



**Policy  
Governance  
Manual**

Revised January 9, 2012

**AACSB INTERNATIONAL**  
**THE ASSOCIATION TO ADVANCE COLLEGIATE SCHOOLS OF BUSINESS**

**Policy Governance Manual**

As prescribed in its mission statement, AACSB International “advances quality management education worldwide through accreditation, thought leadership, and value-added services.” The organization encourages innovation, creativity, and effectiveness in management education; enhancements in the knowledge and skills of management/business faculty and practitioners; and improvements in processes and systems that strengthen management practices.

Working within the context of policy governance principles, the Board of Directors (the “Board”) determines its own philosophy, accountability, and operations, with a focus on vision, values, and strategic leadership. Board members are “trustee-owners,” rather than volunteer-helpers or watchdogs. Board deliberations typically are marked by diversity of viewpoints, teamwork, proactivity, self-discipline, the long view, customer focus, win-win scenarios, and full participation.

The Board’s attention centers on a strategic plan and organizational goals – what the organization should do to advance management education globally. Organizational goals and the strategic objectives, which are reviewed during the Board’s annual planning meeting in January, may be amended or set aside; and new organizational goals or strategic objectives may be introduced. New or amended policies will take effect immediately upon passage or at such date as may be designated by the Board. Current organizational goals are shown on page 12.

Especially when viewed from a long-term perspective, the organizational goals reflect the Board’s strategic planning and give definition to the mission of AACSB. The Board assesses the potential benefits of each organizational goal, identifies the intended recipients, and considers the cost of fulfilling the goal. Once the Board has reached its decision, staff’s responsibility is to adopt the most efficient and appropriate means for achieving the organizational goals. Board members regularly monitor and measure progress with regard to achievement of the organizational goals.

**Governing**

Forging a well-balanced, productive, and mutually rewarding relationship with staff is obviously critical to any Board. Under AACSB’s policy governance model, the Board’s formal linkage to staff is through the President and CEO. Both entities – Board and staff – must clearly understand how their roles mesh and complement each other.

**The Board**

The Board’s “governing style” includes the following practices:

1. To accomplish continuous improvement in its own activities, the Board monitors and discusses its own performance at each meeting.
2. The Board conducts orientation and periodic development for its members.

3. The Board disciplines itself in matters such as attendance, preparation, respect of roles, and meeting decorum.
4. Board members place loyalty to the interests of the membership above any personal interest they may have as consumers of AACSB services.
5. Board members avoid conflict of interest with respect to their fiduciary responsibility.
  - 5.1 To ensure openness, competitive opportunity, and equal access to inside information, there is no self-dealing or conduct of private business between any Board member and AACSB, except as procedurally controlled.
  - 5.2 When Board members have an unavoidable conflict of interest in an issue under consideration by the Board, the Board members must absent themselves without comment, not only from the vote, but also from the deliberation.
  - 5.3 To provide guidance in this regard, AACSB has documented a Code of Conduct and Conflicts of Interest Policy. The policy is incorporated herein as an appendix. All Board members shall annually sign a statement to acknowledge: (a) understanding the mission of AACSB and agreeing to support the mission as it relates to the role undertaken; (b) having received, reading and understanding the Code of Conduct and Conflicts of Interest Policy; and (c) agreeing to comply with the policy.
6. The Board defines the positions and roles for AACSB officers, as shown on pages nine and ten, based on the member-approved articles and bylaws.
7. The Board of Directors has final authority on all accreditation committee recommendations that confer, maintain, deny, or revoke accreditation. If the Board wishes additional information or questions a committee recommendation, it may remand the case to the forwarding committee with a statement of its concerns. With the collaboration of the Peer Review Team, the committee prepares and returns either the original recommendation (with additional information) or a changed recommendation to the Board. If there is still disagreement between the committee and the Board, the Chair of the Board will appoint a three-person panel to include one person from the Peer Review Team, one person from the committee, and one person from the Board. Normally, this panel should make a recommendation by the next Board meeting. The Board should seek to reach a decision in a timely manner and its deliberations on accreditation recommendations should give serious weight to the rigorous review and recommendations made by the Peer Review Teams, accreditation committees, and panels.
  - 7.1 A Board decision on conferring, maintaining, denying, or revoking accreditation may be appealed following Board policies for such decisions. Once the appeal procedure is exhausted, the decision is final. The Appeal Procedure is documented in the various accreditation handbooks.
8. The Board establishes committees and ad hoc task forces to assist and advise the Board on specific topics, as noted in the Appendix. Committees are structured so that they do not interfere with the Board's broader responsibilities or with the delegation from the Board to the President and CEO.

- 8.1 Permanent committees assist the Board, rather than staff. Committees generally develop policy alternatives and implications for Board deliberation.
  - 8.2 Board committees may not speak or act for the Board unless they are formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated to avoid conflict with authority delegated to the President and CEO.
  - 8.3 The President and CEO works for the full Board and is not required to obtain approval of a Board committee before taking action.
  - 8.4 These policies apply only to committees that are formed by Board action (permanent or ad hoc), whether or not the committees include non-Board members. They do not apply to advisory councils formed under the authority of the President and CEO.
9. The Board is responsible for the approval of the broadly stated annual budget. This responsibility does not include detailed budget approval that restricts the President and CEO's flexibility to use AACSB resources to achieve Board-approved organizational goals.
  10. The Board delegates to the President and CEO the authority to grant membership in AACSB to institutions that meet the membership criteria as set forth in the Policy Governance Manual.
  11. The Board delegates to the President and CEO the authority to deny or cancel membership in AACSB to institutions (other than members of the Accreditation Council) that fail to meet or maintain the membership criteria as set forth in the Policy Governance Manual.
  12. The Board hereby delegates to the President and CEO the authority to cancel the membership of non-accredited educational and non-educational members under the circumstances listed in Sections 12.1-12.8. The President and CEO shall have sole discretion in the determination of whether an event set forth in 12.1-12.8 has occurred.
    - 12.1 The loss by a member of accreditation or approval by an appropriate governing body (as defined in the Policy Governance Manual, Membership Criteria).
    - 12.2 Criminal conviction of a non-accredited educational or non-educational institution member or any authorized representative of a non-accredited educational or non-educational institution member which conviction is related to actions that are inconsistent with the policies and values of AACSB as set forth in its Articles of Incorporation, Bylaws and Policy Governance Manual.
    - 12.3 Failure of a non-accredited member to submit payment of annual institutional dues, and, if applicable, accreditation-related fees within 90 days of any invoice due date. Members that wish to reinstate their membership or accreditation status are subject to reinstatement fees in addition to the outstanding dues and/or fees amounts.

In the case of failure of an accredited member to submit payment of annual dues and/or accreditation-related fees within 90 days of any invoice due date, the case will be submitted to the Board of Directors for revocation of the member's accreditation. Upon revocation, Section 12.3 is applicable.

- 12.4 Failure of a member to abide by the established general criteria for membership as set forth in the Policy Governance Manual and to maintain the requirements of the general criteria for membership.
- 12.5 Violation by a member of the policies of AACSB in regard to the use of accurate descriptions of programs and degrees offered.
- 12.6 Violation by a member of the policies of AACSB in regard to the accuracy of any data and information provided to AACSB during the membership application policy or anytime thereafter.
- 12.7 Use by a member of the proscribed policies of AACSB in regard to use of AACSB membership status to imply AACSB accreditation in business administration or accounting when such accreditation has not been achieved.
- 12.8 Use by a member of AACSB's name in any promotional or descriptive literature which implies endorsement by AACSB of the member or any of its programs, products, or activities.

Upon the determination by the President and CEO that an event described in Sections 12.1-12.4 has occurred, cancellation of membership shall be effective immediately, except as otherwise noted herein.

Upon the determination by the President and CEO that an event described in Sections 12.5-12.8 has occurred, the President and CEO shall provide written notice to the member of the determination of the occurrence of such event. Unless the member provides written evidence, within 20 days from the date of mailing by the President and CEO of the written notice, that the event has been rectified, then the membership of the member shall be cancelled immediately upon the expiration of the 20-day period. In the event that it becomes necessary for the President and CEO to send written notice of a second violation of any of Sections 12.5-12.8, then the membership of the member shall terminate immediately upon the mailing of the second notice without any allowance for a cure period.

### **The President and CEO**

The President and CEO is appointed by and serves at the pleasure of the Board. The President and CEO is accountable to the Board for achieving organizational goals while operating within the executive limitations.

