

The Regents of the University of California

SPECIAL COMMITTEE ON REGENTS' PROCEDURES

September 21, 2005

The Special Committee on Regents' Procedures met on the above date at UCSF-Laurel Heights, San Francisco.

Members present: Regents Dynes, Hopkinson, Kozberg, Marcus, and Parsky; Advisory member Brunk

In attendance: Regents Blum, Gould, Island, Johnson, Moores, Rominger, Rosenthal, Ruiz, Schilling, and Wachter, Regents-designate Coombs, Ledesma, and Schreiner, Faculty Representative Oakley, Secretary Trivette, General Counsel Holst, Provost Greenwood, Senior Vice Presidents Darling and Mullinix, Vice President Hershman, Chancellors Vanderhoef and Yang, and Recording Secretary Nietfeld

The meeting convened at 4:25 p.m. with Special Committee Chair Marcus presiding.

1. **APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meeting of May 25, 2005 were approved.

2. **AMENDMENT OF STANDING ORDER 100.4(Q) – DUTIES OF THE PRESIDENT, PERTAINING TO AMENDMENTS TO CAPITAL IMPROVEMENT PROGRAMS**

The President recommended that:

- A. Service of notice be waived.
- B. Standing Order 100.4(q), Duties of the President, be amended as follows:

additions shown by underscoring; deletions shown by strikeout

STANDING ORDER 100.

OFFICERS OF THE UNIVERSITY

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100.4 Duties of the President of the University

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- (q) The President is authorized to approve amendments to the Capital Improvement Program for projects not to exceed \$10 million. The President is also authorized to approve amendments to the Capital Improvement Program for projects exceeding \$10 million up to and including \$20 million, provided that concurrence is obtained from the Chairman of the Board; and the Chairman of the Committee on Grounds and Buildings, ~~and the Chairman of the Committee on Finance,~~ and also provided that all actions taken in excess of \$10 million up to and including \$20 million under this authority be reported at the next following meeting of the Board. However, the following shall be approved by the Board: (1) projects with a total cost in excess of \$20 million, (2) for projects in excess of \$20 million, any modification in project cost over standard cost-rise augmentation in excess of 25%, or (3) capital improvement projects of any construction cost when, in the judgment of the President, a project merits review and approval by The Regents because of special circumstances related to budget matters, external financing, fundraising activities, project design, environmental impacts, community concerns, or substantial program modifications.

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It was recalled that at the July 2005 meeting, The Regents approved amendments to Bylaw 12.3, Committee on Finance, and Bylaw 12.4, Committee on Grounds and Buildings, to transfer the consideration and review of the external financing of projects from the Committee on Finance to the Committee on Grounds and Buildings. The proposed amendment to Standing Order 100.4(q) conforms the Standing Order to this action.

Upon motion duly made and seconded, the Special Committee approved the President's recommendation and voted to present it to the Board.

3. **AMENDMENT OF THE POLICY ON APPOINTMENT OF STUDENT REGENT TO ACCOMMODATE UC MERCED IN THE SELECTION PROCESS**

The President recommended that the Policy on Appointment of Student Regent be amended as shown below to accommodate UC Merced in the selection and application processes.

Additions shown by underscore, deletions by strikeout

POLICY ON APPOINTMENT OF STUDENT REGENT

That the appointment of student Regents be continued, commencing August 1, 1987, in accordance with procedures and conditions adopted by The Regents on January 21, 1977 and amended on October 21, 1977, September 18, 1981, June 15, 1984, July 17, 1987, July 16, 1992, May 16, 1997, July 18, 1997, ~~and~~ May 20, 2004, and September 22, 2005:

