

Jackson College Board of Trustees Meeting

Regular Meeting

May 13, 2024 06:30 PM



Agenda Topic	Presenter	Page
Agenda		1
Jackson College Mission, Vision, Beliefs, & Values		3
5:45pm - Board Dinner - Board Dining Room [No Board Discussion / Decisions]		5
Robert's Rules of Order for Small Boards Guide		6
1. Call to Order & Pledge of Allegiance		8
2. Adoption of Minutes		9
2.1 Regular Board Meeting Minutes - 04.15.24		10
3. Declaration of Conflict of Interest*		20
4. Communications		21
4.1 Public Comments (limit of 5 minutes per person)		21
4.2 Board & CEO Comments		22
5. Ownership Linkage		23
5.1 Ownership Linkage Update		23
6. Items for Decision		24
6.1 Governance Process		24
6.1.1 GP-09 Board Code of Conduct – Policy Review*		24
6.2 Executive Limitations		28
6.2.1 EL-03 Planning – Policy Review*		28
6.2.2 EL-03 Planning – Interpretations Review*		34
6.3 FY'25 Budget Proposal		49

MISSION DOCUMENTS

MISSION

Together we inspire and transform lives.

VISION

Jackson College is a world-class institution of higher education where learners succeed and community needs are met.

STATEMENT OF BELIEFS

As employees of Jackson College, an innovative institution totally committed to student success (TCS²), **we believe:**

- The success of our students is always our first priority
- We must perform our jobs admirably, giving our best service and support every day, for everyone
- Teamwork is founded upon people bringing different gifts and perspectives
- We provide educational opportunities for those who might otherwise not have them
- In providing employees with a safe and fulfilling work environment, as well as an opportunity to grow and learn
- Our progress must be validated by setting goals and measuring our achievements
- We must make decisions that are best for the institution as a whole
- Building and maintaining trusting relationships with each other is essential
- Competence and innovation are essential means of sustaining our values in a competitive marketplace
- We make a positive difference in the lives of our students, our employees, and our communities
- In the principles of integrity, opportunity and fairness
- We must prepare our students to be successful in a global environment
- Our work matters!

MISSION DOCUMENTS

VALUES

- **Integrity** – We demonstrate integrity through professional, ethical, transparent, and consistent behavior in both our decision-making and in our treatment of others; being accountable for our work and actions is the basis of trust.
- **Caring** – We demonstrate caring through attentive and responsive action to the needs of students and others. We listen with open minds, speak kindly, and foster relationships based on mutual respect and trust.
- **Collaboration** – We demonstrate collaboration through the mutual commitment of individuals and organizations who come together for a common cause, encouraging self-reflection, teamwork, and respect for ourselves and others.
- **Quality** – We demonstrate quality through innovation in the continuous improvement of all processes and services, encouraging students and others to become creative thinkers.
- **Inclusion** – We demonstrate inclusion by seeking involvement and providing access for those with diverse backgrounds to work toward a culture of equality while maintaining differences in a respectful way.
- **Service** – We demonstrate service by striving to make the communities we serve great places to live, work, and learn through our involvement, both as an organization and as individuals.
- **Leadership** – We demonstrate leadership by nurturing the full development of those we serve, identifying and empowering individuals' greatest strengths.

BOARD OF TRUSTEES MEETING
Action & Information Report
 Board Meeting Date: May 13, 2024



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President & CEO

Subject to be Discussed and Policy Reference:

ARE WE STAYING IN OUR POLICY GOVERNANCE LANE?

5:45pm Board Dinner [No Board discussion/decisions]

BOARD POLICY: [Open Meetings Act – Act 267 of 1976](#)

Description:

In accordance with the [Michigan's Open Meetings Act \(OMA\)](#), 1976 PA 267, MCL 15.261 et seq, all public bodies are required to hold their gatherings in public, if a quorum of the board is present.

As further clarified in the [Open Meetings Act Handbook](#), prepared by Michigan Department of Attorney General's Office, while the OMA "*does not apply to a meeting which is a social or chance gathering or conference not designed to avoid this act,*"²⁸ a meeting of a public body must be open to the public. Though no board discussion or decisions are undertaken during the Board's dinner, the Jackson College Board has broadly interpreted this gathering to be a 'meeting of a public body' and, as such, is open to the public, though there is no opportunity for the public's input during this dinner gathering.

Resource Impact:

None

Requested Board Action:

Board members partake in a purely social dinner gathering, prior to the regular Board meeting.

Action Taken:



Roberts Rule of Order for Small Assemblies

Board of Trustees
Jackson College, MI

Parliamentary procedure is a set of rules for conducting orderly meetings of the Board of Trustees that accomplish goals fairly. Excerpts from Robert's Rules of Order Newly Revised – 12th Ed. (RONR), includes provisions for small assemblies (i.e., a grouping of 12 or fewer members). These rules apply to the Board committees as well.

