

ABHE 79th ANNUAL MEETING

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The Ten Best Practices of the Most Effective Boards

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Five Functions of the Board

1. Overseeing Implementation of the College's Mission
2. Ensuring High Performing Leadership
3. Guarding the Financial Well Being of the College
4. Supporting Academic Quality and Student Learning
5. Engaging in Institutional Planning and Improvement

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1. Effective Boards:

***Intentionally Shape Board Composition
Through Mission-Aligned Criteria***

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Identification and Recruitment of New Trustees

- ▶ **Identifying** and **recruiting** strong board members is a major responsibility of boards.
- ▶ The **quality** and **effectiveness** of your board begins with the selection and orientation of individual trustees.
- ▶ The process is managed by the **Board Governance Committee**. However, it is often the president who is key to recommending prospects.

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Criteria for New Trustee Consideration

- ▶ Character – spiritual maturity
- ▶ Commitment – aligned with mission
- ▶ Calling – sense of God’s leading
- ▶ Competency – skill set and gifts
- ▶ Chemistry – fit with board culture



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Importance of Board Diversity

Over time, many boards tend to draw members from circles of acquaintance or influence with which they are most familiar. This can lead to a board that lacks diversity and to change this pattern, the governance committee must be intentional about identifying new members who may not look like those of the past.

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Importance of Board Diversity

Each person who serves on the board brings a unique perspective that can make for better decisions. While financial contributions are important and each member needs to support the college at some level, that alone should not be the primary consideration. The governance committee functions best when it has a set of criteria that describe the **qualifications of the ideal board member** and a **profile of the ideal board**.

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Building a Board Profile

- ▶ What skill sets and professional and demographic backgrounds does the Board require to increase its overall effectiveness?
- ▶ What are the three most important goals the board must accomplish in the next 3-5 years?
- ▶ Do we have the expertise on the board to help facilitate those goals?

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Existing and Desired Board Composition

Name	Male	Female	Geographic (City, State)	Race/ Ethnicity	Age	Alumna/us	Profession/ Skills	Church Affiliation	Other

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2. Effective Boards:

***Provide Comprehensive Orientation
for New Trustees***

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AGB Perspective on Orientation

“Board orientation provides a unique forum for an institution to help new board members understand the roles and responsibilities expected of them. It is a chance, too, to share essential information that the college or university thinks new trustees need to know. Moreover, it is an opportunity for the institution to bring new members up to date about where it is today and its goals for the future.”

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Orientation Agenda

- ✓ Board Chair (general information about board procedures)
- ✓ President and Cabinet (share overview of their respective areas)
- ✓ College history (provided by a campus “historian”)
- ✓ Review Board Handbook
- ✓ Updates (current issues, projects, opportunities, and challenges)
- ✓ Review Strategic Plan initiatives
- ✓ Determine interests for service on board committees
- ✓ Campus tour & Lunch (with student leaders and/or faculty)
- ✓ Assign a veteran board member as a mentor

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An Orientation Checklist



Trustee Orientation Checklist

Board chairs, presidents, and board governance committees have the responsibility of ensuring all new trustees are properly informed of their roles and familiarized with the institution. This requires an investment in an effective orientation program. The following checklist is designed to help track the various components and should be modified as needed based on the requirements of the respective board.

___ Contact prospective candidates in person or by call to determine level of interest and answer initial questions

___ Provide general information about the college, expectations for serving on the board of trustees, and process of board approval of new trustees

___ Request a prospective trustee profile be completed for submission to the board governance committee

___ Upon approval by the board, inform candidates of board action and send welcome letter from the board chair and president

___ Send or personally deliver an orientation packet that includes:

- ✓ General information about the college (admissions brochure)
- ✓ Access to confidential board portal with log in details
- ✓ Links to the college website and any videos of interest
- ✓ Registration in ABHE's Board Governance Community
- ✓ Calendar of upcoming board meetings and special events
- ✓ Board Handbook & Policy Manual (hard copy or digital version)
- ✓ Details on meeting arrangements and travel reimbursement
- ✓ Recommended readings (articles, books, etc.)
- ✓ Complimentary college logo item (portfolio, pen, shirt, etc.)

