

BRANDEIS UNIVERSITY BOARD OF TRUSTEES MEETING

November 13-15, 2017

SUMMARY

At the beginning of the meeting, the board's committees met and passed three resolutions that went to the full board for consideration at the plenary session (where they were approved). All three resolutions came from the **Academy Committee**. One was to accept the recommendation to promote Olga Papaemmanouil (Computer Science) to associate professor with tenure; a second was to approve a new Master of Science program in robotic software engineering in the Rabb School of Continuing Studies; and the third was to approve a new Master of Science program in business analytics in Brandeis International Business School. I invite you to join me in extending congratulations to Professor Papaemmanouil!

The Academy Committee also heard a report on the recently announced Pathway to Retirement Plan for Tenured Faculty. This plan, first requested by a faculty committee several years ago and now university policy, will help tenured faculty plan their retirements over a period of as many as three years, including developing ways to stay connected to the university and their colleagues.

The committee next heard an update on admissions, which highlighted the strong position Brandeis holds within higher education. Brandeis had a record number of applications last year, with more applications received from both domestic and international applicants. The report also noted the challenges we, and all of higher education, face in attracting and retaining the very strongest students. Those challenges include the increasing cost of attending college and increasing skepticism about the value of higher education among some segments of the public.

Trustees next heard a summary of the three recent town-hall discussions on the draft principles from the Task Force on Free Expression and concluded the session with an extended conversation on the new general education curriculum approved by the faculty earlier this month. These two topics elicited a lot of commentary from the trustees, who see both as crucial to the kind of education we offer our students now and will offer in the future.

The **Nominating and Governance Committee**, responsible for board membership, bylaw amendments, and board member orientation and

development, spent a considerable time reviewing its list of potential trustee candidates. Committee members discussed the composition of the board, identified gaps in expertise and representation, and prioritized the group of candidates to be invited to join the board. Committee members also considered candidates for trustee-emeritus status.

The committee next discussed goals for the coming year, which include reviewing the university's bylaws, improving trustee orientation, and assessing the new committee structure. In the only action item on the agenda, the committee considered and approved a proposal to allow the board to appoint a senior administrator to serve as university treasurer (likely to be the university's chief financial officer).

The **Risk Management and Audit Committee** focused first on its charter. As a committee created just last year, it wanted to make sure its charge and responsibilities fit the university's needs, following up on discussions begun last spring. After two small items were amended, the committee officially approved the charter.

The committee then heard a report on the university's information technology security and was updated on the ERP (Enterprise Resource Planning) "Workday" effort, a multiyear, multimillion-dollar implementation now underway. The committee requested regular updates: Implementation on any university campus is complex and challenging, and the committee wants to ensure adequate resources are available for a successful implementation.

The administration reported on a number of completed internal audits. All were resolved; there are no open items. The committee then heard an update on the Affirmative Action Plan audit from the U.S. Department of Labor, and were briefed on the issues and the conciliation agreement that Brandeis executed on November 13.

The **Resources Committee** had a full agenda. It reviewed its charter after one year of operating under the new combined committee structure. It heard a presentation from EVP Stew Uretsky on FY18 goals for finance and administration, which will be shared with the Brandeis community later this month.

The committee discussed key highlights from the tax legislation under consideration by the U.S. Congress, and its potential impact on Brandeis and higher education. Although the effects will be clear only when the Senate and the House bills are reconciled, committee members were briefed on the range of impact we might expect.

The committee heard a report on FY17 year-end budget results, which showed a nominal surplus, one larger than expected. It also reviewed the current year's first-quarter budget forecast, which tracks with earlier projections.

Committee members received a report on the implementation of "Workday" (referenced earlier in the Risk Management and Audit Committee report) as well as a report on the university's information technology infrastructure. The administration gave reports on the status of the new residence hall's construction, which is on schedule and within budget; on planned summer construction projects; and on the university's sustainability efforts.

Finally, the committee discussed financial analyses that were recently completed or are in process. These include an indirect cost allocation study; a framework for future endowment spending; plans for future debt restructuring, scheduled for 2018-19; and a preview of the FY19 budget process, which will begin next month.

The **Advancement Committee** heard a summary of the fundraising results for FY17 and projections for FY18, which included the following:

Thanks to its largest-ever gift of \$48.4 million, the university raised a total of \$99 million. Contributions by all constituencies remained relatively strong throughout the year, though some segments fell slightly short of Institutional Advancement's goals.