I. General Principles:

RONR provides that Board of Trustees meetings are not to be conducted with the formality of a large assembly, but some general principles apply. Namely:

1. A quorum must be present for business to be conducted.
2. All Trustees have equal rights, privileges and obligations.
3. No person should speak until recognized by the chairperson.
4. Personal remarks or sidebar discussions during debate are out of order.
5. Only one question at a time may be considered.
6. Only one person may have the floor at any one time.
7. Trustees have a right to know what the pending question is and to have it restated prior to a vote being taken.
8. Full and free discussion of every main motion is a basic right.
9. A majority decides a question except when basic rights of members are involved or a rule provides otherwise.
10. Silence gives consent. Those who do not vote allow the decision to be made by those who do vote.
11. The chair should always remain impartial.

II. Unique Components to Small Assemblies:

These rules/exceptions are called the *Rules of Order for Small Assemblies*. However, the following RONR modifications to the Rules for small assemblies are notable and must be adhered to:

1. Members are not required to obtain the floor before speaking or making a motion, which can be done while seated. The chairperson merely recognizes the person.
2. Motions need not be seconded, although the chair should repeat the motion so that the meeting knows what is being talked about and before there is a vote, the proposed resolution should be repeated by the chair unless the resolution is clear. (A long motion should be in writing to assist the chair.)

3. There is no limit on the number of times that a person can speak, although in boards and committees it is not proper for a member to speak if a person who has not spoken wishes to be recognized. It is never proper to interrupt.
4. Informal discussion on a topic is permitted, even though no motion is pending. (It is required, however, to stick to the agenda.)
5. When a proposal is perfectly clear to the assembly, a vote can be taken without a motion having been made, but the chair is responsible for expressing the resolution before it is put to a vote.
6. The chair need not rise while putting questions to a vote.
7. The chair can participate in the discussion and unless there is a rule or custom of the board or committee to the contrary, can make motions and vote.
8. In order to have the benefit of the committee's or board's matured judgment, no motions to close or limit debate (such as "calling the question") are permitted.

III. Amendments:

A "motion to amend" can accomplish one or more of the following: 1) Inserting new language; 2) Striking language; and 3) Striking language in favor of adding new language.

Any motion can be amended by a subsequent motion. If the person who made the original motion consent to the amendment, the amendment is then deemed to be "friendly" amendment and it does not require additional support from another person; additionally, the matter is not subject to debate. If an amendment is not deemed friendly, it does require a person to second the amendment. Such a motion must then be debated and voted upon, before the debate resumes on the original motion.

A person wishing to make an amendment cannot interrupt another speaker. The chair should allow full discussion of the amendment (being careful to restrict debate to the amendment, not the original motion) and should then have a vote taken on the amendment only, making sure the board members know they are voting on the amendment, but not on the original motion.

If the amendment is defeated, another amendment may be proposed, or discussion will proceed on the original motion.

If the amendment carries, the meeting does not necessarily vote immediately on the "motion as amended." Because the discussion of the principle of the original motion was not permitted during debate on the amendment, there may be members who want to speak now on the issue raised in the original motion.



BOARD OF TRUSTEES MEETING
Action & Information Report
 Board Meeting Date: May 13, 2024

TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President & CEO

Subject to be Discussed and Policy Reference: <i>ARE WE STAYING IN OUR POLICY GOVERNANCE LANE?</i>	
1.0	Call to Order & Pledge of Allegiance of the United States <u>BOARD POLICY:</u> GOVERNANCE PROCESS: GP-13 Special Rules of Order
Description:	
Board Chairperson Crist will call all Trustees to Order in preparation for the Board Meeting, followed by a recitation of the Pledge of Allegiance: The Pledge: “I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all”.	
Resource Impact:	
None	
Requested Board Action:	
Come to order, stand, and recite the Pledge of Allegiance to the United States.	
Action Taken:	



BOARD OF TRUSTEES MEETING
Action & Information Report
 Board Meeting Date: May 13, 2024

TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President & CEO

Subject to be Discussed and Policy Reference:

ARE WE STAYING IN OUR POLICY GOVERNANCE LANE?

- 2.0 Adoption of Minutes
- 2.1 Regular Board Meeting of 04.15.24

BOARD POLICY: GOVERNANCE PROCESS: GP-01 Governing Style

Description:

Attached are the minutes of the most recent regular and special meetings of the Board, for your review and consideration for placement into the formal record of the Jackson College Board of Trustees.

Please note that, by State law, a preliminary draft of these minutes is posted within 8 days of each Board Meeting, and are finalized as a permanent record upon Board approval at this, the subsequent board meeting.

Resource Impact:

None

Requested Board Action:

Consideration of the minutes for approval to the formal record of the Board.

Action Taken:



REGULAR MEETING OF THE BOARD OF TRUSTEES

Jackson College

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

04.15.24

[DRAFT & UNOFFICIAL]

The Regular Meeting of the Board of Trustees of Jackson College was held on Monday, 04.15.24, 6:30pm, at the Central Campus of Jackson College, George E. Potter Center, 2nd Floor, Boardroom.

Board Members Present: Chairperson John Crist, Vice-Chairperson Sheila Patterson, Trustee Matt Heins, Trustee Donna Lake, and Trustee Phil Hoffman

Board Member Absence: Trustee Christopher Simpson and Trustee Teshna Thomas.

