Call to Order and Attendance

Committee Chair Regent Bill Ayer called the meeting to order at 3:00 p.m.
Committee Members Present: Bill Ayer (Chair), Kristi Blake, Constance Rice (by phone), Pat Shanahan (by phone), and Orin Smith
Others Present: Karin Nyrop, Division Chief, Attorney General’s Office, UW Division and Richard Cordova, Executive Director of Audits, Internal Audit

Approval of Minutes

The minutes of the Committee Meeting on October 9, 2014, were approved as distributed.

UW Advisory Committee on Real Estate Membership Reappointments (Action) (Agenda no. G-1)

Regent Ayer asked for Committee approval to reappoint Jeff Brotman and Herb Simon to the Advisory Committee on Real Estate (ACRE) for three-year terms, ending January 31, 2018. Jeff Brotman would continue as Chair of the Committee. Board Secretary Joan Goldblatt will work with Real Estate to explore amending the standing orders for ACRE to stagger committee members’ terms.

Regent Blake moved, Regent Smith seconded, and the Committee voted to approve the reappointments.

Adopt Amendments to the Bylaws of the Board of Regents and Approve Changes to the Board of Regents Governance, Standing Orders, Chapter 4 (Action) (Agenda no. G-2)

Kristi Blake, Regent and Chair of the Audit Advisory Committee, introduced “clean-up” amendments and changes to move the compliance function from the Audit Advisory Committee to the Finance and Asset Management Committee. Regents discussed the role of a Chief Compliance Officer for the University and requested receiving information about the University’s compliance model from Elizabeth Cherry, Executive Director of Risk Management, during a Finance and Asset Management Committee meeting in the future. Regents want to hear about the compliance structure and the scope of compliance exposure.

Regent Smith moved, Regent Blake seconded, and the Committee voted to approve the amendments to the bylaws and changes to the standing orders.

Finance and Asset Management Committee – Using Meeting Time More Effectively (Information) (Agenda no. G-3)

Pat Shanahan, Board Vice Chair and Chair of the Finance and Asset Management (FAM) Committee, introduced a discussion about the FAM Committee. He said there has been progress
toward an “intentional agenda,” but there is still a need to stay on track. Agendas are about 70% intentional and 30% “pop up.” Items need to be anchored around a compelling vision for the future and aligned with Washington Futures, the pillars, or an alternate document. He encouraged identifying between two and five strategic achievements and establishing a timeline. Staff are working toward operationalizing an agenda or annual calendar against a framework such as the pillars. When weighing how time is being spent, there are major categories of focus, including audit, human resources, fundraising, information technology, intercollegiate athletics, property/real estate, security and safety, and medicine, to name only a few. Pat suggested determining the most fitting month to hear about each of these items and then determine if the material presented is geared toward decision-making. The Governance Committee and/or the Board can review the annual agenda and imbed a scorecard to gauge progress.

Regent Rice encouraged the Board to be proactive and accountable, framing the “whole picture.”

Regent Blake recalled that at the dinner meeting in November the pillars were discussed. She supports items on committee meeting agendas directly addressing the pillars and that it be noted on the agenda how items relate back to the pillars (or an alternative set of university goals). Regents believe the President is “on board” with this approach. This will aid in drilling down into the organization and foster responsibility and accountability.

Regent Shanahan asked to check with President Cauce if the four pillars are still in place or if there is another framework.

Regent Ayer suggested an agreement to focus on three big ideas, and what the metrics are to measure changes.

Regent Smith said the University will lose flexibility if discussions focus more on revenue than costs. Bill encouraged using “cost per degree” as a metric forecast. He said President Cauce is asking for scorecards from units to learn what is being measured.

Regent Shanahan said he talked with President Cauce and plans to meet with Paul Jenny and Jerry Baldasty to distill this approach. He hopes administrators and others will find this inspiring and not threatening.

Regents encourage the use of meeting time for Board members to provide direction and monitor progress. This will support the President in driving change. Regent Shanahan encouraged defining a compelling vision.

Board Retreat – Debrief and Explore Next Steps (Information) (Agenda no. G-4)

The Board held a day-long planning retreat in April. At the end of the day, Regents created a list of ideas. Regent Ayer asked Committee members to begin to create priorities for next steps for the Board, President, and University. This item could also include a discussion of “Governance in the Sunshine.”

Regents support the change model proposed by President Cauce and the strategic implementation of the four pillars.

Regent Rice mentioned the legislative strategy as a way to build long term relationships. The establishment of the Governmental Affairs Advisory Committee supports a long term approach. Regents, also, should be involved in the vision and strategic aspects of legislative relations during the year.
Financial aid, especially to middle income families, was discussed as a priority.

The Committee members discussed the perception of the University as arrogant, how the University appears, how it behaves, and how this is viewed. UW’s presence in communities was explored compared with WSU’s statewide strategy which works into their legislative strategy. Tying into a “Governance in the Sunshine” strategy, this perception might be an area suited to listening sessions.

Regent Blake mentioned the four pillars, offering support to the President in these areas, encouraging her to develop initiatives and report on progress.

The Committee continued the discussion of “Governance in the Sunshine” – does this go above and beyond the current meeting structure or does it determine how the Board effectively manages meetings in the current structure?

Regent Ayer mentioned that President Cauce proposed an open session on divestment, in general, moderated, with invited thought leaders.

A discussion of the media followed – good governance includes knowing the influence of the media.

At the July Board meeting, Karin Nyrop, Division Chief, Attorney General’s Office, UW Division, will conduct a refresher training on open public meetings.

Succession Planning: 2015-16 Officers, Committees, and Other Appointments (Information) (Agenda no. G-5)

Regent Ayer reminded Regents the Board will elect officers at its meeting in September, and began a preliminary discussion of the direction of these, and other, appointments. The next meeting of the Governance Committee is July 8, and the slate of officers and appointments should be finalized at that time.

There was a discussion about the Chair serving a second one-year term with an exploration of the impact of changing Board Chairs during a presidential search. The impact of the Board is possibly greater if the Chair doesn’t change every year. Another possibility would be if the current Chair continued until the new President is appointed and on-boarded. Regent Ayer will speak with Regent Shanahan, current Board Vice Chair, about serving as Chair for 2015-16, and associated transition issues.

Other Business

There was a brief discussion about the ASUW Tacoma and Bothell Presidents either serving as designated representatives (which is not specified in the bylaws) and/or sitting at the Board table throughout the meetings.

Adjourn

The committee meeting was adjourned by Regent Ayer at 4:30 p.m. The next meeting of the Governance Committee is scheduled for Wednesday, July 8, 2015.

Approved at the meeting of the Committee on July 8, 2015.