

**C. Governance and Compliance Committee**

General Moore, committee chair, will report on the committee meeting of April 6, 2018.

**Governance and Compliance Committee  
Meeting of April 6, 2018**

**Minutes**

**Present:** D. Fecher, S. Fitzpatrick, S. Green, B. Langos, W. Montgomery, A. Rains, G. Ramos

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

General C.D. Moore, committee chair, called the meeting to order at 10:55 a.m. and read the conflict of interest statement.

**Chair's Comments**

General Moore reviewed the committee's agenda, and outlined the objectives for the meeting, and offered the following remarks.

"For the past year, we have been working on updating the Bylaws governing the roles and responsibilities of the Wright State University Board of Trustees. The process actually started about sixteen months ago when we chartered a group of graduate students from the business school to review our 2003 Bylaws and to make recommendations based on their comprehensive and comparative assessment to other institutions' board processes. They offered a number of recommendations and best practices which we have used in updating our draft Bylaws. For the past six months, we have edited, coordinated, sought feedback, and re-edited these draft Bylaws several times. Much thanks is due to the Bylaws sub-committee: Debbie Kimpton, Larry Chan, Kelli Tittle, Student Trustee Rains, and I wanted to pass thanks also to Dr. Doom. I really do appreciate your insights and inputs into this process. Thank you.

This week we distributed a final draft to all Board members for review with intent today to affirm this current draft in this Committee and to move forward for formal Board approval at the 27 April meeting. In the discussion today, I ask your forbearance to keep these guiding principles in mind. We are capturing how the Board does business today, or at least our intent on how we plan to operate going forward. We are currently operating without an up-to-date Bylaws document. The current Bylaws document is fifteen years old. I now know why, because after sixteen months this has been a very tedious process. I have learned patience and perseverance. You can teach old people new things.

We want to have an accurate document, but I would ask my fellow Board members not to seek perfection. The reason I say that is per the Bylaws, this document may be altered, amended or repealed and new Bylaws adopted by the Board at any regular or special meeting of the Board. So as long as we think that we have accurately captured how we want to do business, we always have the opportunity, and my hope is that we don't wait

fifteen years as we see the opportunity, to amend or adapt this document, we can. I offer these thoughts as you review this draft document and prepare to move it forward for full Board approval later this month. Much time and energy has gone into updating the Bylaws. Your help today in bringing this project to closure would be much appreciated.”

## 1. **Board of Trustees Bylaws**

General Moore highlighted specific areas of change to review and solicit agreement from members of the Governance and Compliance Committee. Areas of discussion included:

Article I, Section 12 pertaining to when a roll call vote is needed for full Board approval. Instances requiring roll call votes are defined in this section.

Clarification was made throughout the document for the duties of Secretary of the Board and Secretary to the Board. Secretary of the Board is a Trustee position and a member of the Executive Committee. Secretary to the Board is an administration representative, in this case, Mr. Larry Chan, vice president for legal affairs, that works with the Board on governing matters.

Trustee’s attendance requirements for meetings are defined by state statute which is cited in the proposed Bylaw changes.

The Governance and Compliance Committee has now assumed the duties and responsibilities of the former Advancement Committee, which has been eliminated.

Changes and additions to the Finance, Audit and Infrastructure Committee include specifying an annual independent audit be performed and aligning the Board’s contractual oversight policy with their oversight and approval of actions related to property including technology.

The oversight of any collective bargaining process rests with the Executive Committee as does the oversight of personnel appointments, changes in status, salary adjustments, and other personnel changes associated with high visibility “purview” University employees.

Article III, Section 2 outlines the process whereby special committees can be established and the process for granting an extension for the special committee beyond a two-year term.

Section 3 allows for the creation and selection of “National Trustees” who are alumni appointed by the Board to serve for two years and can bring a level of outside expertise to the Board.

There was a discussion to clarify the outlined review process for the University President. The President will receive an annual performance review, in executive session, at the last scheduled meeting of the Board for the academic fiscal year. The Board also has the discretion to evaluate the President by utilizing an outside evaluator appointed by the Board after consultation with the President. This “360

Review” is a common practice in Higher Education and allows for executive development and a fresh perspective aligned with institutional best practices.

