



Governance & Policy Committee

May 2017

May 11, 2017

1:15 p.m. - 2:45 p.m.

East Committee Room, McNamara Alumni Center

GOV - MAY 2017

1. Board of Regents Policy: Reservation and Delegation of Authority (Board Authority) - Action
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2. Board of Regents Policy: Board Policy Development - Action
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3. Board Operations: Board Meeting Format and Committees
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BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

May 11, 2017

AGENDA ITEM: Board of Regents Policy: *Reservation and Delegation of Authority* (Board Authority)

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

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

PURPOSE & KEY POINTS

The purpose of this item is to take action on proposed amendments to Board of Regents Policy: *Reservation and Delegation of Authority*. The proposed amendments would repeal Board of Regents Policy: *Board Authority* by integrating it into *Reservation and Delegation of Authority* in the following manner:

- *Board Authority*, Subd. 1 would be added to *Reservation and Delegation of Authority* Article I, new Subd. 4.
- *Board Authority*, Subd. 2 would be added to *Reservation and Delegation of Authority* Article II, Section VI, new Subd. 1.
- *Board Authority*, Subd. 3 is replicated in other Board policies, most prominently in Board of Regents Policy: *Responsibilities of the Board and Individual Regents*, and so would not be added to *Reservation and Delegation of Authority*.

The proposed amendments are a result of a comprehensive review of *Board Authority* and align with the goal of consolidating and streamlining Board policy when possible.

BACKGROUND INFORMATION

Board of Regents Policy: *Board Authority* was comprehensively reviewed in 2009. At that time, amendments were made to provide language and formatting consistent with other Board policies.

The Governance & Policy Committee reviewed the proposed amendments on December 8, 2016. No subsequent changes were made to the proposed amendments.



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BOARD OF REGENTS POLICY

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Delegation of Authority

RESERVATION AND DELEGATION
OF AUTHORITY

Adopted: April 5, 2001

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

Technical Change: December 11, 2013;
March 31, 2016; February 10, 2017

Supersedes: (see end of policy)

Draft for Action

RESERVATION AND DELEGATION OF AUTHORITY

ARTICLE I

RESERVATION OF AUTHORITY

SECTION I. GENERAL RESERVATIONS OF AUTHORITY.

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

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

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

Subd. 4. The authority of the Board resides only with the Board as a whole and not in its individual members, except as the Board itself may have delegated specific authority to one of its members or one of its committees.

Subd. 4 5. The Board reserves to itself authority to approve the use, and revocation of the use, of its corporate name or any abbreviated name, including *University of Minnesota*, by any non-University person or entity, consistent with Board policies. The Board also reserves authority over the removal of the corporate name or any abbreviated name from the name of any University campus, college, school, division, or unit, consistent with Board policies.

Subd. 5 6. The Board reserves to itself authority to approve any commercial transaction or matter not otherwise subject to Board approval if the transaction or matter:

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



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Delegation of Authority

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Supersedes: (see end of policy)

Draft for Action

SECTION II. CONDUCT OF BOARD BUSINESS.

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

SECTION III. ELECTION OF BOARD OFFICERS.

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

SECTION IV. APPOINTMENT AUTHORITY.

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

- (a) Executive Vice President and Provost
- (b) Chancellor
- (c) Senior Vice President for Finance and Operations
- (d) Vice President
- (e) Provost
- (f) General Counsel
- (g) Librarian
- (h) Chief Auditor
- (i) Dean
- (j) Athletic Director, Twin Cities campus
- (k) Such other administrative positions as the Board may specify from time to time.

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

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

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

SECTION V. ACADEMIC MATTERS.

Subd. 1. The Board reserves to itself authority to grant academic degrees, grant faculty indefinite



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Supersedes: (see end of policy)

Draft for Action

tenure, grant continuous appointments to academic professionals, and award the title faculty emeritus, consistent with Board policies.

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

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

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

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

SECTION VI. AWARDS, HONORS, AND NAMINGS.

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

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

SECTION VII. BUDGETARY, FINANCIAL, AND INVESTMENT MATTERS.

