

Trustee TOOLKIT



ACTA
AMERICAN COUNCIL OF
TRUSTEES AND ALUMNI

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Foreword

Thank you for your service to higher education as a trustee of one of America's colleges and universities. In doing so, you follow in the centuries-old tradition of civic leaders who have undertaken the solemn responsibility of stewardship over the education of the next generation's college graduates.

The American Council of Trustees and Alumni (ACTA) was founded on the idea that trustees play a critical role in ensuring the academic and financial integrity of our nation's institutions of higher learning. As employers, parents, and public leaders, trustees bring much-needed perspectives to the boardroom and often must make difficult decisions whose consequences reverberate far beyond the immediate campus community. This is why ACTA provides boards with resources to support what we call the "Three A's": academic excellence, academic freedom, and accountability in higher education.

Several of the texts in this Toolkit come from ACTA's Project on Governance for a New Era[®], the product of a summit of 22 national higher education leaders led by former City University of New York board chair and former Yale University president Benno Schmidt. Originally written to highlight the need for engaged trustee leadership in anticipation of imminent obstacles that lay ahead for higher education, their message rings even more true today during these most challenging times that will inevitably bring major changes to the entire landscape of higher education.

ACTA is at your service, and I encourage you to contact me directly if we may ever be of assistance to you throughout your trusteeship. From our flagship initiatives, What Will They Learn?[®] (WhatWillTheyLearn.com) and "How Colleges Spend Money" (HowCollegesSpendMoney.com), to our Higher Ed Now podcast and our library of guides and reports, we offer a host of educational resources for board members.

Respectfully,



Armand Alacbay
Vice President of Trustee & Government Affairs
American Council of Trustees and Alumni

Governance for a New Era[®]

A Blueprint for Higher Education Trustees

Higher education has never been so important to the health and well-being and the future of our state as it is right now. . . . If we are going to make the kind of improvement we need . . . [trustees] are going to have to press for it, and measure it, and demand results.

Governor Mitch Daniels, 2010



Almost every day brings a succession of news stories, editorials, and reports critical of higher education. American colleges and universities that were regularly called “the envy of the world” now draw withering admonitions from the White House and numerous others for their high costs and declining quality. President Obama has declared that he will institute a federal rating system for higher education with significant financial consequences.

A recent survey by GfK shows that a majority of Americans believe taxpayers and families are not getting value for their investment. They see tenure as a system that adds to cost and compromises quality. They fear that political correctness and intolerance are undermining the free exchange of ideas. And headlines underscore ever-more-frequent concerns about collegiate athletic scandals, binge drinking, and criminal behavior.

Multiple studies suggest that, despite massive expenditure, many of America’s college graduates are not leaving school prepared for career and community. Substantial numbers of recent college graduates lack a fundamental understanding of their history and heritage; many suffer from vast gaps in their skills and knowledge and are ill-equipped to compete in the fast-moving global economy. Meanwhile, completion rates at both two-year and four-year colleges are often shockingly low. Tuition continues to rise far above inflation, outstripping even increases in medical costs. Student debt has risen along with it, topping one trillion dollars.

While there is no single cause for this range of problems, one of the critical sources is the failure of higher education governance. That is why the undersigned have come together—as long-time friends and supporters of American higher education—to call for governance for a new era and to set a path for new and vigorous engagement by academic leadership and boards of trustees.

Ineffective higher ed governance is not a new phenomenon. Thoughtful observers like federal judge and former Yale trustee José Cabranes and Hoover Institution scholar Martin Anderson have for many years pointed at a general failure of boards to do their job.

But these times present new challenges. Every day, new entrants to the higher education marketplace compete for student enrollments. Legislatures cut back on state support, and families retrench. Emerging content delivery models make bricks and mortar seem a thing of the past. Most experts agree: the future of higher education as an element of America’s global leadership, along with the very existence of many institutions, is in jeopardy.

Rather than being a defining strength of higher education, lay governance now threatens to be a liability. There is no doubt that leadership of higher education is out of balance. Trustees should take a more active role in reviewing and benchmarking the work of faculty and administrators and monitoring outcomes.

Too many have seen their role narrowly defined as boosters, cheerleaders, and donors. They should ask the questions that need to be asked and exercise due diligence. They must not be intermittent or passive fiduciaries of a billion dollar industry critical to the preparation of America's next leaders.

New realities require new strategies. Shared governance—which demands an inclusive decision-making process—cannot and must not be an excuse for board inaction at a time when America's pre-eminent role in higher education is threatened. Those who hold on to the old strategy of passive governance can never be effective agents of change. The partnership of informed, engaged governing boards and dynamic academic leadership has never been more urgently needed. Effective board leadership involves not only listening, but also includes acting after due deliberation, even when not everyone agrees. This does not mean that trustees unilaterally impose their will over the institution. Rather, trustees need to listen carefully to faculty concerns and become knowledgeable so that they can make highly informed decisions. When their decisions depart from faculty wishes, they must be able to articulate why that is appropriate.

While faculty are often focused on their disciplines, and administrators on the growth and prestige of their institutions, trustees—working with presidents—are charged with bringing the big picture to the table and making decisions in the best interests of students and the public. As former Harvard president Derek Bok has made clear, “trustees are supposed to act as a mediating agent between the interests of the

institution and the needs of the surrounding society.” Trustees, who come from a variety of professions and present a variety of viewpoints, can provide a broad perspective on preparation for citizenship, career, and lifelong learning that a tenured professor, properly focused on his own department and an expert in his own discipline, cannot so easily offer.

That is why trustees must have the last word when it comes to guarding the central values of American higher education—academic excellence and academic freedom. The preservation of academic freedom, freedom of expression, and the integrity of scholarship and teaching rightly falls under their purview. While the occasions should be rare, they must be prepared to intervene when internal constituencies are unable or unwilling to institute urgently needed reforms.

To do this effectively, trustees need to work with the CEO and have access to independent information and experts to help them gain a full national perspective. Too often, they are in the dark when it comes to crucial issues such as academic quality and integrity. They often lack information on student learning, the academic culture of the campus, and the intellectual value-added of college. Boards should expect that campus administrators will provide concise, thoughtful, and analytical information for which they will be held accountable.

Both trustees—and those who appoint them—must reject the belief that university trusteeships are sinecures or seats of honor. Trustees need to bring a renewed and vigorous commitment to learning about,

Shared governance—which demands an inclusive decision-making process—cannot and must not be an excuse for board inaction at a time when America's pre-eminent role in higher education is threatened.

and understanding, the academic enterprise. They must, going forward, require for themselves professional development, continuing education, and accountability. Just as trustees must insist on real and concrete institutional accountability, the public must demand the same of governing boards.

Our comments about the oversight responsibilities of trustees are not intended to diminish the responsibilities or powers of top institutional or academic leaders. The role of the chief executive officer is naturally crucial to the successful advancement of higher education institutions. And trustees must be able to rely on the president or chancellor in the development of policy and the operation of the institution. It is essential that chief executive officers be perceived as having trustees' trust and confidence and that the flow of information be facilitated by the administration. Except in rare situations of crisis or in the selection of top administrators, trustees, who have final fiduciary authority, act through campus leaders who have day-to-day responsibilities for institutional management.

The signers of this document have come together to craft a bold new approach to governance—governance for a new era—recognizing that it is urgently needed if American higher education is to maintain the diversity and excellence that have for so long made it the envy of the world. We are a bipartisan group of diverse and independent leaders beholden to no organization in our participation in this governance project. Each of us might express these values in different ways, and we recognize and expect each institution to modify and adapt these principles to its own mission and culture. But the values we outline are ones that we all share and ones that we believe all trustees and all leaders in higher education must aggressively pursue, today and long into the future.

We outline the path forward in what can be a blueprint for thoughtful and engaged stewardship for the next quarter century.

Benno Schmidt
Chairman, Project on Governance for a New Era

Benno Schmidt

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Governance for a New Era

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The Path Forward: Governance for a New Era

Lay governance has long been one of the great strengths of American higher education. A powerful, informed, and engaged board is essential for effective governance, and boards must embrace their fiduciary responsibility. Their task is far larger than simply selecting the campus president or chancellor and then stepping aside.



