



REGULAR MEETING OF THE BOARD OF TRUSTEES

Jackson College

Central Campus, George E. Potter Center, 2nd Floor,
Boardroom

11.13.23

The Regular Meeting of the Board of Trustees of Jackson College was held on Monday, 11.13.23, 6:30pm, at the Central Campus of Jackson College, George E. Potter Center, 2nd Floor, Boardroom.

Board Members Present: Chairman John Crist, Vice-Chairwoman Sheila Patterson, Trustee Donna Lake, Trustee Matt Heins, and Trustee Christopher Simpson

Board Member Absence: Trustee Phil Hoffman

Others Present Include: Dr. Daniel Phelan, Keith Everett Book, Cindy Allen, Jason Valente, Jen Fiero, Sandy DiCesare, Ariel Maturine, Stephanie Waffle-Stephenson, Lynn Guernsey, Jamie Vandenburg, Jessica Dore, Josh Sullivan

Chairperson John Crist called the meeting to order at 6:30PM Eastern Standard Time.

ADOPTION OF MINUTES

The draft minutes of the following Board of Trustees meetings were reviewed by the Board and moved into the permanent record by Chairperson Crist, on behalf of the Trustees.

- Regular Board Meeting, Dated 10.16.23
- Special Board Meeting, Dated 10.19.23
- Special Board Meeting, Dated 10.25.23
- Special Board Meeting, Dated 10.30.23
- Special Board Meeting, Dated 11.08.23

MOTION BY TRUSTEE LAKE TO APPROVE THE MINUTES FOR THE REGULAR BOARD MEETING DATED 10.16.23 AND THE SPECIAL BOARD MEETINGS DATED 10.19.23, 10.25.23, 10.30.23, AND 11.8.23. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES HEINS, SIMPSON, PATTERSON, LAKE, AND CRIST VOTING AYE. MOTION PASSED UNANIMOUSLY.

DECLARATION OF CONFLICT OF INTEREST

There were no conflicts of interest expressed by Trustees for items appearing on the agenda for the meeting.

OWNERSHIP LINKAGE

PUBLIC COMMENTS:

Chairperson Crist invited attending members of the public (who registered via the form provided at the Board Room door prior to this portion of the agenda) to offer their comments to the Board of Trustees (up to five minutes each). As was also stated on said form, Chairperson Crist reminded those offering comments that the Board does not respond in this setting when the matter presented concerns personnel, student issues, or matters are being addressed through the established grievance or legal processes, or otherwise a subject of review by the Board of Trustees.

Jen Fiero (Current JC Employee) – Fiero described her extensive history with, and pride in, Jackson College. She also described areas of improvement needed at Jackson College, including millage campaign strategies, a lack of College presence in the community, a systemic culture of intimidation, and mishandling of harassment issues, as she reported. She suggested the adoption of a growth mindset, error acknowledgement, review and amendment of policies, and specific goals.

BOARD COMMENTS:

Chairperson Crist thanked the speaking public for their comments and assured them that their comments will be taken into consideration.

Trustee Lake shared that she enjoyed visiting the Veteran's Day Open House held at Jackson College in observance of Veteran's Day.

Chairperson Crist noted the inflation of the Jets Air Station on Central Campus.

OWNERSHIP LINKAGE COMMITTEE STATUS:

CEO Phelan suggested making rounds to share College information to each of the Townships in the County.

Chairperson Crist suggested that the presentation of the IT and Financial Audits by auditing firm Rehmann be moved to this point in the agenda, which was agreed to by consensus of the Board.

John Globoker explained that an audit is a culmination of an entire year's work that requires significant collaboration in order to meet deadlines. He introduced a broad overview of the tests that were completed of the following for the IT Audit:

- Information Technology Audit & Assessment
- Internal Vulnerability Analysis & Penetration Test
- External Vulnerability Analysis & Penetration Test
- Wireless Vulnerability Analysis & Penetration Test

Jessica Dore of the Rehmann audit firm gave an in-depth presentation to the Board on the IT audit, indicating that cyber-auditing IT is a continuous process that is ever-evolving. She provided a summary of the internal audit, indicating 27 findings, and 11

comments. Trustee Lake asked if there is a period by which the College is suggested to meet the recommendations. Dore explained that Rehmann encourages management set up their own timeline, but Rehmann will revisit all findings in their next audit.

