9:15 a.m.

Boardroom, McNamara Alumni Center

GOV - JUN 2018

1. Board of Regents Policy: Board Operations and Agenda Guidelines - Action

Docket Item Summary - Page 3

Revised Policy - Page 5

2. 2018 Board Policy Report

Docket Item Summary - Page 20

Report - Page 21

3. Review of Board Policy Committee Routing

Docket Item Summary - Page 25

Board of Regents Policy – Committee Routing - Page 26

4. Overview of Bylaws of the Board of Regents

Docket Item Summary - Page 29

Bylaws - Page 30

5. Information Items

Docket Item Summary - Page 37

Legal Review of Contracts and Transactions - Page 39



BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

June 8, 2018

AGENDA ITEM: Board of Regents Policy: *Board Operations and Agenda Guidelines*

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 action on proposed amendments to Board of Regents Policy: *Board Operations and Agenda Guidelines* (BOAG).

In response to committee feedback from the February 2018 meeting, the following change has been made:

- Section V, Subd. 7 – Changed the Board notification requirement from within five days of an urgent approval to “upon approval.”

The other proposed amendments are unchanged and include:

- Addition of a systemwide strategic plan as a fundamental planning document (Section III, Subd. 2).
- Inclusion of the University Progress Card as a component of both the system-wide strategic plan and the University Performance and Accountability Report (Section III, Subd. 2).
- Codification of the new committee structure. This includes merging Board of Regents Policy: *Audit Committee Charter* into BOAG with small modifications to add in existing committee responsibility language and additional compliance oversight (Section IV).
- A new provision allowing for the Board or a committee to move an item from “Review” to “Review/Action” if there are no objections from any members of the Board or committee (Section V, Subd. 3).
- Revisions to the Emergency Approval process to clarify when the approval should be used and clarification of how the item is reported to the Board or committee (Section V, Subd. 7).
- Other changes that seek to align the policy with current practice and/or clarify language.

BACKGROUND INFORMATION

The Governance & Policy Committee participated in several discussions regarding BOAG in 2016-17. Significant effort was devoted to advancing a new committee structure for implementation in 2017-18.

The committee discussed the fundamental planning documents included in BOAG in September 2017, meeting procedures and emergency approval in October 2017, and Legislative Reports and Presidential Performance Review, Evaluation, and Compensation in December 2017. The committee also reviewed draft charges for the Audit & Compliance, Finance & Operations, Governance & Policy, and Mission Fulfillment Committees this past fall.

The policy was reviewed at the committee's February 2018 meeting.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 1 of 15

Board Operations

BOARD OPERATIONS AND AGENDA GUIDELINES

Adopted: March 8, 2002

Amended: July 9, 2004; December 10, 2004;
October 13, 2006; February 10, 2012;
December 14, 2012

Technical Change: March 31, 2016;
February 10, 2017

Supersedes: (see end of policy)

DRAFT for Action

BOARD OPERATIONS AND AGENDA GUIDELINES

SECTION I. SCOPE.

This policy ~~provides an overview of~~ governs the Board's operations, committee structure, and agenda guidelines.

SECTION II. PRINCIPLES OF BOARD OPERATIONS GUIDING PRINCIPLES.

The Board of Regents (Board), created under the Minnesota Territorial Laws of 1851 by the passage of the University charter and perpetuated by the Constitution of the State of Minnesota, is the governing body of the University. The Board, guided by the ~~laws and~~ constitution and laws of the state:

- holds itself accountable to the public for accomplishing the mission of the University;
- meets openly, in the spirit of the Minnesota Open Meeting Law;
- fosters communication with the citizens of Minnesota, its elected representatives, and the University community; and
- works with the president to create a relationship characterized by trust and openness.

SECTION III. BOARD OPERATIONS BUSINESS.

Subd. 1. Governing Documents. The Board exercises its authority consistent with the University Charter, the Constitution of the State of Minnesota, the Bylaws of the Board of Regents ~~(Bylaws)~~ Bylaws, and relevant Board policies. These documents provide the basic framework for the conduct of the business of the Board.

Subd. 2. Board Business. The Board conducts business through meetings of the Board and its committees. Items placed on the Board agenda have the most fundamental importance and broad policy implications for the University. The following items are required to come to the Board:

(a) Fundamental planning documents, including:

- Systemwide Strategic Plan - The Systemwide Strategic Plan articulates and reinforces the mission and vision of the University; identifies University priorities and goals; and establishes a framework to guide University decision-making. The plan includes goals articulated through the University Progress Card and establishes a framework for the University's operating and capital budgets.
- University Plan, Performance, and Accountability Report - The University Plan, Performance, and Accountability Report (Plan) articulates the mission and vision of the University; identifies critical issues and challenges confronting the University; and sets forth major goals, objectives, and timelines for the ongoing pursuit of the teaching, research, and outreach functions of the University. The Plan The University Plan, Performance, and Accountability



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 2 of 15

Board Operations

**BOARD OPERATIONS AND AGENDA
GUIDELINES**

Adopted: March 8, 2002

Amended: July 9, 2004; December 10, 2004;
October 13, 2006; February 10, 2012;
December 14, 2012

Technical Change: March 31, 2016;
February 10, 2017

Supersedes: (see end of policy)

DRAFT for Action

Report publicly demonstrates the University's accountability for progress in reaching its stated goals and objectives; links planning, performance evaluation, and resource allocation at the system and campus/college level; illustrates and analyzes longitudinal trends in key areas; provides a means for comparisons with peer institutions; and identifies areas for continued work. The report includes progress made in achieving the goals articulated in the University Progress Card.

- ~~• University Budget: Operating and Capital — The University budget sets forth the operating and capital requirements and authorizations for financing the activities of the University. The budget includes all funds (revenues and expenditures), all campuses, and all programs of the University. It incorporates historical background and projections. The capital budget has two parts. Part I is the six-year capital plan, which is updated annually and identifies capital projects approved to proceed with preliminary project planning but not authorized to proceed with design and construction. Part II is the annual capital improvement budget, which authorizes the completion of design and construction of projects with approved financing and schematic design, consistent with Board policies. The president recommends to the Board both the operating and capital budgets in successive meetings.~~
- Annual Operating Budget - The annual operating budget sets forth the operating requirements and authorizations for financing the activities of the University. The budget includes all funds (revenues and expenditures), all campuses, and all programs of the University. It incorporates historical background and projections. It is based on the framework established by the Systemwide Strategic Plan. The president recommends to the Board the annual operating budget in successive meetings.
- Capital Budget - The capital budget has two parts. Part I is the six-year capital plan, which is updated annually and identifies capital projects, as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section VIII, Subd. 6, that are approved to proceed with preliminary project planning, but not authorized to proceed with design and construction. Part II is the annual capital improvement budget, which authorizes the completion of design and construction of projects, as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section VIII, Subd. 7, that have approved financing. The framework established by the Systemwide Strategic Plan and approved campus master plans guidedefines both parts of the capital budget. The president recommends to the Board both parts of the capital budget in successive meetings.

(b) Legislative funding requests, including the biennial budget request and the capital request.

(c) Reports on federal and legislative relations and issues.

(d) Reports submitted to the State of Minnesota as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section I, Subd. 7.

~~(e) Annual report of asset management.~~



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 3 of 15

Board Operations

**BOARD OPERATIONS AND AGENDA
GUIDELINES**

Adopted: March 8, 2002

Amended: July 9, 2004; December 10, 2004;
October 13, 2006; February 10, 2012;
December 14, 2012

Technical Change: March 31, 2016;
February 10, 2017

Supersedes: (see end of policy)

DRAFT for Action

~~(f) Annual report of capital financing and debt management.~~

(e) Annual financial report.

(f) Summary of expenditures for the Office of the President, Eastcliff, and the Office of the Board of Regents (OBR)-Office.

(g) Gifts.

(h) Other reports, including, but not limited to, reports of the Faculty Consultative Committee, the University of Minnesota Foundation ~~and Minnesota Medical Foundation~~, the University of Minnesota Alumni Association, and the Student Representatives to the Board.

(i) Additional items as decided by the Board chair ~~of the Board~~ in consultation with the president and Board vice chair.

At the Board chair's discretion, any of these items may be referred for discussion in committee.

SECTION IV. COMMITTEES OF THE BOARD.

