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Trustees Are More Engaged but Still Need Improvement, Survey Finds

By PAUL FAIN

College governing boards are becoming more effective and engaged but continue to fall short in some areas, according to survey results released today by the Association of Governing Boards of Universities and Colleges.

The association's survey of almost 700 public and private colleges, conducted last year and described as the first detailed analysis of best practices and policies for higher-education governance, found that 54 percent of boards monitored college finances with a specialized audit committee, up from 33 percent in 2004. And the proportion of boards that had in place a conflict-of-interest policy was 89 percent, up from 47 percent in 1986.

But while the trends found in the survey were positive, far from all boards follow the association's recommendations to the letter. For example, one-third fail to conduct periodic self-assessments of their own performance, and the same proportion lack policy statements on members' responsibilities.

Governance issues are hot news of late, with trustees facing heavy criticism for their roles in a politically connected hire at North Carolina State University, in preferential admissions at the University of Illinois at Urbana-Champaign, and in failing to catch an alleged misuse of public funds by former administrators at the City College of San Francisco.

The survey found that most, but not all, boards conduct annual performance reviews of their college presidents and document the process used to set presidential pay. However, only 64 percent of private-college boards reported that the full board was even aware of the president's compensation level, compared with 92 percent of public-college boards.

Another worrisome finding was that some colleges were having an increasingly hard time identifying new trustees. About one-quarter of private colleges and 19 percent of public ones reported that, over the past five years, recruiting members had grown "harder or much harder."

The survey generally found the larger the college's budget, the more active the board's participation and the stronger its policies.

Training Trustees to Serve

Officials of the governing-boards association said they were pleased with the survey's results, which they said showed that higher education's governance structure was working. But they acknowledged room for improvement.

Susan Whealler Johnston, author of a report on the survey and the association's executive vice president, said she was particularly heartened by the high percentage of board members who

were being trained in financial literacy and academic quality. At colleges where new board members receive some formal orientation, 85 percent are trained on the college's finances, while 69 percent get a review on academic programs.

However, the survey also found that the training sessions for new board members were brief. The most common length of board orientations was less than a half-day, and only 20 percent of boards devoted a full day to orientation. But some boards might be stretching their training over multiple sessions, Ms. Johnston said, a method that was not covered by the survey's questions.

The survey's findings on recruitment problems for some colleges were a "dangerous sign for higher education," Ms. Johnston said. High-quality board members willing to devote their energy to volunteer tasks are in high demand, she said, particularly as the recession batters most colleges.

Survey respondents cited several reasons that boards were having problems signing up new members, including worries about time commitments, more pressure for personal giving, concern over colleges' financial health, and an increased focus on accountability and transparency.

The survey was sponsored by the TIAA-CREF Institute. The association conducts a survey of the composition of boards about every four years, with the latest installment slated for release next spring.

Ms. Johnston said the governance survey was created in response to the growing number of questions the association had received from boards about best practices and policies.

An executive summary of the report, "AGB Survey of Higher Education Governance," is available on the association's Web site.