



# Governance & Policy Committee

June 2019

June 14, 2019

7:45 a.m.

Boardroom, McNamara Alumni Center

## GOV - JUN 2019

### 1. Update on Administrative Policy Alignment Review

Docket Item Summary - Page 3

Presentation Materials - Page 5

### 2. 2019 Board Policy Report

Docket Item Summary - Page 15

Report - Page 16

### 3. Board of Regents Annual Planning Process

Docket Item Summary - Page 19

Presentation Materials - Page 21

### 4. Update on Potential Changes to Board of Regents Policy: Code of Ethics for Members of the Board of Regents

Docket Item Summary - Page 27

Presentation Materials - Page 29



# BOARD OF REGENTS DOCKET ITEM SUMMARY

---

**Governance & Policy**

**June 14, 2019**

**AGENDA ITEM:** Update on Administrative Policy Alignment Review

**Review**                       **Review + Action**                       **Action**                       **Discussion**

*This is a report required by Board policy.*

**PRESENTERS:** Michele Gross, Director, Policy Program, Office of Institutional Compliance  
Jason Langworthy, Board Associate, Policy & Committees

## **PURPOSE & KEY POINTS**

The purpose of this item is to provide an update on the Administrative policy alignment review.

During the last comprehensive review of Board of Regents Policy: *Board Policy Development*, the Board added language directing the president to ensure a regular, ongoing alignment review between other University policies and Board policy. That comprehensive review was completed in May 2017.

Since then, the University Policy Program has completed Phase One of its review. Phase One examined all systemwide Administrative policies, policies specific to the Twin Cities campus, and policies that direct multiple system campuses that are directly or indirectly related to a Board policy (88 of 199 administrative policies were reviewed). Phase Two of the alignment review will focus on campus-specific and collegiate policies.

## **Phase One Findings**

The University Policy Program identified four areas where Administrative policies were out of alignment with Board policy:

1. Board of Regents Policy: *Awards, Honors, and Recognition* was amended in May 2016 to remove awards, honors, and recognitions that are not approved directly by the Board. All other awards previously listed in Board policy but approved by other University offices were to be transitioned to Administrative policy. In addition, a new section (Section V) delegates to the president the responsibility to ensure that appropriate Administrative policies are maintained to support the creation and granting of other awards for the University. The policy amendment occurred during maintenance of a status quo order that was in effect from January 2016 to October 2017, and no change was made to Administrative Policy: *Outstanding Contributions to Education*. The Office of the Provost will revise the policy in FY 2020 to address the gap.
2. Board of Regents Policy: *Employee Development, Education, and Training* provides for three categories of faculty leaves, including a sabbatical leave of up to one year at one-half salary and full benefits. The matching Administrative Policy: *Faculty Development Leaves* specifies the same three categories of faculty leaves. However, the maximum duration of a sabbatical

leave is shown as 11 months for faculty on a fiscal year appointment with one-half salary and full benefits. The Office of the Provost will revise the policy in FY 2020 to ensure that the timeframe aligns.

3. Board of Regents Policy: *Campus Public Art* requires the president or delegate to approve campus public art projects in accordance with other Board policies and "... maintain administrative policy and procedures to guide decision-making related to the acceptance, commissioning, development, acquisition, installation, and conservation of campus public art." No policy or procedure currently exists to guide this decision-making. There is a flexible protocol used by the public art curator in the Weisman Art Museum, but it is not documented. The Office of the Provost and University Services will create and publish a policy in FY 2020 to satisfy this requirement.
  
