BOARD OF TRUSTEES

AD HOC COMMITTEE ON GOVERNANCE

November 17, 2014
AGENDA
No item in this report for release prior to 1:00 p.m. Monday, November 17, 2014.

AGENDA

NIU Board of Trustees
AD HOC COMMITTEE ON GOVERNANCE
1:00 p.m. – Monday – November 17, 2014
Board of Trustees Room
315 Altgeld Hall
DeKalb, IL

1. Call to Order and Roll Call
2. Verification of Quorum and Appropriate Notification of Public Meeting
3. Approval of Proposed Meeting Agenda................................................................. Action............
4. Chair's Comments/Announcements
5. Public Comment*

Discussion Items
6. Committee Charge ................................................................................................. Chair......................
7. Review of Proposed Bylaw Reforms.........................................................................Committee Discussion
8. Board Assessment Options.......................................................................................Committee Discussion
9. Next Steps / Work Plan..........................................................................................Action......................

10. Other Matters
11. Next Meeting Date – TBD
12. Adjournment
*The Board and its committees comply with P.A. 91-0715 through its Bylaws, Article II, Section 5.B:

1. Consistent with Public Act 91-0715 and reasonable constraints determined by these Bylaws and the Chair, at each regular or special meeting of the Board or its committees that is open to the public, members of the public may request a brief time on the approved agenda of the meeting to address the Board on relevant matters within its jurisdiction.

2. Committees of the Board review University proposals for action and make adjustments and endorsements as appropriate for further consideration by the full Board. Public comments are generally most useful at meetings of Board committees, where proposals are first considered and the time for interaction most feasible.

3. To facilitate an orderly process, appearance requests must be registered on a Board-provided form and submitted to the Board’s Parliamentarian at least 45 minutes before the meeting is scheduled to be called to order. To be recognized, the appearance request will include the name, address and position of the individual wishing to speak, the name of the organization or group represented, a concise summary of the presentation, and whether the requestor has appeared earlier on the topic before any other meeting of the Board. The Parliamentarian may confer with registered speakers to cooperatively assist the Chair of the meeting in assuring coordinated issue presentation and an efficient use of allocated time. The Parliamentarian will acquaint requestors with the generally acceptable rules of decorum for their presentations. In lieu of oral presentations, individuals may present brief written materials not to exceed five (5) pages to the Parliamentarian for distribution and consideration by the Board in advance of the meeting.

4. The Chair of the meeting will recognize duly registered individuals at the appropriate point during the meeting. Unduly repetitive comments may be discouraged and restricted by the Chair. To assure an orderly and timely meeting the Chair may limit time allotments to five minutes or less, may delay or defer appearances when appropriate, and defer or refer questions received from presenters for answers if available.

Anyone needing special accommodations to participate in the NIU Board of Trustees meetings should contact Ellen Andersen, Director of Special Events, at (815) 753-1999, as soon as possible, normally at least a week before the scheduled Board meeting.
#6

COMMITTEE CHARGE
September 18, 2014

MEMORANDUM

TO: NIU Board of Trustees
    Douglas Baker, President
    Northern Illinois University

FROM: John R. Butler, Chair

Subject: Objectives and Parameters Ad Hoc Committees on Governance and Enrollment

On July 31, 2014, I announced my intention to form two Ad Hoc Committees, one concerning Governance and another concerning Enrollment. This memorandum serves to further outline the scope of activities for these committees.

The formation of this Committee is in accordance with Article VI, Section 5 of the NIU Board of Trustees Bylaws, which reads as follows.

Special purpose or ad hoc committees may be established by the Board either at the discretion of the Board Chair or on motion properly put and approved by the Board. Such committees shall remain in existence only so long as warranted by their assigned purpose or charge. Their operations shall be consistent with state laws on open meetings and applicable Board Bylaws, policies and Regulations.

Ad hoc committees are formed for a specific task or objective, and dissolved after the completion of the task or achievement of the objective.