Subd. 13. Committees Role of Committees. Committees provide recommendations for action by the Board. Typically, standing committees have the following responsibilities:

- recommend action on matters where the Board has reserved authority to itself as outlined in Board of Regents Policy: *Reservation and Delegation of Authority* and other Board policies;
- provide ~~governance~~ oversight on topics within the committee's purview;
- review and make recommendations on relevant new and existing Board policies;
- receive reports on policy-related issues affecting University departments and units;
- receive information items (e.g., status reports on current issues of concern and administrative searches); and
- review other items placed on the agenda by the Board chair in consultation with the president and the Board vice chair.

Subd. 2. Responsibilities of Committee Chairs. Committee chairs preside over the meetings of their respective committees, ensuring the orderly, open, and timely conduct of committee business. Committee chairs should annually review the committee responsibilities outlined in this policy as the committee work plans outlined in Section V, Subd. 4 are finalized. The senior leader committee liaison consults with committee chairs prior to committee meetings regarding background issues for committee agendas.

Subd. 3. Committee Descriptions. Standing, nominating, and special committees meet on a varying schedule set through the agenda development process. These committees, specific committee responsibilities, and required agenda items are listed below. As stated in the Bylaws, ~~T~~ the Board chair has the authority to name and identify the responsibilities of all committees. Any changes in committee structure are to be noted in this policy.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 4 of 15

Board Operations

**BOARD OPERATIONS AND AGENDA
GUIDELINES**

Adopted: March 8, 2002

Amended: July 9, 2004; December 10, 2004;
October 13, 2006; February 10, 2012;
December 14, 2012

Technical Change: March 31, 2016;
February 10, 2017

Supersedes: (see end of policy)

DRAFT for Action

~~(1) **Audit Committee.** The Audit Committee oversees the University's system of risk assessment and internal controls, audits, financial reporting practices, and the institutional compliance program. This committee also provides a direct channel of communication to the Board for the independent auditor and internal auditors.~~

~~Specifically, this committee:~~

- ~~• recommends the engagement and related fees of the independent auditor to perform the annual financial audit of the University and required federal compliance audits;~~
- ~~• approves all engagements of external audit firms;~~
- ~~• annually reviews the results of the independent auditor's work;~~
- ~~• recommends appointment or removal of the chief auditor;~~
- ~~• reviews the chief auditor's annual audit plan and approves subsequent material revisions to the plan or the department's budget; and~~
- ~~• recommends changes in the Office of Internal Audit Charter.~~

~~This committee also reviews:~~

- ~~• the annual financial statements, prior to issuance;~~
- ~~• periodic Office of Internal Audit reports, including a report on the implementation of audit recommendations;~~
- ~~• semi-annual controller reports;~~
- ~~• the independent auditor's annual audit and management letter; and~~
- ~~• responses to questions regarding audit issues, reports on enterprise systems, administrative program reviews, and other items relevant to the audit function.~~

~~Detailed information on Audit Committee authority and responsibilities is outlined in Board of Regents Policy: *Audit Committee Charter*.~~

Subd. 4. Audit & Compliance Committee Charter. ~~The Audit & Compliance Committee oversees the University's system of risk assessment and internal controls, audits, financial reporting practices, and the institutional compliance program. The committee is to assist the Board in discharging its oversight responsibilities related to the audit and compliance functions by:~~

- ~~• promoting the development of an effective, efficient, and continuously improving control environment, in concert with the administration, to achieve the institution's objectives through an appropriate system of risk assessment and internal control;~~
- ~~• overseeing the University's integrated framework of internal control, risk management practices, and institutional compliance program to ensure that the administration executes the provisions of Board of Regents Policy: *Internal Control*;~~
- ~~• servng as an informed voice on the Board by relaying the audit and compliance perspective when related issues are brought before the Board and its standing committees; and~~
- ~~• providing a direct channel of communication to the Board for the chief auditor and the independent public auditor.~~



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 5 of 15

Board Operations

**BOARD OPERATIONS AND AGENDA
GUIDELINES**

Adopted: March 8, 2002

Amended: July 9, 2004; December 10, 2004;
October 13, 2006; February 10, 2012;
December 14, 2012

Technical Change: March 31, 2016;
February 10, 2017

Supersedes: (see end of policy)

DRAFT for Action

Consistent with Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section X, the Board reserves to itself authority to adopt policies regulating the audit function; approve selection of external public accountants and the chief auditor; review audit plans; and evaluate the performance of the independent auditor and, jointly with the president, the performance of the internal audit function.

Specific duties of the Audit & Compliance Committee include the following:

- (a) Oversight of the Independent Auditor. The independent auditor reports directly to the Board through the Audit & Compliance Committee. The committee shall recommend for Board approval the engagement and related fees of the independent auditor to perform the annual financial statement and federal compliance audits. The committee shall approve in advance all audit and non-audit services provided by the independent auditor with a value greater than \$100,000 or that may impair the audit firm's independence regarding the University. Such impairment of independence is currently limited to prohibited non-audit services as defined in the United States General Accounting Office Government Auditing Standards. Engagements not requiring approval by the Board shall be reported to the Audit & Compliance Committee at the next scheduled meeting of the committee. The committee shall annually review and evaluate the independent auditor's performance, independence, and effectiveness of coordination with other assessment activities, including internal audit.
- (b) Oversight of the Internal Audit Function. The Audit & Compliance Committee shall recommend for Board approval (1) the appointment or removal of the chief auditor, (2) changes to the Office of Internal Audit's charter, and (3) any material revisions to internal audit plans or budgets. In consultation with management and the chief auditor, the committee shall review the annual internal audit plan and the extent to which it addresses high risk areas.
- (c) Review of Financial Statements. The Audit & Compliance Committee shall review, in advance of final issuance, the proposed formats and wordings of the annual financial report, including the management's discussion and analysis, financial statements, footnotes, statistics, and disclosures.
- (d) Review of Audit Results. The Audit & Compliance Committee shall review the internal and external audit results and discuss significant issues of internal control and compliance with the independent auditor, chief auditor, and management. The committee shall monitor management's progress in addressing audit recommendations.
- (e) Investigation of Reported Concerns Regarding Accounting or Auditing Matters. The Audit & Compliance Committee shall be apprised of investigations conducted under administrative policy.
- (f) Requests for Audits. The Audit & Compliance Committee is authorized to request supplemental reviews or other audit procedures by the chief auditor, the independent auditor, or other advisors.
- (g) Approval of Engagements of Audit Firms Other Than the University's Principal External Auditors. The Audit & Compliance Committee shall approve all engagements of external audit firms to perform work or provide services with a value greater than \$100,000 or that may impair the audit firm's independence regarding the University. Such impairment of independence is



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 6 of 15

Board Operations

**BOARD OPERATIONS AND AGENDA
GUIDELINES**

Adopted: March 8, 2002

Amended: July 9, 2004; December 10, 2004;
October 13, 2006; February 10, 2012;
December 14, 2012

Technical Change: March 31, 2016;
February 10, 2017

Supersedes: (see end of policy)

DRAFT for Action

currently limited to prohibited non-audit services as defined in (a) of this section. Engagements not requiring approval by the Board shall be reported to the committee at the next scheduled meeting of the committee.

(h) This committee provides additional oversight of compliance initiatives and enterprise risk management processes, including risk identification and mitigation.

This committee also reviews:

- The annual financial statements, prior to issuance.
- Semi-annual controller reports.
- The independent auditor's annual audit and management letter.
- The chief auditor's annual audit plan.
- Responses to questions regarding audit issues, reports on enterprise systems, administrative program reviews, investigations conducted under administrative policy, and other items relevant to the audit function.
- Semi-annual institutional compliance reports.
- The institutional conflict of interest report.
- External auditor engagements not requiring approval by the Board. Any engagements shall be reported to the Audit & Compliance Committee at the next scheduled meeting of the committee.

Subd. 5. Finance & Operations Committee. The Finance & Operations Committee oversees and makes recommendations to the Board related to the University's operations, fiscal stability, physical assets (e.g., land, buildings, infrastructure, technology, and equipment), and long-term economic health. The committee also advises the administration on faculty and staff compensation strategy, benefits, recruitment, and engagement.

Specifically, this committee recommends to the Board:

- appointments reserved to the Board as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section IV.
- budgetary, financial, and investment matters reserved to the Board as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section VII.
- property, facilities, and capital budgets reserved to the Board as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section VIII.
- employment and labor relations matters reserved to the Board as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section XI.