- A. The student Regent shall be a person enrolled as a student in good standing at a campus of the University of California for each regular academic term during his or her service as a Regent-designate and Regent. The student Regent shall have the option of receiving either a fee waiver or a scholarship in an amount equivalent to the student's total University fees and tuition during the academic years in which he or she serves as a Regent-designate and Regent. A student body president, or equivalent, or a member of the Board of Directors of the University of California Student Association, shall not be eligible for appointment as a student Regent. While serving on the Board, a student Regent may not hold any appointive or elective student government position. A student who is or has served as a student Regent shall not be eligible for reappointment as a student Regent.
- B. The student Regent shall be appointed by the members of the Board of Regents upon recommendation of a Special Committee to be appointed by the Chairman of the Board for that purpose. The Special Committee shall make its recommendation from a panel of three names submitted by the Board of Directors of the University of California Student Association following the selection procedure described below. Should the Special Committee not be satisfied with the panel in its entirety, the Committee may request the Board of Directors of the University of California Student Association to submit one or more additional names. A representative of the Board of Directors of the University of California Student Association shall be invited to attend all meetings of the Special Committee with full participation in discussion and debate.
- C. For each campus, the student government, or other student body association having recognized membership on the Board of Directors of the University of California Student Association, shall appoint two students, an undergraduate and a graduate, as members of the student Regent nominating commission. There shall be one such nominating commission for the Berkeley, Davis, Merced, San Francisco and Santa Cruz campuses and one such nominating commission for the Irvine, Los Angeles, Riverside, San Diego and Santa Barbara campuses. The nominating commissions shall screen candidates and applicants and shall recommend five students from the southern campuses and ~~four~~ five students from the northern campuses. The ~~nine~~ ten students so recommended shall be interviewed by the Board of Directors of the

University of California Student Association which shall nominate three as a panel of names for submission to The Regents. The submission of the panel of names shall be at such time that the Special Committee may complete its deliberations and submit its recommendations to the Board of Regents no later than the July meeting of the Board.

- D. Chancellors, in consultation with the President and with their respective student body presidents, shall be responsible for the dissemination of information about the position of student Regent and for the application process on their respective campuses. In-state travel expenses incurred in the recruitment process by the nominating commissions and by the applicants shall be paid by the University in accordance with its travel reimbursement policies.
- E. The nominating commissions, the Board of Directors of the University of California Student Association, the Special Committee, and The Regents shall be mindful of that provision of Article IX, Section 9 of the California Constitution that: "Regents shall be able persons broadly reflective of the economic, cultural, and social diversity of the state, including ethnic minorities and women. However, it is not intended that formulas or specific ratios be applied in the selection of Regents."
- F. Candidates shall be students in good standing at the time that they apply and shall have demonstrated interest in the welfare of their fellow students and in the University. No political test shall be applied to any candidate.
- G. A student Regent shall serve on the Board for a one-year term commencing on July 1.
- H. From the time of appointment as a student Regent, but prior to the commencement of service as a member of the Board, the person so appointed shall be known as a Regent-designate, shall be invited to attend all meetings of the Board and its Committees, to be seated at the meeting table, with full participation in discussion and debate, and shall be entitled to reimbursement for expenses in accordance with the Policy for Reimbursement of Regents and Regents-Designate. In addition, effective July 1, 1997, the student Regent-designate will serve as an advisory member of standing and/or special committees of The Regents during his or her service as Regent-designate. This membership shall not count toward the maximum number of standing committee members as set forth in Bylaw 101.(c) nor toward the maximum number of special committee members as set forth in Bylaw 10.3.

It was recalled that , in response to the 1974 State Constitutional Amendment allowing The Regents to appoint a student Regent, the Regents' Policy on Appointment of a Student Regent was approved in February 1975. It provided for two regional nominating commissions, each campus having two members, one from the undergraduate student body

and one from the graduate student body. The policy requires that the nominating commissions recommend five students from the southern campuses and four students from the northern campuses as semifinalists to be interviewed by the University of California Student Association Board of Directors. The policy has been amended several times since 1975; however, these particular procedures have not changed. The Merced campus is the first University of California campus to open since this policy has been in place. The campus has over 1,000 students enrolled and anticipates having student governments this fall. It is proposed that to accommodate UC Merced students' participation in the selection process, it be considered a northern campus and that two commissioners be added from that campus to the Northern Regional Nominating Commission. The number of semifinalists recommended from northern campuses would be increased from four to five, for a total of ten semifinalists to be interviewed by the UCSA Board of Directors. The number of finalists recommended by the UCSA Board to The Regents' special committee would remain at three.