After considerable discussion with President Baker and among Board members regarding board performance and facilitating and aligning the work of the governing board with that of the university, I have prepared the following objectives and parameters for an Ad Hoc Committee on Governance and an Ad Hoc Committee on Enrollment.
Ad Hoc Committee on Enrollment.

This action emerges out of discussions between President Baker and trustees regarding the central importance of enrollment and the prospect of several board-level proposals, particularly of a capital nature, that relate directly to the enrollment challenge. This committee will:

1. Receive background information on the nature and extent of the recruitment and retention challenges faced by NIU.

2. Produce recommendations for board-level action intended to positively impact recruitment and retention.

3. Develop metrics for accountability purposes and building an infrastructure to receive and act on metrics related to recruitment and retention.

Key Parameters of the Ad Hoc Committee

In order to focus and appropriately limit the committee’s attention, the committee should consider the following matters concerning enrollment, and additional matters deemed to be directly related:

(a) University-level strategic plans and goals for recruitment and retention.

(b) Budget changes necessary to support recruitment and retention initiatives.

(c) Capital expenses necessary to support recruitment and retention initiatives.

(d) Systems of recognition or reward for faculty and staff related to recruitment and retention activities.

(e) The addition or deletion of curricular offerings aimed at attracting new students.

(f) Proposals for enhancing advising and other interventions geared toward students at risk of leaving.

(g) Other considerations that will flow from the information received by the committee.

This committee will likely function for one to two years, continued at the discretion of the next Board Chair. I have asked Trustee Marc Strauss to chair the committee and President Baker has agreed to function directly in the liaison role. So there is a strong connection between the Academic Affairs, Student Affairs, and Personnel Committee and the committee, I have consulted with Trustee Bob Marshall, and he plans to serve on the committee as well.

All trustees interested in serving on the ad hoc committee are welcome to join the committee. Trustee Strauss has determined meetings will occur on campus in DeKalb, and will be scheduled as needed to accomplish the committee’s objectives, and he intends to request detailed minutes be completed and disseminated shortly after each meeting, and will provide frequent updates to all trustees on any developing proposals well in advance of regular Board meetings. Meetings of this committee will be, for the most part, conducted with minimal accommodations, so members may schedule several meetings throughout the year at a reasonable cost.
Ad Hoc Committee on Governance

At the start of a second year of President Baker’s leadership, there remains a variety of governance issues the Board should address in partnership with the president. This committee will:

1. Recommend a comprehensive set of revisions to the Board Bylaws.

2. Recommend a protocol for Board self-evaluation.

3. Establish Board goals and policies related to Board member education and professional development.

There are a variety of innovative approaches the Board and administration should consider to address these challenges, and significant internal expertise in the area of university governance from which to draw.

Key Parameters of the Ad Hoc Committee

In order to focus and appropriately limit the committee’s attention, the committee should consider the following matters concerning governance, and additional matters deemed to be directly related:

(a) Recommendations of the Office of the General Council (OGC) concerning Bylaw reform areas and periodic review and amendment of the Board Bylaws.

(b) Calls for reform (particularly among academic leadership) of related university governance documents aimed at promoting timely Board action, particularly programmatic/curricular innovation.

(c) Extensive self-evaluation mechanisms and professional assistance interpreting the results.

(d) Trustee committee workloads.

(e) Information flow between committees and the Board as a whole, and liaison and staff support.

(f) Development of a “Statement of Expectations” and other guidelines that result in streamlined processes and increased focus on high-priority, mission-critical university activities.

(g) Planning and preparation for Board meetings.

(h) Recording and dissemination of information pertaining to Board activity.

(i) Educational/professional development objectives of Board members and related policy.
I plan to chair the committee and extend an invitation to any Board members wishing to be on this committee. I intend to request detailed minutes be completed and disseminated shortly after each meeting, and will provide frequent updates to all trustees on any developing proposals well in advance of regular Board meetings. Meetings of this committee will be, for the most part, conducted with minimal accommodations, so members may schedule several meetings throughout the year at a reasonable cost.

