

**MEMORANDUM**

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Creation of New Committees by Policy Manual Additions  
**Date:** May 10, 2004

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**Recommended Actions:**

- 1) Approve the recommendation of the President of the Board of Regents to revise the Board's committee structure.
  - 2) Approve immediate revision of the Policy Manual to implement the new structure.
  - 3) Approve membership revision of the interinstitutional committee on Economic Development and Technology Transfer to correspond to changes in Regents standing committees.
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**Executive Summary:**

The President of the Board of Regents has recommended that the Board of Regents conduct its business with the support of a revised committee structure. The Banking Committee will be disbanded. Six new committees will be established: Audit and Compliance, Investment, Education and Student Affairs, Economic Development, Human Resources, and University of Iowa Hospitals and Clinics Executive Board. Membership definitions for the interinstitutional Economic Development and Technology Transfer Committee will also be changed to conform to the definition of the separate new Board Committee. Revisions to the Board of Regents Policy Manual will implement the new committee structure.

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**Background:**

## Authorization

The Board of Regents is specifically authorized, pursuant to Iowa Code §262.12, "to create such committees . . . as may be desired or determined by the Board." At the present time there exists a Banking Committee of Board members, as well as a number of special committees that include institutional officials and personnel. Details regarding the creation, membership, and purpose of these committees are currently provided in the Board of Regents Policy Manual, §1.05 ("Board of Regents Committee"), §1.06 ("Interinstitutional Committees"), §1.07 ("Special Committees"), and §1.08 ("Membership on Other Boards, Commissions, Councils, and Committees"). There is also a "Committees" section in the Board's administrative rules (Iowa Administrative Code Chapter 681(11)). The President of the Board of Regents proposes to revise the current committee structure by disbanding the Banking Committee and creating six new standing committees comprised of members of the Board of Regents.

**Analysis:**

Legal Authority to Establish Committees

There is no doubt that the Board of Regents has the authority to establish committees that enable it to conduct its business. This authority has been specifically granted to the Board in §262.12 of the Iowa Code. The power to establish committees also arises from the Board's authority in Iowa Code §262.9(12) to "perform all other acts necessary and proper for the execution of the powers and duties conferred by law upon it."

New Committees Recommended

The president of the Board of Regents has recommended that the current Banking Committee be disbanded, and six new standing committees of the Board of Regents be implemented. The new committees would be:

- Audit and Compliance
- Investment
- Education and Student Affairs
- Economic Development
- Human Resources
- University of Iowa Hospitals and Clinics Executive Board

Proposed responsibilities

It has been proposed that the responsibilities of these committees be as follows:

Audit & Compliance Committee

- Receiving and reviewing information about internal and external audit functions related to the operation of all Regent institutions
- Oversight of security planning across the Regent enterprise
- Evaluating the annual audit plans proposed by internal auditors, with emphasis on financial control systems, mitigation of major risks, operational efficiencies, and compliance matters
- Reviewing all reports prepared by internal auditors of the Regent institutions
- Assuring continued evaluation, improvement, and adherence to all Board and institutional policies, procedures, and practices
- Facilitating an open avenue of communication among the independent auditors, financial and senior management, internal auditors, the Committee, and the Board of Regents

Investment Committee

- Ensuring the preservation of principal, sufficient liquidity for anticipated needs, and maintenance of purchasing power of investable assets
- Monitoring institutional investment and treasury management practices and performance
- Reviewing investment reports
- Ensuring compliance with Board investment policy
- Developing the broad investment strategy to be followed and the general limitations on the discretion granted to internal and external investment managers

investment managers

- Making recommendations to the Regents on the hiring, retention, and review of investment advisors and managers

#### Education and Student Affairs Committee

- Providing oversight and policy recommendations related to
  - academic affairs
  - student life and academic achievement
  - diversity in educational endeavors
  - intercollegiate athletics
- Monitoring and developing appropriate responses to state, regional and national policy initiatives regarding higher and special education
- Establishing positive, collaborative relationships with other education sectors
- Directing the work of special Board committees, such as the Interinstitutional Committee on Educational Coordination (ICEC), the 2 + 2 Council, and the ad hoc Radio Station Planning group, each of which will initially report their findings and recommendations to the Education Committee

#### Economic Development Committee

- Providing oversight and advice on economic development initiatives and activities involving the Regent institutions or Regent enterprise
- Providing oversight and direction for accomplishing the statutory mandates defined in Chapter 262B of the Iowa Code, “Commercialization of University Based Research”
- Identifying opportunities to promote the value of Regent institutions in research, outreach, and economic growth
- Prioritizing potential new initiatives
- Directing the work of the Regent Interinstitutional Committee on Economic Development and Technology Transfer

