

The Work of the Board & Board Operating Procedures

Jeff Advokat, Trustee, County College of
Morris, NJ

Tips for Effective Meetings

- ❖ Start on time.
- ❖ Follow your agenda.
- ❖ Be objective; facilitate.
- ❖ Encourage participation.
- ❖ Keep the meeting on track.
- ❖ Close with unifying items.
- ❖ Adjourn on time.

More Tips

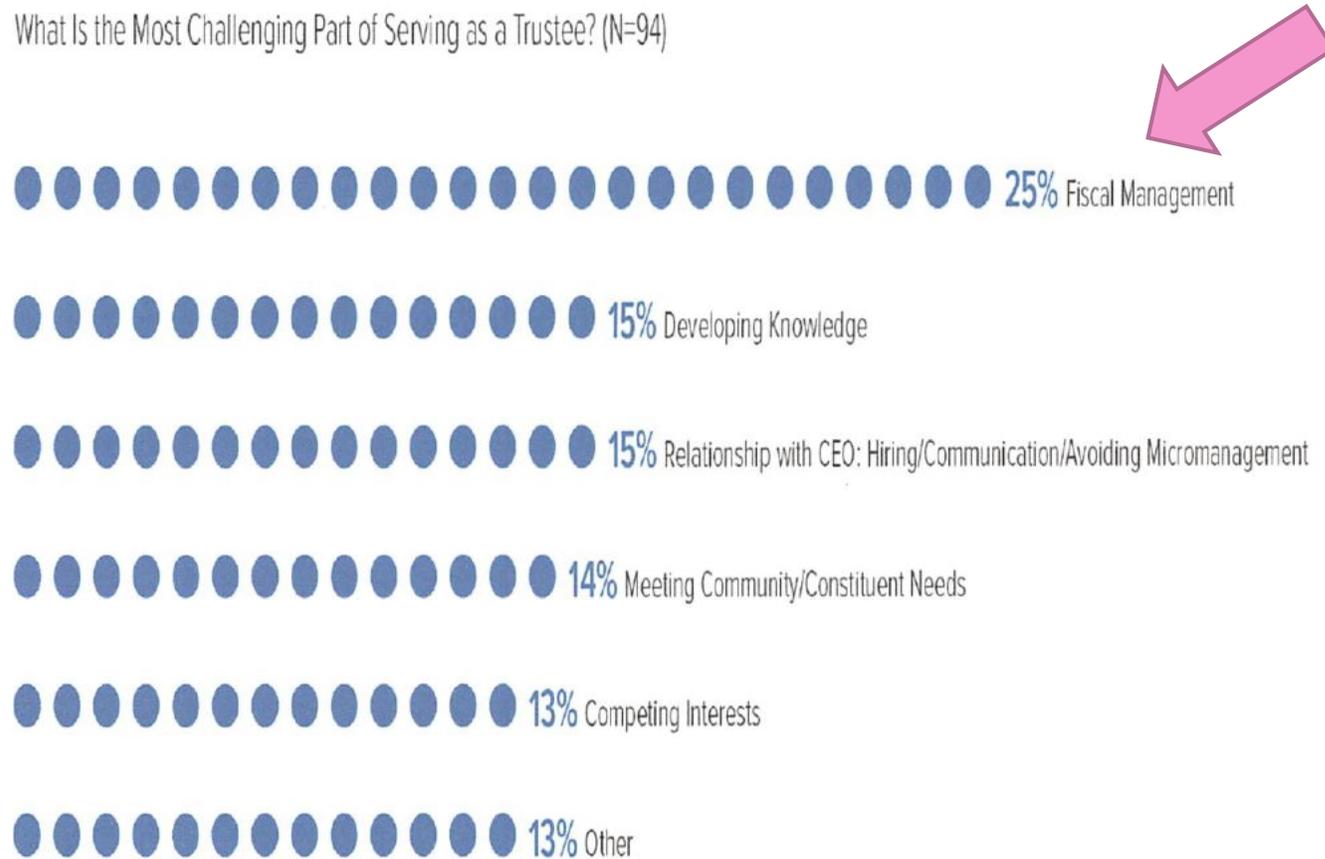
- ▶ Knowledge is power; don't abuse it.
- ▶ Avoid giving orders to staff. They work for the President, not the board.
- ▶ Don't surprise anyone; be transparent.
- ▶ Defer to the board as the whole, if possible.
- ▶ Don't waste staff time and college money.
- ▶ Remember: The board serves the students and the stakeholders.
- ▶ Apply good conduct of meeting practices.