Trustee Heins asked if there were areas of surprise in the audit, to which Dore indicated that these were just recommendations and that there were no surprises to their team. The external IT audit had no findings, only 1 comment. For the internal vulnerability analysis there were 2 findings, and recommendations to further secure the internal environment. For the wireless perspective, there was only 1 comment for best practices.

Trustee Simpson asked if the personally identifiable information (PII) was tested. Dore noted that the College is working through rebuilding that process, and the auditor encouraged that this be put back in place.

Globoker then moved on to the financial audit, starting with an appreciation for all those that worked on the financial audit, especially the College audit team and multiple College departments: Foundation, Facilities, Financial Aid, HR, Legal, Housing, Marketing, and Academics, as well as the Rehmann audit team.

Josh Sullivan of Rehmann shared an in-depth review of the draft financial audit schedules and footnotes, indicating no substantial findings. He explained any notable fluctuations in operating revenues, pension plans, OPEB liabilities, and cash / cash equivalents, noting a total net position increase of \$1.6M.

CEO Phelan explained for Vice-Chairperson Patterson that the largest subscription the College holds is with CampusWorks.

ITEMS FOR DECISION

GOVERNANCE PROCESS ITEMS: Governance Process: GP-13 Special Rules of Order – Policy Review

The Board's Governance Process policy GP-13 Special Rules of Order was reviewed by the Board for its regularly scheduled review. Chairperson Crist, Trustee Simpson, Trustee Lake, and CEO Phelan proposed amendments for the Board's consideration.

The following substantial policy changes in red were discussed (and then approved):

Policy Item 3:

Trustees will not present an item for action or discussion at a Board meeting if it is not on the agenda, unless otherwise approved by a majority vote of the Board.

Policy Item 12:

Board decisions about policies and revisions to policies will be considered first by the Board members assigned for pre-review of the policies, with the second reading occurring during the actual Board meeting. If approved, it has immediate effect.

MOTION BY TRUSTEE LAKE TO APPROVE POLICY GP-13 SPECIAL RULES OF ORDER AS AMENDED. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES HEINS, SIMPSON, PATTERSON, LAKE, AND CRIST VOTING AYE. MOTION PASSED UNANIMOUSLY.

GOVERNANCE PROCESS ITEMS: Board-CEO Delegation: BCD-02 Accountability of the CEO – Policy Review

The Board's Board-CEO Delegation policy BCD-02 Accountability of the CEO was reviewed by the Board for its regularly scheduled review. Chairperson Crist, Trustee Simpson, Trustee Lake, and CEO Phelan proposed no amendments for the Board's consideration.

MOTION BY TRUSTEE SIMPSON TO APPROVE POLICY BCD-02 ACCOUNTABILITY OF THE CEO. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES HEINS, SIMPSON, PATTERSON, LAKE, AND CRIST VOTING AYE. MOTION PASSED UNANIMOUSLY.

EXECUTIVE LIMITATIONS ITEMS: Executive Limitations: EL-07 Compensation & Benefits – Policy Review

The Board's Executive Limitations policy EL-07 Compensation & Benefits was reviewed by the Board for its regularly scheduled review. Chairperson Crist, Trustee Simpson, Trustee Lake, and CEO Phelan proposed amendments for the Board's consideration.

MOTION BY TRUSTEE LAKE TO APPROVE POLICY EL-07 COMPENSATION AND BENEFITS AS AMENDED. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES HEINS, SIMPSON, PATTERSON, LAKE, AND CRIST VOTING AYE. MOTION PASSED UNANIMOUSLY.

EXECUTIVE LIMITATIONS ITEMS: Executive Limitations: EL-09 Organization Culture – Policy Review

The Board's Executive Limitations policy EL-09 Organization Culture was reviewed by the Board for its regularly scheduled review. Chairperson Crist, Trustee Simpson, Trustee Lake, and CEO Phelan proposed amendments for the Board's consideration.

