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# Why Boards Must Become Diversity Stewards

MAY/JUNE  
2014

## TAKEAWAYS

Trustees may not feel especially equipped to navigate issues of diversity, but they can hold institutions accountable and help stimulate constructive discussion by asking a few key questions.

Higher education has come a long way from institutions that were predominantly white for much of their history. Yet the diversity of each college or university varies significantly from one academic program to another.

Boards have to have courage, know the institution and what aligns with its mission, and understand and support the direction it wants to take with these issues.

Our nation is debating issues of higher education diversity, inclusivity, and equity in the courts, the headlines, and public opinion. In everything from Supreme Court decisions related to affirmative action and gay marriage to differences in academic achievement and graduation rates by minority students, boards have a responsibility to lead. At AGB's National Conference on Trusteeship, Jeffrey L. Humber Jr., regional manager of public finance at PNC Financial Services Group and a board member at Gallaudet University and AGB, moderated a panel on diversity and equity. Jonathan Alger, president of James Madison University; Loretta Martinez, general counsel of Metropolitan State University of Denver; and Jeffrey Trammell, founder of Trammell and Co., tackled the key issues and discussed how boards can be effective stewards of diversity on their campuses.

**Jeffrey Humber: We're 50 years into this effort to bring greater diversity to our colleges and universities. How are we doing? Also, it seems as if the definition of diversity is broadening. How broad is your definition?**

**Jonathan Alger:** We have come a long way from institutions that were entirely white and entirely male in some cases—or in our case, entirely female—for much of our history. Yet we also have to look carefully program by program, because the numbers vary significantly from one to another, especially when it comes to gender representation.

One of the surprising realities in higher education right now is that one of the groups that arguably needs special attention is male students, and particularly male students from historically underrepresented groups. And while we continue to face challenges when it comes to race and gender, we don't want to forget about students who are socioeconomically disadvantaged.

The pipeline from K–12 institutions presents a big problem, too. Many students who come out of high schools are, frankly, not prepared to come to a place like James Madison. We would do them a disservice to admit them if they're not going to succeed. So what can we do about that?

First, we can't just say, "Well, that's K–12's problem." We must figure out how we work together across institutional lines. It's one of the most important things all of our institutions can do. It

starts with partnerships with community colleges and transfer agreements, but it goes much deeper than that.

For example, we have a “Professors in Residence Program” in which we target areas in Virginia where many underrepresented and disadvantaged students live. We send faculty members into middle schools and high schools to help students learn how to be prepared for college. We also have a lot of summer programs to bring young children to the campus to see what it’s like to be in college and to engage in research and activities with our faculty members and students.

But we still felt we needed to go a step further and do something more systematic. So we’ve created a new program called “Valley Scholars” because we’re starting in our own backyard in the Shenandoah Valley, although it would be great eventually to expand it even further if we can obtain more resources. Here’s how it will work: We will identify first-generation students from economically disadvantaged backgrounds at the end of seventh grade and work with them, their parents, their teachers, and their guidance counselors for the next five years. We will go into the schools, and we will also bring them onto our campus on many occasions throughout the year to help them become academically prepared. We will tell them that if they work with us and meet the admissions criteria at JMU, they will receive full-tuition scholarships at the end of the process.

I worked with other colleagues to help start a similar program when I was senior vice president and general counsel at Rutgers University, and it has been an enormous success. The first cohort of students in that program just graduated last year from high school, and virtually all of them went on to college. These are students from school districts where the dropout rates can exceed 50 percent, and the program has transformed entire communities. It’s very resource-intensive to provide such programs and scholarships, but we’re finding that many employers in the area can see the value of doing this program and how it can transform communities.

So we in higher education need to see diversity and equity as societal challenges and consider the roles that we can play in working across institutional lines. I think that’s one of the most important things we must do.

**JONATHAN ALGER, PRESIDENT OF JAMES MADISON UNIVERSITY:**

Why should we care about equity and diversity? I think a big question for all of us in higher education is: Are we going to be engines of opportunity for students of all backgrounds, or are we going to reinforce and exacerbate the inequalities that exist in society?

Diversity is a core value in our strategic plan at James Madison University. When we talk about it, we do not mean only race and gender. It includes people from all different socioeconomic backgrounds, individuals with disabilities, the LGBT community, first-generation students, veterans, and many others. We use a broad definition of diversity. Everybody has something to contribute, and we all have a lot to learn from and with each other.

When we think and talk about diversity and equity, we need to consider the various arguments for it. First, there's the *social and moral imperative*—the need to provide access to higher education for people who historically have not had it.