4. Board of Regents Policy: *Academic Misconduct* states that "the University of Minnesota has a responsibility to foster a research environment that promotes the responsible conduct of research and research training and discourages academic misconduct." The definition of academic misconduct, the application, and expectations broaden the focus to research, scholarly, and artistic activities. The matching Administrative Policy: *Research Misconduct* retains the broader scope in the introductory paragraphs, but hones in on the research misconduct aspects and processes to address allegations of research misconduct. Administrative Policy: *Reporting Suspected Misconduct* encompasses compliance with all governing rules, regulations and policies, which includes academic misconduct. The University's reporting service, UReport, also provides for the reporter to identify a category of academic misconduct. The Office of the Provost will launch a work group in FY 2020 to review this subject area and identify any potential gaps.

## **BACKGROUND INFORMATION**

Board of Regents Policy: *Board Policy Development* defines the University policy framework and requires the president or delegate to ensure that there is an ongoing alignment review between Board and other University policies.

# Update on Administrative Policy Alignment Review

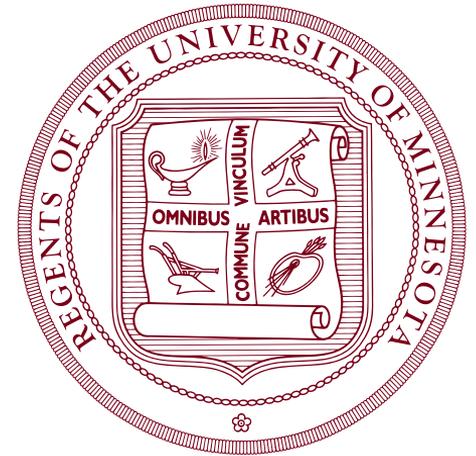
Michele Gross

Director, Policy Program, Office of Institutional Compliance

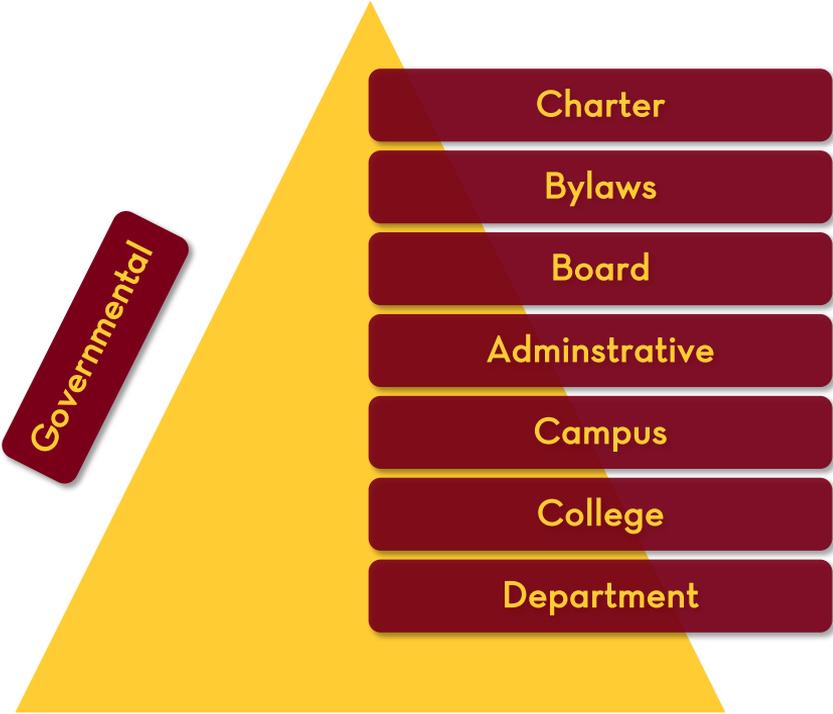
Jason Langworthy

Board Associate, Policy & Committees

June 14, 2019



# University Policy Framework Hierarchy



# Alignment Review

- The last comprehensive review of Board of Regents Policy: *Board Policy Development* raised questions regarding alignment between Board policy and other University policies.
- The Board added language requiring the president or delegate to “... regularly review other University policies for alignment with Board policy.”



