TAKEAWAYS
A well-organized board orientation program can ensure effective board and individual performance, smooth the transition of new members onto the board, and introduce new board members to their fiduciary responsibilities and to the culture and business of higher education.

New board members are particularly willing to engage enthusiastically in the orientation process – especially if the program is intellectually stimulating and provides them with a clear sense of their importance to the institution.

A mentoring program for new board members pays off. A veteran board member who serves as a mentor for a year and who attends the orientation can help jumpstart the new board member’s introduction and acclimation to board service.

PRIOR TO ORIENTATION
Each new board member should receive a briefing package containing critical governance information, such as: bylaws, board meeting agendas and minutes from the past year, financial statements, strategic-planning documents, the executive summary from the most recent accreditation report, recent memos and columns by the president focusing on campus life, curriculum, and faculty – anything that helps create an understanding of the institution’s current status and culture.

Each new board member should be assigned a mentor who is a veteran of the board and a current or past leader. The mentor should attend the orientation with the new member and also assist throughout the first year by answering questions and by providing information on the functioning and decision-making of the board.

Third, the orientation needs to be planned formally. In planning the structure and content of the orientation, keep in mind what a new member of the board needs to know to feel comfortable and to become a contributing member as quickly as possible.

CONTENT OF BOARD ORIENTATIONS
An AGB survey on higher education governance found that most board orientations address these topics:

- Board responsibilities broadly and governance policies specific to the individual board
- Institutional history and mission
- Institutional strategic priorities and challenges
- An overview of the institution’s finances and budget
- Review of academic programs and quality

AGB University has dozens of professional, short videos on universal topics in governance, such as fiduciary responsibility, shared governance, and academic freedom.
CHARACTERISTICS OF SUCCESSFUL BOARD ORIENATIONS

• Allow time for an exchange of ideas and questions. This means planning a program that takes place over several days, throughout the new board member’s first year of service.
• Familiarize the new trustees with the institution’s strengths, challenges, needs, and priorities. The orientation should cover the typical elements of finances, enrollment management, academics, staffing patterns, key academic and staff leaders, and physical plant needs.
• Cover board responsibilities, and comment specifically on how and when board members are assessed.
• Provide a campus tour so new board members, even those who are alumni, will start their service with an understanding of the institution’s physical layout, design, and needs. For system board members who oversee multiple campuses, a slide show accompanied by profiles of each campus can help.
• Help new board members quickly master basic knowledge of the institution’s important features and statistics. Develop a one-page executive summary that includes the mission statement, numbers of students by category, key budget information, graduation rates, names of major academic programs, current tuition and fees, faculty statistics, and other pertinent information that can help during the orientation and beyond.
• Also, open the orientation program to all board members, and be sure to specifically include those serving as mentors to new board members.

ORIENTATION FOR SYSTEM BOARDS

There may be some differences in the orientation program for a system board. Their work may be complicated by the fact that the board members are at a greater distance from the academic enterprise, they serve simultaneously as fiduciaries for the entire system and for individual institutions, and they are often responsible for resolving conflicts among regions and institutions over missions, program franchises, and resources.
Sample Board Orientation Elements

Items for a Briefing Package Prior to Orientation
- AGB Board of Directors’ Statement on the Fiduciary Duties of Governing Board Members
- Board Roles & Responsibilities (Policies 100.4, 100.5, 100.6, 310.1)
  - Roles and Responsibilities Task Force Report (January 2015)
- NDUS Strategic Plan
- Bios or profiles of board members, chancellor, presidents, and key staff
- Code of Conduct (Policy 308.1)
- Meeting Schedule for the year ahead

Content of Board Orientations
- Fiduciary duties of care, loyalty, and obedience
- SBHE history to include constitutional authority, statutory authority, and resulting organization (attachment: SBHE Legal Orientation)
- Roles and Responsibilities (policies and task force)
- Board Standing Committees
  - Organization and expectations
  - Key issues from the past year
  - Current issues and strategies
- System Strategic Plan
  - Strategic priorities and challenges

Board Mentorship Program
https://www.agb.org/blog/2015/04/23/4-tips-for-successful-trustee-mentoring

Mentoring can have a powerful influence on a new board member, and assigning a seasoned board member who is available for face-to-face guidance immediately engages the new board member to learn from another individual’s personal experience. Below are four tips for successful trustee mentoring.