- 1. Board authority is delegated to staff through the President and CEO, so that the staff's accountability to the Board is through the authority and accountability of the President and CEO.
  - 1.1 The President and CEO is accountable only to the full Board of Directors, not to any individual Board member. The President and CEO has full access to the Board.

- 1.2 Decisions or instructions of individual Board members, officers, or committees are not binding on the President and CEO unless the Board has specifically authorized such exercise of authority.

Should Board or committee members request information or assistance without Board authorization, the President and CEO may decline requests that he or she perceives to be disruptive or that would require a material amount of funds or staff time.
2. The Board provides executive limitations and instructs the President and CEO through written policies that prescribe the organizational goals to be achieved and describe situations and actions to be avoided.
  - 2.1 As long as the President and CEO employs reasonable interpretation of the Board's organizational goals and executive limitations, the President and CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and develop all activities.
  - 2.2 The Board may change its organizational goals and executive limitations policies, thereby shifting the boundary between Board and President and CEO domains. The Board will respect and support the President and CEO's choices within the bounds of the policies that are in place at a given time.
3. In June of each year, the President and CEO will develop a list of "CEO Goals" in collaboration with the Compensation Committee that aligns with – and enables achievement of – current organizational goals. The CEO Goals should be strategically driven and focused on outcomes that the President and CEO can influence. Similarly, the CEO will develop Executive Team Goals focused on outcomes at the appropriate Vice Presidential level (the Executive Team includes all Executive and Senior Vice Presidents). The CEO and Executive Team Goals will be subject to the review and approval by the Compensation Committee. At the end of the fiscal year, the Compensation Committee will review and evaluate the achievement of the CEO goals. The CEO will review and evaluate the Executive Team members' performance.
  - 3.1 The Board monitors organizational performance to determine the degree to which organizational goals are being achieved. Monitoring will be as automatic as possible, using a minimum of Board time so that meetings can be used to create the future rather than to review the past.
  - 3.2 Progress against organizational goals is reported at a minimum of two Board meetings annually.
4. The AACSB International President and CEO, and the Chair of the AACSB Board of Directors, are the "chief spokespersons of AACSB International." The President and CEO may designate others to speak on behalf of the organization.

## **Executive Limitations**

The Board establishes the boundaries within which operations are left to staff. The President and CEO endeavors to preclude the occurrence of any imprudent, illegal, or unethical activities that might detract from AACSB's purpose.

1. In interactions with members, the President and CEO shall not cause or allow conditions, procedures, or decisions that are undignified, unnecessarily intrusive, or that fail to provide appropriate confidentiality or privacy.
  - 1.1 The President and CEO shall not collect information for which there is no clear necessity; allow improper access to member information through faulty methods of collection, transmission, or storage; or inaccurately depict member information.
2. With respect to the treatment of paid and volunteer staff, the President and CEO may not cause or allow conditions that are unfair or undignified.
  - 2.1 The President and CEO shall not operate without written policies that clarify personnel rules and protect against wrongful conditions and treatment; discriminate against any staff member for expressing an ethical dissent; or evaluate staff member performance without obtaining feedback from volunteers and members who have worked with that staff member or received service from that staff member (for all staff members who interact with volunteers and members).
3. Financial planning for any fiscal year shall not deviate materially from the Board's priorities, risk fiscal jeopardy, or fail to be guided by a multi-year plan.
  - 3.1 The President and CEO shall not allow budgeting that: (1) does not present enough information to enable understanding of revenues and expenses, capital and operational items, cash flow, and planning assumptions; (2) plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period without Board approval; (3) allows cash and short-term investments (such as money markets, certificates of deposit with maturity of less than one year, and savings accounts) to drop below an amount equal to 15 percent of the previous year's total unrestricted expenses; (4) allows unrestricted net assets (fund balance) to drop below an amount equal to 30 percent of total budgeted unrestricted expenses; (5) reports project expenses without including full costs, both direct and indirect; or (6) fails to consider dues and fee levels annually.
4. With respect to ongoing financial conditions and activities, the President and CEO shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established in organizational goals.
  - 4.1 The President and CEO shall not: (1) settle payroll debts in an untimely manner; (2) allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed; (3) acquire, encumber, or dispose of real property; and/or (4) allow receivables to go unpursued after a reasonable grace period.
5. To protect the Board from sudden loss of President and CEO services, the President and CEO may have no fewer than two other staff members familiar with Board and

President and CEO issues and processes. The President and CEO will present a succession planning report annually to the Chair and Vice Chair-Chair Elect.

6. The President and CEO shall not allow assets to be unprotected, inadequately maintained, or unnecessarily risked.
  - 6.1 The President and CEO shall not: (1) fail to ensure against theft and casualty losses to at least 80 percent of replacement value and against liability losses to Board members, staff, and the organization itself in an amount equal to the average for comparable organizations; (2) allow unbonded personnel access to material amounts of funds; (3) unnecessarily expose the organization, its Board, or its staff to claims of liability; (4) make any purchase without normally prudent protection against conflict of interest, or of more than \$5,000 without having obtained comparative prices and quality information; (5) receive, process, or disburse funds under controls insufficient to meet the Board-appointed auditor's standards; and/or (6) invest or hold operating capital in instruments or accounts not in accord with Board-approved investment policy.
7. With respect to employment, compensation and benefits to employees, consultants, contract workers, and volunteers, the President and CEO shall not cause or allow jeopardy to fiscal integrity or public image.
8. The President and CEO shall not permit the Board to be uninformed or unsupported in its work.
  - 8.1 The President and CEO will: (1) submit monitoring data required by the Board in a timely and accurate fashion; (2) advise the Board if, in the President and CEO's opinion, the Board is not in compliance with its own policies on governance process and Board-staff linkage; (3) communicate information concerning actual or anticipated non-compliance with any policy of the Board; and/or (4) facilitate informed Board choices by providing the Board with staff and external points of view regarding issues and options.

### **Articles and Bylaws**

This Policy Governance Manual is subject to the terms and conditions of the AACSB's Articles of Incorporation and Bylaws, which shall control in the event of any conflict with this Policy Governance Manual.

### **Commitment**

Board members acknowledge the unique and important nature of their work as stewards of AACSB. The commitment to excellence that they share with staff is the driving force behind achievement of organizational goals and the advancement of management education throughout the world.

## APPENDICES

<u>BOARD OF DIRECTORS</u> .....	9
<u>OFFICERS OF AACSB</u> .....	10
<u>MISSION, VISION, SHARED VALUES AND ORGANIZATIONAL GOAL STATEMENTS</u> .....	12
<u>COMMITTEES OF THE CORPORATION</u> (authorized by AACSB's Bylaws)	
<u>Articles and Bylaws Committee</u> .....	13
<u>Audit Committee</u> .....	14
<u>Executive Committee</u> .....	15
<u>Finance and Investment Committee</u> .....	16
<u>Committee on Issues in Management Education</u> .....	18
<u>Nominating Committee</u> .....	20
<u>ACCREDITATION COUNCIL COMMITTEES</u>	
<u>Accounting Accreditation Committee (AAC)</u> .....	22
<u>Accreditation Coordinating Committee (ACC)</u> .....	24
<u>Accreditation Quality Committee (AQC)</u> .....	25
<u>Initial Accreditation Committee (IAC)</u> .....	26
<u>Maintenance of Accreditation Committee (MAC)</u> .....	27
<u>PreAccreditation Committee (PAC)</u> .....	28
<u>SPECIAL COMMITTEES</u>	
<u>Advisory Councils and Staff Task Forces</u> .....	29
<u>Board Task Forces</u> .....	30
<u>Compensation Committee</u> .....	31
<u>Asia-Pacific Advisory Council (APAC)</u> .....	32
<u>European Advisory Council (EAC)</u> .....	33
<u>MEMBERSHIP CRITERIA</u> .....	34
<u>CODE OF CONDUCT AND CONFLICTS OF INTEREST POLICY</u> .....	35
<u>GENERAL POLICIES</u>	
<u>Travel</u> .....	38
<u>Air Travel</u> .....	38
<u>Vendor</u> .....	39

## BOARD OF DIRECTORS

### **Purpose**

The Board meets as often as necessary to deliberate and execute AACSB's business. Board meetings focus primarily on the achievement of AACSB's organizational goals and accreditation and policy governance actions.

