



Governance & Policy Committee

October 2024

October 11, 2024

8:00 a.m.

West Committee Room, McNamara Alumni Center

GOV - OCT 2024

1. Board Input into the Regent Selection Process

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BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

October 11, 2024

AGENDA ITEM: Board Input into the Regent Selection Process

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

This is a report required by Board policy.

PRESENTERS: Marlo Welshons, Assistant Executive Director

PURPOSE & KEY POINTS

The purpose of this item is for the committee to discuss and provide feedback on the selection criteria used by the Regent Candidate Advisory Council (RCAC).

Minnesota Statutes 137.0245, Subd. 3, (a), (1) requires that RCAC “develop, in consultation with current and former regents and the administration of the University of Minnesota, a statement of the selection criteria to be applied and a description of the responsibilities and duties of a regent, and shall distribute this to potential candidates.”

Selection criteria used in 2022–23 is included in the docket for reference. Feedback provided by the committee will be shared with RCAC.



REGENT CANDIDATE ADVISORY COUNCIL

72 State Office Building
Phone: (651) 296-9002

St. Paul, MN 55155
TDD (651) 296-9896

www.rcac.leg.mn
Fax: 651-297-3697

Selection Criteria for Members of the University of Minnesota Board of Regents

Foundation for the Development of the Selection Criteria

University of Minnesota Regents are charged with stewarding the University toward successful outcomes for the people of the State of Minnesota. Primary focuses include development of the long-term vision, setting strategies for achieving that vision and ensuring the University president and his/her leadership team is effectively managing the operations of the organization.

Selection Criteria

The Regent Candidate Advisory Council ("RCAC") may take the following items into consideration throughout the application review, interview process and recommending candidates to the legislature for the position of Regent to the University of Minnesota:

1. A commitment to the University of Minnesota and an understanding of its role in education, economics and innovation in the state, nation and world.
2. Integrity along with a personal code of honor and high ethical standards which includes a willingness to comply with the Code of Conduct for Members of the Board of Regents and its conflict of interest policy.
3. An ability to maintain a respectful and professional relationship with administration, faculty, employees, students and external stakeholders.
4. The ability to negotiate, compromise, and build consensus.
5. The ability to define and strategically analyze choices to adequately balance long-term visions with short-term priorities.
6. An inquiring mind, a willingness to listen and the ability to speak articulately and succinctly.
7. The capacity to both challenge and support the administration, and each other, when appropriate.
8. The capacity to effectively coach, analyze and evaluate the performance of the president.
9. The ability to function as a member of a diverse team in an atmosphere of public transparency, collegiality and selflessness.
10. An appreciation of the public nature of the position of Regent.

11. An ability to address the issues of diversity in geography, gender, race, occupation, international awareness and operational needs of the Board of Regents.
12. A willingness to embrace and utilize current technologies needed to operate effectively as a Regent (e.g., understanding that the Board relies on an online portal for all official meeting materials).
13. History of success that reflects a breadth and diversity in life experience, as well as any subject matter expertise, that would be beneficial to the priorities of the University of Minnesota.
14. Recognition and understanding of the differences between governance and management. Experience and willingness to learn and enhance personal knowledge of governance and strategic oversight of large, complex organizations.
15. An understanding of education trends nationally and in Minnesota.
16. An ability and willingness to devote the significant time necessary to serve as an effective and contributing member of the Board of Regents, and additionally to step into a board leadership role.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

October 11, 2024

AGENDA ITEM: Board Committee Structure

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

This is a report required by Board policy.

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

PURPOSE & KEY POINTS

The purpose of this item is to review proposed amendments to the Board’s committee structure. The proposed amendments to Board of Regents Policy: *Board Operations and Agenda Guidelines* are the result of previous discussions by the Board and the Governance & Policy Committee. Key changes include the following:

- The elevation of the Special Committee on Academic Health to a standing committee of the Board.
- Codifying the Finance & Operations Committee and the Mission Fulfillment Committee as committees of all 12 Regents.
- Providing additional detail on the role of standing committees vs. special committees.

Other changes to align with current practice or for readability and clarity are also included in the proposed amendments.

BACKGROUND INFORMATION

The Governance & Policy Committee discussed the Board’s committee structure over a series of discussions during the 2023–24 academic year. Feedback from those discussions, along with additional feedback from the Board’s July 2024 retreat, has informed the proposed amendments.

Board of Regents Policy: *Board Operations and Agenda Guidelines* was adopted on March 8, 2002 and was last amended on September 8, 2023.



BOARD OF REGENTS POLICY: *Board Operations and Agenda Guidelines*

SECTION I. SCOPE.

This policy governs the Board's operations, committee structure, and agenda guidelines.

