Board of Regents

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TO: UW System Board of Regents President Michael Spector

FROM: Regent Vice President Brent Smith, Chair
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SUBJECT: Report of the Ad Hoc Work Group on UW System Structure and Governance

Thank you for the opportunity to serve on the Ad Hoc Work Group on UW System Structure and Governance. This report is offered for your consideration and for Board of Regents discussion. In addition, it is hoped that the background information contained in the report will prove useful as the legislative Special Task Force on UW Restructuring and Operational Flexibilities studies the complex issues related to the structure of the University of Wisconsin System.

INTRODUCTION

The Work Group was charged with two related goals: (1) analyzing one of the six issues identified in the legislation creating the Special Task Force, i.e., "whether there is a need to restructure the UW System and, if so, make recommendations as to a new governance structure;" and (2) identifying governance structures from university systems around the country, in response to President Reilly's recommendation, following the Report of the President's Advisory Committee on the Roles of UW System Administration, that a statewide conversation occur on the benefits and drawbacks of establishing campus-based institutional boards.

After analyzing these two areas, the Work Group concluded that restructuring should be undertaken only if it furthers the mission of the UW System. Specifically, the Group concluded that:

1. The mission of the UW System can be advanced through significant changes that would better reflect changing economic realities and strengthen the System's ability to fulfill its goals.

2. As a university system serving a public purpose, the UW System needs much greater independence from state-level restrictions that hold it back from accomplishing its mission.

3. Institution-level advisory boards, or "Chancellors' Advisory Councils," should be enhanced to provide greater advice and advocacy for individual UW System institutions. In addition, consideration should be given to implementing a systemwide advisory council, comprised of members of the institution-level councils, to consider matters of statewide concern.

4. Regional education councils would further support both the missions of individual institutions, and also economic development throughout the state.

This report describes the Work Group's reasoning for each of these conclusions.

ADVANCING THE MISSION OF THE UW SYSTEM

Several components form the core of the UW System's governance structure, as created by state statute: governance and oversight of the System vested in a single Board of Regents; assignment to the System president and institutional chancellors of the responsibility to manage UW System institutions; and shared governance roles for faculty, academic staff, and students. The Work Group began its consideration of whether there is a need to restructure the UW System by examining: (1) the mission and goals of the System's structure; and (2) recent administrative changes and economic realities that may affect the need for restructuring.

Structure Should Serve System Mission and Goals

The Work Group recognized that the mission of the UW System is a central consideration underlying the question of "whether there is a need to restructure" the UW System. The Group agreed that form should follow function – that the structure of the System should serve to strengthen the System's ability to accomplish its mission, as adopted by the Legislature:

> to develop human resources, to discover and disseminate knowledge, to extend knowledge and its application beyond the boundaries of its campuses and to serve and stimulate society by developing in students heightened intellectual, cultural and humane sensitivities, scientific, professional and technological expertise and a sense of purpose. Inherent in this broad mission are methods of instruction, research, extended training and public service designed to educate people and improve the human condition. Basic to every purpose of the system is the search for truth. [s. 36.01(2), Wis. Stats.]

The Work Group believes that the value of today's Wisconsin public higher education system, as created by the Governor and the Legislature forty years ago, is as great as ever. Consistent with the UW System's mission, research shows that higher education strongly benefits both individuals and communities. Those with bachelor's degrees earn more than those who have completed high school. Unemployment rates decline as education levels increase. Increased levels of educational attainment are associated with a wide array of societal benefits,

such as enhanced worker productivity; increased rates of volunteerism, voting, and blood donation; lower rates of poverty, smoking, and incarceration; and lower crime rates.

Research also shows that universities contribute to local economic development. According to a study by Richard K. Lester of the MIT Industrial Performance Center, "universities can help to attract new human, knowledge, and financial resources from elsewhere. They can help to adapt knowledge originating elsewhere to local conditions. They can help to integrate previously separate areas of technological activity. They can help to unlock and redirect knowledge that is already present in the region but is not being put to productive use."

For all of these reasons, Wisconsin needs better-prepared and more college graduates. By 2018, an estimated 61 percent of jobs in Wisconsin will require postsecondary education, 139,000 more than in 2008. When he spoke to the Board of Regents shortly after his election, Governor-elect Walker emphasized economic development and the alignment between the need for job growth in the state and the innovation and creativity of the UW System.

The question of what would constitute a "need to restructure" the UW System might also be answered by looking at whether goals that led to the creation of the current System structure still exist. Among the reasons for the formation of the UW System were to:

- improve the efficiency of public higher education in Wisconsin;
- eliminate competition for resources between separate boards of regents;
- promote the ease of credit transfer among institutions;
- eliminate the duplication of unnecessary programs; and
- promote the sharing of ideas and stimulate creativity and growth.

All of these goals remain important today, and the existence of the System has led to significant progress on all of them. For example, increases in efficiency have been achieved through administrative collaboration and programmatic and technological improvements. Credit transfer within the UW System is nearly seamless. In some respects, the goals now have a different focus. State funds represent a smaller percentage of the UW System's funding, for instance, and institutions potentially compete for students' tuition revenue, rather than for state funding.

