Bringing Lessons From #MeToo to the Boardroom

Patricia H. Lenkov and Denise Kuprionis

Boards need to be proactive in shaping a corporate culture that does not tolerate sexual harassment.

Corporate sexual harassment scandals have abounded in recent headlines, with organizations such as The Weinstein Co., Fox News, Uber Technologies, Wynn Resorts, Lululemon Athletica, and others finding themselves under a harsh spotlight. In each case, the company emerged from scandal with its reputation significantly damaged.

Has your board reflected upon the #MeToo and #TimesUp social movements, and about the continuing wave of CEO resignations.
amid misconduct allegations? Whether you are a member of the board of a public, private, or nonprofit company, procedures for addressing and preventing sexual harassment must be on your board’s agenda. Directors need to do the right thing for employees, for customers, and for all stakeholders. The time for boards to act is now.

As advisers to boards for a combined 40 years, we have had many discussions about the challenges facing companies. Understanding risk appetite and ensuring the company has a process in place for managing its risks is usually at the top of the list.

When we delve deeper into how boards manage risk, we often hear that different risks are monitored by different committees. For example, accounting risks come under the purview of the audit committee, and risks related to cash and stock incentive programs are monitored by the compensation committee.

But what about sexual harassment? Companies generally agree that while sexual harassment in the workplace is unacceptable behavior on the part of an individual, the ensuing silence or lack of consequences for the behavior reflects a problem with corporate culture — and, ultimately, culture is the responsibility of the entire board.

This begs the question: How do we monitor culture and focus board attention on preventing sexual harassment and misconduct at their organizations? Our answer, based on experience helping boards increase effectiveness, is that directors must first implore their board chair to put this topic on the board agenda. Even though it may be an uncomfortable issue, boards must start the dialogue about this “new” risk. To begin, we suggest directors ask the following seven questions:

1. How do our current policies measure up to best practices?

   Too often, the board does not read company policies or require human resources leadership to review policies and procedures annually to gauge the effectiveness of the reporting process. Directors may think this level of review is “stepping on management’s toes.” However, the board must determine whether the company’s current policies and procedures related to preventing workplace sexual harassment and
discrimination are adequate. Asking HR how these policies are communicated and to define “best practices” is not crossing the management/board line. Directors should weigh in on whether the CEO and the management team are communicating the right message.

2. **Do employees trust and use our procedures for reporting harassment?**

While there are many methods and procedures organizations use for employees to report harassment or complaints, hotline calls to a company’s dedicated ethics line are a good example. Board directors sometimes utter a sigh of relief when they hear there have not been any hotline calls at their organization, but it’s a common misconception that few calls to the ethics line equates to a “good” company culture. In an open and trusting culture there are many calls — calls for how to handle a matter, calls for clarification, and, yes, some calls that report a potential problem. Informed directors ask how many calls are received in a given time period and require that calls be categorized.

The hotline is an early-warning system, and directors are looking for trends, not individual case details. Not only does this offer a chance for early intervention, it is also an indicator that employees trust the company will do the right thing. The more comfortable employees are raising issues, the lower the potential risk of the company mishandling a case of harassment. If an abuse or infraction of a policy happens, ensure it is treated fairly and consistently and that real penalties, rather than a slap on the wrist, are imposed.

3. **When does the board get notified?**

Keeping with our example of hotline reports, let’s now think about how and when the board should be notified. We’ve found that real-time sharing of reports varies in organizations, but regardless of reporting structure, it’s crucial that the full board be notified at least semiannually (though preferably more frequently) about trends and statistics of employee reports.

Directors should also understand the escalation protocols. For example, is there a mechanism to ensure that if a question is raised about the CEO’s behavior, it gets immediately reported to the board chair? Ask if the right manager oversees incoming hotline calls and talk through the reporting procedures.

4. **What is company culture like at the mid-employee level?**

Boards have regular interaction with the CEO and senior executives. They convene at board meetings, strategize at retreats, and enjoy dinner together. Most often, camaraderie is genuine, and it may lead directors to believe that company culture is similarly positive.