In addition, board members and other leaders talk quite a bit about an *economic imperative*: In the 21st century, if we're going to remain competitive as a nation, our most important strategic resource is our diverse human capital—but only if we allow it to develop to its full potential. At JMU, some of the clearest and most helpful voices in talking about the importance of diversity and access have been alumni who are now employers competing in a global economy. They say they need our institution to produce graduates who understand how to work in diverse teams, to market to a diverse array of people, and so on.

The third argument, of course, is an *educational imperative*. When I was counsel at the University of Michigan, I worked on two well-known cases about affirmative action and admissions that went to the Supreme Court—they concerned whether race could be considered as one of many factors in the admissions process. The primary question in those cases was, “Is diversity a compelling interest because of its educational value for all students, majority and minority alike?” The Supreme Court found that, yes, diversity has educational value for all students; students learn when they can see differences within groups and similarities across group lines and overcome stereotypes through the face-to-face interaction that we can provide on our college campuses.

Yet despite all those imperatives—educational, economic, social, and moral—we still face many challenges to increasing diversity on our campuses.

At a public institution like James Madison, probably our top challenge as we try to think more about access and opportunity is financial. We know that if we had more resources, we could do a lot more. So, we are trying to raise more private money. We have a program called Centennial Scholars for low-income students who come from disadvantaged backgrounds (many of whom are first-generation college students), and much of the support is private funding. We identify students with high academic potential and give them tutoring, mentoring, and other forms of academic and peer support because they may not have role models of family members who have gone to college. The result? These talented students are succeeding and graduating at even higher rates than the rest of our student body. If we had more money, we could support many more such disadvantaged and first-generation students.

We also face legal and political constraints. In 2003, the U.S. Supreme Court ruled that diversity is a compelling interest in higher education, and that institutions can consider race as one among a number of factors in admissions. But at every turn, diversity efforts have faced legal and political backlash. In the last decade, we've continued to see ballot initiatives in a number of states that have forbidden the consideration of race or gender in admissions programs—for example, at public universities in states like California, Michigan, and Nebraska.

In a recent ruling out of Michigan, the Supreme Court held that states can use such ballot initiatives to remove from the toolkits of public institutions the option of race and

gender-conscious programs that foster diversity. We will have to see whether this latest decision spurs further such initiatives in other states.

To meet the imperatives of greater diversity on our campuses, I believe part of the message for boards and other higher education leaders is that we can't give up. We can't be afraid of risks. We can't be afraid of challenges, because they're there at every turn.

**Loretta Martinez:** Our institution is only 48 years old; it was established in 1965 with the intent of providing workforce education and training for our metropolitan area. Because of our youth, we have a different mentality—we don't have a history of exclusion over several hundred years. In fact, when it comes to providing access to underrepresented students, we are doing well.

But we aren't doing so well in ensuring that those students are academically successful and complete college. Part of that is financial, so, as a result, we're focusing a lot on the state funding system. If we look at the districts that feed students to our institution, we see that they're still based on property taxes, so the haves get the most funding and the have-nots get the least. One of our main feeders is the Denver public school system, and a huge number of students there need remediation just to begin college.

As for our definition of "diversity," we have not gotten away from the term, but we now talk more about "inclusive excellence." We believe everybody comes from a culture and a background that needs to be respected and included in our environment. So we take a very broad perspective on that, and we're very attentive to—although not always successful about—issues of culture and experience.

**LORETTA MARTINEZ, GENERAL COUNSEL AND BOARD SECRETARY, METROPOLITAN STATE UNIVERSITY OF DENVER:**

When I think of diversity and equity, what comes to my mind is not just the opportunity gap that involves getting students into college. Once those students are in college, many students face what I call the achievement gap—they fail to succeed academically. At Metropolitan State University in Denver, we constantly work to close both gaps.

To close the opportunity gap, our board has overseen two major initiatives in the last seven years, the first of which has been deliberately to become a Hispanic Serving Institution (HSI). Most HSIs exist because they are in a region where 25 percent or more of the population is Hispanic, and the process of enrolling is more passive. But that isn't the case for Metro State; we have had to actively work to recruit Hispanic students. In the past seven years, the percentage of our student body that is Hispanic has moved from about 12 percent to 20 percent. So our efforts seem to be working.