I. Articulating The Mission

Boards everywhere, working with their presidents, must ask and answer: Why do we exist? What is our purpose? And how can we best serve the nation, the state, and our students, both in the short and long-term?

One of the central responsibilities of a board of trustees is to determine the purpose of the college or university, as this purpose undergirds every decision the board makes: its strategic plan, its allocation of resources, and performance goals for its president. The institution's mission should make the board's priorities clear and unambiguous.

A lack of clarity of institutional purpose—or a failure of governing boards to ensure that institutions adhere to their stated purpose—is a major contributor to the rapidly rising cost of higher education over the past several decades. Competition among colleges and universities has caused many—regardless of the mission or community they are intended to serve—to adopt a “bigger and better” model of growth, as

opposed to a focus on quality and prioritization. Institutions of all sizes and specialties strive to add academic programs (and non-academic amenities) in hopes of attracting larger enrollment bases. Yet few institutions have the resources to sustain this strategy and level of growth. As a result, the whole enterprise suffers—programs that were previously an institution's strengths are stretched thin, while students are forced to absorb the higher costs through their tuition dollars.

The economic environment has changed dramatically in the past ten years as colleges and universities sustain greater fiscal pressures than ever before. Meanwhile, mounting regulations and administrative creep daily influence costs at our institutions. Many federal and state governments, faced with already-stretched budgets and looming long-term obligations, are unlikely to make public funding for higher education the priority it once was. Smaller, private colleges are already on the defensive, coping with declining enrollments, families frustrated by spiraling tuition costs, and degrees whose earning power has generally shown little or no increase. Every day a host of entrepreneurs, backed by billions of dollars, vigorously compete to wrest student enrollments away from traditional institutions of higher education.

The buildings that campuses actively seek to fund and erect may become liabilities in a world of cyber connections. The number of schools that have seen their bond ratings drop or that have been suddenly forced to eliminate programs and faculty lines is vivid testimony to the growing pressure and peril that higher education faces.

The role and mission of a university are not static. There are limits to what institutions can and should do. And trustees must regularly assess the cost/value proposition of academic and nonacademic programs in setting their goals. It is critical that institutions—through their governing boards—define their mission and establish the unique role they have. Such goals might emphasize teaching and learning; a focus on STEM preparation; service to an immigrant community; or research performance and faculty reputation. And while different elements of an institution may have unique qualities—operating a university’s medical center is vastly different from governing a college of liberal arts—trustees are responsible for reconciling these elements with the institution’s mission. Doing so is vital to managing resources prudently: families and taxpayers can no longer sustain the serious cost of mission creep. Trustees must realize that times—and institutions—must change.

Articulating the mission requires that trustees thoughtfully consider who it is they represent. The board of a public institution is the duly constituted representative of the people and has a primary duty to the public. Its responsibility is to ensure high quality, affordable education. Even trustees of private institutions have a fiduciary duty to the public, not only as recipients of significant amounts of federal financial aid, but also for their institutions’ role in educating the next generation of citizens.

It is particularly important for trustees to understand and, as appropriate, define the level at which their institution engages in research and the significance of research for the institution. Trustees must be aware of how research is funded, who receives funding and why, and the problems of competition for research funds. Trustees must be engaged in the dialogue and policymaking that ensures that the faculty, including research faculty, contribute to the overall teaching mission of the institution.

Trustees must be willing to withstand pressure to grow athletic programs that are a net drain on resources, and they should ensure that salary contracts for coaches reward academic performance first and athletic success second. It is critical for trustees actively to oversee their intercollegiate athletics programs, rather than allow outside organizations such as the NCAA and athletic conferences to dictate governance prerogatives. Trustees cannot and should not expect participants in this multibillion-dollar industry to police themselves. In summary, trustees are responsible for mission, institutional priorities, and for what graduates of the institution must know and be able to do. They must regularly review the institution’s long-range goals and its academic strategy. They must set goals in writing with clear benchmarks against which all senior managers are held accountable. Board meetings should be structured so that major goals—with appropriate benchmarks and performance measures—are carefully examined, ideally at least once per year. Although trustees do not implement plans and visions, they must define the institution’s goals and empower their academic leadership to achieve those goals.

II. Protecting Academic Freedom and Intellectual Diversity

Academic freedom is the single most important value informing the academic enterprise, and governance for a new era requires trustees to protect it. Since the 1915 Declaration of Principles by the American Association of University Professors, academic freedom has been a two-way street: the freedom of the teacher to teach and the freedom of the student to learn. Trustees and administrators have, for the most part, done a good job of protecting the academic freedom of faculty. But they have often failed to guard the academic freedom of students. It is a sad truth that in some instances, faculty, while being jealous of their own academic freedom, have diminished the academic freedom of students.

Recent surveys, as well as events, indeed suggest there is an erosion in understanding and appreciation of academic freedom. Professional organizations such as the American Association of University Professors (AAUP) and the American Federation of Teachers (AFT) are embracing an expansive definition of academic freedom that emphasizes rights, job security, and collective bargaining but which de-emphasizes faculty accountability and responsibility.

Governance for a new era requires trustees to have the final authority and responsibility to protect academic freedom. They must articulate academic freedom as a campus value of paramount importance. They should declare in their policies that students and faculty have the right to academic freedom. They should make certain that the meaning of academic freedom and its central value to a functioning university are described and outlined in

college catalogs, strategic planning documents, and in student orientations.

Working with and through administrative leadership, they need to intercede when students—the most vulnerable constituency on a campus—are unfairly treated because of their political, religious, or social beliefs and practices.

Governing boards should monitor academic freedom and intellectual diversity through campus self-studies, as the University of Colorado has recently done. They should put in place, as has the City University of New York, student grievance policies which allow for students to speak out without fear of reprisal when they believe that the institution is failing to protect the students' freedom to learn.

Maintaining Institutional Neutrality

At the same time, trustees should adopt policies that maintain institutional neutrality and distance from political fashion and pressure. They should take note of and endorse the principles of the report issued by the Kalven Committee of the University of Chicago, outlining the university's proper role in political and social action: "To perform its mission in the society, a university must sustain an extraordinary environment of freedom of inquiry and maintain an independence from political fashions, passions and pressures." The "instrument of dissent and criticism is the individual faculty member or the individual student. The university is the home and sponsor of critics; it is not itself the critic. It is . . . a community of scholars." The Kalven Committee observed that the "neutrality of the university . . . arises out of a respect for free inquiry and the obligation to cherish a diversity of viewpoints."¹

1 <http://www-news.uchicago.edu/releases/07/pdf/kalverpt.pdf>

Resisting Disinvitations

The recent spate of cancellations of controversial speakers sends the wrong message about the centrality of academic freedom and the free exchange of ideas on our college campuses. Trustees must not allow their institutions to compromise academic freedom by yielding to pressure to withdraw invitations. Working with administration and faculty, they should develop policies and procedures governing the invitation and accommodation of controversial speakers. They should define the boundaries of appropriate and responsible dissent. And they should establish clear sanctions for disruption of scheduled campus events. The C. Vann Woodward Statement, issued at Yale University in 1974, offers a roadmap for such a policy: “to reaffirm a commitment to the principle of freedom of expression and its superior importance to other laudable principles and values, to the duty of all members of the University community to defend the right to speak and refrain from disruptive interference, and to the sanctions that should be imposed upon those who offend.”²

Ensuring Disciplinary Diversity and the Integrity of the Hiring Process

The public is increasingly concerned that students are failing to receive exposure to a range of disciplines and a range of viewpoints. Historically, there is evidence that self-interest and personal ideologies can drive departmental directions rather than the interest of the students and preparation of citizens. And studies show that there are fields—such as military history, constitutional history, and diplomatic history—that are fast disappearing from college curricula. The absence of such coursework makes it virtually impossible for public universities to fulfill their obligation to train future public school

teachers for topics they will be required by their school districts to teach.