### **Structure**

Board meetings are generally held three times per year in September, January, and April. The January meeting serves as the Board's planning meeting for the next fiscal year beginning July 1. Board meetings vary in length from one-half day to one and a half days. The April Meeting of the Board is held immediately before the Annual Business Meeting of the members of AACSB and at the same place. A Board schedule is issued by February 1 for the next fiscal year beginning July 1.

### **Operating Guidelines**

1. Meetings of the Board are led by the Chair. In the absence of the Chair, the Vice Chair-Chair Elect presides. In the absence of both, the Immediate Past Chair leads the meeting. The Chair is authorized to approve all visitors to the meetings.
2. A quorum is represented by 40 percent of the Board members in attendance, in person or by electronic means.
3. *Robert's Rules of Order* and parliamentary procedure guide Board meeting conduct.
4. Each Board meeting will include an update on progress made in achieving one or more organizational goals.
5. Board members may propose agenda items by notifying the Chair at least 30 days prior to the meeting.

## OFFICERS OF AACSB

### Chair of the Board

The Chair assures the integrity of the Board's process and acts as the primary representative of the Board.

1. The Chair ensures that the Board acts in ways that are consistent with its own policies and those legitimately imposed upon it from the membership and outside the organization.
  - 1.1 Meeting discussion content will focus only on those issues that, according to Board policy, clearly belong to the Board.
  - 1.2 Deliberation will be timely, fair, orderly, and thorough, but also efficient and to the point.
  - 1.3 Agendas for Board action and deliberation shall be developed through consultation among the Chair, Immediate Past Chair, and Vice Chair-Chair Elect.
2. The Chair is authorized to make decisions concerning the Board's own job when such decisions are a reasonable interpretation of Board policies on governance process and on relationships with the President and CEO or operating boards.
  - 2.1 The Chair presides at Board meetings with all the commonly accepted power of that position, such as ruling and recognizing.
  - 2.2 The Chair has no authority to make decisions beyond policies created by the Board within organizational goals and executive limitations policy areas. The Chair, therefore, has no authority to change expectations the Board has set for board committees or for the President and CEO.
  - 2.3 In appointing individuals to operating committees, the Chair selects individuals who are members of AACSB and ensures that the rotation of committee members provides diverse, fresh insights.
3. The Chair shall be a dean (or chief officer) of the college/school of business from an educational institution that is a member of the Accreditation Council.
4. The Chair takes office on the first day of July following his or her election to the office and serves his or her respective term or until a successor is duly installed.

### **Vice Chair-Chair Elect**

The Vice Chair-Chair Elect serves as an aide to the Chair. The Vice Chair-Chair Elect also assumes and performs the duties of the Chair in the temporary or permanent absence of the Chair for any cause (which shall not preclude the Vice Chair-Chair Elect from subsequently acceding to the office of Chair), reviews the budget which is prepared by the President and CEO, and recommends, jointly with the Secretary-Treasurer, a budget for the forthcoming fiscal year when the Vice Chair-Chair Elect accedes to the office of Chair.

1. The Vice Chair-Chair Elect shall be the dean (or chief officer) of the college/school of business from an educational institution that is a member of the Accreditation Council.
2. The Vice Chair-Chair Elect is elected annually by the membership, and, upon completion of the term as Vice Chair-Chair Elect, accedes to the office of Chair for a one-year term.
3. The Vice Chair-Chair Elect takes office on the first day of July following his or her election to the office and serves his or her respective term or until a successor is duly installed.

### **Secretary-Treasurer**

The Secretary-Treasurer reviews the financial statements, reviews business plans, confirms budgets, makes available a report of the financial operations for the preceding year at the Annual Business Meeting, arranges for an annual audit of the financial operations by a Certified Public Accountant, authorizes staff signature privileges for appropriate disbursement of funds in maintained bank accounts, and reviews and approves travel expenses incurred by the President and CEO.

1. The Secretary-Treasurer supports and defends policies adopted by the Board.
2. The Secretary-Treasurer, who is elected biennially, serves a maximum of one two-year term and may be the representative of any member institution of AACSB.

The Secretary-Treasurer takes office on the first day of July following his or her election to the office and serves his or her respective term or until a successor is duly installed.

### **President and CEO**

The President and CEO shall be the chief executive officer and perform the duties prescribed by the Board.

## **MISSION, VISION, SHARED VALUES AND ORGANIZATIONAL GOAL STATEMENTS**

### **Mission Statement**

AACSB International advances quality management education worldwide through accreditation, thought leadership, and value-added services.

### **Vision Statement**

We aspire to be the world's leading management education authority and association.

### **Shared Values**

In support of our mission, we value:

- operating with a global mindset in all organizational functions and actions
- providing our services with the highest quality
- collegiality and peer engagement in continuous improvement
- conducting ourselves with the highest level of integrity and mutual respect
- embracing diversity in advancing quality management education worldwide
- conducting ourselves in a socially responsible manner that benefits our local and worldwide communities

### **Organizational Goal Statements**

#### **Goal 1:**

AACSB advances excellence in collegiate management education through world class accreditation and quality assurance services.

#### **Goal 2:**

AACSB informs and influences management education stakeholders through research, communication and outreach.

#### **Goal 3:**

AACSB assists schools of business to address management education challenges and improve quality through an array of comprehensive value-added services.

## **COMMITTEES OF THE CORPORATION** **(Authorized by AACSB's Bylaws)**

### **Articles and Bylaws Committee**

#### **Purpose**

The Articles and Bylaws Committee prepares recommendations for changes in the Articles of Incorporation and/or Bylaws for consideration by the Board.

#### **Structure**

The Articles and Bylaws Committee is composed of three members of AACSB. One member will be a representative of the Accreditation Council; one member will be from an educational institution that is not a member of the Accreditation Council; and one will be an at-large member. Committee members may serve for a maximum of three, one-year terms, which may run consecutively. One member shall be designated as Committee Chair by the Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made).

#### **Operating Guidelines**

1. The Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made) will appoint members to the Articles and Bylaws Committee no later than July 1 of the year of service.
2. The Articles and Bylaws Committee reviews and updates the Articles of Incorporation and Bylaws and recommends changes to the Board.
3. One or more meetings of the Articles and Bylaws Committee may be scheduled during each fiscal year by conference call or in person as needed to complete Committee business.
4. The Committee Chair presides over meetings of the Committee and is authorized to approve all visitors to the meetings.
5. A quorum requires two Committee members in attendance, in person or by electronic means.
6. Meetings are relatively informal, but *Robert's Rules of Order* and parliamentary procedure guide formal actions.

## Audit Committee

### Purpose

The Audit Committee monitors AACSB's financial condition and approves the selection of an outside, independent auditor. The Committee oversees the annual audit of the financial records of AACSB and recommends to the Board and staff such changes in records, internal controls and procedures, as it deems necessary.

### Structure

The Audit Committee is composed of five members, including the Secretary-Treasurer of AACSB as an ex officio member. The remaining four positions are members of the Board appointed by the Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made). Committee members may serve for a maximum of three, one-year terms, which may run consecutively. Members include one from an Accreditation Council member institution, one from an educational institution that is not a member of the Accreditation Council, one non-educational member, and one at-large member. One Committee member is designated as Committee Chair by the Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made).

### Operating Guidelines

1. The Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made) will appoint members to the Audit Committee no later than July 1 of the year of service.
2. In conjunction with a Board meeting, the Audit Committee will meet in person; or it may meet by telephone conference call in September after the conclusion of the annual audit and receipt of financial statements. The purpose of this meeting is to:
  - a. Review the audited financial statements and the conduct of the audit.
  - b. Meet with the auditors.
  - c. Prepare a recommendation to the Board regarding acceptance of the audited statements and appointment of an auditor for the current fiscal year audit.
3. If a search for a new audit firm is conducted, the Audit Committee will meet between September and April to discuss the interviewing of prospective firms. At either the January or April meeting of the Board, the Committee will recommend one firm for appointment for the current fiscal year.
4. The Committee Chair presides over meetings of the Committee and is authorized to approve all visitors to the meetings.
5. A quorum requires three Committee members in attendance, in person, or by electronic means.
6. Meetings are relatively informal, but *Robert's Rules of Order* and parliamentary procedure guide formal actions.

## Executive Committee

### Purpose

The Executive Committee advises the Chair and President and CEO on matters pertaining to the Board's business and staff operations. Between meetings of the Board, the Executive Committee may act on behalf of the entire Board if the full Board's participation is not feasible or warranted.

