ACKNOWLEDGMENTS

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I am deeply indebted to all the many trustees and heads of the more than 65 schools with whom I have had the pleasure to work over the years. Their wisdom, commitment to their schools’ missions, desire to make a difference in the lives of their students, and support of their faculties and administrations have enriched and educated me.

Finally, I especially thank the remarkable women and men with whom I have served as a trustee of two independent schools. My experience on the board of The Bryn Mawr School in Maryland was among the most rewarding of all my service on nonprofit boards. I wish all board presidents and chairs had the opportunity to experience the same kind of dynamic and warm relationship that I enjoyed when working with Barbara Landis Chase (head of The Bryn Mawr School from 1980–1995 and current head of Phillips Academy–Andover). I am now fortunate to serve as a member of the board of Far Hills Country Day School in New Jersey, where the board is committed to governance innovation and excellence and holds the school’s mission, students, and faculty in trust. Through her words and example, Far Hills’ head, Jayne Geiger, continually inspires me and all trustees to be the best we can be. She expects no less from her students, faculty, administration, and herself.

—Mary Hundley DeKuyper
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“YOU ARE A TRUST HOLDER.” Although these words appear at the end of this primer on trusteeship, they are embedded in the details and recommendations throughout. By commissioning Mary Hundley DeKuyper (a nationally recognized expert on nonprofit boards and an independent school trustee herself) to bring the ninth edition of Trustee Handbook into conformity with current best practices, we at NAIS are reinforcing our commitment to independent school leadership as one of our primary purposes.

“You are a trust holder.” In leadership training at NAIS conferences and workshops, we echo these words frequently. Indeed, one of our messages is that independent schools have boards of trustees, not boards of directors. This is because holding a school, its mission, and its future “in trust” implies a very different role than “directing the operation,” which is the job of someone else — the head of school. The legal obligations of trusteeship that this book explores (duties of care, loyalty, and obedience) set the context for the role of trustee. Complications of that role are many, of course, especially when trustees are also current parents. Knowing that the role of trustee is primarily future-focused and strategic, and learning how to keep it that way, helps parent-trustees remember that their job is not to manage their kids’ school today. Rather, their job is to create the school from which their children’s children will benefit tomorrow.

Staying strategic, then, becomes a chief challenge for the board and its leadership. In part, our role at NAIS is to use our publications, research, and website resources to share with school leaders the most current thinking and trends to frame discussion at the local school level. As we enter the
21st century, it is not surprising that the top six strategic issues NAIS research has identified are the following:
1. Recruiting, retaining, and competitively compensating high-quality faculty.
2. Financing the school.
4. Developing the 21st-century curriculum.
5. Communicating to internal and external audiences.
6. Creating more diverse and inclusive communities.

An imposing list, for sure. It makes in shorthand form the major point of this book: Boards that spend their time myopically focused on the short-term crisis of the moment (a change in dress code, the drop-off pattern for preschool, or the shortcomings of the new soccer coach) cannot see the need to plan for the long-term growth and prosperity of the enterprise.

It is true that trustees are recruited for what they can bring to the school: typically expertise, resources, and the three R’s of trusteeship—a willingness to assist in raising students, raising image, and raising money. But in return, trustees benefit richly from knowing they’re making a difference in an enterprise so important to their family and community. I would add that, in the larger context, trustees add value to the entire universe of independent education by appreciating and defending its chief distinguishing feature: independence itself.

Independent schools are independent in governance and financing. Unlike any other type of school, we govern ourselves via a self-perpetuating board of trustees and finance ourselves by setting tuition and raising money. There are no directives, nor subsidies, from the central office (whether it be the public school district or the church). What is powerful about the model is that this independence leads to four freedoms, the combination of which is our greatest source of strength:
1. The freedom to define our own unique missions.
2. The freedom to accept (and keep) only those students whom the school’s mission dictates we can serve well.
3. The freedom to define our quality in terms of teacher preparation and credentialing.
4. The freedom to teach the truth, as each school sees it.

One of the major responsibilities of an independent school board is to guard the school’s independence. By fulfilling this responsibility, the work the school does locally and the decisions it makes regarding mission,
admissions policy, and funding actually take on, collectively, far greater import for the model of independent school education itself.