# Comparison: Administrative Policies to Board of Regents Policies

- Phase One: policies administered by the University Policy Program (88 of 199 policies)
  - University-wide administrative policies
  - Policies specific to the Twin Cities campus
  - Policies that direct multiple system campuses
- Phase Two: campus-specific policies and collegiate policies



# Phase One - Finding One

- Board of Regents Policy: *Awards, Honors, and Recognition*
  - May 2016 – only awards, honors, and recognitions approved directly by the Board remain in the revised policy
  - Status quo order was in place until October 2017
  - Revision created a gap



The Office of the Provost will revise the Administrative policy in FY 2020 to address the gap.

# Phase One - Finding Two

- Board of Regents Policy: *Employee Development, Education, and Training*
  - Provides for a sabbatical leave of up to one year at one-half salary and full benefits.
- Administrative Policy: *Faculty Development Leaves*
  - Provides for a sabbatical leave of up to eleven months at one-half salary and full benefits.



The Office of the Provost will revise the Administrative policy in FY 2020 to ensure that the timeframe aligns.

# Phase One - Finding Three

- Board of Regents Policy: *Campus Public Art*
  - Specifies that the president or delegate shall “... maintain administrative policy and procedures to guide decision-making related to the acceptance, commissioning, development, acquisition, installation, and conservation of campus public art.”
- No administrative policy has been developed. There is a protocol followed by the Weisman Art Museum, but it is flexible and not documented.



The Office of the Provost and University Services will create and publish a policy in FY 2020 to satisfy this requirement.

# Phase One - Finding Four

- Board of Regents Policy: *Academic Misconduct*
  - Focus is on responsible conduct of research and research training.
  - Content also covers scholarly, and artistic activities of all employees.
  - Directs the president or delegate to “... administer this policy and is authorized to adopt and amend administrative procedures to ensure its implementation.”



# Phase One - Finding Four

- Administrative Policy: *Research Misconduct*
  - Title change in 2012 (from Academic Misconduct)
  - Aligns with the Federal Research Misconduct policy
  - Policy references the broader scope
- Administrative Policy: *Reporting Suspected Misconduct*
  - Broad enough to capture all types of misconduct
  - UReport has a category for reporting academic misconduct



The Office of the Provost will launch a work group in FY 2020 to review this subject area and identify any potential gaps.



UNIVERSITY OF MINNESOTA

**Driven to Discover®**

Crookston Duluth Morris Rochester Twin Cities

The University of Minnesota is an equal opportunity educator and employer.



# BOARD OF REGENTS DOCKET ITEM SUMMARY

---

**Governance & Policy**

**June 14, 2019**

**AGENDA ITEM:** 2019 Board Policy Report

**Review**                       **Review + Action**                       **Action**                       **Discussion**

*This is a report required by Board policy.*

**PRESENTERS:** Jason Langworthy, Board Associate, Policy & Committees

## **PURPOSE & KEY POINTS**

The purpose of this item is discussion of the 2019 Board Policy Report.

The report includes two sections – a summary of the current year, and the upcoming year’s plan. The 2018-19 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 2019-20 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  
**2019 Board Policy Report**

**2018-19 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.

<b>Comprehensively Reviewed - No Revisions Recommended</b>	
1. Academic Freedom and Responsibility	
2. Conflict Resolution Process for Employees	
3. Faculty Tenure	
4. Internal Control	
5. Libraries and Archives	
6. Mission Statement	
7. Possession and Carrying of Weapons	
8. Safety of Minors	
9. Submitting and Accepting Sponsored Projects	
<b>Amended by the Board of Regents</b>	<b>Date Amended</b>
10. Appointments to Organizations and Boards*	February 2019
11. Bylaws of the Board of Regents	October 2018
12. Regents of the University of Minnesota Traffic Regulation Ordinances	February 2019
13. Research Involving Human Subjects *	December 2018
<b>Pending Review by the Board of Regents</b>	<b>Anticipated Review</b>
14. Selection of Design Professionals & Wage Rates for Contractors	October 2019
15. Targeted Business, Urban Community Economic Development, and Small Business Programs	October 2019
<b>Still Under Review by Policy Implementer</b>	
16. American Indian Advisory Boards	
17. Appearances Before the Legislature and Other Public Bodies	
18. Code of Ethics for Members of the Board of Regents	
19. Debt Transactions	
20. Intercollegiate Athletics - Twin Cities Campus	
21. Nepotism and Personal Relationships	