Trustees must be appropriately engaged in this most important piece of academic quality and accountability. Former University of Colorado president Hank Brown and others have written candidly of the risks universities take if they do not ensure a fair and dispassionate tenure process, warning that universities’ independence, and academic freedom itself, are at stake. To ensure academic integrity, trustees must have confidence that the process of tenure and post-tenure review is objective and politically neutral.

To inform themselves, trustees should annually ask for a report from the president or provost outlining disciplinary diversity. This report can include a list of new hires and tenure and promotion decisions in each department (and their disciplines and fields). Does the history department, for example, have expertise and offer coursework on the Founders, the American Revolution, and the Constitution? It is trustees’ duty, in rare but urgent circumstances, to demand action if they believe a department places limitations on the representation of disciplinary fields and academic viewpoints its research and teaching should otherwise encompass. The president and provost must be prepared to explain how they will ensure intellectual and pedagogical diversity going forward.

Trustees should also request annually a presentation on the process for tenure and tenure review, and trustees should regularly review and approve that process. They should understand how faculty performance is assessed and how improvements are made, when necessary. They should also ensure that the academic leadership has in place appropriate policies addressing research misconduct and conflict of interest, requiring an update each year on any cases heard under such policies.

2 <https://yalecollege.yale.edu/get-know-yale-college/office-dean/reports/report-committee-freedom-expression-yale>



III. Setting the Educational Strategy

Trustees must also be the primary guardians of educational quality and excellence. Faculty should always have the first word when it comes to the curriculum, and their expertise must have a central role in shaping policies on academic quality. But academic excellence is an issue that transcends academic departments and their particular interests, and faculty cannot be the last and determining voice regarding academic value, academic quality, and academic strategy. Colleges and universities are, first and foremost, educational institutions, and for trustees to abdicate their responsibility to oversee the educational programs would be as unreasonable and infeasible as directing an automobile company without ever spending time on a factory floor.

American higher education is uniquely premised on lay governance because of the critical mediating role between the institution and the greater society that lay trustees must play. While faculty have disciplinary expertise, it is lay trustees—with considerable life and community experience—who can bring the big picture to bear in determining what graduates will need for informed citizenship, effectiveness in the workforce, and lifelong learning. Trustees must outline broadly what requirements will be necessary to achieve that mission. Do trustees want every graduate to acquire an accurate and fluent command of written English and a college-level ability in mathematics and science? Do they want graduates to gain proficiency in a foreign language? To be familiar

with American history and Western Civilization? If so, they should make those guidelines clear, and they should empower their president and provost to ensure that these outcomes are factored into the faculty's development of a curriculum for the institution. Trustees do not create course content, but they help establish the expectation for outcomes.

Ensuring a Coherent and Rigorous General Education Program

A generation ago, most colleges and universities insisted on a coherent and rigorous curriculum that provided a broad, general education in addition to the specialization of the major. Faculty and administrators defined what is most important for students to know and be able to do.

Today, nearly every college acknowledges in its mission statement the importance of a solid general education. Unfortunately, few actually structure their general education curricula to turn those aspirations into reality. They only appear to provide a core curriculum by requiring courses in areas outside the major—the so-called distribution requirements.

But distributional requirements bear little resemblance to a true core curriculum. Students are typically asked to take one to three courses in each of five or six distribution areas: physical and biological sciences, humanities, social sciences, writing skills, math skills, and multicultural studies. It is not uncommon to have dozens—even hundreds—of courses to choose from within each distribution requirement. Sometimes these courses will be exotic and narrowly focused, including topics such as zombie movies or similar elements of popular

entertainment. It is not surprising that most students, if asked about general education, see it as little more than 30-plus credit hours—and never on Friday—that they need to accumulate in order to declare a major.

Governance for a new era demands that trustees, working with their president and provost, reexamine their general education programs with an eye to ensuring that general education promotes preparation for a major and skills and knowledge for life after graduation. Trustees are also well positioned to push back against the excessive and costly proliferation of classes that satisfy general education requirements. They can instead ensure that general education will provide rigorous, clear, and seamless pathways to completion and articulation to upper level coursework.

Insisting on Program Review

The proliferation of courses is a major cost driver in higher education and it is often evidence of mission creep. Yet many trustees—and states—have little reliable data on how many degree programs have been closed or opened. In the interest of transparency and accountability, institutions must keep track of such data. Trustees should ask their president to provide the board a review, at least annually, of the programs added, the programs subtracted, and the criteria for determining academic program viability.

In the state of Florida, board policy provides that trustees review proposed additions of degree programs. That review includes ensuring that the program is consistent with the university and state System mission, does not unnecessarily duplicate existing programs within the System, and that the institution has sufficient resources to accommodate the program. Florida’s policy also provides for identifying and evaluating candidates for program termination. Trustees everywhere should demand similar review. And data from the National Science Foundation on the income of graduates in particular

majors can provide important insights for prioritizing academic programs.

IV. Demanding Transparency in Performance and Results

Having defined their institutional mission and goals, it is incumbent on trustees to demand data and metrics which will show to what extent the institution—and academic leadership—are meeting those goals. They must use historical budget and human resources data to monitor “mission creep” in programs and services. They must demand affordability as essential to access and opportunity. They must review campus policies on alcohol and substance abuse to monitor their effectiveness. And they must ensure that there is no information asymmetry between the institution and its governing board, making certain that they have access to the same information on which administrators base their decisions.

Making Decisions Based on Data

As fiduciaries, trustees must make their decisions based on data. Massive “data dumps” of opaque charts and “death by powerpoint,” i.e., show-and-tell presentations from faculty and administration, are not the answer; instead, trustees need to insist on a dashboard of key, carefully defined measures, including: graduation rates by demographic including students who transfer; tuition rates; administrative versus instructional spending; building utilization (both classrooms and laboratories) by time and day of the week; low enrollment majors; general education courses and enrollments; and athletic spending (including student fees and institutional spending). To the extent possible, this data should be made available to parents and families so that they can assess the educational effectiveness of the institutions they are considering or supporting.

Data that allow boards to compare their metrics against those of other institutions, such as those available from the National Center for Higher Education Management Systems (NCHEMS), are highly important. Yet institutions differ substantially, and those differences should be acknowledged when making institutional comparisons. Boards must also be vigilant in ensuring that the peers their institution chooses for comparison are, in fact, valid peers. Often faculty and administrators choose aspirational, rather than actual peers, which are then used to justify inappropriate expenditures and a call for further resources. Trustees must also resist relying on outside ratings systems that focus on reputation and resources instead of educational values, academic excellence, and cost effectiveness. Adopting sound metrics is crucial for addressing the cost/value proposition of an institution. For example, trends in administrative spending, building utilization, and time-to-degree can all be indicators for policy changes needed to mitigate rising costs.

The thorough but efficient Accountability Report used by the State University System of Florida Board of Governors can form the basis of a dashboard of key indicators that should be adopted by institutions across the country.

Moreover, trustees should not limit their knowledge of their institutions to what is discussed in committee meetings. They should actively develop intermediate levels of discourse at their institution, obtaining real input from teaching faculty—not just the academic senate leadership—and students. When members of the college or university community view trustees as resources who can be given input, they provide insight that can immeasurably aid in the governance of the institution and inform innovation and change.

Insisting on Evidence of Student Learning

Trustees today get little data about what students know and are able to do. Trustees must make clear to their presidents that they want annually to receive assessments of student learning—both through nationally-normed instruments and other measures. Assessment of academic growth of students by external measures is central to evaluating whether or not the institution—and its leadership—are meeting their goals, and purely internal and self-referential assessments are not sufficient. Portfolios of student work, for example, can contribute useful insights on student learning, but they do not provide an objective, nationally-normed basis for comparison of individual growth or for institutional accountability.

Trustees must also address the basic question of what happens to students after they graduate, especially in a time of rampant grade inflation, when transcripts are viewed with increasing skepticism by the business and professional community. They should annually receive from the chief executive officer a comprehensive report on grading practices, including a review of final grade trends. This data, presented in such a way as to show change over a period of years, gives trustees the ability to examine whether grade inflation occurs and in what academic areas, and to call for remedies if grade inflation is present.