As I move among the extraordinary independent schools that belong to NAIS (more than 1,300 of them in the United States and beyond), I am frequently reminded of Peter Drucker’s mantra: “Leaders do the right thing; managers do things right.” It is increasingly clear that boards must be leaders who help our schools do the right thing. It is also clear that boards must respect the boundaries of their roles, encouraging but not directing the head and his or her administrative team and faculty to do things right. In the tumult that is the daily life of our schools and their leaders, there are many gusts of wind that can and do blow ships off course. The strong board of trustees is the sturdy mast that maintains stability and supports the sails that propel the ship of school forward. This new edition of Trustee Handbook will help all trust holders who read and abide by its directions to stay on course.

Patrick F. Bassett
President, NAIS
March 2007
INTRODUCTION

WELCOME TO THE CHALLENGING and rewarding world of independent school trusteeship. You have joined with thousands of men and women who care deeply about the highly diverse schools they serve: preschools, elementary schools, secondary schools, K–12 schools, boarding schools, day schools, single-sex schools, coeducational schools, religiously affiliated schools, secular schools, schools in the United States, American and international schools abroad, schools for children with special abilities, and schools for children with disabilities. The trustees who govern these schools have agreed to accept critical responsibilities as they work to further their schools’ missions.

To be an effective trustee and add value to the work of the board and the school, you need to be informed about all aspects of your school and about trusteeship. Whether you are a new trustee or a more seasoned one, this newly revised handbook can be your companion as you examine your governance role.

THE HANDBOOK’S AUDIENCE

The Trustee Handbook is designed primarily for trustees and heads. However, it can be helpful to other school constituencies as well. Administrators and faculty, especially those who interact with trustees on committees or task forces, should find the book useful for understanding the different roles of board and staff and the charges for specific commit-
tees. Since parents and graduates often serve as trustees or as non-board committee members, the handbook can help them understand their special relationship to the school and to the board. Consultants to schools in the areas of governance, strategic planning, and searches will find the information contained here useful as well.

HOW TO USE THE HANDBOOK

With the exception of Chapter 1, all chapters follow the same format. They first provide subject matter content and then case studies, sample forms, and resources. The case studies conclude with questions designed to provoke trustees to discuss common problems and propose potential solutions. These cases, as well as the ones available on the NAIS website and personalized ones trustees can develop themselves, are useful for enlivening board orientations.

One caution on the sample forms: Because each school is unique, the forms should be viewed as guides, not as the only way or the last word.

A CHAPTER ESPECIALLY FOR ORIENTATION

Chapter 1 contains an overview of individual trustee and corporate board responsibilities based on the NAIS “Principles of Good Practice” for boards of trustees and for trustees themselves. It is excellent for orienting new trustees and administrators. Chapters 9 and 11, especially when used together with Chapter 1, provide basic, essential information for all independent school trustees.

CHAPTERS FOR GENERAL BOARD AND COMMITTEE ROLES

Chapter 2 — keeping the mission and serving as fiduciaries of the school
Chapter 3 — developing and reviewing board policies
Chapter 7 — the relationship between the board and the head
Chapter 9 — relating to other major constituencies or stakeholders
Chapter 10 — organizing an effective board (including using task forces and key committees, such as the trustee, finance, audit, development, and executive committees)
CHAPTERS FOR SPECIFIC COMMITTEES OR TASK FORCES

Planning: Chapter 4 — developing a shared vision and planning strategically
Fund raising: Chapter 5 — ensuring the financial strength of the school
Committee on trustees: Chapter 6 — developing the effective board

CHAPTERS FOR TRUSTEES WITH LIMITED TIME

Chapter 1 — NAIS’s principles of good practice for boards and trustees
Chapter 2 — keeping the mission and serving as fiduciaries of the school
Chapter 3 — developing and reviewing board policies
Chapter 5 — ensuring the financial strength of the school
Chapter 7 — the relationship between the board and the head
Chapter 9 — relating to other major constituencies or stakeholders
Chapter 11 — performing the role of trustees

Please make the Trustee Handbook your own. Use it when you have a specific question, when you are not sure you understand some part of your governance role, or when you want to find out if there may be different ways to approach a situation that appears confusing or elicits conflict. As a trustee, you will find you can be most effective when you continue to learn more about your school and your role as a board member. You, along with your fellow trustees, are on an exciting journey. Bon voyage!