“The ultimate responsibility for the institution rests in its governing board. Boards cannot delegate their fiduciary responsibility for the academic integrity and financial health of the institution. Traditionally, and for practical reasons, boards delegate some kinds of authority to other stakeholders with the implicit and sometimes explicit condition that the board reserve the right to question, challenge, and occasionally override decisions or proposals it judges to be inconsistent with the mission, integrity, or financial position of the institution.”

“Governing boards should state explicitly who has the authority for what kinds of decisions—that is, to which persons or bodies it has delegated authority and whether that delegation is subject to board review. For example, curricular matters and decisions regarding individual faculty appointments, promotions, and contract renewal normally would fall within the delegated decision-making authority of appropriate faculty and administrative entities operating within the framework of policies and delegations of the board.”

“Boards and chief executives should establish deadlines for the conclusion of various consultative and decision-making processes with the clear understanding that failure to act in accordance with these deadlines will mean that the next highest level in the governance process may choose to act. While respecting the sometimes lengthy processes of academic governance, a single individual or group should not be empowered to impede decisions through inaction.”

From: AGB Board Basics—AGB Statement on Institutional Governance and Governing in the Public Trust: External Influences on Colleges and Universities
1. **Major Policies.** Fundamental issues of mission or business definition, typically involving questions of institutional direction, values, priorities, and principals (e.g., add graduate education, discontinue church affiliation, go co-ed).

2. **Secondary Policies.** Questions of primary clientele, types of services, delivery systems that may focus on relationship of programs and departments to overall mission (e.g., add new academic department, establish educational television station, substantially revise admissions criteria).

3. **Functional Policies.** Concern of major operational areas, for example, planning, budgeting, finance, marketing, personnel (e.g., budget approval process, investment policies).
4. **Minor Policies.** Decisions that govern day-to-day practices (e.g., participation in United Way campaign, selection of contractors, intercollegiate athletic schedule).

5. **Standard Operating Procedures.** Mechanisms and procedures to handle routine transactions and normal operations—matters of form, process, method, and application of other policies (e.g., grade appeals, student discipline, sabbatical requests).

6. **Rules.** Regulations that guide or prescribe everyday conduct (e.g., parking, smoking, library fines, and dormitory visitation).
# Typical Division of Labor

<table>
<thead>
<tr>
<th>Board</th>
<th>Administration</th>
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<tbody>
<tr>
<td>1. Monitor institutional planning.</td>
<td>1. Develop campus plan for Board approval. Once approved, implement.</td>
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<td>2. Approve new academic programs.</td>
<td>2. Develop new academic programs for Board approval. Once approved, implement.</td>
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<tr>
<td>3. Review financial aid, enrollment, tuition, etc., policies.</td>
<td>3. Develop policies for financial aid, enrollment, tuition and fees, etc. for Board approval. Once approved, implement.</td>
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<tr>
<td>4. Review and approve annual budget.</td>
<td>4. Develop annual budget for Board approval. Once approved, implement.</td>
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<td>TYPICAL DIVISION OF LABOR</td>
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<td>5.</td>
<td>Monitor institution’s assessment efforts in both academic programs and campus services. Insist on a strong evaluation program.</td>
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<td>6.</td>
<td>Encourage and monitor cost-effective management.</td>
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<td>7.</td>
<td>Review and monitor regulations regarding everyday conduct—parking, library fines, residence hall regulations, etc.</td>
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<td>5.</td>
<td>Develop assessment programs for academic programs and campus services and provide Board with periodic progress reports.</td>
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<td>6.</td>
<td>Develop programs to ensure cost-effective management. Keep the Board informed.</td>
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<tr>
<td>7.</td>
<td>Develop these regulations and keep Board informed.</td>
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8. Review and monitor athletics program. Approve major changes in status. Expect regular reports.

