



VCU

**VIRGINIA COMMONWEALTH UNIVERSITY BOARD OF VISITORS
GOVERNANCE AND COMPENSATION COMMITTEE**

December 8, 2017 – 9:20 a.m.**

**James Branch Cabell Library
901 Park Avenue – Room 311
Richmond, Virginia**

AGENDA

- 1. CALL TO ORDER** Mr. John A. Luke, Jr., *Chair*
- 2. APPROVAL OF AGENDA** Mr. John A. Luke, Jr., *Chair*
- 3. APPROVAL OF MINUTES** Mr. John A. Luke, Jr., *Chair*
September 14, 2017 and October 31, 2017
- 4. ACTION ITEM:**
Presidential Evaluation Policy Ms. Michele Schumacher, J.D.,
Board Liaison
Ms. Paula Gentius, *Senior Policy Analyst*
- 5. CLOSED SESSION – Freedom of Information Act Sections 2.2-3711 (A)(1),(8),(23)** Mr. John A. Luke, Jr., *Chair*
 - VCU Executive Compensation Review Sullivan Cotter, *Compensation Consultants*
 - President Rao's 2017-2018 Performance Goals Dr. Michael Rao, *President*
 - Compensation Consultant Contract Dr. Kevin Allison, *Senior Executive Director, Strategy and Presidential Administration*
- 6. RETURN TO OPEN SESSION** Mr. John A. Luke, Jr., *Chair*

Resolution and Certification

Action Item:
Approval of items discussed in closed session if necessary
- 7. ADJOURNMENT** Mr. John A. Luke, Jr., *Chair*



**BOARD OF VISITORS
GOVERNANCE AND COMPENSATION COMMITTEE
9:20 A.M.
SEPTEMBER 14, 2017
JAMES CABELL LIBRARY
901 PARK AVENUE, ROOM 311, RICHMOND, VIRGINIA**

DRAFT

MINUTES

COMMITTEE MEMBERS PRESENT

Phoebe P. Hall, Chair and Vice Rector
Mr. John A. Luke, Jr., Rector
Ms. Colette W. McEachin
Mr. Ron McFarlane
Mr. Keith T. Parker

COMMITTEE MEMBERS ABSENT

Mr. Alexander B. McMurtrie, Jr.
Ms. Jacquelyn E. Stone, Vice Chair

OTHERS PRESENT

Dr. Michael Rao, President
Michele N. Schumacher, J.D., Assistant to the President and Board Liaison
Ms. Stephanie Hamlett, University Counsel
Staff from VCU

CALL TO ORDER

Mr. John Luke, Chair of Governance and Compensation Committee, called the meeting to order at 9:35 a.m.

APPROVAL OF AGENDA

Mr. Luke asked for a motion to approve the agenda as published. After motion duly made and seconded the agenda was approved.

APPROVAL OF MINUTES

Mr. Luke asked for a motion to approve the minutes of the May 12, 2017 meeting of the Governance and Compensation Committee, as published. After motion duly made and seconded the Minutes of the May 12, 2017 Governance and Compensation Committee were approved.

A copy of the minutes can be found at on the VCU website at the following webpage <http://www.president.vcu.edu/board/committeeminutes.html>.

REPORTS AND RECOMMENDATIONS

Ms. Michele Schumacher, Board Liaison, noted that the proposed changes to the Committee Charter, meeting planner, and dashboard were provided to the Committee members at the May meeting. Ms. Schumacher continued that there were no additional changes received from the members it was appropriate to have the Committee approve the meeting planner and dashboard, and to recommend to the full Board approval of the Committee Charter.

Mr. Luke asked for a motion to approve the Committee dashboard, the Committee meeting planner, and to recommend to the full board approval of the Committee Charter. After motion duly made and seconded the Committee meeting planner and dashboard were approved, and the Committee recommends that the Board approve the proposed changes to the Committee Charter. Copies of the Committee Charter (with proposed changes in red), the meeting planner and the dashboard are attached hereto as *Attachments A, B, and C, respectively*, and are made a part hereof.

Ms. Schumacher also distributed for the Committee's review and discussion at the December meeting a revised Presidential Evaluation Policy.

Mr. Luke thanked Ms. Schumacher for her presentation.

CLOSED SESSION

On motion made and seconded, the Governance and Compensation Committee of the Board of Visitors of Virginia Commonwealth University convened a closed session under the Virginia Freedom of Information Act in order to discuss pursuant to **Section 2.2-3711 (A) (1), (9), (23)** of the Freedom of Information Act personnel matters, more specifically relating to the performance and evaluation of the President of the University in connection with the Presidential Comprehensive Review, as well as Board self-assessment.

RECONVENED SESSION

Following the closed session, the public was invited to return to the meeting. Ms. Hall, Chair, called the meeting to order. On motion duly made and seconded the following resolution of certification was approved by a roll call vote:

Resolution of Certification

BE IT RESOLVED, that the joint meeting of the Governance and Compensation Committee of the Board of Visitors of Virginia Commonwealth University certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by

which the closed session was convened were heard, discussed or considered by the Committee of the Board.

<u>Vote</u>	<u>Ayes</u>	<u>Nays</u>
Mr. John A. Luke, Jr., Rector	X	
Ms. Phoebe B. Hall, Vice Rector and Committee Chair	X	
Ms. Colette W. McEachin	X	
Mr. Ronald McFarlane	X	
Mr. Keith Parker	X	

All members present responding affirmatively, the resolution of certification was unanimously adopted.

Mr. Luke asked for a motion to recommend to the full Board approval of the compensation items as discussed in closed session. After motion duly made and seconded, the Committee approved the motion.

ADJOURNMENT

There being no further business, Mr. John A. Luke, Jr., Chair, adjourned the meeting at 11:00 a.m.

Attachment A

REVISED DRAFT VIRGINIA COMMONWEALTH UNIVERSITY BOARD OF VISITORS

GOVERNANCE AND COMPENSATION COMMITTEE CHARTER

I. PURPOSE

The primary purpose of the Governance and Compensation (“Committee”) is to assist the Board of Visitors in fulfilling its objectives and responsibilities related to applicable policy/ies and oversight of:

- University Governance Issues
- Relationship with affiliated VCU Entities
- BOV Nominations to Governor
- Presidential Evaluation and Compensation Process

The Committee is responsible for reviewing University Governance Policies and make recommendations to the Board of Visitors for the purpose of maintaining sound governance. In addition, the Committee will serve in the role of the Presidential Evaluation and Compensation Committee per the policy which will be reviewed annually. University management is responsible for day to day operation of the University within the established authorities, under the direct guidance of the President.