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

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

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



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Draft for Action

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

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

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

SECTION VIII. PROPERTY, FACILITIES, AND CAPITAL BUDGETS.

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

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

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

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

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

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

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

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

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



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

SECTION IX. LEGAL MATTERS.

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

SECTION X. AUDIT FUNCTION.

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

SECTION XI. EMPLOYMENT AND LABOR RELATIONS.

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

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

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

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

SECTION XII. ASSOCIATED ORGANIZATIONS.

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



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Draft for Action

ARTICLE II

DELEGATION OF AUTHORITY

SECTION I. DELEGATION OF AUTHORITY TO THE PRESIDENT.

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

SECTION II. LIMITATIONS UPON PRESIDENTIAL AUTHORITY.

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

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

SECTION III. DELEGATION OF AUTHORITY BY THE PRESIDENT.

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

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

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

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

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



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Supersedes: (see end of policy)

Draft for Action

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

**SECTION V. DELEGATION OF AUTHORITY TO THE BOARD SECRETARY,
TREASURER, GENERAL COUNSEL, AND CHIEF AUDITOR.**

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

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

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

SECTION VI. CONFORMANCE WITH THIS POLICY.

Subd. 1. Any request or demand by a Board member for action must be consistent with the written policies, rules, and regulations of the Board and the University.

Subd. 2. No executive officer or employee of the University shall have any authority to take any action or make any representation on behalf of the University beyond the scope of, or materially inconsistent with, the authority delegated to such executive officer or employee as provided in this policy.

Subd. 3. The secretary and the general counsel each shall have the duty to inform the Board of any existing or proposed Board policy or directive that is inconsistent with or alters the delegations of authority as provided in this policy.

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



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BOARD OF REGENTS POLICY

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Board Operations

BOARD AUTHORITY

Adopted: September 9, 1988

Amended: October 10, 2003; March 13, 2009

BOARD AUTHORITY

Subd. 1. Authority. The authority of the Board of Regents (Board) resides only with the Board as a whole and not in its individual members, except as the Board itself may have delegated specific authority to one of its members or one of its committees.

Subd. 2. Compliance. Any request or demand by a Board member for action must be consistent with the written policies, rules, and regulations of the Board and the University.

Subd. 3. University Management. Members of the Board should be vigilant to ensure they are fully informed about the effectiveness of management at the University. Specific recommendations about University operations shall be presented in public meetings of the Board or its committees.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

May 11, 2017

AGENDA ITEM: Board of Regents Policy: *Board Policy Development*

Review Review + Action Action Discussion

This is a report required by Board policy.

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

PURPOSE & KEY POINTS

The purpose of this item is to take action on proposed amendments to Board of Regents Policy: *Board Policy Development*. The proposed amendments respond to the committee discussion from October 2016 and items identified during the comprehensive review process. The major proposed amendments include:

- Clarifying language on how the Board adopts and amends Board policy.
- Aligning the process for Board action on other University policies in unusual circumstances.
- Codifying the comprehensive review process for Board policies, while making it clear that Board policies can be amended outside of the comprehensive review process.

Since the committee reviewed the policy in December 2016, the following changes have been made:

- Added language to Section II (which will become Section III) that states the Board's expectation that the administration will make certain that other University policies are in alignment with Board policy.
- Revised Section V (which will become Section VI) to direct the administration to ensure that there is a regular, ongoing alignment review between other University policies and Board policy, but eliminated the "sample" language.

BACKGROUND INFORMATION

Board of Regents Policy: *Board Policy Development* was comprehensively reviewed in 2009. At that time, amendments were made to provide language and formatting consistent with other Board policies.



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BOARD OF REGENTS POLICY

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Board Operations

BOARD POLICY DEVELOPMENT

Adopted: March 8, 1991

Amended: May 12, 1995; October 8, 2004;
March 13, 2009

Supersedes: (see end of policy)

Draft for Action

BOARD POLICY DEVELOPMENT

SECTION I. SCOPE.

