

The Regents of the University of California

SPECIAL COMMITTEE ON REGENTS' PROCEDURES

September 21, 2006

The Special Committee on Regents' Procedures met on the above date at the UCSF–Mission Bay Community Center, San Francisco.

Members present: Regents Dynes, Gould, Hopkinson, Johnson, Kozberg, Lansing, Marcus, and Parsky; Advisory member Oakley

In attendance: Regents Blum, Coombs, De La Peña, Island, Ledesma, Moores, Pattiz, Preuss, Ruiz, Schilling, Schreiner, and Varner, Regents-designate Allen, Brewer, and Bugay, Faculty Representative Brown, Acting Secretary Shaw, Acting General Counsel Blair, Chief Investment Officer Berggren, Provost Hume, Executive Vice President Darling, Vice President Broome, Chancellors Birgeneau, Bishop, Drake, Fox, Vanderhoef, and Yang, Acting Chancellors Abrams and Blumenthal, and Recording Secretary Nietfeld

The meeting convened at 11:40 a.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 July 20, 2006 were approved.

2. STATUS REPORT ON THE TASK FORCE TO EVALUATE STANDING COMMITTEES AND PROCEDURES

Regent Marcus recalled that at the March meeting, the Special Committee had discussed the structure of The Regents' Standing Committees. Although the charges of individual Committees have been amended over the years, there had been no new Standing Committee established or disestablished since 1982. With the creation of the recently approved Committee on Compensation, it became clear that a comprehensive review of The Regents' Standing Committees was necessary.

The Special Committee recommended that a study group (Task Force) be convened to conduct such a comprehensive review, which would include determining whether any duties and responsibilities of the existing Standing Committees overlap, should be assigned to another existing or new committee, or should be delegated to the President. The Task Force was asked to consider in its review any organizational restructuring of the University administration that might be anticipated. This approach would result in a coordinated process for amending Bylaw 12 as well as assuring that all Standing Committees continue to be relevant to the operation and mission of The Regents and the University.

The eight existing Standing Committees to be reviewed were Audit, Compensation,

Educational Policy, Finance, Grounds and Buildings, Health Services, Investments, and Oversight of the Department of Energy Laboratories.

The Task Force was appointed by Chairman Parsky on July 17, 2006, with the following members: Regent Marcus, Chair; Regent Gould, Regent Kozberg, Faculty Representative Oakley, Acting General Counsel Blair, Acting Secretary Shaw, Executive Vice President Darling, and Deputy Hoffman.

The Task Force has met twice since July and assigned smaller groups to work on specific tasks and report back to the Task Force. In addition, an ongoing review of the consistency of the Bylaws, Standing Orders, and Regental policies is being undertaken to address other Task Force concerns. The Office of the General Counsel is proceeding with the review of the Bylaws and Standing Orders.

Recommendation One:

The first recommendation suggests that guidelines be adopted for the operation of the Board and its Committees. If adopted, this would change the procedures of the Special Committee on Regents' Procedures. These guidelines are summarized below:

- The Committee Vice Chair should succeed the Chair.
- The Chair of a Committee must approve all committee agenda items.
- At least 50 percent of committee membership of each Standing Committee should serve more than one year to assure continuity.
- The Vice Chair of the Board should be eligible to serve a second, one-year term.

Recommendation Two:

The second recommendation deals with expanding the number of Standing Committees that could meet concurrently at the regular Regents meeting or on an off-cycle schedule. This recommendation is made due to the success of the off-cycle meetings of the Committee on Investments and the Committee on Grounds and Buildings. Off-cycle Standing Committee meetings would also provide additional time during the regular Regents meetings for the Committee of the Whole to consider critical items that require discussion by the full Board. Any item may be brought to the Committee as a Whole if the Chair of the requesting Committee deems it is important enough to do so. The following Standing Committees would continue to meet off-cycle:

- Committee on Investments with the Investment Advisory Committee
- Committee on Grounds and Buildings

It is proposed that the following Standing Committees meet concurrently or off-cycle, when possible:

- Committee on Audit
- Committee on Compensation
- Committee on Health Services with the Health Services Advisory Committee
- Committee on Oversight of the Department of Energy Laboratories

Recommendation Three:

The Task Force recommends that the Special Committee on Regents' Procedures be eliminated and replaced with a new Standing Committee on Governance. The Task Force recommends that the Nominating Committee be eliminated and its functions be incorporated as a part of the new Standing Committee on Governance. Approval of these actions would require changes to the Bylaws and Standing Orders in order to revise the current functions and authority of several Committees.

Recommendation Four:

The Task Force discussed the addition of a new Standing Committee on Long Range Planning. Although all members of a Standing Committee must be Regents, the Task Force felt that such a committee should represent a broader range of constituents, an approach which could be implemented with an advisory board structure. The Task Force encourages further discussion on the possible roles and responsibilities of a new Standing Committee and a new advisory board dealing with long-range planning issues. The Task Force discussed inviting members of the Long Range Guidance Team to sit on the advisory board to provide needed continuity. The objectives would be as follows:

- This committee would take into consideration all aspects of the University and its constituents with the intention of maintaining the University's world-class mission of research, teaching, and community service.
- It would provide possible representation from a broad range of constituents within the UC system, such as chancellors, vice chancellors, faculty, deans, students, and other administrative leaders;
- It would develop a role and process through which a Standing Committee and the advisory board would suggest action items that would positively affect the future of the University.