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

## 2019-20 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.

<b>Policies for Comprehensive Review</b>	<b>Last Reviewed</b>	<b>Adopted or Last Amended</b>	<b>Policy Implementer</b>
1. Accessioning and Deaccessioning of Museum Collections	2013	July 2004	Provost
2. Appointments to Organizations and Boards	2014	February 2019	Board of Regents
3. Code of Conduct	2016	December 2016	President
4. Employee Group Definitions	First Review	December 2005	Human Resources
5. Endowment Fund	2014	May 2018	University Finance
6. Gifts Received and Given by Regents and University Officials	2014	October 2014	General Counsel
7. Postemployment	2005	April 1980	Internal Audits
8. Private Practice Plan – University of Minnesota School of Nursing	2005	March 2005	Academic Health Sciences
9. Private Professional Practice – University of Minnesota Medical School Duluth	2005	March 2005	Academic Health Sciences
10. Private Practice Plan – University of Minnesota Medical School Twin Cities	2005	March 2005	Academic Health Sciences
11. Protection of Individual Health Information	2013	March 2009	General Counsel
12. Student Education Records	2011	May 2011	Provost
13. Student Representatives to the Board of Regents	2014	March 2014	Board of Regents
14. Sustainability and Energy Efficiency	2010	July 2004	University Services
<b>Carried Over from 2018-19 Plan</b>	<b>Last Reviewed</b>	<b>Adopted or Last Amended</b>	<b>Policy Implementer</b>
15. American Indian Advisory Boards	October 2015	January 1994	Equity and Diversity

Carried Over from 2018-19 Plan	Last Reviewed	Adopted or Last Amended	Policy Implementer
16. Appearances Before the Legislature and Other Public Bodies	February 2010	November 2006	President
17. Code of Ethics for Members of the Board of Regents	June 2013	February 2012	Board of Regents
18. Debt Transactions	December 2012	December 2012	University Finance
19. Intercollegiate Athletics - Twin Cities Campus	July 2009	July 2009	President
20. Nepotism and Personal Relationships	May 2012	May 2012	Equity and Diversity

## 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 14, 2019**

**AGENDA ITEM:** Board of Regents Annual Planning Process

**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 outline the annual planning process used to support and enable the effectiveness of the Board of Regents in exercising its governing responsibilities. The objective of the planning 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 the administration in advancing the work of the University. The priorities 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. **Educate** – items that educate the Board or lay groundwork for future discussions. These items may be part of a series that informs future discussions or action, but should rarely be an end in and of themselves.
2. **Engage** – items that engage the Board in its strategic governance role. These items actively engage the Board and seek input and direction on high-level initiatives. They provide an opportunity for senior leaders to bring their best fresh thinking on a specific topic, or lay out options for reaction and discussion. These items may also establish a framework for future action and for how progress will be measured.
3. **Act** – items that request Board action. These topics are often tied to an approval threshold or authority reserved to the Board in policy. While some items are included on consent agendas, others can provide an opportunity for the Board and senior leaders to engage in strategic governance conversations before approval is required.

## **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.

In August, committee chairs/vice chairs, supported by Board staff, work with the Office of the President and senior leader liaisons to the committees to develop committee work plans. The committee portfolios outlined in Board of Regents Policy: *Board Operations and Agenda Guidelines* serve as a guide for work planning. In addition, Regents are asked to contribute potential topics for each committee.