Before the Meeting

- ▶ Be prepared!
 - ▶ Have necessary documents: bylaws, rules, etc.
 - ▶ Have a written agenda and script.
 - ▶ Know parliamentary procedure.
 - ▶ Anticipate sticky issues if possible (Special scripts).
 - ▶ Know your responsibilities and duties.
 - ▶ Practice!

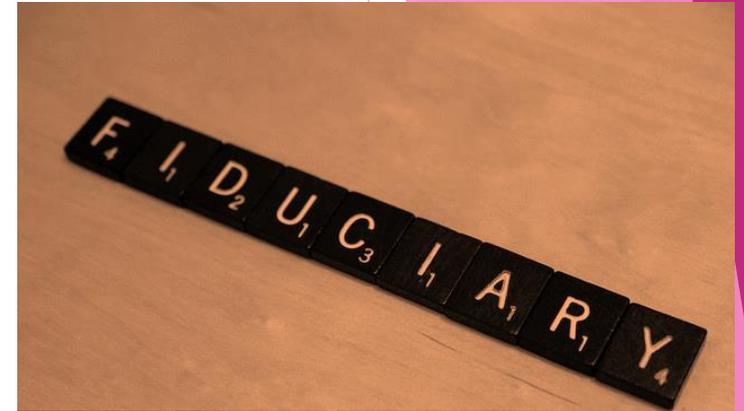
Trustees: What's the Hardest Part of Serving?

What Is the Most Challenging Part of Serving as a Trustee? (N=94)



Fiduciary Responsibilities

- ▶ Follow the Law
- ▶ Guide and Monitor the Annual Audit
- ▶ Periodically Monitor Fiscal Progress; Review Financial Metrics
- ▶ Set Purchasing and Compensation Policies
- ▶ Hold in trust the property and assets for **future** students; worry about the future to ensure resources decades from now



Fiduciary Responsibilities: More than just finances

- ▶ Quality
- ▶ Student Success
- ▶ Accountability

Fiduciary: Duty of care: fidelity to mission, integrity of operations, and conservation of core values. (AGB)

2 Case Studies (green)

- **Fiduciary Responsibilities & College Core Values**

Effective Trusteeship; Best practices

Case Study Scenario #2

How Do You Run Your Board Meetings?

- ▶ Are your rules and procedures clear to everyone?
- ▶ Are the purposes of your meetings accomplished in an effective and efficient manner?



Before the Meeting

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 - ▶ Know parliamentary procedure as used by your college.
 - ▶ Anticipate sticky issues if possible (Special scripts).
 - ▶ Know your responsibilities and duties.
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By-laws

When is the last time the board reviewed its policy manual and bylaws?

- ▶ The Bylaws of the Board are written by the Board for the purposes of internal management of the Board and all Board activities.
- ▶ It identifies the college, defines the board's authority and outlines board procedures.

Board Manual & Bylaws

(Governance principles and Core values

- ▶ Appointment of the president
- ▶ Board of Trustee's composition, terms, residency, and code of conduct, meeting attendance
 - ▶ **Job Descriptions** for the individual trustee, chair and board
 - ▶ **Ethics, Confidentiality, Respect and courtesy, censure**, etc.
- ▶ Board officers and their duties
- ▶ Board meetings & procedures (quorum, voting, etc.)
- ▶ Board committees: Audit/Finance; Community Relations; Legislative Affairs, Student Success, Strategic Visioning, etc.)

Q:

Our board committees rely heavily on staff members to do the administrative tasks. Is this OK? What is an acceptable way to involve staff on board committees?

Board committees are the board's workforce.

- ▶ Committees report to the board and help carry out the board's mandate to oversee the organization, ensure its financial security, and plan for its future.
- ▶ Board committees generally do not include staff members (except, in some cases, the chief executive), though they are often supported by staff.
- ▶ Howard's board committees include audit and finance and legislative and community relations, plus liaison to the college's foundation board.