This committee provides oversight of:

- long-range financial planning strategies, including total indebtedness of the University and investment portfolio;
- the financial relationship between the University and its partners, including affiliated foundations, clinical operations, and external entities;
- potential risks within University finance and operations;



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 7 of 15

Board Operations

**BOARD OPERATIONS AND AGENDA
GUIDELINES**

Adopted: March 8, 2002

Amended: July 9, 2004; December 10, 2004;
October 13, 2006; February 10, 2012;
December 14, 2012

Technical Change: March 31, 2016;
February 10, 2017

Supersedes: (see end of policy)

DRAFT for Action

- long-range physical asset planning strategies, including technology infrastructure;
- public safety and emergency preparedness;
- operational services such as housing, parking, transportation, and dining;
- faculty and staff employment, compensation and benefits policy, including senior leader compensation, benchmarking, and terms of employment; and
- employee engagement and workforce development.

This committee also reviews:

- the annual report on central reserves;
- semi-annual capital financing and debt management reports;
- semi-annual management reports;
- semi-annual capital planning and project management reports;
- quarterly purchasing reports and violations of Board of Regents Policy: *Purchasing*;
- quarterly asset management reports;
- selected financial metrics that measure the University's fiscal condition;
- periodic updates on future facilities projects;
- design guidelines when a project design represents an exception to adopted campus master plans; and
- other financial reports, employment reports, and facilities management reports and significant issues.

Subd. 6. Governance & Policy Committee. The Governance & Policy Committee oversees and makes recommendations to the Board related to policy and processes that seek to ensure the integrity and high performance of the Board. The committee supports effective governance by guiding the Board to: articulate a clear vision for the University and its major components; clarify reserved and delegated authorities; establish institutional benchmarks and performance measures; and thoughtfully considers risks that may impact the performance of the institution.

Specifically, this committee recommends to the Board:

- amendments to the *Bylaws* and changes to the structure and function of the Board;
- amendments to Board policies not routed through one of the other standing committees; and
- consideration of other University policy matters referred to the committee by the Board chair.

This committee provides oversight to:

- evaluate the effectiveness of the Board through periodic self-assessment;
- ensure that Regents are fully oriented and receive ongoing education; and
- identify best practices in governance for possible implementation.

~~(2) **Academic and Student Affairs Committee.** The Academic and Student Affairs Committee advises on academic priorities and the teaching, research, and outreach missions of the University. This committee assesses academic programs for relevance to students and consistency with the University's mission and strategies and reviews internal and external evaluations of academic programs.~~



UNIVERSITY OF MINNESOTA

BOARD OF REGENTS POLICY

Page 8 of 15

BOARD OPERATIONS AND AGENDA GUIDELINES

Adopted: March 8, 2002
Amended: July 9, 2004; December 10, 2004; October 13, 2006; February 10, 2012; December 14, 2012
Technical Change: March 31, 2016; February 10, 2017
Supersedes: (see end of policy)

DRAFT for Action

Specifically, this committee recommends:

- academic program additions, revisions, or discontinuations;
tuition and fees policy;
reciprocity agreements; and
support for commercialization of technology to non-University entities.

This committee provides governance oversight to:

- academic program reviews and strategic plans of academic units;
enrollment and demographic trends;
student affairs;
academic medicine;
issues related to the University's academic profile such as accreditation, reputation, and academic ranking;
e-Learning;
public engagement;
international partnerships and education; and
intercollegiate athletics.

(3) Facilities and Operations Committee. The Facilities and Operations Committee oversees the University's physical assets (e.g., land, buildings, infrastructure, and equipment) and operations. This committee considers the general adequacy, condition, and use of existing facilities and infrastructure; oversees policy related to technology, operations and physical planning; reviews renewal, replacement, and new construction decisions; and 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; and
schematic plans prior to the inclusion of a project in the annual capital budget.

This committee provides governance oversight to:

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

This committee also reviews:

- semi-annual capital planning and project management reports;
miscellaneous facilities management reports and significant issues;
design guidelines when a project design represents an exception to adopted campus master plans; and
approved capital budget projects prior to the award of construction contracts, consistent with Board policies.



UNIVERSITY OF MINNESOTA

BOARD OF REGENTS POLICY

Page 9 of 15

Board Operations

BOARD OPERATIONS AND AGENDA GUIDELINES

Adopted: March 8, 2002

Amended: July 9, 2004; December 10, 2004; October 13, 2006; February 10, 2012; December 14, 2012

Technical Change: March 31, 2016; February 10, 2017

Supersedes: (see end of policy)

DRAFT for Action

~~(4) Faculty and Staff Affairs Committee. The Faculty and Staff Affairs Committee advises the administration on faculty and staff and compensation, benefits, recruitment, development, retention, and other issues related to employee engagement. This committee also reviews employment-related issues and policies.~~

~~Specifically, this committee recommends:~~

- ~~• the granting of faculty promotion and tenure and continuous appointments;~~
- ~~• appointments to specific boards and advisory committees;~~
- ~~• appointments of senior leaders;~~
- ~~• approval of negotiated labor agreements, retirement plans, and other employment matters, consistent with Board policy; and~~
- ~~• changes in the University Senate Constitution and civil service rules.~~

~~This committee also provides governance oversight to:~~

- ~~• senior leader compensation, benchmarking, and terms of employment;~~
- ~~• faculty and staff compensation and benefits policy as well as other policies related to employment; and~~
- ~~• employee engagement.~~

~~(5) Finance Committee. The Finance Committee oversees the fiscal stability and long-term economic health of the University. This committee monitors the University's financial operations, debt level, and investment performance; requires the maintenance of accurate and complete financial records; and maintains open lines of communication with the Board about the institution's financial condition.~~

~~Specifically, this committee recommends:~~

- ~~• the University operating budget;~~
- ~~• financial components of the University capital budget;~~
- ~~• approval of purchases of goods and services over \$1,000,000;~~
- ~~• the issuance of debt;~~
- ~~• changes to the approved central reserves budget; and~~
- ~~• asset allocation guidelines and other policies related to the University's asset management function.~~

~~This committee also provides governance oversight to:~~

- ~~• long range financial planning strategies;~~
- ~~• total indebtedness of the University;~~
- ~~• the investment portfolio; and~~
- ~~• the financial relationship between the University and its partners, including affiliated foundations, clinical operations, and external entities.~~

~~This committee also reviews:~~

- ~~• selected financial metrics that measure the University's fiscal condition;~~
- ~~• quarterly purchasing reports and violations of Board of Regents Policy: Purchasing;~~
- ~~• semi-annual capital financing and debt management reports;~~
- ~~• the annual report on central reserves;~~
- ~~• quarterly asset management reports;~~
- ~~• semi-annual management reports; and~~



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 10 of 15

Board Operations

**BOARD OPERATIONS AND AGENDA
GUIDELINES**

Adopted: March 8, 2002

Amended: July 9, 2004; December 10, 2004;
October 13, 2006; February 10, 2012;
December 14, 2012

Technical Change: March 31, 2016;
February 10, 2017

Supersedes: (see end of policy)

DRAFT for Action

- ~~other financial reports as requested by the committee.~~

Subd. 7. Litigation Review Committee. The Litigation Review Committee reviews litigation matters and obtains legal advice regarding specific University actions and their legal consequences. This committee typically meets in non-public session and consults with the general counsel on cases and claims, consistent with ~~Board policy~~ Board of Regents Policy: Attorneys and Related Services and Board of Regents Policy: Legal Claims and Settlements. The committee determines which matters shall be referred to the Board for review or approval.

Subd. 8. Mission Fulfillment Committee. The Mission Fulfillment Committee oversees and makes recommendations to the Board related to the University's mission, as articulated in Board of Regents Policy: Mission Statement and carried out on five campuses and across the state, the nation, and the world. The committee oversees and advises the administration on academic priorities, activities, programs, and initiatives central to the threefold mission of research and discovery, teaching and learning, and outreach and public service.

Specifically, this committee recommends to the Board:

- academic matters reserved to the Board as defined by Board of Regents Policy: Reservation and Delegation of Authority Article I, Section V.