One of our other major initiatives was to deal with the issue of access for undocumented students. Colorado, like many states, tried unsuccessfully for years to legislate some type of DREAM Act. In 2011, after a decade of such legislation failing, our board of trustees, president, senior administrators, and faculty leadership said, "We're tired of waiting." We created a tuition

rate that was not an in-state tuition rate—that is a public benefit that can only be granted by the state legislature—but one that was affordable for undocumented students.

Students enrolled, and the state and our sister institution realized nothing bad happened. Everybody else suddenly wanted in on it, and the legislators finally passed DREAM Act legislation in 2013. So now we've joined that group of states that allows undocumented students who meet certain criteria to be in-state students.

And once such students are here, we don't just let them sink or swim. We're also working on the achievement gap with the help of some institutional and national initiatives. We've been part of the Teagle project through the Association of Governing Boards to get our board focused on educational quality. (See the January/February 2014 issue of *Trusteeship* for more details on the project.) We're part of a consortium called Equity in Excellence that helps us look specifically at where the gaps are, how we should think about those gaps, and then how we should align our educational practices to meet goals that we've set to close those gaps.

We're also advocating aggressively at the state and federal levels to change the way higher education is funded. We're probably the only Colorado institution that stepped forward on recent legislation to reorganize the Colorado system of funding to give more credit to institutions that have a high enrollment of students who are PELL eligible, first generation, or students of color. We're pushing hard, and it's not uncontroversial. But those are the types of internal and external efforts that the president, senior leadership, and ultimately our board have advocated to address the equity issue.

**Jeffrey B. Trammell:** I'm relatively pleased with the progress we've made at William & Mary, especially considering Virginia's past. Students of color have made up about one-third of the entering freshman class in each of the last five years—although we can't take complete credit for it ourselves, as demographic changes in the state have had a lot to do with it.

We still have a problem especially with young men of color not wanting to have a stake in higher education—they don't see a future for themselves going down that path. It's also true for rural white men. Why do they not go to college at the rates we would like to see? Why are more women than men attending college? Why are we seeing these growing gaps right now? We have real challenges in terms of figuring out how we bring these fellow Americans into the university or community-college system in a way that gives them a chance to succeed.

I again go back to a single word that resonates with me when I think about my responsibilities as a former board chair: reality. We have to start by being honest about the problem. We can sit around all we want to and talk about the nuances of Supreme Court decisions, but the reality exists regardless. And that reality is that we need to get these young Americans into the educational system in a way they can succeed.

**JEFFREY B. TRAMMELL, FOUNDER OF TRAMMELL AND CO., FORMER CHAIR OF THE BOARD OF THE COLLEGE OF WILLIAM & MARY, AND AGB BOARD MEMBER:**

I care passionately about equity and educational opportunity. To me, it is reality. I get into debates with people who say, “Oh, why do you support diversity?” My answer is, “Diversity is reality.”

We have plenty of people who want to pretend the world is not as it is. They want to pretend that opportunity for everybody starts now with a snapshot of where we are today and that we don’t stand on the shoulders of history.

I can take you right now to areas in rural north Florida where I grew up where it looks like it did right after the Civil War. Kids are running around with little opportunity and no path to success in life, and they are supposed to become freshmen at outstanding universities like everybody else. I can show you kids in inner cities or Appalachia who have no chance—not because of anything they did but because of history and society.

Yet we encounter people every day who say we should not take into account the factors that created situations where people start in unequal places. Well, I’m sorry. Let’s not pretend that we have a history of equal opportunity for everybody, because that is just not true.

As leaders of education, we have a responsibility to look broadly at how we provide opportunity for the young men and women of America so they have upward mobility and can achieve the American dream. That’s our job. Our job is not to say we’re going to limit our admissions only to the kids with the highest GPA and the highest test scores, and we don’t care what their backgrounds are. We can do that, but it will not reflect the reality of the history of America. It will not reflect the reality that we are responsible for some kids not having an opportunity in our society because of laws that existed in the past, because of conditions that don’t allow people to have full citizenship—people who are in the shadows through no fault of their own and need to have an opportunity to get a foot in the door.

So what do we, as board members and leaders of higher education, do today?

At William & Mary, we have tried to confront some of our past by studying it and why we excluded certain groups. We’ve developed courses for our students so they can learn about the actual history. On the admissions side, we have created “Gateway William & Mary” so students who come from households of \$40,000 a year or less will have no debt when they graduate.

Last year, we also adopted the “William & Mary Promise,” which came out of our five-year planning process. We realized that while public education is supposed to provide opportunity, roughly only 12 percent of our operating budget is now coming from the state. So with little prospect of the state subsidy returning to what it was, we decided to charge closer to what it actually costs to educate each student. And for those who are less able to pay, we’ve developed a responsible financial-aid system to support them. The system that we as a board approved has allowed 71 percent of Virginia households to pay less to send their children to William & Mary.

