

EFFECTIVE MANAGEMENT & BOARD CONDUCT



While virtually all colleges and universities face the same array of evolving issues – from changing demographics to global competition – how they respond to these challenges can separate well-performing institutions from those deemed just “average” in their peer group.

Like any top performing institution, to be competitive in today’s world of higher education often begins with management and trustees working in concert to achieve mutually agreed upon goals with open communication, clear roles and responsibilities and a well-defined course of action.

“Perhaps the area of highest impact for many colleges and universities is their ability to foster a collaborative environment that combines vision with checks and balances,” said Howard Foote, a partner with UHY LLP in Albany, NY and a trustee at a private liberal arts college. “Without effective management and board conduct, all the other virtues of an institution – such as academic integrity, state-of-the-art research programs and consistent focus – will become eroded.”

UHY LLP, a national accounting firm serving higher education, examines the roles and responsibilities of presidents and trustees. Through our national Education & Not-for-Profit practice, our professionals have unique perspective through our long history of service to colleges and universities. Our professionals offer the following perspective to higher education executives and trustees:

PRESIDENT

It can be argued that no leadership role personifies a college or university more than its president. Whether upholding academic standards, raising much-needed funds, or even dealing with a major crisis, the president becomes the focal point of all stakeholders and the public at large. An effective president is often the key driver to a well-funded, academically thriving and growing campus.

In *The Leadership Imperative Report*, the Association of Governing Boards of Universities and Colleges (AGB) outlines key attributes that make an effective president, among them:

- Actively engages the board in meeting its roles and responsibilities
- Unites the board, faculty and other stakeholders to ensure all resources are meeting current and future challenges
- Cultivates a deep understanding of the institution’s unique character, history and values
- Resists allowing daily managerial tasks to detract from long-range strategic challenges

TRUSTEES

As accomplished alumni and active community volunteers, trustees should be policy makers who willingly transfer their experience and connections to improve the quality of the institution. Specifically, among the AGB’s report recommendations are:

- Explicitly state the expectations of public and private higher education for the economic, intellectual, and cultural development, as well as establish clear goals in evaluating those expectations
- Provide a sustained level of financial support that allows for the institution to meet its goals
- Make merit, skill and experience the chief criteria for trustee selection
- Engage trustees and regents as partners in advocating the value of public and private higher education

EFFECTIVE MANAGEMENT & BOARD CONDUCT (CONT'D)

TRUSTEES (CONT'D)

"Based on individual trustees' strengths and background, it is imperative to appoint the most relevant individuals to cover committees such as: Academic Affairs, Audit, Compensation and Institutional Advancement to name a few," noted Marilyn Pendergast, leader of UHY LLP's national Higher Education and Not-for-Profit practice.

"Audit Committees, in particular, can play an instrumental role to set the 'tone at the top' by the board and put in place an environment of checks and balances," added Pendergast, who is based in Albany, NY. "Active committee participation is often the 'secret ingredient' behind an effective board-management collaboration."

INDUSTRY EXPERIENCE

UHY LLP recognizes that colleges and universities require their professional services firms to have the experience and integrity to add value to financial reporting activities. With offices across the U.S., UHY LLP has the capabilities to serve private and governmental institutions with distinction through the support of our national Education & Not-for-Profit Practice.

UHY LLP has a dedicated national Education & Not-for-Profit Practice that offers a full range of services, including:

Accounting/Assurance Services:

- Audits, Reviews and Compilations
- Internal Controls & Forensic Accounting
- Financial Management Consulting
- Agreed-Upon Procedures, including National Collegiate Athletic Association (NCAA) Financial Controls and Reporting

Compliance/Governance Capabilities:

- Accounting Policies and Procedures Updates
- Design, Implementation and Testing of Internal Controls
- Sarbanes-Oxley Education

Tax & Management Consulting:

- Cost Allocation Planning Assistance
- Financial Forecasting Analysis
- Implementation of New Accounting Standards
- IRS Controversy
- State, Federal and Local Tax Planning
- Unrelated Business Income Tax Analysis

FOCUSED SERVICES



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