#### Human Resources Committee

- Evaluating and providing oversight concerning compensation and benefit issues
- Assessing and making recommendations on matters related to employee relations at the Regent institutions, including collective bargaining
- Providing advice and gathering information concerning evaluation systems
- Providing information and options for Board self-evaluations and training
- Providing oversight and making recommendations regarding affirmative action and diversity in the workplace
- Directing the work of the Interinstitutional Committee on Affirmative Action and Equal Opportunity

University of Iowa Hospitals and Clinics Executive Board Committee

- Evaluating and making recommendations on UIHC strategic plans, policies, procedures, bylaws, and accreditation issues
- Providing guidance to the UIHC administration
- Providing oversight concerning the management, budget, financial resources, and operations of the UIHC enterprise
- Assessing and making recommendations to the Board of Regents concerning proposed budget increases, capital plans, and bonding needs of the UIHC

Committee work  
within Board's  
authority

A review of the responsibilities of each of these committees indicates that their work would be well within the scope of authority of the Board of Regents. Therefore, it is appropriate for the President of the Board to recommend the creation of these committees, and it is within the scope of his authority to make such a recommendation.

Policy Manual  
revisions required

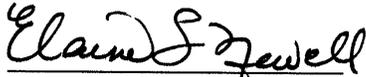
If the Board of Regents adopts the President's recommendation to create the new committees, it would be necessary to revise the Board of Regents Policy Manual to implement these changes. The proposed changes to the Policy Manual are as follows:

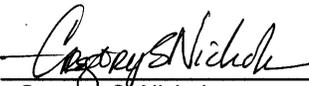
- Revise §1.04 to delete the reference to "special" committees, thus clarifying that the Board president is authorized to appoint members to all Board committees. (Presently, both the administrative rules and the Policy Manual only refer to presidential appointments to special committees; there is no reference to who is authorized to make appointments to standing Board committees.)
- Substantially revise §1.05 to identify the new committees, their duties, and the general operation of the committees. It also would clarify that appointments of committee members and chairs will be made by the Board president, subject to ratification by the Board of Regents.
- Update §1.06E, on the Interinstitutional Economic Development and Technology Transfer Committee, to revise who will serve as its members and clarify its relationship to the proposed Board of Regents Committee on Economic Development.
- Revise §1.07 to clarify that the Board may "establish" special committees. This will clarify that the Board of Regents establishes a committee, while the Board's president appoints members to the committee (subject to the Board's ratification).

These proposed revisions are noted on Attachments 1 through 5 of this memo.

The Board office recommends that the Board of Regents ratify the President's recommendation to disband the Banking Committee and create six new committees. The Board office also recommends that the Board of Regents Policy Manual be immediately revised as noted above to implement this new committee structure.

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Elaine S. Newell

Approved:   
Gregory S. Nichols

**Attachment 1**

**CURRENT POLICY**

**1.04 Board Officers (Iowa Code § 262.9(1))**

- A. The officers of the Board of Regents shall consist of the president and the Executive Director.
- B. The Board shall, each even-numbered year, elect from its members a president of the Board, who shall serve for two years and until a successor is elected and qualified.
- C. The president of the Board shall preside at all meetings of the Board; shall appoint members of all special committees; shall nominate for approval by the Board a president pro tem to serve when needed due to the President's temporary absence; with the Executive Director of the Board, execute such instruments and contracts as may be ordered by the Board; shall perform such duties as usually pertain to this office and such other duties as may be assigned by the Board; and the president of the Board shall be governed in action by the usual parliamentary procedure.

**PROPOSED REVISION**

**1.04 Board Officers (Iowa Code § 262.9(1))**

- A. The officers of the Board of Regents shall consist of the president and the Executive Director.
- B. The Board shall, each even-numbered year, elect from its members a president of the Board, who shall serve for two years and until a successor is elected and qualified.
- C. The president of the Board shall preside at all meetings of the Board; shall appoint members of all ~~special~~ committees; shall nominate for approval by the Board a president pro tem to serve when needed due to the President's temporary absence; with the Executive Director of the Board, execute such instruments and contracts as may be ordered by the Board; shall perform such duties as usually pertain to this office and such other duties as may be assigned by the Board; and the president of the Board shall be governed in action by the usual parliamentary procedure.