___ Arrange time and location for new trustee orientation prior to first board meeting (often takes place immediately before a regularly scheduled meeting)

___ Update the Board Orientation Manual (Table of Contents)

- ✓ Introduction from board chair
- ✓ Brief historical summary of the college
- ✓ Current board member names and brief bios
- ✓ Board committees and assignments
- ✓ Organizational Chart
- ✓ Board Functions and Trustee Roles & Responsibilities summary (see attachment)
- ✓ Mission and Vision Statements
- ✓ College Bylaws & Articles of Incorporation (unless included in Board Handbook)
- ✓ Budget summary
- ✓ Strategic Plan summary
- ✓ Campus Map
- ✓ List of contact information and campus phone numbers
- ✓ List of academic and higher education terminology and associations
- ✓ List of available board governance educational materials
- ✓ Other _____

___ Orientation Meeting Agenda (Led by Governance Committee Chair. Some portions may be completed in a virtual meeting)

- ✓ Introductions
- ✓ Prayer
- ✓ Board Chair (general information about board procedures)
- ✓ President and Cabinet (share an overview of their respective areas)
- ✓ College history (provided by a campus "historian")
- ✓ Review Orientation Manual
- ✓ Answer any questions regarding the Board Handbook and Policy Manual
- ✓ Update on current board issues, projects, opportunities, and challenges
- ✓ Review Strategic Plan initiatives
- ✓ Determine interests regarding areas of board committee service
- ✓ Sign Conflict of Interest document
- ✓ Sign Annual Affirmation document
- ✓ Campus tour
- ✓ Lunch with student leaders and/or faculty

___ Assign a veteran board member as a mentor

___ Follow up call after first board meeting to get initial impressions and answer questions

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3. Effective Boards:



Evaluate Board Performance and Commit to Continuous Improvement

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Evaluation Tools

GOVERNING BOARD ASSESSMENT

For each item, record in the box your evaluation score from 1 (Strongly Disagree) to 5 (Strongly Agree).

How well does our board function?	Strongly Disagree (1)	Disagree (2)	Undecided (3)	Agree (4)	Strongly Agree (5)
1. Our board carves out time to creatively address the current and future needs of our students.					
2. Our board clearly sees its work as Christ-centered.					
3. Our board has been very effective over the last 12-18 months.					
4. Our board understands its roles and responsibilities.					
5. Our board ensures that the college has an active strategic planning process in place.					
6. Our board annually affirms and "owns" the college's strategy.					
7. We know the spiritual gifts and skills of every board member.					

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Evaluation Tools

BOARD MEMBER SELF-ASSESSMENT

For each item, record in the box your evaluation score from 1 (Strongly Disagree) to 5 (Strongly Agree).

How well do you serve on your board?	Strongly Disagree (1)	Disagree (2)	Undecided (3)	Agree (4)	Strongly Agree (5)
1. I am aware of what is expected of me as a board member.					
2. I have a good record of meeting attendance.					
3. I read the minutes, reports and other materials in advance.					
4. I am familiar with what is in the colleges's by-laws and governing policies.					
5. I frequently encourage other board members to express their opinions at board meetings.					
6. I am comfortable expressing my perspective at board meetings and when I have a different opinion than the majority, I raise it.					
7. I am a good listener at board meetings.					

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4. Effective Boards:

***Use a Current Board Handbook
and Policy Governance Manual***

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Governing vs. Managing



What distinguishes governing from managing is the Board's delegation of responsibility to the president and senior staff for operating the business of the college within clearly established, approved, and monitored policies.

Governing Boards are policy-focused using clearly defined parameters to guide the operating and oversight of their own and the staff's work.



