

## Vermont Senate Committee on Education AGB Written Testimony Thursday, April 4, 1:30PM ET

Submitted to: The Vermont Senate Committee on Education  
From: Dr. Mary Papazian, Executive Vice President, Association of Governing Boards of Universities and Colleges  
Subject: Testimony on higher education board composition

Chair Champion, Vice Chair Gulick, and members of the Senate Committee on Education,

On behalf of the Association of Governing Boards of Universities and Colleges (AGB), thank you for inviting me here to testify and answer questions relating to governing board composition. My name is Dr. Mary Papazian, and I am the executive vice president of the Association of Governing Boards of Universities and Colleges.

I am here today to share AGB's perspective on an issue that many college and university governing boards have discussed for decades: the addition of voting board seats dedicated to faculty and/or staff. I understand that this issue has appeared on multiple bills in this and previous legislative sessions in the Green Mountain State.

### **AGB and personal background**

Established in 1921, AGB's mission is to advance higher education as a public good by preparing college, university, and institutionally related foundation governing boards to fulfill their fiduciary duties and exemplify the highest ideals of trusteeship. AGB provides leading practices, educational resources, and expert support that advance board excellence for its 40,000 members from more than 2,000 institutions, systems, and foundations, including the Vermont State Colleges and the University of Vermont.

I, myself, have served as president at two public institutions in Connecticut and California, and I currently serve on the board of Haigazian University, a private university in Beirut, Lebanon. I have more than 35 years of experience in higher education, and in that time, I have worked alongside some outstanding faculty board members. I also have served as a provost, dean, and I was a member of the full-time tenured faculty at Oakland University in Michigan for 16 years.

### **Why governing boards should not have designated faculty or staff seats**

As I mentioned, the question of including faculty and staff on governing boards has a long history. There is a saying among my AGB colleagues that when you've seen one board, you've seen one board. Each makes its decisions in a specific context that may be different

from that of other boards. So, my comments will focus on best practices in good governance, and I will leave it to you to determine how best to align these best practices with the needs of Vermont's citizens.

Concerned that faculty and staff perspectives might not reach the board, calls for faculty or staff representation on the board typically are intended to strengthen their voice. We find this worry to be especially prevalent when colleges and universities are consolidating or shrinking.

However, in AGB's collective experience, adding voting board seats to accomplish that goal could significantly undermine effective governance. As a best practice, AGB recommends that governing boards avoid having designated voting slots for faculty or staff. Citizen trusteeship, the basis for American higher education governance, works because board members are independent in their individual and collective judgment. Their primary fiduciary duties are to the institutions they hold in trust for current and future generations. Not for specific groups, or for special interests, but for everyone. To do so, board members uphold the fiduciary duties of care, loyalty, and obedience.

As indicated in AGB's 2010 [Statement on Board Responsibility for Institutional Governance](#):

*It is AGB's view that faculty [and] staff...ordinarily should not serve as voting members of their own institution's governing board because such involvement runs counter to the principle of independence of judgment required of board members. Particularly in the case of faculty or staff members, board membership can place them in conflict with their employment status.*

In particular, the duty of loyalty obligates board members to act in good faith and to put the interests of the institution above personal or private interests. And yet, faculty and staff face a real, incontrovertible conflict: sometimes board members must make difficult decisions that impact themselves and their employees. Boards routinely review budgets, personnel policies, and strategies that could directly impact salaries and employment opportunities. But faculty and staff who serve in a dual role as fiduciaries and employees will always face skepticism that they will act in the best interests of the college system, not for themselves. This is particularly important when considering board membership for faculty or staff who belong to a union. It can be difficult for union members to separate the long-term needs of the institution from the immediate concerns of fellow union members, especially when there is a conversation about salaries, tenure policies, or the fate of academic programs.

Imagine being the faculty member representative preparing for a board meeting the next day. You hear that one colleague with whom you have taught is concerned about whether his academic program will be on the chopping block. You hear from your academic chair

that there is fear in the department about tenure changes, which are especially painful because you yourself hold a tenured position. By the time you have finished teaching your classes, there are 30 voicemails from people you work with regularly, asking for your help.

That is why board independence is so crucial. Having one foot in the institution and one foot outside is a feature, not a bug. Board members' fiduciary duties require them to put their institutions first, not their colleagues. This is not to impugn any specific faculty member who might be able to rise to the challenge of serving as both a fiduciary and a board member, but we invite an inherent conflict of interest when we put someone in that position. In our view, there is no reason to introduce this kind of conflict.

Proponents of adding faculty and staff voting board positions sometimes assert that these board members can simply recuse themselves from votes that might directly impact them. Perhaps, but that requires that the board member 1) chooses to recuse themselves, and 2) continues to put themselves in the position of making decisions at odds with the desires or expectations of their faculty and staff colleagues. Given the inherent conflict of interest, adding a seat and asking the faculty and staff board members to recuse themselves may not be the best vehicle to ensure faculty and staff input into the board's work.

Furthermore, faculty board membership is outside the mainstream of standard board composition. According to AGB's benchmark survey report, [Policies, Practices, and Composition of Governing and Foundation Boards 2021](#), only 18.4 percent of public institution boards have voting faculty board membership, and even fewer—8.7 percent—have voting staff board membership. Of that number, only a handful are public college or university systems.

## **Effective alternatives**

Additionally, AGB's *Statement on Board Responsibility for Institutional Governance* states:

*Even when constituent groups are represented on the board, the board should be mindful that the presence of one or more students, faculty, or staff as members of the board or its committees or institutional task forces neither constitutes nor substitutes for communication and consultation with these constituent groups.*

Higher education currently is facing some very strong headwinds, and I have spoken to many of my higher education colleagues about the fear, anxiety, frustration, and friction in campus communities across the country. I recognize that faculty or staff believe that having a seat at the table will address some of those concerns. But to do so could undermine the board's ability to uphold its fiduciary duties. At the same time, it is important that faculty and staff voices be heard, particularly when boards are considering difficult decisions. In our view, rather than guarantee board seats that carry an inherent conflict of interest, AGB recommends alternative ways to engage faculty and staff.

One alternative is the use of designated representatives who regularly update the board on faculty and staff issues and perspectives. It is common practice for these groups to serve or support board committees, both standing and *ad hoc*. I understand that the Vermont State Colleges system already includes faculty and staff in one of its board committees and is interested in adding faculty and staff to other committees so the board can hear their perspectives on a range of issues. These opportunities allow for regular back and forth but do not run the same governance risks as board membership.

AGB also recommends that governing boards review their shared governance policies. Although governing boards retain final authority over their institutions, they regularly delegate certain responsibilities to faculty and administrators so that institutions can effectively marry responsibility, expertise, and accountability. That isn't to say that faculty should expect the last word in an effective shared governance paradigm, but it does allow for a range of voices to come together to find joint purpose and alignment on the best path forward for the institution.

## **Conclusion**

In my opinion, based on over 35 years serving in higher education and consistent with AGB's principles of governance independence, I see no sound reason to enact any provision granting voting board membership to faculty or staff. Doing so could have unintended consequences for the Vermont State Colleges system and to Vermont's higher education goals. And, as both a former faculty member and campus administrator and CEO, I also support any other efforts short of board membership to ensure the board has the benefit of the perspectives and input of faculty and staff as they do their important work of leadership and oversight of the institution.

Respectfully submitted,

Dr. Mary Papazian  
Executive Vice President  
Association of Governing Boards of Universities and Colleges