This committee provides oversight of:

- academic program reviews and strategic plans of academic units;
- admissions practices, demographic trends and enrollment planning;
- curricular and co-curricular educational, research and engagement opportunities;
- diversity and campus climate;
- faculty development, recruitment and retention;
- faculty promotion and tenure;
- international partnerships and global research and educational programs;
- health education and academic medicine;
- issues related to the University's academic profile such as accreditation, reputation, and academic ranking;
- online learning;
- public engagement and community partnerships that fulfill the University's land-grant mission;
- scholarship, artistic activity and commercialization of technology and intellectual property;
- sponsored projects and research support infrastructures;
- student affairs, student wellness and the student experience;
- student experience and academic performance of student-athletes;
- undergraduate, graduate, and professional education.

Subd. 9. Nominating Committee. The Nominating Committee is charged with nominating candidates to serve as Board chair, vice chair, secretary, and treasurer.



UNIVERSITY OF MINNESOTA

BOARD OF REGENTS POLICY

Page 11 of 15

Board Operations

BOARD OPERATIONS AND AGENDA GUIDELINES

Adopted: March 8, 2002
Amended: July 9, 2004; December 10, 2004; October 13, 2006; February 10, 2012; December 14, 2012
Technical Change: March 31, 2016; February 10, 2017
Supersedes: (see end of policy)

DRAFT for Action

Subd. 10. Presidential Performance Review Committee. The Presidential Performance Review Committee evaluates the president's performance. This committee meets in non-public session, reporting its findings to the Board.

Subd. 11. Special Committees. The chair of the Board chair identifies the responsibilities, appoints the members, and designates the chair of special committees.

SECTION V. MEETINGS OF THE BOARD AND COMMITTEES.

Subd. 4.1. Board Meetings. The Annual Meeting of the Board is held on the second Friday in June, unless otherwise determined by Board bylaws the Bylaws. At the Annual Meeting a schedule is approved for regular meetings, which are usually held on the second Friday and preceding Thursday of each month in February, March, May, June, July, September, October and December.

Other meetings are scheduled as needed and may include work sessions, open forums, and public hearings. Retreats, typically held annually in the summer, are opportunities for the Board to plan, assess its performance, develop priorities for the year, and/or to consider a particular topic.

The documents, minutes, and recordings related to the public deliberations of the Board are available in the Board Office OBR.

Subd. 5.2. Committee Meetings. Committees usually meet as follows:

- Audit & Compliance: Meets four to six five times a year.
Academic and Student Affairs: Most months when Board meets.
Facilities and Operations: Most months when Board meets.
Faculty and Staff Affairs: Most months when Board meets. Finance & Operations: Meets six times a year.
Finance: Most months when Board meets. Governance & Policy: Meets five times a year.
Litigation Review: Meets four to five six times a year and as called by the committee chair.
Mission Fulfillment: Meets six times a year.
Nominating: May of odd-numbered years prior to the Board's Annual Meeting and election of officers in June.
Presidential Review: As called by the Board chair.

Subd. 6.3. Meeting Procedures. The Board chair presides over meetings of the Board. The Board vice chair presides in the absence of the chair. Board and committee meetings are conducted consistent with Board by the Bylaws and Robert's Rules of Order. The general counsel rules on all disputed questions of procedure.

Items are presented in one of the following ways:

- Review - All significant items typically are reviewed one month with action in a subsequent month. Any Board member may request that an item listed for Review become a Review/Action item. If there is no objection from other members of the Board, the item is voted on in that



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 12 of 15

Board Operations

BOARD OPERATIONS AND AGENDA GUIDELINES

Adopted: March 8, 2002

Amended: July 9, 2004; December 10, 2004; October 13, 2006; February 10, 2012; December 14, 2012

Technical Change: March 31, 2016; February 10, 2017

Supersedes: (see end of policy)

DRAFT for Action

meeting. The fundamental planning documents, as described in Section III, Subd. 2, (a) of this policy, are exempt from this provision.

- *Action* - Previously reviewed items requiring Board approval.
- *Review/Action* - Items for review and action in the same meeting, as allowed by Board policy or under special circumstances with permission of the Board chair or respective committee chair. The Consent Report includes routine action items that normally do not require discussion. Any Board member may request discussion or separate action on any Consent Report item.
- *Discussion* - Items for discussion that require no action when presented.
- *Other*
 - *Information Items* - Items of interest to a committee or the Board requiring no action or discussion, such as status reports on current issues of concern and administrative searches.
 - *Receive and File Reports* — Submitted reports that are not intended for discussion and do not require action, but are listed on the agenda and officially noted by the chair in the form of a statement to “receive and file.”

Subd. 74. Work Plans. Each year the Board outlines its priorities and its committees develop work plans with the advice of the president or delegate. Committee work plans outline major agenda items and discussion topics for the year, and include a brief description of the purpose of the item.

Subd. 58. Staff Responsibilities.

(a) Administrative Staff Senior Leader Committee Liaisons. The Board chair and president identifies a senior leader for each committee to facilitate committee meetings, assist in agenda development, prepare docket materials, coordinate presentations, and fulfill other duties. Assignments to standing committees are typically as follows:

- Audit & Compliance:— Chief Auditor
- ~~Academic and Student Affairs~~— ~~Executive Vice President & Provost~~
- ~~Facilities and Operations~~— ~~Vice President for University Services~~
- ~~Faculty and Staff Affairs~~— ~~Vice President for Human Resources~~
- Finance & Operations:— Senior Vice President for Finance and Operations
- Governance & Policy: Executive Director and Corporate Secretary
- Litigation Review:— General Counsel
- Mission Fulfillment: Executive Vice President and Provost

(b) **Board Staff.** The Board appoints-elects an executive director and ~~/~~ corporate secretary, whose duties and responsibilities include:

- ~~providing advice and support to~~ advising and supporting each Board member, as well as ~~to~~ Board leadership, to advance good governance practices;
- acting as a liaison between the Board and senior leaders of the University;
- managing the Board's policy library and ongoing policy review process;
- managing the Board agenda and docket process;



UNIVERSITY OF MINNESOTA

BOARD OF REGENTS POLICY

Page 13 of 15

Board Operations

BOARD OPERATIONS AND AGENDA GUIDELINES

Adopted: March 8, 2002
Amended: July 9, 2004; December 10, 2004; October 13, 2006; February 10, 2012; December 14, 2012
Technical Change: March 31, 2016; February 10, 2017
Supersedes: (see end of policy)

DRAFT for Action

- maintaining official records of meetings of the Board and its committees;
advising the president regarding the standards and protocols of Board meetings;
maintaining and providing to the Board an annual planning calendar that outlines Board and committee meetings along with reports and other actions required by Board policy; and
ensuring that logistical support is provided so that Board proceedings are conducted in an open, timely, and accountable manner.

The executive director and corporate secretary assigns staff a committee coordinator to each committee. Staff Committee coordinator responsibilities include:

- advising and supporting committee leadership and members of the committee to ensure successful committee operations;
serving as a liaison between committee leadership and the senior leader committee liaison;
scheduling and attending facilitating annual work planning, agenda planning, and docket previews; and
reviewing docket cover sheets materials, resolutions, and revisions to Board policies.
scheduling and attending docket previews;
facilitating communication on agenda items;
assisting in work plan and agenda development; and
supporting the committee chair as needed.

Subd. 69. Docket. The docket is the set of recommendations, reports, and all supporting documents prepared for each item on an agenda of the Board and its committees. A docket cover for each agenda item includes a statement related to the policy and financial impact of the item. A docket item summary accompanies each agenda item, summarizing key points and background. Materials are submitted to the Board by the president or delegate with the assistance of Board staff. The Board Office OBR distributes the docket to Regents one week prior to meeting dates, after which it is publicly available.

Subd. 710. Emergency Urgent Approvals. Upon the recommendation of the president, the Board chair, Board vice chair, and the respective committee chair may act on behalf of the Board when delay for Board approval could have a significant impact on the University's mission or poses a significant considerable health, safety, or financial risk to the University. Urgent approvals shall be used judiciously and Any such emergency approvals will be brought reported to the Board or respective committee upon approval and included as an information item to the next meeting of the Board at the next scheduled meeting, consistent with Board policy Subd. 3 of this section.

SECTION VIII. BOARD MEETING AGENDAS.