Vice-Chairperson Patterson described the Board previously receiving select reports on a scheduled basis, particularly the PACE Survey, crime reports, and monthly program information.

CEO Phelan described that in accordance with the practices of Policy Governance, board policies are designed to ensure that the Board stays at a strategic level. He noted that policy interpretations drill down further into systems that the CEO will use to measure compliance.

Trustee Lake shared that she would like more oral presentations from administration and departments.

CEO Phelan recommended the following be added to the policy:

The CEO shall not:

4. Operate without an annual assessment or methodology of determining organizational cultural health.

Discussion ensued and CEO Phelan's suggestion was added to the policy, later approved.

Trustee Heins suggested that this topic of the 'living policy' documents be moved to a retreat for further discussion to understand what each Board member is looking for in policies, interpretations, and monitoring reports. Chairperson Crist noted that this will be discussed further at the Fall Planning Session (11.17.23).

MOTION BY TRUSTEE HEINS TO APPROVE POLICY EL-09 ORGANIZATION CULTURE AS AMENDED. TRUSTEES VOTED BY ROLL CALL VOTE:

TRUSTEES HEINS: YES

TRUSTEE SIMPSON: YES

VICE CHAIRPERSON PATTERSON: NO

TRUSTEE LAKE: YES

CHAIRPERSON CRIST: YES

THE MOTION PASSED 4:1.

EXECUTIVE LIMITATIONS ITEMS: EL-07 Compensation and Benefits – Interpretations Review

CEO Phelan presented his clarified interpretation recommendations for policy EL-07 to the Board for their regularly scheduled review.

MOTION BY TRUSTEE LAKE TO APPROVE THAT THE BOARD HAS ASSESSED CEO PHELAN'S AMENDED INTERPRETATIONS OF POLICY EL-07 COMPENSATION AND BENEFITS AND FINDS THAT THEY DEMONSTRATE A REASONABLE INTERPRATION OF THE POLICY. TRUSTEES VOTED BY ROLL CALL VOTE:

TRUSTEES HEINS: YES

TRUSTEE SIMPSON: YES

VICE CHAIRPERSON PATTERSON: NO

TRUSTEE LAKE: YES

CHAIRPERSON CRIST: YES

THE MOTION PASSED 4:1.

EXECUTIVE LIMITATIONS ITEMS: EL-09 Organization Culture – Interpretations Review

CEO Phelan presented his clarified interpretation recommendations for policy EL-09 to the Board for their regularly scheduled review. Trustee Lake shared her appreciation for

the addition of a 24/7/365 anonymous, independent of the College, reporting tool being put in place.

MOTION BY TRUSTEE HEINS TO APPROVE THAT THE BOARD HAS ASSESSED CEO PHELAN'S AMENDED INTERPRETATIONS OF POLICY EL-09 ORGANIZATION CULTURE AND FINDS THAT THEY DEMONSTRATE A REASONABLE INTERPRATION OF THE POLICY. TRUSTEES VOTED BY ROLL CALL VOTE:

TRUSTEES HEINS: YES

TRUSTE SIMPSON: YES

VICE CHAIRPERSON PATTERSON: NO

TRUSTEE LAKE: YES

CHAIRPERSON CRIST: YES

THE MOTION PASSED 4:1.

MONITORING CEO PERFORMANCE

MONITORING CEO PERFORMANCE: EL-04 Financial Conditions & Activities – Evidence Review:

CEO Phelan presented the evidence (i.e., monitoring report) for Policy EL-04 Financial Conditions & Activities indicating Full Compliance according to his previously approved interpretations. He thanked CFO John Globoker for his work on the monitoring report and shared that no later than January, he hopes to have information on the potential sale of the Adrian facilities to share with the Board.

Trustee Heins and CEO Phelan discussed the \$700K expenditures that were satisfied by other overbudgeted and undesignated general fund sources.

MOTION BY TRUSTEE SIMPSON THAT THE BOARD HAS ASSESSED THE MONITORING REPORT FOR POLICY EL- 04 FINANCIAL CONDITIONS & ACTIVITIES AND FINDS THAT IT DEMONSTRATES COMPLIANCE WITH A REASONABLE INTERPRETATION OF THE POLICY. TRUSTEES VOTED BY ROLL CALL VOTE WITH TRUSTEES HEINS, SIMPSON, PATTERSON, LAKE, AND CRIST VOTING AYE. MOTION PASSED UNANIMOUSLY.

