

### Key Points

- The Fiduciary Duty of the Board of Trustees
- The Multifaceted Nature of the University and Shared Governance
- The Role of CPE – the Council on Postsecondary Education
- What it Means to Be “Public”
- Related Organizations



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**Charge from the Governor – E.O. 2016-338**

The UofL Board of Trustees is charged with the responsibility of:

- Securing
- Governing
- Managing
- Overseeing
- Being Responsible For

all aspects of the University of Louisville in a fiduciary capacity.

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**Fiduciary Duty**

**• Duty of Care**

- Attend Meetings, Stay Informed
- Make Decisions with Good Faith, Ordinary Care and Prudence

**• Duty of Loyalty – Act for Benefit of University**

- Refrain from Usurping University Opportunities for Personal Gain
- Avoid Engaging in Interested Transactions without Appropriate Approval
- Maintain the University's Confidential Information

**• Duty of Disclosure**

- Disclose Material Information Within Your Control Before Voting on an Action
- Section 4.1 of the By-Laws

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### Fiduciary Duty and Reliance

- A trustee is entitled to rely on information, reports and opinions prepared or presented by:
  - Officers and employees whom the trustee reasonably believes to be reliable and competent in the matters presented; and
  - A committee of the board if the trustee reasonably believes the committee merits confidence.

### Powers of the Board

#### Key Powers of the Board:

- Standard powers of “body corporate”
  - Acquire and Dispose of Property, Borrow Money, Enter into Agreements
- Appointment and removal of faculty and administrators
- Administration of revenues/approval of budget
- Issuance of revenue bonds
- Conferring of degrees
- Evaluation of university’s progress in meeting its mission and goals



E.O. 2016-338 and KRS 164.830

## The University Is Multifaceted

### The University has Many Constituents:

- Students, Parents, Faculty, Staff, and Alumni
- Patients
- State and Local Government
- Business Partners
- Community Partners
- Citizens of the Commonwealth



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## The University Fulfills its Mission in Various Ways

- Education & Research
- Patient Care
- Public-Private Partnerships
- Community Engagement
- Community Service



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### The University Is a Small City

#### The University:

- Is home to thousands of residents
- Features restaurants, shops, art galleries, gymnasiums
- Offers a variety of performing arts and athletic events
- Has a planetarium
- Maintains roads and a power plant
- Is protected by its own law enforcement agency



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### The University Operates Through Shared Governance

- Interdependence - Among the Board of Trustees, Administration, Faculty, Students, Staff and Others
- Effective Communication
- Campus-wide Involvement in Important Decisions
  - The selection of key administrators
  - The preparation of the budget
  - The determination of educational policies
- The Redbook



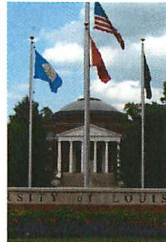
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## Kentucky Council on Postsecondary Education



- 15 voting members + commissioner of education
- Develop a strategic agenda + implementation plan
- Develop a system of accountability
- Submit a biennial budget request
- Determine tuition rates
- Set minimum admissions req.
- Approve academic programs
- Approve mission
- Develop a comprehensive 6-hour orientation and education program for trustees



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## UofL is Public

- Accountability and transparency
  - Conflicts of interest
    - KRS 45A.340
    - By-Laws of Board of Trustees
    - Redbook
    - Institutional Conflict of Interest Policy
    - Annual Disclosure Form
  - Public Records
  - Open Meetings
- First Amendment



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## Public Records



- **“Public records” include**  
all documentation regardless of physical form . . . prepared, owned, used, in the possession of or retained by a public agency.
- **“Public agency” includes UofL.**
- **Records shall be provided within 3 days, absent good reason for the delay.**

## Public Records Requests

- **600 Requests Received in 2015**
- **On Similar Pace for 2016**
- **Examples:**
  - All Records Related to UofL's Accreditation since 2007
  - Records indicating the Number of Concussions Received by our Athletes in All Sports in Each of Past 5 Years
  - All Trustee Conflict of Interest Disclosure Statements