All of that is to say that I believe that we, as trustees, have an obligation to change our financial-aid systems at our institutions, to review our admission programs, and to look carefully

at what we do to meet the reality of the people who have been excluded as we embrace that core American value called upward mobility.

**Humber: What should boards do? What specific roles can they play?**

**Martinez:** At Metro, when we've taken some of these initiatives that I've described—for example, with reduced tuition for undocumented students—my president and I weren't the only ones involved at the institution. We received thousands of pieces of hate mail and the ire of our attorney general, legislators, and others. And our board was also embroiled in the situation and was called to account.

So the first thing I would say is that boards have to have courage, know the institution and what aligns with its mission, and understand and support the direction it wants to take with these issues.

Boards also need to ask more questions. They shouldn't just accept wholesale what the administration says. At the same time, while our board ultimately has had the final say on the initiatives that we have pursued, those initiatives haven't been top-down. They have bubbled up from people throughout the institutions. So boards need to listen to others at their institutions because those people not only see what's going on, but also have to educate whoever will implement any new programs.

**Alger:** Boards face other pressures that they often don't realize relate directly to diversity and equity. An example is the societal obsession with certain rankings and ratings, which may be based largely on criteria like standardized test scores that correlate heavily with socioeconomic status. That has been one of the biggest challenges in recent years, especially at selective institutions, because people become concerned about their institution's ranking when more disadvantaged students with lower scores enroll. Yet instead of fixating on certain rankings, we should be talking broadly about the quality of the institution and the inclusivity and access that we provide.

Every year around admissions time, institutions get many letters and phone calls saying, "Let Johnny in. Let Mary in." The applicants about whom such letters and phone calls are received often tend to be from pretty affluent backgrounds, since such individuals are more likely than others to have connections with people who are perceived to have potential clout. The challenge for administrators and board members is to think broadly and creatively about ways in which we and our institutions can reach out beyond our immediate social spheres to encourage and welcome students of all backgrounds, and to provide meaningful access for students who are less privileged.

**Trammell:** My advice to board members is to follow the Teddy Roosevelt model: Get in there and fight. Be bold. There is no reason to be a trustee if you just sit there for your term and watch the problems unfold.

If you don't try solutions, if you don't take a look at best practices at what's going on elsewhere and push for similar advances at your institutions, you're not doing your job as a board member. You have a responsibility to try to address some of these issues that we've been talking about.

## **DIVERSITY QUESTIONS FOR BOARDS**

*By Marc A. Nivet and Anne C. Berlin*

Trustees may not feel properly equipped to navigate issues of diversity, but individuals within the governance structure can hold institutions accountable and stimulate constructive discussion by asking just a few key questions. This list is not comprehensive but should begin to illustrate how to put diversity stewardship in action.

### **Are our diversity initiatives and investments tethered to clearly articulated institutional goals?**

Whether the goal is to increase campus diversity, raise high school graduation rates in the surrounding community, gin up interest in science and medicine among underrepresented minority undergraduate students, or cultivate a pipeline of women and minority faculty leaders, board members should be empowered to inquire into the overarching strategy of diversity interventions.

### **What resources have been applied and what has been the return on investment?**

Another key line of questioning relates to the commitment of financial and human resources to diversity efforts in relation to their returns. Are diversity goals supported with adequate staffing and other resources? Are the funding streams for essential programs sustainable? Returns need not be financial in nature but also can be dividends of social and community benefit, or institutional trust and reputation.

### **Are we applying metrics for success beyond compositional diversity?**

A focus on campus composition can perpetuate the notion that campus diversity is the institution's end goal. More salient questions for evaluating the success of diversity initiatives include:

- How many employees across different subpopulations and identity groups rate their managers as treating them fairly and inclusively?
- Is faculty engagement, satisfaction, and productivity consistent across all subpopulations and identity groups?
- Does the institution have mechanisms for cultivating a climate of fairness that combats favoritism and tokenism?
- Is the institution's educational approach working equally for students across all subpopulations and identity groups?
- Is the institution graduating students with the skill sets needed to succeed in a pluralistic society?

- Do potential new senior-executive hires demonstrate a capacity and aptitude for diversity and inclusion? In addition to questions about prior experience, qualifications, and vision, boards can make it a priority to identify senior leaders with training on unconscious bias and diversity.

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