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Board Handbook and Policy Manual

A Board Handbook and Policies Manual (BPM) is an organized “living” document that contains ***all*** the current policies your board has adopted to govern wisely. Included in a BPM are:

- Clearly articulated vision/mission/values
- Board-level goals
- How the board functions
- The board’s relationship with its CEO and staff
- Definition of committee functions
- Board parameters around executive actions and outcomes

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5. Effective Boards:

Have Productive Board Meetings

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Keys to an Efficient Board Meeting

- ✓ Mission-Aligned Agenda
- ✓ Strong Pre-Meeting Preparation
- ✓ Spiritually Grounded Data-Driven Decisions
- ✓ Disciplined Facilitation
- ✓ Engaged Discussion
- ✓ Governance, Not Micromanagement
- ✓ Executive Session for Honest Dialogue



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6. Effective Boards:

***Anchor Every Decision in Mission
and Spiritual Discernment***

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How to Make Spiritually Grounded Data-Driven Decisions: Faith & Facts

- ▶ Begin With Prayerful Posture, Not Personal Preference
- ▶ Keep the Mission in Focus
- ▶ Seek High-Quality, Decision-Ready Information
- ▶ Slow Down When Decisions Feel Rushed or Fear-Driven
- ▶ Seek Unity Without Silencing Dissent



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The Risk of Mission Drift

"Without careful attention, faith-based organizations will inevitably drift from their founding mission."

Mission Drift: The Unspoken Crisis Facing Leaders, Charities, & Churches
Peter Greer, et.al.

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7. Effective Boards:

Use Data-Driven Oversight and Key Performance Indicators

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The Balanced Scorecard Model Adapted for Higher Education

Financial or Stewardship	- Financial Performance - Effective Resource Use	Debt Endowment Net Tuition	Composite Score Default Rate Donations
Customer & Stakeholder	- Customer Value - Satisfaction and/or Retention	Graduation & Retention Rates Placement Rates Student Satisfaction Inventory	
Internal Process	- Efficiency - Quality	Tuition Discount Enrollment and Yield Rates Accreditation Status	
Organizational Capacity or Learning & Growth	- Human Capital - Infrastructure & Technology - Culture	Facility Capacity/Occupancy Employee Status Faculty/Student Ratio	

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8. Effective Boards:

***Maintain a Strategic,
Future-Focused Posture***

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Planning for the Future Amid Rapid Change

- ▶ Be aware of current trends
- ▶ Know your market
- ▶ Engage stakeholders
- ▶ Articulate a compelling vision
- ▶ Plan for alternate scenarios
- ▶ Sustain competitive advantage
- ▶ Monitor progress on plans



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9. Effective Boards:

***Ensure Strong Financial Stewardship
and Resource Development***

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Resources and Margin

"The board cited increased costs, declining enrollment and rising debt for its announcement, which have become common pain points for small private colleges that have struggled and closed."



- ▶ Viability Is a core fiduciary responsibility
- ▶ Understand the business model
- ▶ Insist on clear, timely Information
- ▶ What are the revenue trends?
- ▶ Are the current enrollment and fundraising strategies working?

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10. Effective Boards:

***Strengthen Presidential Leadership
Through Clear Governance and Support***

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The President and the Board

PRESIDENT'S REPORT

- ▶ Presidential roles and responsibilities
- ▶ The President and the Board Chair
- ▶ Performance reviews
- ▶ The President's health and well-being
- ▶ Prayer and personal encouragement



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Ten Best Practices of the Most Effective Boards:

1. Intentionally Shape Board Composition Through Mission-Aligned Criteria
2. Provide Comprehensive Orientation and Board Development
3. Evaluate Board Performance and Commit to Continuous Improvement
4. Use a Current Board Handbook and Policy Manual
5. Have Productive Board Meetings
6. Anchor Every Decision in Mission and Spiritual Discernment
7. Use Data-Driven Oversight and Key Performance Indicators
8. Maintain a Strategic, Future-Focused Posture
9. Ensure Strong Financial Stewardship and Resource Development
10. Strengthen Presidential Leadership Through Clear Governance and Support

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