II. COMPOSITION AND INDEPENDENCE

The Committee will be comprised of three or more Visitors. In addition to complying with the Commonwealth of Virginia’s Conflict of Interest laws and any University policies, each member must be free from any financial, family or other material personal relationship that, in the opinion of the Board or the Committee members, would impair their independence from management and the University. Committee members should also refrain from activities that a reasonable person would view as unethical or contrary to the institutional mission.

III. RESPONSIBILITIES

In performing its oversight responsibilities, the Committee shall:

A. General:

1. Adopt a formal written charter that specifies the Committee’s scope of responsibility. The charter should be reviewed annually and updated as necessary.
2. Maintain minutes of open session meetings and consistent with state law, meet in closed session when applicable.
3. Report Committee actions to the Board of Visitors with such recommendations as the Committee may deem appropriate.
4. Become well acquainted with all of the information and pertinent facts under the purview of the Committee.

5. Ensure that the institution is operating appropriately with regard to governance.

B. Shared Governance:

1. Review the BOV and affiliated entities' bylaws, charters, and management agreements for inclusion of agreed upon common elements, as appropriate, ~~and to ensure compliance with legislation and requirements of accreditation bodies (e.g. SACS).~~

Review and recommend approval of the guidelines for VCU affiliated entities with regard to compliance (e.g., conflict of interest, investment management, COC participation, etc....)

C. Evaluation and Compensation:

1. Review and recommend approval of Presidential Evaluation Policy and Timeline.
2. Review Presidential Goals as outlined in the Presidential Evaluation Policy
3. Review Results of Evaluation; the Proposed Compensation and Proposed Presidential Goals

D. Administration:

1. Review committee dashboard.
2. Review and approve any significant changes to the Committee calendar and charter.
3. Review best practices for board governance, including review of the current board of visitor's statement of governance and governance training sessions.
4. Review the set of qualifications and competencies for membership on the board as needed.
5. Review Board Policies.
6. Review BOV Bylaws ~~and ensure to~~ determine if same are in compliance with legislation and requirements of ~~—~~ accreditation bodies (e.g., SACS).
7. Review orientation and continuing education process for visitors that includes training on the Virginia Freedom of Information Act (§ 2.2-3700 et seq.) Create, monitor, oversee, and review compliance with a code of ethics for visitors

IV. MEETINGS

The Committee will meet at least four times annually. Additional meetings may occur more frequently as circumstances warrant. Senior leadership will coordinate with the Committee Chair prior to each Committee meeting to finalize the meeting agenda and review the matters to be discussed.

Attachment B

Virginia Commonwealth University Board of Visitors Governance and Compensation Committee Meeting Planner

A=Annually; Q=Quarterly; AN=As Necessary/Required Q1, Q2, Q3, Q4 based on Fiscal Year (July – June)	Frequency			Planned Timing				
	A	Q	AN	Aug	Q1 Sept	Q2 Dec	Q3 Mar	Q4 May
A. General								
1. Adopt a formal written charter that specifies the Committee’s scope of responsibility. The charter should be reviewed and updated as necessary.	X				X			
2. Maintain minutes of open session meetings and consistent with state law, meet in closed session when applicable.		X			X	X	X	X
3. Report Committee actions to the Board of Visitors with such recommendations as the Committee may deem appropriate.		X			X	X	X	X
4. Become well acquainted with all of the information and pertinent facts under the purview of the Committee.			X					
B. Shared Governance								
1. Review the BOV and affiliated entities’ bylaws, charters, and management agreements for agreed upon common terms and conditions, as appropriate, and to make recommended changes as deemed necessary			X					
2. Review and recommend approval of the guidelines for VCU affiliated entities with regard to compliance (e.g., conflict of interest, investment management, etc.)			X					
C. Evaluation and Compensation								
1. Review and recommend approval of Presidential Evaluation Policy and Timeline.			X					
2. Review Presidential Goals as outlined in the Presidential Evaluation Policy		X		X	x	x	x	x
3. Review Results of Presidential Evaluation; the Proposed Presidential Compensation and the Proposed Presidential Goals	X			X				
D. Administration								
1. Review committee dashboard		X			X	X	X	X
2. Review and approve any significant changes to the Committee calendar and charter.	X				X			
3. Review best practices for board governance, including review of the current board of visitor’s statement of governance and governance training sessions.	X				X			
4. Review the set of qualifications and competencies for membership on the board as needed.	X				X			
5. Review Board Policies, and make recommended changes as deemed necessary			X					
6. Review BOV Bylaws and recommend changes as deemed necessary			X					

A=Annually; Q=Quarterly; AN=As Necessary/Required Q1, Q2, Q3, Q4 based on Fiscal Year (July – June)	Frequency			Planned Timing				
	A	Q	AN		Q1	Q2	Q3	Q4
				Aug	Sept	Dec	Mar	May
7. Review orientation and continuing education process for visitors that includes training on the Virginia Freedom of Information Act (§ 2.2-3700 et seq.)	X							X
8. Develop, oversee, and review BOV member compliance with the code of ethics for visitors.	X		X			X		
9. Conduct a bi-annual Board Assessment - to be conducted in FY 2018-2019			X					

Attachment C

Virginia Commonwealth University

Board of Visitors

Governance and Compensation Committee

DASHBOARD

2017-2018

Goal 1: Review of bylaws and University governing documents

Objectives:

- Annual bylaw review and amendments as needed [as necessary]

Review as needed

- Review board policies [On-going]

New and revised policies will be brought to committee as needed; standing item as necessary

- Review BOV compliance with statutes regulations [On-going]

Goal 2: Alignment between VCU and VCU affiliated entities when possible

Objectives:

- Continue to monitor compliance of VCU affiliated entities with management agreements and conflict of interest statements

Goal 3: Oversight and management of Annual Presidential Evaluation and Compensation Process

Objectives:

- Continue to conduct Presidential Evaluations in compliance with the Presidential Evaluation and Compensation Policy

Review Presidential Evaluation and Compensation Policy and provide feedback to staff; policy is under review.