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 the administration 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**

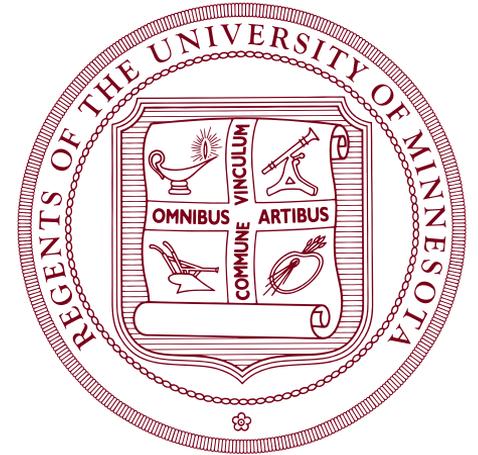
Board of Regents Policy: *Board Operations and Agenda Guidelines* states, “Each year the Board outlines its priorities and its committees develop work plans with advice of the president or delegate. Committee work plans outline major agenda items and discussion topics for the year.” The policy also requires the Board’s executive director and 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 Steeves

Executive Director & Corporate Secretary

June 14, 2019



# Planning Objectives

- Guide development of quality agendas that result in impactful Board and committee meetings.
- 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.



# Balanced Agendas

- **Educate** – items that educate the Board or lay groundwork for future discussions.
- **Engage** – items that engage the Board in its strategic governance role.
- **Act**– items that request Board action.



# Discussion Questions

- How well have agendas delivered balance across **Educate, Engage, and Act**?
- Are topic arcs – such as the graduate and professional studies series in Mission Fulfillment, or the operating budget series in Finance & Operations – effective?





UNIVERSITY OF MINNESOTA

**Driven to Discover®**

Crookston Duluth Morris Rochester Twin Cities

The University of Minnesota is an equal opportunity educator and employer.



# BOARD OF REGENTS DOCKET ITEM SUMMARY

---

**Governance & Policy**

**June 14, 2019**

**AGENDA ITEM:** Update on Potential Changes to Board of Regents Policy: *Code of Ethics for Members of the Board of Regents*

**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 update the committee on the comprehensive review of Board of Regents Policy: *Code of Ethics for Members of the Board of Regents*.

During the October and December meetings, the committee considered the role of a code of ethics and how it interacts with the role and responsibilities of the Board and individual Regents. Areas where the committee came to consensus include:

- Adding specific language defining the fiduciary duties of care, loyalty, and obedience.
- Retaining current conflict of interest process and financial disclosure requirements.
- Retaining paramount interest and public trust text.
- Continuing current expense reimbursement provisions.
- Merging current policy language related to the code of ethics and responsibilities of the Board into one policy to increase clarity and reduce redundancy across multiple policies.
- Moving gift related provisions for Regents from Board of Regents Policy: *Gifts Received and Given by Regents and University Officials* and provide a dollar threshold for items of “reasonable value.”

At the June meeting, the committee – newly constituted with the four Regents elected in May – will build on its previous discussions and focus on the additional topics raised in October and December, as follows:

- Additional guidance for how Regents communicate with external groups and the media.
- Whether to define a formal process for disputes, or determine that the process outlined in *Robert’s Rules of Order* is sufficient.
- Whether remedies for breaches of the code of ethics are needed.
- Whether to develop guidelines for how Regents request University information, including expectations for the administration when responding.
- Guidance for how Regents participate in partisan political activity.
- Additional conflict of interest provisions for when a Regent’s family member is a University employee.

- Determination of the structure of the code of ethics – whether to include all language in policy, or bifurcate the current language, with some language flowing into formal policy and other language living in a set of guidelines or handbook.