SECTION II. 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 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 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)*, 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 Performance and Accountability Report - The University Performance and Accountability 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.
 - 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 plans guide 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) Reports on public safety and emergency preparedness.
- (e) Annual summary of expenditures for the Office of the President, Eastcliff, and the Office of the Board of Regents (OBR).
- (f) Gifts.
- (g) Other reports, including, but not limited to, reports of the Faculty Consultative Committee, the University of Minnesota Foundation, the University of Minnesota Alumni Association, and the Student Representatives to the Board.
- (h) Additional items as decided by the Board chair 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. 1. Role of ~~the~~ Standing Committees.

Committees Standing committees provide the opportunity for Regents to focus on specific areas of the University and, when needed, 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;

- take action on behalf of the Board on matters where the Board has delegated authority to the committee as outlined in Board of Regents Policy: *Reservation and Delegation of Authority*;
- provide 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 components of the University departments and units;
- receive information items (e.g., status reports on current issues of concern and administrative searches other required reports); and
- review other items placed on the agenda by the Board chair in consultation with the president and the Board vice chair.

Subd. 2. Role of Special Committees.

Special committees provide the Board with the opportunity to address specific and timely topics of interest. The Board chair identifies the responsibilities, appoints the members, and designates the chair and vice chair of special committees. Special committees typically expire at the end of the appointing Board chair's leadership term, unless they are extended by the next Board chair.

Subd. 3. Responsibilities of the 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. 34. Committee Meetings, Descriptions, and Members.

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*, 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.

The Board's standing committees have the following membership:

- Academic Health: 6 Regents.
- Audit & Compliance: 6 Regents.
- Finance & Operations: 12 Regents.
- Governance & Policy: 6 Regents.
- Litigation Review: 6 Regents.
- Mission Fulfillment: 12 Regents.

Subd. 45. Academic Health Committee.

The Academic Health Committee oversees and makes recommendations to the Board regarding the governance and strategies used to advance the University's health sciences and clinical enterprise. The committee oversees and advises the administration on academic medical strategy, health sciences planning, clinical strategy, and strategic clinical partnerships.

Specifically, this committee recommends to the Board:

- governance and oversight structures for the University's health sciences;
- joint strategic plans for the University's health sciences schools;

- clinical enterprise strategic plans;
- programmatically elements of clinical partnership agreements;
- Board policies that govern private practice plans; and
- reports to the State of Minnesota that focus on the University's health sciences and clinical enterprise as defined by Board of Regents Policy: *Reservation and Delegation of Authority*, Article I, Section I, Subd. 7.

This committee provides oversight of:

- long-range planning strategies for the health sciences and clinical enterprise;
- the relationship between the University and its clinical partners;
- potential risks to the health sciences and clinical enterprise; and
- programmatically elements of long-range physical asset planning.

Subd. 6. 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*;
- serving 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.

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 changes to the Office of Internal Audit's charter and 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 the Annual Financial Report. 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 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 the enterprise risk management processes program, including risk identification ~~and~~, mitigation, and the institutional risk profile.

This committee also reviews:

- ~~The annual financial statements, prior to issuance.~~
- the annual report on institutional risk and financial reports;
- ~~The~~the independent auditor's annual audit and management letter;
- ~~The~~the chief auditor's annual audit plan;
- ~~Responses~~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;
- the annual institutional compliance report;
- ~~The~~the institutional conflict of interest report; and
- ~~External~~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. 57. 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 approves on behalf of the Board:

- appointments reserved to the Board as defined by Board of Regents Policy: *Reservation and Delegation of Authority* Article I, Section IV. Subd. 1 and 3;
- 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; and
- 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;
- 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 central reserves fund report;
- the annual capital financing and debt management report;
- annual strategic facilities and real estate report, which includes updates on the University's facilities condition assessment and space utilization, real estate transactions from the past fiscal year, and capital project management updates for projects in process that have been approved in the annual capital improvement budget and have a value equal to or greater than \$5,000,000;
- exceptions to a competitive bid process for purchases requiring Board approval;
- annual asset management report;
- the annual financial report;
- 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 plans; and
- other financial reports, employment reports, and facilities management reports and significant issues.

Subd. 68. 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.

Subd. 79. 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 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. 810. 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 approves on behalf of 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. 911. Nominating Committee.

The Nominating Committee is charged with nominating candidates to serve as Board chair, vice chair, secretary, and treasurer in alignment with the *Bylaws, Article V, Section B.*

Subd. 1012. Presidential Performance Review Committee.

The Presidential Performance Review Committee evaluates the president's performance: in alignment with *Section VII, Subd. 1 of this policy.* This committee meets in non-public session, reporting its findings to the Board.

~~Subd. 11. Special Committees.~~

~~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. 1. Board Meetings.

The Annual Meeting of the Board is held on the second Friday in June, unless otherwise determined by 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. In addition to meetings of the Board and its standing or special committees, regular meeting agendas may include work sessions, public forums, and engagement activities.

