

**MEMORANDUM**

**To** Board of Regents

**From:** Board Office

**Subject:** Additions to Board of Regents Policy Manual

**Date:** September 8, 2003

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**Recommended Actions:**

1. Approve the first reading of Board of Regents Policy Manual §1.06E: Economic development and Technology Transfer Committee (Attachment 1), and
  2. Acknowledge as a first reading for the Board of Regents Policy Manual, an as yet unnumbered section on budget reallocations, as presented and discussed in G. D. 6 earlier today (Attachment 2).
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**Executive Summary:**

Policy Manual  
under intensive  
review

The Board Office and Regent institutions have been in the process of reviewing the Board of Regents Policy Manual (Policy Manual), formerly the Procedural Guide, 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 a subsequent Board meeting at which final approval is given.

Committee focuses  
institutions efforts  
on economic de-  
velopment & tech-  
nology transfer

Proposed new Policy Manual §1.06E: Economic Development and Technology Transfer Committee (Attachment 1), 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. (2004 – 2009 Strategic Plan Priority #3.)

Policy requiring re-  
allocation require-  
ment proposed

A second proposed new Policy Manual section would formalize the Board's reallocation requirement for annual institutional budgets. This item was presented in conceptual form and discussed earlier in the September Board meeting at G.D. 6. (Attachment 2) With the Board's approval of the concept (reallocation of not less than 1.0% of base general fund budgets plus reporting requirements), a proposed reallocation policy will be drafted in appropriate form for the Board's October docket. (2004 – 2009 Strategic Plan Priority #4.)

First reading today, approval in October This is a "first reading" of each of the Policy Manual sections presented today. Regents' and institutional administrators' comments will be received and incorporated into a proposed final version for adoption by the Board in October for publication in the Policy Manual.

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**Strategic Plan:**

Relates to quality, effectiveness, and efficiency Revision of the Policy Manual is consistent with the Board of Regents 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.

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**Background:**

Policy Manual being revised Previous revisions of the Policy Manual approved by the Board are catalogued in Attachment 3.

**Economic Development and Tech Transfer:**

Informal discussion on economic development and technology transfer formalized **Economic Development and Technology Transfer:** Regent university Presidents have been meeting informally with the Executive Director, university administrators involved in research and technology transfer, a few Regents, and members of the Board Office staff to discuss how to assist the State in achieving its objectives in economic development and technology transfer and how to enhance the respective universities' activities in economic development and technology transfer. Formalizing this activity by making it a part of the Board's formal structure identified in Policy Manual §1.06: Interinstitutional Committees (Attachment 1), will provide continuity of membership and reporting requirements beneficial to the Board and the public.

Membership of committee Membership of this interinstitutional committee is described in Attachment 1 and includes the three university presidents, three Regents, the Executive Director, a staff member working in economic development from each university, two Board Office staff, and two ex-officio members appointed by the Executive Director if there is a need for additional persons for purposes of achieving appropriate liaison functions with the public, business and industry or State government.

Required meetings and report The policy requires that the committee meet at least three times per year and provide an annual report to the Executive Director who will docket items from the report as appropriate.

**Reallocation**

Practice of reallocation formalized

**Reallocation:**

The proposed Policy Manual section (Attachment 2) addressing annual budget reallocations is discussed in detail in this month's G.D. 6. This proposal formalizes a practice in which the Board and institutions have engaged for many years. The policy is proposed to remain in place for fiscal years 2005 through 2009 with the policy being reviewed every five years.

Minimum of 1.0% for strategic initiatives

Elements of the proposed policy include a requirement that each institution focus on strategic initiatives the reallocation of at least 1.0% of its continuing base general fund budget. The proposed policy describes what aspects of the reallocation are to be reported to the Board and the form of the report.

Discussion of G.D. 6 constitutes first reading of policy

The Board Office and institutions have been engaged in discussion of the reallocation issue for several months. The Board Office has concluded that this matter should be presented to the Board as a separate docket item to facilitate and encourage discussion among the Board, the institutions, and the Board Office. Therefore, the reallocation matter was presented in conceptual form earlier in this meeting as G.D. 6. The Board Office proposes that this discussion constitute a "first reading" of the proposed policy which will evolve from the discussion of G.D. 6. In October the Board will receive the policy in appropriate form for final adoption.

Policy adoption in October

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**Analysis:**

The Board is receiving the two proposed Policy Manual additions as "first readings" and will have an opportunity to comment on them and recommend revisions.

Final approval of the two proposed policies is anticipated at the October meeting.

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 Approved:   
Charles Wright Gregory S. Nichols

(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 SU1 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.

### **Concepts for Budget Reallocation Presented at G.D. 6**

The following represents key components of the proposed 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 have the option to provide a summary, in general terms, from where the reallocated funding was accumulated for these initiatives.
- The reallocation policy will be reviewed every five years.

Attachment 3

**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, in April 2002 (with the exception of §§6.03 and 6.04).
- 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) in June 2002 (amended to include a community college president as a representative on the Committee on Educational Coordination).
- 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.
- Chapter I: Board of Regents -- § 1.03: Report of Special Schools Advisory Committees; §1.04, subsections C and E; and §1.06: 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.