The continuing large share of giving from friends — including the \$48.4 million bequest — reinforces the importance of identifying new friends as we intensify our efforts to strengthen connections to alumni. Though alumni/ae giving continues to rise as a percentage of total contributions to the university, increasing participation levels, especially among young alumni/ae, is crucial for the university's future success.

New pledges last year were reported to be relatively flat, which is typical early in a new presidency. The committee reviewed Institutional Advancement's projections for FY18. Fundraising ("cash in") is expected to reach approximately \$60 million, with marginal increases over last year.

The committee discussed an Alumni Relations report and reviewed goals for FY18. Alumni Relations staff reported a strong positive response to the events held across the country to introduce the new president to the Brandeis community. They also highlighted some new alumni engagement strategies. On the basis of alumni's overwhelmingly positive views of the

university's academic experience, Alumni Relations extended its travel program of faculty-led tours and initiated a pilot program of online courses taught by Brandeis faculty. Both initiatives were well received and will be expanded this year.

Finally, Institutional Advancement highlighted the broad array of funding opportunities that should appeal to both the university's natural constituencies and its friends. These initiatives can inspire and attract new donors; re-engage past ones; serve the Brandeis mission; and, most important, support the pursuits of students, faculty, and staff who define the campus community.

At the meeting's **plenary session**, each committee reported on its deliberations. The full board voted in support of the three resolutions brought forward by the Academy Committee.

Following the committee reports, we had two prolonged discussions. Dean Jen Walker gave a presentation on undergraduate admissions, providing a comprehensive overview of how we recruit students, what considerations go into "building a class," how financial aid is used in the process, and how the new administrative structure will factor into admissions planning and operations. Board members greatly appreciated the presentation.

The second discussion centered on the initial changes in the administrative structure, which began with the division of "student life" and "enrollment." As I outlined in my email to the community earlier this month, the goal of this phase of the reorganization is to integrate more consciously the academic and non-academic aspects of both our undergraduate and graduate students' education while at Brandeis. Although the needs of undergraduate and graduate students differ markedly, we need to address them both.

We discussed the upcoming comprehensive review of student life. Our graduate and undergraduate student representatives provided the student perspective on multiple issues, and helped the trustees understand the larger context for the reorganization.

I found the two discussions exceedingly helpful and focused at the right level. More important, the trustees were fully engaged and, as a group, noted how valuable the discussions were to their understanding of the student experience and the challenges students face.

On Monday evening, Professor and Nobel Laureate Michael Rosbash and four members of his lab — Katharine Abruzzi, Matthias Schlichting, Madelen Diaz,

and Jason Xin — joined the trustees and the faculty and student representatives for dinner. Each gave brief comments about the special environment for research at Brandeis, then fielded questions from the trustees. It was a great honor for the trustees to hear from Michael and his colleagues, and to learn more about another area of excellence at the university.

The Board Retreat (November 14-15)

Tuesday and Wednesday were dedicated to a retreat on board governance. Dr. Susan Resneck Pierce, a president emerita with extensive experience in working with university and college boards, planned and led the retreat, engaging just the trustees on day one, and trustees, administrators, and faculty and student representatives to the board on day two.

The purpose of the retreat was to continue the work begun by board members last year to review and update how the board is organized; how members work together; and how members work with the president, the administration, the faculty, and the campus community as fiduciary officers of the university. Because the term “fiduciary officer” is commonly used without definition, I thought it would be useful to include the latest (2015) Association of Governing Boards definition of “fiduciary” and “fiduciary duties”:

Fiduciary Duties in General: *Under state statutory and common law, officers and board members of corporations (including nonprofit corporations and public bodies that operate colleges and universities) are fiduciaries and must act in accordance with the fiduciary duties of care, loyalty, and obedience.*

What is a fiduciary? Legally, a fiduciary relationship is one of trust or confidence between parties. A fiduciary is someone who has special responsibilities in connection with the administration, investment, monitoring, and distribution of property — in this case, the charitable or public assets of the institution. These assets include not just the buildings and grounds and endowment, but also intangibles, such as the reputation of the institution and its role in the community. A college or university board member or officer has duties to the institution under the law that a faculty member, a student, or an administrator does not. A fiduciary owes particular duties to the institution he or she serves. They are commonly known

[...] as the fiduciary duties of care, loyalty, and obedience. Taken together, they require board members to make careful, good-faith decisions in the best interest of the institution consistent with its public or charitable mission, independent of undue influence from any party or from financial interests.