Others Present Include: Dr. Daniel Phelan, Keith Everett Book, Dr. Mark Ott, Cindy Allen, Brendon Beer, Ariel Maturine, Julie Hand, Melissa Potter

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

ADOPTION OF MINUTES

The draft minutes of the Regular Board of Trustees dated 03.11.24 and the Board Spring Planning Session dated 04.02.24 were reviewed by the Board and moved into the permanent record by Chairperson Crist, on behalf of the Trustees.

DECLARATION OF CONFLICT OF INTEREST

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

COMMUNICATIONS

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.

Dr. Mark Ott (Current JC Employee – Jackson College Faculty Union Board of Trustees Liaison) – Dr. Ott described receiving positive feedback from the community for recent

events held at Jackson College, including the 40 attendees at the 04.04.24 Get Ready for the Eclipse event led by JC faculty Steve Tuckey and Observatory Coordinator, Talia Burns. He also reported that there were 150 attendees during the actual eclipse event at JC, at which participants could look at the eclipse through a solar telescope. He shared appreciation for the focus on the 2022 PACE Survey at the Board's Spring Planning Session, looking forward to additional subsequent steps. Once again, Dr. Ott discouraged the Board from changing their Ownership definition from "citizens of Jackson County".

Dr. Ott promoted the play Sylvia which will be presented by the newly re-established JC Theatre Department on 04.26.24, 04.27.24, and 04.28.24. The production will include both students and members of the community. Lastly, he encouraged attendance at the upcoming biotechnology and health care seminar, a collaboration with JTV, being held on 04.16.24.

BOARD & CEO COMMENTS:

Trustee Lake described a pleasant afternoon spent at the College during the Eclipse. The College's Respiratory Health Information Session was attended by Trustee Hoffman with much appreciation for the impressive JC students and staff.

Chairperson Crist noted that there are only 7 job opportunities posted at JC currently, indicating stabilization with the many new successful placements at the College in the last 6 months.

OWNERSHIP LINKAGE

OWNER DEFINITION

The Board discussed the best Board definition for the Owners of Jackson College. They considered:

1. Who has the long-term interest in the success of Jackson College – electors, taxpayers, citizens?
 - a. Electors
 - i. Electors in MI (individuals living in the College districts who are MI residents, US citizens, 18 years of age, and not currently serving a sentence in jail or prison) have the authority to hire and fire the Board.
 - ii. Electors could be considered "legal Owners".
 - b. Taxpayers
 - i. Taxpayers have a financial interest in the College because as the College does well, then values, reasonably, improve – through an educated populous, etc.
 - ii. If the College were to dissolve, the remaining assets would be distributed amongst the property taxpayers of Jackson County.
 - iii. Taxpayers could be considered "funders", to which the College has an accountability.
 - c. Citizens

- i. Not all citizens are electors or taxpayers. Not all electors are taxpayers.
- d. Potential conclusive statement: The category of taxpayers encompasses those that are both citizens and electors, making 'taxpayers' the most inclusive Owner focus group to consider when defining and engaging the Owners of Jackson College.

Trustee Hoffman described his appreciation for the terminology "citizens" or "we the people". Trustee Lake shared appreciation for the definition of "taxpayers" and the potential conclusive statement above, indicating "taxpayers" as the most inclusive definition of Owners.

Vice-Chairperson Patterson asked if "citizens, taxpayers, and electors" could all be used, which Trustee Hoffman noted the reference could be used inconsistently. Chairperson Crist shared his appreciation for "taxpayer" and "electors", leaning toward "taxpayers". Trustee Heins offered his appreciation for "citizens".

The principle of Ownership in Policy Governance was reviewed: *The Board exists to act as the informed voice and agent of the Owners, whether they are Owners in a legal or moral sense. All Owners are stakeholders, but not all stakeholders are Owners, only those whose position in relation to an organization is equivalent to the position of shareholders in a for-profit corporation.*

CEO Phelan impressed upon the Board the importance of differentiating between the voice of an Owner, that has a future view, and is apart from that of a customer that may have a difference lens. The Owners are those who help guide the board when setting the Board's ENDS (i.e., why the College exists, for whom, and at what cost), which must be stated at a strategic level. He added the example of the PACE Survey facilitating feedback from College employees – such feedback is a tool used to operationalize administrative action and does not rise to board-level strategy.

Vice-Chairperson described how the Board listens to anyone that reaches out to them. She described the use of the terminology "citizens" as having a more positive connotation than that of "taxpayers" or "electors", as she reported.

**MOTION BY TRUSTEE HEINS TO KEEP THE BOARD'S DEFINITION OF THE OWNERS OF JACKSON COLLEGE AS "CITIZENS OF JACKSON COUNTY".
TRUSTEES VOTED BY ROLL CALL VOTE:**

CHAIRPERSON CRIST: NAY

TRUSTEE HEINS: AYE

TRUSTEE HOFFMAN: AYE

TRUSTEE LAKE: NAY

VICE-CHAIRPERSON PATTERSON: AYE

THE MOTION FAILED 3:2. (IN ORDER FOR A MOTION TO PASS, A MAJORITY OF THE TRUSTEES ELECT (4) MUST VOTE AYE.)