~~Other Special meetings of the Board or one of its standing or special committees are scheduled as needed and may include work sessions, open forums, and public hearings, as defined by the *Bylaws, Article IV, Section C to consider specific items of business.*~~

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 OBR.

Subd. 2. Committee Meetings.

Committees usually meet as follows:

- Academic Health: Meets six times a year.
- Audit & Compliance: Meets six times a year.
- Finance & Operations: Meets six times a year.
- Governance & Policy: Meets five times a year.
- Litigation Review: Meets 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. 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 the *Bylaws* and *Robert's Rules of Order*: in its most recent revised edition. 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 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 and are acted on as one motion. Any Regent may ask questions or discuss individual items before a motion to approve the Consent Report is made. At the request of any Regent, an individual item will be acted on separately from the rest of the Consent Report.~~
- *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 other required reports 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. 4. Work Plans.

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

Subd. 5. Staff Responsibilities.

- (a) **Senior Leader Committee Liaisons.** The Board chair and president identify a senior leader for each committee to ~~facilitate~~ advise committee ~~meetings~~ leadership on agenda content, assist in agenda development, prepare docket materials, coordinate presentations, and fulfill other duties: as assigned by the president. Assignments to standing committees are typically as follows:
- Academic Health: Vice President for Clinical Affairs
 - Audit & Compliance: Chief Auditor
 - Finance & Operations: ~~Senior~~ Executive 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 elects an executive director and corporate secretary, whose duties and responsibilities include:

- advising and supporting each Board member, as well as 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;
- 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 a committee coordinator to each committee. 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;
- facilitating annual work planning, agenda planning, and docket previews;
- and reviewing docket materials, resolutions, and revisions to Board policies.

Subd. 6. 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 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 OBR distributes the docket to Regents one week prior to regular meeting dates, after which it is publicly available.

Subd. 7. Urgent Approvals.

When waiting for the next scheduled meeting to obtain Board approval on a particular matter could have a significant impact on the University's mission or poses a considerable health, safety, or financial risk, the president may request an urgent approval. To request an urgent approval, the president shall submit orally or in writing to the Board chair a statement describing the matter and the basis for immediate action.

After reviewing the circumstances and timeline of the urgent approval request, the Board chair shall determine if there is time to attempt to contact all Regents in order to hold a special or emergency meeting. If the Board chair determines that there is not time to contact all Regents or if a quorum of the Board is not available, the Board chair may act on behalf of the Board. In the absence of the Board chair, the Board vice chair shall perform the duties of the chair consistent with this subdivision and in alignment with the *Bylaws*. Immediately following the granting of an urgent approval on behalf of the Board, the OBR shall distribute to all Regents notice of the approval and all materials provided to support the request.

At the next meeting of the Board following the approval, the urgent approval granted on behalf of the Board shall be presented to the Board as a separate information item, consistent with Subd. 3 of this section, or for action, as appropriate.

SECTION VI. 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~~, senior leader committee liaisons, and other staff, as needed. 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.
- (b) The ~~Board chair approves the agenda at a subsequent executive director and corporate secretary makes any updates to the agenda based on input from the Agenda I meeting and presents it for consideration at the~~ Agenda II meeting, ~~which, Agenda II is also~~ attended by the Board chair, Board vice chair, the president, and other staff, as needed, and senior leader committee liaisons. In alignment with the Bylaws, Article VI, Section E, the Board chair approves the agenda at the Agenda II meeting. 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.

Subd. 2. Requests to Appear Before the Board.

Anyone requesting to appear before the Board must 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 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 reflect the public purpose of the University and 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.
- (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 OBR.

REVISION HISTORY

Adopted: March 8, 2002

Amended: July 9, 2004; December 10, 2004; October 13, 2006; February 10, 2012; December 14, 2012; June 8, 2018; February 12, 2021; October 8, 2021; February 11, 2022; September 8, 2023

Technical Correction: March 31, 2016; February 10, 2017; March 16, 2021; June 13, 2024

Last Comprehensive Review: 2023

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



BOARD OF REGENTS DOCKET ITEM SUMMARY

Governance & Policy

October 11, 2024

AGENDA ITEM: Overview of the Board's *Bylaws*

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

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

PURPOSE & KEY POINTS

The purpose of this item is to provide the committee with an overview of the *Bylaws of the Board of Regents (Bylaws)*. The *Bylaws* are currently under comprehensive review and this discussion will solicit feedback on areas that the committee may have interest in changing. Based on this discussion, potential amendments to the *Bylaws* will return at a future meeting.

The *Bylaws* are the second highest policy authority within the University policy hierarchy – above Board policy and below the University Charter. They address the operations of the Board; the duties, responsibilities, and election of officers; meetings of the Board and its committees; rules of procedure for those meetings; general delegations of authority; and requires a code of conduct and conflict of interest process for Regents.