USE of STAFF: There must be clarity regarding roles, responsibilities, and mutual expectations among the committee chair, members, CEO, and the staff person who supports the committee. In some instances, board committee members handle their committee's administrative tasks and utilize college staff only as liaisons between the committee and the organization.

The Consent Agenda

- ▶ We have a handout for this.

Parliamentary Procedure

- ▶ What are Parliamentary Procedures?
- ▶ Robert's Rules of Order
- ▶ Parliamentary Basics
 - Motions
 - Discussion and Debate
 - Presiding
 - Fundamental Rights

▶ https://www.youtube.com/watch?v=eYwKX_P8YkU

▶ https://www.youtube.com/watch?v=aSAN-_OKKNk (2 minutes)

Workbook materials

Rules of Order

- ▶ Refers to written rules of parliamentary procedure formally adopted by a group of people or by an organization.
- ▶ relates to the orderly transaction of business in meetings and to the duties of officers in facilitating the conduct of business.
- ▶ Helps ensure that the organization functions smoothly and that questions about procedure can be resolved quickly and fairly.

Rules of Order

1. Follow and respect the rules.
2. Agree to disagree without being disagreeable.
3. Debate and reflect on issues.
4. Respect the consensus and minority voice.
5. The vote is the final voice of the board.
6. Parliamentarian can help to keep order.
7. Respect each other.
8. Understand the power of perception.

Why adopt the Principles of Parliamentary Procedure?

Based upon:

- ❖ the will of the majority;
- ❖ the right of the minority to be heard;
- ❖ protection of the rights of absentees;
- ❖ courtesy and justice for all; and
- ❖ consideration of one subject at a time.

An Example: The Chair's Role

- ▶ In parliamentary procedures:
 - ▶ the Chair does not vote unless there is a tie.
- ▶ In board of trustees' governance:
 - ▶ the Chair has a legal responsibility to execute his/her right to vote

Friday - August 9 9:00 - 10:00 AM

Board Ethics and Case Studies



Board Ethics

Does the Board have a Code of Ethics that is adhered to?

Do Board members represent the District and Students First?

Conflicts of interest & Special Interests





Defining Conflict of Interest

Conflict of interest is:

A personal interest that might impair or reasonably appear to impair a board member's independent, unbiased judgment in the discharge of his or her responsibilities to the institution.

- Association of Governing Boards

Conflict of Interest

“Fiduciary Duty” and the Trustee

It is a legal concept that attempts to hold certain individuals, because of their status (as trustee) to a higher standard than that of a normal business person.

Clearly and most simply, “fiduciary duty” means that the board member has to put their own personal interests behind them in favor of the board and college.

The board member cannot use their position as a board member for personal gain, meaning personal gain to their business.

The board member has to subordinate their own interests to the board and college.

More than just Financial...

- ▶ While financial conflicts in which a board member gains or appears to gain from business conducted with the institution may be the most common, a board should not confine its conflict of interest policy to financial conflicts.

Consider:

- ▶ If a board member advances an initiative that is incompatible with the board member's fiduciary duty to the college
- ▶ If a board member achieves personal gain for themselves, friends or associates, by apparent use of the board member's role at the institution.

TRUSTEE CODE OF ETHICS

Governing boards function better when the ethical standards for trustee behavior are clear. ACCT recommends that boards explore and adopt a set of standards, often called a “code of ethics” or “standards for good practice.” In fact some regional accrediting commissions for community colleges require that boards have a code of ethics or similar statement.

See: <https://www.acct.org/page/guide-ethical-governance>

Code of Ethical Conduct



I recognize that governing authority rests with the entire Board, not with me as an individual. I will give appropriate support to all policies and actions taken by the Board at official meetings.



I recognize that the Chancellor is the Trustees' sole employee; I pledge to work with the Chancellor in gathering any information from staff directly that is not contained in the public record.



I will consider all relevant facts and perspectives in making decisions.



I will participate in the development of policy and the approval of strategy for the District and respect the delegation of authority to the Chancellor and Presidents to administer the institution. I will avoid involvement in day-to-day operations.



I will maintain confidentiality about issues discussed in Closed Session.

How to do ETHICAL Governance?