This policy defines policies of the Board of Regents (Board), distinguishes them from other University of Minnesota (University) policies, and describes the process through which Board policies are developed, ~~and~~ adopted, ~~and maintained~~.

SECTION II. POLICY TYPES.

Subd. 1. Board Policies. Board policies generally deal with the University as a whole, establishing fundamental principles as a basis and guide for later action. Board policies are intended to be enduring rather than responses to a particular issue. Procedures are occasionally part of Board policies when such procedures bring clarity to the nature of the principle. More often, procedures are developed and refined administratively.

~~Board policies are specifically identified as such when considered and adopted by the Board. Substantive amendments to Board policies also must be adopted by the Board. The Board adopts Board policies and all substantive amendments.~~

Subd. 2. Other University Policies. Other University policies are needed to administer the University and its various units in accordance with state and federal legislation, reasonable administrative practice, and Board policy. While these policies may contain basic principles, they generally include procedures for managing the institution. The scope of other University policies varies. Generally, other University policies are developed, approved, implemented, and modified according to administrative policy.

When unusual circumstances suggest the advisability of Board ~~approval~~ ratification of other University policies, changes to such policies ~~also~~ shall be submitted to the Board for action. University policies that have been reviewed and acted upon by the Board are noted in Board minutes.

SECTION III. CONFLICTS WITH OTHER UNIVERSITY POLICIES.

~~The president or delegate shall ensure that all other University policies are in alignment with Board policy.~~ If other University policies conflict with Board policy, Board policy takes precedence.

SECTION III IV. CORRECTIONS.

~~Occasionally, minor corrections of Board policies are required if, for example, administrative titles or customary language usages change. When the substance of a policy is not altered, the executive director/secretary of the Board is authorized to make appropriate corrections after review by the Board chair. The executive director and corporate secretary, with consent of the Board chair, may make corrections to Board policies that do not alter the substance of the policy.~~



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Board Operations

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Adopted: March 8, 1991

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Supersedes: (see end of policy)

Draft for Action

SECTION IV-V. FORMAT.

Policies presented to the Board for consideration and adoption as Board policy shall include the following:

- (1) principles to guide subsequent action at the University;
- (2) text written in declarative statements; and
- (3) a distinctive format and page design (to be determined by the Board Office) that includes a history of the policy and any amendments.

SECTION VI. REVIEW.

Subd. 1. Comprehensive Review. 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 shall be developed and executed by the Board Office in alignment with Board of Regents Policy: *Board Operations and Agenda Guidelines*. For each Board policy, a senior leader liaison shall be identified. The Board Office shall include the results of the annual comprehensive review as a component of the annual Board of Regents Policy Report.

Subd. 2. Amendments to Board Policy. The Board may amend Board policies outside of the comprehensive review process in accordance with Board of Regents Policy: *Board Operations and Agenda Guidelines*.

Subd. 3. General Counsel Review. The Office of the General Counsel shall review all policies for consistent form and legality prior to adoption or amendment by the Board.

Subd. 4. Alignment Review. The president or delegate shall regularly review other University policies for alignment with Board policy.

Supersedes: Regents' Policies Statement dated February 8, 1974; and Authority to Correct Policies dated July 8, 1983.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

May 11, 2017

AGENDA ITEM: Board Operations: Board Meeting Format and Committees

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 continue the comprehensive review of Board of Regents Policy: *Board Operations and Agenda Guidelines*. This discussion will focus on the Board’s meeting format and committee structure.

Higher education paradigms are being hotly debated across the country, and governing boards are increasingly sensing that they must adapt to become more engaged and strategic, while also increasing their capacity to be nimble. Interdisciplinarity, too, is affecting governing boards, which may need to adapt their oversight structures to address administrative and academic issues more holistically.

At the University, Regents are increasingly noting a desire to be more fully engaged with a broader spectrum of items that come before the Board. Some Regents have also expressed an interest in having the full Board meet together to consider certain agenda items. The Board’s planning calendar has attempted to meet this demand through an increased number of full Board work sessions and by moving certain items away from committees and onto the Board’s Friday agenda.

