

B. Governance and Compliance Committee

General Moore, chair, will report on the committee meeting of September 15, 2017.

**Compliance and Governance Committee
Meeting of September 15, 2017**

Minutes

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

Guests: W. Branson, L. Chan, R. Fyffe, M. Grushon, J. Hensley, D. Kimpton, N. Lasky, T. Sudkamp, J. Ulliman,

General C.D. Moore, committee chair, called the meeting to order at 11:25 a.m. and read the conflict of interest statement.

Chair's Comments

General Moore welcomed his fellow committee members and explained that Ms. Kelli Tittle, the university's chief compliance officer and university liaison to the committee, is on leave and unable to attend the meeting.

The Governance and Compliance Committee is expected to bring focus and clarity to the Board's Governance and oversight responsibilities. Although the Board of Trustee's Bylaws have not yet been formally revised to capture the new Board-approved committee structure, the intent of the Governance and Compliance Committee will be included in the pending Bylaw update.

General Moore reviewed the agenda and outlined expectations for the meeting, which included:

- A presentation and discussion of the new standing committee's responsibilities
- A progress update on the Affiliate Entity compliance review process and Board reporting expectations.
- Discussion of plans to update the Trustees' Bylaws with the new Standing Committee structure plus incorporation of recommendations from the Board of Trustee Bylaws study conducted earlier this year by the five graduate students.
- Discussion of intentions to expand and formalize the New Trustee onboarding process to facilitate board member preparedness and effectiveness.

Governance and Compliance Committee Responsibilities

The Board has looked at the current committee structure and has made modifications to that structure. The Compliance Committee has now become the Governance and Compliance Committee whose primary function is to facilitate all matters of board governance and compliance including:

- a. Periodic review of, and recommendations for, modifications to the bylaws, committee structure and trustee/officer job descriptions
- b. Board member orientation, training and self-assessment processes
- c. Gap analysis and recommendations to the Executive Committee related to appointments of new trustees
- d. Oversight of university compliance policies and Board risk management processes
- e. Assisting the Board of Trustees in fulfilling its oversight responsibility for the system of internal controls, the audit process for non-financial matters, and the University's process for monitoring compliance with laws, regulations and code of conduct.

Based on some of the recommendations received from the comprehensive review of bylaws conducted by the graduate students last spring, the Governance and Compliance Committee's oversight has been enhanced and expanded.

The Advancement standing committee of the Board has been eliminated. However, those duties applicable to the Advancement Committee remain important to the Board, and have been incorporated into the Governance and Compliance Committee's purview as outlined below. An additional role of the Committee is to make recommendations for action to the Board of Trustees in areas related to policies, which provide for and govern:

- a. The external relations established by, or required of the University, excluding matters assigned to other Board standing committees
- b. Continuing University relations with its graduates, including but not limited to, Alumni Association activity
- c. University operations directed toward effective public relations, marketing, and the enhancement of community goodwill
- d. University public service in, and partnerships with, the larger community, or segments thereof, included but not limited to, those relationships which are contractual

Trustee Moore invited the committee members and full Board to share any comments or suggestions on the function or focus of the Compliance and Governance Committee as the update of the Bylaws moves forward for adoption.

Update on the Affiliate Entity Compliance Review Process

General Moore spoke about the compliance review process, progress to date, and the Board's expectations moving forward.

Ms. Kelli Tittle, director of compliance, has made progress on executing the Affiliated Entity review. Due to her leave this month, the Committee has postponed her progress report until November. Ms. Tittle used the following guidelines for conducting the review.

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>

Step #1 of the Affiliate Entity review process was to determine whether a designated Affiliated Entity met the criteria to be operating as a University Affiliated organization. The original Affiliated Entity list contained about 24 organizations under consideration, which has been reduced to approximately 15 or 16. Ultimately, it may be further reduced when all entities have met, or not met, the criteria to be deemed a University Affiliated Entity.

