



August 14, 2020

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To Whom It May Concern:

In March of 2019, The Master's University and Seminary's probation was continued by WSCUC. As a response to the continued probation, TMUS reached out to The Change Leader, Inc., a consulting firm led by Dr. Drumm McNaughton, who had extensive experience working with WSCUC and on university governance, structure and policy issues. He was given a 12-month contract beginning in March 2019, a contract that was extended for 2 additional months leading up to the WSCUC Special Visit.

At that time, TMUS was found to be out of compliance in four areas: board independence, operational integrity, personnel management practices, and leadership, and Dr. McNaughton provided advice and counsel to TMUS' board and administration in all four areas.

Board Independence and Improved Governance. Dr. McNaughton worked closely with the board, and helped TMUS remedy issues of board independence by instituting board governance best practices and a culture change on the board. Among the measures taken include:

- Attended several Board meetings and provided training in board governance best practices and independence. This training led to the formation of new Board committees.
- Developed and administered a Board independence assessment matrix that enables the board to self-assess its level of independence in relation to WSCUC's governing board standards (financial, compensation, ownership, and undue influence).
- Updated the Board and administration conflict of interest form that is administered annually.
- Developed and administered a board governance assessment that will be administered annual. This assessment provides the basis for future board training to ensure board best practices are followed.
- Produced a Board Handbook that includes the qualifications for Board membership, expectations for member involvement, and protocols for BOD activities and governance. Included in this is a board annual calendar to ensure needed governance activities are conducted; these include:
 - Board independence evaluation
 - Conflict of interest affirmation of officers and directors
 - Presidential evaluation
 - Board retreat
 - Board orientation
 - Employee satisfaction survey for university and Seminary
 - Board assessment with an external consultant
 - Skills matrix in preparation for recruiting new board members
 - Corporate meeting/election of officers
- Conducted a Board skills matrix assessment, which provided insight into the areas of current Board member, strengths, recruiting needs, and governance responsibilities. This will be used to enable recruiting of new board members to ensure appropriate oversight of the institution.



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- Revised TMUS institutional bylaws to ensure independence was maintained going forward. The changes included new reporting structures, appointment of officers, and other measures that brings and keeps the board in line with governance best practices.
- Recommended establishment of and drafted charters for multiple new board standing committees that increase the engagement with TMUS campus leadership, address ongoing needs and concerns, and provide for academic, operational, and strategic effectiveness. The standing committees are as follows:
 - Executive Committee
 - Finance
 - Development (new committee)
 - Strategic & Risk (new committee)
 - Academic Affairs (new committee)
 - Audit (new committee)
 - Nominations & Governance
 - University and Seminary Life (including Athletics) (new committee)
- Developed the annual presidential evaluation to be completed as per WSCUC guidance.

As a result of these comprehensive set of actions, TMUS now meets the criteria of independence per the WSCUC guidelines and good board governance practices.

Operational Integrity. The issue of operational integrity revolved around the retirement of the active president and the culture of the institution. With the Board chairman rendering strong leadership, Dr. McNaughton advised the chairman as to how to execute the necessary leadership transition, including designating the former president “Chancellor Emeritus,” and how to execute the necessary steps to ensure that the institution was in compliance with WSCUC standards. Additionally, TMUS’ board contracted with a national search firm to conduct a search for a new president, which was successfully concluded on February 3, 2020, and Dr. McNaughton provided significant input into the search process, including counseling selected members of the search committee as to how to gain faculty and employee buy-in.

Leadership and Culture. One of the key issues that TMUS had to overcome was a culture of hostility, bullying, and retaliation. The institution had started down the path of improving this through immediate board intervention, but Dr. McNaughton made multiple recommendations, including holding listening sessions with faculty, staff, and students, that have turned the culture around.

Personnel Management Practices. WSCUC had previously concluded that TMUS "should establish and implement a formal procedure that allows for a safe environment for staff and faculty to express grievances and ethical concerns." With Dr. McNaughton's leadership, the university engaged an independent firm to act as ombudsman.

Additionally, Dr. McNaughton reviewed and made recommendations on institutional hiring and termination processes that strengthened communication in the area of personnel management; reviewed and made recommendations to employee and faculty handbooks; and provided detailed guidance in the



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Additional Assistance

- **Strategic Planning.** Dr. McNaughton led the faculty and staff through a substantial part of a new university strategic plan. Based on the mantra “people support what they help create,” Dr. McNaughton facilitated sessions with both the core planning team and key stakeholders that enabled the institution to develop a plan that will take the institution through the better part of the 2020 decade.
- **Addressing WSCUC Concerns.** Last but not least, Dr. McNaughton was instrumental in TMUS addressing WSCUC correspondence and concerns, including the resignation of three (former) board chairs, and appeal of the probation, and the institutional report.

The Results. During the WSCUC Special Visiting Team visit on July 31 the institution received six commendations and one recommendation, that being “we recommend you keep doing what you’re doing,” and we fully expect the Commission to remove TMUS 's probation this November.

Dr. McNaughton’s knowledge and counsel to our institution was critical for our getting and remaining off probation, and was exemplified by two quotes from board members:

- “You are a blessing to us. Thank you so much for expertise and encouragement. It was a game changer for us”; and
- “Thought the outside influence and expertise for the TMUS BOD, such as yourself and Jim Barnes [presidential search consultant] were extremely helpful and edifying for us. Thank you again.”

Accordingly, we strongly recommend Dr. McNaughton’s services to any institution who is in need of accreditation, governance, strategic planning, or personnel management / culture expertise.

Sincerely,

John, Stead, Ph.D.
Executive Vice President and Interim President (2019-2020)