Vice-Chairperson Patterson pointed out that this agenda item should have been marked as an item requiring a decision, which was duly noted by CEO Phelan.

OWNERSHIP LINKAGE PLAN

The Board discussed their Ownership Linkage Practices, Methodologies, and Schedule for the next 3 years. The following was presented by President Phelan for discussion only, but note that the Board will need to develop a schedule for Ownership Linkage work.

Schedule:

Fiscal Year	Owner Category	Channel or Methodology	Location	Date/Time
2024	JPEC	Focus Group	JPEC	October 12 18:30
2024	Township Bds	Focus Group	Township Offices	Summer - varied
2025				
2025	Owners	Survey	online	Spring
2026				
2026	Chamber Bds	Focus Group	Chamber offices	Fall

Trustee Lake appreciated the overview of Ownership Linkage Plan. CEO Phelan offered the breadth and depth of the methodologies, as well as the cadence of the Ownership Linkage. Trustee Lake suggested reassembling an Ownership Linkage Committee to aid the Board in forming the plan and its execution. She offered to serve in doing this work. Chairperson Crist offered to serve as well. These discussions will be coordinated soon.

ITEMS FOR DECISION

GOVERNANCE PROCESS ITEMS: Governance Process: GP-00 Governance Commitment – Policy Review – Part II

The Board's Governance Process policy GP-00 Governance Commitment was reviewed by the Board for a secondary review (following the postponement of its regular review at the 01.08.24 regular meeting of the Board until after a fulsome discussion defining the Board's Owners could be explored at the Board's Spring Planning Session held on 04.02.24). Chairperson Crist, Trustee Thomas, Trustee Heins, and CEO Phelan proposed an amendment for the Board's consideration.

MOTION BY VICE-CHAIRPERSON PATTERSON TO APPROVE POLICY GP-00 GOVERNANCE COMMITMENT WITHOUT AMENDMENT. TRUSTEES VOTED BY

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

GOVERNANCE PROCESS ITEMS: Governance Process: GP-11 Board Linkage with Ownership – Policy Review – Part II

The Board's Governance Process policy GP-11 Board Linkage with Ownership was reviewed by the Board for a secondary review (following the postponement of its regular review at the 02.12.24 regular meeting of the Board until after a fulsome discussion defining the Board's Owners could be explored at the Board's Spring Planning Session held on 04.02.24). Chairperson Crist, Vice Chairperson Patterson, Trustee Hoffman, and CEO Phelan proposed amendments for the Board's consideration.

MOTION BY TRUSTEE HOFFMAN TO APPROVE POLICY GP-11 BOARD LINKAGE WITH OWNERSHIP AS AMENDMENT, EXCEPT MAINTAINING THE DEFINITION OF OWNERS AS THE "CITIZENS". TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES CRIST, HEINS, HOFFMAN, LAKE, AND PATTERSON VOTING AYE. MOTION PASSED UNANIMOUSLY.

GOVERNANCE PROCESS ITEMS: Governance Process: GP-03 Board Planning Cycle & Agenda Control – Policy Review

The Board's Governance Process policy GP-03 Board Planning Cycle & Agenda Control was reviewed by the Board for its regularly scheduled review. Chairperson Crist, Trustee Heins, Trustee Thomas, and CEO Phelan proposed amendments for the Board's consideration.

CEO Phelan noted the omission of schedules from all policies so that the Board does not have to amend the policy each time the schedule changes. He noted that the Board's decision to keep or eliminate an annual Summer Retreat is a consideration in this policy.

Summer Retreat Consideration:

As a follow-up to the discussion held at the Board's Spring Planning Session regarding the Board's Summer Retreat Agenda for August 22nd, the Board discussed whether or not to discontinue having a Board Summer Retreat each year going forward.

Trustee Heins described eliminating the Summer Retreat. Trustee Hoffman described the MCCA Summer Institute attendance as being sufficient. He pointed out that should a special meeting be needed, it can be added at any time with proper public announcement.

MOTION BY TRUSTEE HEINS TO DISCONTINUE HAVING A BOARD SUMMER RETREAT GOING FORWARD. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES CRIST, HEINS, HOFFMAN, LAKE, AND PATTERSON VOTING AYE. MOTION PASSED UNANIMOUSLY.

MOTION BY TRUSTEE HEINS TO APPROVE POLICY GP-03 BOARD PLANNING CYCLE & AGENDA CONTROL AS AMENDED. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES CRIST, HEINS, HOFFMAN, LAKE, AND PATTERSON VOTING AYE. MOTION PASSED UNANIMOUSLY.

GOVERNANCE PROCESS ITEMS: Governance Process: GP-12 Board Linkage with External Organizations– Policy Review

The Board's Governance Process policy GP-12 Board Linkage with External Organizations was reviewed by the Board for its regularly scheduled review. Chairperson Crist, Trustee Heins, Trustee Thomas, and CEO Phelan proposed amendments for the Board's consideration.

MOTION BY TRUSTEE HEINS TO APPROVE POLICY GP-12 BOARD LINKAGE WITH EXTERNAL ORGANIZATIONS AS AMENDED. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES CRIST, HEINS, HOFFMAN, LAKE, AND PATTERSON VOTING AYE. MOTION PASSED UNANIMOUSLY.