But what about the next level down, with managers who directors see once a year, if that often? And what is the culture like among employees these managers supervise, and with whom the board never engages — how do these employees view the company?

To better understand a company’s culture, directors might consider unstructured office tours. One director told us he learned more about company culture while walking around the operations floor than he did in the boardroom. Additionally, directors should ask to see the annual employee satisfaction survey results — and not just the cover page. Initiate a discussion with management about how a potential claim of sexual harassment might be handled in-house and how the board could better monitor culture.

5. **Does the board composition need a refresh?**

Companies are not static, and boards must evolve accordingly. A regular injection of new talent around the boardroom table will promote fresh ideas and a disciplined challenge to the status quo. Problems can fester when thinking becomes too insular and when no one takes a step back to deliberate on the culture
Instances of sexual harassment and other forms of sexual misconduct boil down to bad behavior, power abuse, and poor judgment within the organization. Failing to implement proper protocols around sexual harassment in the organization can lead to many problems including decreased brand reputation, litigation, and a variety of other risks, as well as the associated decrease in shareholder value. Boards must take the lead in fostering a respectful work culture.

Gender diversity on boards is a high priority among institutional investors. Additionally, female board members we spoke with reflecting on the #TimesUp campaign felt that if there had been support at the top of the company and better gender diversity on boards, then they might have felt comfortable speaking up earlier.

5. **What’s our crisis response plan?**

Boards must be proactive in their thinking and planning around the issue of sexual harassment. Even when following best practices and promoting healthy corporate cultures, bad behavior can (and will) still occur. California provides a good example: Since 2005, employers in the state with more than 50 employees have been required to conduct two hours of sexual harassment awareness training for supervisors and executives every other year. However, what about the boards of directors for these companies? They need to be included in at least some part of this training as well.

Part of any crisis response plan requires getting ahead of a potential crisis, discussing these issues and establishing a culture of zero tolerance starting at the board level and then messaged throughout the organization.

7. **How do we vet our board members and CEO candidates?**

Sexual misconduct can be prevented, and prevention must be promoted at the top of the organization. While this is often articulated to be the case, the truth is usually more nuanced. Clearly, recent revelations highlight that we have lived in a culture where sexual misbehavior has been ignored, tolerated, and overlooked. Diversity in the boardroom can provide some mitigation in that it tends to curtail groupthink and group complacency. We need strong directors who will not be afraid to speak up or question unacceptable behavior within the organization they serve. It is easy to assume that directors, by virtue of their title, have the fortitude and wherewithal to do the right thing in all situations. But this is not always the case, and boards have a responsibility to interview and reference for these characteristics.

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grow the business while fostering a safe environment. The board of directors must be proactive in setting the leadership tone by looking at its own composition — board makeup reflects the company’s values. The board should hold the CEO and other senior leaders accountable and challenge them to make sure that a culture of abuse does not exist at any level of the company, now or in the future.

ABOUT THE AUTHORS
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Building Strong
Institutional Governance Systems
Integrated solutions

Strategic and Change Management

- Strategic Planning & Implement
- Change Mgmt
- Strategic Enrollment Mgmt
- Fundraising
- Accreditation
- Governance
- Leadership Capacity
- Distance Learning
Board assessment

1. Our nomination process recruits a diverse Board with a range of expertise (planning, PR, fundraising, etc.)
2. Members receive board orientation when they join, including duties per the university’s governing documents
3. Board members receive annual board training, including fiduciary duties and responsibilities
4. Board materials are complete, understandable, and are distributed prior to meeting so people can prepare
5. Meetings are organized to provide ample time for substantive discussion of important ideas, issues and concerns
6. Our board culture is respectful, collaborative, transparent and ethical
7. We regularly review the president and his/her staff performance and hold him/her accountable for their performance