Goal 4: Oversight of Board Training and Development

Objectives:

- To Improve Board Members' knowledge of not only the institution, but also of a board members duties and responsibilities, and to bridge Board knowledge gaps

Consider Board training options, including a review of the VCU New Board of Visitors Member Orientation and the VCU Board of Visitors Retreat



**BOARD OF VISITORS
GOVERNANCE AND COMPENSATION COMMITTEE
8:00 A.M.
OCTOBER 31, 2017
910 WEST FRANKLIN STREET
RICHMOND, VIRGINIA**

DRAFT

MINUTES

COMMITTEE MEMBERS PRESENT

Mr. John A. Luke, Jr., Chair and Vice Rector
Ms. Jacquelyn E. Stone, Vice Chair
Phoebe P. Hall, Rector
Ms. Colette W. McEachin
Mr. Ron McFarlane
Mr. Keith T. Parker

COMMITTEE MEMBERS ABSENT

Mr. Alexander B. McMurtrie, Jr.

OTHERS PRESENT

Dr. Michael Rao, President
Michele N. Schumacher, J.D., Assistant to the President and Board Liaison
Ms. Stephanie Hamlett, University Counsel
Staff from VCU

CALL TO ORDER

Mr. John Luke, Chair of Governance and Compensation Committee, called the meeting to order at 8:00 a.m.

REPORTS AND RECOMMENDATIONS

Ms. Michele Schumacher, Board Liaison, stated that the amended and restated Bylaws of the Board of Visitors of Virginia Commonwealth University Board of Visitors (“Bylaws”) were provided to both the members of the Committee as well as to the members of the Board of Visitors. She then reviewed the substantive bylaw changes being proposed. After discussion, the Chair asked for a motion to recommend to the Board of Visitors adoption of the amended and restated Bylaws. After motion duly made and seconded the Committee recommends that the Board approve the Bylaws. A summary of the substantive changes to the Bylaws and the amended and restated Bylaws are attached hereto as *Attachment A and B* respectively.

Mr. Luke thanked Ms. Schumacher for her presentation.

CLOSED SESSION

On motion made and seconded, the Governance and Compensation Committee of the Board of Visitors of Virginia Commonwealth University convened a closed session under the Virginia Freedom of Information Act in order to discuss pursuant to **Section 2.2-3711 (A) (1)** of the Freedom of Information Act personnel matters, more specifically relating to the performance and evaluation and compensation of the Vice President for Health Services of the University and CEO of the VCU Health System.

RECONVENED SESSION

Following the closed session, the public was invited to return to the meeting. Mr. Luke, Chair, called the meeting to order. On motion duly made and seconded the following resolution of certification was approved by a roll call vote:

Resolution of Certification

BE IT RESOLVED, that the joint meeting of the Governance and Compensation Committee of the Board of Visitors of Virginia Commonwealth University certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed or considered by the Committee of the Board.

<u>Vote</u>	<u>Ayes</u>	<u>Nays</u>
Mr. John A. Luke, Jr., Vice Rector and Committee Chair	X	
Ms. Jacquelyn Stone, Vice Chair	X	
Ms. Phoebe B. Hall, Rector	X	
Ms. Colette W. McEachin	X	
Mr. Ronald McFarlane	X	
Mr. Keith Parker	X	

All members present responding affirmatively, the resolution of certification was unanimously adopted.

Mr. Luke asked for a motion to recommend to the full Board approval of the compensation matters for the Vice President of Health Sciences and CEO of VCU Health System as was discussed in closed session. After motion duly made and seconded, the Committee approved the motion.

ADJOURNMENT

There being no further business, Mr. John A. Luke, Jr., Chair, adjourned the meeting at 9:32 a.m.

SUMMARY OF PROPOSED VCU BOV BYLAW CHANGES:

I. Article I – no substantive change – just formatting.

II. Article II – rewritten to specifically refer to the Board of Visitors. As re-drafted includes the following provisions:

1. Purpose of the board to be consistent with the Code of Virginia.
2. Specific provisions on removal and resignation of Board members as required by the Code of Virginia.
3. A new section 4 entitled Transparency – which pertains to the FOIA requirements required by the Code of Virginia to be in the Bylaws.
4. Quorum and Votes provision clarifies that the Board can meet without a quorum however; no official action may be taken.
5. Officers of the Board – included the appointment of an Assistant Secretary. In addition a provision was added that states either the Rector or Vice Rector must be a resident of the Commonwealth. Also added a statement that states there shall be no limitation on the number of non-consecutive terms an individual may serve as Rector, Vice Rector or Secretary.
6. Committee Section - totally rewritten to include a brief description of each standing committee's purpose. Also clarified that only standing committees require charters and not ad hoc committees.
7. Specified that Ad Hoc Committees do not need written Charters.

III. Article III

1. Clarified the duties of the President.
2. Other Officers – Amended to clarify that all Vice Presidents report to and serve at the pleasure of the President, and that only their appointment needs to be ratified by the Board, and powers and duties are those delegated to them by the President.
3. Regarding the Vice President of Health Sciences – paragraph was clarified to show that the initial appointment and compensation and any reappointment would need to be made at a joint meeting of the VCU Board and the VCUHS Authority Board; base salary increases must be approved by the VCU BOV and the VCUHS Authority Board respectively; and any reappointment must be made at a joint meeting.

IV. Article IV – Clarified the conflict of interest language.

V. Article V – Clarified language regarding Amendment of Bylaws. Also changed that the Bylaws could be suspended at any meeting by a majority of the Board members present rather than 2/3. This change is consistent with other schools.



**VIRGINIA COMMONWEALTH UNIVERSITY
BOARD OF VISITORS
BYLAWS**

**ARTICLE I
LEGAL STATUS**

SECTION 1. NAME

The Board of Visitors of Virginia Commonwealth University is a corporation under the name and style of "Virginia Commonwealth University". The institution shall be known as Virginia Commonwealth University ("VCU").

SECTION 2. PRINCIPAL OFFICE OF THE BOARD.

The principal office of the Board shall be located, and all meetings held, as far as practical, in the City of Richmond.

**ARTICLE II
BOARD OF VISITORS**

SECTION 1. GOVERNING BODY.

The University shall be governed by the Board of Visitors ("Board") and shall at all times be under the control of the General Assembly of the Commonwealth of Virginia.