Presidents and provosts need to answer the following questions: Are students attaining the skills and knowledge that employers demand? Are they acquiring college-level writing skills? Are they gaining quantitative skills appropriate for future leaders of a 21st century workforce?

Example: Arizona State University prioritizes student assessment practices by incorporating program-specific reviews that follow a standard system of data collection, result analysis, and improvement metrics. All new programs at ASU are required to develop an assessment plan at their inception and update the plan annually to reflect accurately student learning goals.

V. Improving the Presidential Selection Process

Governance for a new era requires that trustees improve the presidential selection process.

Trustees carry out their responsibilities through the leadership of the president. That is why selecting an effective and innovative president is one of the most critical actions a board will take. But there is growing evidence that the current search process is highly dysfunctional and contributes to the failure of higher education governance.

Today, a great number of universities use expensive executive search firms. It is common for a search firm to receive, in addition to expenses, a percentage (often 1/3) of a new hire's first-year salary. Search firms, moreover, regularly argue that the talent pool for higher education leadership is small, and they often encourage an institution to seek a "sitting president" already employed at another institution. These assumptions can drive executive salaries to very high levels and could create a wedge between the CEO and the academic community. They should be examined more carefully.

It is time for boards everywhere to consider carefully whether search firms really add value to the process. There is a growing case that their use gives rise to a conflicted, expensive, and inefficient process that undermines college communities and diminishes trust among their constituencies. Whether or not a search firm is utilized, governance for a new era demands that trustees take charge of the selection process, inviting nominations and applications from inside and outside academic circles. The trustees alone are the ones who can and must see that the

search is done right. They must lead in developing the vision for what they want and articulate the vision to the community. They should consider a wide range of types of candidates, including those outside the academy. The ranks of business and government are full of skilled, public-spirited executives who believe in higher education and would consider serving as college presidents. The last few years have seen a number of highly successful college administrators who have emerged from these ranks.

The process of selecting a president may be led by a search committee of the trustees, but all trustees should have access to full information on every application—not only the eventual short list—and should have the opportunity to communicate directly with the search committee. Input from higher education constituencies is critical—both before and during the search. But trustees must not delegate away responsibility for guiding the search and selection process. Specifically, this means that they should never allow themselves to be outnumbered on the search committee. Nor should they limit their ability to introduce new candidates or to insist that the committee broaden the scope of its search if the candidate pool is insufficient. When a board convenes to vote on a new chief executive, it should have the opportunity to consider multiple finalists. It is a distressing fact that presidential search firms that trustees might hire are often seriously compromised, since they are typically supported and used by many presidents to place themselves in a new job or conduct searches for managers at their own institutions. These firms often have standing relationships with the candidates they present for board consideration. This conflict makes it especially critical for trustees to identify independent resources to assist them in the search process.

Assessing Presidential Performance Based on Meaningful Metrics

Trustees also need to design better presidential contracts and conduct more regular evaluations. They must hold presidents and senior administrators accountable for responding to information requests and for addressing the key goals and objectives that the board establishes each year. The Purdue University board of trustees evaluates its president by placing a set percentage of compensation at risk, contingent on meeting specific performance goals in areas such as graduation rates, student learning outcomes, and academic excellence. This approach to executive contracts should be seriously considered for both presidents and other senior administrators. Pay should be contingent on the president's achieving institutional goals, and boards will be well-advised to measure academic growth, the integrity of the tenure process, responsiveness to requests for information, assurance of intellectual diversity, and efficient and productive use of institutional resources.

VI. Strengthening Trustee Selection and Education

In a recent poll by GfK, 91% of the American people said it is the board's responsibility to "take the lead in reforming higher education to lower costs and improve quality." Trustees indeed, at their best, can provide a "reality check" on the often self-directed focus of colleges and universities. It is also true that many inside and outside the campus have their doubts about the competence of governing boards. Missteps by lay boards (which have happened and will continue to happen) gain immense attention.

Trustees are frequently criticized for their lack of knowledge, ability, or experience with the academic enterprise. They are criticized for re-living their undergraduate days, calling upon old experiences, and having insufficient expertise to make academic decisions. As former University of Wisconsin regent Phyllis Krutsch has noted: "...college and university trustees—like their counterparts in the corporate world—need to do a better job of connecting the dots between the promise and practice of governance. Getting it right matters."

For this reason, governors and legislatures must enhance the quality of their appointees and insist on regular and independent training. "Higher education has never been so important to the health and well-being and the future of our state as it is right now," said then-Governor Mitch Daniels. " . . . If we are going to make the kind of improvement we need . . . [trustees] are going to have to press for it, and measure it, and demand results."

In at least two-thirds of the states, the governor is primarily responsible for appointing trustees of public institutions. In these states, informed and thoughtful appointment by the governor is essential to ensure leadership and accountability for the state's public higher education system. The governor is elected by the people of the state and has the responsibility to put forth a coherent educational vision. Although public trustees may think that their main job is to advocate and raise money for their institutions, it is incumbent upon the governor to ensure that they understand their fiduciary obligation is to represent the taxpayers. If they are unable to make that commitment, they should not be appointed. Governors can benefit from a close liaison with existing board chairs to learn of specific board needs to strengthen future appointments. If the governor's appointees fail, the governor bears the responsibility.

Many would argue for specific board seats allotted by constituency or vetting commissions that would reduce gubernatorial responsibility. These efforts are misguided; it is incumbent upon sitting trustees to represent the broader public interest. It is also important that appointing power rest with those who are directly accountable; commissions lack that accountability.

Private boards must examine and, if appropriate, revise their bylaws and processes to ensure that appointments to the governing boards include not only generous donors but also members who bring understanding of the world of colleges and universities. Private boards should insist on effective nominating committees which identify talent, leveraging members' extensive networks with the community at large. The president should not be the appointing authority for trustees who will ultimately oversee his performance.

All boards—private and public—should include trustees with a range of backgrounds appropriate for building board expertise and effective oversight: those with academic experience and understanding of the internal workings of colleges and universities; those with strong financial backgrounds; those providing intellectual and professional diversity, ensuring a rich mixture of ideas, talents, and professions. They should reflect the major specialized intellectual areas of the institution—such as science and medicine. And they should have a breadth of skills and the detachment necessary to be conscientious fiduciaries. To be effective, boards must have members who can be leaders—willing to invest the unpaid time, understand the issues, and raise the tough questions. Donations to the political process or to the institution should not, of course, disqualify an appointment; but trustee generosity should never be a pre-condition of appointment.

Governors and their staffs also need the opportunity to learn about the role and function of public governing boards and how best to find and appoint the members they need to be effective. Governors' associations need to take an active role in promoting well-informed gubernatorial appointments.

Obtaining Essential and Ongoing Education

Being well-informed is a prerequisite to thoughtful policymaking, and effective boards make sure that their members have an in-depth understanding of the role of the board, of higher education issues, and of the particular challenges in their states and on their campuses. New members need a thorough orientation before they take up their duties, and the full board and its committees need regular educational sessions on the topics and issues they will confront. Board meetings should always include strategic and option-oriented background materials that provide members with a wider perspective on education policy for their decision-making. It is this level of board professionalism that will command respect from others inside and outside the university. Effective boards recognize the important difference between information universities generate for public relations and the data-driven objective information they need for decision-making, and they ensure that a firewall is maintained between the two.

To understand the difference between the two, trustees must receive independent guidance. Unfortunately, few boards of trustees are equipped with the resources they need to seek out and obtain this level of professional development. Often they are almost entirely dependent on the institutions they oversee, relying on presentations and materials provided by the president and outside organizations selected and funded by the president. Governors—and legislators—can address this problem for public

boards by supporting initiatives that provide trustees with board staff and resources independent of the president's control. Similarly, private governing boards need to ensure in their bylaws that they have the resources they need to make independent arrangements for their own professional development and decision-making.