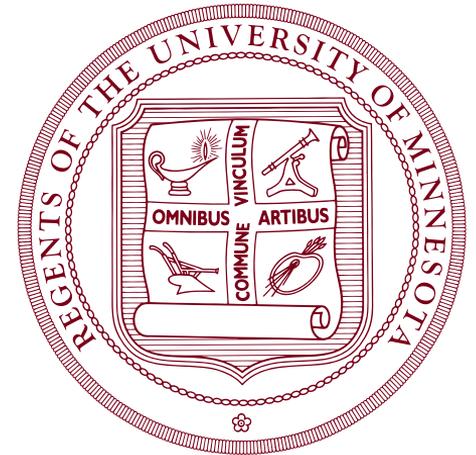
Feedback from the June discussion will inform the comprehensive review of Board of Regents Policy: *Code of Ethics for Members of the Board of Regents*, including the development of specific content for review and action.

# Update on Potential Changes to Board of Regents Policy: *Code of Ethics for Members of the Board of Regents*

Brian Steeves

Executive Director & Corporate Secretary

June 14, 2019



# Overview

- Board of Regents Policy: *Code of Ethics for Members of the Board of Regents* is currently under comprehensive review.
- Previous conversations in October and December have addressed a variety of topics in the policy and reached a number of points of consensus.
- Additional feedback is needed around a few key areas and will inform any potential changes to the policy.



# Areas of Consensus

- Add specific language defining the fiduciary duties of care, loyalty, and obedience.
- Retain current conflict of interest process and financial disclosure requirements.
- Retain paramount interest and public trust text.
- Continue current expense reimbursement provisions.
- Merge current policy language related to code of ethics and responsibilities of the Board into one policy to increase clarity and reduce redundancy across multiple policies.
- Move gift related provisions for Regents from Board of Regents Policy: *Gifts Received and Given by Regents and University Officials*.



# Open Areas for Discussion

- Communication with external groups and the media.
- Define a formal process for disputes, or use *Robert's Rules of Order*?
- Whether remedies for breaches of the code of ethics are needed.
- Whether to address Regent requests for University information and expectations for the administration when responding.
- Guidance for how Regents participate in partisan political activity.
- Additional conflict of interest provisions for when a Regent's family member is a University employee.
- Structure of the code of ethics - formal policy vs. mix of policy and guidelines



# Communication

- Currently, Board of Regents Policy: *Responsibilities of the Board and Individual Regents* creates the expectation that the president is the primary spokesperson for the University and the chair of the Board is the only person authorized to speak for the Board.
- Should additional guidance be added regarding communication by Regents to external groups and the media?



# Breaches of the *Code of Ethics*

- Should a process for addressing breaches in the *Code of Ethics* be codified in policy, or should the Board use the process outlined in *Robert's Rules of Order*?
- Should the *Code of Ethics* include remedies for breaches of the code?



# Information Requests

- Should a process be established within policy that sets clear expectations for how Regents request University information and how the administration handles those information requests?



# Partisan Political Activity

- Current policy language requires a Regent to resign from the Board upon officially announcing candidacy for any partisan elective public office.
- Should that language be amended to allow Regents to run for elective public office with partisan endorsement, while providing guidance to Regents on how their engagement could impact the University?



# Conflict of interest related to a Regent's family member

- The *Code of Ethics* already includes provisions regarding the process for a Regent who has a family member doing business with the University.
- Should the policy contain guidance related to a conflict of interest for a Regent if the Regent's family members are University employees?



# Potential Code of Ethics Structure

- Policy
  - All principles, definitions, and procedures are included in Board policy.
- Policy plus guidelines
  - Current language is separated into areas that remain in policy and areas that are moved into a broader set of guidelines.



# Policy vs. Guidelines

- Current guidelines required by Board policy include:
  - Guidelines for Expenses
  - Ticket Guidelines and Processes
  - Board policy comprehensive review process
  - Presidential performance review process
  - Presidential compensation-setting process





UNIVERSITY OF MINNESOTA

**Driven to Discover<sup>®</sup>**

Crookston Duluth Morris Rochester Twin Cities

The University of Minnesota is an equal opportunity educator and employer.