The focus of the retreat was to revisit roles and responsibilities of trustees in what for many of them is an unfamiliar environment — higher education. In preparation for the retreat, trustees read materials on the subject and completed a survey administered by Dr. Pierce. The survey provided a summary of how individual trustees viewed the role of the board and how well the overall board understood their roles and met their collective responsibilities.

On **day one**, Dr. Pierce gave presentations on specific subjects, and trustees broke into small groups and worked through case studies that highlighted the areas of greatest ambiguity for trustees, administrators, and faculty. The topics preceding each small-group session included the results of the board survey; the ways in which colleges/universities are alike and different from other organizations, and implications for governance; and matters related to board membership and governance more broadly defined. Each session and the discussions that followed were filled with energy and excellent observations, and met the goals of the retreat's first day.

Day two of the retreat included faculty and student representatives, along with administrative liaisons, each of whom supports a major board committee. Dr. Pierce began by providing an overview of the "landscape of American private education," with a particular emphasis on Brandeis. She highlighted some of the challenges boards, administrators, and faculty will need to address over the coming years and asked us to extrapolate them to our particular situation. Small-group discussions followed, with a case study of an institutional crisis that required participants to assign responsibilities across the multiple interested parties. Again, the exercise and discussions were very valuable in underscoring how boards, administrators, and faculty need to understand the roles and responsibilities of each group, and to articulate roles and responsibilities clearly in the institution's bylaws and protocols.

We discussed best practices among university boards, including when and how trustees should engage with students, faculty, or staff. We then heard a report on the ongoing faculty governance project. Faculty Senate president Susan Curnan and Wendy Cadge, professor of sociology and faculty representative to the board, described the work done to date by the faculty's

Task Force on Governance and answered trustees' questions. Having both the board and the faculty engage concurrently with the issue of governance will result in an improved understanding of roles and responsibilities, which, in turn, should lead to better decision-making and increased trust throughout the institution.

A major topic of discussion in one of the trustee breakout groups was how to provide robust orientation and "continuing education" programs for trustees, who need to be in tune with major issues — both in higher education and at Brandeis — to make informed decisions. The administration will work with faculty and students to develop a "curriculum" delivered through multiple media (e.g., traditional reports, webinars, videos, podcasts, and so on) that allow trustees to access information about programs conveniently and according to the demands of their particular schedules.

The faculty and student representatives' breakout group emphasized the need for clarification of their roles so they can maximize their effectiveness on behalf of their respective constituencies and the university. Representatives to the board are uncertain about certain expectations, including what they can and cannot share with colleagues and fellow students. The board's Nominating and Governance Committee will work with them to clarify their roles and create what will be, in effect, a job description for representatives.

Following the retreat was a two-hour **executive session**, which included just the trustees and me. After a short debrief on the retreat, I provided the trustees with an overview of plans for the coming year related to forging a direction for the university. I reported on the status of the 33 self-reflection documents, in which the university's programs and units answered major questions about their vision; opportunities for deepening their impact, internally and externally; constraints to meeting their goals; the potential for creating greater impact with greater efficiency; and their priorities.

I reminded trustees that the first of several on-campus town-hall meetings on the findings of these documents will take place on November 28, when we will begin to seek and incorporate feedback. During that meeting, I will also outline and seek feedback on some general strategic areas that will frame our direction. The "content" that will ultimately define the strategic areas will come from materials included in past planning exercises; the annual reports to deans by department and program chairs; the external reports done last academic year by Mark Neustadt and Kermit Daniel; and general feedback, sought through open meetings, surveys, and online submissions. I will provide details on this planning process during the coming weeks.

We discussed the recession's impact on the university nearly ten years later, both in human terms (e.g., staffing levels and morale) as well as administrative gaps, and how these affect our planning for our future. It is crucial that we address issues related to governance, financial planning, data collection and management, faculty staffing levels, administrative bandwidth, and trust among constituencies if we are to succeed.

Two immediate issues we discussed were the faculty resolution last spring related to the forfeiture of university retirement contributions by faculty and staff during the recession, and the divestment of fossil fuels from the university's endowment. The trustees agreed that we need to engage both issues as a full board and come to resolution, if not total agreement, on each. This will require our setting aside ample time at the January board meeting to meet with faculty and staff representatives (and, in the fossil-fuel case, students as well), engaging with each issue with a commitment to, at the very least, leaving the meeting with a firm understanding of positions and next steps. I cannot guarantee a particular outcome for either issue. However, I will work with groups on campus and the board to ensure each group has the materials it needs to make the discussions informed and productive.