However, the fact remains that the current committee structure splits the Board in half and runs concurrent committee meetings, preventing Regents from participating in most of the discussion around many of the issues that come before the Board. The current format also prevents Regents from participating in the thorough review and approval of various action items that takes place at the committee level (although the Board still takes final action).

With the upcoming election of Board leadership and biennial committee assignment process, a potential new meeting structure is before the committee for discussion. Included in the docket is detail on this possible structure, as well as a summary of the current structure.

Should Regents wish to make adjustments to address changing expectations for how the Board engages in its governance work, OBR believes that the proposed structure outlined in the docket could:

1. Enhance opportunities for the Board to focus collectively on consequential issues.
2. Reduce information asymmetry.
3. Promote greater Board cohesion.
4. Increase transparency and public access to the Board's work.

BACKGROUND

- Board of Regents Policy: *Board Operations and Agenda Guidelines* was comprehensively reviewed in 2012. At that time, the Board clarified its annual planning process, revised its meeting schedule, and more clearly articulated Board staff duties and responsibilities.
- Included in the 2012 comprehensive review was a realignment of the standing committees. The Faculty, Staff, and Student Affairs Committee was separated, with the student affairs component joined with the then Educational Planning & Policy Committee to form the Academic & Student Affairs Committee. This change also resulted in the formation of the Faculty & Staff Affairs Committee. At the same time, oversight for operations was moved from the Finance & Operations Committee to the Facilities Committee.
- In 2013, Board leadership created a Special Committee on Academic Medicine. Its charge was to deepen Board understanding of academic medicine; it did not have any formal authority. It was discontinued in 2015.
- In 2015, Board leadership created the Governance & Policy Committee to enhance Board performance and address policy matters that crossed committee boundaries.
- Over the last two years, some Regents have expressed a desire for a fuller review of the annual operating budget and annual capital improvement budget by the full Board. Regents not serving on the Finance Committee noted that they did not have access the same level of detailed information and discussion about these vital action items. In turn, members of the Finance Committee would receive duplicate information and often have to repeat their comments in other meetings. In response, the Board's planning calendar has included additional agenda items focused on the formation of the operating and capital improvement budgets and additional information presented to the full Board that in the past had been presented only at the committee level.
- The Board's committees have expanded and evolved over time. In 1974, for example, the Board's committees included an Executive Committee; Committee of the Whole; Educational Policy and Long-Range Planning Committee; Student Concerns Committee; Faculty, Staff, and Public Relationships Committee; Physical Plant and Investments Committee; Budget, Audit, and Legislative Relationships Committee; and the Health Sciences Committee. In 1989, the Board's committees changed to include the Audit Committee; Physical Planning & Operations Committee, Finance & Legislative Committee; Faculty, Staff, & Student Affairs Committee; Educational Planning & Policy Committee; and the Committee of the Whole.

Proposed Revisions to Board Meeting Format and Committee Structure

KEY CHANGES

1. **Establish two omnibus committees – Mission Fulfillment (MIS), and Finance & Infrastructure (FIN).**
 - A Mission Fulfillment Committee (MIS) would replace the Academic & Student Affairs Committee (ASA) while providing extra time for full Board engagement on a broader number of academic, research and outreach issues.
 - A Finance & Infrastructure Committee (FIN) would combine the current Finance Committee (FIN) and Facilities, Planning & Operations Committee (FAC), eliminating the need for duplicate presentations and committee reports and better aligning with the new administrative structure.
 - All 12 Regents would sit on each of these committees. The Board Chair would appoint a chair and vice chair for each.
 - These committees would meet 7 times a year for 3 hours at a time (see table “One Possible Meeting Calendar for a New Format and Structure” on the following pages for how the calendar might look for a two-day meeting).
 - These committees would meet in the Boardroom, enhancing transparency by allowing more of the Board’s work to be video livestreamed and archived. In addition, because only one of these committees would meet at once, neither administrators nor the public would need to go back and forth between committees.
 - Establishing these committees of 12 Regents should dramatically reduce information asymmetry and compartmentalized knowledge, while creating shared understanding and enabling holistic discussions.
2. **Establish Governance & Policy Committee (GOV) as a standing committee of the Board, with a membership of 12 Regents.**
3. **Transition away from standalone work sessions.** Because the work session format has been quite successful, “work session”-like agenda items could be included as part of standing committee meetings.
4. **Increase the number of Audit & Compliance Committee (AUD) meetings from 5 to 7** to create the more frequent audit and compliance oversight touchpoints desired by Regents.
5. **Reimagine the Faculty & Staff Affairs Committee (FSA) as the Talent & Diversity Committee (TAL) and reduce the number of meetings from 6 to 4.** This adjustment would maintain Board oversight of key human resource issues while providing dedicated time for the Board to engage on workforce diversity topics.

