

C. Governance and Compliance Committee

General Moore, chair, will report on the committee meeting of November 17, 2016.

**Governance and Compliance Committee
Meeting of November 17, 2017**

Minutes

Present: D. Fecher, S. Fitzpatrick, A. Goyal, S. Green, J. Kingsley, W. Montgomery, C.D. Moore, A. Rains, G. Ramos

Guests: W. Branson, L. Chan, M. Grushon, D. Kimpton, C. Schrader, T. Sudkamp, K. Tittle, J. Ulliman

General C.D. Moore, committee chair, called the meeting to order at 11:34 a.m. and read the conflict of interest statement.

Chair's Comments

General Moore welcomed Ms. Tittle back from her leave, reviewed the agenda, and outlined three objectives for the meeting.

Update on the Affiliated Entity Review Process

Wright State University, through its Board of Trustees and administration, began the process of the affiliated entity review about a year ago with the approval of the University policy on affiliated entities:

The Affiliated Entity Policy-adopted October 7, 2016

<http://www.wright.edu/sites/www.wright.edu/files/uploads/2016/Oct/meeting/WSU%20Policy%20on%20Affiliated%20Entities-Full.pdf>

This policy was put into place to establish a framework to provide oversight of the entities affiliated with the University and to reduce the risk associated with those affiliations.

An affiliated entity, as defined within the policy, is a legal entity that:

- Is separate from the University
- Has a bona fide purpose and is formed or operated to support a public purpose that is consistent with the mission of the University; and
- Is created, controlled or strongly influenced by the University; receives significant support from the University in the form of funding, staff or other resources; or uses the University's name.

Ms. Kelli Tittle, director of compliance, discussed the status of the affiliated entity review. The process began with 24 potential affiliates. Seven entities did not meet the definition of an affiliated entity. Six have been dissolved or are in the process of being dissolved,

meaning the dissolution paperwork has been filed with the Secretary of State but has not been finalized. Four were pending review and three are in progress. The reviews for the two entities in the next round have been initiated with document requests submitted to those entities. The review of the last potential affiliate, Wright State Applied Research Corporation, has been completed and a Memorandum of Agreement (MOA) has been signed.

Affiliate Entity Review as of November 17, 2017:

<http://www.wright.edu/sites/www.wright.edu/files/uploads/2017/Dec/meeting/11172017%20Gov%20%26%20Compliance%20Chart.pdf>

A question was raised about non-entities using the Wright State name and who should be making the decision concerning the use of the Wright State name or registered marks. Mr. Chan indicated that the Office of General Counsel would be reaching out with cease and desist letters to entities not affiliated with Wright State and President Schrader offered support for the implementation of a high level administrative decision process for future requests to use Wright State's name or registered marks.

There was an inquiry about the status of the National Center for Medical Readiness (NCMR) as dissolved. As a stand-alone entity, NCMR, Inc. has been dissolved, but its operations continue to exist within the university.

The Committee discussed their expectations for requesting an exception to the Affiliated Entity policy. When the request is presented for approval, the Board would like to see the language within the MOA that would mitigate the risk to the university if the exception were to be granted.

At the January Committee meeting, the Board will receive an update on the status of the affiliated entity review for the following: Double Bowler; WSU Foundation; Wright State Alumni Association; Wright State Physicians, Inc.; and Dayton Regional STEM School, including any exceptions to the policy related to those reviews.

Plan to Update Trustee Bylaws

General Moore outlined the framework for updating the 2003 version of the Trustees Bylaws. All sections of the current document will be reviewed as they pertain to the Board's roles and responsibilities. Sections deemed no longer relevant will be rewritten or eliminated. Changes occurring include the elimination of the unused treasurer's position and an enhancement of the scope and structure of the standing committees.

Appearing within the current Bylaws are additional sections that deal with the powers, duties and responsibilities of the University President, a Faculty section, a Student Body section and one on University-related organizations. The committee decided to review these sections for their relevance to the Board's role in university governance. In addition, with Provost Sudkamp's and Dr. Doom's (Faculty President) help, the Bylaw Review

Subcommittee intends to compare these sections to existing University and faculty governance policies. Trustees bylaws should not duplicate or create conflict with other policies but instead should reference any applicable policies and procedures relevant to Board governance. Trustee Fecher requested an organization chart of all policies and who “owns them” as a reference.

Trustees Kingsley and Rains have agreed to assist with the process of clarifying the role of Student Trustees. The Bylaw Review Subcommittee plans to bring their revisions to Committee Day in January for submission to the Governance and Compliance Committee.

During the review of the roles and responsibilities of the Board’s standing committees, one topic that arose was the clarification of the compliance role of the Governance and Compliance Committee. Many laws, rules, regulations and compliance guidelines exist outside the boundary of financial compliance. To avoid overburdening the Finance, Audit and Infrastructure Committee, Trustee Moore will work with Mr. Peter Cheng, university auditor, to determine where the logistics and execution occur.

Draft Policy for Onboarding New Trustees

The draft policy for Onboarding New Trustees was presented to the Committee for their review. A discussion ensued on whether polices should be incorporated into the Bylaws or should be handled as stand-alone policies referenced as such within the Bylaws. The consensus was Board Policies should be separate.

Suggestions offered for the draft included having the Student Trustees work with the University President to develop the campus tour along with input from Student Government. The incoming trustees should also receive information on Presidential duties and powers, academic free speech, faculty governance, and the role of tenure, etc. as they are onboarding. Other topics will be addressed and incorporated as the Bylaws review process is completed. A final New Trustee Onboarding policy will be presented at the next Committee meeting.

Additional House Bill 49 Requirements

House Bill 49 has added new policies that universities must develop reporting for, or receive approval from, their Board of Trustees. Trustee Fecher highlighted three such policies which include the intellectual property policy, the development of a commercialization track for faculty tenure, and a textbook selection policy for faculty to use. Each of these will be assigned to a committee of the Board for their review and assistance in the approval process.

Good of the Order

One of the recommendations from last year’s Board governance review was the use of Board self-assessment surveys. General Moore indicated that the Governance and Compliance Committee will be utilizing a survey of all Board members to gather feedback

on the Board's effectiveness in implementing strategies and objectives to meet their mission and that of the University.

General Moore also reminded the Trustees to complete their annual 2017 Ohio Ethics Training by December 31st.

The meeting adjourned at 12:20 p.m.

Respectfully submitted by
Deborah Kimpton