If the structure of the System is to advance the mission and goals of the UW System, as we believe it should, then the structure should advance the goals of more, better-prepared college graduates; greater administrative efficiency; stronger advocacy for state and private funding; and greater collaboration.

Recent Administrative Changes and Current Economic Realities

Recent changes that have already occurred may support in some new ways the mission and goals of the UW System. First, the 2011-13 biennial budget, passed by the Legislature in June 2011, authorized some changes that are viewed as positive steps toward achieving additional, even more significant management flexibility in the future. The budget bill, for example, authorized the Board of Regents to allocate GPR funds to UW System institutions in the form of block grants; delegated authority to enter into contracts for some supplies and

services related to higher education; and authorized the development of new university personnel systems. Second, President Reilly appointed the President's Advisory Committee on the Roles of UW System Administration and charged it with recommending how to reshape the working relationship between UW System Administration and the UW System institutions. In response to the report, President Reilly announced that UW System Administration staff would take on a more consultative role and called upon the UW System's 14 chancellors to assume new leadership roles and more control over budgeting, financial management, and other operational decisions.

It could be argued that the changes promoted by the biennial budget and the President's Advisory Committee should be allowed to "play out" prior to consideration of further change, since these changes address some of the possible goals of restructuring – greater administrative efficiency, stronger advocacy for state and private funding, and greater collaboration. However, the Work Group recognized that certain other factors favor more immediate changes:

- increasing reliance on private donations for UW System capital and operating support, and a need for more voices advocating for community investment and engagement in public higher education throughout Wisconsin;

- the UW System's significant role in economic development through the education and development of the state's workforce and creation of innovative research and technologies; and

- the fact that the UW System is but one part of the state's educational system and that collaboration with other sectors of the state's educational system will better serve the citizens, businesses, and communities of Wisconsin.

Therefore, the Work Group concluded that the policy goals that led to the creation of the UW System continue to be important. Despite recent administrative changes, current economic realities and a dynamically changing higher-education landscape at the federal level require the UW System to reposition itself to continue to meet those goals and to more effectively serve the citizens of the state. The remainder of this report discusses possible approaches to this repositioning: (1) the UW System's role in serving a public purpose; (2) institution-level board structures; and (3) a possible new regional approach to higher education collaboration.

THE UW SYSTEM'S ROLE IN SERVING THE PUBLIC PURPOSE

UW System institutions serve important public purposes. They are engaged in developing talent, resources, and innovations that fuel the state's quality of life, as well as the economies of communities throughout the state. The Work Group considered how the System's relationship with state government might be changed to strengthen the System's ability to fulfill its public purpose.

Despite recent gains in flexibility, the UW System remains highly regulated by the state Department of Administration and other state entities in ways that hamper UW institutions' ability to operate in an innovative or entrepreneurial fashion. Aims McGuinness, of the National

Center for Higher Education Management Systems, has indicated that most states and countries have shifted away from models in which the state owns, controls, and subsidizes public universities, and instead are focusing on how the university enterprise connects to the future of the state.

Dr. McGuinness has pointed to Wisconsin as an example of a state that continues to have a high degree of control and regulation over its public university system. The state's procedural control and regulation of the UW System encompasses such management areas as construction and project management, compensation, purchasing and contracting, regulation of tuition and fees, and handling of revenue.

In a recent presentation to the Special Task Force on UW Restructuring and Operational Flexibilities, Dr. McGuinness outlined various principles of effective university systems. Among these principles was a strategic plan for the university system, including metrics linked to the future of the state, such as educational attainment, the economy, and quality of life. Other principles were: clearly defined missions; clear lines of authority and responsibility among the system board, system president, and chancellors; and effective and efficient management of every institution.

Heavy external regulation runs counter to the establishment of the most effective type of university system. Regulation has limited the ability of the Board of Regents to govern the UW System and of the UW institutions to fulfill their public purpose in serving the citizens of the state. The transfer of additional authority to the Board of Regents is necessary to change the structural relationship between the state of Wisconsin and the UW System. Strengthening the Board's role in a variety of significant management areas will strengthen the System:

Management Authority Needed to Enhance the University's Public Purpose Mission

Management Area	The Board of Regents should have authority to:
Capital Planning	• Approve, design, contract, and manage capital projects.
Procurement	• Control procurement and make all purchasing decisions for the UW System.
Financial Management	• Retain, manage, and invest funds. • Set tuition and fees.
Human Resources	• Set and adjust compensation for all UW System employees.
The Board of Regents should be expected to:	
Reporting	• Report on the UW System's progress in meeting significant accountability measures that are linked to the future of the state.

The UW System can better meet its public purpose if the Board of Regents is authorized to govern the System more fully. To this end, **the Work Group recommends the Board of Regents seek full authority to set tuition and to manage the System's financial and human resources, capital projects, and procurement activities**. With greater authority to govern its own activities, the Board can further delegate to UW System institutions the ability to align System resources with the types of degrees that will best serve the state of Wisconsin and provide greater accountability for results.