HOW THE HOURS COMPARE

COMMITTEE	CURRENT STRUCTURE	PROPOSED NEW STRUCTURE
BOR (meetings + work sessions)	34.5 hours	18 hours
ASA	12 hours for 6-person committee	21 hours / new 12-person MIS committee
GOV	6 hours for 6-person committee	Up to 6 hours /12-person committee
FIN FAC	12 hours each for 6-person committee	21 hours for new 12-person FIN committee (combination of current FIN and FAC)
FSA	12 hours	6 hours / new TAL committee
AUD	7.5 hours	10.5 hours
LIT	6-8 hours (more meetings as needed)	4.5 hours (more meetings as needed)
12 Regents meeting together (total)	34.5 hours	Up to 66 hours

One Possible Meeting Calendar for a New Format and Structure

- Eight Standing Board Meetings – July, September, October, December, February, March (no committees), May, June
- Two Retreats – July and February/March

GOLD = full Board meets together

THURSDAY		Time Allotted/Notes
7:45 – 10:45 a.m.	Mission Fulfillment (MIS) <i>Academic programs, promotion and tenure, admissions/enrollment, research, student affairs, campus climate, outreach and engagement</i>	3 hours each MIS would meet 7 times
11:00 – 12:30 p.m.	Audit & Compliance (AUD) <i>Audits, compliance activities</i>	1.5 hours each AUD would meet 7 times TAL would meet 4 times LIT would meet 3 times <i>(additional meetings scheduled as needed)</i>
	Talent & Diversity (TAL) <i>Appts., contracts, benefits, engagement, workforce diversity</i>	
12:30 – 1:30 p.m.	Lunch break	
1:45 – 4:45 p.m.	Finance & Infrastructure (FIN) <i>Operating and capital budgets, facilities and real estate, debt, planning, technology, operations</i>	3 hours FIN would meet 7 times
FRIDAY		
8:45 – 9:45 a.m.	Governance & Policy (GOV) <i>Agenda development, process, Board performance, policies not within other committee portfolios</i>	1 hour GOV would meet up to 6 times <i>(assuming recognitions in May)</i>
Immediately following GOV – 12:00 p.m.	Board of Regents (BOR) <i>System-wide alignment, strategic/cross-cutting issues, state relations, annual reports, academic medical enterprise, athletics</i>	3 hours each in March and May 2 hours each in all other months BOR would meet 8 times per year

Current Format and Structure

GOLD = full Board meets together

THURSDAY			Time Allotted/Notes
8:00 – 9:30 a.m.	Audit & Compliance (AUD)	Governance & Policy (GOV) / Litigation Review (LIT)	1.5 hours each AUD meets 5 times GOV and LIT meet about 4 times each
9:45 – 11:45 a.m.	Academic & Student Affairs (ASA)	Finance (FIN)	2 hours each 6 meetings a year
12:00 – 1:00 p.m.	Lunch		About 4 lunches with guests, 4 without
1:15 – 2:45 p.m.	Board Work Session (BOR)		About 1.5 hours each 7 work sessions a year
3:00 – 5:00 p.m.	Faculty & Staff Affairs (FSA)	Facilities, Planning & Operations (FAC)	2 hours each 6 meetings a year
FRIDAY			
9:00 – 12:00 p.m.	Board of Regents		3 hours BOR meets 8 times per year



