

**MEMORANDUM**

**To** Board of Regents  
**From:** Board Office  
**Subject:** Additions to Board of Regents Policy Manual  
**Date:** October 6, 2003

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**Recommended Actions:**

1. Approve the first reading of Board of Regents Policy Manual §3.03S: Responsibilities of the Executive Director and Board Office – emeritus status for Board Office staff (Attachment 1);
  2. Acknowledge as a first reading for the Board of Regents Policy Manual § 7.04: Investment Policy and §7.07: Compliance and Reporting, I. Banking Activity, as presented and discussed in Banking Committee and reported in G.D. 7 today (Attachment 2); and
  3. Approve for final reading and publication in the Board of Regents Policy Manual § 7.02: General Policies, A. Budgets, 6. Reallocation Policy (Attachment 3) and §1.06E: Economic Development and Technology Transfer Committee (Attachment 4).
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**Executive Summary:**

<u>Policy Manual</u> under intensive review	The Board Office and Regent institutions have been in the process of reviewing the <u>Board of Regents Policy Manual</u> ( <u>Policy Manual</u> ), formerly the <u>Procedural Guide</u> , for more than a year. The process has involved the Board reviewing proposed changes and additions at one meeting, commenting on the proposals, and allowing institutional comments to be incorporated prior to final approval for publication at a subsequent Board meeting.
Emeritus status for Board Office staff – first reading	Proposed new <u>Policy Manual</u> §3.03S provides Board Office staff the same opportunity to be designated “emeritus” status as is provided to university administrators, faculty and staff (Attachment 1).
Investment Policy & Banking Activity – first reading	Proposed new <u>Policy Manual</u> §7.04: Investment Policy and §7.07: Compliance and Reporting, I. Banking Activity were discussed in Banking Committee at this meeting and presented on the Banking Committee report at G.D. 7. They are presented in outline form with the request the outline be treated as a first reading of the content (Attachment 2).

Reallocation Policy – second reading	Proposed <u>Policy Manual</u> §7.02: General Policies, A. Budgets, 6. Re-allocation Policy (Attachment 3) was presented for first reading last month. Revisions requested in September by the Board have been incorporated in the current proposal. The policy provides reallocation of not less than 1.0% of base general fund budgets plus reporting requirements.
Economic Development and Technology Transfer Committee – second reading	Proposed new <u>Policy Manual</u> §1.06E: Economic Development and Technology Transfer Committee (Attachment 4), was presented for first reading last month. It provides an opportunity for consultation among the three Regent university Presidents, three Regents, the Executive Director, and selected members of the universities' administration and the Board Office, on achieving the Board's objectives in economic development and technology transfer.

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**Strategic Plan:**

Relates to quality, effectiveness, and efficiency	Revision of the <u>Policy Manual</u> is consistent with the Board of Regents current Strategic Plan, KRA 1.1.0.0, Quality. More specifically this proposal relates to KRA 4.0.0.0, Accountability, and particularly to Objective 4.2.0.0 – to improve the operational effectiveness and efficiency of the institutions.
FY 2004 – 2009 Strategic Plan	Four priorities for its 2004-2009 Strategic Plan were approved by the Board in July 2003. They are: #1 - quality education; #2 – discovery of new knowledge; #3 – needed service and promotion of economic growth; and #4 – public accountability. These proposed changes relate to public accountability for financial resources and acquiring and retaining quality staff to provide quality education.

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**Background:**

<u>Policy Manual</u> being revised	Previous revisions of the <u>Policy Manual</u> approved by the Board are catalogued in Attachment 5.
Emeritus status for Board Office staff	Proposed new <u>Policy Manual</u> §3.03.S (Attachment 1) provides Board Office staff the same opportunity to be designated “emeritus” status as is provided to university administrators, faculty and staff upon retirement from their positions. The Board has also extended the emeritus designation to superintendents of the special schools upon retirement. The emeritus designation does not provide any economic benefit to the staff member and creates no expense to the Board Office though continued access to Board Office e-mail may be granted as it is at the institutions. Emeritus status upon retirement of Board Office staff who have made significant contributions to the Board and the Board Office would be conferred by the Board upon the recommendation of the Executive Director.
Investment Policy – first reading	Proposed new <u>Policy Manual</u> §7.04: Investment Policy, is under review by external resources and will be provided to the Board through the Banking Committee agenda for this meeting.