### Structure

The Executive Committee is composed of the Chair, Vice Chair-Chair Elect, Immediate Past Chair, President and CEO, Secretary-Treasurer and up to three additional Board members appointed by the Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made) to serve for one year commencing July 1. Executive Committee meetings are held as needed and called by the Chair, and may meet in person. Meetings are normally held immediately preceding or following a Board meeting.

### Operating Guidelines

1. The Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made) will appoint members to the Executive Committee no later than July 1 of the year of service.
2. For the most part, the Executive Committee's role is advisory to the Chair and President and CEO. The Executive Committee usually acts on behalf of the full Board only in rare instances when action is required or when a meeting of the full Board is not warranted or feasible.
3. Meetings of the Executive Committee are led by the Chair. In the absence of the Chair, the Vice Chair-Chair Elect will preside. In the absence of both, the Immediate Past Chair will lead the meeting.
4. A quorum is four members, in person or by electronic means.
5. Meetings are relatively informal but *Robert's Rules of Order* and parliamentary procedure guide formal actions.
6. Meeting agenda will include discussion of key aspects of the Board's agenda and other areas of interest as proposed by the Chair or President and CEO.
7. Executive Committee members may propose agenda items by notifying the Chair at least 30 days prior to the meeting.

## **Finance and Investment Committee**

### **Purpose**

The Finance and Investment Committee provides oversight to ensure AACSB's financial health and asset protection. The Finance and Investment Committee monitors the financial strategies of AACSB, and oversees the AACSB Investment program.

### **Structure**

The Finance and Investment Committee is composed of six members, with at least three members appointed from the Board. The Secretary-Treasurer of AACSB serves as an ex officio member of the Committee and may serve as one of the members representing the Board. Committee members may serve for a maximum of three, one-year terms, which may run consecutively. One Committee member is designated as Committee Chair by the Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made).

### **Operating Guidelines**

1. The Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made) will appoint members to the Finance and Investment Committee no later than July 1 of the year of service.
2. The Committee meetings are arranged on an "as needed" basis. Meetings are typically conducted by conference call. One face-to-face meeting may be conducted each year.
3. The Committee takes a broad view of short-range and long-range plans and reviews the anticipated financial requirements to achieve these goals. The Committee reviews the annual budget prepared by the President and CEO and along with the Secretary-Treasurer, recommends the budget to the Board.
4. The Committee provides guidance to the Board regarding significant financial matters. The Committee considers recommendations for changes to the schedules of membership dues and accreditation fees of AACSB.
5. The Committee annually reviews the appropriateness of, and monitors compliance with, the reserve funds policies stated in Executive Limitations section 3.1.
6. The Committee is responsible for the establishment and implementation of investment policies and guidelines. The Committee reviews investment performance and makes recommendations on AACSB's investment portfolio.
7. Staff provides periodic updates to the Committee about the performance of the investment portfolio (usually quarterly, unless specified otherwise). Investment performance updates are provided to the Board on an as-requested basis, generally at least annually.
8. The Committee Chair presides over meetings of the Committee and is authorized to approve all visitors to the meetings.

9. A quorum requires three Committee members in attendance, in person or by electronic means.
10. Meetings are relatively informal, but *Robert's Rules of Order* and parliamentary procedure guide formal actions.

## **Committee on Issues in Management Education (CIME)**

### **Purpose**

The Committee on Issues in Management Education is charged with identifying emerging issues and challenges in management education on a global basis. The Committee, or its designated representative, evaluates issues and challenges and makes recommendations to the Board on AACSB policies, plans, and tactics for addressing identified issues and challenges. The Committee on Issues in Management Education may commission independent research within the annual operating and capital budgets approved by the Board.

### **Structure**

The Committee on Issues in Management Education is appointed by the Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made) in consultation with the Immediate Past Chair and Chair. The Committee is composed of at least seven members with representation from member accredited and non-accredited educational institutions, and member non-educational institutions. Appointments should ensure that the Committee has the appropriate knowledge and skill set to fulfill its responsibilities. A majority of the Committee must be current members of the AACSB Board.

The Committee on Issues in Management Education is chaired by the Board Vice Chair-Chair Elect, and members are appointed annually. Committee members may serve for a maximum of three, one-year terms, which may run consecutively.

### **Operating Guidelines**

1. The Vice Chair-Chair Elect, with consultation from the Immediate Past Chair and Chair, will appoint Committee members no later than July 1 of the year of service. Appointments will be made with staggered terms to ensure continuity.
2. The President and CEO will be an ex officio member of the Committee and will appoint/reappoint a managerial staff member to serve as an ex officio member and liaison to the Committee.
3. The staff liaison will assist the Committee Chair in setting meetings, keeping minutes and conducting/managing other activities as requested by the Chair and agreed to by the President and CEO.
4. The Committee may select its own approach to fulfilling its responsibilities within the context of the budget and AACSB bylaws and governance policies.
5. The Committee will report regularly to the Board on its activities and provides support for the Board's annual planning meeting. The reports will guide the Board's discussion of emerging issues and challenges and assist the Board in focusing AACSB's organizational goals, strategies, policies, and initiatives.
6. The Committee will meet as frequently as necessary to conduct its business. Meetings may be in person or through other means.

7. The Committee Chair presides over meetings of the Committee and is authorized to approve all visitors to the meetings.
8. A quorum requires four Committee members in attendance, in person or by electronic means.
9. Meetings are relatively informal, but *Robert's Rules of Order* and parliamentary procedure guide formal actions.

## Nominating Committee

### Purpose

The Nominating Committee submits the slate of candidates for AACSB officer and director positions in January of each year.

### Structure

The Nominating Committee is composed of the Chair, Vice Chair-Chair Elect, and Immediate Past Chair (serving as Committee Chair), plus six other members. The six shall be appointed by the Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made) and shall come from the membership at large. Three of the six members shall be deans (or chief officers) from educational institutions that are members of the Accreditation Council, two shall be deans (or chief officers) from educational member institutions that are not members of the Accreditation Council, and one shall be a representative from a non-educational member institution. The Nominating Committee must reflect the global membership of AACSB.

### Operating Guidelines

1. No later than May 1, the Chair (who becomes Immediate Past Chair at the conclusion of their current term), or his or her designated representative, will invite suggestions for Nominating Committee members for the next fiscal year beginning July 1. Each Board member, committee chair, affinity group chair and regional president will be encouraged to submit names of possible candidates. Recommendations will be due to the Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made) within 30 days of the request.
2. The Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made) will appoint the Nominating Committee no later than July 1 of the year of service. Members with previous AACSB officer and Board experience will be prioritized.
3. The Committee Chair, or his or her designated representative, will issue a request for nominations for AACSB officer and director positions by July 15, due by August 15, to:
  - a. AACSB Board of Directors
  - b. AACSB Committee Chairs
  - c. Affinity Group Chairs
  - d. Regional presidents

Nominations will also be solicited through *eNEWSLINE* to all members. To assist the Nominating Committee in candidate selection, nominators must include a *Nominee Data Form* with all nominations submitted.

4. Prior to the September Board meeting, staff will confirm membership; compile nominee data forms; and, compile AACSB service records and other relevant background information on each potential nominee. A package of materials about the nominees will

be provided to the Chair, Vice Chair-Chair Elect, and Immediate Past Chair before the meeting.

5. At the September meeting, the Chair, Vice Chair-Chair Elect, and Immediate Past Chair will review the candidates and provide input for consideration by the Nominating Committee.
6. The Committee Chair, or his or her designated representative, will send the list of nominees, including the Chair, Vice Chair-Chair Elect, and Immediate Past Chair's input, to the Nominating Committee two weeks prior to the scheduled Nominating Committee meeting. Officer and director position descriptions, along with nominee service records and biographical information will be provided with the list.
7. The Committee will normally hold a face-to-face meeting in September to prioritize nominations. Nominees will be selected by Committee consensus. Two alternates are to be identified for each nomination. Acceptance of nominations will be secured as soon as possible, preferably within two weeks of the meeting.
8. The Committee Chair presides over meetings of the Committee and is authorized to approve all visitors to the meetings.
9. A simple majority of the Nominating Committee will constitute a quorum.
10. Meetings are relatively informal, but *Robert's Rules of Order* and parliamentary procedure guide formal actions.
11. The President and CEO will confirm the list of nominees to the AACSB Chair by November 30.
12. The nominations will be presented for ratification to the Board at the January Board meeting or sooner.
13. The election will be held during the last two weeks of January. Results will be announced by mid-February.