Board Operations: Board Meeting Format and Committees

Brian R. Steeves

Executive Director & Corporate Secretary



UNIVERSITY OF MINNESOTA

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Objectives

- Continue comprehensive review of Board of Regents Policy: *Board Operations & Agenda Guidelines*:
 - October 2016 – Board Operations: Fundamental Planning Documents, Committee Charges and Required Reports
 - May 2017 – Board Operations: Board Meeting Format and Committees
 - June 2017 – Board Operations: Board Operations: Annual Planning and Agenda Development
- Discuss how the Board operates now, and wishes to operate in the future.



Changing Paradigms

- Desire to be more fully engaged with a broader spectrum of issues before the Board.
- Interest in having full Board consider certain agenda items.
- Current planning calendar has attempted to address demand through increased number of work sessions and moving certain items away from committees.



Current Structure

GOLD = full Board meets together

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3:00 – 5:00 p.m.	Faculty & Staff Affairs (FSA)	Facilities, Planning & Operations (FAC)	2 hours each 6 meetings a year
FRIDAY			
9:00 – 12:00 p.m.	Board of Regents		3 hours BOR meets 8 times per year



Proposed Structure

GOLD = full Board meets together

THURSDAY		Time Allotted/Notes
7:45 – 10:45 a.m.	Mission Fulfillment (MIS) <i>Academic programs, promotion and tenure, admissions/enrollment, research, student affairs, campus climate, outreach and engagement</i>	3 hours each MIS would meet 7 times
11:00 – 12:30 p.m.	Audit & Compliance (AUD) <i>Audits, compliance activities</i>	1.5 hours each AUD would meet 7 times TAL would meet 4 times LIT would meet 3 times <i>(additional meetings scheduled as needed)</i>
	Talent & Diversity (TAL) <i>Appts., contracts, benefits, engagement, workforce diversity</i>	
12:30 – 1:30 p.m.	Lunch break	
1:45 – 4:45 p.m.	Finance & Infrastructure (FIN) <i>Operating and capital budgets, facilities and real estate, debt, planning, technology, operations</i>	3 hours FIN would meet 7 times
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Proposed Structure

The proposed structure would align more closely with the University's administrative structure. It also has the potential to:

1. Enhance opportunities for the Board to focus collectively on consequential issues.
2. Increase information symmetry and shared understanding across Regents.
3. Increase transparency and public access to the Board's work.



Proposed Structure: How the Hours Compare

COMMITTEE	CURRENT STRUCTURE	PROPOSED NEW STRUCTURE
BOR (meetings + work sessions)	34.5 hours	18 hours
ASA	12 hours for 6-person committee	21 hours / new 12-person MIS committee
GOV	6 hours for 6-person committee	Up to 6 hours /12-person committee
FIN FAC	12 hours each for 6-person committee	21 hours for new 12-person FIN committee (combination of current FIN and FAC)
FSA	12 hours	6 hours / new TAL committee
AUD	7.5 hours	10.5 hours
LIT	6-8 hours (more meetings as needed)	4.5 hours (more meetings as needed)
12 Regents meeting together (total)	34.5 hours	Up to 66 hours





BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

May 11, 2017

AGENDA ITEM: Discussion of Board of Regents Policy: *Responsibilities of the Board and Individual 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 for committee members to discuss and provide input for the comprehensive review of Board of Regents Policy: *Responsibilities of the Board and Individual Regents*. This discussion will potentially yield revised policy language for consideration by the committee at a future meeting.

This policy was included on the Board's current policy work plan (received by the Board in July 2016). The policy is included in the docket.

BACKGROUND INFORMATION

The Board of Regents has adopted 92 policies to govern the University of Minnesota. Each year, the Office of the Board of Regents (OBR) develops an annual policy work plan that includes policies scheduled for comprehensive review. 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.

