

AGB CONSULTING

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Board Assessment Presentation

Prepared for the Board of
Florida A&M University

Fiduciary Duties*

1. Duty of Care

- Act in good faith for best interests of institution
- Act reasonably, competently and prudently

2. Duty of Loyalty

- Put interest(s) of institution above all else
- Do not act from self interest; no self-dealing
- Conflict of loyalty

3. Duty of Obedience

- Obligation to advance mission
- Duty to act ethically and consistent with mission

4. Serve a Public Purpose

*AGB (web), *Fiduciary Duties*

Getting Governance Right: 10 Habits of Highly Effective Boards

1. Create a Culture of Inclusion
2. Uphold Basic Fiduciary Principles
3. Cultivate a Healthy Relationship with the President
4. Select an Effective Board Chair
5. Establish a Strong Governance Committee
6. Delegate Appropriate Decision-Making Authority to Committees
7. Consider Strategic Risk Factors
8. Provide Appropriate Oversight of Academic Quality
9. Develop a Renewed Commitment to Shared Governance
10. Focus on Accountability

Recommendations for Presidents and Boards

(From AGB's The 21st-Century Presidency: A Call to Enterprise Leadership)

1. Reexamine and, if necessary, change both the president's and the board's fundamental assumptions about their working relationship.
2. Acquire a shared understanding of the dynamic business of higher education today and its prospects for the future.
3. Focus on the true competitive position of the institution.
4. Restructure the board's processes to enable it to concentrate on top strategic priorities.

Recommendations for Presidents and Boards

(From AGB's The 21st-Century Presidency: A Call to Enterprise Leadership)

5. Schedule upstream discussions of major opportunities, challenges, and strategies well before the time for action arises.
6. Infuse the search process with candor.
7. Practice the “discipline of governance” by combining persistent board involvement with restraint in not crossing the lines between strategy, policy, and management.

Data on Board Assessment

- Boards reporting assessment of individual trustees*
12% Publics
(end of term 28%, annually 41%, other 28%)
- Boards reporting self-assessment*
54% Publics
(every meeting 4%, annually 45%, 1-2 years 16%, 3-5 years 13%, varies 13%)

* The 2011 AGB Survey of Higher Education Governance, pp. 12-15.

From the Florida A&M University Board Survey

Top Strengths

1. Caring and diverse Board
2. Knowledge based
3. Engaged and willing to work

Top Opportunities

1. Governance and leadership
2. Strategic Focus
3. Fundraising

General Suggestions for Improving Performance

- Hold management more accountable for performance, making certain that its data are as accurate and reliable as possible...
- Un-blur the lines of shared governance
- Help the organization look out and focus on longer term projects
- Continue to monitor the performance of the administration and students according to the performance measurements established by the Board of Governors

General Suggestions for Improving Performance

- Move the university from near the bottom in the SUS to close to the TOP
- Routinely engage in conversation on “Board Performance” to enhance ability to better serve the university and stakeholders
- Maintaining a steady focus on our priorities...
- Getting more involved in the Legislative Process...
- The FAMU Board of trustees is a very talented and capable team that simply needs to refocus its efforts toward those actions that will best advance the university well into the future

Governance Action Plan

From the items discussed, what are the top 2-3 priorities for the Board and the University moving forward?