GOVERNANCE PROCESS ITEMS: Board-CEO Delegation: BCD-05 President & CEO Succession – Policy Review

The Board's Governance Process policy BCD-05 CEO Succession was reviewed by the Board for its regularly scheduled review. Chairperson Crist, Trustee Heins, Trustee Thomas, and CEO Phelan proposed amendments for the Board's consideration.

CEO Phelan described a clarification / definition of "acting CEO" versus "interim CEO" and the provisions therein as offering protections and opportunities for the Board to consider best next steps if faced with the situation of CEO succession.

MOTION BY TRUSTEE HOFFMAN TO APPROVE POLICY BCD-05 PRESIDENT & CEO SUCCESSION AS AMENDMENT. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES CRIST, HEINS, HOFFMAN, LAKE, AND PATTERSON VOTING AYE. MOTION PASSED UNANIMOUSLY.

EXECUTIVE LIMITATIONS ITEMS: Executive Limitations: EL-05 Asset Protection – Policy Review

The Board's Executive Limitations policy EL-05 Asset Protection was reviewed by the Board for its regularly scheduled review. Chairperson Crist, Trustee Heins, Trustee Thomas, and CEO Phelan proposed amendments for the Board's consideration.

Trustee Heins offered his support of Trustee Thomas' recommendations. Trustee Lake described her appreciation for the explanation and elimination of the word "minority".

MOTION BY TRUSTEE LAKE TO APPROVE POLICY EL-05 ASSET PROTECTION AS AMENDMENT. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES CRIST, HEINS, HOFFMAN, LAKE, AND PATTERSON VOTING AYE. MOTION PASSED UNANIMOUSLY.

EXECUTIVE LIMITATIONS ITEMS: Executive Limitations: EL-06 Investments – Policy Review

The Board's Executive Limitations policy EL-06 Investments was reviewed by the Board for its regularly scheduled review. Chairperson Crist, Trustee Heins, Trustee Thomas, and CEO Phelan proposed amendments for the Board's consideration.

MOTION BY TRUSTEE LAKE TO APPROVE POLICY EL-06 INVESTMENTS AS AMENDMENT. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES CRIST, HEINS, HOFFMAN, LAKE, AND PATTERSON VOTING AYE. MOTION PASSED UNANIMOUSLY.

EXECUTIVE LIMITATIONS ITEMS: EL-05 Asset Protection – Interpretations Review

CEO Phelan presented his interpretation recommendations for policy EL-05 to the Board for their regularly scheduled review.

MOTION BY TRUSTEE HEINS TO APPROVE THAT THE BOARD HAS ASSESSED CEO PHELAN'S INTERPRETATIONS OF POLICY EL-05 AND FINDS THAT THEY DEMONSTRATE A REASONABLE INTERPRATION OF THE POLICY. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES CRIST, HEINS, HOFFMAN, LAKE, AND PATTERSON VOTING AYE. MOTION PASSED UNANIMOUSLY.

EXECUTIVE LIMITATIONS ITEMS: EL-06 Investments – Interpretations Review

CEO Phelan presented his interpretation recommendations for policy EL-06 to the Board for their regularly scheduled review.

MOTION BY TRUSTEE LAKE TO APPROVE THAT THE BOARD HAS ASSESSED CEO PHELAN'S INTERPRETATIONS OF POLICY EL-06 AND FINDS THAT THEY DEMONSTRATE A REASONABLE INTERPRATION OF THE POLICY. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES CRIST, HEINS, HOFFMAN, LAKE, AND PATTERSON VOTING AYE. MOTION PASSED UNANIMOUSLY.

CONSENT / REQUIRED APPROVAL AGENDA

Building Name Reallocation – Maher / Hanger

With the sale of the previously named W. J. Maher Campus, the Jackson College Foundation discussed and received consent to reallocate the W. J. Maher name to the Hanger building on Central Campus. President Phelan noted that per Board and College policy, this requires the approval of the CEO and Board. Julie Hand provided an overview for the Board of the spirit in which the name allocation occurred, conversations that started with the Maher family prior to the selling of the previous building. Peggy Maher shared her enthusiastic support for the proposal. A rededication ceremony will be held in the future when the family is ready.

MOTION BY TRUSTEE HOFFMAN TO AFFIRM REALLOCATION OF THE W. J. MAHER NAME TO THE HANGER BUILDING ON CENTRAL CAMPUS. TRUSTEES

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

MONITORING CEO PERFORMANCE

MONITORING CEO PERFORMANCE: EL-12 Land Use – Evidence Review

CEO Phelan presented the evidence (i.e., monitoring report) for Policy EL-12 Land Use, indicating Full Compliance according to his previously approved interpretations.

He described a \$50K grant that will assist the institution via the National Fitness Campaign to install a fitness court on Central Campus near the Jets Pavilion. He also thanked Kevin Oxley of the JC ISD for his collaboration to create a connector to the Dahlem trails which required crossing the JCLISD property. Lastly, CEO Phelan noted the EV chargers on campus, which are currently free for usage, and highlighted numerous gender restroom upgrades throughout Central Campus.

