

Middle States Commission on Higher Education

Governing Body-Related Requirements and Accreditation Standards

Selected information is presented here. Full details are available at www.msche.org. Also available online is a brochure entitled *Governing Boards: Understanding the Expectations of the Middle States Commission on Higher Education*.

Requirement of Affiliation: To be eligible for Candidacy status, Initial Accreditation or Reaffirmation of Accreditation, an institution must demonstrate that it meets or continues to meet the following Requirement of Affiliation related to the responsibilities of the institution's governing body...

9. The institution's governing body is responsible for the quality and integrity of the institution and for ensuring that the institution's mission is being carried out. It is prepared to declare, in writing, that the institution will make freely available to the Commission accurate, fair, and complete information on all aspects of the institution and its operations.

Accreditation Standard: Once eligibility/affiliation is established, institutions must then demonstrate that they meet the standards for accreditation...

Standard 4 – Leadership and Governance

Statement of the Standard: The institution's system of governance clearly defines the roles of institutional constituencies in policy development and decision-making. The governance structure includes an active governing body with sufficient autonomy to assure institutional integrity and to fulfill its responsibilities of policy and resource development, consistent with the mission of the institution.

Context: The primary goal of governance is to enable an educational entity to realize fully its stated mission and goals and to achieve these in the most effective and efficient manner that benefits the institution and its students. Institutional governance provides the means through which authority and responsibility are assigned, delegated, and shared in a climate of mutual support and respect.

The Commission on Higher Education expects a climate of shared collegial governance in which all constituencies (such as faculty, administration, staff, students, and governing board members, as determined by each institution) involved in carrying out the institution's mission

and goals participate in the governance function in a manner appropriate to that institution. Institutions should seek to create a governance environment in which issues concerning mission, vision, program planning, resource allocation, and others, as appropriate, can be discussed openly by those who are responsible for each activity. Within any system of shared governance, each major constituency must carry out its separate but complementary roles and responsibilities. Each must contribute to an appropriate degree so that decision-makers and goal-setters consider information from all relevant constituencies. While reflecting institutional mission, perspective, and culture, collegial governance structures should acknowledge also the need for timely decision-making.

The governance structure should provide for a governing body with sufficient independence and expertise to assure the academic integrity of the institution and for a chief executive officer, appointed by the governing body, whose primary responsibility is to lead the institution toward the achievement of its goals.

In some institutions such as corporate universities or subsidiaries or divisions of larger institutions, the term governing body may include a separate governing board and a fiduciary board. Whatever the title – board, directors, trustees, governors, or regents – the governing body is ultimately accountable for the academic quality, fiscal and academic integrity, academic planning, assets, and financial health of the institution. It should review institutional assessment results and participate in institutional planning. However, it should not manage, micro manage, or interfere in the day-to-day operation of the institution. Always the advocate, and when necessary, the defender of the institution, the governing body is responsible for the institution's integrity and quality.

It is often the role of the governing body to oversee at the policy level the quality of teaching and learning, to approve degree programs and the awarding of degrees, to establish personnel policies and procedures (including salary schedules), to conduct or direct the conduct of collective bargaining agreements where appropriate, to encourage research, and to approve policies and by-laws. If so provided in its structure, the governing body also may confirm appointments of leading academic and administrative officers.

In financial affairs, the members of the governing body should confine themselves, as they do in academic matters, to a basic policy-making role, ensuring strong financial management by holding the chief executive officer responsible and accountable for internal operation. The governing body is responsible for the financial integrity of the accredited entity. The governing body, through the chief executive officer, receives periodic reports of institutional committees and campus constituencies and, when not a system matter, receives reports from auditors. The chief executive officer and the governing body should seek opportunities to stabilize and control costs, as well as opportunities to advocate actively for external support. The members of the governing body should also assist in generating resources needed to sustain and improve the institution, as appropriate.

Governing body members, regardless of how appointed, have primary responsibility to the accredited institution and should not allow political or other influences to interfere with governing body duties. Consistent with institutional mission and sponsorship, members should represent different points of view, interests, and experiences as well as diversity in characteristics such as age, race, ethnicity, and gender. Governing body composition should attempt to reflect student body profiles.

Members of the governing body act with authority only as a collective entity. Governing body members of higher education institutions normally have no financial interest in the institution. In cases where financial interest may exist, such as remuneration of board members or contractual relationships, the members of the governing body should be able to demonstrate that those interests do not outweigh the greater duty to secure and ensure the academic and fiscal integrity of the institution. Although higher education institutions rarely provide remuneration for governing body service, reasonable compensation may be appropriate, for example, when responsibilities are particularly time-consuming, when legal requirements make service unusually demanding, or when compensation is needed to ensure a level of governing body expertise. Such compensation should be based on the functions required and performed and on the skill and experience of members of the governing body.