8. Staff and our outside advisors fully inform us concerning all important issues facing the university

9. We understand the culture of and environment in which the university operates

10. We have sufficient interaction with stakeholders and intended beneficiaries while respecting the governance process

11. We regularly assess our individual and collective board performance

12. We know that our personal actions can harm the institution and are loyal to the school, not to outside interests
A sampling of academic scandals

1. Title IX / sexual assault / etc.
   - Penn State / UC Berkeley / MSU / BYU
2. Student cheating
   - UNC / Harvard
3. Research scandals
   - ISU – AIDS data / UMN – psych experiments gone wrong
4. IT systems hacked / personal information disclosed
   - Rutgers / UCF
5. Financial issues
   - Howard University / Sweet Briar

Where were Boards of Trustees BEFORE the event?
Financial crises changed governance

- 2000s -> greater changes in corp governance/operations
  - Enron -> Sarbanes/Oxley
  - 2008 Great Recession -> Dodd/Frank
- Governance is changing, especially under Trump admin
  - Boards still manage finances to satisfy shareholders
  - Corporate boards are becoming more activist
    - Set direction and tone, determine corporate mission and set high-level strategy
    - Long term risk management
    - Practice good governance
    - Shareholder vs. stakeholder
Nonprofits / universities have followed suit

- Boards still fundraise
- Boards still hire and fire presidents / chancellors / CEOs
- Boards also actively participate in
  - Institution-wide policy setting
  - Strategic planning
  - Governance at every level
  - Risk assessment
  - Management

Where do university boards stack up?
Boards have many constituencies

- Trustees
- Administration
- Faculty
- Students
- Alumni
- Parents
- Community/Employers
This model doesn’t work any more
Boards should be overseers / stewards

• The role of a board and its members is to think strategically (big picture)
  • What’s working, what isn’t
  • What can we do as a board to help staff
• The role of the administration and staff is to implement the strategies and policies the Board develops (tactically)
• The Board should work *collegially* with the administration and staff, and should not micro-manage
Duties of the board

- Duties include:
  - Developing and approving strategic plans and annual budgets;
  - Regularly monitoring the accomplishment of these plans and budgets;
  - Regularly monitoring student achievement indicators such as retention and graduation rates, student learning, and job placement; and
  - Reviewing annual financial audits and reports to ensure the adequacy of financial management and controls and to promote financial sustainability.
  - Review and adopt or reaffirm the institution’s mission and vision statements and key institutional policies.
Board responsibilities

- Fulfill its fiduciary, legal, and oversight responsibilities.
- Make fiscal decisions after a careful balancing of interests in light of its responsibility to oversee the institution’s primary focus on and support of student achievement.
- Create and adhere to conflict of interest policies consistent with best practices.
- Reflect areas of competence in board membership as needed to fulfill its responsibilities to the institution.
- Establish, review, and revise, as necessary, key institutional plans and policies.
- Review and consider reasonable and relevant interests of the institution’s internal and external constituencies during its decision-making deliberations.
- Select a chief executive officer who is accountable for the operation of the institution and perform an evaluation at least annually.
Board responsibilities cont.

- Delegate day-to-day management of the institution to the chief executive officer.
- Maintain and honor clear policies on shared governance.
- Comply with all federal and state regulations regarding board structure and governance.
- Speak with one voice and act as a collective body (individual board members do not have authority independent from the board as a whole, although members such as the chairperson may be authorized as board spokesperson).
- Review and adopt or reaffirm the institution’s mission and vision statements.
- Evaluate its own performance to ensure its duties and responsibilities are fulfilled in an effective and efficient manner.
It’s not the board’s role to micromanage but...

