

## **NWCCU POLICIES | RELATED ENTITIES (CORPORATE ENTITY, SYSTEM, RELIGIOUS, OR OTHER FUNDING SPONSOR)**

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At some institutions, the governing board shares decision-making responsibility with one or more non-accredited related entities in areas such as finances, planning, governance, budget and approval processes, recruitment, information systems, or employee compensation. This policy is intended to ensure that upon request, the Northwest Commission on Colleges and Universities (NWCCU) receives appropriate assurances and sufficient information and documentation to determine whether such institutions comply with the NWCCU's eligibility requirements, standards for accreditation, and policies.

A related entity may be a corporate parent, system administration or board, foundation board, religious sponsor, funding sponsor (which, in some cases, may include an equity or investment fund), or other entity that can affect decisions related to accreditation. Related entities may include institutional or corporate layers or groups. Ordinarily, state governments, other accreditors, and local advisory boards are not related entities.

The scope of this policy does not include contractual relationships in which the accredited entity contracts for services, such as shared services in recruitment, academic advising, information technology support, or online program management.

Although a related entity may affect an institution's ongoing compliance with accreditation standards, the NWCCU will review and hold only the institution responsible for compliance with eligibility requirements, standards for accreditation, and policies. When an institution shares certain functions with a related entity, the institution is responsible for presenting, explaining, and evaluating all material agreements and relationships involving related entities that may affect accreditation requirements and decisions at the time of application, candidacy, review for initial accreditation, comprehensive or interim evaluation, and all other times deemed relevant by the NWCCU. The NWCCU will protect the confidential nature of all information submitted by institutions or by related entities, except as required by law.

If an institution is part of a system with shared facilities or processes (e.g. library) or centralized information (e.g. strategic plan), it may use documents prepared by the system for other institutions or for other purposes in its report to the NWCCU so long as such documents reflect the impact upon the institution under review.

If information submitted by an institution on behalf of it or a related entity proves to be substantively different from the actual or projected institutional performance, the NWCCU may reconsider and take other action. The institution shall inform the NWCCU, through the substantive change process, of any change in the related entity's financial status, ownership, or governance, and any other development that might materially affect the institution. The institution must also promptly notify the NWCCU of any change in the Chancellor, President, or CEO of an institution.

The institution shall use the appended form in Exhibit A to certify the validity and relevance of information submitted to the NWCCU from the related entity or entities, and any other information requested by the NWCCU.

Adopted June, 2019

## EXHIBIT A – Certification

The institution shall provide a certification on the letterhead of each related entity and in the format shown below. The institution must also provide any other information requested by the NWCCU at the time of application, candidacy, review for initial accreditation, comprehensive or interim evaluation, and at all other times deemed relevant by the NWCCU. The NWCCU may ask for a guarantee or different form of certification. Failure of an institution to provide the required certification, guarantee, or other information regarding the institution or related entity requested by the NWCCU shall be addressed as provided in the NWCCU’s policies.

<b>EXAMPLE CERTIFICATION</b>	
<p>_____ represents that it controls _____, either <i>(the related entity)</i> <span style="float: right;"><i>(the institution)</i></span> directly or through one or more intermediate entities. It certifies that it recognizes the Northwest Commission on Colleges and Universities' compliance requirements for _____ and shall ensure <i>(the institution)</i></p> <p>that _____ responsibilities that relate to areas controlled or <i>(the institution's)</i> influenced by _____ are fulfilled. <i>(the related entity)</i></p>	
_____ <i>(print name of CEO of the related entity)</i>	_____ <i>(print name of CEO of the institution)</i>
_____ <i>(signature of the CEO of the related entity)</i>	_____ <i>(signature of the CEO of the institution)</i>
_____ <i>(date)</i>	_____ <i>(date)</i>