**Attachment 2**

**CURRENT POLICY**

**1.05 Board of Regents Committee**

Regent Banking Committee

The Banking Committee shall consist of five members and the President of the Board as an ex officio member with the following functions:

1. Review and make recommendations on borrowings for the Regent institutions, including but not limited to bonds, notes and lease financing.
2. Receive and review audit reports from the State Auditor, internal auditors and external auditors.
3. Monitor and make recommendations on institutional investment and treasury management practices and performance, including ensuring compliance with Board policy and evaluation of the Board's investment advisors and fund managers.

**PROPOSED REVISION**

**1.05 Board of Regents Committees**

~~Regent Banking Committee~~

~~The Banking Committee shall consist of five members and the President of the Board as an ex officio member with the following functions:~~

- ~~1. Review and make recommendations on borrowings for the Regent institutions, including but not limited to bonds, notes and lease financing.~~
- ~~2. Receive and review audit reports from the State Auditor, internal auditors and external auditors.~~
- ~~3. Monitor and make recommendations on institutional investment and treasury management practices and performance, including ensuring compliance with Board policy and evaluation of the Board's investment advisors and fund managers.~~

**a. Appointment and Authority of Committees**

The Board of Regents has six standing committees, as identified in subsection d. Their purpose is to support the mission and goals of the Board. While these committees are considered to be working groups of the Board, any actions or votes taken by the Board's committees do not constitute action or approval by the full Board of Regents. Standing committee appointments and designation of committee chairs are made by the Board president, subject to ratification by the Board of Regents.

The President of the Board may also recommend that the Board create time-limited ad hoc committees or a task force to undertake a specific mission. Appointment of members and chairs of such ad hoc committees and task forces is also subject to ratification by the Board.

**b. General Committee Responsibilities**

Each committee, within its designated area of jurisdiction, is responsible for the following activities:

1. Preparing an annual committee plan that defines the scope of the committee work, establishes benchmarks, and identifies indicators of committee progress
2. Gathering information on issues and policies pertinent to the committee's work, which may include directing the work and considering the reports of special and interinstitutional committees of the Board of Regents
3. Developing short-term and long-term recommendations to the Board of Regents after thoughtful consideration of relevant issues and policies
4. Regularly reporting to the Board of Regents regarding the status of the Committee's assignments and accomplishments

**c. Operation of the Committees**

Each committee shall consist of at least five Board members. The President of the Board shall serve as an ex officio, non-voting member of all standing committees. In order to conduct business, a quorum of the committee must be in attendance. A quorum of a committee consists of a majority of the appointed committee members. Each committee of the Board of Regents shall follow Roberts Rules of Order and shall meet in open session as required by law. This includes:

1. Providing appropriate public notice of committee meetings
2. Providing the basis and rationale of decisions
3. Recording the decisions of the committee
4. Keeping minutes that include:
  - a. the date, time, and meeting place
  - b. the members present
  - c. the action taken at each meeting
  - d. the results of each vote taken
  - e. information sufficient to indicate the vote of each member present

Generally committee minutes shall be available for public inspection, except for those portions of the minutes that are otherwise exempt from inspection pursuant to state or federal law.

**d. Standing Committees of the Board of Regents**

The Board of Regents' standing committees, and their responsibilities, are as follows:

Audit & Compliance Committee. This committee is primarily responsible for:

- Receiving and reviewing information about internal and external audit functions related to the operation of all Regent institutions
- Oversight of security planning across the Regent enterprise
- Evaluating the annual audit plans proposed by internal auditors, with emphasis on financial control systems, mitigation of major risks, operational efficiencies, and compliance matters

- Reviewing all reports prepared by internal auditors of the Regent institutions
- Assuring continued evaluation, improvement, and adherence to all Board and institutional policies, procedures, and practices
- Facilitating an open avenue of communication among the independent auditors, financial and senior management, internal auditors, the Committee, and the Board of Regents

Investment Committee. This committee is primarily responsible for:

- Ensuring the preservation of principal, sufficient liquidity for anticipated needs, and maintenance of purchasing power of investable assets
- Monitoring institutional investment and treasury management practices and performance
- Reviewing investment reports
- Ensuring compliance with Board investment policy
- Developing the broad investment strategy to be followed and the general limitations on the discretion granted to internal and external investment managers
- Making recommendations to the Regents on the hiring, retention, and review of investment advisors and managers

Education and Student Affairs Committee. This committee is primarily responsible for:

- Providing oversight and policy recommendations related to
  - academic affairs
  - student life and academic achievement
  - diversity in educational endeavors
  - intercollegiate athletics
- Monitoring and developing appropriate responses to state, regional and national policy initiatives regarding higher and special education
- Establishing positive, collaborative relationships with other education sectors
- Directing the work of special Board committees, such as the Interinstitutional Committee on Educational Coordination (ICEC), the 2 + 2 Council, and the ad hoc Radio Station Planning group, each of which will initially report their findings and recommendations to the Education Committee