“You know, I REAL-L-L-L-L-Y hate it when he micromanages.”
This model doesn’t work either . . .
Boards duties are individual

- Each board member is personally responsible and legally liable for his or her own
  - Actions
  - Errors
  - Omissions
Boards duties are collective

• The whole board shares responsibility (and liability) to broadly ensure that
  • The university fulfills its mission
  • The university remains legally compliant
  • The university remains financially sound
Board members are *fiduciaries*

- Fiduciaries hold special position of trust
- Fiduciaries must act with the highest good of the organization in mind
- Fiduciaries have a higher standard of care than professional staff (this includes the university president)
- Fiduciary responsibilities are collective and personal, and cannot be delegated away
Fiduciary responsibility involves three legal duties

- Duty of care
- Duty of loyalty
- Duty of obedience
Duty of Care

- Treat the university’s affairs with the same care as your own
  - Financial oversight, including budget
  - Confirm compliance with applicable law
    - Title IX, tax, etc.
- Understand the university’s mission and rules, including
  - Bylaws
  - Operating and board policies – not necessarily what is written but what is actually done
  - Common course of conduct – day to day operations and how the institution executes the policies
Duty of Care

• Don’t stay on the surface
  • Read governing documents
  • Learn essential history
  • Understand institutional culture
  • Probe administration assertions
  • Challenge unspoken assumptions
  • Keep abreast of relevant news
• Don’t ignore issues
  • Football program
  • Honor code and sexual assault
Duty of Care

• Attend Board meetings and conference calls
  • Come prepared
  • Devote enough time to fully discuss issues
  • Participate
    • Balance skepticism with positivity
    • Question, don’t confront
  • Offer solutions, not just criticism
  • Fulfill special assignments enthusiastically and competently
Duty of Loyalty

- Put the university’s interests first
- Practice personal integrity and transparency
- Adhere to the university’s conflict of interest policy and disclose any conflicts
- Support final Board decisions
Duty of Loyalty

• Put Board policies ahead of committee agendas
• Avoid inappropriate use of university opportunities for personal gain
• Put personality conflicts aside
  • Learn to love your skeptics
• Do not disclose confidential information about the university and its operations
  • Get it in writing as to what can be disclosed
Duty of Obedience

• Ensure the university’s compliance with all applicable federal, state and local laws
  • *Thoughtful reliance* on legal advice of university counsel is acceptable
  • Never hesitate to question
• Ensure the university’s substantial compliance with its bylaws and duly-adopted policies
  • Institution operates the way is should
Duty of Obedience

- Act as guardians of the university’s mission
- Oversee the university’s compliance with good governance principles. This includes:
  - Faculty governance
  - Tenure
  - Research
  - Student organizations
  - Honor code – looks like and how enforced
- Support the administration in principled decisions
  - Bullying coach firing
Board committees

- Finance Committee
- Audit Committee
- Academic Affairs Committee
- Nominations and Governance Committee
- Fundraising Committee
- Strategy and Risk Committee
Finance committee

- Purpose
- Composition
- Responsibilities
  - Fiscal reporting
  - Accounting policies
  - Limitations of duties
- Meetings
Audit committee

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TRACS-Specific Board Requirements
6. Organization Structure

The institution has a system of governance that facilitates the accomplishment of its mission and objectives and supports institutional effectiveness and integrity. Through its organizational structure, the institution creates and sustains an environment that encourages teaching, learning, service, scholarship, and, where appropriate, research activity. Such governance assures provision of support adequate for the appropriate functioning of each organizational component. The institution has sufficient independence from any external entity, such that it is solely accountable for meeting accreditation requirements.
6.1. The institution’s Board, of not less than 5 voting members, is the legally constituted body that holds the institution in trust, has appropriate oversight in matters of policy, operation and evaluation, and exists without conflicts of interest.

- The Board provides an appropriate orientation for new members.
Board member qualifications

- Expertise of board members
- Commitment to the institution
- Knowledge of higher ed
- Financial skills and knowledge
- Board experience and development
- Publication of qualifications
# Skills matrix

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TRACS Board Reqs – Oversight & Effectiveness

6.1. The institution’s Board, of not less than 5 voting members, is the legally constituted body that holds the institution in trust, has appropriate oversight in matters of policy, operation and evaluation, and exists without conflicts of interest.