MONITORING CEO PERFORMANCE: EL-08 Communication & Support to the Board – Evidence Review:

CEO Phelan presented the evidence (i.e., monitoring report) for Policy EL-08 Communication & Support to the Board indicating Partial Compliance according to his previously approved interpretations. He suggested stress testing Board policies and procedures with the Board throughout the year to accomplish muscle memory for addressing future issues that may present themselves to the Board.

CEO Phelan shared with the Board a means by which they can move forward with greater levels of success using the Board Member Handbook Playbook, which includes

scenarios they can consider in future planning sessions and retreats. He also suggested the engagement of Governance Coach Rose Mercier in this work.

Chairperson Crist described his support for CEO Phelan's suggested direction and accepted responsibility on behalf of the Board for areas of described non-compliance in the monitoring report. Trustee Simpson described the good table-top explorations that have been done in the past, particularly at the ACCT GLI, but could be done more often, starting with the Spring Planning Session.

MOTION BY TRUSTEE HEINS THAT THE BOARD HAS ASSESSED THE MONITORING REPORT FOR POLICY EL- 08 COMMUNICATION & SUPPORT TO THE BOARD AND FINDS THAT IT DEMONSTRATES PARTIAL COMPLIANCE WITH A REASONABLE INTERPRETATION OF THE POLICY. TRUSTEES VOTED BY ROLL CALL VOTE:

TRUSTEES HEINS: YES

TRUSTEE SIMPSON: YES

VICE CHAIRPERSON PATTERSON: NO

TRUSTEE LAKE: YES

CHAIRPERSON CRIST: YES

THE MOTION PASSED 4:1.

MONITORING CEO PERFORMANCE: CEO Monitoring Compliance Schedule & Summary:

CEO Phelan provided an update on reports presented to the Board over the preceding 12 months with the compliance status noted. He also provided a schedule of policy, interpretation, and evidence reviews for calendar year 2023, along with the schedule for the Trustee's policy pre-review process.

Trustee Simpson suggested ensuring that discussions had by the policy pre-review committees be shared more fulsomely with the full Board.

INFORMATION REQUEST BY THE BOARD

Next Board Meeting Topics – January 8, 2024:

CEO Phelan provided the members with a portend of items that are to come at the 01.08.24, Jackson College Board of Trustees Meeting and took agenda suggestions.

Below are currently anticipated topics:

- Policy Review – Part 2: EL-01 Treatment of Learners
- Policy Review – Part 2: EL-02 Treatment of Staff
- Policy Review: EL-10 Access to Education
- Policy Review: GP 11 Linkage with Ownership
- Policy Review: GP-14 Handling Operational Complaints
- Policy Review: GP-15 Handling Alleged Policy Violations

- Evidence Review: EL-07 Compensation & Benefits
- Evidence Review: EL-09 Organization Culture
- Board Survey Review: GP-13 Special Rules of Order
- Board survey Review: BCD-02 Accountability of CEO
- FY'24 Q1 Financial Statement
- Consideration of Spring Planning Session Date
- Consideration of Distinguished Service Award Nominations

SELF-EVALUATION OF GOVERNANCE PROCESS & BOARD PERFORMANCE AT THIS MEETING

Principles of Policy Governance:

Members discussed the Policy Governance principles of monitoring institutional performance, executive limitations, and governance process. Trustee Lake described good discussions with ample time to make the changes needed.

MEETING CONTENT REVIEW

Trustees expressed that the content was sufficient.

ADJOURN

MOTION BY TRUSTEE LAKE “To adjourn.”

TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES HEINS, SIMPSON, PATTERSON, LAKE, AND CRIST VOTING AYE. MOTION PASSED UNANIMOUSLY.

Meeting Adjourned at 8:09pm ET.

The foregoing minutes for the regular meeting of the Board of Trustees held on Monday, November 13, 2023 were approved at the regular meeting of the Board of Trustees on Monday, January 8, 2024.


Chairperson