Economic Development Committee. This committee is primarily responsible for:

- Providing oversight and advice on economic development initiatives and activities involving the Regent institutions or Regent enterprise
- Providing oversight and direction for accomplishing the statutory mandates defined in Chapter 262B of the Iowa Code, "Commercialization of University Based Research"
- Identifying opportunities to promote the value of Regent institutions in research, outreach, and economic growth
- Prioritizing potential new initiatives
- Directing the work of the Regent Interinstitutional Committee on Economic Development and Technology Transfer

Human Resources Committee. This committee is primarily responsible for:

- Evaluating and providing oversight concerning compensation and benefit issues
- Assessing and making recommendations on matters related to employee relations at the Regent institutions, including collective bargaining
- Providing advice and gathering information concerning evaluation systems
- Providing information and options for Board self-evaluations and training
- Providing oversight and making recommendations regarding affirmative action and diversity in the workplace
- Directing the work of the Interinstitutional Committee on Affirmative Action and Equal Opportunity

University of Iowa Hospitals and Clinics Executive Board Committee. This committee is responsible for serving as the primary governance and oversight vehicle for the UIHC by:

- Evaluating and making recommendations on UIHC strategic plans, policies, procedures, bylaws, and accreditation issues
- Providing guidance to the UIHC administration
- Providing oversight concerning the management, budget, financial resources, and operations of the UIHC enterprise
- Assessing and making recommendations to the Board of Regents concerning proposed budget increases, capital plans, and bonding needs of the UIHC

**Attachment 3**

**CURRENT POLICY**

**1.06 Interinstitutional Committees**

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**E. Economic Development and Technology Transfer Committee**

The Economic Development and Technology Transfer Committee shall consist of members as follows:

- Three Regents appointed by the President of the Board
- The Board's Executive Director,
- The Presidents of the universities
- Three persons assigned to work on economic development from each university, appointed by the university President,
- Two persons assigned to work in research, one from SU1 and one from ISU, appointed by the university President,
- Two persons from the Board Office staff appointed by the Executive Director, if deemed necessary by the Executive Director.

The Committee chair shall be selected annually by the Board President from among the institutional officials who serve as members of the Committee.

Members of the Committee not designated by title shall serve at the pleasure of the person who appointed them. The Committee shall meet not less than three times each year and shall annually report on its activities to the Executive Director. The Executive Director shall docket the report for Board consideration as appropriate. The Committee may at any time make recommendations to the Executive Director on policy and procedural matters related to the responsibilities of the Committee. The Executive Director shall place such matters on the Board's docket as appropriate.

Attachment 4

PROPOSED REVISION

1.06 Interinstitutional Committees

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E. Economic Development and Technology Transfer Committee

The Economic Development and Technology Transfer Committee shall consist of members as follows:

- ~~• Three Regents appointed by the President of the Board,~~
- The Regent who chairs the Board of Regents Economic Development Committee
- ~~• The Board's Executive Director,~~
- The Presidents of the universities,
- Three persons assigned to work on economic development, one from each university, appointed by the university President,
- Two persons assigned to work in research, one from SUU and one from ISU, appointed by the university President, and
- Two Three persons from the Board Office staff appointed by the Executive Director, and who may include the Executive Director
- ~~• Two ex-officio members appointed by the Executive Director, if~~
- ~~deemed necessary by the Executive Director.~~

~~The Committee chair shall be selected annually by the Board President from among the institutional officials who serve as members of the Committee. Members of the Committee not designated by title shall serve at the pleasure of the person who appointed them. The Committee shall meet not less than three times each the year and shall annually regularly report on its activities to the Executive Director Board's standing Economic Development Committee. The Executive Director shall docket the report for Board consideration as appropriate. The interinstitutional Ccommittee may at any time make recommendations to the Executive Director Board's standing Economic Development Committee on policy and procedural matters related to the responsibilities of the interinstitutional Ccommittee. The Executive Director Board's standing Economic Development Committee shall place such matters on the Board's docket as appropriate.~~

**Attachment 5**

**CURRENT POLICY**

**1.07 Special Committees**

The Board may appoint special committees on occasion. They shall exist only during the period required for the performance of their assigned duties and shall be discharged when their respective reports are accepted by the Board.

**PROPOSED REVISION**

**1.07 Special Committees**

The Board may ~~appoint~~ establish special committees on occasion. They shall exist only during the period required for the performance of their assigned duties and shall be discharged when their respective reports are accepted by the Board.