- Meets at least two times annually & maintains accurate minutes of all meetings
- Reviews & approves the institution’s Faith Statement, Mission, Institutional Objectives, institutional policies, and institutional publications according to the processes outlined in the Assessment Plan
- Establishes/ provides appropriate oversight of affiliated corporate entities & auxiliary services
- Reviews and approves the institution’s Strategic Plan annually
- Has the following policies that are clearly detailed, Board-approved and meet the expectations outlined by federal requirements:
  - Credit Hour
  - Program Length and Cost
  - Student Complaints
  - Transfer of Credit
- Regularly evaluates the effectiveness of its own function according to processes outlined in the institution’s Assessment Plan
6.1. The institution’s Board, of not less than 5 voting members, is the legally constituted body that holds the institution in trust, has appropriate oversight in matters of policy, operation and evaluation, and exists without conflicts of interest.

- No more than one paid employee of the institution serves as a voting member of the Board.
- The Chief Executive Officer of the institution does not serve as the Chair of the Board.
6.7. The institution’s Board has a policy regarding conflicts of interest for Board members

- Potential conflicts
  - Employees of the educational institution.
  - Shareholders or owners of the educational institution.
  - Persons with an ownership or investment interest in any entity that has a transactional, contractual or other financial arrangement with the educational institution.
  - Persons with contractual or other compensated relationships with the educational institution (such as the employee of a bank, the college’s lawyer or a consultant to the college).
  - Persons who are appointed to the board by another entity with which they have ties that might jeopardize their independence.
How to deal with conflicts

• Recusal
• Conflict of interest policies
• Compensation of board members
6.8. The institution’s Board has appropriate autonomy.

• No voting member of the Board has a familial relationship with the Chair of the Board

• In demonstrating autonomy / independence, a majority of the voting members and members of a quorum for action of the governing board, including the chair and each committee or other subordinate deliberative body with delegated fiduciary or advisory authority, must meet the following requirements

  • Financial interest
  • Compensation
  • Ownership
  • Undue influence
  • Renumeration
Determining Autonomy / Independence

- In making determinations relating to the autonomy / independence of an institution’s governing board, the objective is to determine whether the structure, manner and history of governing board operations demonstrate that the board, as a deliberative and decision making body, is not actively impacted by or is otherwise reasonably protected against
  - conflicting relationships,
  - competing loyalties, and
  - other interests that serve as a diversion from the governing body’s required pursuit of the best interests of the institution.
6.2. The institution’s Board appoints and periodically evaluates a full-time Chief Executive Officer (CEO) who is not the Chair of the institution’s Board or a Chair of any of its sub-committees, and who is granted the legal authority to fulfill the tasks defined in the written job description for this position as the individual responsible for carrying out published Board policies and procedures.

6.3. A full-time Chief Academic Officer (CAO) is in place who has the credentials, experience, and competence to lead the institution’s educational programs toward quality outcomes and the CAO is periodically evaluated.

- The Board regularly evaluates the effectiveness of the Chief Executive Officer and Chief Academic Officer against the job description and according to the processes outlined in the Assessment Plan
- This is a real evaluation, not a proforma exercise
- Most institutions do this annually
TRACS Board Reqs – Staffing / Evaluation

• 6.4. Organizational structure is maintained which clearly depicts lines of administrative responsibility.

• 6.5. Administrative Leadership positions have written job descriptions which are used as a basis for performance evaluations.

• 6.6. Qualified administrative personnel and leadership team members are sufficient in number and competence to provide direction to the major operational areas of the institution and are periodically evaluated.
  • Administrators, faculty and support staff have clearly defined job descriptions that are used as the basis for evaluations.
6.9. The institution’s Board is responsible for the financial stability of the institution and approves the annual operating budget.
TRACS Board Requirements

6.11. A clear distinction exists between the policy-making functions of the institution’s Board and the role of the institution’s CEO and administration to carry out such policies.

6.12. The support staff is sufficient in number and competence to adequately support the administrative, academic, and support functions of the institution. Members of the support staff are periodically evaluated in relation to a written job description.
7.4. Policies are adopted for the evaluation of Board members and all employees with clear due process procedures. Documentation of proceedings are made available to TRACS upon request.