SECTION 2. PURPOSE OF THE BOARD.

As set forth by the General Assembly, the Board is formed for the purpose of establishing and maintaining a university consisting of colleges, schools, and divisions offering undergraduate and graduate programs in the liberal arts and sciences and courses of study for the professions and such other courses of study, as may be appropriate, and in connection with the purpose, the board may maintain and conduct hospitals, infirmaries, dispensaries, laboratories, research centers, power plants, and such other facilities as it deems proper.

SECTION 3. COMPOSITION, APPOINTMENT, MEMBER TERMS, REMOVAL AND RESIGNATION OF MEMBERS.

A. Composition and Appointment. The Board shall consist of 16 members appointed by the Governor of the Commonwealth of Virginia, subject to confirmation by the General Assembly, and shall serve until their successors have been appointed and confirmed.

B. Member Term Limits. Members shall be eligible to serve for two four-year terms, which may be served consecutively. However, a member appointed by the Governor to serve an unexpired term is eligible to serve two additional four-year terms.

C. Removal of Members. If any member of the Board fails to attend (i) the meetings of the Board for one year without sufficient cause, as determined by a majority vote of the Board, or (ii) the educational programs for governing boards presented by the State Council of Higher Education for Virginia, as required by the Code of Virginia, in the member's first two years of membership without sufficient cause, as determined by a majority vote of the Board, the remaining members of the Board shall record such failure in the minutes at the Board's next meeting and notify the Governor, and the office of such member shall be vacated.

Additionally, the Governor has the authority to remove from office for malfeasance, misfeasance, incompetence, or gross neglect of duty any member of the Board and fill the vacancy resulting from the removal. Each appointment to fill a vacancy shall be subject to confirmation by the General Assembly.

D. Member Resignation. Any Board member may resign at any time by providing notice of the date of resignation to the Governor, with a copy of said notice being provided to the Rector and a copy to the Assistant Secretary of the Board, so that the Board can take measures to accommodate said resignation. Such resignation shall take effect at the time specified in such notice and, unless otherwise specified therein, the acceptance of the resignation shall not be necessary for it to take effect.

SECTION 4. TRANSPARENCY.

The Board shall have the following responsibilities as set forth in the Code of Virginia related to transparency and open government:

1. Comply in all respects with the Commonwealth of Virginia's Freedom of Information Act ("FOIA").
2. Comply with the additional open requirements for Institutions of Higher Education, including but not limited to:
 - a. Adopt and post conspicuously on the VCU website these Bylaws;
 - b. Describe on the VCU website the Board's obligations under FOIA;
 - c. Conduct all discussions and actions on any topic not specifically exempted by FOIA in open meeting;
 - d. Give public notice of all meetings in accordance with FOIA; and
 - e. Approve in open meeting any action taken in closed session as required by FOIA.
3. Notify and invite the Attorney General's appointee or representative (the legal counsel of the institution) to all meetings of the Board, Executive Committee, and other Board committees.
4. The Board shall provide to the General Assembly and the Governor an annual executive summary of its interim activity and work no later than the first day of each regular session of the General Assembly. This report shall be submitted in accordance with procedures stipulated by law.

SECTION 5. MEETINGS.

A. Regular Meetings. The Board shall meet at least four times a year on dates and in places (within Richmond as far as it is practical) set by the Rector. The annual meeting will be the last regular meeting of the fiscal year.

B. Special Meetings. Special meetings of the Board may be called by the Rector, or in the absence or disability of the Rector, by the Vice-Rector, or by any three Members. The requests shall be submitted to the Assistant Secretary to the Board, who has the ministerial responsibility for making arrangements for the special meeting. The purpose, date, time, and place will be specified in the call for the special meeting.

C. Notice. At least three days' notice in writing (which may be by email) shall be provided and shall include the purpose, date, time, and place except that notice of an emergency meeting shall be reasonable under the circumstances and notice to the public shall be given contemporaneously with notice provided to members.

D. Quorum and Votes. A simple majority of the Members constitutes a quorum. Unless otherwise required by statute, actions of the Board are taken by simple majority of those present and voting. The Board or any of its committees may meet without a quorum present, however no official action may be taken at said meeting. Notice of such meeting shall be required if required by FOIA.

E. Order of Business. The order of business at meetings shall be determined by the Rector.

F. Electronic Meetings. The Board may adopt a policy on electronic meetings or participation in an electronic meeting as permitted by FOIA.

SECTION 6. OFFICERS OF THE BOARD.

A. Officers. The officers of the Board shall be the Rector, Vice-Rector and Secretary, and shall be appointed from the Board membership. Either the Rector or Vice-Rector **shall** be a resident of the Commonwealth of Virginia.

B. Election of Officers. The Nominating Committee shall make its recommendation at the first regular Board meeting of the calendar year and the Board shall at that time elect a Rector. The Nominating Committee, in consultation with the Rector and Rector-Elect, shall make recommendations to the Board for the Vice-Rector and Secretary at the annual meeting and the Board shall at that time elect said officers. The Board may decide in its discretion to postpone the election for the Vice-Rector and Secretary until after July 1, and if so postponed the election shall occur at the next scheduled Board meeting.

C. Rector.

1. Election and Term. The Board shall elect a Rector-Elect at the first meeting of the calendar year; the Rector-Elect will take the office of Rector on July 1 for a one-year term. The Rector may be reelected for one additional term. However, there shall be no limitation on the number of non-consecutive terms an individual may serve as Rector.

2. Powers and Duties. The Rector shall have the following duties and responsibilities:

- a. preside at all Board meetings;
- b. in consultation with the Rector-Elect appoint the members of each committee (both standing and ad hoc), including the Chair and Vice Chair;
- c. act as spokesperson or representative of the Board; and

- d. perform such other duties as are generally expected of the presiding officer or that are imposed by statute, these Bylaws, or action of the Board.

The Rector shall be a member, ex officio, with full voting rights, of all committees of the Board and shall be counted as a member in determining the quorum.

The Rector and the President shall work closely to develop the agenda for Board meetings and to submit reports and other communications to the Board. The Rector facilitates communication between the Board and the Administration. The Rector is normally anticipated to be one of the members of the Board to serve on the Board of Directors of the Virginia Commonwealth University Health System Authority.