Subd. 1. Agenda Development. The agenda is set in the following manner:

- (a) Approximately two months prior to each Board meeting, the executive director and corporate secretary develops a draft agenda for discussion at Agenda I, a meeting with the president and



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 14 of 15

Board Operations

BOARD OPERATIONS AND AGENDA GUIDELINES

Adopted: March 8, 2002
Amended: July 9, 2004; December 10, 2004; October 13, 2006; February 10, 2012; December 14, 2012
Technical Change: March 31, 2016; February 10, 2017
Supersedes: (see end of policy)

DRAFT for Action

senior leader committee liaisons. The agenda is a result of consultation with Board leadership and committee agenda planning meetings. Agenda items are identified from Board priorities, committee work plans, and other reports and items as specified in Board policy. ~~Following this meeting, the draft agenda is shared with the Board chair and committee chairs for review and comment.~~

- (b) The Board chair approves the agenda at a subsequent ~~(Agenda II)~~ Agenda II meeting, which is also attended by the Board vice chair, the president, and senior leader committee liaisons and participants in the Agenda I meeting. ~~Subsequent c~~Changes to an approved Board or committee agenda require the approval of the Board chair and, in the case of a committee agenda, shall be done in consultation with the appropriate committee chair ~~directly or through staff~~.

Subd. 2. Requests to Appear Before the Board. Anyone requesting to appear before the Board must ~~submit a written request to the executive director, who reviews the request with the Board chair follow the process stated in Article VI of the Bylaws.~~

SECTION VII. PRESIDENTIAL PERFORMANCE REVIEW, EVALUATION, AND COMPENSATION.

Subd. 1. Presidential Performance Review. The Presidential Performance Review Committee evaluates the president's performance annually in order to: assess outcomes; support the president's efforts to strengthen performance; enable the president and the Board to establish mutually-agreeable goals; and inform decisions regarding annual compensation and other terms of employment.

This committee meets in non-public session as permitted by law, reporting its findings to the Board at a public meeting.

The following principles shall guide the performance review process:

- (a) All Board members shall be involved.
- (b) Comments on the president's performance shall be requested from multiple sources.
- (c) Collegiality shall be a hallmark of all discussions.
- (d) Confidentiality of personnel matters shall be maintained.

Performance review process procedures shall be on file in the ~~Board Office~~ OBR.

Subd. 2. Presidential Compensation. The compensation of the president shall be set by the Board at a public meeting. The Board shall exercise reasonable care and set compensation in a transparent, prudent, and responsible manner.

The following principles shall guide compensation setting:

- (a) The compensation plan shall support the organization's mission,
- (b) Compensation shall enable the recruitment and retention of an individual who can achieve excellence for the University and contribute to the vitality of the State of Minnesota.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 15 of 15

Board Operations

**BOARD OPERATIONS AND AGENDA
GUIDELINES**

Adopted: March 8, 2002

Amended: July 9, 2004; December 10, 2004;
October 13, 2006; February 10, 2012;
December 14, 2012

Technical Change: March 31, 2016;
February 10, 2017

Supersedes: (see end of policy)

DRAFT for Action

- (c) Compensation is meant to appropriately reward and motivate the president, be commensurate with the president's responsibilities and performance, and be responsive to the president's requests.
- (d) Compensation shall be informed by appropriate data that helps determine comparability or fair market value.

The Board shall consider data from a comparable peer group of public research universities and private universities that are substantially similar to the University and designate a list for comparison purposes. It shall be the responsibility of the chair, in consultation with the vice chair, to recommend presidential compensation and other contract terms for Board action. The chair also shall be responsible for reviewing the president's total compensation and approving all reimbursements for presidential business travel and entertainment expenses.

Compensation-setting procedures shall be on file in the [Board Office OBR](#).

Supersedes: Board Operation and Agenda Guidelines adopted September 11, 1992, last amended March 8, 1996.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

June 8, 2018

AGENDA ITEM: 2018 Board Policy Report

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 for the committee to discuss the 2018 Board Policy Report.

The report includes two sections – a summary of the current year, and the upcoming year’s plan. The 2017-18 policy review summary includes an overview of the past year and notes the policies that:

- Were comprehensively reviewed, but required no changes.
- Were amended by the Board.
- Are pending approval by the Board.
- Remain under review by the policy implementer.

The second part of the report is the 2018-19 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.

BACKGROUND INFORMATION

Board of Regents Policy: *Board Policy Development* defines the Board policy review process and requires an annual report to the Board.



Office of the Board of Regents 2018 Board Policy Report

2017-18 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 as defined by the Board. Over the past year, the Office of the Board of Regents coordinated review of policies identified for comprehensive review and those policies identified for amendment by the Board or President.

Comprehensively Reviewed - No Revisions Recommended	
1. Associated Organizations	
2. Attorneys and Related Services	
3. Central Reserves Fund	
4. Conflict Resolution Process for Student Academic Complaints	
5. Copyright	
6. Employee Compensation and Recognition	
7. Employee Recruitment and Retention	
8. Employee Work-Life and Personal Leaves	
9. Founding Date, Corporate Name and Seal, and University Marks	
10. Investment Functions	
11. Legal Claims and Settlements	
12. Legal Review of Contracts and Transactions	
13. Openness in Research	
Amended by the Board of Regents	Date Amended
14. Endowment Fund *	May 2018
15. Health and Safety	February 2018
16. Institutional Conflict of Interest *	October 2017
17. Reservation and Delegation of Authority (Approval Thresholds) *	February 2018
18. Sexual Harassment, Sexual Assault, Stalking and Relationship Violence	October 2017
Pending Action by the Board of Regents	Anticipated Action
19. Board Operations and Agenda Guidelines	June 2018
20. Equity, Diversity, Equal Opportunity, and Affirmative Action*	June 2018
21. International Education and Engagement	June 2018
22. Student Conduct Code (Student Group Jurisdiction)*	TBD

Still Under Review by Policy Implementer
23. American Indian Advisory Boards
24. Intercollegiate Athletics - Twin Cities Campus
25. Mission Statement
26. Research Involving Human Subjects

** Off-cycle change added to the work plan at the request of the Board or President.*

2018-19 POLICY WORK PLAN

Each year, the Office of the Board of Regents develops a 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	Last Reviewed	Adopted or Last Amended	Policy Implementer
1. Academic Freedom and Responsibility	May 2011	May 2011	Academic Affairs
2. Appearances Before the Legislature and Other Public Bodies	February 2010	November 2006	President
3. Code of Ethics for Members of the Board of Regents	June 2013	February 2012	Board of Regents
4. Conflict Resolution Process for Employees	July 2013	December 2010	Human Resources
5. Debt Transactions	December 2012	December 2012	University Finance
6. Faculty Tenure	June 2011	June 2011	Academic Affairs
7. Internal Control	September 2012	September 2012	Internal Audits
8. Libraries and Archives	March 2010	March 2006	Academic Affairs
9. Nepotism and Personal Relationships	May 2012	May 2012	Equity and Diversity
10. Possession and Carrying of Weapons	September 2012	July 2003	General Counsel
11. Safety of Minors	First Review	June 2013	General Counsel
12. Selection of Design Professionals	March 2010	July 1995	University Services
13. Submitting and Accepting Sponsored Projects	May 2012	May 2012	Research
14. Targeted Business, Urban Community Economic Development, and Small Business Programs	February 2010	February 2010	University Finance
15. Wage Rates for Contractors	March 2010	April 1995	University Services

Carried Over from 2017-18 Plan	Last Reviewed	Adopted or Last Amended	Policy Implementer
16. American Indian Advisory Boards	October 2015	January 1994	Equity and Diversity
17. Intercollegiate Athletics - Twin Cities Campus	July 2009	July 2009	President
18. Mission Statement	September 2009	February 2008	Board of Regents
19. Research Involving Human Subjects	September 2012	November 2004	Research

TYPES OF REVIEW

Board policies undergo three main types of review and change:

1. Comprehensive Review

The purpose of the comprehensive review is to determine:

- Whether the fundamental principles established in the policy still align with the strategic direction and mission of the University.
- If the policy is still needed.
- Whether the policy aligns with current practice.

The comprehensive review also ensures that policies are monitored and reviewed in a timely manner. Each of the 92 Board policies is comprehensively reviewed every six years. Policies are divided into “classes,” which seek to balance review load across policy implementers and Board committees. Comprehensive review does not automatically lead to changes in a given policy; policies not requiring amendments are noted as current and placed back into the review cycle.