11.7. The institution, at both the administrative and Board levels, regularly and systematically evaluates its fiscal condition and management of its financial operations including its use of appropriate internal and external mechanisms which ensure financial stability including enrollment management, diversification of revenue resources, and realistic budgeting.

12.1. The institution has developed and implemented a comprehensive Assessment Plan which includes all aspects of the institution (including the assessment of the Board and its functions).
TRACS Board Manual Requirements

- The Board Manual contains, at a minimum, the following:
  - Board composition
  - Criteria for membership
  - Member selection process
  - Orientation process for new members
  - Organizational structure
  - Frequency of meetings
  - Board self-evaluation processes
  - All other Board duties and functions
Function of the board

• The Board should exercise appropriate oversight over institutional integrity, policies and ongoing operations, including hiring and evaluating the chief executive officer.
• Board responsibilities are to be spelled out in bylaws or other organizing documents of board members
Board members should

• Think strategically, not tactically
• Attend to good governance  
  • Transparency  
  • Accountability  
  • Disclose real and potential / appearances of conflicts of interest
• Respect the administration
• Bring best judgment to all Board actions
• Recommit regularly to their duties
• Board tenure
Board members should

• Familiarize themselves with university bylaws, policies and mission
  • Are the appropriate committees in place and functioning?
• Attend Board meetings and conference calls
  • Come prepared and weigh in
• Broadly manage university finances
  • Approve the annual budget
  • Fundraising
  • Financial controls in place
  • Audit committee
• Risk management
• Institutional and board culture
Effective boards

- Fulfill their fiduciary duties
- Foster courtesy *and* candor
- Ask great questions *without* micromanaging
- Consider their constituencies
- Help the administration succeed
- Think strategically for a sustainable future
Every board has challenges

- Unhealthy board culture
  - Disengaged/accusatory board members or chair
  - Personality conflicts
- Unproductive board meetings
- Lack of vision
- Inadequate training
- Strained relations
  - Administration
  - Faculty
  - Donors
“In hindsight, I believe that our oversight was shortsighted, at least that's my insight.”
Questions
Thank you for your participation!

Drumm McNaughton, PhD
The Change Leader, Inc.
(505) 369-1159 (O)
(760) 740-0200 (M)
drumm@thechangeleader.com
http://thechangeleader.com
Instructions for Completion

Thank you for your first input on completing the board matrix. As you can see from the insert from the National Association of Corporate Directors, completing this skills matrix is the most effective way to ensuring the right board composition.

Now we are going to get more granular so that we more clearly understand everyone’s skills and experience. Here are the instructions:

- Pls read the tab entitled “Criteria for Ranking” as to the specific skills that are needed on university boards.
- Complete your profile using a scale of X 1-5 for Knowledge/Skills (X1, X2, X3, etc.) and Y 1-5 for Experience/Track Record (Y1, Y2, Y3, etc. (similar to what Drumm McNaughton did).
- Return the matrix to Alexandra so that we get a better understanding of what you have done to make any adjustments to the matrix.

Once we have completed the matrix, we will have a better understanding of the expertise we have on the board so that we can:

- Show WSCUC the process by which we are recruiting board members, something they will want to see in the upcoming accreditation visit;
- Recruit the right people to ensure we have the necessary skills on the board; and
- Make adjustments to the board committees to ensure their effectiveness.

**TENURE-LIMITING MECHANISMS**

In your opinion, how effective are the following mechanisms at ensuring the right board composition?

- Skills gap analysis of the board: 4% Very ineffective/Ineffective, 14% Ineffective, 82% Effective/Very effective
- Individual director evaluation: 8% Very ineffective/Ineffective, 23% Ineffective, 69% Effective/Very effective
- Age limits: 33% Very ineffective/Ineffective, 30% Ineffective, 37% Effective/Very effective
- Tenure limits: 37% Very ineffective/Ineffective, 36% Ineffective, 27% Effective/Very effective

Source: 2017-2018 NACD Public Company Governance Survey
### Board Member Competencies

#### Needs
**KNOWLEDGE & SKILLS**

- Academic understanding of strategic planning, including use of vision, mission, values, long-term growth, planning, goal setting, metrics, developing revenue opportunities.

