

# Shawnee CC Trustees: Board Retreat

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Shawnee Community College

June 2, 2021

# Agenda

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- Introductions
- 2021 Board Self-Evaluation Discussion
- Policy Governance
- Break!
- Trustee Best Practices
- Questions



## Board Self Evaluation

- Board self-evaluation surveys provide an opportunity for boards to analyze everything from how a board is structured to the performance of board members in order to pinpoint areas in need of improvement to better meet organizational goals.
- The great advantage of board self-assessment survey is that it can be aligned very closely with the most important areas to be explored in the board evaluation.



# Self-Evaluation Survey: Strengths

- Understand the College's mission
- Support the Mission
- Have a good working relationship with other Board members and the President
- Preparation for and participation in Board and committee meetings
- Respect the confidentiality of the Board's executive sessions
- Advise and assist the President when requested



# Self-Evaluation Survey: Strengths

- Avoid burdening the staff with requests for special favors
- Ensure communications with staff don't undermine the President
- Avoid the conflicts of interest that might embarrass the college
- Are heard and considered when you give opinions
- Find serving on the Board a rewarding experience
- Understand that each Board member has no individual authority

# Self-Evaluation Survey: Areas of Discussion

- Follow trends and important developments in the college's field of interest
- Read and understand the college's financial statements
- Take advantage of opportunities to enhance the College's public image by speaking to leaders in the community
- Suggest agenda items for future Board and committee meetings

# Acts as a Community Bridge and Buffer

- Trustees are an essential link with the community.
  - They govern on behalf of the public and must be responsive to the needs of external constituents.
  - They both represent the community to the college, and advocate for the college in the community and state.
  - They can be powerful influences in building partnerships with business, industry, and government.
  - Boards also act as buffers from undue pressure on the institution from government and special interests.
  - They ensure that administrators and faculty have the freedom necessary in higher education to explore and address a wide variety of issues and to expand the boundaries of knowledge.

# Goals for Community Relations

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1. Maintain a focus on external needs and trends.
2. Meet with community boards and groups to discuss and explore common issues.
3. Advocate for the college with the state and in the community.
4. Support the foundation and fundraising efforts.



# Conflict of Interest

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- Over the past few decades, ethics laws governing public officials have tightened. Most states now require board members to disclose their assets, liabilities, income, business or professional commitments, and gifts. They do so to prevent obvious conflicts of interest
- Although states define “conflict of interest” in varying ways, it essentially means an individual serving on a board has a personal interest in, or may personally benefit from, a decision in which he or she takes part.

# What is Policy Governance?

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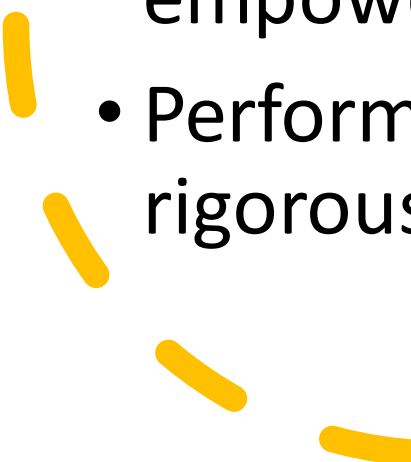
- Policy Governance separates issues of organizational purpose (Ends) from all other organizational issues (Means), placing primary importance on those Ends.
- Policy Governance boards demand accomplishment of purpose, and only limit the staff's available means to those which do not violate the board's pre-stated standards of prudence and ethics.

# Principles of the Policy Governance Model

- The Board speaks with one voice or not at all
- Board decisions should predominantly be policy decisions
- Boards should formulate policy by determining the broadest values before progressing to more narrow ones
- A Board should define and delegate, rather than react and ratify
- Ends determination is the pivotal duty of Governance



# Principles of the Policy Governance Model

- The Board's best control over staff means is to limit, not prescribe
  - A Board must explicitly design its own products and process
  - A Board must forge a linkage with management that is both empowering and safe
  - Performance of the CEO/President must be monitored rigorously, but only against policy criteria
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# Categories of Board Policies

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- Strategic Outcomes/Ends Policies
  - Defines what the mission of the college is, for which groups of people and the level of priority given the need for cost effectiveness
- Principal Limitations
  - These stipulate what the principal cannot do in order to safeguard the college's operational and ethical health
- Governance Processes
  - These describe how the Board will operate
- Board-Principal Delegation
  - These delineate the way in which the board delegates its authority to the principal and monitors its use.