Recommendation Five:

The Task Force suggests that the following guideline be included in the *Guidelines for Discharge of Regental Duties* first adopted in 2004:

- There should be a mandatory orientation for new Regents.

Regent Marcus believed that it was important for the Board to reevaluate its policies and procedures in order to achieve more efficient operations. He made reference to the fact that, due to the large volume of business that is brought before the Committee on Grounds and Buildings, it has been able to meet off cycle successfully. It was his hope that the Regents could create policies that would further the institution. With respect to Recommendation One, Regent Marcus noted that it is an attempt to recognize specialization among the Regents. It is not realistic to continue having all Regents attend every Committee session. In order to have some continuity of knowledge, the Task Force is recommending that the Vice Chair of a Committee succeed the Chair and that there be a less than 50 percent turnover among a Committee's members. In addition, the Committee Chair should determine the content of the agenda.

With respect to continuity, Regent Hopkinson commented that it was her understanding that Committee assignments would be semi-permanent and that a Committee Chair would serve for two years. She agreed that the Committee Chair should approve all agenda items for his or her Committee. She did not concur, however, with the recommendation that the Committee Vice Chair succeed the Chair, because this would prevent new Regents from being appointed to chair a Committee. She noted as examples Regents Gould and Wachter, who had not served for two years as the Vice Chair of the Committee of which they are now the Chair. The policy would essentially exclude new Regents from assuming a leadership role.

Committee Chair Marcus confirmed for Regent Lansing that amending the Bylaws to provide that the Vice Chairman of the Board would be eligible to serve a second, one-year term would not be binding on any individual.

With respect to Recommendation One, Faculty Representative Oakley commented that his understanding of the Task Force's deliberations had been that the use of the word "must" would not prevent an exception to the policy on the succession. He noted that it is the practice of the Academic Senate to have the Chair first serve as Vice Chair. Professor Oakley was somewhat concerned about the requirement that a Committee agenda be approved by its Chair, as he saw a need to preserve the convention of permitting every Regent to ask for consideration of an item. The Senate allows any member of the Academic Council to place a matter on the agenda.

Regent Preuss pointed out that at present the Board's agenda is set by the President.

Regent Kozberg suggested that the recommendation pertaining to the succession of the Vice Chair of a Committee be amended by the addition of "whenever possible," particularly in light of the fact that some Vice Chairs may not wish to take on the responsibility of serving as a Chair.

Regent Gould explained that the intention of the Task Force with Recommendation One had been to emphasize the importance of continuity; it is not meant to be so prescriptive that there is no flexibility.

In response to a question from Regent Pattiz, Committee Chair Marcus pointed out that there was no intention to modify the process by which Committee Chairs are appointed. He stressed that continuity in these roles would add expertise. Speaking to the Task Force report as a whole, Regent Pattiz observed that there was no reference to how Committees would be staffed. He saw that as an essential part of the process. Regent Marcus agreed that every Committee Chair must work with a senior officer within the Office of the President.

Regents Island, Preuss, and Blum supported the concept that any Regent should have the ability to place an item on the agenda.

In response to a question from Regent Lansing, Committee Chair Marcus confirmed that there is no limit on how long a Committee Chair may serve. A policy limiting that service to two years was rescinded.

Regent Moores believed that the Board's dependence upon the Office of the President for information was flawed. He suggested that each Standing Committee should have independent staff who do not report to the President.

Chairman Parsky saw the need to define how Regents determine the contents of an agenda vis-à-vis the Office of the President. In addition, all Regents should be provided with the ability to place an item on the agenda. Regent Marcus commented that the intention would be to allow the Chair to manage the Committee's agenda.

Faculty Representative Oakley recalled that recent experiences in the Academic Senate had underscored the dangers involved with vesting too much authority in a chair, who then failed to follow the wishes of the larger body.

Regent Hopkinson pointed out that the responsibility for the Board's agenda was vested in the President. She believed that shifting that role to the Committee Chair represented a dangerous change in procedures. She underscored that all Regents currently have the ability to place a matter on the agenda.

The Special Committee concurred with Recommendation Two pertaining to continuing the practice of having the Committee on Investments and the Committee on Grounds and

Buildings meet off-cycle, with the expectation that other Standing Committees would do so as well.

With respect to Recommendation Three, Regent Marcus recalled that the Nominating Committee is appointed by the Chairman. The intention would be for the Chairman to appoint the members of the Committee on Governance.

Regent Hopkinson cautioned that the establishment of a Committee on Governance should not result in an entrenchment of leadership, especially as new Regents are appointed. The creation of the Nominating Committee was intended to address this issue; that role should continue with the new Committee.

Regent Preuss supported Recommendation Four, which calls for the creation of a Standing Committee on Long Range Planning; this is an area of the Regents' responsibilities that is sometimes ignored due to pressing matters. There should be a continuous, open discussion of the future of the University.

Regent Coombs recognized the importance of establishing a Standing Committee on Long Range Planning, but he suggested that it would be important to state expressly that alumni will be involved.

Regent Hopkinson suggested that the Task Force consider recommending that the Chairs of the Standing Committees be appointed to the Standing Committee on Long Range Planning.

Regent Moores reiterated the request that independent staff be assigned to the Standing Committees.

The meeting adjourned at 12:40 p.m.

Attest:

Acting Secretary