State funding no longer provides the resources necessary to completely serve the state's growing needs for higher education. During this time of limited public funding, the UW System needs control over its management and operational decision-making in order to increase efficiency, serve more students, enhance quality, help grow the economy, and compete in global talent markets.

GOVERNING AND ADVISORY BOARD STRUCTURES

To assist the Work Group in considering the concept of institution-level boards within the UW System, the Group examined: (1) other public university systems' structures; and (2) structural changes within the purview of the Board of Regents that would serve the university's public purpose mission.

Other Public University Systems' Structures

Research on governance structures in other public university systems reveals wide variation across the country. According to a 2008 survey by the Association of Governing Boards, these structures include governing systems, coordinating authorities, independently governed institutions, and various combinations of these. Examples include the following:

- Governing systems: Governing systems may include only two-year institutions, only four-year institutions, or both two- and four-year institutions, and may be statewide or include only a segment of the state's institutions. Some systems encompass all two-year and four-year institutions in the state (e.g., Alaska, Hawaii, Idaho, Kansas, Montana, North Dakota, Nevada, Rhode Island and Utah); some states have statewide governing boards for four-year institutions (e.g., Arizona, Florida, Iowa, Mississippi, North Carolina, Oregon, and South Dakota); and some states have multiple systems of four-year institutions (e.g., California, Colorado, Illinois, Indiana, Louisiana, Nebraska, Oklahoma, Pennsylvania, and Texas).

  Several states, such as Wisconsin, have one or more university governing systems that include both two- and four-year institutions (e.g., Arkansas, Georgia, Minnesota, New York, Oklahoma, Tennessee, Texas, Vermont), with the state of Georgia having a governance structure most similar to Wisconsin's.

- System and institutional governing boards: Only four states -- Florida, North Carolina, Pennsylvania, and Utah -- have systems with systemwide governing boards that also include institution-level governing boards. The Utah system includes all two-year and four-year institutions, each with their own governing board, while the systems in Florida and North Carolina include only the four-year institutions in the state, each with their own governing board. Pennsylvania has one system of four-year institutions, each of which has its own governing board; a second system of four-year institutions that do not have institutional governing boards; and three independent institutions, each with their own governing board.

- Statewide coordinating boards and institutional governing or advisory boards: Michigan, New Jersey, Ohio, South Carolina, Virginia, and West Virginia do not have governance

systems; rather, each institution has its own governing board. However, with the exception of Michigan, each of these states has a statewide coordinating or advisory board for higher education.

Just as the types and configurations of other states' board structures vary widely, so do their responsibilities. Among these responsibilities are: strengthening community relations and fundraising; being involved in the selection of chancellors; adopting policies on admissions, student conduct, procurement, facilities, and other matters; approving academic programs; overseeing trust funds; approving budget requests; and establishing or approving tuition. ***Appendix 1*** highlights responsibilities of systems with institution-level *governing boards*. ***Appendix 2*** shows examples of and characteristics of institution-level *advisory boards*.

UW System Structure and Institution-Level Boards

Board of Regents policy (Regent Policy Document 33-1) authorizes UW System institutions to create institution-level advisory boards. The policy specifically requires Boards of Visitors for UW-Madison and UW-Milwaukee and authorizes other chancellors to establish such boards "in order to assist and advise the Regents, system President and Chancellors." The Work Group considered: (1) existing institution-level boards within the System; (2) the possibility of institution-level governing boards; and (3) new ideas for enhancing the System's existing institution-level advisory board structure.

Existing Advisory Boards within the UW System

Among UW System institutions, ten of fourteen (with UW Colleges and UW-Extension combined) have some type of institutional advisory board or group, ranging from an informal group of advisors that the chancellor consults as needed, to boards with by-laws, terms for members, and other formalities. These boards range in size from five to approximately 30 members, with the members generally, but not always, selected by the chancellors. In interviews the Board of Regents Office conducted on behalf of the Work Group, UW System chancellors who have institutional advisory boards identified the primary role of their boards as providing advice and direction.

Institution-level Governing Board Considerations

Perspectives on the potential value of institution-level governing boards vary, as do views on the authority that such boards should have. UW System chancellors were asked to describe their level of interest in having an institution-level board with more authority than the current institution-level advisory boards. More than half of the chancellors indicated that they had little or no interest in having an institutional board with more authority. They identified potential disadvantages of institution-level governing boards, suggesting that such boards would:

1. add another "boss" to whom chancellors must report, which may create confusion regarding lines of responsibility and accountability;
2. potentially diminish chancellors' authority, control, and autonomy;
3. add a layer of bureaucracy at a time when the UW System is trying to reduce bureaucracy;

4. create a risk of institution-level board members attempting to micromanage an institution;
5. be time-consuming and potentially costly because of the need to staff a board and manage board relations;
6. promote competition for resources among institutions;
7. be unhelpful to smaller institutions or areas of the state with lower populations and fewer representatives in the Legislature; and
8. create an opportunity for local politics to influence institutional decisions.

