

<b>University Enterprises, Inc. Policies and Procedures</b>	<b>Policy No. 1010</b>
<b>Section:</b>	Board of Directors
<b>Subject:</b>	Guidelines and Policies
<b>Revised:</b>	September 2011

## **University Enterprises, Inc. – Board of Directors Guidelines and Policies**

As stated in the Articles of Incorporation, University Enterprises, Inc. is a California non-profit, public benefit corporation and is not organized for the private gain of any person. It is organized under non-profit, public benefit corporation law for charitable purposes.

### **Operational Purposes for which the Corporation is Formed**

- A. To assist in and promote the development, maintenance, and operation of University Enterprises; to further the educational objectives of the University; and to provide necessary and desirable equipment and facilities for the University's students, faculty and staff;
- B. To establish and operate Dining Services, Bookstores, and such other facilities as would aid, assist or supplement the educational or extracurricular activities of the University's students, faculty and staff;
- C. To acquire and dispose of properties, and to perform such acts, as shall be necessary and proper in carrying out the purposes aforesaid; and to borrow and to lend money when, through doing so, the requirements of the foregoing purposes can be promoted or enhanced; and to do such other acts, as may be permissible under the laws of the State of California, which shall foster, facilitate or assist in the performance of the foregoing.

### **University Enterprises Board of Directors' Purposes and Goals**

- A. Establish, approve, and review (continuously) policies and goals for University Enterprises;
- B. Monitor the performance of University Enterprises and assist the University President in the evaluation of the Executive Director;
- C. Ensure that University Enterprises goals effectively support and further the mission of the University;
- D. Advise and make recommendations to the Executive Director on campus matters that are relevant to University Enterprises;
- E. Provide quality leadership for University Enterprises through sound advisory and cooperative relations with the Executive Director;
- F. Promote University Enterprises throughout the University and the wider community and enter into appropriate partnerships with these groups;
- G. Assist in developing and strengthening the financial base of University Enterprises and approve budget and financial plans;
- H. Respond to University requests for support and financial commitments.

### **Governing Style**

The University Enterprises, Inc. Board of Directors emphasize proactive strategic leadership focused on the future of University Enterprises and the University. The Board is particularly careful not to usurp administrative responsibility from the Executive Director. The Board initiates goals and policies in response to and in addition to initiatives introduced by the Executive Director.

In this spirit, the Board...

- A. Focuses on long-term goals, not on administrative or programmatic means of attaining those goals;
- B. Enforces upon itself whatever discipline is needed to govern with excellence; and,
- C. Monitors its own performance.

### **Role of the Board Chair**

The integrity of the Board's processes is the responsibility of the Chair of the Board. The Chair and the Executive Director are the only persons authorized to speak for the Board. In rare and specifically authorized instances, a designee may speak for the Board.

It is the responsibility of the Chair to ensure that the Board operates in a manner consistent with its own rules and those legitimately imposed upon it from outside University Enterprises. The Chair is empowered to preside at all Board meetings with all the commonly accepted authority of that position under *Robert's Rules of Order*.

The authority of the Chair extends to making decisions on behalf of the Board that fall within or are consistent with Board policies on governance process and on the Board/Executive Director relationships.

The Chair of the Board in consultation with the Executive Director shall be responsible for orientating new board members prior to the first Board meeting.

### **Board Meetings Specifics**

The Chair of the Board, in consultation with the Executive Committee, is responsible for assisting the Executive Director in setting the agendas for meetings of the Board of Directors.

The agenda for each University Enterprises Board meeting shall normally contain the following items.

- A. **Announcements:** by the Chair, and other announcements, inquiries and/or future agenda items from board members.
- B. **Report of the Chair**
- C. **Report of the Executive Director**
- D. **Public Comment**
- E. **Committee Reports**

- E. **Old Business:** Covering all material listed on past agendas and discussed at previous Board meetings.
- G. **New Business:** Covering all items and material not previously discussed.
- H. **Closed Session:** Covering personnel matters, litigation, contract negotiations, and Affirmative Action.

The agenda for each meeting will be posted a minimum of one week before each scheduled board meeting. The posting location shall be in a place that will ensure a 24-hour/seven-day viewing.

The board packet consists of the agenda, minutes from the last board meeting and committee meeting minutes and attachments relating to agenda items, correspondence, and notes. The packet is to be distributed to Board members one week before each Board meeting. Board meetings are typically held from noon until adjournment (not later than 4 p.m.).

Board minutes are recorded at each board meeting by University Enterprises staff, placed in board packets for approval by the Board of Directors and filed in the office of University Enterprises.

There is a Board orientation for new board members just prior to the September board meeting. The Chair of the Board and the Executive Director will review and discuss the current year's Orientation binder contents. Orientation binders are furnished prior to the orientation meeting.

Normally, four board meetings and a retreat are held each year. Special board meetings are called as needed. The meeting schedule of regular Board meetings is approved by the Board at the end of the preceding academic year.

The Board meetings are governed by Robert's Rules of Order unless superseded by California Corporate Code.

The following Board meeting calendar indicates typical activities.

**September** (First meeting of the academic year.)

- A. A report from the Executive Director to the Board of Directors regarding University Enterprises previous year's and summer activities.
- B. Conflict of Interest statements are distributed for signature to each board member and returned to the Chair by the end of the meeting.
- C. Committee appointments approved by Board.
- D. Board approval of previous years audited financial statements (seconded motion from the Audit Committee).
- E. Approval of the annual competition for UEI Campus Grant Program awards recommended by the Campus Grant Program Committee.

