

Guidelines and Requirements for Governance



ACSI understands and appreciates the fact that not all ACSI accredited schools operate as the same type of legal entity with the same type of governance and leadership structure. In addition to independent, non-profit Christian schools, ACSI accredits Christian schools that are owned and operated by individuals, for-profit entities, larger organizations or networks, and churches. Most of the information in this document will apply to all schools. However, schools will have to apply the principles below to their specific situations. Several general categories for Christian school governance include:

- Independent, non-profit schools: These schools typically have a governing body composed of elected or appointed individuals who come together to act as one for the purpose of establishing policies that will enable the school to achieve its established desirable ends. The head of school is hired by the board to oversee the operation of the school.
- Proprietary, for-profit schools: These schools are typically founded or owned/operated by an individual or family. Proprietary school boards often function in an advisory capacity.
- 3. <u>Mission-sponsored or network schools</u>: These schools usually have a larger organization over them, and a board for the mission or network may manage the overall running of the school(s). If these schools have a board at the school level, the board may or may not be advisory.
- 4. <u>Church-sponsored schools:</u> The church itself usually has a board. The school, which is wholly owned and operated by the church, may or may not have its own separate board.

In each governance model listed above, ACSI will look for the following items to be in place:

- Governance policies establishing clear delineation of roles and responsibilities
- Conflict of interest policies

In proprietary, for-profit; mission-sponsored; network; or church-sponsored schools where the board spends most of their time focused on the overall organization, without sufficient dedicated attention to school matters, the school is required to also have an advisory board in place.¹

Governance Policies

ACSI *Inspire* Indicator 3.3 states:

Governing body policies establish a clear delineation of roles and responsibilities between itself and the head of school. Practices demonstrate that relationships and scope of authority are well defined and function appropriately. The head of school is the organizational link between the governing body and the school.

Governance policies, with a clear delineation of roles and responsibilities, need to be in place in all schools. An example of where this clear delineation is important is in church-based schools where there may be various leadership structures in place simultaneously, such as a senior/executive pastor, a church leadership team and/or a church board, a head of school, and a school leadership team. Each individual and group must be certain of the limits of their role

¹ It is best practice to have the decision to hire/fire the head of school and the review process for the head of school reside with a group, such as the board or advisory board, rather than a single individual. The collective wisdom of committed Christians is beneficial when overseeing the leader of the school. Additionally, while all schools should have a succession plan, it is vital for schools without an authoritative board structure to have a succession plan in place for the appropriate transfer or delegation of leadership responsibilities should the sudden need arise.

and scope of their authority related to school programs and operations, facilities, strategic planning, personnel, and other scenarios.

Conflict of Interest Policies

Established, clear conflict of interest policies will serve to protect the school/organization and individuals who hold various governance or leadership roles within the organization. While the organization may not be able to eliminate all potential conflicts of interest, these policies are one way the organization can demonstrate to stakeholders that it has a clear, Christ-centered approach to governance and leadership. In creating conflict of interest policies, the organization should consider not only the current situation with the current leaders, but also anticipate any future situation/structure (such as if a new leader or board were to step into place). The organization cannot assume that everyone understands appropriate boundaries and ethical principles. The conflict-of-interest policies should be clear enough to communicate appropriate limits and actions that should or should not be taken in various situations, but generic enough to have longevity. Items to consider would include:

- Situations where a decision or input of the governing body or advisory board would affect the job, role, compensation, or performance review of a member of the governing body or advisory board who may hold multiple roles within the organization
- Situations where a decision or input of the governing body or advisory board would affect the job, role, compensation, or performance review of a family member of an individual on the governing body or advisory board
- Situations where an owner/operator, member of the governing body, or member of the advisory board has a family member that stands to make financial or other gain from a decision of the governing body or advisory board

Conflict of interest policies serve to enable schools to declare and appropriately manage conflicts that may arise. (For examples of conflict of interest policies, see: <u>ACSI School Accreditation Documents.</u>)

Advisory Board

In situations where the school is run by a founder or owner, or a church, missions agency, or company corporate board that may be primarily focused on the broader picture of the entire organization, the school must have an advisory board. (A church or missions agency board that spends dedicated time operating as the school board, as recorded in official documentation, would not be required to implement an advisory board; however, an advisory board may help bring additional insight.) Though perhaps non-voting members of the governance structure, an advisory board of carefully chosen Christian professionals who support the mission of the school will be able to provide focused attention to school-related matters and offer practical, expert insight into strategic and governance-related issues and, in some cases, function as a liaison between school leadership and the governing body or founder/owner of the organization. This can also serve to provide another layer of accountability and transparency to school operations. While there are multiple ways a school could structure an advisory board, ACSI would recommend the advisory board have established policies for selection, terms/limits, and role/function of advisory board members. The advisory board should not be composed primarily of family members or school staff.