D. Vice-Rector.

1. Election and Term. The Board, at its Annual meeting, or such other time as the Rector and Rector-Elect shall determine but in no event later than the first regular meeting of the fiscal year, elects a Vice-Rector who shall serve for a one-year term commencing on July 1, or on such date as a successor has been elected, whichever is later. The Vice-Rector may be reelected for one additional term. However, there shall be no limitation on the number of non-consecutive terms an individual may serve as Vice-Rector.

2. Powers and Duties. The Vice-Rector shall assume the duties and have the powers of the Rector in the absence or disability of the Rector. The Vice-Rector shall perform other duties as requested by the Rector or the Board.

The Vice-Rector shall be a member, ex-officio, with full voting rights, of all committees of the Board and shall be counted as a member in determining the quorum.

E. Secretary and Assistant Secretary

1. Election and Term. The Board, at its Annual meeting, or such other time as the Rector and Rector-Elect shall determine but in no event later than the first regular meeting of the fiscal year, elects a Secretary, who shall serve for a one-year term or until a successor has been elected. The Secretary may be re-elected for one additional term. However, there shall be no limitation on the number of non-consecutive terms an individual may serve as Secretary.

2. Powers and Duties. The Secretary shall preside at the meetings of the Board and its Executive Committee in the absence of the Rector and Vice-Rector, and shall perform such other duties as are incident to the office or as may from time to time be assigned by the Rector which include reviewing the minutes. Any of the enumerated duties of the Secretary may be delegated to an Assistant Secretary as set forth in subsection (3) below.

3. Assistant Secretary. The Board may appoint, in consultation with the President, an Assistant Secretary to the Board, who shall perform any or all of the duties of the Secretary, except for the duty to preside at the meetings of the Board and its Executive Committee. Specifically, the Assistant Secretary shall attend all meetings of the Board of Visitors and the Executive Committee and prepare minutes of such meetings and after approval by the Board, shall sign the minutes and record same in the permanent records of the Board, and shall authenticate and certify true and exact copies of documents that have been approved by the Board to comply with both internal and external requests. The Assistant Secretary shall provide proper notice of all meetings of the Board as required by these Bylaws and by law. In addition the Assistant Secretary shall assist the Board

in the discharge of its official duties, and shall under the immediate direction of the President, perform such other duties as may be assigned to him or her by the Board, the Vice-Rector, the Rector, or the President.

The Assistant Secretary's term shall continue until such time as a successor is appointed, or the individual is no longer employed as Board Liaison by the University, whichever first occurs.

F. Inability or Incapacity of an Officer to Serve.

1. Replacement. If an elected Officer of the Board is, or will be, unable to serve for a period in excess of thirty (30) days of their elected term, the Rector (or in the Rector's absence, the Vice-Rector), shall timely call a special meeting of the Nominating Committee to recommend another member of the Board to serve instead.

2. Election. If the Board has a regularly scheduled meeting within two (2) weeks of such nomination, the entire Board shall vote on that nominee. If the Board does not have a regularly scheduled meeting within that time period, the Rector (or in the Rector's absence the Vice-Rector), shall timely call a meeting of the Executive Committee which shall have the power to vote to elect the nominee.

3. Terms of office. Officers elected through these provisions shall serve the remainder of (or the entirety as the case might be) of the replaced Officer's term.

SECTION 7. COMMITTEES

A. Executive Committee.

1. The Executive Committee shall be comprised of the Rector, Vice-Rector, Secretary, the Chairs of the standing committees, and two members-at-large who shall be elected by the Board at the first regular meeting of the year. The Rector shall serve as the Chair, and the Vice-Rector shall serve as the Vice Chair.

2. The Executive Committee shall be authorized to convene and exercise the full power and authority of the Board between meetings of the Board whenever circumstances require immediate action to address matters of an urgent nature, or as the Board may otherwise direct. All Board members shall be notified of meetings and provided the agenda and any documents distributed for such meetings. Any Board Member who wishes to do so may attend an Executive Committee meeting.

3. Consistent with the provisions of Virginia law, the Executive Committee shall assure that the following activities are conducted and completed as necessary:

- Development of a statement of governance setting forth the Board's role for recommendation to and adoption by the Board;
- Periodic review of the Board's Bylaws and recommendation of amendments as deemed necessary and appropriate;
- Provide advice to the Board on committee structure, appointments, and meetings, as deemed necessary and appropriate;
- Develop an orientation and continuing education process for Board members that includes training on the FOIA;

- Creation, monitoring, oversight and review of compliance by Board members with a code of ethics for Board Members; and
- Development of a set of qualifications and competencies for membership on the Board for approval by the Board and recommendation to the Governor.

4. A simple majority of the members of the Executive Committee shall constitute a quorum. In the event a quorum is not present, other members of the Board may be appointed by the Rector to serve in the place of absent members on an *ad hoc* and temporary basis in order that a quorum be attained.

5. The Assistant Secretary to the Board shall promptly inform all members of the Board of any action taken by the Executive Committee. The Rector shall report actions taken by the Executive Committee at the next full meeting of the Board.

B. Standing Committees. The Rector-Elect in consultation with the Rector shall appoint the members of each standing committee. The Rector-Elect shall designate the chair and vice-chair of each committee, except that the Chair of the Governance and Compensation Committee shall be the Vice-Rector.

The Rector, the full Board, the President, or the President's designee may refer matters to a standing committee. In addition to the specific responsibilities provided by these Bylaws, the standing committees shall have any other duties and responsibilities assigned by the Board or the Rector.

A simple majority of the members of a committee shall constitute a quorum. In the event that a quorum is not present, other members of the Board may be appointed by the Rector to serve in the place of absent members on an *ad hoc* and temporary basis in order that a quorum may be attained.

Each standing committee shall adopt and have approved by the Board a charter outlining its roles and responsibilities. Each standing committee shall also prepare an annual work plan to be shared with the Board.

Each standing committee shall report to the Board at the next regularly scheduled Board meeting.

Each standing committee has the authority to approve the minutes of its meetings without further Board approval. Unless otherwise specifically provided by the Board, the decisions and recommendations of standing committees are advisory and shall be approved and ratified by the Board of Visitors.