**December**

- A. Acceptance of First Quarter Financial Statements (seconded motion from the Budget and Finance Committee).

### **January** (Business Meeting and Retreat)

- A. The retreat is an official board meeting where board actions may occur. However, the retreat is primarily set up for Board members to address topics that require significant discussion and presentation of information. For example, the University President updates the Board on related campus issues, strategic planning, policy setting, and University issues that impact the Board and University Enterprises operation. This retreat is held off campus and (depending on the topic) is sometimes facilitated by an outside facilitator/trainer.

### **February/March**

- A. Approval of employee benefits packages (seconded motion from the Personnel Committee).
- B. Acceptance of Second Quarter Financial Statements (seconded motion from the Budget and Finance Committee).

### **May**

- A. Approval of next fiscal year's budget (seconded motion from the Budget and Finance Committee).
- B. Elect officers.

## **Committees Reporting to the Board of Directors**

### Board Committees

Board committees are normally formed as subparts of the Board to assist the Board in carrying out its functions. Board committees may include individuals who are not regular board members.

### Executive Committee

Charged with overseeing transitions in governance, in addition to the duties and responsibilities delineated in the Bylaws. This includes monitoring the flow of board work, supporting the Executive Director, the Chair, and the Board as a whole in their roles, and determining board meeting agendas. Acts on behalf of the full Board as outlined in the Bylaws. Committee membership includes the officers and other members as appointed by the Board.

### Budget and Finance Committee

Responsible for reviewing and approving budgets and financial plans of University Enterprises. Committee membership typically includes the Vice President for Administration and up to four additional board members.

### Campus Grants Program Committee

Responsible for reviewing campus grant proposals and making recommendations to the Board. Committee membership typically includes an Administrative or Faculty Board Member, a Student Affairs representative, an additional Faculty Board Member, a Student Board Member or ASI representative and a Sponsored Programs Administration representative.

### Personnel Committee

Acts as an advisory group to the Executive Director. It recommends policy on personnel matters and reviews and recommends changes to the Personnel Policy and Procedures Manual. The Personnel committee also assists the Board in addressing other personnel issues facing University Enterprises, such as recruitment, affirmative action, hiring policies, COLA/merit increases, and extra pay. Committee membership typically includes the Vice Chair, Vice President of Human Resources, and up to three additional board members.

### Investment Committee

Responsible for increasing the assets of University Enterprises in a prudent way and to discharge its duties for meeting current liabilities while fulfilling its long-term obligations and the interests of future beneficiaries. Committee membership typically includes the Vice President for Administration and three additional Board Members.

### Audit Committee

Provides oversight in the relationship between management and the “independent” auditor to ensure the financial integrity of the annual audit report. Committee membership typically includes up to four Board Members.

## **Board Committee Principles**

The Board may establish committees to help carry out its responsibilities.

- A. The Board committees may not speak or act for the Board except when formally given such authority. Such authority will be carefully delineated in order to not conflict with authority delegated to the Executive Director.
- B. Board committees are formed primarily to assist the Board, not the staff, do its job. Committees will assist the Board chiefly by preparing policy recommendations for Board deliberation.
- C. If a Board committee is used to monitor organizational performance in a given area, care should be taken to prevent committee over-identification with an organizational part rather than the whole.
- D. Board committees will not exercise authority over staff.

## **Board Members’ Code of Conduct**

The Board expects ethical and business-like conduct from its members. This commitment includes proper use of authority and appropriate decorum in group and individual behavior when acting in the capacity of a member of the Board.

- A. Loyalty of Board members shall be in the interest of University Enterprises and supersedes any personal interest or conflicting loyalty.
- B. Board members must avoid receiving, or creating the perception of receiving, any personal financial gain or favoritism from University Enterprises or University as a result of their position on the Board.
  - 1. There must be no private business or personal services conducted between a board member and University Enterprises except through normal procedures.

2. Board members must not use their position to obtain for themselves, family members, or close associates, employment by University Enterprises.
  3. Should a board member apply for University Enterprises employment s/he must temporarily withdraw from board deliberations, voting, and access to applicable board information. Should the board member become a University Enterprises employee, the board member must resign from the Board.
  4. Board members must avoid any conflict of interest or appearance of a conflict of interest in any dealings with University Enterprises administrators, staff or members of the Board, in any financial interest in any contract or other transaction entered into by the Board, or in utilizing any information, not a matter of public record. Board members shall be prepared to assist in the clarification of possible conflicts of interest that may arise in the course of Board deliberations, and to this end shall refrain from accepting gifts or favors, or engaging in private business or professional activities where there is or would appear to be a conflict between the Board members' private interests and the interests of University Enterprises.
- C. Board members may not attempt to exercise individual authority over University Enterprises except as explicitly set forth in Board policies.
1. Board members interacting with the Executive Director or with staff must recognize the lack of authority of any individual Board member or group of Board members except as noted above.
  2. Only the Chair of the Board acts as the spokesperson for the Board with the public, press, or other entities. All other Board members should direct inquiries to the Chair.

### **Amendment Process**

Within 30 days of approval by the Board of Directors, University Enterprises staff will document the automatic submission of all updated (amended) Articles of Incorporation and Bylaws of the Corporation to the Finance and Treasury Department in the CSU Chancellor's Office.

The Board of Directors Guidelines and Policies may be updated and amended (as needed) by a majority, affirmative vote at any business meeting where a quorum is present. A quorum is one more voting member than one-half of the total voting membership. A review of the guidelines shall be completed on a regular basis in order to ensure compliance of all applicable laws and governing policies.

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