Banking Activity – first reading Proposed new Policy Manual §7.07I: Compliance and Reporting – Banking Activity, is under review by external resources and will be provided to the Board through the Banking Committee agenda for this meeting.

Reallocation of at least 1.0% for strategic initiatives – second reading Proposed Policy Manual §7.02: General Policies, A. Budgets, 6. Reallocation Policy (Attachment 3) was before the Board in September 2003. It formalizes a practice in which the Board and institutions have engaged for many years. The proposed policy includes a requirement that each institution reallocate at least 1.0% of its continuing base general fund budget to focus on strategic initiatives. The proposed policy describes what aspects of the reallocation are to be reported to the Board and the form of the report. The policy was reviewed by the Banking Committee and commented on by the Board at the September 2003 meeting. If approved for publication at this meeting, it is proposed to remain in place for fiscal years 2005 through 2009 with the policy being reviewed every five years.

Economic development and technology transfer committee – second reading Proposed Policy Manual §1.06D: Interinstitutional Committees – Economic Development and Technology Transfer (Attachment 4), was before the Board in September 2003. It provides an opportunity for three Regents, Regent university Presidents, the Board's Executive Director, and university administrators involved in research and technology transfer, and members of the Board Office staff to discuss how to assist the State in achieving its objectives in economic development and technology transfer. The Committee will also discuss how to enhance the respective universities' activities in economic development and technology transfer.

Editorial review completed by November In an effort to insure that the update and revision of the Policy Manual is completed by the end of this calendar year, institutional heads have designated an administrator to work with the Board Office in completing an editorial review. Results of the editorial review are anticipated to be presented to the Board in November.

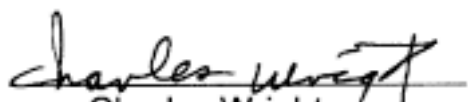
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**Analysis:**

First readings subject to comment The Board is receiving a proposed Policy Manual addition for emeritus status for retiring Board Office staff as a first reading. It is also receiving in concept form proposed revisions to the investment policy and banking activity as "first readings". The Board and institutions have an opportunity to comment on them and recommend revisions.

Final approval of investment policy The recommendation for final approval of the reallocation policy is based on Board comments in its September 2003 meeting.

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Charles Wright

Approved:   
Gregory S. Nichols

### **3.03 Responsibilities of the Executive Director and the Board Office**

(Previously approved §§3.03 A-R are not shown.)

- S. The Executive Director may recommend to the Board the designation of emeritus status for members of the Board Office staff who retire after substantial service to the Board of Regents and the Board Office. Emeritus status will not confer any economic benefit or right upon a retired staff member and may include continued access to Board Office e-mail and other benefits as determined by the Executive Director and the Board.

NOTE: Proposed revisions to Policy Manual §§7.04 and 7.07.I are being reviewed by external reviewers and will be available to the Board as a part of the Banking Committee docket, item #11.

7.02 General Policies

A. Budgets

6. Reallocation Policy

The following represents the key components of the reallocation policy for FY 2005 through FY 2009:

- Each institution must reallocate at least 1.0% of its continuing base general fund budget for focused strategic initiatives.
- Each initiative must be fully described, similar to initiatives requesting state appropriations or outside funding, and should address the following criteria:
  - Relationship of initiatives to institutional strategic plans.
  - Other proposed funding source requests, such as state appropriations or tuition, for similar or connected initiatives.
  - Benefits associated with initiatives to the institution and/or the state such as:
    - Desired outcomes of initiatives
    - Potential for enhancement of external funding (leveraging of resources)
    - Expected impact on the state's economic development
- The institution is to describe results/progress of the initiatives funded by reallocations as part of the annual comprehensive fiscal report.
- The institution would provide a summary, in general terms, from where the reallocated funding was accumulated for these initiatives.