I suspect some trustees will find four standing committees and two ad hoc committees to constitute a heavy workload. Indeed, the ad hoc committees will add to the workload of trustees who serve on them; however, I ask trustees to consider that these committees will address matters that require extended analysis and discussion beyond what current standing committee meetings are configured to accommodate. And, by pulling some of these matters into the less-formal and less-constrained setting of an ad hoc committee, the Board will hopefully reduce the need for extended analysis and discussion in the standing committees, and provide a greater degree of confidence in recommendations that come before the Board.

I ask trustees to please consider whether they wish to serve on either of these ad hoc committees and let me know at their earliest convenience. Naturally, trustees may attend any meetings of these committees even if they chose not to be appointed to them; but, if they are appointed, they will be considered in the number of members required for quorum. Moreover, trustees may determine they are not interested in this additional time commitment, but may decide to join the committee at a later date, and I will gladly appoint them at that time.
#7

REVIEW OF PROPOSED BYLAW REFORMS
Board of Trustees Governance Reform

Governance Bylaw Reform Recommendations

A. Board of Trustees Administrative
1. Presidential Succession Policy
2. Naming Rights Policy
3. Update Record Retention Policy
4. Update University Insurance & Employment Benefits Policy
5. Update Indemnification Policy

B. Board of Trustees Business Items
6. Update Conflict of Interest Policy
7. Establish/Clarify Administrative Leave Policy
8. Board and Senior Management Travel and Expense Reimbursement Policy (Risk Management)
9. Presidential House (Mandate living or not)
10. Reform of all Standing Committee Charter/Charges (to include purpose, powers, duties, and the establishment of Committee benchmarks and other measures).
11. Role of Board of Trustees in Tenure
12. Employee Residency Requirement?
C. NIU Constitutional Reform

13. NIU Constitutional Review and Recommendation
   a. Review Terms of Appointments
   b. Presidential Evaluation
   c. Revise Grievance Procedure
   d. Establish/Clarify Appeal Rights to the Board
   e. Other
#8

BOARD ASSESSMENT

OPTIONS
Board Assessment Options

It is common practice for Boards of Trustees of all types (corporate, educational, for-profit, not-for-profit) to conduct some sort of periodic evaluation or self-assessment to determine if they are functioning efficiently and fulfilling their duties and responsibilities. Is the Board structured appropriately? Are the committees structured and functioning appropriately? Is the Board organized in a manner which meets both the fiduciary responsibilities of the Board and the needs of the University? And is time spent working and thinking strategically? These are all good questions for any Board to ask.

According to Nonprofit Governance Index 2010, a report from BoardSource, 60% of boards conduct a formal, written evaluation of the board, and of those that do so, 66% were rated as "effective" by their chief executives. How often should boards engage in self-assessment? When BoardSource conducted a similar survey two years later, 55% of chief executives responded that their boards had conducted a self-assessment in the past 1-3 years.

Background

Performance evaluations are often a cause for apprehension, but without review and reflection, it’s impossible to determine whether your board and your organization are making progress. (Source: non-profitanswerguide.org)

Board evaluations/assessments are designed to do the following:

- Identify gaps and improve performance. They help the Board Chair and the President or Executive Director understand where they may need to support board members with training, coaching or member partnering to help a member meet goals and objectives.

- Offer an opportunity to communicate objectively. They offer a vehicle to openly discuss strengths and weaknesses and realign board members with the organization’s identity, mission, values and goals. They create transparency and add credibility to board decision-making.

- For the Chair, provide important feedback on leadership style and facilitation skills. They highlight the chair’s strengths and weaknesses in handling challenges, and his or her ability to keep board members engaged.

- To get started, experts recommend a nonprofit board conduct a self-assessment every two years. Along with a board review, many organizations also assess each board member's performance.
• Individual board members’ performance can be tied to a full board assessment process by asking board members to rate their own performance at the same time that they rate board performance.