Board of Regents Policy: *Responsibilities of the Board and Individual Regents* was comprehensively reviewed in 2009. No changes were recommended at that time.



UNIVERSITY OF MINNESOTA

BOARD OF REGENTS POLICY

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Board Operations

RESPONSIBILITIES OF THE BOARD AND INDIVIDUAL REGENTS

Adopted: February 10, 1989

Amended: October 10, 2003

RESPONSIBILITIES OF THE BOARD AND INDIVIDUAL REGENTS

Subd. 1. Responsibilities of the Board of Regents. Responsibilities of the Board of Regents (Board) include the following:

- (a) Clarify the mission of the University of Minnesota (University) and approve programs necessary to fulfill that mission.
- (b) Monitor and evaluate the performance of the institution in achieving its goals and fulfilling its mission.
- (c) Appoint, monitor, advise, motivate, support, evaluate, and, if necessary or advisable, replace the president.
- (d) Approve major policies, long-range plans, educational programs, and annual budgets, while clearly delegating administrative responsibilities.
- (e) Accept fiduciary responsibility for the long-term welfare of the University.
- (f) Ensure adequate resources - human, financial, physical- and effective management of those resources.
- (g) Preserve institutional autonomy, recognizing that the preservation of autonomy requires accountability.
- (h) Foster collaboration with other educational systems and institutions, consistent with the University's mission.
- (i) Serve as a court of appeals when appropriate.
- (j) Enhance the public image of the University.
- (k) Regularly evaluate the Board's performance and strive to improve it.
- (l) Ensure that the University remains an equal opportunity institution.

Subd. 2. Individual Regent Responsibilities. Responsibilities of individual members of the Board include the following:

- (a) To support the mission of the University.
- (b) To maintain loyalty to the entire institution rather than to any part of the University or constituency within it.
- (c) To maintain the highest ethical standards, abiding by Board policies with respect to ethics and conflicts of interest.
- (d) To seek to be fully informed about the University and its role in the state and in higher education and to be responsive to the changing environments that affect it.
- (e) To speak forthrightly at Board meetings and to support Board decisions when determined.
- (f) To understand that the Board's role is policy making rather than involvement in administration or management.
- (g) To strengthen and sustain the president while being an active, energetic, and probing Board member who exercises critical judgment on policy matters.
- (h) To communicate promptly to the president any significant concern or complaint for administrative disposition.
- (i) To defend the autonomy and independence of the University.



UNIVERSITY OF MINNESOTA

BOARD OF REGENTS POLICY

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Board Operations

RESPONSIBILITIES OF THE BOARD AND INDIVIDUAL REGENTS

Adopted: February 10, 1989

Amended: October 10, 2003

- (j) To represent all the people of Minnesota and no particular interest, community, or constituency.
- (k) To enhance the public image of the University and the Board.
- (l) To recognize that authority rests only with the Board as a whole and not in its individual members.
- (m) To recognize that the president is the primary spokesperson for the University, and the chair of the Board is the only other person authorized to speak for the Board.
- (n) To foster openness and trust among members of the Board, the administration, the faculty, the students, state government, and the public.
- (o) To maintain respect for the opinions of Board colleagues and a proper restraint in criticism of colleagues and officers.
- (p) To recognize that no Board member shall make any request or demand for action that violates the written policies, rules, or regulations of the Board or the University.

Board of Regents Policy: *Responsibilities of the Board and Individual Regents*

Brian R. Steeves

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



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Objectives

- Discuss and provide input for the comprehensive review of Board of Regents Policy: *Responsibilities of the Board and Individual Regents*
- Potentially yield revised policy language



Comprehensive Review

Comprehensive review is intended to determine:

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



Background

- Board of Regents Policy: *Responsibilities of the Board and Individual Regents* was last comprehensively reviewed in 2009.
- No changes were recommended.



Questions to Consider

1. Do the the fundamental principles established in the policy still align with the strategic direction and mission of the University and enable the Board to effectively govern?
2. Is the policy still needed?
3. Does the policy align with current practice?

