

4. AUTHORITY AND GOVERNANCE

The institution is legally constituted as a nonprofit organization authorized by its state or province to operate as an educational institution and grant all degrees and/or offer credentials. The institution has a governing board with legal and fiduciary responsibility to exercise appropriate oversight over institutional integrity, policies, resource development, and ongoing operations.

ESSENTIAL ELEMENTS:

Relative to this standard, an accredited institution is characterized by ...

1. Evidence that the institution is operating legally in its state or province.
2. A constitution and bylaws that clearly and comprehensively provide a basis for institutional administration and governance.
3. A governing board that exercises legal power to establish and review policies of the institution.
4. Board membership that excludes all employees except the chief executive officer.
5. A governing board with elected officers that do not include the chief executive officer.
6. A governing board that assists in generating resources needed to sustain and improve the institution.
7. A conflict of interest policy for board members that addresses issues such as financial interests, contracts, employment, family, or other personal interests in the institution.
8. A governing board appropriate in size to operate efficiently and sufficiently diverse in terms of ethnicity, gender (where theologically appropriate), and professional competencies to represent the constituency.
9. A governing board that is sufficiently autonomous to protect the integrity of the institution.
10. A procedure in place for the assessment of the effectiveness of board members.
11. A process for orienting and developing new board members, and providing updates for current members on issues relative to mission, organization, finances, and programs.
12. A chief executive officer appointed and evaluated by the board, to provide administrative leadership for the institution.
13. Board policies and practices that restrain the board from individual and/or collective involvement in institutional administration.
14. A board rotation system that encourages new members.