While the general description of the role of the governing body applies best to a free-standing institution, many institutions have different governing structures that depart in specific ways from this model. Examples of such institutions include individual units within a system, public institutions whose governing bodies' decisions are subject to review by a higher-level board or administrative agency, religious institutions whose governing bodies are obliged to follow direction provided by a sponsoring religious organization, some proprietary institutions, and educational units of organizations whose primary business is not education and whose leaders are responsible to corporate boards. In all of these circumstances, the roles and powers of the governing body and of any higher or other related authorities should be explicitly stated in the institution's charter, articles of incorporation, enabling statute, by-laws, or other documents.

In a multiple-unit system, the governing body should clearly establish relationships and carefully balance the interests of the units with those of the total system. This may be done through a variety of structures including local representation on the system board or through local advisory councils that address unit issues.

The governing body of a proprietary institution is the legally constituted body that serves the public interest by seeing that the institution clearly states and fulfills its announced mission and goals and by ensuring its continuity and fiscal and academic integrity.

A manifestation of a governing body's responsibility is its willingness to assess its own effectiveness periodically. Additionally, the governing body should orient new group members to the mission, organization, and academic environment of the institution to assure that all members understand their role in the governance structure.

One of the major responsibilities of the governing body is to select, determine compensation for, and evaluate the chief executive officer and, in some cases, other major members of the executive management structure charged with the operations of the institution. The governing body also has responsibility to plan appropriately for transitions in institutional leadership. There are multiple models of selecting a chief executive officer, some of which may allow for the participation of faculty or other major constituencies. It is the governing body's responsibility to ensure that the selection process is established, published, and followed.

Once this selection has taken place and the individual has been installed, the governing body is expected to support the chief executive officer in the conduct of the duties necessary to fulfill the mission of the institution through the executive officer's oversight of faculty, administration, and staff. In a similar fashion, the governing body should assist the executive officers by helping them resist pressures from individuals or groups outside the established governance structure of the institution that threaten to impede the fulfillment of institutional mission and goals.

Fundamental Elements of Leadership and Governance: An accredited institution is expected to possess or demonstrate the following attributes or activities:

- A well-defined system of collegial governance including written policies outlining governance responsibilities of administration and faculty and readily available to the campus community;
- Written governing documents, such as a constitution, by-laws, enabling legislation, charter, or other similar documents, that:
 - Delineate the governance structure and provide for collegial governance, and the structure's composition, duties, and responsibilities. In proprietary, corporate and similar types of institutions, a separate document may establish the duties and responsibilities of the governing body as well as the selection process;
 - Assign authority and accountability for policy development and decision making, including a process for the involvement of appropriate institutional constituencies in policy development and decision making;
 - Provide for the selection process for governing body members;
- Appropriate opportunity for student input regarding decisions that affect them;
- A governing body capable of reflecting constituent and public interest and of an appropriate size to fulfill all its responsibilities, and which includes members with sufficient expertise to assure that the body's fiduciary responsibilities can be fulfilled;
- A governing body not chaired by the chief executive officer;
- A governing body that certifies to the Commission that the institution is in compliance with the Requirements of Affiliation, accreditation standards and policies of the Commission; describes itself in identical terms to all its accrediting and regulatory agencies; communicates any changes in its accredited status; and agrees to disclose

information required by the Commission to carry out its accrediting responsibilities, including levels of governing body compensation, if any;

- A conflict of interest policy for the governing body (and fiduciary body members, if such a body exists), which addresses matters such as remuneration, contractual relationships, employment, family, financial or other interests that could pose conflicts of interest, and that assures that those interests are disclosed and that they do not interfere with the impartiality of governing body members or outweigh the greater duty to secure and ensure the academic and fiscal integrity of the institution;
- A governing body that assists in generating resources needed to sustain and improve the institution;
- A process for orienting new members and providing continuing updates for current members of the governing body on the institution's mission, organization, and academic programs and objectives;
- A procedure in place for the periodic objective assessment of the governing body in meeting stated governing body objectives;
- A chief executive officer, appointed by the governing board, with primary responsibility to the institution; and
- Periodic assessment of the effectiveness of institutional leadership and governance.

Institutions and evaluators must consider the totality that is created by the fundamental elements and any other relevant institutional information or analysis. Fundamental elements and contextual statements should not be applied separately as checklists. Where an institution does not possess or demonstrate evidence of a particular Fundamental Element, the institution may demonstrate through alternative information and analysis that it meets the standard.