Upon motion duly made and seconded, the Special Committee approved the President's recommendation and voted to present it to the Board.

4. **PROPOSED REVISIONS TO REGENTS' POLICY COMPENDIUM**

The President recommended that the [attached compendium of Regents Policies](#) be approved. In addition, it is recommended that the principles outlined below be memorialized as a Regents' Policy on Policies, to form the basis for future decisions on which Regents' actions will be included in the Policy Compendium.

Policy on Policies of The Regents of the University of California

The Regents of the University of California adhere to the following principles in setting policy for the University.

- Policies approved by The Regents will be broad statements supporting the purpose, principles and philosophy of the tripartite mission of the University, to provide excellence in teaching, research, and public service to the State of California and beyond.
- Policies approved by The Regents will ~~emphasize~~ reflect* the fiduciary responsibilities of the Board.
- Policies approved by The Regents will demonstrate a commitment to long-term goals of the University.
- Policies approved by The Regents will support the President's role in development of associated guidelines, procedures, and standards.

*[The Office of General Counsel recommends this word change, since not all Regent' policies may require an emphasis on fiduciary responsibilities, but they should all certainly reflect those responsibilities.]

- Policies approved by The Regents will receive careful deliberation and will be acted upon after appropriate consultation with student, faculty, and staff constituencies and the General Counsel of The Regents.

The Special Committee was informed that in 1969, The Regents set forth a framework for assembling the various actions approved by the Board into a compendium of those matters which constituted "policy" and those which did not. The Regents outlined those factors which comprise a policy, as opposed to those comprising a resolution. Since the late 1960s, The Regents on several occasions has undertaken streamlining efforts through the auspices of the Special Committee on Regents' Procedures. The result has most often been to expand delegations to the President, other Officers, and the Academic Senate, to carry out the business of the University in support of the missions of teaching, research, and public service. Many of The Regents' delegations of authority are memorialized in the Standing Orders. This proposal is intended to document all current Regents' policies, resulting in online publication of those policies.

The policies are arranged by proposed action. First are those policies that are current, with or without minor editing recommendations. Second are those policies that are recommended for rescission. Each policy is annotated to describe any proposed changes or the reason for suggesting that it be rescinded.

Certain policy subject areas remain under review, and these are not proposed for confirmation at this time. They include:

- Certain policies pertaining to recruitment and compensation of staff and senior Officers
- Policies pertaining to capital projects, which will be aligned with recommendations from The Regents' capital projects cost study
- Consolidation of existing policies on indemnification of University constituencies
- Consolidation of existing policies on nondiscrimination and affirmative action
- Conflict of Interest policy
- Policy on Fees for Selected Professional School Students

These policies will be brought to the Board as the proposals are completed.

Numbers assigned to the policies are for ease of reference only.

Upon motion duly made and seconded, the Special Committee approved the President's recommendation and voted to present it to the Board.

5. **DISCUSSION ON PROCEDURES, GOVERNANCE, AND PRODUCTIVITY AT REGENTS MEETINGS**

Special Committee Chair Marcus observed that The Regents are charged with effectively overseeing the University's activities, but more importantly, the Board has a duty to protect and enhance the foundation on which the University was built. As the environment in which The Regents operates changes, the Board must also change with it. Regental duty is sometimes consumed with legal and fiduciary responsibilities. The suggestions presented for discussion are meant to allow the maximum amount of time to deliberate on matters of importance and to formulate policy that will help the University maintain its position as one of the leading research universities in the world. Regent Marcus explained that, after gathering feedback from the Regents and other University sources, the following is presented for consideration. If the Special Committee members concur with the proposal, the Chairman would be asked to appoint a committee consisting of several Regents and chancellors and representatives from the Office of the President to formulate a formal proposal.

