Standard Three
Organization and Governance

The institution has a system of governance that facilitates the accomplishment of its mission and purposes and supports institutional effectiveness and integrity. Through its organizational design and governance structure, the institution creates and sustains an environment that encourages teaching, learning, service, scholarship, and where appropriate, research and creative activity. It demonstrates administrative capacity by assuring provision of support adequate for the appropriate functioning of each organizational component. The institution has sufficient independence from any other entity to be held accountable for meeting the Commission’s Standards for Accreditation.

3.1 The authority, responsibilities, and relationships among the governing board, administration, faculty, staff, and sponsoring entity (if any) are clearly described in the institution’s by-laws, or an equivalent document, and in a table of organization that displays the working order of the institution. The board, administration, staff, and faculty understand and fulfill their respective roles as set forth in the institution’s official documents and are provided with the appropriate information to undertake their respective roles.

3.2 The institution’s organizational structure, decision-making processes, and policies are clear and consistent with its mission and support institutional effectiveness. The institution’s system of governance involves the participation of all appropriate constituencies and includes regular communication among them.

Governing Board

3.3 The governing board is the legally constituted body ultimately responsible for the institution’s quality and integrity.

3.4 The board demonstrates sufficient independence to ensure it can act in the institution’s best interest. The board assures representation of the public interest in its composition and reflects the areas of competence needed to fulfill its responsibilities. Two-thirds or more of the board members, including the chair, are free of any personal or immediate familial financial interest in the institution, including as employee, stockholder or shareholder, corporate director, or contractor.

3.5 Members of the governing board understand, accept, and fulfill their responsibilities as fiduciaries to act honestly and in good faith in the best interest of the institution toward the achievement of its educational purposes in a manner free from conflicts of interest.

3.6 In multi-campus systems organized under a single governing board, the division of responsibility and authority between the system office and the institution is clear. Where system and campus boards share governance responsibilities or dimensions of authority, system policies and procedures are clearly defined and equitably administered.

3.7 The board has a clear understanding of the institution’s distinctive mission and exercises the authority to ensure the realization of institutional mission and purposes. The board approves and reviews institutional policies; monitors the institution’s fiscal condition; and approves major new initiatives, assuring that they are compatible with institutional mission and capacity. These policies are developed in consultation with appropriate constituencies. The board assures that the institution periodically reviews its success in fulfilling its mission and achieving its purposes. It regularly reviews the institution’s systems of enterprise risk management, external audits, regulatory compliance, internal controls, and contingency management.
3.8 The board systematically develops, ensures, and enhances its own effectiveness through orientation, professional development, and periodic evaluation. Its role and functions are effectively carried out through appropriate committees and meetings.

3.9 Utilizing the institutional governance structure, the board establishes and maintains appropriate and productive channels of communication among its members and with the institutional community.

3.10 The board appoints and periodically reviews the performance of the chief executive officer whose full-time or major responsibility is to the institution.

3.11 The board delegates to the chief executive officer and, as appropriate, to others the requisite authority and autonomy to manage the institution compatible with the board’s intentions and the institution’s mission. In exercising its fiduciary responsibility, the governing board assures that senior officers identify, assess, and manage risks and ensure regulatory compliance.

**Internal Governance**

3.12 The chief executive officer, through an appropriate administrative structure, effectively manages the institution so as to fulfill its purposes and objectives and establishes the means to assess the effectiveness of the institution. The chief executive officer manages and allocates resources in keeping with institutional purposes and objectives and assesses the effectiveness of the institution. The chief executive officer assures that the institution employs faculty and staff sufficient in role, number, and qualifications appropriate to the institution’s mission, size, and scope.

3.13 In accordance with established institutional mechanisms and procedures, the chief executive officer and senior administrators consult with faculty, students, other administrators, and staff, and are appropriately responsive to their concerns, needs, and initiatives. The institution’s internal governance provides for the appropriate participation of its constituencies, promotes communications, and effectively advances the quality of the institution.

3.14 The institution’s chief academic officer is directly responsible to the chief executive officer, and in concert with the faculty and other academic administrators, is responsible for the quality of the academic program. The institution’s organization and governance structure assure the integrity and quality of academic programming however and wherever offered. Off-campus, continuing education, distance education, correspondence education, international, evening, and weekend programs are clearly integrated and incorporated into the policy formation, academic oversight, and evaluation system of the institution. (See also 4.5)

3.15 The institution places primary responsibility for the content, quality, and effectiveness of the curriculum with its faculty. Faculty have a substantive voice in matters of educational programs, faculty personnel, and other aspects of institutional policy that relate to their areas of responsibility and expertise. (See also 6.2)

3.16 The system of governance makes provisions for consideration of student views and judgments in those matters in which students have a direct and reasonable interest.

3.17 Through its system of board and internal governance, the institution ensures the appropriate consideration of relevant perspectives; decision-making aligned with expertise and
responsibility; and timely action on institutional plans, policies, curricular change, and other key considerations.

3.18 The institution using contractual arrangements, consortial or other written agreements involving credits and degrees, the delivery of coursework, the assessment of student achievement, or the recruitment or support of students periodically reviews the effectiveness of such arrangements and negotiates appropriate changes. Consistent with Commission policy, the institution maintains sufficient control over the arrangements to ensure quality in the academic program and services for students and prospective students, including the ability to modify the agreements as needed. Written agreements provide for the termination or phasing out of such arrangements as circumstances warrant, and the institution develops appropriate exit strategies as needed. (See also 4.32)

3.19 The effectiveness of the institution’s organizational structure and system of governance is improved through periodic and systematic review.