To make evaluations work most effectively, Boards of Trustees must consider the following:

• Get buy-in from the full Board of Trustees. Full participation will be improved if you have consensus from all members.
• Research and explore before you jump in. If you’re new to board assessment, form a task force to investigate how to appropriately conduct a self-assessment. Research the self-assessment tools available and choose those that are best aligned with your needs.
• Devote time to planning. Ensure members have enough time to complete the assessment and determine when and how you'll discuss results.
• Consider bringing in a facilitator. Members need to know how to give constructive feedback. If anyone is unclear, you may want to bring in a facilitator to aid in the evaluation process and help discussions.
• Follow-up and implement recommendations to affect real board change. Expectations and duties should be clarified and each member should be provided with opportunities for self-improvement.

**Board Assessment**

The following information on Board Performance Assessment comes from the Association of Governing Boards (AGB).

**Board Performance Assessment** is designed to strengthen relationships, build trust, and improve individual and organizational effectiveness. It provides Boards with an opportunity to step back from the preoccupations of regular Board business to review their performance and develop a set of objectives that will strengthen the Board's effectiveness.

As a facilitator for Board assessment activities, the AGB encourages Boards to consider many types of assessment tools. They group or customize their services into comprehensive collections to meet each Board’s specific needs.

**BUILDING A STRATEGIC BOARD**

**Board Performance Assessment**

The first step of an independent Board assessment would be a discussion between a facilitator, the President and the Board or Committee Chair to discuss the goals, needs, and timelines. From that discussion, a program would be developed which may consist of the following.
• **Board Performance Assessment Workshop.** These types of workshops can result in a clearer understanding of the Board’s responsibilities and roles, clarify mutual expectations between the Board and the President, and more productive committee and Board meetings.

• **Board Performance Survey.** A Board Performance Survey is completed by Board members in preparation for the workshop. It is designed to elicit candid perceptions of the board’s effectiveness in key areas of board responsibility. Versions of the survey are available for boards of all types of organizations and survey questions can be modified to meet the specific needs of individual boards.

• **Workshop Agenda.** The workshop agenda is developed by a facilitator in consultation with the President and the Board Chair after reviewing the results of the board performance survey and background material provided by the institution. Workshops agendas typically include:
  
  ✓ Discussion of the Board’s responsibilities
  ✓ An opportunity to explore board member’s perceptions of the board’s role and to compare them with commonly accepted responsibilities
  ✓ Discussion of the board performance survey, summary and board performance.

• **Discussion Groups.** Board members meet in groups to devise specific objectives and strategies to improve the board’s effectiveness.

Additional services are also available which group services – with many of the same tools – that are geared to Advancing Leadership Capacity, Strengthening Board and Presidential Relationships, and Furthering Public Trusteeship and Governance.

At the conclusion of the assessment process, the strategies and conclusions would then be discussed by the full Board and become the basis for further review and Board action.
#9

NEXT STEPS/WORK PLAN
Proposed Plan

The Ad Hoc Committee on Governance Committee hosts two public half-day working sessions with the Board, the President, the President’s Cabinet and members of the University Leadership to discuss proposed policy reform and update recommendations provided by the Office of General Counsel.

For the initial working session, the Office of General Counsel, after consultation with the President and the President’s Cabinet, will submit recommendations for proposed changes to administrative issues under category A for the session’s discussions.

The second half-day working session will provide opportunities for discussion of items under category B and C. The Office of General Counsel will submit pre-discussion memorandums to Board members to solicit Board member’s thoughts. The Office of General Counsel will then submit memoranda outlining options and recommendations for the working session discussions.

The second working session will provide the Board, the President and members of the President’s Cabinet and University Leadership with the opportunity to express their preferences to the Office of General Counsel on each item in category B and C. The Office of General Counsel will then, in consultation with the President and his Cabinet, draft proposed recommendations for the category B and C items.

We are hopeful that the Category A working sessions will take place prior to the close of the 2014 calendar year and the Category B and C session can take place in the first quarter of 2015. We further propose that the Committees recommendations for Category A be submitted to the full Board for initial review and discussion for its December 4, 2014 meeting. This will make for discussions and possible actions prior to the close of the first quarter of 2015. Category B and C review and action may then commence in the 2015 first quarter with final action within the 2015 academic year (prior to July, 1, 2015).

Recommendations attached