1. Mentors should be experienced trustees. Mentors should be sitting trustees with sufficient years of service to know how the board works, its curiosities and idiosyncrasies. They should be among the best-performing trustees, leaders or past leaders of board committees who are willing to spend the time to assist new trustees up the learning curve of trusteeship.

2. Mentors should attend new-trustee orientation with their mentee. While orientation programs are designed with new trustees in mind, it's important for the mentor to also know what is expected of the new board member. Additionally, the new board member may have specific questions based on things he or she heard.

3. Mentors should guide new trustees on how best to engage with materials and participate at board meetings. A phone call prior to board meetings in the first year can help the new trustee understand the agenda and expectations in terms of preparation and participation. Communication with the mentor following each meeting is critical. The objective is to
help the new trustee understand what was accomplished, to review how the board reached its conclusions, and to answer any questions.

4. Mentors should also receive training! A short statement of responsibilities is helpful, as well as a suggested calendar of mentor-new trustee contacts that at least covers the first year of mentorship.

Resources/Attachments
- New Board Member Orientation Plan
- Board Orientation Checklist
- Tip Sheet on Candid Conversations
Tip Sheet for Candid Conversations about Board Governance
"How are we doing?"

These tips are based on the governance areas most likely to be a challenge for boards of small-to-mid-size nonprofit organizations, as identified in *Leading with Intent* (BoardSource, 2015).

<table>
<thead>
<tr>
<th>Areas of potential improvement for the board to discuss</th>
<th>Practice Tips</th>
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<tbody>
<tr>
<td><strong>Advocacy:</strong> A minority (less than half) of boards surveyed by BoardSource in 2014 reported they were aware of, or participated in, their organizations’ advocacy work. Some board members continue to believe (incorrectly!) that “nonprofits can’t do advocacy.”</td>
<td>Use the materials available through Stand for Your Mission to spark your board’s awareness about their vital role as advocates to advance the mission.</td>
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<tr>
<td><strong>Conflicts of Interest:</strong> 88% of nonprofits reported they had a policy, but didn't require disclosure of conflicts annually.</td>
<td>Don’t assume that just having a conflict of interest policy that board members sign means that your nonprofit never has to worry about conflicts. Revisiting the policy on an annual basis through a disclosure requirement is a way to promote a culture of candor, as well as provide a reason to discuss as a board what types of situations may result in conflicts of interest. [Conflict of Interest Policy with Annual Disclosure Statement](Montana Association of Nonprofits).</td>
</tr>
<tr>
<td><strong>Diversity:</strong> 25% of respondents’ boards were all-white in 2014, when the most recent BoardSource survey data were collected.</td>
<td>Different is better! Better decisions, heightened awareness, more connections to the community and its needs, are just some of the benefits of increased diversity on nonprofit boards. Show a video to prompt discussion.</td>
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<tr>
<td><strong>Evaluating the executive director:</strong> Only 69% of small organizations reported they had evaluated the executive director within the last two years – meaning almost a third had not been conducting regular evaluations.</td>
<td>Executive directors who receive regular feedback and support from their boards, such as through formal performance reviews, report higher job satisfaction. [Sample executive director/CEO evaluation form](Colorado Nonprofit Association).</td>
</tr>
<tr>
<td><strong>Fundraising:</strong> Not enough boards walk the talk. Only 60% of boards responding to the 2014 BoardSource survey reported that 100% of board members made a charitable contribution to the nonprofit.</td>
<td>100% board giving is a way to demonstrate that the board stands behind the organization and the executive director. Manage expectations while recruiting new board members by using a written agreement and then a board orientation. To get the conversation started, here are two simple ways to communicate expectations about money.</td>
</tr>
<tr>
<td><strong>Strategic direction:</strong> 18% of nonprofit boards are not regularly engaging in strategic planning, and many boards that go through the strategic planning process don’t refer to those plans when later making decisions or setting future directions.</td>
<td>Engaged board members are those who are more likely to want to spend time discussing strategic directions. Help board members stay focused on strategic directions by organizing meeting agendas with the organization’s strategic directions in mind.</td>
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</tbody>
</table>
This checklist is a general outline to guide the orientation of new board members. Your organization should modify it as you see fit to ensure that all new board members are provided with the information necessary to fulfill their responsibilities.