MOTION BY TRUSTEE HOFFMAN THAT THE BOARD HAS ASSESSED THE MONITORING REPORT FOR POLICY EL-12 LAND USE AND FINDS THAT IT DEMONSTRATES COMPLIANCE WITH A REASONABLE INTERPRETATION OF THE POLICY. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES CRIST, HEINS, HOFFMAN, LAKE, AND PATTERSON VOTING AYE. MOTION PASSED UNANIMOUSLY.

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 2024, along with the schedule for the Trustee's policy pre-review process.

MONITORING BOARD PERFORMANCE

MONITORING BOARD PERFORMANCE: GP-00 Global Governance Commitment – Survey Results Review:

Chairperson Crist presented the aggregate responses from Board members to a Self-Evaluation Survey of GP-00 Global Governance Commitment. Compliance was mutually agreed upon.

MONITORING BOARD PERFORMANCE: GP-02 Board Job Contribution – Survey Results Review:

Chairperson Crist presented the aggregate responses from Board members to a Self-Evaluation Survey of GP-02 Board Job Contribution. Compliance was mutually agreed upon.

MONITORING BOARD PERFORMANCE: GP-04 Role of the Board Chair – Survey Results Review:

Chairperson Crist presented the aggregate responses from Board members to a Self-Evaluation Survey of GP-04 Role of the Board Chair. Compliance was mutually agreed upon.

MONITORING BOARD PERFORMANCE: GP-10 Investment in Governance – Survey Results Review:

Chairperson Crist presented the aggregate responses from Board members to a Self-Evaluation Survey of GP-10 Investment in Governance. Compliance was mutually agreed upon.

MONITORING BOARD PERFORMANCE: GP-11 Board Linkage with Ownership – Survey Results Review:

Chairperson Crist presented the aggregate responses from Board members to a Self-Evaluation Survey of GP-11 Board Linkage with Ownership. Compliance was mutually agreed upon.

MONITORING BOARD PERFORMANCE: BCD-00 Global Board Management Delegation – Survey Results Review:

Chairperson Crist presented the aggregate responses from Board members to a Self-Evaluation Survey of BCD-00 Global Board Management Delegation. Compliance was mutually agreed upon.

MOTION BY TRUSTEE LAKE THAT THE BOARD HAS ASSESSED THE SURVEY RESULTS FOR COMPLIANCE WITH BOARD POLICIES GP-00, GP-02, GP-04, GP-10, GP-11, AND BCD-00. TRUSTEES VOTED BY ROLL CALL VOTE: TRUSTEES CRIST, HEINS, HOFFMAN, LAKE, AND PATTERSON VOTING AYE. MOTION PASSED UNANIMOUSLY.

INFORMATION REQUEST BY THE BOARD

College Feature: Facilities Master Plan & FY'25 Master Plan Projects

CEO Phelan noted that Jason Valente will review the College's facilities master plan and deferred maintenance at the 05.13.24 Regular Board Meeting (postponed from the 04.15.24 Regular Board Meeting).

CEO Phelan shared that the FY '24 & FY '25 revenues are being generated for the Simulation Lab via the partnership between Jackson College and Grand Valley State University (which will allow for \$2M from the State) and \$1.5M from the Alro Steel and Al Glick gift to the College.

CEO Phelan also described the completed renovation of the Baughman Theatre, the nearly completed Instrumental Studio in Potter Center, and future renovations to the Ruth Day Theatre. Chairperson Crist described how the unique resources of the Potter Center provide the College with distinction and should be maintained.

Vice-Chairperson Patterson asked where Chief Diversity Officer (CDO) and Chief Academic Officer (CAO) budget impacts are proposed to land in the FY'25 budget. CEO Phelan thanked Antoine Breedlove for his continued work as the Interim CDO and described that CEO Phelan himself would assume the role of the CAO (in addition to his current role as CEO). Neither role assumptions are proposed to have a budget impact for FY'25.

Next Board Meeting Topics – 05.13.24:

CEO Phelan provided the members with a portent of items that are to come at the 05.13.24, Jackson College Board of Trustees Meeting and took agenda suggestions.

Below are currently anticipated topics:

- Jets Air Station Ribbon Cutting (5:00pm prior to the Board Dinner)
- Policy Review: EL-03 Planning
- Policy Review: GP-09 Board Code of Conduct
- Interpretations Review: EL-03 Planning
- Evidence Review: EL-05 Asset Protection
- Evidence Review: EL-06 Investments
- CEO Monitoring Compliance Schedule & Summary
- Board Survey Review: GP-03 Board Planning Cycle & Agenda Control
- Board Survey Review: GP-12 Board Linkage with External Organizations
- Board Survey Review: BCD-05 CEO Succession
- College Feature: Facilities Master Plan & FY'25 Master Plan Projects

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.

MEETING CONTENT REVIEW

All was appreciated by the Board.

The Astronomical Observatory will be toured by the Board in the Fall when it is dark enough following a Board meeting.

ADJOURN

MOTION BY TRUSTEE HOFFMAN “To adjourn.”