The Board shall have the following standing committees:

1. Academic and Health Affairs Committee. The primary purpose of the Academic and Health Affairs Committee shall be to assist the Board in fulfilling its fiduciary responsibilities by providing oversight and making recommendations to the Board on all policies and plans consistent with the stated goals and objectives of the University and with its academic health center, including its affiliation with the Virginia Commonwealth University Health System Authority, regarding the following areas:

- Strategic enrollment management

- Academic quality
- Student issues
- Faculty issues
- Athletics
- Research

2. Audit, Integrity and Compliance Committee. The primary purpose of the Audit, Integrity, and Compliance Committee shall be to assist the Board in fulfilling its fiduciary responsibilities related to oversight of:

- Soundness of the University's system of internal controls
- Integrity of the University's financial accounting and reporting practices
- Independence and performance of the internal and external audit functions
- Integrity of information technology infrastructure and data governance
- Effectiveness of the University's ethics and compliance program
- Institutional conflict of interest issues
- University's enterprise risk management program
- Legal matters

3. Finance, Budget and Investment Committee. The primary purpose of the Finance, Budget and Investment (FBI) Committee shall be to assist the Board in fulfilling its objectives and fiduciary responsibilities related to specific policy/policies and oversight of:

- University finances and investments
- University policies on debt management
- University facilities planning, design, construction and renovation
- University purchase and divestiture of land, including any easements.

The FBI Committee shall have an Investment Advisory Subcommittee chaired by the Chair of the FBI Committee and whose membership shall be appointed by the Chair of the FBI Committee from the members of the FBI Committee.

4. Governance and Compensation Committee. The primary purpose of the Governance and Compensation Committee shall be to assist the Board in fulfilling its objectives and responsibilities related to applicable policies and oversight of:

- Board and University Governance Issues
- Relationship with affiliated VCU Entities
- Board Nominations to Governor
- Presidential Evaluation and Compensation Process
- Board Self-Evaluation
- Review of Board Bylaws

5. University Resources Committee. The primary purpose of the University Resources Committee shall be to assist the Board in fulfilling its fiduciary responsibilities by monitoring and overseeing activities related to:

- Generating resources and stakeholder support of the University's strategic goals, particularly in the areas of government relations
- Development and alumni relations
- Public relations and marketing communications.

In addition, the University Resources Committee shall recommend to the Board the naming of any physical facility or part thereof or any programmatic element of the University as outlined in the Board approved "Policy Guidelines on Recognition of Donors and Friends."

D. Subcommittees. Each standing committee may establish and appoint subcommittees as required, subject to Board approval. Subcommittees are subject to the same procedural rules as the primary committee.

E. Nominating Committee. At the last meeting of the calendar year, the Rector shall appoint a Nominating Committee which shall have as its sole purpose the nomination of a candidate for Rector of the Board for the succeeding year. The Nominating Committee shall report at the first regular meeting of the calendar year at which time the election of the Rector shall be held. Upon election of the Rector-Elect, the Rector, in consultation with the Rector-Elect, shall appoint a second Nominating Committee which shall have as its purpose the nomination of candidates for Vice-Rector, Secretary and the Executive Committee. The Rector-Elect shall serve as a member of the second Nominating Committee with voice and vote. Before the meeting of the second Nominating Committee, the Rector-Elect shall identify those individuals the Rector-Elect intends to name as chairs of the standing committees of the Board. The second Nominating Committee shall report to the Board at its annual meeting, at which time the election of such officers and members of the Executive Committee shall be held.

F. Ad Hoc Committees. The Rector may from time to time appoint ad hoc committees of the Board, as the Rector deems necessary for the good conduct of Board and University affairs. Each such committee shall have a chair and at a minimum two additional members, all of whom shall be appointed by the Rector. The duties of all ad hoc committees shall be specified and reported to the Board by the Rector at the time of the appointment. Ad hoc committees are not required to have written charters.

ARTICLE III ADMINISTRATIVE OFFICERS AND OTHER EMPLOYEES OF THE UNIVERSITY

SECTION 1. THE PRESIDENT OF THE UNIVERSITY

A. Chief Executive Officer. The President of the University ("President") shall be the chief executive officer of the University.

B. Appointment. The President shall be appointed by the Board and serves at its pleasure.

C. Powers and Duties. The President in addition to serving as the chief executive officer of the University, shall also serve as President of the Virginia Commonwealth University Health System Authority, and shall also sit on the Virginia Commonwealth University Health System Authority

Board of Directors (VCUHS Board) and by statute shall be the Chair of the VCUHS Board. In addition, the President shall also serve on the Virginia Biotechnology Research Partnership Authority Board of Directors and the Virginia Biotechnology Research Park Corporation Board of Directors. The President is a member of the faculty of the University.

As chief executive officer of the University, the President shall have the following powers and duties:

- The President shall have the responsibility for the operation of the University in conformity with the purposes and policies determined by the Board;
- the President shall act as an advisor to the Board and shall have responsibility for recommending to the Board for consideration those policies and programs which in the opinion of the President will best promote the interests of the University;
- The President shall have the authority to oversee and to administer the policies of the Board;
- The President shall be the primary contact between the Board and the University;
- The President shall provide oversight and shall be accountable for the management of the University;
- The President shall have responsibility for the oversight of strategic planning and implementation as established by the Board;
- The President shall promote the development of both public and private resources to support the mission of the University;
- The President shall recommend an annual budget;
- The President shall serve as the primary spokesperson for the University;
- The President shall manage all matters delegated by the Board, including personnel matters;
- The President shall fulfill all statutory duties; and
- The President shall perform such other duties as may be required by the Board.

C. Evaluation of the President. The Board shall be responsible for oversight of the President's performance, and is required by statute to meet with the President annually to deliver an evaluation of the President's performance. The Governance and Compensation Committee of the Board shall be the committee to oversee such evaluation. Changes to the President's employment contract shall be made only by a vote of the majority of the Board's members.

SECTION 2. OTHER OFFICERS

A. Vice President for Academic Affairs and Provost

1. Appointment. The Vice President for Academic Affairs and Provost shall be the Chief Academic Officer and reports to, and serves at the pleasure of, the President subject to Board ratification of the appointment.

2. Powers and Duties. The Vice President for Academic Affairs and Provost will have all the powers and duties regarding academic matters that the President delegates to that office. The Vice President for Academic Affairs and Provost shall be the President's deputy and is empowered to act on behalf of the President in all respects in the event of the absence, unavailability or disability of the President.