**Program**

- **Tour facilities**

- **Presentation by chief executive, key staff, video, or other electronic media.**
  
  *Materials to share with board members:*
  - Organization’s web site address
  - Annual calendar
  - Publications and programs list

**History**

- **Ensure that new board members understand the history of the organization. When was it founded? Why? How has it grown and developed over time?**

  *Materials to share with board members:*
  - Brief written history or fact sheet on the organization
  - Brochures
  - Newsletters
  - Articles of incorporation
  - Note whether Directors and Officers insurance has been used in the past

**General Expectations of Board Members**

- **Know the organization’s mission, purpose, goals, policies, programs, services, strengths, and needs.**

**Strategic Direction**

- **Review strategic plan**

  *Materials to share with board members:*
  - Most recent strategic plan
  - Current case statement
  - Recent press clippings

- **Follow trends in the organization’s field of interest and keep informed.**
### FINANCES

- ✔️ Presentation by chief executive, chief financial officer or treasurer.
- ✔️ Review recent financials and teach board members how to read and understand organizational financial statements.
- ✔️ Provide an overview of the budget practices board members will need to know, including what to know to approve organizational budgets, what the Form 990 is, and how to read a financial statement.

*Materials to share with board members:*
- Annual reports
- Last three Form 990s (this information should also be shared during recruitment, even if documents are public).

### ORGANIZATIONAL STRUCTURE

- ✔️ Review bylaws
- ✔️ Introduce key staff members
- ✔️ Review organizational chart

Make sure board members not only understand how the organization is structured, but also how the board interacts with specific departments and staff members.

*Materials to share with board members:*
- Committee job descriptions
- List of staff positions
- Bylaws

### GENERAL EXPECTATIONS OF BOARD MEMBERS

- ✔️ Faithfully read and understand the organization’s financial statements and otherwise help the board fulfill its fiduciary responsibility.
- ✔️ Avoid prejudiced judgments on the basis of information received from individuals; urge staff members with grievances to follow established policies and procedures through their supervisors. All significant matters coming to you should be called to the attention of the chief executive and/or the board’s elected leader as appropriate.
BOARD ROLES & INDIVIDUAL BOARD MEMBER RESPONSIBILITIES

- Discussion with board chair or whole board about the role of the full board versus the responsibilities of individual board members
  
  For a brief overview, download our infographic on board member responsibilities.

- Include fundraising responsibilities of individual board members, role that advocacy plays in mission achievement, and how board members can stand for their missions

  Materials to share with board members:
  - Board member letter of agreement
  - Conflict of Interest policy
  - Board roster
  - Board member position description
  - Document describing board roles v. individual board member roles
  - Recent board meeting minutes

GENERAL EXPECTATIONS OF BOARD MEMBERS

- Prepare for and conscientiously participate in board and committee meetings, including appropriate organizational activities when possible.

- Understand and embrace fiduciary responsibilities.

- Act as an ambassador for the organization when in public, speak only with one voice outside of board room.

- Volunteer outside of board role when appropriate.

- Suggest to the appropriate committee possible nominees for board membership who would make significant contributions to the board and organization.

BOARD OPERATIONS

- Review board manual

- Accept committee or task force assignment

  Materials to share with board members:
  - Schedule of board meetings
  - Schedules of committee meetings
  - Full board roster and committee rosters

- Meet with board chair

- Attend board meetings

GENERAL EXPECTATIONS OF BOARD MEMBERS

- Serve in leadership positions and undertake special assignments willingly and enthusiastically.

  Attend all board meetings and come prepared to participate.
# NEW BOARD MEMBER ORIENTATION PLAN