## **ACCREDITATION COUNCIL COMMITTEES**

### **Accounting Accreditation Committee (AAC)**

#### **Purpose**

The Accounting Accreditation Committee (AAC) oversees preaccreditation, initial accreditation and maintenance of accounting accreditation processes to ensure consistency of standards application and equity of recommendations across teams and across programs reviewed.

#### **Structure**

The AAC is composed of a minimum of 10 members and a maximum of 20 members, plus an AAC Chair and AAC Vice-Chair appointed by the Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made).

The AAC Chair is usually a dean (or chief officer) with a background in accounting or a current or previous accounting program administrator from an institution with AACSB accounting accreditation. Normally, the AAC representatives are members of institutions with accounting accreditation. The majority are current or previous administrators of accounting programs; other members include deans (or chief officers) and non-educational members. Normally, AAC members serve staggered three-year terms, up to a maximum of two terms. Normally, the AAC Chair serves two consecutive one-year terms.

#### **Operating Guidelines**

1. Normally, the AAC meets three times a year.
2. The AAC oversees the acceptance of eligibility applications and approves standards alignment plans. It considers peer review team recommendations for concurrence or remand and makes recommendations to the Board for initial accounting accreditation, denial of initial accounting accreditation, maintenance of accounting accreditation, and revocation of accounting accreditation. Recommendations are official upon Board ratification.
3. The AAC may remand a Peer Review Team recommendation when it considers the recommendation inconsistent with either the information supplied by the Peer Review Team or with other recommendations. The Peer Review Team then reconsiders its recommendation and forwards to the AAC either the same recommendation with additional supporting information or a changed recommendation. If the Peer Review Team and the AAC do not reach agreement following a remand, a four-person panel is formed with two members from the Peer Review Team and two members from the AAC. A panel recommendation for initial accounting accreditation, denial of initial accounting accreditation, maintenance of accounting accreditation or revocation of accounting accreditation is forwarded to the Board for ratification; a panel recommendation for sixth year review or continuing review is forwarded to the AAC and holds as the decision of the review process.

4. The AAC Chair presides over meetings of the AAC and is authorized to approve all visitors to the meetings.
5. A simple majority of the AAC will constitute a quorum.
6. Meetings are relatively informal, but *Robert's Rules of Order* and parliamentary procedure guide formal actions.

## **Accreditation Coordinating Committee (ACC)**

### **Purpose**

The Accreditation Coordinating Committee (ACC) coordinates the work of the operating committees, and it authorizes improvements to the processes and procedures supporting accreditation activities. The ACC may recommend improvements to accreditation standards to the Accreditation Quality Committee. The ACC oversees the review of satisfaction of Eligibility Criteria by institutions in the preaccreditation, initial accreditation, and maintenance of accreditation process and the determination of the scope of the institution's accreditation review.

### **Structure**

The ACC is composed of the Chairs and Vice-Chairs of the Accreditation Quality Committee, PreAccreditation Committee, Initial Accreditation Committee, Maintenance of Accreditation Committee, and Accounting Accreditation Committee, plus the AACSB Board of Directors Chair, Vice Chair-Chair Elect, and Immediate Past Chair. The Immediate Past Chair serves as Chair of this Committee.

### **Operating Guidelines**

1. Normally, the ACC holds two face-to-face meetings each year. It may hold additional electronic meetings as needed.
2. The ACC oversees the review of eligibility issues including the inclusion/exclusion of degree programs and gets directly involved when the review concerns controversial information.
3. The ACC recommends changes in standards to the Accreditation Quality Committee.
4. The ACC reviews the work of the operating committees to discover opportunities for improvements in coordination among committees.
5. The ACC oversees accreditation reviewer training.
6. The ACC Chair presides over meetings of the ACC and is authorized to approve all visitors to the meetings.
7. A simple majority of the ACC will constitute a quorum.
8. Meetings are relatively informal, but *Robert's Rules of Order* and parliamentary procedure guide formal actions.

## Accreditation Quality Committee (AQC)

### Purpose

The Accreditation Quality Committee (AQC) recommends changes in standards, policies, and procedures that will allow AACSB to maintain global leadership in accreditation.

### Structure

The AQC is composed of a minimum of six members and a maximum of 17 members including the current AACSB Board of Directors Chair, Vice Chair-Chair Elect and Immediate Past Chair, plus an AQC Chair and AQC Vice-Chair appointed by the Board of Directors Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made). The AQC Chair is a business or accounting administrator from an AACSB accredited institution. AQC members may be present and former institutional administrators from AACSB accredited institutions, present and former business and accounting administrators from AACSB accredited institutions, as well as faculty members from accredited institutions and corporate executives. Normally, the composition of the AQC includes a minimum of one-third of its members with experience with AACSB accredited accounting programs and experience in accounting education or professional accounting. Normally, AQC members serve staggered three-year terms, up to a maximum of two terms. Normally, the AQC Chair serves two consecutive one-year terms.

### Policy Guidelines

1. Normally, the AQC meets two times each year to consider changes in standards, policies, and procedures.
2. The AQC recommends changes in accreditation standards to the Board, which in turn, recommends standards changes to the Accreditation Council for approval.
3. The AQC has final authority to establish AACSB accreditation policies and procedures, and to authorize changes to the interpretive material supporting the accreditation standards.
4. The AQC considers suggestions for improvements in AACSB accreditation standards submitted by the PreAccreditation Committee, the Initial Accreditation Committee, the Maintenance of Accreditation Committee, the Accounting Accreditation Committee and the Accreditation Coordinating Committee.
5. The AQC Chair presides over meetings of the AQC and is authorized to approve all visitors to the meetings.
6. A simple majority of the AQC will constitute a quorum.
7. Meetings are relatively informal, but *Robert's Rules of Order* and parliamentary procedure guide formal actions.

## **Initial Accreditation Committee (IAC)**

### **Purpose**

The Initial Accreditation Committee (IAC) oversees processes for initial business accreditation to ensure consistency of standards application and equity of recommendations across teams and across programs reviewed.

### **Structure**

The IAC is composed of a minimum of nine members and a maximum of 19 members, plus an IAC Chair and IAC Vice-Chair appointed by the Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made). The IAC Chair is a business or accounting administrator from an AACSB accredited institution. IAC members may be present and former business and accounting administrators from AACSB accredited institutions, as well as faculty members from accredited institutions and corporate executives. Normally, IAC members serve staggered three-year terms, up to a maximum of two terms. Normally, the IAC Chair serves two consecutive one-year terms.

### **Operating Guidelines**

1. Normally, the IAC meets three times each year.
2. The IAC reviews and decides whether to accept an institution's standards alignment plan.
3. The IAC considers Peer Review Team recommendations for concurrence or remand. The IAC then makes recommendations to the Board for initial business accreditation and denial of initial business accreditation. Recommendations are official upon Board ratification.
4. The IAC may remand a Peer Review Team recommendation when it considers the recommendation inconsistent with either the information supplied by the Peer Review Team or with other recommendations. The Peer Review Team then reconsiders its recommendation and forwards to IAC either the same recommendation with additional supporting information or a changed recommendation. If the Peer Review Team and IAC do not reach agreement following a remand, a four-person panel is formed with two members from the Peer Review Team and two members from IAC. A panel recommendation for initial accreditation or denial of initial accreditation is forwarded to the Board for ratification; a panel recommendation for deferral is forwarded to IAC and holds as the decision of the review process.
5. The IAC Chair presides over meetings of the IAC and is authorized to approve all visitors to the meetings.
6. A simple majority of the IAC will constitute a quorum.
7. Meetings are relatively informal, but *Robert's Rules of Order* and parliamentary procedure guide formal actions.

## Maintenance of Accreditation Committee (MAC)

### Purpose

The Maintenance of Accreditation Committee (MAC) oversees processes for maintenance of business accreditation to ensure consistency of standards application and equity of recommendations across teams and across programs reviewed.

### Structure

The MAC is composed of a minimum of nine members and a maximum of 18 members plus a MAC Chair and MAC Vice-Chair appointed by the Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made). The MAC Chair is a business administrator from an AACSB accredited institution. MAC members may be present and former business and accounting administrators from AACSB accredited institutions, faculty members from accredited institutions, and corporate executives. Normally, MAC members serve staggered three-year terms, up to a maximum of two terms. Normally, the MAC Chair serves two consecutive one-year terms.