B. Vice President for Health Sciences of Virginia Commonwealth University

1. Appointment. The Vice President for Health Sciences of Virginia Commonwealth University is the Chief Academic Officer for the Health Sciences Schools of the University. By statute, this officer also serves as chief executive officer of the Virginia Commonwealth University Health System Authority. The initial appointment and compensation and any reappointment of this position shall be made jointly by the Board of Visitors and the VCU Health System Authority Board of Directors at a joint meeting of said Boards. After such appointment or reappointment the base compensation for this position shall be approved by the VCU Board of Visitors and the VCUHS Authority Board of Directors, respectively. Each board shall take into account the recommendations from the President.

2. Powers and Duties. The Vice President for Health Sciences shall have all the powers and duties for those responsibilities that the President delegates to that office and as set forth by statute.

C. Vice President for Finance and Budget & Chief Financial Officer

1. Appointment. The Vice President for Finance and Budget and Chief Financial Officer of the University reports to, and serves at the pleasure of the President. The Vice President for Finance and Budget and Chief Financial Officer shall be selected by the President, subject to ratification of the Board.

2. Powers and Duties. The Vice President for Finance and Budget and Chief Financial Officer Finance shall have all the powers and duties related to financial management that the President delegates to that office.

D. Vice President for Administration & Chief Administrative Officer

1. Appointment. The Vice President for Administration & Chief Administrative Officer reports to, and serves at the pleasure of, the President. The Vice President for Administration & Chief Administrative Officer shall be selected by the President subject to ratification by the Board.

2. Powers and Duties. The Vice President for Administration & Chief Administrative Officer shall have all the powers and duties related to administrative management that the President delegates to that office.

E. Vice Presidents.

1. Appointment. Vice-Presidents of the University are appointed by the Board upon recommendation of the President and each shall serve at the pleasure of the President.

2. Powers and Duties. Vice-Presidents shall report directly and be responsible to the President or his designee. Their powers and duties shall be assigned by the President.

F. Delegation of Authority. Appointments at the level of vice president, any other position reporting directly to the President shall require Board approval. Upon consultation with the Rector, the President shall have interim authority to conclude any appointment or action otherwise requiring Board approval, subject to ratification by the Board. The President also shall report to the Board in advance any extraordinary appointment or compensation action that, in the judgment of the President, warrants such reporting to the Board.

SECTION 3. EXECUTIVE DIRECTOR OF AUDIT AND COMPLIANCE SERVICES

1. Appointment. The Board, in consultation with the President, appoints, evaluates, and sets the compensation for the Executive Director of Audit and Compliance Services.

2. Powers and Duties. The Executive Director of Audit and Compliance Services shall have the powers and duties that are assigned by the Audit, Integrity and Compliance committee, in consultation with the President.

SECTION 4. FACULTY

A. Faculty. The general faculty consists of the President, Vice President for Academic Affairs and Provost, deans, directors, professors, associate professors, assistant professors, research professors, associate research professors, assistant research professors, assistant, associate and full professors of clinical subjects, instructors and other ranks or titles as approved by the President.

B. Appointment, Promotion and Tenure of Faculty. The Board, on recommendations from the President, shall approve all faculty promotion and tenure decisions.

C. Delegation of Authority. The Board hereby delegates to the President the authority to approve the establishment of faculty positions and the appointment of individuals to those positions and the compensation paid to said individuals, subject to ratification by the Board. Further, the President shall determine leaves of absence for and termination of faculty members.

Academic dean appointments shall require Board approval. Upon consultation with the Rector, the President shall have interim authority to make any appointment or take any action otherwise requiring Board approval, subject to ratification by the Board. The President also shall report to the Board in advance any extraordinary appointment or compensation action that, in the judgment of the President, warrants such reporting to the Board.

ARTICLE IV CONFLICT OF INTEREST COMPLIANCE

Each member of the Board shall comply with state statutes regulating conflict of interest which may include filing an annual financial disclosure statement and completion of required conflict of interest training.

ARTICLE V MISCELLANEOUS PROVISIONS

SECTION 1. SEAL.

The corporate seal of the University is the seal displayed in and/or appended to these Bylaws.

SECTION 2. ASSESSMENT OF BOARD PERFORMANCE.

At least every two years, the Board shall assess its performance. The Rector shall determine the method of assessment, subject to Board approval. The Governance and Compensation Committee shall thereafter conduct said board self-assessment.

SECTION 3. CONDUCT OF BUSINESS.

Unless otherwise specified by these Bylaws, all Board and committee meetings, actions, and rulings shall be guided by the most current edition of *Robert's Rules of Order*.

SECTION 4. SUSPENSION OR AMENDMENT OF BYLAWS.

A. Procedure. These Bylaws may be amended in whole or in part at any meeting of the Board of Visitors by a majority vote of all members present at said meeting, provided the Governance and Compensation Committee has submitted its views on the amendment to the Board and that notice of the amendment was included in the regular notice of the meeting.

B. Suspension. Any provision of the Bylaws may be suspended at any regular or special meeting of the Board by a majority of the members present at said meeting.

C. Ratification. No action taken in violation of the Bylaws shall be effective unless ratified in accordance with the Bylaws.

Effective Date. The foregoing Bylaws shall go into effect immediately upon approval; revised September 17, 1992; revised November 17, 1994; revised May 19, 1995; revised May 16, 1997; revised September 17, 1998, effective January 1, 1999; revised February 11, 1999; revised November 14, 2002; revised August 24, 2006; revised August 9, 2007; revised February 11, 2010; revised April 15, 2013; revised May 9, 2014; revised December 12, 2014; revised February 12, 2015; revised May 8, 2015; revised March 23, 2016; revised and restated October 31, 2017.



[DRAFT] Presidential Evaluation

Policy Type: Board of Visitors
Responsible Office: Office of the President
Initial Policy Approved: 05/15/2009
Current Revision Approved: MM/DD/YYYY

Policy Statement and Purpose _____

The Virginia Commonwealth University (VCU) Board of Visitors is responsible for ensuring the President's achievement of the institution's mission-based goals in student learning, research, scholarship and community engagement/service as well as his stewardship of the affiliated VCU Health System Authority. To that end, the Board is required to conduct an annual review of the President's performance and the institution's progress of these goals.

The Board of Visitors desires to institute and adopt a systematic method of conducting the evaluation of the president in alignment with the university's mission and identity, and in accordance with the President's contract, applicable state laws, and prevailing best practices.