A. **Regents Meetings**

Four two-day meetings with the agenda divided as follows:

- Two standard meetings in which The Regents will discharge its fiduciary and legal duties.
- Two meetings to focus solely on major issues affecting the University.

Two one-day meetings at alternating UC campuses.

At these meetings, campuses will brief the Regents as to the current status of pre-determined metrics and goals. An evaluation will be made of the campus' achievement of its goals. The meeting would conclude with a dinner with prominent campus donors. Campuses will be visited on a rotating basis so each campus will be visited once every five years.

A. **Committees**

Committees should reflect the areas that need special emphasis and attention. The Special Committee shall review the operations and needs of the University and then organize committees to reflect those findings. Some suggestions that have been made are as follows:

- Governance Committee – To keep the fiduciary and legal needs of the University in balance with the long-term needs of the University.

- Planning Committee – There currently exists a long-range planning team. It should be made permanent and be responsible for developing major issues that face the University today and in the future.
- Resource Committee – To emphasize the importance of acquiring financial and other resources so the University can remain competitive.
- Executive Committee – To take interim action between Board Meetings on items delegated by the full Board.
- Quality Committee – Responsible for monitoring policies that will protect and enhance the quality of the University.

Meeting times would be dependent on the charge, either concurrent during regular Regent meetings or off-cycle depending on workload and circumstances. Committee Chairs together with the Office of the President would formulate the agenda. Approval from the Committee Chair must be obtained before any item can be added to the agenda. The practice would begin of Vice Chairs' succeeding Chairs on committees as well as Chairman of the Board. Each Regent is to carry three standing committee assignments, with committee members limited to five Regents, and the quorum reduced to three.

C. **Operations**

Everything that can appropriately be delegated should be delegated at every level. For example:

- Increase capital project approval to from \$10 million to \$20 million for the President.
- Compensation: Consider taking up individual compensation matters for only those positions whose appointments The Regents approves (President, Chancellors, Vice Presidents, Laboratory Directors, and Principal Officers of The Regents) and delegating all salary action for Deans, Vice Chancellors and others to the President with broad salary bands that have been approved by the Board.

Use consent calendar whenever possible. Evaluate current Bylaws constraints for functionality and effectiveness.

Regent Johnson believed that two business meetings would not be adequate. She was concerned that greater use of the consent agenda would affect the Regents' ability to discuss

University business. She saw the need for further discussion before any decisions can be made.

Regent Hopkinson recalled that when The Regents reduced the number of meetings from ten to six, it was with the understanding that each of the six meetings would last two full days, with the second day devoted to policy issues. This is no longer the case. She too was concerned that it would be difficult to conduct the University's business with only two meetings per year. Regent Hopkinson urged a return to a schedule of a one-day business meeting coupled with a one-day policy meeting. She observed that an attempt had been made to have meaningful campus visits, and she complimented the Davis campus on the quality of the program that it presented to the Regents. She suggested that future visits should have a similar format.

Regent Marcus noted that the practice of having the Committee on Grounds and Buildings and the Committee on Investments meet off-cycle would continue.

Regent Kozberg supported the idea of having meetings on the campuses, although she recognized that this could be a burden for them. Committee Chair Marcus stressed that he was suggesting that these meetings have a different type of agenda, with a focus on long-term campus issues. Regent Kozberg believed that a business meeting and a campus visit could be combined. She was worried about a schedule of two business meetings in an era when the Regents are assuming more responsibility as Board members. Regent Marcus stressed that his proposal had been made in response to many requests. Senior executives do not see attendance at Regents meetings as the best use of their time.

Regent Blum felt strongly that meetings should be held on the campuses. He noted that campus visits were typically not well attended.