### Operating Guidelines

1. Normally, the MAC meets two times a year.
2. The MAC considers Peer Review Team recommendations for concurrence or remand. The MAC then makes recommendations to the Board for maintenance of business accreditation or revocation of business accreditation. Recommendations are official upon Board ratification.
3. The MAC may remand a Peer Review Team recommendation when it considers the recommendation inconsistent with either the information supplied by the Peer Review Team or with other recommendations. The Peer Review Team then reconsiders its recommendation and forwards to the MAC either the same recommendation with additional supporting information or a changed recommendation. If the Peer Review Team and the MAC do not reach agreement following a remand, a four-person panel is formed with two members from the Peer Review Team and two members from the MAC. A panel recommendation for maintenance of accreditation or revocation of accreditation is forwarded to the Board for ratification; a panel recommendation for sixth year review or continuing review is forwarded to the MAC and holds as the decision of the review process.
4. The MAC Chair presides over meetings of the MAC and is authorized to approve all visitors to the meetings.
5. A simple majority of the MAC will constitute a quorum.
6. Meetings are relatively informal, but *Robert's Rules of Order* and parliamentary procedure guide formal actions.

## **PreAccreditation Committee (PAC)**

### **Purpose**

The PreAccreditation Committee (PAC) oversees the development of relationships between institutions working toward accreditation and AACSB. It assists AACSB reviewers to understand the institution and the institution to understand the review process to ensure a fair and expedient review. It assists the institution to recognize needed improvements and then to present its best case in the review process. The committee oversees the acceptance of Eligibility Applications, approves standards alignment plans and ensures consistency of the preaccreditation process.

### **Structure**

The PAC is composed of a minimum of 15 members and a maximum of 22 members plus a PAC Chair and PAC Vice-Chair appointed by the Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made). PAC members may be present and former business and accounting administrators, faculty members, and corporate executives. The PAC Chair is a business administrator from an AACSB accredited institution. Normally, PAC members serve staggered three-year terms, up to a maximum of two terms. Normally, the PAC Chair serves two consecutive one-year terms.

### **Operating Guidelines**

1. Normally, the PAC meets three times each year.
2. The PAC approves or denies the eligibility of institutions that apply for the preaccreditation process and appoints a mentor to work with each institution through the preaccreditation process.
3. The PAC reviews the progress of each institution in the development of a standards alignment plan and controls the progression of the institution to the oversight of the Initial Accreditation Committee by providing initial approval or denial of the standards alignment plan.
4. The PAC Chair presides over meetings of the PAC and is authorized to approve all visitors to the meetings.
5. A simple majority of the PAC will constitute a quorum.
6. Meetings are relatively informal, but *Robert's Rules of Order* and parliamentary procedure guide formal actions.

## **SPECIAL COMMITTEES**

### **Advisory Councils and Staff Task Forces**

#### **Purpose**

Advisory councils and staff task forces assist AACSB management in understanding and meeting the service needs of members and in developing strategies and initiatives. Advisory councils are organized to parallel AACSB services or organizational goals, and staff task forces are project-oriented. Both are distinguished from Board committees and Board task forces, which are established by Board action to help the Board do its job. The outputs of advisory councils and staff task forces typically will include meeting summaries, but also may include “white papers” or other reports that, at the discretion of the Chair, may be presented to the Board.

#### **Structure**

Staff task forces and advisory councils are created and disbanded at the discretion of the President and CEO. The size and composition of staff task forces may vary depending on the project. At least one staff task force member must be a member of the Board to facilitate communication.

Advisory councils are composed of four to six management education leaders from AACSB member organizations. Other individuals may be invited to participate in meetings as subject matter experts or leaders in a particular topic area. Members and chairs of advisory councils are appointed by the President and CEO and serve for terms of one year or more as agreed to by the member and President and CEO.

#### **Operating Guidelines**

1. The President and CEO will appoint a staff liaison for each staff task force and advisory council to provide leadership, coordinate activities, and facilitate meetings.
2. The staff liaison will schedule conference calls or periodic face-to-face meetings of staff task forces and advisory councils as necessary (at least one per year). The staff liaison is responsible for meeting agendas and facilitation.
3. AACSB staff liaisons will provide meeting materials to staff task force or advisory council members at least one week before each meeting.
4. Staff task force and advisory council members will comment orally and/or in writing on AACSB ideas, projects, and plans. In addition, members will be asked to provide feedback and guidance regarding specific products and services being developed by AACSB.
5. Staff liaisons will prepare and distribute meeting summaries to staff task force and advisory council members within 30 days following each meeting.
6. Members are reimbursed for out-of-pocket expenses in accordance with AACSB’s travel policy, but members do not receive fees for their services to AACSB.

## **Board Task Forces**

### **Purpose**

Board task forces advise the Board on specific topics as necessary. Specific outputs of task force activities may include recommendations to the Board or policy papers.

### **Structure**

Board task forces, which are formed by Board action, specify a clear mission, expected output, size and composition guidelines, start date, and end date. The Board also may specify dates for interim reports/updates. The Chair appoints Board task force members and chairs. To facilitate communication, at least one Board task force member must be a member of the Board. Other individuals may be invited to participate in meetings as subject matter experts or leaders in a particular topic area. The President and CEO appoints a management staff liaison for each Board task force. Board task forces will be structured so that they do not interfere with the wholeness of the Board's job or with delegation from the Board to the President and CEO.

### **Operating Guidelines**

1. Board task forces are formed to assist the Board rather than to help or advise staff.
2. Board task forces may not speak or act for the Board except when formally given such authority for specific and time-related purposes. Expectations and authority will be carefully stated to avoid conflict with authority delegated to the President and CEO.
3. Board task forces cannot exercise authority over staff. Because the President and CEO works for the full Board, he or she will not be required to obtain approval of a Board task force before taking action.
4. The policies in this section do not apply to staff task forces or advisory councils formed under the authority of the President and CEO.
5. Board task force chairs are responsible for meeting agendas and facilitation.
6. Staff liaisons will assist the Board task force chair to plan and convene face-to-face, voice, or electronic meetings.
7. Meeting materials will normally be provided by the staff liaison to Board task force members at least one week before each meeting.
8. Staff liaisons will prepare and distribute meeting summaries to Board task force members within 30 days following each meeting. The Board task force must approve meeting summaries within 60 days following each meeting.
9. Members are reimbursed for out-of-pocket expenses in accordance with AACSB travel policies, but members do not receive fees for their services to AACSB.

## **Compensation Committee**

### **Purpose**

The Compensation Committee is a Special Committee of the Board. The Committee has oversight of executive compensation, works with the CEO to develop annual strategic goals for the CEO, reviews and evaluates the achievement of these goals, and sets the compensation of the CEO. The Compensation Committee has general oversight of the CEO and Executive Team to ensure the alignment of organizational goals and compensation of the CEO and Executive Team.

### **Structure**

The Compensation Committee is composed of the Chair, Vice Chair-Chair Elect, the Immediate Past Chair and two additional members of the board. Each of the two additional members are appointed by the Vice Chair-Chair Elect (who shall preside as Board Chair during the year for which the appointments are made), and serve a two-year term on a staggered basis. The terms of all appointed additional members on the Compensation Committee will commence when the Vice Chair-Chair Elect becomes Chair. The two additional members will preferably have experience with board compensation committee issues. Compensation committee meetings are held as needed and called by the Chair. The Compensation Committee meets in person at least once per year, immediately preceding or following a Board meeting.

### **Operating Guidelines**

1. The Committee takes a strategic perspective in its oversight of executive compensation and performance reviews.
2. The CEO Goals should be strategically driven and focused on outcomes that the CEO can influence. The Executive Team will contribute to attainment of some CEO goals. The CEO will develop Executive Team Goals focused on outcomes at the Executive and Senior Vice Presidential level. The CEO and Executive Team Goals will be subject to the review and approval of the Compensation Committee.
3. The CEO goals are developed collaboratively with the CEO and focused on a limited number of strategic goals for the upcoming year.
4. Periodically, the Committee will engage an outside consultant to provide more thorough benchmarking on compensation for the CEO and Executive Team. The consultant will be responsible to and work most closely with the Committee. The Committee will solicit benchmarking input to develop compensation guidelines for the CEO when creating a Letter of Agreement Concerning Employment with the AACSB for the CEO.
5. In evaluating performance and setting compensation for the CEO, the Committee solicits and reviews inputs from a variety of stakeholders.
6. The Committee may provide general guidance to the CEO on strategic human resource management issues.
7. The Committee will follow the compensation guidelines in the Letter of Agreement Concerning Employment with AACSB in effect for the CEO at the time that annual compensation decisions are made.