2. Off-Cycle Change

Off-cycle changes to Board policies focus on specific, essential, and time-sensitive changes and are outside of the comprehensive review cycle. When opened for an off-cycle change, the policy is not comprehensively reviewed and remains in its regular review cycle. Off-cycle changes follow the policy review process.

3. Technical Change

Board of Regents Policy: *Board Policy Development* Section III. allows for minor corrections that do not alter the substance of the policy to be made by the executive director & corporate secretary, with review by the Board chair. Technical changes are noted on the policy and updated in the Board’s policy index.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

June 8, 2018

AGENDA ITEM: Review of Board Policy Committee Routing

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

PRESENTERS: Brian Steeves, Executive Director & Corporate Secretary

PURPOSE & KEY POINTS

The purpose of this item is to review the routing of Board policies through Board committees during the policy review cycle. The codification of the Board's new committee structure, included in revisions to Board of Regents Policy: *Board Operations and Agenda Guidelines* for action at the June 2018 meeting, offers the opportunity to consider the distribution of policies across that new structure.

BACKGROUND

Each Board policy is comprehensively reviewed every six years. Some are amended off-cycle (in between comprehensive reviews) as well.

Policies are divided into "classes," which seek to balance review load across policy implementers and Board committees. If a policy is reviewed by the policy implementer and no changes are recommended, the assigned Board committee receives the policy as an information item, allowing committee members to comment. If changes are needed, the policy implementer drafts and consults proposed language. The assigned Board committee reviews the policy at one meeting, and takes action at a subsequent meeting.

Board of Regents Policy – Committee Routing

The Board’s 91 policies are each routed through a committee of the Board during the policy review process. The policies are listed below by committee. The table also shows each policy’s policy implementer, which is the senior leader office that oversees the implementation of a Board policy.

Audit & Compliance Committee	Implementer
1. Audit Committee Charter	Int Audit
2. Internal Control	Int Audit
Finance & Operations Committee	Implementer
1. Private Practice Plan - University of Minnesota Medical School Twin Cities	Acad Health
2. Private Practice Plan - University of Minnesota School of Dentistry	Acad Health
3. Private Practice Plan - University of Minnesota School of Nursing	Acad Health
4. Private Professional Practice - University of Minnesota Medical School Duluth	Acad Health
5. Professional Service Plan - University of Minnesota College of Pharmacy	Acad Health
6. Nepotism and Personal Relationships	OED
7. Sexual Harassment, Sexual Assault, Stalking and Relationship Violence	OED
8. Targeted Business, Urban Community Economic Development, and Small Business Programs	OED + UFO
9. Eminent Domain	OGC
10. Safety of Minors	OGC
11. Conflict Resolution Process for Employees	OHR
12. Employee Compensation and Recognition	OHR
13. Employee Development, Education, and Training	OHR
14. Employee Group Definitions	OHR
15. Employee Health Benefits	OHR
16. Employee Recruitment and Retention	OHR
17. Employee Work-Life and Personal Leaves	OHR
18. Employees Campaigning For or Holding Public Office	OHR
19. Faculty and Staff Retirement	OHR
20. Faculty Emeriti	OHR
21. Postemployment	OHR
22. Appearances Before the Legislature and Other Public Bodies	Pres Office
23. Faculty Tenure	Provost
24. Outside Consulting and Other Commitments	Provost
25. Central Reserve Fund	UFO
26. Debt Transactions	UFO

27. Direct Sales of Goods and Services	UFO
28. Endowment Fund	UFO
29. Investment Functions	UFO
30. Investment of Reserves	UFO
31. Purchasing	UFO
32. Campus Public Art	U Svcs
33. Health and Safety	U Svcs
34. Historic Preservation	U Svcs
35. Property and Facility Use	U Svcs
36. Selection of Design Professionals	U Svcs
37. Sustainability and Energy Efficiency	U Svcs
38. Wage Rates for Contractors	U Svcs
Governance & Policy Committee	Implementer
1. Appointments to Organizations and Boards	OBR
2. Awards, Honors, and Recognition	OBR
3. Board Operations and Agenda Guidelines	OBR
4. Board Policy Development	OBR
5. Code of Ethics for Members of the Board of Regents	OBR
6. Founding Date, Corporate Name and Seal, And University Marks	OBR
7. Mission Statement	OBR
8. Namings	OBR + Pres Office
9. Reservation and Delegation of Authority	OBR
10. Responsibilities of the Board and Individual Regents	OBR
11. Student Representatives to the Board of Regents	OBR
12. Alcoholic Beverages on Campus	Pres Office
13. Awards, Honors, and Recognition - <i>shared with OBR</i>	Pres Office
14. Code of Conduct	Pres Office
15. Individual Conflicts of Interest	Pres Office
16. Institutional Conflicts of Interest	Pres Office
17. American Indian Advisory Boards	OED
18. Associated Organizations	OGC
19. Attorneys and Related Services	OGC
20. Foundations at the University	OGC
21. Gifts Received and Given by Regents and University Officials	OGC
22. Gift Solicitation and Acceptance	OGC
23. Legal Claims and Settlements	OGC
24. Legal Defense and Indemnification of Employees	OGC
25. Legal Review of Contracts and Transactions	OGC
26. Possession and Carrying of Weapons	OGC
27. Protection of Individual Health Information	OGC

Mission Fulfillment Committee	Implementer
1. Intercollegiate Athletics – Twin Cities Campus	Pres Office
2. Academic Freedom and Responsibility	Provost
3. Academic Misconduct	Provost
4. Accessioning and Deaccessioning of Museum Collections	Provost
5. College Constitutions	Provost
6. Conflict Resolution Process for Student Academic Complaints	Provost
7. Copyright	Provost
8. International Education and Engagement	Provost
9. Libraries and Archives	Provost
10. Reserve Officer Training Corps	Provost
11. Student Conduct Code	Provost
12. Student Education Records	Provost
13. Student Financial Aid	Provost
14. Student Services Fee	Provost
15. Tuition and Fees	Provost + UFO
16. Disability Services	OED
17. Equity, Diversity, Equal Opportunity, and Affirmative Action	OED
18. Activities Involving Recombinant DNA or Other Potentially Hazardous Biological Agents	OVPR
19. Animal Care and Use	OVPR
20. Commercialization of Intellectual Property	OVPR
21. Openness in Research	OVPR
22. Research Involving Human Subjects	OVPR
23. Submitting and Accepting Sponsored Projects	OVPR
24. University of Minnesota Press	OVPR

Policy Implementers:

Acad Health – Academic Health System

Int Audit – Internal Audit

OBR – Office of the Board of Regents

OED – Office for Equity and Diversity

OGC – Office of the General Counsel

OVPR – Office of the Vice President for Research

Pres Office – Office of the President

Provost – Executive Vice President & Provost

UFO – University Finance & Operations

U Svcs – University Services



BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

June 8, 2018

AGENDA ITEM: Overview of Bylaws of the Board of Regents

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 provide an overview of the bylaws of the Board of Regents. The bylaws address the operation of the Board of Regents, including duties, responsibilities, and election of officers; committee meetings; rules of procedure; and delegation of authority.

This overview anticipates a comprehensive review of the bylaws as part of the committee’s 2018-19 workplan, which may inform revised language for action. The objective of the review is to ensure that the bylaws align with the Board’s preferences and modern practices.

BACKGROUND

The bylaws were first adopted in December 1889, and were last amended in July 2001. They may be amended by a two-thirds vote of the Board of Regents at any meeting.



UNIVERSITY OF MINNESOTA BOARD OF REGENTS

BYLAWS

INTRODUCTION

The Board of Regents of the University of Minnesota was established by the University Charter passed by the Legislative Assembly of the Territory of Minnesota in the Territorial Laws 1851, Chapter 3; and this establishment was perpetuated by the Constitution of the State of Minnesota, Article XIII, Section 3.

ARTICLE I. CORPORATE NAME AND SEAL

The name of the body corporate shall be *Regents of the University of Minnesota*. The corporation shall have a seal on which shall be inscribed the name of the corporation.

ARTICLE II. AUTHORITY AND RESPONSIBILITY

The government of the University of Minnesota shall be vested in a Board of twelve Regents as provided in an act approved in 1851 by the Legislative Assembly of the Territory of Minnesota* and affirmed in 1857 in the Constitution of the State of Minnesota, and as amended thereafter.