Bylaws.

Open and Public Meetings.

Use due process.

Practice Civility and Courtesy.

Code of Ethics.

Practice impartiality & Fairness.

Set an example.

ACCT Guide to Ethical Governance*.

* In compendium

Avoid Conflict of Interest.

Avoid Personal Gain or Favoritism.

Avoid appearance of impropriety.

Avoid personal use of public resources.

ACCT Code of Ethics

As a governing board member, I am responsible to:

1. Devote time, thought and study to the duties and responsibilities of a community college board member, so that I may render effective and creditable service;
2. Work with my fellow board members in a spirit of harmony and cooperation in spite of differences of opinion that arise during vigorous debates of points of issue;
3. Base my personal decision upon all available facts in each situation; vote my honest conviction in every case, unswayed by partisan bias of any kind; and abide by and uphold the final majority decision to the board;
4. Remember at all times that as an individual I have no legal authority outside the meetings of the board, and to conduct my relationships with the community college staff, the local citizenry, and all media of the community on the basis of this fact;
5. Resist every temptation and outside pressure to use my position as a community college board member to benefit myself or any other individual or agency apart from the total interest of the community college district;

ACCT Code of Ethics (continued)

As a governing board member, I am responsible to:

6. Recognize that it is as important for the board to understand and evaluate the educational program of the community college as it is to plan for the business of college operation;
7. Bear in mind under all circumstances that the primary function of the board is to establish the policies by which the community college is to be administered;
8. Welcome and encourage active cooperation by citizens, organizations, and the media of communication in the district with respect to establishing policy on current college operations and proposed future developments;
9. Support the state and national community college trustees associations;
10. Finally, strive step by step toward ideal conditions for the most effective community college board service to my community, in a spirit of teamwork and devotion to public education as the greatest instrument for the preservation and the perpetuation of our representative democracy.

Ethical dilemmas

- ▶ **CASE STUDY:** A college employee who is a member of your book club sits next to you during a coffee break to discuss a serious matter. She explains that a close colleague filed a grievance against the president of the college and is now being terminated.
- ▶ **What should you do?**
- ▶ **CASE STUDY:** The campus received funding for a new building and your lifelong friend's husband is an architect in your community but has never been awarded any college business. Your friend wants to know why. She also suggests that if awarded the contract that they will provide paid internships to students from the college.
- ▶ **What should you do? Is there anything illegal in what she is asking? Is there any bylaw or ethics provision that prohibits you from assisting her?**
- ▶ **Does your answer change if instead of a lifelong friend, the architect is your sister-in-law?**

Scenarios - Nepotism

- ▶ **A significant funder is threatening to stop contributing to the college unless given a board seat. What should the board do?**
- ▶ Policy XXX:
- ▶ Continual board development will include orientation of new board members in the board's Governance Process
- ▶ The board acts as an informed agent of the ownership
- ▶ Board members' loyalty to the ownership must be un-conflicted by any personal interest as a consumer
- ▶ **What action, if any, should the board or board member now take?**
- ▶ The funder has already demonstrated strong commitment to the organization's ends. He or she should be informed of the board's policies and expectations especially the requirements that board members must act in the interests of the owners and that no individual board member has authority over the organization.
- ▶ If the individual commits to contributing to the board's governance as indicated, his or her candidacy should receive due consideration for nomination as determined in the bylaws. (Note that whereas funders are owners in for-profit corporations, they are not necessarily owners in nonprofit organizations.)
- ▶ .

To accept or not?

When evaluating whether you can accept a gift or thing of value, you must consider both:

- The **source** of the gift
- The **nature** of the gift



Supplemental Compensation

A Trustee of a state institution is prohibited from soliciting or accepting compensation for the performance of his public duties.

Private parties are likewise prohibited from offering or giving supplemental compensation to trustees.



Why should the board follow a code of ethics?

- Public expectation of high standards
- Codes or standards define specific expectations
- Requirement of some regional accrediting commissions
- Development of standards is a strengthening exercise for the entire board
- Good guides to inform and build decision-making

NOTE: Do not assume because it is legal it is ethical



Board Ethics Quiz

A 2018 Board Ethics Test

ACCT Pre-Congress Academy
on Ethical Board Governance