All boards, public and private, need to incorporate into their bylaws a structure and procedure both for new member orientation and ongoing training for all trustees. All board appointments can be conditioned on trustee willingness to engage in training, making it clear that appointments will be reconsidered in the case of members who fail to participate in educational sessions. In the case of public universities, governors can be powerful advocates for intense trustee orientation and ongoing professional development and can facilitate or even host the kind of substantial and ongoing training that makes sure appointees are informed public servants. Over the years, many governors have organized statewide governors' conferences that stress trustee responsibilities and inform trustees about the challenges facing higher education. Ideally, governors will outline their vision and emphasize that they expect appointees to address the issues of cost, quality, and accountability in higher education. This is a time to think on a bigger scale, not just locally, but statewide and nationally, about the role of the college or university trustee and the need for responsible stewardship to sustain public support of the higher education system.

Training, which should be at least semi-annual and allow for webinars, MOOCs, and other vehicles, should address the following key topics: the history of American higher education; board responsibilities; measuring outcomes; board effectiveness and management; budgets (how to develop them, set priorities, and ensure transparency); curriculum; academic freedom and intellectual diversity;

understanding space allocation and building utilization; workforce and economic development; shared governance; selecting a new president; teacher education and the relation of higher education to K-12; and accrediting bodies.

Examples: In 2010, Missouri Governor Jay Nixon convened a Higher Education Summit and used the opportunity to call for the state universities' regents and trustees to undertake an exacting review of existing academic programs and to consolidate or eliminate programs not economically viable. The governor also called for governing boards to examine thoroughly ways to deliver more efficiently administrative services. Indiana's Commission for Higher Education hosts a Trustee Academy whose past themes have included "Defining College Success: Learning Outcomes Matter" and "Challenges and Opportunities: The Fiscal Responsibilities of Trustees." The State University System of Florida Board of Governors hosts a Trustee Summit & Orientation that gives trustees of the System's 12 campuses opportunities to hear from national speakers and interact with System board leadership.

Preserving Institutional Autonomy

Trustees must resist challenges to their rightful authority and responsibility to govern the academic and financial activities of their institution. And this means pushing back publicly against accreditors that encroach upon the management and governance of the institution. The accreditation process has increasingly imposed immense financial burdens—in time and labor—with little evidence of comparable return. It is time to consider cutting the link between accreditors and federal financial aid so that accreditors may rightly return to their role as peer reviewers. Instead, trustees can make publicly available key data of special interest to the students, parents, and taxpayers: tuition, fees, cost of attendance, net cost, and available financial aid;

graduation rates, disaggregated by demographics, with transfer rates as available; retention rates; student loan default rates; student outcomes, including licensure test results (as appropriate); value-added assessments of collegiate skills, if utilized; and job placement rates.

Applying Best Practices and Trustee Self-Evaluation

Boards are rightly interested in the management skills and effectiveness of the president and administrators they hire. Nevertheless, it is also important that boards themselves perform effectively. Federal judge and former Yale trustee José Cabranes has emphasized the need for university boards to “maintain their reputations by creating board cultures and board structures that compel transparency and accountability.”

Boards need to be a workable size: while there is no magic number, an effectively functioning board should generally not exceed 15 members. Too often, larger numbers of trustees mean the whole board ceases to be involved in policy decisions on such crucial matters as academic quality, athletic integrity, and cost-control. The timeframe of appointments can be problematic as well. Trustees and presidents are often term-limited, while tenured faculty are not. To ensure a balance amongst the parties, it is therefore important that trustees be permitted terms long enough to become experienced and knowledgeable parties. Ideally, trustee terms will be at least six or seven years in length, with the option of two terms to ensure overlap of experience and new viewpoints. Boards should also meet regularly—preferably a minimum of six times a year. Given the financial and academic challenges of higher education, it is imperative that boards engage and engage regularly.

Individual board members must take the opportunity to visit the campus and become familiar with buildings, administration, faculty, students, and campus life. They must make attendance at board meetings and careful advance preparation for meetings a priority. They should hold themselves accountable to the public by making the names and contact information of board members publicly available and easily accessible. They must be scrupulous in avoiding conflict of interest and the appearance of conflict of interest. Boards should include on their agenda a regular executive session which permits appropriate confidential discussions solely among the members of the board, and they should avoid placing the president in a conflict of interest by maintaining the president’s board appointment as an *ex officio* non-voting member.

Board members should be receptive to all, but beholden to none. Their indispensable value to students, institutions, and to the nation rests upon their independent judgment. They must always remember that they are ultimately responsible for ensuring the financial health and academic success of their institutions.

“ ‘Governance for a New Era’ . . . is available online, and deserves a wide readership, since most Americans have some stake in higher ed—as taxpayers, even if not as parents or students or employers. ”

Michael DeBow, Forbes, August 27, 2014

Implementing Governance for a New Era[®]

An Action Plan for Trustees

■ ■ **New realities require new strategies.** ■ ■

That's the message of **Governance for a New Era**. Outlined below are questions higher ed trustees must ask—and actions trustees must take—to implement the new strategies developed by this project, chaired by Benno C. Schmidt.

Articulating The Mission

How can we best serve the nation, the state and our students?

Trustees must define the special role their institution plays and lay out strategic goals. Goals could be such things as teaching and learning; STEM preparation; serving an immigrant community; or advanced research. But a lack of clarity—and mission creep—are major contributors to institutional ineffectiveness and to the rapidly rising cost of higher education.

Whom do we represent?

The board of a public institution has a primary duty to the public to ensure high quality, affordable education.

To what degree should our school engage in scholarly research?

Define and understand the level at which you engage in research and the significance of research for your institution. With very few exceptions, the teaching mission must always come first.

What role should athletics play?

Withstand pressure to grow athletic programs that are a net drain on resources. Have your president report in detail the revenues of your athletic program and the degree to which it relies on institutional resources and student fees to operate.

How do we know we are achieving our goals?

Set clear goals in writing with benchmarks against which to measure all senior managers. Board meetings should be structured around major goals, with appropriate performance measures tracked regularly.

Protecting Academic Freedom and Intellectual Diversity

Are we protecting the free exchange of ideas on campus?

Eliminate all speech codes and other policies that restrict free expression. Ensure that the institution's commitment to academic freedom and responsibility appears prominently on official materials, such as course catalogs and course syllabi.

What evidence do we have that the institution is protecting students' academic freedom?

Institute a campus climate survey, as trustees at the University of Colorado have recently done, to ensure that the free exchange of ideas is welcome on campus.

How do we ensure that students are exposed to an appropriate range of disciplines and viewpoints?

Insist on receiving, annually, a report from the president or provost which outlines a description of new hires and tenure and promotion decisions in each department. Does the history department have faculty teaching the American Revolution and Constitution, for example? Can students find courses in military history? Insist on clear answers. In rare but urgent circumstances, demand action if you believe a department places limitations on the range of academic fields and viewpoints.

Do we have policies regarding campus speakers?

Trustees should work with administrators and faculty to develop policies to stop the disinvitation of college speakers and define the boundaries of responsible dissent. They must establish clear sanctions for disruption of scheduled campus events. A model policy, adopted by Yale University in 1974, can be found in ACTA's *Free to Teach, Free to Learn: Understanding and Maintaining Academic Freedom in Higher Education*.

Setting the Educational Strategy

What skills and knowledge do we expect our graduates to have?

It is essential that trustees review and approve the standards for what graduates should know and be able to do. Do trustees want every graduate to acquire an accurate and fluent command of written English and a college-level ability in mathematics and science? Do they want graduates to gain proficiency in a foreign language, or be familiar with American history and Western Civilization? If so, they should make those guidelines clear. In this way, you help to signify to employers and others the validity of a diploma from your institution. Trustees do not create course content, but help establish the expectation and benchmarks for outcomes.

What courses fulfill our core or general education requirements?

Are there too many choices, or is there a well-defined core? Board members should regularly review the list of general education offerings and requirements. If a large number of courses satisfy the credit requirements, then there is no real core. See how your school ranks when it comes to a core: WhatWillTheyLearn.com.

What criteria govern the introduction of new courses and programs?

Proliferation of courses is a major cost driver. Ask your president annually to provide a list of the courses and programs added and subtracted and the criteria for determining course viability. See ACTA's report, *Florida Rising: An Assessment of Public Universities in the Sunshine State*, to learn how Florida trustees oversee this process.