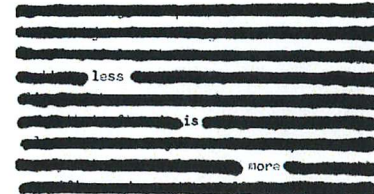
### Confidential Records Exempt from Disclosure

1. Student education records -- FERPA
2. Confidential healthcare information
3. Test questions and scoring keys
4. Records of law enforcement agencies
5. Antiterrorism plans
6. Preliminary drafts
7. Records containing personal information which, if disclosed, would constitute an unwarranted invasion of privacy



### Redaction

If public material and confidential material is commingled, the public agency must separate out the confidential information and make the rest available.





## Open Meetings

- Applies to Meetings of a Quorum of the Board at which Public Business is Discussed or Action is Taken
- Applies to Committees
- Permits Public Attendance
- Requires Prior Notice to Public
- Requires Minutes be Kept



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## First Amendment

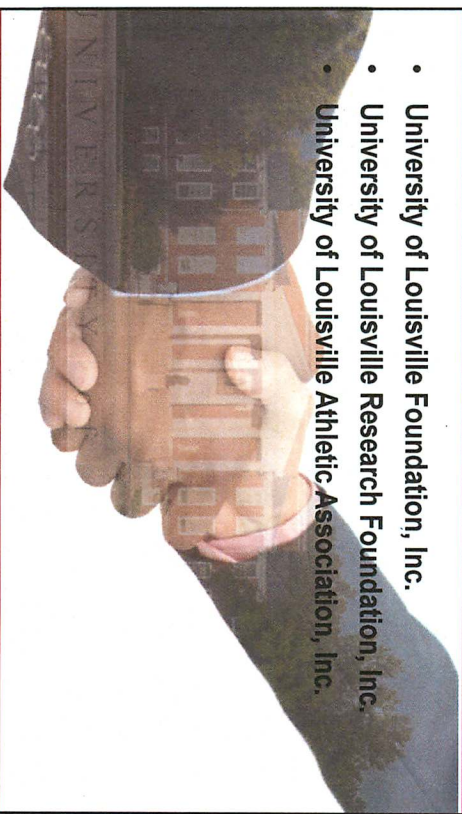
- The First Amendment to the Constitution prohibits the government, including public universities, from encroaching on free speech.
- Reasonable time, place, and manner restrictions may be imposed on speech
  - Regulating speech based on its content, with certain exceptions like “fighting words” and “obscenity,” is deemed to be a violation of the First Amendment.



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### Related Organizations

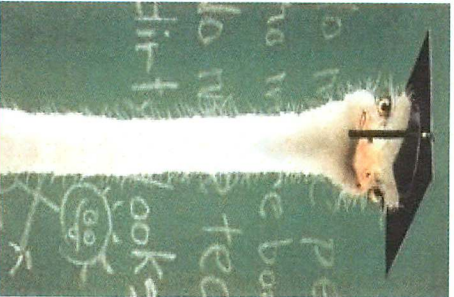
- University of Louisville Foundation, Inc.
- University of Louisville Research Foundation, Inc.
- University of Louisville Athletic Association, Inc.



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### Cerebral, Serene



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### Our Job

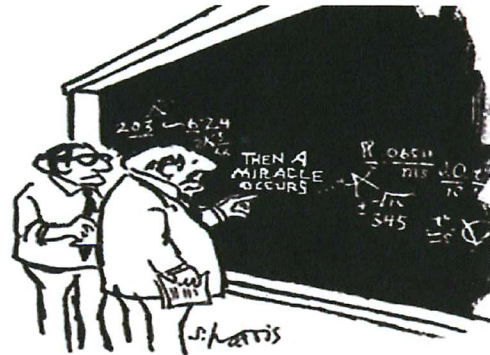
- Triage officers
- Deal makers
- Negotiators
- Regulatory advisors
- Sounding boards
- Obstacle clearers
- Solution finders
- Jugglers
- Balancers



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### Finding Solutions



"I think you should be more explicit here in step two."

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