Points on Governance

Talking Points for Discussion
Governance & Policy Committee Oregon University System
21 April 2011
David Longanecker and Aims McGuinness
Different but Complementary Roles

• **Campus governance** (for single institutions)

• **System governance** for sectors (e.g., universities)

• **Statewide coordination** across all higher education

• **Strategic investment/budgeting** for all education
System governance and institutional governance are BOTH important

- Effective systems support strong institutional governance
- Effective institutional governance functions in the public interest and the system as a whole
- The sum of institutional interests does not add up to the public interest
Effective systems

• Link system and institutional performance to state goals—the public interest

• Support differentiated institutional missions using policy tools:
  – Presidential selection and evaluation
  – Finance policy
  – Differentiation in program review and approval
  – Differentiation in faculty reward structures
Effective Systems (Continued)

• Support highly effective leadership and performance at each campus/institution in line with unique missions

• Make the system “more than the sum of its parts” in terms:
  – Synergy to increase student opportunities,
  – Promote transfer and articulation
  – Promote system-wide initiatives for quality/productivity improvements, etc.

• Achieve economies-of-scale across the system in administrative, financial, information technology and other support services
Governing boards for single public universities not in systems

• Focus on:
  – Advocacy for the single institution with the state and major stakeholders (including private fundraising)
  – Appointing/evaluating the president
  – Strategic planning and budgeting for the single institution
  – Holding the president accountable for performance related to institutions mission and strategic plan
  – Ensuring the long-term fiscal viability of the single institution

• Most states with single-institution governing boards also have a statewide coordinating board that holds the campus boards accountable for achieving statewide goals
Systems with “local boards” for individual institutions

• Make explicit that the campus boards are **advisory** and that their **powers are delegated by and subordinate to** the system governing board.

• Powers tend to be limited to:
  – Advice on presidential selection
  – Advocacy for the campus (including fundraising)
  – Review and advice on the campus strategic plan and budget
  – Limited authority (as delegated by system board) for campus-level decisions

• Campus Boards are at **all** System Institutions, not for only one or two institutions in the system
Key Feature of Effective Systems: Political Balance

- A key (and often forgotten) attribute of effective state higher education systems (with small “s”) is political balance among institutions and sectors. Balance among:
  - Sectors (politically powerful major universities vs. smaller state universities)
  - Missions: research universities, teaching universities, urban universities, community colleges, etc.
  - Regions: rural areas vs., major urban centers
Changing Governance Should be Last Option

• Governance change (e.g., establishing consolidated systems, merging institutions, or abolishing systems) should be the VERY LAST option that a state considers to address major policy goals or concerns:
  – Governance change is extremely costly
  – Improving performance of the existing structure should always be considered first
  – Changes in finance policy are far more effective tools for change than reorganization
Major trends:

• Over past 50 years, trend in the U.S. has been to consolidate universities within systems or under the authority of a single governing board.

• Only four states have abolished systems and created single campus governing boards (in one case—Florida—the system was reestablished):
  – Colorado: State College System
  – Florida: Florida University System (later reconsolidated under Board of Governors)
  – Illinois: Board of Governors and Board of Regents
  – West Virginia: Board of Regents
Trend has been to decentralize and increase flexibility within systems, not to abolish systems. Changes have been:

- Between the state and systems
- Between systems and institutions

States undertaking major deregulation initiatives have generally done so for all public universities in the state, not for single institutions. Only a few exceptions: As examples: St. Mary’s in Maryland, Colorado School of Mines
Illustrations of State Structures

• There is No “Best Model”
• Each State’s Structure Has Evolved to Fit Its Unique History, Culture and Priorities
Keys to Different Structures

- Governing Board
- Coordinating Board
- Planning or Regulatory Agency
- University
- CC or Tech College
- 2-yr Campus
Explanation: Each public university has a governing board. State board for community colleges either
governs the colleges or coordinates locally governed community colleges. Coordinating boards plan
and coordinate the whole system.

States: Kentucky, Virginia and Washington State. Kentucky and Virginia community college boards are
a statewide governing boards whereas the Washington State community college board is a
coordinating board for locally governed colleges.
Explanation: Public institutions are organized under three state-level boards, one for research universities, one for comprehensive state universities, and the third a state-level governing board or a coordinating board for locally governed community colleges. Coordinating board has responsibility for planning and coordinating the system.

States: California and Connecticut
**Explanation:** All public institutions are governed by a single statewide board. Two-year campuses may include two-year primarily transfer campuses and/or community or technical colleges.

**States:** Alaska, Hawaii, Idaho, Nevada, North Dakota, Rhode Island, Utah, DC, and Puerto Rico.
Explanation: All public institutions are under a single statewide board. The board has governing responsibility for universities, but only coordinating responsibility for locally governed community colleges. No other state higher education planning or regulatory agency between board and Governor and Legislature.

States: Kansas
Explanation: Two separate boards govern public institutions, one board for the research university and other university campuses, and the other board for the state colleges and community colleges. This second board also has responsibility for planning and coordinating all public higher education.

States: Massachusetts


Explanation: Two separate boards govern public institutions, one board for the research university and other university campuses as well as 2-year (primarily transfer) colleges, and the other board for technical colleges.

States: Georgia and Wisconsin
Explanation: Two separate state-level boards are responsible for all public institutions. No state-level planning or regulatory agency between boards and Governor and Legislature.
States: Vermont
Explanation: Two separate state-level boards are responsible for all public institutions. Planning/service agency has no coordinating authority related to governing boards.

States: Minnesota
**Explanation:** Two separate state-level boards/agencies are responsible for all public institutions, one for universities and other for community or technical colleges. No state-level higher education planning or regulatory agency between boards and Governor and Legislature. Board for community or technical colleges may be either a state-level governing board (North Carolina) or a coordinating/regulatory board for locally governed colleges (Iowa and Oregon).

**States:** Iowa, North Carolina, and Oregon, and Wyoming (only one university)
**Explanation:** Two separate state-level boards are responsible for all public institutions, one for universities and other for community or technical colleges. Planning or regulatory agency has limited authority related to public institution governing board.

**States:** Delaware and New Hampshire.
**Explanation**: State-Level Coordinating Board and two separate state-level governing boards, one for universities, and the other for universities, community colleges and technical institutions.

**States**: Tennessee
Explanation: Complex system of institutional governance including some multi-campus systems and some institutions with individual governing boards. State-Level board is responsible for coordinating the whole system.

States: Alabama, Colorado, Illinois, South Carolina. In Texas, there is no state-level coordinating entity for locally governed community colleges.
**Explanation:** Complex system of institutional governance including some multi-campus systems and some institutions with individual governing boards. State-Level board has limited planning and regulatory authority related primarily to community colleges. Responsible for coordinating the whole system.

**States:** Pennsylvania
Explanation: One board coordinates all higher education in the state. Two separate boards have responsibility for public institutions. One board governs state-operated universities and coordinates locally governed community colleges. The other board governs city universities and community colleges.