Which of our majors graduate fewer than 10 students each year?

While the number alone is not dispositive, this information can provide a threshold for further board review as to whether programs are still viable and cost effective. For more information, see ACTA's *Setting Academic Priorities: A Guide to What Boards of Trustees Can Do*.

Demanding Transparency in Performance and Results

How are we performing?

Trustees should demand a set of dashboard measures at every meeting. Trustees need this to advance specific strategies for reducing administrative bloat, curricular bloat, and underutilized capital facilities. Higher education's greatest budgetary challenge is not reduction in state funding, but inefficient use of the resources that it already has.

Be sure you make decisions based on data and insist on the following:

- Tuition over the last five years: Has it exceeded the annual Consumer Price Index?
- Tuition as a percentage of median household income over the last five years: Has it increased?
- The ratio of administrative vs. instructional spending over the last 10 years: Has the growth of administrative spending exceeded that of instructional spending?
- What are the salaries of top administrators and athletic department personnel? How have salaries for these positions changed over the last 10 years?
- What are the four-year, five-year, and six-year graduation rates of our students?

Do we expect our students to work hard?

Request a copy of your institution's results from the National Survey of Student Engagement (NSSE). Find out how much reading and written work are typically assigned to students.

Is there grade inflation?

Ask for the percentages of A, B, C, D, and F grades awarded to students over time in each department and program and determine whether there is evidence of grade inflation.

What is our building utilization, Monday through Saturday, and during the summer?

Trustees should demand that the academic week reflects life in the working world. They should also examine the level of utilization of existing buildings whenever asked to approve any major capital expenditure.

How many courses do faculty teach per year?

Trustees should have this information disaggregated by department, and by tenured, tenure-track, and adjunct faculty status.

How do we know that students are learning?

Call for use of a nationally-normed instrument—the Collegiate Learning Assessment, the Proficiency Profile, or the Collegiate Assessment of Academic Proficiency—to assess the value-added factor of a college education and to show attainment of skills relative to other institutions. See ACTA's *Are They Learning? A College Trustee's Guide to Assessing Academic Effectiveness*, which outlines the instruments you can use and their price.

Are budget priorities in line with the university's mission?

Insist on full access to accurate financial reports, including balance sheets, income statements, records of cash flow, and audit reports. Make sure this information comes well ahead of any budget votes.

Improving Presidential Selection and Evaluation

Will trustees control the selection process?

Trustees must not delegate away their most crucial responsibility to select the president by allowing themselves to be outnumbered on the search committee.

How will the board ensure an excellent group of applicants?

Boards should resist the temptation to use executive search firms, which often eliminate promising non-traditional candidates. They should insist that the full board be presented with multiple finalists for its consideration.

Do we have to use a headhunter?

Boards should consider using an expert consultant instead of a search firm to organize the presidential search. Such an approach can significantly lower cost and ensure more direct involvement of board members in decision-making. For further information, see ACTA's *Selecting a New President: What to Do Before You Hire a Search Firm*.

What metrics should we use to assess presidential performance?

Metrics should be directly tied to institutional priorities in the board's strategic plan, including academic growth, the integrity of the tenure process, responsiveness to requests for information, assurance of intellectual diversity, and efficient and productive use of institutional resources. The board should tie the presidential compensation to key performance metrics. See ACTA's *Assessing the President's Performance: A "How To" Guide for Trustees*.

Strengthening Trustee Education

What are we doing to educate ourselves about higher education issues?

Being well-informed is a prerequisite to thoughtful policymaking. Effective boards recognize the difference between information generated for public relations and the objective information they need for decision-making.

Do we have contact with students, faculty, and staff ?

Trustees should develop intermediate levels of discourse at their institution. Read the school newspaper and website regularly and visit classes and school dining halls. Let the president know you intend to do so.

Do we have independent information and resources?

Informational and organizational resources should go beyond those provided by the president and organizations selected and funded by the president. If you are a public trustee, demand a line item for these resources; private boards can provide for such resources in their bylaws.

Are we protecting our institutional autonomy?

Be prepared to push back publicly against accreditors that encroach upon the management and governance of the institution. See ACTA's guide *Accreditation: A Call to Action for College Trustees*.



“ We [trustees] can become myopic if we don’t read what ACTA puts out . . . if we don’t take it upon ourselves to educate ourselves to understand the context we’re working in, we can’t be fully independent. ”

Stephen Ludwig

former regent, University of Colorado

Getting the Data

10 Questions Trustees Should Ask

The key to effective oversight is data.
Insist on getting this data regularly.

It is up to you to ensure educational
quality and affordability.

Getting the Data 10 Questions Trustees Should Ask

- 01

Tuition over the last five years: Has it exceeded the annual Consumer Price Index?
Has it increased as a percentage of median household income?
- 02

The ratio of administrative vs. instructional spending over the last 10 years: Has the growth of administrative spending exceeded that of instructional spending? Why?
- 03

What is our building utilization, Monday through Saturday, and during the summer?
- 04

What are the salaries of top administrators and athletic department personnel? How have salaries for these positions changed over the last 10 years?
- 05

How many courses and credit hours do faculty (tenured, tenure-track, and adjunct) teach per year?
- 06

How do students perform on nationally-normed tests? GRE and licensure exams?
- 07

What do the results of the National Survey of Student Engagement (NSSE) show about our institution?
- 08

What are the four-year, five-year, and six-year graduation rates of our first-time, full-time students for the last five years? If full-time students are not graduating in four years, why not?
- 09

When was the most recent campus climate survey on academic freedom and intellectual diversity?
- 10

How do we choose for ourselves board professional development and independent sources of information on national trends?

■ ■ [One of the] largest issues in [higher education] is cost . . . Where are the billions going? . . . The system is very opaque. It takes a long time to farrow this stuff out. So I'm very pleased to have worked with ACTA in the past because they're a real tremendous asset in answering these questions. ■ ■

Douglas Belkin,

Higher Education Reporter, Wall Street Journal

remarks at ACTA's ATHENA Roundtable

Asking Questions, Getting Answers

A Guide for Higher Ed Trustees

Thank you for serving as a trustee. You have assumed a most important role—one that requires you to act decisively as an independent arbiter who ensures that your institution remains healthy and loyal to its mission. The job is a weighty one, demanding time, commitment, and the expectation that you will learn on the job.

At a minimum, it is your obligation to know the governing documents, mission statement, and strategic plans that underlie institutional operations. It is your responsibility to know and shape the budget and budgeting process. And it is up to you to become familiar with the special protocols of the academy, including academic freedom and shared governance.

The president and administration will help you. But our experience tells us that you will be left wanting more. And well you should. To do your job as a trustee, it is essential that you ask questions, obtain independent information, examine all perspectives, and reach thoughtful decisions. It is your charge to foster high academic standards, academic freedom, and student achievement—all while acting in the best interest of students, parents, alumni, donors, and the public, which supports higher education and depends on it for the next generation of citizens and leaders.

To be sure, many in the academy will tell you that trustees intrude on faculty prerogatives when they take an interest in academic affairs. Others will insist that the role of the trustee is to go along to get along—no questions asked.

But do not be fooled. Higher education governance is coming under increasing scrutiny in these challenging economic times. Students, parents, alumni, lawmakers, and the public are raising concerns about costs, quality, and ethics. More and more, trustees across the country are finding themselves on the hot seat for failing to hold higher education to the same level of accountability that we demand from other institutions of comparable size and importance.

This publication is designed to help. In the following pages, we have outlined some key questions related to the operation of your institution—questions

designed to help you and your fellow trustees address the central concerns of the educational enterprise: academic excellence, academic freedom, and accountability.

There is no one-size-fits-all solution; institutions vary significantly in terms of size, audience, and purpose. But by asking questions and following up, you can play a pivotal role by making sure that the next generation receives a high-quality education at the lowest possible cost.

Let's get started.

Questions on Academic Affairs

Trustees often feel unsure about their oversight of academic affairs. And this is not surprising. Too many in the academy believe trustees should remain hands off when it comes to academic affairs. According to them, academic matters are solely the prerogative of the faculty. Be assured: Nothing could be further from the truth. Above all, colleges and universities are academic institutions charged with educating the next generation of citizens. In order to fulfill this responsibility, trustees must safeguard the quality of the educational enterprise—as this is the primary function of your institution.