The reallocation policy will be reviewed at least every five years.

(Does not show previously approved §§ 1.06A-D)

## **1.06 Interinstitutional Committees**

The Board has approved several interinstitutional committees, identified as follows: Committee on Educational Coordination, Committee on Library Coordination, Regent Information Committee, Regent Committee on Educational Relations, State Extension and Continuing Education council, Committee on Affirmative Action and Equal Opportunity, and Economic Development and Technology Transfer Committee.

### **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, one from each university, appointed by the university President,
- Two persons assigned to work in research, one from SUI and one from ISU, appointed by the university President,
- Two persons from the Board Office staff appointed by the Executive Director, and
- 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 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.

**Board approved revisions of sections of the Policy Manual**

- Chapter V. Equal Opportunity, in January 2002.
- Chapter II. Meetings and Chapter IV. Personnel, in March 2002.
- Chapter IV. Personnel, §4.04 - Appointment of Presidents, Superintendents, and Executive Director and §4.11 - Employment and Supervision of Immediate Family Members, in April 2002.
- Chapter III. Board Office, in April 2002.
- Chapter VI. Academic Policies and Procedures (with the exception of §§6.03 and 6.04), in April 2002.
- Chapter I. Board of Regents, in May 2002.
- Chapter VI. Academic Policies and Procedures, §§6.03 and 6.04, in May 2002.
- Chapter VIII. Charges and Fees, in May 2002.
- Chapter IV. Personnel, §4.37 - Regent Employees Representing the Board of Regents and the Regent Enterprise, and §4.38 - Regent Employees Serving on State Committees as Regent Employees, in June 2002.
- Chapter I. Board of Regents, §1.07(A)(2)(b) (amended to include a community college president as a representative on the Committee on Educational Coordination), in June 2002.
- Chapter VII. Business Procedures, §7.04 – Purchasing, in July 2002.
- Chapter IV. Personnel, §4.39 - Conflict of Interest of Public Officers and Employees – Gifts, §4.40 - Conflict of Interest – Duty of Loyalty, and §4.41 - Inclement Weather, in January 2003.
- Chapter VII. Business Procedures, §7.01 - Authority, §7.02 - General Practices, §7.04 - Financing, §7.06 - Risk Management, §7.07 - Compliance and Reporting, and §7.08 – Audits, in January 2003.
- Chapter IX. Property and Facilities, §9.03 - Register of Capital Improvement Business Transactions, §9.04 - Permission to Proceed with Project Planning, §9.05 - Program Statement, §9.06 - Project Descriptions and Budgets, §9.07 - Consultant Agreements and Amendments, §9.08 - Construction Contracts and Change Orders, §9.09 - Acceptance of Completed Construction Contracts, and §9.10 - Final Reports, in January 2003.
- Chapter I: Board of Regents -- § 1.03: Report of Special Schools Advisory Committees; §1.04, subsections C and E; and §1.06I: Regent Advisory Committees on Iowa School for the Deaf and Iowa Braille and Sight Saving School, in April 2003.
- Chapter IV: Personnel, Section 4.42: Interinstitutional Staff Sharing, in April 2003.
- Chapter VI: Academic Policies and Procedures, §6.05: Academic Review and Program Approval and subsection 6.05B(3), in April 2003.
- Chapter IX: Property and Facilities, §9.07: Consultant Agreements and Amendments, in April 2003.
- Chapter I: Board of Regents -- §1.03: Governance, subsection E: Governance Reports – Banking Committee, in May 2003.
- Chapter I: Board of Regents -- §1.05: Board of Regents Committee, in May 2003.
- Chapter VII: Business Procedures -- §7.09: Printing, in July 2003.