Table of Contents _____

Who Should Know This Policy.....	#
Definitions.....	#
Contacts.....	#
Policy Specifics and Procedures.....	#
Forms.....	#
Related Documents.....	#
Revision History.....	#
FAQ.....	#

Who Should Know This Policy _____

All members of the VCU Board of Visitors are responsible for knowing the contents of this policy. The President and staff of the Office of the President must be familiar with its contents and provisions.

Definitions

Governance and Compensation Committee (GCC)

A standing committee of the VCU Board of Visitors with membership appointed annually by the Rector and chaired by the Vice Rector of the Board to provide oversight of the Presidential Evaluation process as well as presidential compensation. See Board Bylaws Article II § 7.B.4.

Contacts

The Board of Visitors, by and through its Governance and Compensation Committee, officially interprets this policy. The Office of the President is responsible for obtaining approval for any revisions and questions regarding this policy should be directed to this Office.

Policy Specifics and Procedures

The Governance and Compensation Committee is responsible for conducting the annual review of the President, taking into account the President's self-assessment report, proposed priorities and goals, and the VCU Executive Compensation Philosophy.

No later than the May meeting of the Board of Visitors, the Rector initiates the annual process for the evaluation of the President for the year (generally, July 1 through June 30 of current fiscal year). The annual process includes the President's self-assessment of the approved priorities and goals for that year and the President's presentation of proposed or updated priorities and goals for the following year. The President's self-assessment will be in a mutually agreed-upon form and may include qualitative and quantitative measures of the President's performance, as well as the progress of Virginia Commonwealth University and the VCU Health System Authority.

The President's self-assessment should include the following:

- Progress on meeting the mutually agreed upon and established priorities and goals.
- The President's assessment of the overall academic quality of the University.
- The President's assessment of the financial status of the University and the Health System.
- The President's assessment of the challenges facing the University and the Health System.
- The identification of any professional development the President wishes to pursue.
- Priorities and goals proposed by the President for the upcoming year to review as part of the Annual Review process.
- Other issues or topics as determined by the GCC or full Board.

The GCC will solicit written observations on the President's performance from each member of the Board utilizing an appraisal instrument similar to the template in Attachment A.

The President will submit the written self-assessment and proposed (or updated) priorities and goals to the GCC no less than thirty (30) days in advance of the Board's retreat, which is generally held in August. Concurrent with the transmittal of the self-assessment, the President will also provide a full accounting of all earned outside income for the previous year from service on boards of directors and any other source, as required by the Commonwealth's annual budget act and any other applicable source.

Prior to the Retreat, the GCC shall review the appraisal results, president's self-assessment report, full accounting of earned outside income and proposed goals for the year. The President will present his self-assessment report and proposed priorities and goals for the year in a closed session meeting with the Board at its retreat or at the next occurring meeting of the Board.

The GCC will formulate a recommendation to the full Board, in consultation with the President, regarding the evaluation and any compensation adjustments for the President at the next occurring meeting of the Board. Following the closed session meeting with the President, the GCC will finalize the President's evaluation and goals for the year and share the final evaluation, and priorities and goals for the year to the President and the Board in a written letter. The GCC's letter will detail the results of the annual review, any changes to the president's contract or compensation, and the priorities and goals for the upcoming year. It is anticipated that this process will be completed no later than October 1 of each year.

The written self-assessment, full accounting of earned outside income, final evaluation of the President as well as any evaluation-related documents and notes are part of the President's confidential personnel record. The President's compensation is public information.

As an alternative, the Board may elect to conduct a periodic comprehensive evaluation of the President at its discretion. A comprehensive evaluation is a review of the President's performance, which seeks stakeholder input and may include the hiring of an external evaluator or facilitator for the process. In the year a comprehensive evaluation is conducted, it is performed in lieu of the annual review.

COMPENSATION

The GCC is responsible for conducting a compensation review and recommending the President's compensation package to the full Board for approval each year. The annual compensation review will consider both performance- and market-based criteria, which includes but are not limited to:

- The results of the Annual Review or the Comprehensive Evaluation;
- The VCU Executive Compensation Philosophy;
- A market analysis of University President compensation among comparable institutions; and
- Other documentation deemed to be relevant.

The GCC may engage an independent compensation consultant to provide market analysis, regulatory updates and other support to assist the GCC in its compensation review and to provide educational resources for the full Board.

Forms

Sample Annual Appraisal of the President's Performance attached.

Related Documents

There are no related documents.

Revision History _____

This policy supersedes the following archived policies:

Approved by the Board: _____; May 15, 2009; Revised: November 10, 2011

FAQ _____

There are no FAQs associated with this policy.

DRAFT

EXAMPLE¹

ANNUAL APPRAISAL OF THE PRESIDENT'S PERFORMANCE AND EFFECTIVENESS

INSTRUCTIONS: Please comment on any aspect of the president's performance and effectiveness in the space provided.

BOARD OF VISITORS RELATIONS

Disseminates adequate and accurate information to the BOV in a timely manner.

Enjoys a positive overall relationship with the BOV.

INSTITUTIONAL LEADERSHIP/MANAGEMENT

Has assembled a strong leadership team.

Advances the mission of the University.

Assures quality academic and support programs.

Operates the University with a commitment to strategic planning, goal setting and evaluation.

Manages resources proficiently.

¹ Permission to use appraisal form granted by UVA on June 22, 2017. Source: from University of Virginia Policy BOV-011: Presidential Evaluation (December 16, 2016): retrieved from <https://uvapolicy.virginia.edu/policy/BOV-011>

Has established a pattern of success in achieving goals.

EXTERNAL RELATIONS

Effectively and enthusiastically advocates for the University.

Effectively presents the University's resource needs to government officials and private contributors.

Appreciates the need for institutional accountability.

Relates well with alumni, parents, and donors.

Represents the University in national higher education organizations.

RELATIONSHIPS

Enjoys a positive relationship with local community leaders.

Maintains a positive relationship with the faculty and staff.

Maintains a positive relationship with students.

Maintains an effective relationship with legislators and their staff and with executive branch senior management.

PERSONALITY TRAITS

Poised under pressure.

Communicates effectively.

Integrity.

Energy.

Forward-looking.

Skillful in relating to others.

Respected.

Deliberate decision-maker.