Several chancellors expressed interest in institution-level governing boards. The University of North Carolina (UNC) System has been cited as one example of a systemwide governing board that delegates certain authority to institution-level governing boards. The Work Group carefully considered the types of delegation that do and do not occur under the UNC model, as well as the numerous drawbacks associated with institution-level governing boards. A significant feature of the UNC model is delegation from the System board to institution-level boards, rather than delegation to chancellors. This may result in greater local-level participation in decision-making, but it also dilutes chancellors' authority.

The Group concluded that an institution-level advisory board structure, with governing authority vested in the Board of Regents and delegated to chancellors, would be a better approach for enhancing UW System institutions' ability to fulfill their unique missions, without creating an undue administrative burden for chancellors.

New Institution-level Advisory Board Structure and Future Changes

In further considering institution-level advisory boards, the Work Group recognized that recent administrative changes in the UW System and current economic realities require a hard look at possible changes in institution-level advisory boards. UW System chancellors identified the following needs that could be addressed by strengthened institution-level boards:

1. enhanced advocacy for the institution with the public, business community, Legislature and Governor;
2. increased attention on the unique aspects of each institution;
3. greater opportunity for citizen involvement to support and obtain more flexibilities;
4. more accountability, closer to the institutions; and
5. greater engagement of an institution with the community, promoting better understanding of the campus culture and environment.

Therefore, the Work Group focused on a possible approach for enhancing the structure of chancellors' advisory boards. Chancellors could convert, expand, or create institution-level advisory boards, with membership to be determined by the chancellor. Members might include influential alumni; institution foundation board members; and local education, business, or community leaders. The size of each institution's board would vary based on the interests and needs of each chancellor. Such boards would be optional for each institution. The statewide Board of Regents would retain its current statutory roles and responsibilities and would receive additional input on the needs of specific institutions through a formal process involving the institution-level boards.

Each institution-level advisory board, perhaps termed a "Chancellor's Advisory Council," would:

- advise the chancellor regarding advocacy approaches, community needs, and community relations;
- offer feedback and advice to the chancellor on an institution's strategic planning efforts;
- advocate for the institution's needs in the community or with state legislators and the Governor's office;
- plan, participate in, or advise on efforts to seek alternative resources on behalf of the institution; and
- work with the UW System president and administration, through the respective chancellors, to advocate for the UW System and its institutions.

The chancellors of UW-Madison and UW-Milwaukee, in particular, have expressed interest in developing or reinvigorating their institution-level advisory boards. A significant change would be to have Regents serve on these boards. This would add a new dimension to the Regent-institution relationship that could be implemented relatively quickly and would facilitate communication among chancellors, Regents, UW System Administration, and third-party advocates about the specific needs of an institution. If this approach were adopted, either for these two institutions or more broadly, the Regent president could, at a chancellor's request, appoint one to three Regents to serve on each institution-level advisory board. In addition, Regent members could address the Board of Regents regularly (e.g., twice a year) to discuss issues related to the institution-level boards on which they serve.

This approach to institution-level advisory boards or councils raises the question of a possible conflict between a Regent's role as an institution-level board member and his or her systemwide responsibilities. The Work Group concluded, however, that this approach is consistent with the recently-adopted legislation on Board of Regents geographic representation and the existing practice of individual Regent assignments to "buddy" institutions. Regents could be reassigned periodically by the Board president and would need to be attentive to maintaining a systemwide perspective.

Thus, because institution-level advisory boards have the potential to strategically engage community members and others and to enhance advocacy on behalf of UW System institutions during a time of challenging economic realities, **the Work Group recommends that:**

- **UW System chancellors continue to develop and rely upon institution-level advisory boards;**
- **the Board of Regents amend its policy on Boards of Visitors to describe new Chancellors' Advisory Councils; and**
- **upon a chancellor's request, the Regent president appoint one to three Regents to serve on each chancellor's Advisory Council.**

Only when the Board of Regents gains much greater authority for management and leadership decision-making does the Work Group believe it would be worthwhile to discuss possible delegation of a greater degree of authority from the Board to institution-level councils.

In the event of such a discussion, several principles should apply: (1) institution-level boards would remain the creation of the Board of Regents, as the Board would be best positioned to determine the amount of authority to vest in them; (2) tuition-setting authority would remain vested in the Board of Regents; and, similarly, (3) authority to select chancellors would remain with the Board of Regents. Any conversation about allocating certain types of authority to institution-level boards – along with commensurate levels of accountability for good stewardship – should give the highest priority to preserving the strengths of the current governing structure.

The Work Group also considered the portion of the current Board of Visitors policy related to a systemwide advisory council. Board policy allows each institutional Board of Visitors to designate two representatives to serve on a systemwide council of visitors to consider matters of systemwide concern. The systemwide council's relationship to the Board of Regents would need better definition than the policy now provides. However, in the spirit of enhanced communication and relationships among members of the Board of Regents and UW System constituencies, **the Work Group recommends that the Board of Regents consider how to best implement a systemwide advisory council that would offer insights and advice**. In addition to the council's relationship to the Board (e.g., whether Regents would serve on the council and whether the council would report periodically to the Board), considerations would include how frequently such a council would be convened, and whether it would be convened by the Board or by the System president.