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

Meeting Adjourned at 7:39pm ET.

BOARD OF TRUSTEES MEETING
Action & Information Report
 Board Meeting Date: May 13, 2024



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President & CEO

Subject to be Discussed and Policy Reference:

ARE WE STAYING IN OUR POLICY GOVERNANCE LANE?

3.0 Declaration of Conflict of Interest*

BOARD POLICY: GOVERNANCE PROCESS: GP-09 Board Code of Conduct

Description:

Consistent with Board Policy, By-laws, and the standard of the Fiduciary Duty of Loyalty, this item is placed on the agenda for members to formally consider and disclose any item on the agenda wherein they may have any apparent or actual conflict of interest. This duty standard also requires members to act transparently.

Should a conflict be present, it is requested that the member publicly note the item in question to the Board Chairperson and abstain from any action concerning said item.

A roll call vote is required for this item.

Resource Impact:

None

Requested Board Action:

Roll Call Consideration of any actual or perceived conflict of interest with agenda items.

Action Taken:

BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: May 13, 2024



TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President & CEO

Subject to be Discussed and Policy Reference:

ARE WE STAYING IN OUR POLICY GOVERNANCE LANE?

4.0 Communications

4.1 Public Comments (limit of 5 minutes per person)

BOARD POLICY: BYLAWS

Description:

This item is placed on the agenda for any citizen to provide comments to the Board of Trustees. This agenda item represents the only period during the Board Meeting wherein persons may address the Board directly. Public comments are limited to five (5) minutes, unless otherwise established at the call of the Board Chair. **Trustees are not to engage the presenters per Board Policy, though the Board Chair will thank each presenter noting that the Board will take presenter comments under advisement.**

The Chairperson should read the following statement prior to persons offering comment, but regardless, is expected to be adhered to by persons wishing to address the Board:

“When addressing the Board, speakers are asked to be respectful and civil. Be advised that, as an on-going practice, the Board does not respond in this Board Meeting setting when the matter presented concerns personnel, student issues, operations, or other matters that are being addressed through the established grievance or legal processes, or otherwise are a subject of review by the Board of Trustees”.

Resource Impact:

None

Requested Board Action:

Receive comments from persons wishing to address the Board.

Action Taken:



BOARD OF TRUSTEES MEETING
Action & Information Report
 Board Meeting Date: May 13, 2024

TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President & CEO

Subject to be Discussed and Policy Reference:

ARE WE STAYING IN OUR POLICY GOVERNANCE LANE?

4.0 Communications
 4.2 Board & CEO Comments

BOARD POLICY: BYLAWS

Description:

This item is placed on the agenda for members, as well as the CEO, to make any prefatory comments before engaging in the board agenda and deliberations. As such, Trustees can use this item to offer any comments of a non-action-oriented nature for the edification of other members and/or the CEO.

However, Board Policy and good governance practice suggests that this is not an occasion to make statements to the attending public, as this is a meeting of the Board, not the public. Thus, this item is provided solely an opportunity for sharing items of interest among Trustees.

Resource Impact:

None

Requested Board Action:

Receive non-action item comments from members and/or the CEO.

Action Taken:



BOARD OF TRUSTEES MEETING
Action & Information Report
Board Meeting Date: May 13, 2024

TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President & CEO

Subject to be Discussed and Policy Reference:

ARE WE STAYING IN OUR POLICY GOVERNANCE LANE?

5.0 Ownership Linkage

5.1 Ownership Linkage Update

BOARD POLICY: GOVERNANCE PROCESS: GP-11 Board Linkage with Ownership

Executive Summary:

As requested at the 04.15.24 Regular Board Meeting, Chairperson Crist and Trustee Lake will conduct an Ownership Linkage Session(s) to help the Board develop their Ownership Linkage Plan and its execution. They are currently scheduled to hold an Ownership Linkage Session on May 20th.

Requested Board Action:

Receive the Ownership Linkage update and provide any feedback.



BOARD OF TRUSTEES MEETING
Action & Information Report
 Board Meeting Date: May 13, 2024

TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President & CEO

Subject to be Discussed and Policy Reference:

ARE WE STAYING IN OUR POLICY GOVERNANCE LANE?

6.0 Items for Decision

6.1 Governance Process

6.1.1 GP-09 Board Code of Conduct – Policy Review*

BOARD POLICY: GOVERNANCE PROCESS: GP-09 Board Code of Conduct

Description:

Enclosed for its regularly scheduled review is policy GP-09. Chairperson Crist, Trustee Lake, Trustee Simpson, and I are recommending a minor change for your consideration.

The enclosed version tracks the recommended change.

Resource Impact:

None

Requested Board Action:

Consideration of amendment to policy GP-09 Board Code of Conduct.