<table>
<thead>
<tr>
<th>Topic Area</th>
<th>Goals and Content</th>
<th>Method</th>
<th>By Whom</th>
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</table>
| History                  | • Provide historical information about the founding of the organization and key milestones.  
                          | • Help new board members view their involvement as part of the journey of the organization. | • Historical timeline  
                          |                                                                                           | • PowerPoint of history  
                          |                                                                                           | • Video, photos, news clippings  
                          |                                                                                           | • Old annual reports  
                          |                                                                                           | • Invite former board members in to speak about historical context.  
                          |                                                                                           | • Ask board members with longest tenure to participate as well. |
| Strategic Direction      | • Present mission, vision, strategic plan, and current goals for the organization.  
                          | • Provide context for how they can support organization. | • Strategic plan  
                          |                                                                                           | • Business plan  
                          |                                                                                           | • Discuss goals and future dreams of organization  
                          |                                                                                           | • Board chair & executive director  
                          |                                                                                           | • Or chair of strategic planning committee |
| Board Roles and Operation| • Help new board members get acquainted with the board  
                          | • Understand how the board operates  
                          | • Learn roles and expectations of board members and committees. | • Board manual and expectation agreement  
                          |                                                                                           | • Board member profiles  
                          |                                                                                           | • List of committees  
                          |                                                                                           | • Meeting schedule  
                          |                                                                                           | • Governance committee chair  
                          |                                                                                           | • Board chair |
|                          |                                                                                           | • Other board members as available |
| Finances                 | • Provide new board members with knowledge about funding streams, current fiscal status, overall fiscal health of the organization | • Most recent audit  
                          |                                                                                           | • Annual budget  
                          |                                                                                           | • Financial reports  
                          |                                                                                           | • Finance chair  
                          |                                                                                           | • Board treasurer  
                          |                                                                                           | • Board chair  
                          |                                                                                           | • Executive director  
                          |                                                                                           | • CFO |
| Programs                 | • Provide inspiration about why services make a difference, how mission is achieved | • Tour facilities/programs  
                          |                                                                                           | • Client presentations  
                          |                                                                                           | • Videos, program descriptions  
                          |                                                                                           | • Program staff  
                          |                                                                                           | • Executive director |
| Organization Structure   | • Help new board member understand staff roles and how the organization operates. | • Bylaws, organization chart  
                          |                                                                                           | • Key staff job descriptions  
                          |                                                                                           | • Staff presentations  
                          |                                                                                           | • Executive director  
                          |                                                                                           | • Senior managers |
| Fundraising              | • Help new board member find their fit in fundraising strategies | • Fund Development Plan  
                          |                                                                                           | • Annual Appeal process  
                          |                                                                                           | • Events calendar  
                          |                                                                                           | • Chair of development committee  
                          |                                                                                           | • Board chair  
                          |                                                                                           | • Development director |

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BOARD ORIENTATION CHECKLIST

- **Tour** facility
- **Introduce** to staff and specifically to administrative assistant assigned to board communications
- **Review Board Manual** which should include:
  - Contact information and profiles of fellow board members
  - Contact information of key staff people
  - Organizational chart
  - List of committees
  - Board meeting schedule for the coming year
  - Copies of mission, vision and values statement
  - Current by-laws
  - Current strategic and/or business plan
  - Current annual budget
  - Copies of appropriate policies such as investment, conflict of interest or whistleblower
  - Description of programs
- Discuss brief **historical overview and key milestones** of nonprofit
- **Discuss mission** and provide stories, data and overview of what is being accomplished
- If appropriate, **invite clients or constituents** to describe benefits of services and share outcomes
- **Review fiscal report** and describe how financials will be provided to board, key indicators the board tracks for fiscal stability
- Provide copy of most recent **Form 990 and audit**
- **Review strategic plan** and discuss how plan is used and the process for future planning
- **Review annual budget**, explaining historical trends in both revenue and expense
- **Review committee structures** and task force sub-groups and discuss process for serving on a committee
- If senior management team is in place, **ask team to meet with new member** and describe priorities and roles
- Discuss the ways in which board members engage in **fundraising strategies** and the giving expectations for board members
- **Connect new board member to a senior board mentor** – so that throughout the first year the new member has someone to check in with and provide support
Achtung!
State Board of Higher Education

- Voters approved 1938, effective 1939
- SBHE has “full authority over the institutions under its control” – now eleven
- Constitutional authority also supplemented by statutory authority
- Eight voting members with two statutory advisors (faculty and staff)
- Appoints chancellor (f/k/a commissioner) as chief executive officer
Statutory Advisors

- Council of College Faculties annually appoints one advisor
- Staff Senate annually appoints one advisor
- Advisors may participate in all meetings, but may not vote
- Advisors’ loyalty and responsibilities are to the SBHE, not to the appointing organization
North Dakota University System

- SBHE established a unified system of higher education with a chancellor as CEO in 1990 (Policy 100.6)
- Legislature designated it the “North Dakota University System” in 2001 (§15-10-01.2)
- System include +50,000 students, +18,000 employees/faculty, 11 institutions, system office, and Core Technology Services (CTS)
- SBHE responsible for $2.6B/biennium
One Board
Eleven Unique Institutions

- **Research Universities**
  - NDSU*
  - UND*

- **Four-Year Universities**
  - DSU*
  - MaSU*
  - MiSU*
  - ViSU*
  - VC SU*

- **Two-Year Colleges**
  - BSC
  - DC B*
  - LRSC
  - NDSC S*
  - WSC

*Eight institutions are named in ND Constitution Articles VIII and IX.*
Ex Officio Boards, Commission

