**GOVERNANCE:**

**Establishing Governance Perimeters to Avoid Potential Conflicts of Interests and Other Legal Hazards**

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* **Legal dangers from being “controlled”**
	+ Conflicts of interests
	+ Antitrust
	+ Agency liability
* **Achieving autonomy – separate incorporation vs. unincorporated program**
	+ Requirement for “administrative independence” in essential certification decisions
	+ Separate incorporation – provides legal protection, demonstrates independence
	+ Unincorporated program – need “functional autonomy”
* **What constitutes “undue influence” by a parent board?**
	+ Inappropriate pressure to adjust certification standards or other aspects of certification
	+ Evidenced by controlling the certification board – appointing a majority
	+ Program veto or financial authority
* **Effectively working together with a parent board or related organization**
	+ Clear governing documents
	+ Sharing resources
	+ Written agreements, distinction of roles and responsibilities
	+ Onboarding and continued communication