

Governing Board Policy

All institutions that are accredited or seeking accreditation shall have a governing board that, consistent with any legal and fiduciary authority, exercises appropriate authority over institutional integrity, policies, and ongoing operations, including hiring and evaluating the chief executive officer. (See Criteria for Review 3.9.) The WASC Senior College and University Commission (WSCUC or the Commission) shall hold such institutional governing boards principally responsible for ensuring an institution's adherence to its institutional mission, compliance with WSCUC standards and policies, and achievement of educational effectiveness and institutional sustainability.

The [Governing Board Policy Implementation Guide](#), a companion document to this policy, provides detailed guidance on how to carry out this policy to ensure an independent governing board that operates in the best interests of the educational institution.

BOARD INDEPENDENCE

Minimum Requirements for Board Independence

The governing board demonstrates sufficient independence to ensure that all board actions are taken in accordance with the institution's best interests and those of the students it serves. Decisions reflect a balancing of interests and priorities consistent with the institution's mission and related fiduciary responsibilities (such as asset protection, employee concerns, concerns of students and families, and interests of the community), giving appropriate attention to both short-term and long-term needs. The governing board must not be effectively controlled by a minority of board members or by related entities. For an institutional governing board to be considered independent, a majority of its members may not have interests that influence their impartial decision making, create multiple and potentially conflicting relationships, or result in competing loyalties.

In demonstrating independence, a majority of the voting members and members of a quorum for action of the governing board, including the chair and each committee or other subordinate deliberative body with delegated fiduciary or advisory authority, must meet the following requirements:

1. **Financial interests:** Must be free of any direct or indirect contractual, employment, personal or familial financial interest in the institution or its actions. For example, a board member who has a contract with the institution to provide architectural services will have a conflict in approving new facilities projects, a campus master plan, or a budget that impacts allocations supporting such services.
2. **Compensation:** Must not be compensated as an employee or other contracted party by the institution or a related entity. For example, an employee board member may have an interest in increasing his or her compensation, or a representative of a related party may feel obligated to decide matters in the interest of the related party in order to maintain related party compensation.
3. **Ownership:** Must not have an ownership interest in the institution (e.g., own stock or shares or

any similar equity interest, if the institution is a for-profit entity). For example, a board member who owns stock may have an interest in maximizing corporate profits and earnings that are enhanced by keeping enrollment high and costs low. This interest may conflict with the need for the educational institution to deny admission to unqualified applicants or to provide funding for improvements in the academic or student support areas.

4. *Undue influence*: Must be free of undue influences from external or internal parties/groups. For example, a representative of a sponsoring church may have an interest in promulgating religious beliefs at the institution even when doing so conflicts with academic freedom or faculty's authority over academic programs.
5. *Remuneration*: Must not receive compensation for board participation in an amount that causes a potential conflict of interest, exclusive of reimbursement for travel, lodging, meals and other incidentals associated with attending meetings. Modest stipends that are not substantial enough to provide an incentive to serve or maintain a position on the governing board are permitted.

Manner of Determination

In making determinations relating to the independence of an institution's governing board, the objective of the Commission is to determine whether the structure, manner and history of governing board operations demonstrate that the board, as a deliberative and decision making body, is not actively impacted by or is otherwise reasonably protected against conflicting relationships, competing loyalties, and other interests that serve as a diversion from the governing body's required pursuit of the best interests of the institution. The Commission will place more weight on governance structures where an institution's history of operations is scant or where an institution undergoes a restructuring, change of ownership or sponsorship.

BOARD RESPONSIBILITIES

In addition to the minimum requirements for board independence, all members of the governing board must understand, accept, and fulfill fiduciary responsibilities to act honestly and in good faith, and in the best interests of the institution toward achievement of its mission. All governing board responsibilities not otherwise set forth in applicable statute or regulation must be expressly set forth in bylaws or other appropriate guiding governing board documents.

In carrying out its work, the governing board must:

1. Fulfill its fiduciary, legal, and oversight responsibilities.
2. Make fiscal decisions after a careful balancing of interests in light of its responsibility to oversee the institution's primary focus on and support of student achievement.
3. Create and adhere to conflict of interest policies consistent with best practices.
4. Reflect areas of competence in board membership as needed to fulfill its responsibilities to the institution.
5. Establish, review, and revise, as necessary, key institutional plans and policies.
6. Review and consider reasonable and relevant interests of the institution's internal and external constituencies during its decision-making deliberations.
7. Select a chief executive officer who is accountable for the operation of the institution and perform an evaluation at least annually.
8. Delegate day-to-day management of the institution to the chief executive officer.
9. Maintain and honor clear policies on shared governance.

10. Comply with all federal and state regulations regarding board structure and governance.
11. Speak with one voice and act as a collective body (individual board members do not have authority independent from the board as a whole, although members such as the chairperson may be authorized as board spokesperson).
12. Review and adopt or reaffirm the institution's mission and vision statements.
13. Evaluate its own performance to ensure its duties and responsibilities are fulfilled in an effective and efficient manner.

MULTIPLE BOARDS

Commonly an institution will have only one governing board, although it may have affiliated advisory boards or governing boards of subsidiary institutions (such as a hospital board or a board for an affiliated alumni organization). In the case where there are multiple boards or other organizations with oversight authority over aspects of the institution, the roles and responsibilities of such boards – as they relate to the institution – must be clearly defined in writing, widely communicated, and broadly understood. Governing structures with multiple boards may not be used to subvert the requirements of this policy. All boards with oversight authority over the institution must be prepared to respond to investigatory requests of the Commission and its review teams.

COMMISSION ACTIONS

The Commission will make all determinations regarding board compliance with the minimum requirements for independence, adherence to responsibilities or other aspects of this policy or related WSCUC Standards in its professional judgment and in consideration of any facts and circumstances it deems material. In deliberating such action, the Commission may consider all information before it at the time of deliberation.

RELEVANT WSCUC STANDARDS AND OTHER POLICIES

WSCUC's Eligibility Criteria (in particular EC 7 – governance) and the 2013 Standards of Accreditation (in particular CFR 3.9 – independent governing board) call for institutions to have governing boards with appropriate autonomy and relative independence, respecting limitations of law and federal government regulations. Other relevant CFRs include: CFR 1.5 (autonomy from external entities) and CFR 3.8 (CEO responsibilities to the institution). For institutions that have an affiliation with another entity, such as a corporate parent or church sponsor, the [Related Entities Policy](#) includes a discussion of board governance issues.

*Approved by the Commission, June 2012
Revised, November 2017¹*

¹ Prior to November 2017, this policy was known as the Independent Governing Board Policy.