#### Experience/Track Record

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<thead>
<tr>
<th>X</th>
<th>Developed strategic plans for higher ed or other institutions (1 point for each institution, max of 5)</th>
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<tbody>
<tr>
<td>Y</td>
<td>Served as President or Dean at a university (5 points)</td>
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<tr>
<td>Y</td>
<td>Served as department chair or faculty governance committee chair (5 points)</td>
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<td>Y</td>
<td>Served as FT faculty (3 points)</td>
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<td>Y</td>
<td>Served as adjunct faculty (2 points)</td>
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<td>Y</td>
<td>No faculty experience (1 point)</td>
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</table>

- Served as COO, CFO, or Director of Finance for a university with at least $1 million in revenue or a business with at least $1 million in revenue. OR |
- Has developed and executed marketing campaign in relevant industries and increased enrollment and/or revenues. |

#### Finance

- **Academic understanding of finance, including revenue enhancement and generation, cost control, cash flow management, and marketing communications and tactics.** |

#### Marketing

- **Academic understanding of the principles of developing collaborative and alliances relationships with other organizations.** |

#### Fundraising

- **Understand the principles of fundraising.** |

#### Strategy/Alliances

- **Academic understanding of strategic planning, including program development, program review, institutional research, etc.** |

#### Strategy & Finance

- **Built alliances / understanding of higher education, including board and faculty governance systems, including board committees.** |

#### HR/OD

- **Taught courses in leadership, development, change, and/or OD in OD, HR, or similar discipline.** |

#### IT/Cybersecurity

- **Understanding of principles of cybersecurity.** |

#### International Relations

- **Understanding of the principles of international relations.** |

#### Legal

- **Understanding of legal principles as applied to higher education institutions.** |

#### Government

- **Understanding of government markets.**
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<th>Area Name</th>
<th>Term Expires</th>
<th>Committees</th>
<th>Strategic Planning</th>
<th>Academic</th>
<th>Operations</th>
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Board Committees
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<td>Our nomination process recruits a diverse Board with a range of expertise (planning, PR, fundraising, etc.)</td>
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<td>Members receive board orientation when they join, including duties per the university’s governing documents</td>
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<td>Board members receive annual board training, including fiduciary duties and responsibilities</td>
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<td>Board materials are complete, understandable, and are distributed prior to meeting so people can prepare</td>
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<td>Meetings are organized to provide ample time for substantive discussion of important ideas, issues and concerns</td>
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<td><strong>Our board culture is respectful, collaborative, transparent and ethical</strong></td>
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<td><strong>We regularly review the president and his/her staff performance and hold him/her accountable for their performance</strong></td>
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<td><strong>Staff and our outside advisors fully inform us concerning all important issues facing the university</strong></td>
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<td><strong>We understand the culture of and environment in which the university operates</strong></td>
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<td><strong>We have sufficient interaction with stakeholders and intended beneficiaries while respecting the governance process</strong></td>
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<td><strong>We regularly assess our individual and collective board performance</strong></td>
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<td><strong>We know that our personal actions can harm the institution and are loyal to the school, not to outside interests</strong></td>
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Scoring: Total of #4___________; #3___________; #2___________; #1___________

Total points: _______________

> 42. You’re doing great – keep up the good work. You might want to reach out to a governance consultant for a tune-up, but overall, you’re doing things right.

33 – 42. You are doing some things well, but there are some challenges that are costing you students, money, or both. We strongly suggest you bring in The Change Leader to help you through the process of establishing better governance systems and procedures.

< 33. You have some potentially serious challenges in your governance systems and processes that could be make your trustees personally liable for the university’s issues and/or costing you time, students, employees, money, and/or reputation. We strongly suggest you bring in The Change Leader to help you with establishing better governance systems and procedures.