SBHE members are also ex officio members of several boards, commissions, and committees:
- Association of Community College Trustees
- Centers of Excellence Commission
- Challenge Grant Review Committee
- Midwestern Higher Education Compact (MHEC)
- School of Medicine and Health Sciences Advisory Council
Board Committees

- Audit (Policy 302.2)
- Budget and Finance (Policy 302.3)
- Academic and Student Affairs (Policy 302.1)
System Services

- Academic policy, planning, and quality assessment
- Capital planning and construction
- Budgeting
- Human resource policy and compliance
- Institutional research
- Risk management
- Internal auditing
- Legal services
- Information technology systems and services
- Legislative and community relations
Key Governance Policies

- ND Constitution – Article VIII, Section 6
- ND Century Code – Chap. 15-10 and others
- SBHE Authority and Responsibility – 100.6
- Chancellor Authority – 304.1
- Code of Conduct – 308.1
- Beliefs and Core Values – 100.5
- Mission and Vision – 100.4
- Presidents’ Authority and Responsibilities – 305.1
Strategic Plan

- Key governance function
  - Planning
  - Implementation
  - Monitoring and accountability
- Required by state law - §15-10-14.2
- Required by policy - 303.2
- Current plan is under review (tomorrow)
Open Meetings

- Four voting (or more) members of SBHE conducting public business is a “meeting”
- Meeting can be in person, telephone, video conference, or email
- Includes committee meetings when two or more are working on a task assigned or delegated by SBHE
- Exception: social gathering **IF** public business is **NOT** discussed
Open Records

- All records regarding public business in possession of SBHE members, at NDUS office, at institutions, in possession of employees, etc. are public records.
- Must be disclosed, upon request, unless state or federal law prohibits disclosure.
- Documents can be paper, email (including personal), digital (on personal computer, laptop, smartphone, etc.) and on official or personal devices.
Liability of SBHE Members

- Board members are protected by state law when acting within the scope of their appointment.
- Lawsuits against SBHE or named board members are defended by AG-appointed lawyers.
- If judgment against board members in federal court or other state, ND will indemnify board member.
Fiduciary Responsibilities

- Prepare for, attend, and participate in board meetings
- Avoid, declare conflicts of interest
- Robust debate prior to, but unified voice following, board decision
- Continuing education about governing (as a board member - AGB) and the institutions
- Specific responsibility for retirement plans (Policy 703.3)
Foundations

- Each institution has one or more foundations associated with it
- Foundations now receiving state grants through Challenge Grant Program
- NDSU Research Foundation manages NDSU’s IP
- Policy 340.2 requires operating agreement between institution and foundation
- AG has opined that campus-related foundations are subject to open records/meetings laws
- State auditor may focus on foundations in 2014-15
Accreditation

- Higher Learning Commission evaluates the eleven institutions and the SBHE for accreditation purposes
  - HLC currently evaluating SBHE in response to 2013 complaint
- Nearly 100 other organizations accredit individual schools and programs within the NDUS
- SBHE is ultimately responsible for accreditation of the NDUS
SBHE members compensated [$14.80/hour]
  - If more than 1 hour, paid for 5 hours ($74)
  - If more than 4 hours, paid for 10 hours ($148)
  - Student member not compensated, but tuition and fees are waived IAW Policy 820(2)(a)
  - Campus reimbursed $4500/yr for each advisor’s services

- Reimbursed for travel expenses IAW policies governing all state employees
- Board president must approve all out-of-state travel
- Student member and advisors may use state fleet vehicles and others may use POVs
Constitutional Measure 3

- Measure 3 (HCR 3047) is on November 4 ballot
- If approved, SBHE would be replaced with three-member full-time commission
- Board members may express their personal opinion when “off the clock”
- However, NDCC § 16.1-10-02 prohibits using state funds, services, or resources to campaign for or against Measure 3
Use of Public Property or Services for Political Purposes

- No person may use public property or services for political purposes (NDCC § 16.1-10-02)
- Political purpose includes any activity to support or oppose a constitutional measure
- May not use language such as “vote for” or “oppose” or any similar support or opposition language
- However...
However...

- “[Political purpose] does not include activities undertaken in the performance of public office or a position taken in any bona fide news story, commentary, or editorial.”

- “Factual information may be presented regarding a ballot questions solely for the purposes of educating voters if the information does not advocate for or against or otherwise reflect a position on the adoption or rejection of the ballot question.”
QUESTIONS?

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THANK YOU