REGIONAL EDUCATION COUNCILS

The Work Group discussed the role that UW System institutions play in developing, strengthening, and supporting the state's economy and recognized that although the UW System has a significant role to play, it is only one sector of the state's educational system. Increasing efforts to work collaboratively with other sectors of the state's educational system, including technical colleges; private, not-for-profit colleges; and K-12 school districts, would best serve the citizens, businesses, and communities of Wisconsin. Communication and collaboration can advance UW System institutions' ability to advance their missions.

In this context, the Work Group discussed the efforts of New North, Inc. and the Northeast Wisconsin Educational Resource Alliance (NEW ERA). New North, Inc. is a consortium of business, education, civic and other leaders in the 18-county region of northeastern Wisconsin who work collaboratively to promote and expand economic development efforts, job growth, and economic vitality for the region. NEW ERA, a partner of New North, Inc., includes leaders of technical colleges and UW institutions in the 18-county region who work to foster regional partnerships to better serve citizens' educational needs. In southeastern Wisconsin, the Milwaukee 7 is a regional, cooperative economic development platform. The Work Group concluded that similar regional collaborations involving other sectors of the state's educational system would expand educational cooperation and, consistent with the *Growth Agenda*, benefit businesses and communities in more regions of the state.

In addition, regional councils could promote transfer, outreach, and college readiness efforts, as well as existing work related to improving student learning and the success of underrepresented groups. Regional councils also could serve as resources for communities,

businesses, and local governments, to advance common interests; address educational aspects of community and economic development issues on a regional basis; and to advance partnerships with business, industry, and other groups.

The Work Group agreed that the distinctiveness of the UW System institutions suggests that a one-size-fits-all approach would not recognize the varying missions, capacities, and strengths of each institution. For example, while many UW institutions serve a regional constituency of businesses and communities, the same is not true for UW-Madison, which has an even broader constituency. For institutions such as UW-Platteville and UW-Superior, regional partnerships might appropriately involve business, community, and educational sectors in nearby states.

Chancellors could work with technical college presidents to identify logical boundaries for each region, such as boundaries that align with technical college district boundaries, Cooperative Educational Service Agency (CESA) boundaries, or regional territories identified by the Wisconsin Economic Development Corporation. Chancellors might initially convene the regional councils, with the expectation that leadership of the councils could rotate among members. Chancellors might also work with council members and UW System Administration to secure funding to staff and support the regional councils.

To recognize the needs of each area of the state and to develop partnerships that are effective for each institution, **the Work Group recommends that the Board of Regents formalize the expectation that UW System chancellors will work to develop (or to further develop) regional councils designed to enhance regional collaboration among educational institutions and business and other regional interests**. Existing models may be New North, Inc. and the Milwaukee 7. To enhance the councils' relationship with the Board of Regents, the Group anticipates that Regents might be appointed to serve on them. Progress toward regional collaboration should be reported to the Board of Regents through periodic updates from the participating Regents and chancellors.

SUMMARY AND CONCLUSION

The structure of the UW System should serve the mission and goals of the System. Under the authority of a central governing Board, the System is, by any number of measures, continuing to fulfill an important purpose in the state. Consistent with effective practices in higher education and, to fulfill the System's role as a public purpose university, the work group recommends that the Board of Regents seek greater authority to exercise state-delegated management decision-making authority.

In analyzing the advantages and disadvantages of institution-level advisory boards, the Work Group identified as a primary advantage the possibility that this structure could increase the number of individuals advocating on behalf of an institution within a community, or with members of the Legislature or the Governor. In addition, if chancellors appoint members of institution-level advisory boards, this would provide chancellors with a way to acknowledge, honor, and engage alumni and other community members. The Work Group recommends that UW System chancellors continue to develop and rely upon institution-level advisory boards, and

that the Board of Regents amend its policies to describe new Chancellors' Advisory Councils. The Work Group further recommends that the Board of Regents consider the implementation of a systemwide council consisting of members of the Chancellors' Advisory Councils.

Institution-level governing boards currently are not seen as supporting the System's mission and goals, as they have significant disadvantages, including the potential for increased competition among institution-level boards and the Board of Regents for limited state resources. Establishment of institution-level boards also increases the opportunity for conflict or public disagreement between the local boards and the chancellors or the local boards and the Board of Regents regarding roles, authority, responsibility, or accountability. Institution-level boards with governing authority could dilute the existing authority, not only of the Board of Regents, but also of chancellors. Such boards also could create an administrative burden for chancellors.

While a discussion of institution-level governing boards could be worthwhile if the Board of Regents gains much more administrative authority, the Work Group believes that at this time the challenges associated with local governing boards would outweigh the benefits. Any proposals involving local governing boards should include a careful assessment of the likely effects on the quality and efficiency of public higher education in Wisconsin, the allocation of limited state resources, the potential for duplication, the operational costs associated with any new structures, the relationship between the UW System institutions and the Board of Regents, and accountability to the public.