## **Asia-Pacific Advisory Council**

### **Purpose**

The purpose of the Asia-Pacific Advisory Council (APAC) is to: (1) advise the AACSB board and staff on key issues and challenges related to Asia-Pacific business education and AACSB's activities and engagement in the Asia-Pacific context; (2) meet regularly with regional and country-level affinity groups or self-help groups and networks to evaluate needs, issues, and opportunities to share with AACSB; (3) assist AACSB staff in identification and planning of AACSB programming, member services, etc. for Asia-Pacific business schools; and (4) recommend candidates for AACSB governance roles.

### **Structure**

The Asia-Pacific Advisory Council is composed of an APAC Chair, Vice Chair, and five members to be appointed by the Vice Chair-Chair Elect of the AACSB Board of Directors (who shall preside as Board Chair during the year for which the appointments are made). Of the seven members, at least four will be deans (or chief officers) representing AACSB accredited institutions located in the Asia-Pacific region, and the remainder will be deans (or chief officers) representing Asia-Pacific institutions that, at the time of appointment, are formally accepted into the AACSB pre-accreditation or initial accreditation process.

Normally, APAC members will serve three-year terms; however, initial appointments will be made to establish staggered terms as follows: Chair (representing an accredited institution) serves a three-year term; three accredited institution representatives (one with a one-year term, one with a two-year term, and one with a three-year term); two from in-process institutions (one with a one-year term and one with a two-year term). A Vice Chair will be elected by the APAC once appointments are complete.

### **Operating Guidelines**

The APAC will operate in the context of the following general guidelines:

1. APAC will take a strategic perspective in its deliberations and recommendations.
2. APAC is expected to meet twice per year and AACSB's budget will incorporate appropriate support for these meetings.
3. Normally, APAC meetings will be held in Singapore and at least one AACSB senior management executive is expected to attend each meeting.
4. APAC is expected to be actively engaged and supportive of regional and country-level affinity groups or self-help groups and networks, and to meet regularly with these groups to evaluate needs, issues, and opportunities to share with AACSB.
5. APAC is expected to make recommendations to AACSB in regards to nominations and input on strategic issues or recommendation, and will adhere to AACSB timelines and deadlines.
6. An AACSB staff member will be assigned as staff liaison for APAC and provide logistical support for development of meeting agendas, meeting planning, and capturing meeting results and follow up.

## European Advisory Council

### Purpose

The purpose of the European Advisory Council (EAC) is to: (1) advise the AACSB Board and staff on key issues and challenges related to European business education and AACSB's activities and engagement in the European context; (2) meet regularly with the European Affinity Group (EAG) to evaluate needs, issues, and opportunities to share with AACSB; (3) assist AACSB staff in identification and planning of AACSB programming, member services, etc. for European business schools; and (4) recommend candidates for AACSB governance roles.

### Structure

The European Advisory Council is composed of an EAC Chair, Vice Chair and six members to be appointed by the Vice Chair-Chair Elect of the AACSB Board of Directors (who shall preside as Board Chair during the year for which the appointments are made). Of the eight members, five will be deans (or chief officers) representing AACSB accredited institutions located in Europe, and three will be deans (or chief officers) representing European institutions that, at the time of appointment, are formally accepted into the AACSB preaccreditation or initial accreditation process.

Normally, EAC members will serve three-year terms; however, initial appointments will be made to establish staggered terms as follows: four accredited institution representatives (one with a one-year term, one with a two-year term, and two with three-year terms); three from in-process institutions (one with a one-year term, one with a two-year term, and one with a three-year term). A Vice Chair will be elected by the EAC once appointments are complete. From the original EAC members, the AACSB Board Chair will appoint an EAC Chair who represents an AACSB accredited institution and is appointed to an initial three-year term. The EAC Chair will serve a one-year term as Chair and may be reappointed as Chair for a second year, subject to the approval of the Vice Chair-Chair Elect of the AACSB Board of Directors.

### Operating Guidelines

The EAC will operate in the context of the following general guidelines:

1. EAC will take a strategic perspective in its deliberations and recommendations.
2. EAC is expected to meet twice per fiscal year and AACSB's budget will incorporate appropriate support for these meetings.
3. Normally, EAC meetings will be held in Europe and at least one AACSB senior management executive is expected to attend each meeting.
4. EAC is expected to be actively engaged and supportive of the European Affinity Group (EAG) and meet regularly with EAG.
5. EAC, in making recommendations to AACSB in regards to nominations and input on strategic issues or recommendations, will adhere to AACSB timelines and deadlines.
6. An AACSB staff member will be assigned as staff liaison for EAC and provide logistical support for development of meeting agendas, meeting planning, and capturing meeting results and follow up.

## MEMBERSHIP CRITERIA

AACSB membership includes educational institutions and corporate, non-profit, and public sector organizations (non-educational institutions). The applicant must meet the criteria listed in order to qualify for membership in AACSB.

### **Educational Institutions**

Educational membership is available to institutions offering baccalaureate and/or graduate degree programs in business, management, or accounting. Member benefits extend to all faculty, staff, and administrators within the member organization.

### **Corporate, Non-Profit and Public Sector Organizations**

Corporate, non-profit, and public sector organizations may be admitted to membership in AACSB through the Business Member Program. Member benefits will extend only to those units/divisions operating within the same product/service line as the member organization. Subsidiary or other related organizations seeking access to benefits must maintain a separate membership. Organizations offering degree programs must apply for educational membership and are not eligible for the Business Member Program.

### **Criteria**

1. The applicant agrees to abide by the Bylaws of AACSB; and
2. The applicant agrees to the terms under which membership can be cancelled (see Policy Governance Manual, The Board, #12); and
3. The applicant agrees that all disputes shall be resolved as specified in the AACSB Bylaws, Section One, F, "Disputes".
4. The applicant organization meets the appropriate criteria:

#### *Educational Institutions:*

The institution is accredited by an appropriate governing body in its home country of operation. An "appropriate governing body" shall be defined as a governmental entity (or one authorized by a governmental entity) with authority to approve degrees offered by higher educational institutions (e.g. Ministry of Education); OR

The institution demonstrates approval of academic programs through recognition by one or more appropriate governmental, non-governmental, or professional organizations within the home country of operation.

#### *Corporate, Non-Profit and Public Sector Organizations:*

The applicant submits payment in full of the first year annual dues, in US dollars, at the time of application.

In addition, discounted non-profit membership in AACSB is available to those research and academic associations whose membership is composed of faculty, staff, and administrators at educational institutions. Additional organizations may be admitted at the discretion of AACSB, although vendors and other organizations whose primary function is to provide products and/or services to support management education are ineligible for membership in this category and must apply as a Business Member.

## AACSB INTERNATIONAL CODE OF CONDUCT AND CONFLICTS OF INTEREST POLICY

**Introduction:** Mutual respect and integrity must characterize the interactions and activities of those who participate in all AACSB International discussions, decisions and actions, including but not limited to corporate governance, leadership and advocacy activities, and accreditation decisions. Acceptance to serve in a volunteer capacity on the AACSB Board of Directors, a standing committee, task force, peer review team, or other volunteer role or in an AACSB Management Council position or other managerial role constitutes an express agreement to conduct oneself in accordance with the highest standards of professional and moral integrity. In all circumstances, not only actual conflicts of interest, but also the appearance of conflicts of interest must be scrupulously avoided to assure the maintenance of the integrity of AACSB International. Furthermore, all individuals addressed in this document who find themselves in an actual, potential, or perceived conflicts of interest as described herein have the duty of disclosure that must be exercised as soon as a conflict becomes apparent. The remainder of this document provides guidance with regard to actual, potential or perceived conflicts of interest and their resolution should they arise.

**Scope:** This policy addresses actual, potential, and perceived conflicts of interest relative to the responsibilities of all persons acting on behalf of AACSB, including but not limited to members of the AACSB Board of Directors, all standing committees including the Accreditation Coordinating Committee, the Accreditation Quality Committee, the Accounting Accreditation Committee, Initial Accreditation Committee, Maintenance of Accreditation Committee, and the Pre-Accreditation Committee, Peer Review Team Members, Accreditation Appeal Panelists, Board appointed task forces, members of the AACSB Management Council, and staff members who have managerial responsibilities, as well as any other AACSB International sponsored or authorized activities.

