



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

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.

**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	Frequency			Planned Timing				
Q1, Q2, Q3, Q4 based on Fiscal Year (July – June)	A	Q	AN		Q1	Q2	Q3	Q4
				Aug	Sept	Dec	Mar	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	Frequency			Planned Timing				
Q1, Q2, Q3, Q4 based on Fiscal Year (July – June)	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