There are limits. Trustees have no role in choosing course material or preparing syllabi. That is up to faculty experts in the various academic departments. Trustees do have the obligation to ascertain what graduates are expected to know, to find out what and whether they are learning, and to assure that students are getting an education that will prepare them to be informed citizens, effective workers, and lifelong learners.

Not all issues are narrow matters of academic expertise. As a trustee, you are better positioned than faculty members (who are understandably focused on their narrow disciplines) to certify that your school is

providing a rich, well-rounded education with a coherent curriculum.

Thus, asking the following questions will help you appropriately address academic matters at your institution.

What are the institution's admission requirements? Are standards high? Are standards consistent with the university's mission?

The board should determine whether admission practices are consistent with the mission of the university. What are the selection criteria, average SAT scores, GPA, and selectivity rates over time? Trends downward or upward demand explanation. Is the university offering remedial student programs? If so, what are they, are they effective, and are they making efficient use of institutional resources? Are admission requirements aligned with college preparatory high school graduation requirements?

What courses must students take in order to graduate? How many credits are required for graduation? How many credits do students actually take? What are the four, five, and six-year graduation rates? How have these rates changed over time? If full-time students are not graduating in four years, why not?

Board members should know the requirements for graduation, including how many credits and which specific courses are required for graduation. Are courses that are required for graduation unavailable, thus increasing the time it takes to obtain a degree? Do students take more courses than they are required to, and if they are, why?

Trustees should establish and enforce policies that encourage program progression and degree completion at both the undergraduate and graduate levels. The trend of students taking excess credits can lead to delayed graduation, is a major contributor to student debt, and decreases opportunities for

incoming students. If the average time for a student to obtain a degree has increased, it is important to understand the underlying reasons in order to decide whether board action is appropriate. Likewise, if graduation rates are stagnant or declining, the board should examine these trends to see if corrective action is called for.

What courses fulfill the core or general education requirements? Are there many choices or few? Are the courses general or narrow? Be sure to ask for a list.

The purpose of general education requirements is to provide students with a foundation in core areas of knowledge. And while many institutions claim they offer a strong general education, there is often quite a gap between promise and practice. Every year, ACTA evaluates the core requirements at colleges and universities across the country and publishes its findings at **WhatWillTheyLearn.com**. This study shows that students are often graduating without the slightest exposure to U.S. history, civics, math, economics, literature, or intermediate-level foreign languages—even as their institutions claim to give students a solid grounding in essential subjects.

Board members should regularly review the list of general education offerings and requirements. A strong core curriculum has a carefully curated selection of course offerings designed to provide a thoughtful foundation in the liberal arts. Accordingly, trustees need to learn how many—and what kind of—courses can satisfy the credit requirements. If the number is enormous, the general education curriculum is likely to have a hollow core.

Internal campus decision-making often results in a fragmented and ineffective curriculum. Trustees can help break the deadlock by asking questions and facilitating the adoption of stronger and more effective core requirements. ACTA's guide, *Restoring a Core: How Trustees Can Ensure Meaningful General Education Requirements*, provides practical steps boards can take to help strengthen their institutions'

general education programs. The guide is available at **GoACTA.org**.

What are the average grades across the institution, in both colleges and departments? How does this compare to grades 10 to 20 years ago?

Grade inflation is a growing trend with troubling consequences. The long-term value of a degree relies on consistent standards of quality, and colleges shortchange students when they do not provide them with feedback that genuinely reflects their academic performance.

Trustees have the responsibility to ensure that students *deserve* their degrees. By comparing grades across the university to those 10 to 20 years ago, trustees can determine if grade inflation is a significant problem and, if so, where it predominates. If there is a problem, trustees can consider a number of options.

The problem presents an excellent opportunity to partner with the faculty and discuss expectations, responsibilities, and standards. Can the general education requirements be reformed to make it harder for students to avoid challenging courses and departments? Do student course evaluations inappropriately incentivize grade inflation?

In addition, trustees should be aware of how their peer institutions are addressing these problems. For example, faculty at the University of North Carolina–Chapel Hill have implemented “contextual transcripts,” which report each class’s median grade and the percentile range of a student’s grade. At Wellesley College, the faculty mandated that most introductory courses have average grades of B+ or lower. The University of South Florida publishes data on grade distribution over time by department.

None of these methods should be viewed as one-size-fits-all solutions. Trustees should know what data is readily available at their institutions and regularly review it. In ACTA’s booklet, *Measuring Up: The Problem of Grade Inflation and What Trustees Can Do*, we examine many of these cases in greater depth. This guide is available at GoACTA.org.

Is the institution producing qualified teachers through its school of education and its teacher certification programs? How can the potential classroom effectiveness of prospective teachers be assessed?

Most universities have departments or schools of education that produce teachers for grades K-12, or teacher certification programs that allow undergraduates to qualify as teachers while they complete their majors. Yet there is mounting evidence that new teachers lack the rigorous liberal arts foundation necessary to become excellent educators.

Trustees are ideally placed to review teacher training programs and promote excellent teacher education that focuses on promoting student learning. There are several ways trustees can protect the quality of these programs including: setting a high GPA for entry into the program, insisting on evidence-based classroom management training, and supporting apprenticeships with hands-on experience throughout the teacher education program.

It is particularly important to make sure that students take courses in basic subjects necessary for quality instruction in all classrooms, including English composition and literature, college-level mathematics, natural sciences, American history, Western Civilization, and foreign languages. These topics are among many outlined in *Teachers Who Can: How Informed Trustees Can Ensure Teacher Quality*, available online at GoACTA.org.

Questions on Student Learning

How does the institution measure student learning and general education competencies? Can students frame rational arguments? Are they competent communicators—orally and in writing? How do they perform on nationally-normed tests? Are we teaching them the skills needed to succeed in our global environment?

If the point of a liberal arts curriculum is to educate students broadly, there should be a means to measure how much—and how well—students learn. The effectiveness of a liberal arts education is not apparent unless students’ skills and knowledge are actually assessed. As a trustee, you have a right to know whether students are learning and to insist on methods that document real results. Assessments should reliably measure students’ competency in written and oral communication, quantitative and scientific reasoning, critical thinking, historical understanding, and technological literacy.

These assessments are critical to making sure that your graduates are equipped for success in their fields. Recent studies have shown that employers value the skills a liberal education provides, yet only 50% of managers think recent college graduates are prepared for the workforce, and 60% believe that recent graduates lack problem solving and critical thinking skills. Value-added tests such as the Collegiate Learning Assessment (CLA) can be used to analyze student growth over his or her tenure at an institution, as well as show the efficacy of particular educational practices. Objective, qualitative, and quantitative assessments can be powerful tools for trustees to measure how well their graduates are being set up for success in the workplace.

Is your institution engaged in reliable assessments? If not, why not? Data from nationally-normed assessments should be reviewed by the board— not only to evaluate student progress, but also, as Derek

Bok has noted, “to determine if faculty teaching approaches facilitate maximum learning.” Trustees can “urge the president to work with the faculty to make the college a more effective learning organization.” And this means the board can insist that the institution provides faculty with professional development when necessary.

How well does the institution support free speech, academic freedom, and intellectual diversity? Is the institution promoting the robust exchange of ideas—in class and on campus? What policies govern the selection and invitation of speakers? Are these policies clear, viewpoint-neutral, and easily accessible by staff and students? Over the last five years, what speakers has the institution sponsored?

A campus environment that discourages students from challenging mainstream opinion or stifles the free exchange of ideas violates the very essence of a college education. Colleges and universities have an obligation to expose students to relevant and accepted scholarly perspectives, as well as to create a culture where professors and students feel free to raise questions and engage in reasoned debate.

