

## SECTION 3. Board and Board Members

### 3.1 Roles and Expectations of the Board

The governing board of the University Foundation preserves and enhances a legacy of learning, scholarship, and inquiry that is unique to a public university. As a fiduciary body, the board conducts business in an exemplary fashion, with appropriate transparency, and adherence to the highest ethical standards.

#### 3.1.1 Role

The role of the board and its governors is to:

- Govern in a manner that is consistent with both the charitable purpose and mission of the organization, and the needs of the constituencies it supports.
- Ensure board policies and practices are current.
- Assist the university in securing gifts that support the fundraising priorities of campus.
- Review and approve the Chico State University Foundation's operating and discretionary spending budget.
- Ensure the organization's fiscal integrity, preserve and protect its assets for posterity and set funding priorities.

#### 3.1.2 Expectations

Expectations of board members are:

- **Philanthropic leadership:** Board members are Tower Society members and participate in fundraising activities and special events sponsored by California State University, Chico and its foundation.
- **Respect for the institution:** Board members attend regularly scheduled board and committee meetings.
- **Respect the public trust:** Board members are knowledgeable about programs and policies of the foundation. Members ensure that the public purposes of higher education are served through balancing the needs of the foundation and the public they serve.
- **Serve as advocates:** Board members serve as advocates for the value of public higher education by raising funds to enhance the quality, access and equity of education.
- **Remain autonomous:** The board serves autonomously, setting the foundation's priorities and pursuing its interests by avoiding competing personal interests or the inappropriate dictates of a public official or body from which the board's authority derives.

### 3.1.3 Duties

California General Corporate Law section 309(a) provides; “Director shall perform the duties of a director, including duties as a member of any committee of the Board upon which the director may serve, in good faith, in a manner such director believes to be in the best interests of the corporation and its shareholders and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.”

Members’ duties include:

- **Duty of care for the foundation:** Board members are expected to actively participate in organizational planning and decision-making and to make sound and informed judgments.
- **Duty of loyalty to the institution:** When acting on behalf of the organization, board members must put the interests of the nonprofit before any personal or professional concerns and avoid potential conflicts of interest.
- **Duty of obedience to law:** Board members must ensure that the organization complies with all applicable federal, state, and local laws and regulations, and that it remains committed to its established mission.

### 3.1.4 Characteristics

Members’ effective governance is evidenced by:

- A display of appropriate leadership.
- A focus on strategic priorities.
- The chair and chief executive officer have an effective working relationship.
- Faculty and students are meaningfully engaged in foundation governance.
- University cabinet members are welcomed into board conversations.
- Operating in a culture of cohesiveness, candor, and transparency.

### 3.1.5 Board Member Standards and Assessments

- Periodically, or upon request of the CEO, the Governance Committee shall assess the performance of the board, its committees and its members.
- Any board member who fails to meet the board requirements as stated (roles, expectations, duties and characteristics), can be asked to reconsider their commitment to board membership upon the authority of the CEO.
- The CEO may ask a governor to step down from foundation leadership and seek other forms of engagement with Chico State.

**Date of Board Approval:** February 21, 2020

**Effective Date:** February 21, 2020

**Date of last review:** February 25, 2022