Under Article IV, Section 5, the role of the Student Trustee was defined and the right to attend Executive Session was granted at the discretion of the Board Chair, with the exception of any discussion of personnel or collective bargaining matters.

Section 6 offers an update to the various levels of membership in the faculty rank and contains a link to the Faculty Senate Constitution for further clarification.

Section 8, Operating and Capital Budgets, focuses on finances. It specifies that the operating and capital budgets shall be presented in forms that will permit the Trustees a full and comprehensive understanding of University financial affairs and after approval, the operating budget shall govern all financial transactions. This section establishes clear expectations of the Board regarding governance of all financial transactions.

Article XIII: Conflict of Interest, lists the state’s requirement for annual completion of a confidential Conflict of Interest Disclosure and prohibits a Trustee from participating in deliberations or vote on a University contract, action or transaction when the Trustee has a financial, personal or fiduciary interest in any person or entity affected by such contract, action or transaction.

Under the Guidelines and Responsibilities of Trustees, the passage on refusing trustees’ gifts or accommodations on behalf of the university, its vendors, faculty, staff or students was strengthened to include refusing benefits.

Trustee Bridges requested the Executive Committee work with President Schrader to develop a list of purview employees to bring to the Board, recognizing that this list may have additions or deletions in the future. The list will establish a basis of understanding for both the Board and the administration on what positions this designation includes.

A resolution was presented to the committee to move the draft to the full Board for consideration provided several proposed changes were made.

The final draft with the requested changes and modifications is before the Board today for approval and adoption.

### **RESOLUTION 18-**

WHEREAS, the Wright State University Board of Trustees governs the conduct of University Board business according to By Laws that it has drafted and adopted in previous Board proceedings;

WHEREAS, the Board has determined that it wishes to revise and update its By Laws to accommodate new developments in the area of technology and in the way it conducts University Board business;

WHEREAS, the Board has completed a review process of its existing By Laws and made revisions and updates to its By Laws which have been reviewed and approved by its Trustees;

THEREFORE, BE IT RESOLVED,

That the Wright State University Board of Trustees hereby revises and updates its existing By Laws and adopts the newly revised and updated By Laws by which the Board shall govern itself and conduct the University's business.

I offer this Motion:

Is there a Second:

Roll Call Vote:

- **Affiliated Entity Review Process Update**

Ms. Kelli Tittle, compliance director, gave a brief update on the status of the affiliated entity review process. Five affiliates are currently under review which include the Wright State Alumni Association and Wright State Physicians, Inc. Four more affiliates are on deck to begin the review process and the Wright State Applied Research Corporation has completed the process and a MOA has been signed.

- **Compliance in Higher Education**

Ms. Tittle spoke to the challenges facing higher education in meeting compliance requirements. Over time, compliance has become increasingly complicated and much more regulated. Strong compliance oversight programs are needed to understand and comply with the multitude of compliance policies and regulations such as information security, FERPA, NCAA, Title IX, and research compliance.

Universities have responded to these challenges by establishing compliance units and designating a compliance director to oversee the policies, processes and efforts needed to meet federal and state requirements. Institutional failure to meet these requirements carries stiff fines and could result in loss of federal funding.

Ms. Tittle oversees the Office of University Compliance which was created in November 2016. Her department assists with oversight, training, policy creations, and coordination of the compliance council and acts as a centralized resource to ensure the university meets its compliance requirements.

General Moore recognized Ms. Tittle's efforts and commended the progress made over the last year in dealing with this challenging issue.

- **Good of the Order**

General Moore thanked outgoing Student Government Association (SGA) president, David Baugham, and SGA vice president, Ms. Holley Mapel, for their service and for coordinating his recent “Student Shadowing” visit. General Moore toured the Veterans and Military Center, spoke with student veterans and was able to experience campus through the eyes of a student. All Trustees were encouraged to participate in this process.

The meeting adjourned at 11:53 a.m.

Respectfully submitted by  
Deborah Kimpton