Trustees should determine whether institutional policies adequately protect diverse viewpoints—both inside and outside the classroom. Good places to start include commissioning a campus climate survey; where appropriate, incorporating into institutional statements, procedures, and activities respect for intellectual diversity and dissenting opinions; narrowly tailoring any policies that restrict freedom of speech; and including intellectual diversity concerns in university guidelines on teaching. These principles are clearly outlined in the University of Chicago’s 2015 “Report of the Committee on Freedom of Expression,” or simply the Chicago Principles. You can find a copy of this report at GoACTA.org.

Trustees should be vigilant about protecting campus newspapers from censorship and vandalism—something that unfortunately can occur when controversial matters are at issue. They should also ensure that intellectually diverse speakers are invited to campus. These and other issues are outlined more fully in ACTA's publication, *Free to Teach, Free to Learn: Understanding and Maintaining Academic Freedom in Higher Education*. In addition, ACTA partnered with Dr. Joyce Lee Malcolm to offer several clear recommendations for trustees in *Building a Culture of Free Expression* and *Guarding the Freedom to Speak, Freedom to Hear*. All of these works are available at GoACTA.org.

Questions on Faculty Hiring, Review, and Promotion

Does the institution ensure that hiring, review, and promotion are based on teaching, scholarship, and service? What is the basis for faculty salary increases, and how are increases allocated? What incentives are available to reward faculty who are exceptional teachers, who do excellent research and scholarship, or who make remarkable service contributions? Are the incentive systems consistent with the board's priorities and desired outcomes?

Faculty are the heart of the academic enterprise, so hiring, review, and promotion procedures should be beyond reproach. The board should periodically review these procedures to affirm their integrity. Criteria for hiring, promotion, and tenure should reflect the mission statement, and excellent teaching, research, and service should carry appropriate rewards.

Does the board have a policy that puts in place a faculty reward system based on merit and achievement of institutional goals? If not, should it adopt a faculty salary allocation policy that does

so, rather than simply providing “across the board” salary increases? Has the institution taken the steps needed to verify that the post-tenure review process is public, regular, and robust? If not, what can be done to improve transparency and fairness for both the faculty and the campus community?

Intellectual diversity and academic freedom are values central to education itself. Does the institution have hiring, tenure, and promotion guidelines designed to protect individuals against viewpoint discrimination? Are there procedures in place to ensure that hiring and promotion processes are open to the fullest range of legitimate scholarly perspectives?

Questions on Financial Oversight and Costs

While most trustees are presented with reams of financial information, the “big picture” is not usually transparent. Briefings on institutional finance are often so dense that trustees can feel overwhelmed—making meaningful discussions about the underlying priorities and fiscal allocations difficult. As a consequence, trustees too often have a suboptimal knowledge of university finances. The following questions are designed to help trustees pinpoint key budget areas and examine university expenditures that drive cost increases.

Are all financial statements available to trustees? Are budget priorities in line with the university's mission and board-approved strategic plan? How does the college or university control costs? What is the ratio of administrative to instructional spending? How has it changed over time?

Trustees should have full access to accurate financial reports, including balance sheets, income statements, records of cash flow, and audit reports. They should

make certain that expenditures are in accord with the institutional mission and resist simply rubber-stamping administration proposals. It is important to identify the biggest budget drivers and steps the administration should take to curb costs. How do actual expenditures vary from the budget, and what is the cause of particular variances? Are operations cost-efficient, and, if not, what options are there for increased efficiency such as expanding teaching loads, reducing administrative staff, increasing space and classroom utilization, and combining or eliminating programs?

The board should look at expense categories, and it should assess comparative trends in how funds are allocated to such categories as “instruction,” “academic support,” and “institutional support.” If administrative costs are going up, it is important to ask why and to determine what can be done to ensure that education remains a top priority. This data is reported to the federal government yearly, and is available at **HowCollegesSpendMoney.com**, a website ACTA designed to equip trustees with the tools to perform their own analysis of spending trends, and to create benchmarks in comparison with other institutions.

How does the institution calculate its tuition needs? Does the college or university consider all sources of revenue and expenditure reductions and/or operating efficiencies prior to raising tuition? What efforts has the institution made to keep tuition affordable?

College costs are outpacing the rate of inflation, year in and year out. And trustees have an obligation to address rising public concern. When boards approve tuition increases, they should do so only after examining other possible solutions. For starters, it is imperative that board members know how the institution calculates tuition. And while some administrations limit access to this information,

trustees have an obligation to understand how the institution sets tuition in order to determine whether the level is both prudent and affordable. Too often, trustees are told they must increase tuition to compensate for lost state revenues. While ups and downs in state funds are a reality, tuition should not be the only means of balancing budgets.

The board should examine both sides of the budget equation—controlling costs and enhancing revenues. Trustees should analyze tuition increases over time, as well as tuition increases relative to inflation; they should also compare their institution’s tuition to that at similar institutions. ACTA’s **HowCollegesSpendMoney.com** web tool provides resources to help trustees analyze these issues.

What criteria govern the introduction of new programs and majors? Are the new academic areas in sync with the institution’s mission statement and with its strategic plan? How are new majors and programs funded? Are programs eliminated when new ones are added?

New academic fields and concentrations bring with them new courses and ultimately entail the allocation of additional resources. Trustees should evaluate how new courses are introduced and ensure that only academic areas relevant to the institution’s mission and board-endorsed strategic plan are approved. For example, if too few general education courses are available, the institution should curb the addition of new areas and expand the availability of core courses, so that students can fulfill graduation requirements.

Boards should insist on regular productivity analyses of existing programs. This entails examining course enrollment and numbers of degrees granted in the programs. When new courses are added, the budget increases unless cuts are made elsewhere, so trustees may need to consider restructuring ineffective or undersubscribed programs as a means of funding new programs without increasing costs.

Too often in higher education, trustees allow institutions to create new programs without doing the necessary parallel work of eliminating unproductive or obsolete ones. To help with this difficult task, *ACTA's Bold Leadership, Real Reform 2.0* highlights several innovative approaches taken by institutions to limit costs and improve institutional performance, while *Setting Academic Priorities* shows how program prioritization can reduce expenses and raise curricular quality. These publications are available at GoACTA.org.

ACTA has been the leader in outlining best practices for higher education boards. Through its Institute for Effective Governance® (IEG), ACTA publishes helpful guides on trustee responsibilities as well as recommendations for board structures and operations. For further information, contact IEG at 202-467-6787.

Questions on Board Effectiveness

Just as the board should ask questions of the administration, it should also ask questions of itself.

Does the board have active committees working on specific issues? Has the board adopted policies to ensure adequate review of key issues (e.g., regular review of the general education curriculum and program productivity)? What policies are in place? What delegations of authority are in place? Are they appropriate? Has the board reviewed its bylaws recently? Is there a process for periodic review of the bylaws? Do the current bylaws meet the board's needs? How does the board hold the president and administration accountable for responding to its requests for information?

Boards should assign committees to do much of the in-depth review and analysis of key issues. Committees, in turn, must obtain the necessary data and analysis necessary to develop policies and initiatives for the full board's consideration. The board should also ensure that it has the right structure and policies in place to enable it to achieve its goals and operate effectively. Thus, periodic review of board bylaws, rules, and policies is crucial.

Next Steps

We hope that this guide has provided some useful tools to help you fulfill your fiduciary responsibilities. As governance in general—and higher education governance in particular—comes under increased scrutiny, trustees must step up to the plate, asking questions and insisting on the information they need to act in the best interests of the institution's stakeholders and beneficiaries. With pressures mounting for greater accountability at both the state and national level, to do otherwise is unacceptable. Trustees have little choice but to be active and engaged. Going along to get along just will not work.

Asking the questions in this booklet is an important first step. But getting the answers and following up are equally important. Board members need to be persistent. They must take independent responsibility for informed oversight, allowing no obstacles to their full understanding of the institutions they govern.

Call ACTA's IEG for Help

ACTA's Institute for Effective Governance® (IEG) supplies information trustees can use in making decisions for their institutions, including best practices from across the country. Drawing on a broad network of higher education experts, IEG also offers a wide range of services including orientations and retreats, board management seminars, institutional assessments, and presidential searches and evaluations, at little or no additional charge.

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Jane Tatibouet

former trustee, University of Hawaii & Cornell University



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