Finally the Work Group considered the creation of a regional education council structure as a way of further advancing the missions of each UW institution in a regional context. The Work Group recommends that the Board of Regents formalize the expectation that UW chancellors will work to develop, or to further develop, regional councils designed to enhance collaboration among educational institutions and business and other regional interests.

President Spector, we look forward to discussing the concepts presented in this report during the February Board of Regents meeting, and thereafter.

APPENDIX 1: UNIVERSITY SYSTEMS WITH INSTITUTIONAL BOARDS WITH GOVERNING AUTHORITY				
	STATE UNIVERSITY SYSTEM OF FLORIDA	**UNIVERSITY OF NORTH CAROLINA SYSTEM**	**PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION (PASSHE)**	**UTAH SYSTEM OF HIGHER EDUCATION**
System Board	Board of Governors	Board of Governors	Board of Governors	Board of Regents
System CEO	Chancellor	President	Chancellor	Commissioner of Higher Education
Institutional Board	Board of Trustees	Board of Trustees	Council of Trustees	Board of Trustees
Institutional CEO	President	Chancellor	President	President
Size of Institutional Board	13 members, including the chair of the faculty senate and president of student government	13 members, including 1 student member	11 members, including 1 student member	10 members
Appointing Authority for Institutional Boards	Governor appoints 6 of 11; Board of Governors appoints 5 of 11	Governor appoints 4 of 12; Board of Governors appoints 8 of 12	Governor appoints	Governor appoints 8 of 10
Term of Members	5 years	4 years	6 years	4 years
Number of Institutions	11 institutions	16 institutions	14 institutions	9 institutions
Appointment of Institutional CEO	• Select institutional president subject to the confirmation of the candidate by the Board of Governors. • Establish the powers and duties of the institutional president.	• Conduct search for chancellor and submit names to the System president for appointment by the System Board. • Consult with chancellor before appointments are made to senior positions and tenured positions. • Act on other appointments based on recommendations from the chancellor.	• Make recommendations to the System Chancellor related to appointment, retention and dismissal of the institutional president following consultation with students, faculty and alumni. • Evaluate the president; forward results and recommendation to the System Chancellor for submission to the System Board.	• System Board consults with institutional board of trustees regarding the appointment of the institutional president.
Public Relations			• Assist the institutional president in developing proper relations. • Represent the institution at official functions of the Commonwealth.	• Facilitate communication between the institution and the community. • Perpetuate and strengthen alumni and community identification with institutional traditions and goals.
Student Admissions, Services, & Discipline	• Adopt regulations or policies in areas including but not limited to: admission and enrollment; activities and organizations; anti-hazing, related penalties, and program for enforcement; and uniform student code of conduct and related penalties.	• Makes final decisions on admission appeals. • Reviews and approves the recommendations of the chancellor regarding student services. • In conjunction with System board, prescribes policies for student conduct, activities, government, and athletics.	• Review and approve recommendations of the institutional president regarding standards for admission, discipline, and expulsion of students.	

APPENDIX 1: UNIVERSITY SYSTEMS WITH INSTITUTIONAL BOARDS WITH GOVERNING AUTHORITY				
	STATE UNIVERSITY SYSTEM OF FLORIDA	**UNIVERSITY OF NORTH CAROLINA SYSTEM**	**PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION (PASSHE)**	**UTAH SYSTEM OF HIGHER EDUCATION**
Facilities and Properties	• Must obtain prior approval from the Board of Governors before entering into a binding contractual obligation to improve real property that will result in a commitment of state funds for the development, construction, operation, or maintenance of an educational or research facility. • Acquire real and personal property and contract for the sale and disposal of. • Submit to the Board of Governors for approval, plans for all new campuses and instructional centers. • Administer a program for the maintenance and construction of facilities. • See link below for additional examples.	• Prepare and maintain the campus master plan. • May authorize the purchase or sale of any real property under $50,000. • Has broad authority over the development of capital projects, after approval by the state and the System board. • Authority for traffic and parking regulations. • Oversight of campus power plants, utilities, and child development center.	• Review and approve recommendations of the institutional president pertaining to policies and procedures for use of facilities/property. • Conduct an annual inspection of facilities and make recommendations regarding maintenance and construction to the Board of Regents.	• Review and approve institutional operating policies, approve presidential recommendations to design and construct facilities, and buy and sell property within parameters set by Board of Regents.* • Approve strategic and master plans related to land acquisitions, capital development and improvement project planning prior to submission by the president to the Board of Regents.
Academic Programs	• Adopt regulations or policies in areas including but not limited to: authorization and discontinuation of degree programs; articulation and access; minimum academic performance standards for the award of a degree; student financial assistance; student records and reports; and reasonable accommodation of religious observances. Such regulations or policies shall be consistent with any applicable Board of Governors' regulations.	• Make final decisions on appeals regarding awarding of academic degrees.	• Approve schools and academic programs.	• Approve strategic and master plans related to academic program planning prior to submission by the president to the Board of Regents. • Review and approve academic program quality reviews, certificates, minors, emphases and options recommended within existing programs, and program cancellations and name changes.*
Fiscal	• Responsible for the financial management of the institution. • Engage in sound debt management practices for the issuance of debt by	• Oversee endowment or trust funds. • Approves regulations on student financial aid for programs funded by the institution.		• Review institutional audits.* • Review and approve reports on financial performance, bad debt write-offs, lease agreements, and