Step #2 was to ensure that this Affiliated Entity was operating in compliance with the Board of Trustee approved Affiliated Entity Policy. According to guidelines, once an Affiliated Entity meets the criteria to be an Affiliate Entity it must also meet the defined criterial for compliance. If both conditions are met, by policy, the Board authorizes the Administration to proceed with formalizing the Memorandum of Agreement (MOA). It is not the intent of the Board or this Committee to be involved in the MOA coordination and approval process for a compliance Affiliated Entity.

However, if the Affiliated Entity is deemed “not in compliance” and the Administration would like to grant an exception to the Affiliated Entity Policy, the Board and this Committee would expect to be informed of that intent before an MOA to grant relief in that non-compliance area is formalized.

Step #3 in the Affiliated Entity review process was to deter whether an Affiliated Entity is an organization that fits within the strategic vision and future objective of Wright State University. Stated another way, an organization may meet the criteria as an Affiliated Entity and is determined to be in-compliance, but may be deemed to be an organization that does not support the future direction of the University. The final determination of University direction will be an outcome of the new Administration’s strategic planning process.

Ms. Tittle has been instructed to proceed with the MOA’s for those entities who have completed the above stated process and met the criteria.

President Schrader offered details of a new Presidential initiative, the “Let’s Talk” series. The first event in this series of open forums will focus on the Wright State Applied Research Corporation (WSARC) and the Wright State Research Institute (WSRI) and will feature a panel and open question/answer period for the community to ask questions and learn more about these entities. The event will be held on October 3rd at 11:30 in the Apollo Room, Student Union.

Plan to Update Trustee Bylaws

With the new Standing Committee structure recently affirmed by the Board, and incorporating recommendations from the Board of Trustees' Bylaws study conducted earlier this year, the Governance and Compliance Committee is now in a better position to complete the update to the Board of Trustee Bylaws.

General Moore outlined the next steps. The Committee is establishing a sub-committee to draft an update to the Bylaws and present the draft for consideration at the next Committee Day in November. Once any additional changes have been made, the full Board will meet in December for formal consideration and approval of the Bylaws. The sub-committee will consist of the Committee Chair and three non-board members to include our Committee liaisons, Mr. Larry Chan and Ms. Kelli Tittle, and Ms. Debbie Kimpton. Student Trustees Austin Rains and Jordan Kingsley will also help to expand and clarify the role of the Student Trustee.

Board of Trustees Onboarding and Orientation Process

In an effort to engage, educate and better support Wright State's new trustees, it is the intent of the Governance and Compliance Committee to re-energize the Board of Trustee onboarding process to help each new Trustee to be most effective as soon as possible in their tenure.

Trustee Moore outlined the four parts of the initial Onboarding process, which will include:

1. Each board member receiving a notebook ("Brain Book") containing relevant introductory documents such as current policies, Bylaws, latest financial documents, the Strategic Plan with Goal/Objectives, general campus material, Board and Administration bios and contact information, and other University familiarization material.
2. The establishment of an onboarding "mentoring" program that pairs a new trustee with a current/seasoned board member to help with the process.
3. The development of a campus orientation program to include a tour of the colleges and facilities. Mr. Rains offered for the Student Trustees to be in charge of the campus tour.
4. One on one meeting opportunities with the new Trustee and the Administration's leadership team.

The initial process is anticipated to take about three months, however the orientation process will extend into the first year with opportunities for additional training, orientation initiatives and exposure to University programs, people and processes.

The committee members offered support for the outlined changes and agreed to send further suggestions to General Moore. A final draft of the onboarding process will be presented to the Governance and Compliance Committee at the November meeting for further discussion.

Good of the Order

No additional business was presented. General Moore summarized action items for the next Committee Day to include a report from Ms. Tittle on the Affiliate Entity Compliance Review process, a draft of the updated Bylaws, and an update on the onboarding process. The Administration will also identify any non-compliance issues with the reviewed Entities and present them to the Governance and Compliance Committee before proceeding with MOA closure.

The meeting adjourned at 11:55 a.m.

Respectfully submitted by
Deborah Kimpton