**Policy:** A participant in any AACSB meeting or peer review team acting on behalf of AACSB, including but not limited to Board of Directors' meetings, committee meetings, or task force meetings, where an actual, potential, or perceived conflict of interest may arise must recuse him or herself from any and all involvement, discussions and/or votes relative to the issue or topic associated with the actual, potential, or perceived conflict of interest. Except with the express consent of the Chair, a person recused by virtue of an actual, potential, or perceived conflict of interest will absent him or herself from the proceedings.

**Conflicts of Interest:** Actual, potential, or perceived conflicts of interest may include, but are not limited to, the following:

- Within the past ten years, employment,<sup>1</sup> enrollment as a student,<sup>2</sup> or other service<sup>3</sup> in any capacity by an institution that is under review.

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<sup>1</sup> "Employment" includes any engagement by the institution, including consulting or contractual services, whether or not compensated by the institution itself.

<sup>2</sup> "Enrollment" includes any academic involvement whether or not for credit or leading to an academic credential of any kind.

<sup>3</sup> "Other service" includes serving as a board member, advisor, member of an advisory board or committee.

- Within the past three years, employment, enrollment as a student, or other service in any capacity by an institution that is part of the same multi-institutional system as the institution under review.
- Within the past year, employment, enrollment as a student, or other service in any capacity by an institution that is a competitor of the institution under review or that may otherwise have a material interest in the outcome of the actions regarding the institution under review.
- Within the past three years, employment, enrollment as a student, or other service capacity and direct involvement in the development, direct oversight, and continuing direct management of joint programs or other collaborative educational activities at an institution in cooperation with an the institution under review.
- Current employment by an institution that is in the same state or province as the institution under review. For institutions located outside the United States, a determination will be made in accordance with this policy with regard to actual, perceived, or potential conflicts of interest if the AACSB participant is employed by an institution located in the same country as the institution under review.
- Within the past year, having been a candidate for employment in any capacity or having applied for enrollment as a student with the institution under review.
- Immediate<sup>4</sup> family member(s) who is (are) a current employee(s), board member(s), candidate(s) for employment or admission to a degree program, or student(s) enrolled in a degree program, at the institution under review.
- Being an alumna or alumnus of the institution under review.
- Hosted a peer review team at my institution that included a dean who will host a peer review team for which I am being considered.
- Having a financial interest in the institution under review, including but not limited to ownership of shares of stock in the institution or in any parent of the institution, excepting shares or interests held indirectly such as in mutual funds, insurance policies, or blind trusts. In addition, having any immediate family member(s) with any of the above financial interests.

The Chair of the Board of Directors, a standing committee, or task force, respectively, is responsible for determining if a conflict of interest exists when a volunteer in one of the roles described above requests a determination. If the Chair has a conflict of interest, the Vice Chair will provide the final determination. In cases where a participant voluntarily identifies an actual, potential, or perceived conflict of interest and absents him or herself from the deliberations and actions, these events will be recorded in writing as part of the meeting record and a copy filed with the executive office of AACSB. If a request for a determination of an actual, potential, or perceived conflict of interest is made to the Chair (or Vice Chair), such requests must be made

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<sup>4</sup> “Immediate family members” include spouses, siblings, children, grandchildren, parents, grandparents, and domestic partners.

in writing, and the determination by the Chair (or Vice Chair) is to be in writing, and both are to be filed with the executive office of the AACSB.

An assertion by any third party of an actual, potential, or perceived conflict of interest in any matter will be referred to the affected individual who will be expected to provide a written explanation. Both the asserted conflict and the explanation will be considered by the Chair (or Vice Chair) for a determination as to the existence of a conflict of interest.

**Annual Confirmation:** Each person covered by this Policy, including but not limited to members of the Board of Directors, standing committees, task forces, and all AACSB managerial staff shall by July 1 of each year or by the commencement of the first meeting after July 1 of each year of the Board, committee, or task force, sign the statement set forth below acknowledging receipt and express agreement with the Code of Conduct and Conflicts of Interest Policy.

Exception of Annual Confirmation: Peer review team members and pre-accreditation mentors must sign the statement at the time of confirmation of the appointment as a condition of serving in these roles. The statement will cover a period that commences on the day of signature and expires on the day the assignment is completed and pertains only to the institution to be visited listed below.

**Statement of Agreement:** By my signature below, I acknowledge that:

- (a) I understand the mission of AACSB and agree to support the mission as it relates to the role I am assuming;
- (b) I have received, read and understand this Code of Conduct and Conflicts of Interest Policy; and
- (c) I agree to comply in all respects with this policy.

_____ Signature	_____ Date Signed
_____ Please print name	
_____ Institution to be visited	<u>Or</u> _____ Effective Dates

**Return to: Office of Corporate Governance  
AACSB International  
777 S. Harbour Island Boulevard, Suite 750  
Tampa, Florida 33602-5730  
Fax: +1 813 472 5530**

## GENERAL POLICIES

### Travel

Travel on behalf of AACSB will be reimbursed for:

1. Transportation costs such as airfare, rail, bus, etc., based on the most commonly traveled means and route consistent with the authorized purpose of the trip.
2. Personal automobile mileage at the maximum rate allowed by the U.S. IRS.
3. Reasonable subsistence expenses such as lodging and meals.
4. Parking charges and tolls.
5. Other reasonable costs such as taxi fares and other ground transportation.

When travel by personal automobile is not the most efficient method of transportation and an individual still elects to travel by personal automobile, reimbursement will be made on the basis of the lesser of the cost of coach air service or the personal auto mileage allowance described in number two above. Normally, no reimbursement will be made for meals or accommodations necessitated by the additional time en route.

Lodging reimbursements will normally be considered for up to one night prior to the start of business through one night after the conclusion of business, depending on the meeting schedule and the traveler's origination and destination city. For example, lodging for a two-day meeting will generally be limited to no more than three nights.

Rental cars should be used only when other suitable means of transportation are not available or when their use would result in a savings to AACSB.

Expense reports should include original receipts for all charges. Receipts for airfare charged directly to AACSB should also be attached.

### Air Travel

Tickets for air travel should be procured as far in advance as possible in order to obtain the most economical fares offered by the carrier. Tickets should be purchased from the authorized travel provider identified below.

1. Air travel for trips under 10 hours one-way shall be booked at economy fares.
2. In recognition of the challenges involved in extended air travel, and for the general expectation to conduct business within a relatively short time following arrival, air travel for trips of 10 hours or longer one-way may be booked in business class. Exceptions to this policy are cited below. The measurement of the travel time is based on the scheduled departure time from the origin city until the scheduled arrival time in the final destination city ("gate to gate"). Waiting time during layovers is included in the measurement. AACSB staff travel to be booked in business class must be approved by

the President and CEO, in addition to the traveler's supervisor and appropriate Management Council member, before tickets are purchased.

3. This policy does not apply to air travel for trips within the 48 contiguous United States and D.C., which shall be booked at economy fares.
4. This policy does not apply to travel for AACSB conferences and seminars. Staff travel to these events is limited to economy travel when the cost of the travel is to be charged to the event budget. Speaker and facilitator travel reimbursement is set on a per event basis by the Senior Vice President and Chief Education Officer or his or her designee.
5. The host institution for travel involving a mentor or peer review team is expected to accept this policy as the minimum. Air travel for mentor or peer review team visits may be upgraded beyond this policy if offered and paid for by the institution and agreed to by the peer review team chair.
6. Trips by AACSB International officials to any institution, school, business or meeting may be upgraded beyond this policy if upgraded travel is the norm and the fare is paid for by a sponsoring organization other than AACSB.
7. All exceptions to the air travel policy must be approved by the President and CEO.

### **Airline Arrangements**

Carlson Wagonlit Travel Company is AACSB International's chosen travel provider for all association events requiring reimbursed transportation expenses. AACSB International prefers that airline tickets are purchased from Carlson Wagonlit in order to manage costs. Airfare booked through Carlson Wagonlit for AACSB travel will automatically be charged to AACSB's travel card.

Contact information for Carlson Wagonlit Travel:

Service Hours:	8:30 am - 5:00 pm US Central Time
Telephone Number:	+1 314-513-0830
US Toll-Free Number:	1-800-959-8727

After Hours Emergency US Toll Free Number: 1-800-664-7033  
After Hours Emergency contact information for travel outside the US is posted on the traveler's itinerary.

Email: [ncstl.info@carlsonwagonlit.com](mailto:ncstl.info@carlsonwagonlit.com)

### **Vendor**

AACSB International will not enter into any agreement that may give the expressed or implied impression that it endorses a specific product or service as evidence of satisfaction of AACSB's accreditation standards.