APPENDIX 1: UNIVERSITY SYSTEMS WITH INSTITUTIONAL BOARDS WITH GOVERNING AUTHORITY				
	STATE UNIVERSITY SYSTEM OF FLORIDA	**UNIVERSITY OF NORTH CAROLINA SYSTEM**	**PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION (PASSHE)**	**UTAH SYSTEM OF HIGHER EDUCATION**
	the institution and its direct support organizations, and comply with the guidelines established by the Board of Governors re: the authorization, issuance and sale of university and direct support organization debt. • Account for expenditures of all funds in accordance with guidelines or regulations established by the Board of Governors, and as provided by state or federal law.			budget transfers.* • Approve institutional residence budgets.* • Approve salary budgets, as appropriate.* • Review and approve reports on athletics, auxiliary and service enterprises, development fund, discretionary fund, investments, leased property, money management, and real property.*
Budget	• Submit an institutional budget request to the Board of Governors for approval in accordance with guidelines established by the Board of Governors.	• Advise chancellor regarding budget estimates and administration of the budget.	• Review and approve the recommendations of the president related to the annual operating and capital budget requirements for forwarding to the Board of Regents.	• Approval of budget requests prior to submission by the president to the Board of Regents.
Fees	• Establish tuition and fees in accordance with regulations established by the Board of governors.	• Ensures the collection of tuition and fees, as approved by the System Board. • Reviews the chancellor's recommendations to the president on special fees charged to students.	• Review and approve charges for room and board and other fees, except for student activity fees. (Note: Tuition set by Board of Regents, not Council of Trustees.)	• Approval of tuition and fee adjustment recommendations prior to submission by the president to the Board of Regents.
Contracts & Purchases	• Promulgate regulations that establish basic criteria related to the procurement of commodities and contractual services.		• Review and approve all contracts and purchases negotiated or awarded by the president.	• Review and approve research and training contracts and grants within parameters set by the Board of Regents, budgetary work programs, and campus regulations.*
Mission	• Responsible for the administration of the institution in a manner dedicated to and consistent with the institution's mission which shall be consistent with the mission and purposes of the System as defined by the Board of Governors.	• Ensure compliance with mission assigned to the institution by the Board of Governors.		• Monitor implementation of institutional mission, including reviews and updates.* • Approve mission statements, goals, and objectives, prior to submission by the president to the Board of Regents.
Other Responsibilities	• The Board of Governors shall establish the powers and duties of the Board of Trustees, and delegate powers and duties to the boards of	• Approves individuals for honorary doctorates. • Promote the sound development of the institution within the functions	• Take other actions as necessary to effectuate the powers and duties delegated. • Authorize police to carry firearms.	• Assist in planning, implementing, and executing fundraising and development projects to supplement

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	STATE UNIVERSITY SYSTEM OF FLORIDA	**UNIVERSITY OF NORTH CAROLINA SYSTEM**	**PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION (PASSHE)**	**UTAH SYSTEM OF HIGHER EDUCATION**
	trustees so that the university boards have all the powers and duties necessary and appropriate for the direction, operation, management, and accountability of each state university. • See link below for additional examples of responsibilities.	prescribed for it. • Serve as advisor to the System board on matters pertaining to the institution. • Serve as advisor to the chancellor concerning the management and development of the institution.		institutional appropriations. • Select recipients of honorary degrees.
Comments	Structure has been in place less than 10 years; lots of turmoil during that time. Noticeable friction between the two levels of governing boards has improved with time, in part because system board appoints 5 members of the institutional boards.	Structure in place for almost 40 years. Institutional Chancellors view local boards as assets; the system President also views the local boards as a source of help, and another layer of support for higher education. The local boards have a considerable amount of authority—a delicate balance that has been established over time.		The institutional boards have substantial authority from statutes and through delegation by the system board. Structure seems to work better for smaller institutions; tension created due to competition between institutions for dollars and support. Confusion at the flagship institution as to which board the president reported to. The role and authority of the system board has significantly diminished in recent years.

* Identifies responsibilities delegated by the Utah System of Higher Education Board of Regents to the board of trustees.

Sources:

State University System of Florida: Board of Governors website (http://www.flbog.org/about/); Board of Governors regulation 1.001 (University Board of Trustees Powers and Duties); Mikey Bestebreurtje, Corporate Secretary, Board of Governors.

University of North Carolina: Board of Governors website (http://www.northcarolina.edu/content.php/bog/index.htm); Harry Peterson, former Chief of Staff to former UW-Madison Chancellor Shalala..

PASSHE: PASSHE website (http://www.passhe.edu/inside/bog/Pages/BOG-Home.aspx) ; Act 188 of 1982, Commonwealth of Pennsylvania.

Utah System: Board of Regents website (http://www.higheredutah.org/about/board-of-regents/); Board of Regents policies and Procedures, section R220; Harry Peterson.

