MEMORANDUM

TO: The Special Committee on Governance and Engagement:

John E. Nau III, Chair
Frank B. Atkinson
John A. Griffin
Victoria D. Harker
Bobbie G. Kilberg
George Keith Martin, Ex Officio
Timothy B. Robertson, Consulting Member

and

The Remaining Members of the Board and Senior Advisor:

L.D. Britt, M.D. William H. Goodwin Jr.
Frank M. Conner III Margaret N. Gould
Allison Cryor DiNardo Stephen P. Long, M.D.
Helen E. Dragas John G. Macfarlane III
Kevin J. Fay Edward D. Miller, M.D.
Barbara J. Fried Leonard W. Sandridge Jr.
Frank E. Genovese

FROM: Susan G. Harris

SUBJECT: Minutes of the Special Committee on Governance and Engagement Meeting on July 30, 2014

The Special Committee on Governance and Engagement of the Board of Visitors of the University of Virginia met, in Open Session, at 12:30 p.m., Wednesday, July 30, 2014, in the Jamestown Room of the Berkeley Hotel, Richmond, Virginia. John E. Nau III, Chair, presided.

Present were John A. Griffin and George Keith Martin. Bobbie G. Kilberg and Victoria D. Harker participated by telephone.

Also present were Stephen P. Long, M.D., Richard P. Chait, Timothy B. Robertson, Teresa A. Sullivan, Richard C. Kast, Susan G. Harris, David W. Martel, Nancy A. Rivers, McGregor McCance, and Debra D. Rinker.
Mr. Nau opened the meeting by introducing those present and those participating by telephone. Rector Martin provided background on the reasons for creating the Governance and Engagement Committee. He said the Code of Virginia requires that the Board have a code of conduct; the University generally has a code of conduct, but he said there should be a document specific to the Board of Visitors. He said Mr. Nau and Mr. Robertson developed the name "Statement of Expectations" rather than using the name "code of conduct" or "code of ethics". He introduced governance consultant Mr. Richard Chait, and said Mr. Chait has been working with the Board for almost two years.

Mr. Nau said the goal of the document is to balance individual rights with the collective responsibilities of the Board, "there is no attempt to step on individual rights". He said the University is the leading public university in the country, and should be on the leading edge for creating a document that sets the standard for governance. He introduced Mr. Chait, who said a healthy board culture is more important than structures, procedures, and size of the board. The document is a proposal that is intended as a social compact among the members. He defined the social compact as the principles and values that delineate appropriate behavior by board members. It is premised on the Board as a collective entity; that the Board and senior management operate in concert; and the Board chooses to have a measure of accountability in the board room. He said this was an opportunity for Virginia to lead in the public sector — Ohio State University has a similar document. Ms. Kilberg said she was concerned about the harsh tone of the document. Mr. Nau took responsibility for the tone, and said nothing is written in stone. He asked that the participants work through the document; they proceeded to do so paragraph by paragraph, led by Mr. Nau.

At 2:00 p.m., the committee convened in closed session to discuss legal matters related to the Statement of Expectations after approving the following motion:

That the Governance committee of the Board of Visitors go into closed session to consult with the Associate General Counsel on specific legal matters related to developing a statement of expectations for the Board and requiring the advice of counsel, as provided for in Section 2.2-3711 (A)(7) of the Code of Virginia.

The committee reconvened in open session at 2:25 p.m. and approved the following motion by unanimous vote:

That we vote on and record our certification that, to the best of each committee member’s knowledge, only public business matters lawfully exempted from open meeting requirements and which were identified in the motion authorizing the closed session, were heard, discussed or considered in closed session.

Mr. Nau asked Ms. Harris and Mr. Chait to finalize the changes to the document that were discussed in the meeting, and send out a revised version to the committee when the changes have been made.
Because the Statement of Expectations discussion filled the entire time allowed for the meeting, the other items Mr. Nau intended to address were not addressed by the committee.

Upon motion, the meeting was adjourned at 2:30 p.m.

SGH:dr
These minutes have been posted to the University of Virginia’s Board of Visitors website: http://www.virginia.edu/bov/specialcommminutes.html