ARTICLE III. OFFICERS OF THE BOARD OF REGENTS

Section A. Officers

The officers of the Board of Regents shall consist of the Chancellor as ex officio President, Chair, Vice Chair, Secretary, and Treasurer. The Chair and Vice Chair shall be elected from members of the Board of Regents, but the Secretary and Treasurer need not be members of the Board of Regents.

Section B. Term of Office

The officers of the Board of Regents, except the President, shall be elected for a two-year term which shall commence on July 1 of the odd-numbered year following the annual meeting or shall serve until their successors are elected. The Board of Regents shall have the power to remove any officer when in its judgement the interest of the University requires it.

Section C. Duties and Responsibilities

(1) *Chancellor*. The Board of Regents by formal action on June 12, 1943, resolved that the Chancellor shall also be known and designated as the President of the University of Minnesota. The President shall be ex officio, non-voting, President of the Board of Regents and shall perform such duties as set forth in these bylaws or otherwise required by the Board.

*University of Minnesota Charter

The President of the University shall be elected by the Board of Regents whenever there is a vacancy and shall hold office at the pleasure of the Board. If the President is unable to serve, as determined by the Board of Regents, the Board may designate an Acting President.

(2) *Chair.* The Chair shall preside at the meetings of the Board of Regents. The Chair shall name and identify the duties and responsibilities of all committees, and shall fill committee vacancies arising from any cause whatsoever in the same manner. The Chair shall be empowered and authorized to execute such instruments and documents which would devolve upon the principal corporate officer.

(3) *Vice Chair.* In the absence of the Chair, the Vice Chair shall perform the duties ordinarily performed by the Chair of the Board of Regents.

(4) *Secretary.* It shall be the duty of the Secretary to record all of the proceedings of the Board of Regents and all committees of the Board of Regents and to carefully preserve all of its books and papers. The Secretary shall be the custodian of the corporate seal of the Regents of the University of Minnesota and shall duly execute for and on behalf of the "Regents of the University of Minnesota" or the "University of Minnesota" such instruments and documents which would devolve upon a corporate officer and would be usual to that office. The Secretary shall cause all notices to be duly given in accordance with the Bylaws of the Board of Regents and shall perform such other duties as the Board of Regents may direct.

(5) *Treasurer.* The Treasurer shall keep a true and faithful account of all moneys received and paid out and shall give such bonds for faithful performance as the duties of the Board of Regents may require.

Section D. Election of Officers

The election of the officers of the Board of Regents shall be conducted at the annual meeting in June of the odd-numbered year in accordance with the following procedure:

(1) The Nominating Committee, as described in Article V, Section C, shall prepare a slate of at least one candidate for Chair, Vice Chair, Secretary, and Treasurer of the Board of Regents.

(2) The report of the Nominating Committee shall be sent by United States mail or facsimile to each member of the Board of Regents at least ten calendar days prior to the annual meeting.

(3) After the report of the Nominating Committee has been presented at the annual meeting, nominations may be received from the floor.

(4) If there is only one nominee for each office, a member may move election of the nominated slate. The vote shall be by unanimous consent.

(5) If there are two or more nominees, election of each officer shall be conducted separately by roll call. The first nominee receiving at least seven votes is elected.

(6) If there are three or more nominees and no one is elected on the first four ballots, the nominee who received the least number of votes on the fourth ballot will be dropped. This procedure shall be used until two nominees remain or a nominee has been elected. In case of a tie for the least number of votes, balloting shall continue on all candidates until the tie is broken.

Section E. Vacancy of an Office of the Board of Regents

In the event of a vacancy in the office of the Chair, the Vice Chair shall assume the position of Chair and shall serve out the Chair's term of office. In the event of a vacancy of any other office of the Board of Regents, including the position of Vice Chair when the Vice Chair assumes the office of the Chair, an election shall be held for the unexpired term at a subsequent meeting of the Board of Regents. Nominations may be made from the floor. Voting shall be conducted according to Section D.

Written notice shall be sent to each member of the Board by United States mail or facsimile ten days prior to the date of the meeting at which the election shall be conducted.

ARTICLE IV. MEETINGS OF THE BOARD OF REGENTS

Section A. Annual Meeting

The annual meeting of the Board of Regents shall be held on the second Friday in June each year unless otherwise determined by the Board of Regents. Written notice shall be mailed ten calendar days prior to the annual meeting. The Board of Regents shall set its schedule of Regular Meetings for the ensuing year at the annual meeting.

Election of officers of the Board of Regents shall be held at the annual meeting of the odd-numbered years. Standing committees of the Board of Regents shall be appointed by the Chair at or immediately following the annual meeting of the odd-numbered years.

Section B. Regular Meetings

Regular meetings of the Board of Regents shall be held in accordance with the schedule of meetings approved at the annual meeting. The Board of Regents may vote to change the date of any regular meeting. Written notice of regular meetings shall be mailed ten calendar days prior to the meeting.

The Order of Business at regular meetings of the Board of Regents shall include, but not be limited to, the following:

1. Approval of Minutes
2. Report of the President of the Board
3. Report of the Chair of the Board
4. Receive and File Reports
5. Reports of Committees
 - a) Standing Committees
 - b) Special Committees
6. Old Business
7. New Business

Section C. Special Meetings

Special meetings of the Board of Regents to consider specific items of business may be called by the Chair of the Board, and shall be called by the Chair at the request of any five members thereof at such time and place, and in such form as the Chair may deem appropriate.

The Secretary shall provide reasonable public notice of special meetings, and the Chair may in special circumstances waive the requirement of written notice provided that other appropriate public notice is given.

ARTICLE V. COMMITTEES OF THE BOARD OF REGENTS

Section A. Standing Committees

The Chair of the Board of Regents shall name and identify the responsibilities of standing committees.

(1) *Membership.* The Chair of the Board of Regents shall appoint the Regents to all standing committees and shall designate the Committee Chair of each. Vacancies arising from any cause whatsoever shall be filled in the same manner.

(2) *Meetings.* Standing committees shall meet prior to the regular meeting of the Board of Regents. A special meeting of a standing committee to consider specific items of business may be called by the Chair of the Board, and shall be called at the request of the majority of the members thereof at such time and place and in such form and with reasonable notice, as the Chair may deem appropriate.

Section B. Nominating Committee

The Chair of the Board of Regents shall appoint a Nominating Committee of three members of the Board and designate the Committee Chair at the regular May meeting of the odd-numbered years. The Nominating Committee shall conduct itself according to Article III, Section D.

Section C. Special Committees

The Chair of the Board of Regents shall appoint the members, designate the Committee Chairs and identify the responsibilities of special committees.

ARTICLE VI. RULES OF PROCEDURE FOR MEETINGS OF THE BOARD OF REGENTS AND ITS COMMITTEES

Section A. Parliamentary Procedures

Robert's Rules of Order, in its most recent revised edition, shall guide the business of the Board of Regents for all meetings to the extent that they are consistent with law and these Bylaws. The University General Counsel shall rule on all disputed questions of procedure.

Section B. Open Meetings

The Board of Regents adopts as its policy the Minnesota Open Meeting Law as set forth in Minnesota statute. A motion to hold a non-public meeting must be put to a vote at a public meeting of the Board.

Section C. Quorum

A majority of the members of the Board of Regents, or of a committee, shall be necessary to constitute a quorum for meetings of the Board or meetings of a committee.

Section D. Voting the Question

The decision of the majority voting on the question shall prevail. The Secretary shall record the vote of each Regent. A Regent may abstain from voting. Voting by proxy or by mail shall not be permitted.

Participation and voting by Regents via telephone is permissible in special circumstances on approval of a majority of the members of the Board present, provided the Regent or Regents are available to participate in the items presented, discussed, and voted upon at that meeting, and they shall be counted towards determination of a quorum.

Section E. Business Before the Board of Regents

The Chair of the Board, in consultation with the President and Vice Chair and consistent with the Board of Regents Policy: *Board Operation and Agenda Guidelines*, approves items of business and the agenda to be considered at meetings of the Board of Regents and the standing or special committees. Any Regent may suggest items for the agenda or move to have an item discussed at a meeting.

All items shall be submitted to the Secretary for referral to the appropriate committee for review and consideration. Items and supporting documentation should be in the office of the Secretary at least ten calendar days before the meeting at which consideration is expected.

A request to appear before a meeting of the Board of Regents or its standing or special committees shall be submitted in writing to the Secretary, in advance of the meeting. The Chair shall rule on all requests. If the request is to appear before a committee, the Chair may also consult with the Committee Chair.