BACKGROUND INFORMATION

The *Bylaws of the Board of Regents* were adopted on December 10, 1889. They have been amended 20 times since, most recently on February 14, 2020, based on the adoption of Board of Regents Policy: *Code of Conduct for Members of the Board of Regents*.



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 the University Charter as 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.

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 records. 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 electronic communication 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.

Notice shall be sent to each member of the Board by electronic communication 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. Notice shall be sent via electronic communication 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 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. Notice of regular meetings shall be sent via electronic communication 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 or of its committees to consider specific items of business may be called by the Chair of the Board, and shall be called by the Chair at the written request of any five members thereof at such time and place, and in such form as the Chair may deem appropriate. A special meeting must be held within 30 calendar days of the Chair receiving the written request.

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

ARTICLE V. COMMITTEES OF THE BOARD OF REGENTS

Section A. Standing Committees

The Board of Regents shall name and identify the responsibilities of standing committees through Board of Regents Policy: *Board Operations and Agenda Guidelines*.

The Chair of the Board of Regents shall appoint the Regents to all standing committees and shall designate the Committee Chair and Vice Chair of each. The Chair of the Board of Regents may replace Committee Chairs or Vice Chairs at any time. Vacancies arising from any cause whatsoever shall be filled in the same manner.

Regular meetings of the standing committees shall occur prior to the regular meetings of the Board of Regents.

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, with the exception of a vote to impose sanctions on a Regent, which shall require a two-thirds vote of the Board of Regents. 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 or video conferencing is permissible, 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.

Items and supporting documentation to be included in the docket should be in the office of the Secretary at least ten calendar days before the meeting at which consideration is expected.

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.

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 recommendations of Board committees shall be reported to and be subject to approval by the Board of Regents, unless otherwise provided for in Board policy.

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

Approved minutes of the proceedings of the Board of Regents shall be kept by the Secretary, who shall cause them to be preserved and accessible to the members of the Board of Regents, members of the University community, and the public. All lengthy reports shall be included in the docket materials and referred to in the minutes. The minutes shall reflect the votes cast in Board of Regents meetings and in committee meetings on matters recommended to the Board of Regents for action. The Secretary shall ensure that the minutes, docket materials, and all video recordings are preserved by University Archives.

Section H. Telephone or Video 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 or video conferencing. For purposes of such a meeting, all Regents who are connected by telephone or video conference 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 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 Conduct and Conflict of Interest

The members of the Board of Regents shall be guided by the provisions set forth in Board of Regents Policy: *Code of Conduct for Members of the Board of Regents*.

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.

Section C. Board Operations in Emergencies

In the event a quorum of the Board, as defined in Article VI, Section C, is unable to discharge the powers and duties of their office due to death or incapacity and it becomes necessary to convene a meeting of the Board of Regents to ensure the continuity of University Operations, the remaining Regents may convene a meeting and act as follows:

1. Designate an acting chair if the chair and vice chair are unable to serve.
2. Designate an acting president if the president is unable to serve.

3. Authorize necessary emergency funding.
4. Other actions necessary to ensure the continuity of University operations.

The remaining Regents may continue to act to ensure the continuity of University operations until a quorum of the Board is restored.

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 electronic communication 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.

REVISION HISTORY

Adopted: December 10, 1889

Amended: 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; October 12, 2018; February 14, 2020

Overview of the Board's Bylaws

Brian Steeves
Executive Director & Corporate Secretary

Jason Langworthy
Associate Secretary

October 11, 2024



What are the Board's *Bylaws*?

- Fundamental governing document that implements the University Charter
- Define Board operations, officers, and meeting procedure
- Creates the ability to delegate authority and requires a code of conduct



UNIVERSITY OF MINNESOTA BOARD OF REGENTS

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ARTICLE III. OFFICERS OF THE BOARD OF REGENTS



Policy Framework

Bylaws of the Board of Regents

Introduction

Article I – Corporate Name and Seal

Article II – Authority and Responsibility

Article III – Officers of the Board of Regents

Article IV – Meetings of the Board of Regents

Article V – Committees of the Board of Regents



Policy Framework

Bylaws of the Board of Regents

Article VI – Rules of Procedure for Meetings of the
Board of Regents and its Committees

Article VII – Delegation of Authority

Article VIII – Miscellaneous Provisions

Article IX – Amendments to Bylaws

Article X – Suspension of Bylaws



Potential Areas to Review

- Is there interest in codifying multiple vice chairs?
- Like the president, tie the officer positions of secretary and treasurer to their University appointments and exempt those positions from being elected every two years?
- Adjust the order of business?
- Clarify committee charge language?
- Modify the request to appear before the Board provisions based on September 2024 discussion?
- Other areas?





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