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## **Consequential Boards**

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# Basic Board Responsibilities

1. Assure the current mission is aligned with public purposes
2. Select, support, assess, compensate the president
3. Charge the president to lead strategic plan, participate, approve, and monitor the plan
4. Ensure
  1. fiscal integrity, asset protection; give/get
  2. educational program/service quality
  3. organizational autonomy, academic freedom, public purposes
5. Meet with constituencies in concert with administrators
6. Demonstrate exemplary governance

*AGB, Effective Governing Boards: A Guide for Members of Governing Boards of Public Colleges, Universities, and Systems. 2010*

# Board Members as Fiduciaries

- 1. Fiduciary** – One who holds some asset(s) in trust for another and is charged to act beneficially on behalf of the other in managing that asset.
- 2. The Asset** – The college/university you govern, including mission & identity, property, human resources & educational product.
- 3. For Whom** – Founders and sponsors, students and families, donors, alumni, public

Fiduciary Duties of Governing Board Members- AGB, 2015

# Fiduciary Duties

## Duty of CARE

- Decide and act in good faith
- Prudent person level of care

## Duty of LOYALTY

- Decide and act in the best interest of the organization
- Protect and support

## Duty of OBEDIENCE

- Faithful to founding documents
- Obey the law



Long-Term Interests of the University

# Fiduciary Duties

The fiduciary duties of care, loyalty, and obedience require board members to make careful, good-faith decisions in the long-term best interest of the institution consistent with its public mission, independent of undue influence from any party or from financial interests.

# Consequential Boards:

1. Focus on improving the value of their institutions and communicating that value publicly.

# Consequential Boards:

2. Ensure the long-term sustainability of their institutions by addressing financial issues and the imperative to provide a high-quality education at a lower cost.

# Consequential Boards:

3. Strengthen shared governance and board-president relations.

# Consequential Boards:

4. Focus board time on issues of greatest consequence to the institution.

# To Be a Great Board Member....

1. Study higher education. Know your university in that context.
2. Know your responsibilities as a member of a board of visitors.
3. Know the limits of your responsibilities. Know the difference between your responsibilities and those of your president.
4. Be engaged.
5. Know what guides your work—the students, the mission of your university, the public purposes of your university
6. Focus on work that matters.
7. Remember that governance is a team sport.
8. Be storytellers and advocates for higher education.