# Advantages of Policy Governance Model

- Allows the Board to refocus on its key purpose
- Ability to define accurately the Board's accountability to its owners
- Enables the college to act more strategically by looking forward
- Enables the college to be more proactive than reactive
- Encourages better communications with the external stakeholders thereby improving accountability



# Advantages of Policy Governance Model

- Reduces the repetition of papers being presented to committees and then again to the Board
- Makes a clear distinction between governance and management
- Encourages a diversity of opinion on the Board
- Confirms the Board as a collective decision-making body rather than a group of individuals.

# ACCREDITATION, BOARD PRACTICE AND A COMMON INTEREST IN EFFECTIVE TRUSTEE LEADERSHIP AND GOVERNANCE





# Shared Interest

- Accreditors and trustees share a strong interest in effective college governance. All institutional accreditors have standards for good governance and assuring effective governance of the college is the central leadership role of trustees.

# Accreditor-Trustee Shared Interest

- Accreditation can assist trustee practice in carrying out responsibility for:
  - Academic leadership
  - Financial leadership
  - Effective college governance, including shared governance

# Academic Leadership

- A core purpose of accreditation is to identify college or program-level academic strengths and limitations. Affirming these strengths provides trustees with an external verification of the quality of college operation. Identifying concerns enables trustees to focus on improvement where needed, monitor areas of limitation and set expectations for improvement as needed.

# Financial Leadership

- Accreditation can assist with financial practice and leadership as trustees engage in ongoing self-scrutiny of their financial operation, reinforcing the board's fiduciary role. Serious problems with financial practice put both the board and the college in jeopardy and can endanger the college's accreditation.

# What does Good Governance Look Like?

- In general, when trustees are held accountable for good governance, it means that the governing board is well-organized and transparent, with bylaws and documentation of essential procedures
- It means a commitment to shared governance – engaging all major college stakeholders (faculty, students, staff) in the decision-making processes of the college
- It means that a governing board is committed to the core academic values of academic freedom, free speech and institutional autonomy.

# Fiduciary Responsibility





# Fiduciary Defined

- The concept of “fiduciary” is well established in law and practice. It refers to one charged with acting beneficently on behalf of those whose welfare depends on the trust.
- Trustees must therefore realize their fiduciary responsibility goes well beyond ensuring the fiscal health of the institution they serve.
- In fact, federal and state laws defining the standards for fiduciary responsibilities are increasingly explicit and far-reaching.

# Pillars of Fiduciary Responsibility

- It is important to recognize, however, that the board's fiduciary responsibility encompasses more than avoiding conflicts of interest
- Fiduciary responsibility rests on four well-established pillars:
  - The duty of loyalty
  - The duty of care
  - The duty of obedience
  - The duty to act in good faith



# Best Practices: 2019 Malcolm Baldrige National Quality Award

- Howard Community College (HCC) is an open-access, public community college offering associate degrees and certificates, as well as workforce development training and continuing education classes, that help students attain new skills, and prepare for careers or transfer to four-year institutions.

# Senior Leadership

- Senior leaders create an environment to achieve the college's mission, engage the workforce, and cultivate organizational and individual learning by aligning individual workforce plans to departmental action plans to core institutional goals and objectives.
- Senior leaders encourage employees to participate in plan-do check-act improvement projects that are vetted by applying intelligent risk taking. Progress on achievement of institutional objectives is shared across the organization and with the Board of Trustees through the reporting of key performance indicators.

# Strategic Planning

- HCC fosters a very high degree of stakeholder involvement in its strategic planning process. For example, recommendations on strategic initiatives are provided by its Commission on the Future, which includes county citizens and leaders to help the college identify community needs and recommend potential strategic initiatives.
- As part of the college's Institutional Effectiveness Plan, all academic divisions, student services, and administrative units complete a set of key performance indicators, linked to core work that is aligned with the strategic action plans.

# Strategic Planning

- Through a process of learning and improving over a six-year period, the college reduced its number of strategic objectives by more than half and the number of action plans by two-thirds. These results helped to strengthen the alignment of contributing work group plans to those objectives, resulting in a 100% completion rate for strategic objectives for fiscal years 2016 through 2019.

## Next Steps

- Reflect on the Survey results and those areas we discussed
- Make plans for a future retreat
- Find ways to educate yourself about the College and higher education in Illinois and nationally
- Be intentional about having internal conversations as a Board to determine how you become more efficient and effective
- Schedule a board retreat for some time in 2022



Questions?