Regent Island observed that the proposal resembles a solution in search of a problem. He believed that it would not be wise to conduct the business of such a large institution at two meetings per year. The substance of each meeting should be the discharge of the Regents' legal and fiduciary responsibilities. Regent Island did not feel it would be appropriate for the Regents to undertake an evaluation of the performance of a campus; this role should be reserved for the President. He was sympathetic to the practice of periodic visits to the campuses, but noted that they should be made with the idea of providing support to the chancellors. Regent Island observed that the Board currently has seven standing committees; the proposal has been made to add another five. He asked where the discussion of issues confronting the University would take place, noting that the plan would shift business behind the closed doors of various committees. Regent Island concluded by expressing his concern about how the committee members would be chosen and what their qualifications to serve on a specific committee should be.

Regent Parsky asked whether there had been consideration of which responsibilities the Regents should retain and what should be delegated. Regent Island's comments are appropriate if one operates under the assumption that there will be no changes in the delegation of authority. Committee Chair Marcus commented that one goal would be to delegate as much as is appropriate. He pointed out that there is rarely any in-depth discussion of matters such as the settlement of lawsuits or the approval of salaries. Regent Island saw this as a failure to carry out the fiduciary responsibilities of a Regent. There is a responsibility to understand each item and to ask questions as necessary.

Regent Wachter agreed with a need to reexamine the Board's committee structure, but he concurred with Regent Island's comments pertaining to the responsibility of the Regents to comprehend the decisions that are being made. He also strongly supported meeting on the campuses in order to have more contact with students. Regent Wachter was not in favor of a radically different way of conducting business but supported finding ways to make the Regents part of University life.

Regent Moores believed that too much of the Board's time was being wasted by presentations and that the talent of the University's executives was being wasted by their attendance at Regents meetings. He observed that most Regents know little about the day-to-day operations of the University, including how funds are allocated and how students are admitted.

Regent Marcus felt that his proposal would free the Regents to focus on more substantive issues while continuing to fulfill their fiduciary responsibilities.

Regent Rominger supported the concept of off-cycle committee meetings, which tend to be more productive. He pointed out that these meetings are open to the public and are often well attended. Regent Rominger did not support a reduction in the number of business meetings to two.

Regent Ruiz observed that there should always be an effort to making meetings more efficient, but he believed that Regent Marcus' proposal was too risky. He emphasized the importance of Regents establishing relationships with one another.

Faculty Representative Brunk noted that The Regents had delegated a number of responsibilities to the faculty through the Academic Senate, including the standards for eligibility for admission and the authority for the curriculum. Performance evaluation is also an important part of the faculty's role, and he suggested that the Regents may wish to know more about this role.

Regent Hopkinson recalled that business meetings held on a campus tend to pose difficulties. In addition, they disrupt campus operations and are costly. Regent Wachter believed that a balance could be achieved. Regent Marcus pointed out that under his proposal, the

meetings would be focused on the campus rather than on University business. He requested that there be scheduled a conference call for the Committee to discuss further his proposal, with all Regents welcome. He reiterated the fact that he was calling for more delegation of authority and more off-cycle committee meetings in order to allow the Regents to function as a strategic planning group for at least two to three days per year. The Board's committee structure should reflect the new millennium.

President Dynes acknowledged the fact that the chancellors could be spending their time more effectively than attending a Regents meeting. On the other hand, he recognized the importance to the chancellors of this morning's discussion of long-range planning. He was concerned about the idea of having fewer meetings because there are so many issues that the Board must consider, but he recognized that the Regents could delegate more responsibility.

In response to a comment by Committee Chair Marcus regarding the appointment of a small committee, the President pointed out that the University has a Long Range Planning Team that is considering these issues. It is his intention for that group to present its conclusions to the Regents by the spring.

Secretary Trivette noted that The Regents would be meeting on the Berkeley campus in November and the San Diego campus in January. There is a one-day visit to the Irvine campus scheduled for October, and next May there will be a mock set-up available for proposed meeting space at the UCSF-Mission Bay campus.

The meeting adjourned at 5:10 p.m.

Attest:

Secretary