

Oklahoma Board of Regents

Governance Best Practices

Fiduciary Duty and Trustee Responsibility

Carlton E. Brown, Ed.D.

AGB Senior Fellow

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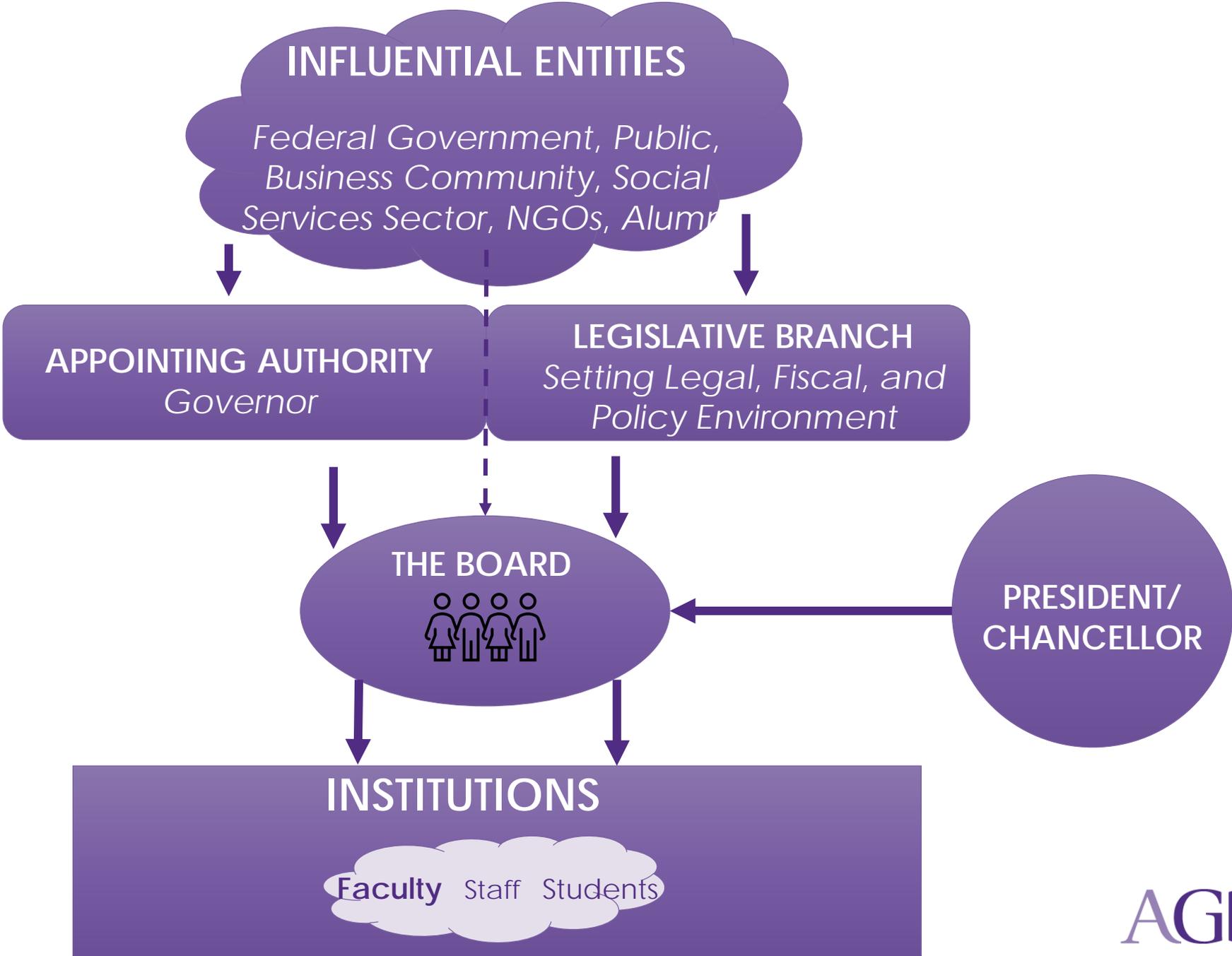


Consequential Board Governance

Fundamental Duties and Responsibilities



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Fiduciary Duties

Under state statutory and common law, board members of corporations—including nonprofit corporations (such as institutionally related foundations) and public bodies that operate colleges and universities—must act in accordance with the fiduciary duties of **care, loyalty, and obedience.**

Ten Key Responsibilities of the Board

1. Establish, disseminate, and keep current the mission of the institution.
2. Select and support the president of the institution.
3. Periodically assess the president's performance and review his or her compensation.
4. Charge the president with the task of leading a strategic planning process, participate in that process, approve the strategic plan, and monitor its progress.
5. Ensure the institution's fiscal integrity, preserve and protect its assets for posterity, and engage directly in fundraising and philanthropy.

Ten Key Responsibilities of the Board

6. Ensure the quality of the education provided by the institution.
7. Safeguard both the autonomy of the institution and the related tradition of academic freedom.
8. Ensure that the policies and processes of the institution remain current and are properly implemented.
9. Engage regularly with the institution's major constituencies.
10. Ensure that the board's business is conducted in an exemplary fashion, that its governance policies and practices are kept current, and that the performance of the board, its committees, and its members are periodically assessed.

Foundational Board Principles

Establish Clear Roles

Build Trust

Prioritize the Board Chair

Build Social Capital

Key Strategies

Communicate Proactively and Transparently

Respect Each Other's Expertise

Nurture Relationships Outside of Formal Meetings

Set Expectations for Communication

Governance vs. Management

Governance

- Strategic direction
- Oversight
- Setting the overall rules and values

Management

- Planning, organizing, and staffing
- Leading and controlling day-to-day operations
- Implementing strategies and policies set by governance
- Managing resources like people, time, and money

Generic advice for hard times

- Listen. Be curious.
- Talk with each other. Name the elephants in the room and deal with them.
- Solidify the board-president partnership.
- Improve shared governance.
- Give others the benefit of the doubt.
- Focus on the institution's mission, longevity, and autonomy – educate, enhance, defend, repair, celebrate.
- Stay at strategic level.
- Improve board governance systematically and continuously.
- If you can't agree, start asking questions so you can better understand.

Questions?

Comments?

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