9. Approve major human resource policies, e.g., hiring, termination, leaves and sabbaticals, salary increases, etc.

8. Develop these recommendations and seek Board approval for major policy changes. Provide frequent information.

9. Develop policies for these and other areas for Board approval. Implement policies; keep Board informed.
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<td>10.</td>
<td>Approve new buildings and other major expenditures. Approve campus building plans.</td>
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<td>Develop a campus building plan for Board approval. Develop requests for a specific building for Board approval. Manage the process once the Board approves.</td>
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<td>11.</td>
<td>Monitor campus compliance with local, state, and federal laws and with Board policy.</td>
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<td>Develop a means to ensure compliance, and periodically report to the Board on any compliance issues.</td>
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</table>
1. The Board annually reviews the president’s performance in private session. Also, every five years it plans to do a more inclusive review involving selected people from the campus community, alumni leaders, and the larger community. The results will be kept confidential. The president strongly objects stating that such reviews weaken his leadership position. Who is the problem here?

2. A Board member suggests at a public meeting that the college should strongly consider developing a new undergraduate program in nursing. He asks the college to conduct a feasibility study and report its findings back to the Board in six months. Any problem here?

3. The Board reviews the salary increase recommendations for all faculty and staff. They often make changes in the amount given out to certain individuals—some get more than recommended, some less. Some who were recommended for raises got no raise. Any problem here?

4. The Governor tells key Board members that he wants the President fired and replaced by one of his campaign leaders. He also wants the new president to be a member of his cabinet. Any problem here?

5. A highly popular, entrepreneurial president leases a portion of the institution’s land to a high tech firm that promises many jobs and close relations with the school. The Board reads about it in the paper. The President argues that she needs to move quietly and quickly in order for this to happen. Any problem here?
6. The President is upset because her office account is going to be audited this year as a part of the annual audit program. She tells the Board that this has greatly angered her as this action suggests that they don’t trust her. Any problem here?

7. The Board, unhappy with the way admissions decisions are made, places three of its members on the campus Admissions Committee. Any problem here?

8. The Board, against the vehement opposition of the President, makes the football coach, athletic director. He keeps his position as coach. Any problem here?

9. The Board requires that the President report annually on the college’s compliance with Title IX of the Civil Rights Act. It tells the president that if there are any problems, he should report them to the Board along with plans and cost figures. Any problem here?

10. A well meaning board member is a self-styled expert on building matters. He begins to meet with the Buildings and Grounds head and her staff. Soon he is directing a new project. Any problem here?
Preserving Institutional Independence

1. Recomit to the primacy of the Board over individual members
2. Keep the mission as a beacon
3. Respect the Board as both a buffer and a bridge
4. Exhibit exemplary public behavior
5. Keep academic freedom central

“Interventions most damaging to self-governance are those aimed specifically at governing board capacities to debate policy and make decisions.”

“Perhaps the most enduring and compelling reason for self-governance in American higher education is the belief that the pursuit of truth, the generation of new knowledge, and the protection of intellectual inquiry are best preserved in institutions unencumbered either by direct governmental control or domination by any self-serving interest.”

From: AGB Board Basics—AGB Statement on Institutional Governance and Governing in the Public Trust: External Influences on Colleges and Universities
YES, WE ARE DIFFERENT
- Not another government agency
- Not a business
- Not a hospital but somewhat similar
- But committed to academic excellence and delivery of efficient and effective services

OUR VALUES DRIVE OUR EFFORT
- Teaching, research and public service
- Academic freedom
- Faculty driving academic programs
- Belief in shared governance
YOU SHOULD EXPECT

- Academic programs that are continually reviewed and improved
- Efficient and caring delivery of services
- Financial competence
- A response to your questions and concerns
- A willingness to change

GUESS WHAT? WE AREN’T PERFECT

- Decision-making often too slow for changing conditions
- Silos
- Denial of financial realities
BUT STILL THE BEST IN THE WORLD!

SHARED GOVERNANCE AT YOUR UNIVERSITY!