The Chair of the Board of Regents or one of the standing or special committees of the Board of Regents shall not ordinarily allow individuals who are not on the agenda to speak at meetings. The chairs of the various committees may allow such individuals to speak when they determine it is in the best interests of the University and will not unduly delay the matters before the particular committee.

The recommendations of Board committees shall be reported to and be subject to approval by the Board of Regents.

Section F. Protocol for Meetings of the Board of Regents

(1) All those in attendance at meetings of the Board of Regents may be asked to identify themselves to the Secretary or a designee upon entry to the meeting.

(2) Only members of the Board of Regents, the President, and those recognized by the Chair may address the Board.

(3) If space is limited in the meeting room, those with business before the Board of Regents and the members of the press shall have priority over those who are visitors.

(4) No flags, banners, signs, or similar displays shall be permitted in meetings of the Board of Regents.

(5) No person shall cause any disturbance, delay, or interference, or cause any threats thereof at any meeting of the Board of Regents or its committees. Further, no person shall intentionally or through coercion, force, or intimidation, deny or interfere with the right of another to free access or egress from any meeting.

(6) Visitors to meetings of the Board of Regents shall observe the reasonable requests of the Chair.

These rules and regulations are adopted for purposes of Minnesota Statute § 624.72.

Section G. Minutes of the Board of Regents Meetings

Minutes of the proceedings of the Board of Regents shall be kept by the Secretary, who shall cause them to be printed, bound, and preserved and who shall transmit copies to the members of the Board of Regents, University officers, administration, libraries, and to other places where it is deemed appropriate. All lengthy reports shall be referred to in the minutes and shall be kept on file as part of the University records, but such reports need not be incorporated in the minutes except when so ordered by the Board of Regents. The minutes shall reflect the votes cast in committee meetings on matters recommended to the Board of Regents for action.

Section H. Telephone Meetings

The Chair may decide that regular or special meetings of the Board or any of its committees and regular meetings may be held by telephone. For purposes of such a telephone meeting, all Regents who are connected by telephone shall count toward a quorum and may participate and vote. The Secretary shall give reasonable public notice of such meetings and shall make arrangements for the public to hear the telephone discussion, unless it is a non-public meeting.

ARTICLE VII. DELEGATION OF AUTHORITY

Section A. President, Executive Officers, and Administrators

The Board of Regents may authorize appropriate executive officers to act on behalf of the University, consistent with Board of Regents Policy: *Reservation and Delegation of Authority* and other Board policies. As the highest authority that can act on behalf of the University, the Board of Regents shall be the University General Counsel's ultimate client, unless the Board directs otherwise.

Section B. President, University Senate, and Faculties

All matters relating to the education and administrative affairs of the University, consistent with actions or policies of the Regents of the University of Minnesota heretofore or hereafter taken or established and including those incident to the management of the student body are, for the purpose of effectuating the government of the University under and by the Regents, committed to the President, the University Senate, and the several faculties, as provided in the Senate Constitution and as amended from time to time.

ARTICLE VIII. MISCELLANEOUS PROVISIONS

Section A. Code of Ethics and Conflict of Interest

The members of the Board of Regents shall be guided by the provisions set forth in the Code of Ethics policy adopted by the Board on October 12, 1973, and as amended from time to time.

Section B. Reimbursement for Expenses

Regents may be reimbursed for expenses incurred in the performance of official business in accord with the University's policy and procedures.

ARTICLE IX. AMENDMENTS TO BYLAWS

The Bylaws may be amended by a two-thirds vote of the Board of Regents at any meeting, provided, however, that notice of any proposed changes shall be sent by United States mail to the members of the Board of Regents 30 calendar days in advance of the meeting scheduled to consider such changes.

ARTICLE X. SUSPENSION OF BYLAWS

Any provision of these Bylaws other than those contained in Article VIII, Section A, may be suspended in connection with the consideration of a matter before the Board of Regents by an affirmative vote of two-thirds of the Board of Regents.

HISTORY: Adopted on December 10, 1889. Amended on June 15, 1929; May 9, 1939; June 12, 1954; June 10, 1967; February 9, 1968; September 10, 1971; July 14, 1972; June 8, 1973; February 13, 1976; March 11, 1977; July 10, 1981; January 10, 1986; November 10, 1994; December 12, 1997; February 12, 1999; May 14, 1999; February 11, 2000; July 12, 2001.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

June 8 2018

AGENDA ITEM: Information Items

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

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

PURPOSE & KEY POINTS

Completed Comprehensive Review of Board Policy

The purpose of this item is to inform the committee that the comprehensive review of the following Board policy has been completed and the policy implementer has recommended that no changes be made at this time:

- Board of Regents Policy: *Legal Review of Contracts and Transactions*

The policy is in the docket for reference.

If there are items that the committee would like addressed, those will be recorded and referred back to the policy implementer. If the committee raises no additional items, the comprehensive review process will be complete and the date of last comprehensive review will be noted within the policy.

BACKGROUND INFORMATION

The 2017-18 Governance & Policy Committee work plan included a pilot program to establish a process for Board input on policies where the policy implementer has determined that no changes are needed. Previously, this information was reported to the Board in the annual Board Policy Report.

Board of Regents Policy: *Board Policy Development* defines the comprehensive review process as follows:

Board policies shall be comprehensively reviewed every six years. The objective of the comprehensive review is to determine:

- whether the fundamental principles established in the policy still align with the strategic direction and mission of the University;

- if the policy is still needed; and
- if the policy aligns with current practice.

The comprehensive review process ensures that policies are monitored and reviewed in a timely manner. Policies are divided into “classes,” which seek to balance review load across policy implementers and Board committees in any given year.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 1 of 2

Administrative

**LEGAL REVIEW OF CONTRACTS
AND TRANSACTIONS**

Adopted: September 11, 1998

Amended: October 8, 2004; February 12, 2010

LEGAL REVIEW OF CONTRACTS AND TRANSACTIONS

This policy governs all contracts made on behalf of the Board of Regents (Board) of the University of Minnesota (University).

SECTION I. DEFINITIONS.

Subd. 1. Contract. *Contract* shall mean any written commercial contract or other agreement that creates a binding obligation upon the University.

Subd. 2. Transaction. *Transaction* shall mean any agreement for which a contract will be prepared that has not yet been reduced to final written form but whose essential business terms have been approved by the affected University unit.

SECTION II. INTERNAL CONTROL.

The general counsel shall:

- (a) Create and maintain for the University an appropriate framework of internal control (1) to evaluate and protect the University's interests in the execution of contracts and (2) to ensure presentation to the Board of all contracts and transactions that require Board notification or specific Board approval.
- (b) Develop appropriate procedures and forms, in consultation with affected University units, to implement this policy and achieve the objectives as stated in Board policy. The procedures and forms shall be designed so that:
 - (1) contracts comply with applicable laws and regulations and University policies and standards;
 - (2) contracts are properly executed by a person with delegated authority;
 - (3) significant or unique legal risks are brought to the attention of the person authorized to execute the contract; and
 - (4) contractual obligations of the University are undertaken using an appropriate form.

SECTION III. CONTRACTS AND TRANSACTIONS REQUIRING BOARD APPROVAL.

All contracts and transactions that are subject to specific approval by the Board shall be reviewed first by the general counsel to ensure that:

- (a) the contract or transaction summary presented to the Board accurately reflects the terms agreed to by the University;
- (b) the contract is or, in cases where only a transaction summary is presented, will be prepared for execution by an authorized University official; and



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY

Page 2 of 2

Administrative

**LEGAL REVIEW OF CONTRACTS
AND TRANSACTIONS**

Adopted: September 11, 1998

Amended: October 8, 2004; February 12, 2010

- (c) the contract is or, in cases where only a transaction summary is presented, will be in compliance with applicable laws, regulations, and Board and administrative policies.

SECTION IV. EXEMPTION.

The general counsel may exempt from individualized legal review:

- (a) contracts that are prepared on forms developed by the general counsel;
- (b) contracts that are prepared on forms developed by others that have been approved by the general counsel; and
- (c) contracts that do not present material risks because, prior to their execution, they have been evaluated by the president or delegate using procedures, instructions, and checklists provided by the general counsel or otherwise meet criteria for exemption established by the general counsel.