Compiled by UW System Board of Regents Office

APPENDIX 2: UNIVERSITY SYSTEMS WITH INSTITUTIONAL BOARDS WITH AND ADVISORY ROLE				
	UNIVERSITY SYSTEM OF GEORGIA	**UNIVERSITY OF MAINE SYSTEM**	**UNIVERSITY SYSTEM OF MARYLAND**	**STATE UNIVERSITY OF NEW YORK**
System Board	Board of Regents	Board of Trustees	Board of Regents	Board of Trustees
System CEO	Chancellor	Chancellor	Chancellor	Chancellor
Institutional Board	None	Board of Visitors	Board of Visitors	University Council
Institutional CEO	President	President	President	President
Size of Institutional Board	Not applicable	Up to 20 members	Varies	10 members, including 1 student member
Appointing Authority for Institutional Boards	Not applicable	Recommended by president; confirmed by the Board of Trustees	Selected by institutional president, but approved by Board of Regents	Governor appoints 9 of 10
Term of Members	Not applicable	3 years	Varies	7 years
Number of Institutions	35 institutions	7 institutions	13 institutions	64 institutions
Areas of Responsibilities for Institutional Boards				
Appointment of Institutional CEO			• May vary by institution.	• Recommend to the System board candidates for appointment as institutional President.
Public Relations		• Advocate for the university.	• May vary by institution.	• Foster the development of advisory citizens' committees and appoint the members of such committees.
Fundraising		• Raise private funds for the university.	• May vary by institution.	
Student Admissions, Services, & Discipline			• May vary by institution.	• Make regulations regarding the conduct and behavior of students. • Review all major plans of the institutional president and make recommendations; major plans include expansion or restriction of student admissions and appraisal or improvement of student activities and housing.
Facilities and Properties			• May vary by institution.	• Make regulations governing the care, custody and management of lands, grounds, buildings and equipment. • Name buildings and grounds. • Prescribe for and exercise supervision over student housing

APPENDIX 2: UNIVERSITY SYSTEMS WITH INSTITUTIONAL BOARDS WITH AND ADVISORY ROLE				
	UNIVERSITY SYSTEM OF GEORGIA	**UNIVERSITY OF MAINE SYSTEM**	**UNIVERSITY SYSTEM OF MARYLAND**	**STATE UNIVERSITY OF NEW YORK**
				and safety. • Review all major plans of the institutional president and make recommendations; major plans include expansion of institutional plans and appraisal or improvement of student housing.
Academic Programs		• Review for final recommendation to the System board new academic programs.	• May vary by institution.	• Review all major plans of the institutional president and make recommendations; major plans include appraisal or improvement of academic programs and of standards for the earning of degrees.
Fiscal			• May vary by institution.	
Budget			• May vary by institution.	• Review proposed budget and recommend to the System board a budget for the institution.
Fees		• Review for final recommendation to the System board tuition increases.	• May vary by institution.	
Contracts & Purchases			• May vary by institution.	
Mission		• Advise the institutional president on community and regional needs.	• May vary by institution.	
Other Responsibilities		• Submit an annual report of activities to the System board.	• May vary by institution.	• Review all major plans of the institutional president and make recommendations; major plans include appraisal or improvement of the faculty and other personnel. • Report to the System board annually and at other times as needed. • Perform other powers and duties as authorized or required by the System board. • Make regulations necessary for the performance of duties.

APPENDIX 2: UNIVERSITY SYSTEMS WITH INSTITUTIONAL BOARDS WITH AND ADVISORY ROLE				
	UNIVERSITY SYSTEM OF GEORGIA	**UNIVERSITY OF MAINE SYSTEM**	**UNIVERSITY SYSTEM OF MARYLAND**	**STATE UNIVERSITY OF NEW YORK**
Comments	Institutions may have affiliated boards that serve in an advisory capacity. The University of Georgia has an affiliated foundation board which advises the institutional president and fundraises for the university. Other affiliated boards related to research, alumni, real estate and athletics also assist the institution. These boards are advisory in nature, and have no authority over the president. The System Board of Regents is the only governing board for the institution.	Institutional boards have been in place for less than 15 years. These advisory boards have been helpful to institutional presidents of the smaller institutions, but have been the source of tension at the flagship institution as some want the institutional board to have decision-making authority.		Structure works fairly well. About 15 years ago there was an effort among local councils to gain more control, but the system board resisted. Provide an opportunity to share information with local communities; advocate for institutions.

Sources:
University System of Georgia: Board of Regents website (http://www.usg.edu/regents/); Margaret Amstutz, Chief of Staff to the President of the University of Georgia.
University of Maine System: Policy Manual-Charter of University of Maine System (http://www.maine.edu/system/policy_manual/policy_section102.php); Harry Peterson.
University System of Maryland: University System of Maryland website (http://www.usmd.edu/usm/); Board of Regents Policies and Procedures, Section I, Systemwide Councils and Institutional Boards.
SUNY: New York State Education Law, Article 8, Section 356; Association of Council Members and College Trustees website (http://www.suny.edu/act/); Harry Peterson.

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