Action Taken:



Governance Process	ENDs
Board – CEO Delegation	Executive Limitations

JACKSON COLLEGE BOARD OF TRUSTEES POLICY

Policy Type: GOVERNANCE PROCESS

Policy Title: Board Code of Conduct

Policy Number: GP-09

Date Adopted: 6.8.20

Version: 3.0

Date Last Reviewed: 6.12.23

Responsible Party: Chief Governance Officer

Reviewing Committee: Chairperson Crist,
Trustee Lake,
Trustee Simpson

GOVERNANCE PROCESS STATEMENT:

The Jackson College Board of Trustees expects of itself and its members ethical, business-like and lawful conduct. This includes proper use of authority and appropriate decorum when acting as Trustees. It further expects Trustees, as first ambassadors of the College, to treat one another, the CEO, College employees, citizens of Jackson County and surrounding areas, students, and parents with respect, co-operation, and a willingness to deal openly on all matters.

1. Trustees must have loyalty to the Ownership that supersedes any loyalties to the CEO, College employees, other organizations, or any personal interest as a consumer.
2. Trustees are accountable to exercise the powers and discharge the duties of their office honestly and in good faith. Trustees shall exercise the degree of care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.
3. Trustees must avoid a conflict of interest with respect to their fiduciary responsibility.
 - 3.1. There must be no self-dealing or any conduct of private business or personal services between any Trustee and the organization, except as procedurally controlled to assure openness, competitive opportunity, and equal access to otherwise “inside” information. Trustees will disclose at the regular monthly meetings any new involvements with other organizations, vendors, or any associations that might be or might reasonably be seen as being a conflict.
 - 3.2. When the Board is to decide upon an issue, about which a Trustee has an unavoidable conflict of interest, that Trustee shall recuse ~~herself or himself~~ themselves without comment, from not only the vote, but also from the deliberation. This absence shall be recorded in the minutes.

- 3.3. Trustees will not use their Board position to obtain employment with, furnish services or goods from the College for themselves, family members, associates, or organizations upon which a Trustee serves as a Board member.
- 3.4. Should a Trustee become employed by the College, they must resign from the Board before the first day of said employment.
4. Trustees will respect the confidentiality appropriate to issues of a sensitive nature, including at all times the content of legally held, closed meetings of the Board.
5. Trustees shall not attempt to exercise individual authority over the organization or the CEO.
 - 5.1. When interacting with College employees, Trustees must recognize that individual Trustees have no authority to instruct or evaluate employees, and no authority to insert themselves into employee operations.
 - 5.2. The Board Chair or designee is the only person authorized to speak to the public, the media, or other entities on behalf of the Board. Trustees shall not presume to speak for the Board when interacting with the press or the public. Media inquiries should be directed to the Board Chair.
6. Trustees shall be familiar with the incorporating documents, relevant legislation and regulations, by-laws, governing policies of the organization, issues pertaining to higher education, as well as the rules of procedure and proper conduct of a meeting so that any decision of the Board may be made in an efficient, knowledgeable, and expeditious fashion.
7. Trustees will be properly prepared for Board deliberation through the preparation review of all Board meeting materials in advance of Board meetings.
8. Trustees will collaborate with other Trustees and share information on matters of substance related to their governance role so that no one Trustee possesses information that all other Trustees should have. Such collaboration must adhere to legal requirements of board assemblage.
9. Trustees will support the legitimacy and authority of Board decisions, regardless of the member's personal position on the issue.
10. Trustees shall review community college publications and regularly take part in educational activities including state, regional, and national meetings and events that will assist them in their ability to serve effectively as a member of the College's governing Board.
11. Trustees shall hold themselves and other Trustees accountable for complying with this Code of Conduct.
12. Trustees who are found to have violated the Board's Code of Conduct are subject to a Board review of their actions and a possible formal Board rebuke in the form of a direct criticism noted in the Board minutes.

Date Of Change	Version	Description of Change	Reviewing Trustees
06.08.20	1.0	First release following Policy Governance consulting work.	Chief of Staff
6.13.22	1.0	Regular Review – Approved	CEO
5.8.23	2.0	Regular Review w/ minor edits	CGO, CEO
6.12.23	3.0	Regular Review Part II – Approved - Definition of reprimand provided in item 12.	CGO



BOARD OF TRUSTEES MEETING
Action & Information Report
 Board Meeting Date: May 13, 2024

TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President & CEO

Subject to be Discussed and Policy Reference:

ARE WE STAYING IN OUR POLICY GOVERNANCE LANE?

6.0 Items for Decision

6.2 Executive Limitations

6.2.1 EL-03 Planning – Policy Review*

BOARD POLICY: EXECUTIVE LIMITATIONS: EL-03 Planning

Description:

Enclosed for its regularly scheduled review is policy EL-03. Chairperson Crist, Trustee Lake, Trustee Simpson, and I are recommending changes for your consideration.

The enclosed version tracks the recommended changes, followed by a version that fully incorporates the recommended changes.

Resource Impact:

None

Requested Board Action:

Consideration of policy EL-03 Planning.

Action Taken:



JACKSON COLLEGE BOARD OF TRUSTEES POLICY

Policy Type: EXECUTIVE LIMITATIONS

Policy Title: Planning

Policy Number: EL 03

Date Adopted: 11.11.19

Version: 3.0

Date Last Reviewed: 05.08.23

Responsible Party: Chief Governance Officer

Reviewing Committee: Chairperson Crist,
Trustee Lake,
Trustee Simpson

EXECUTIVE LIMITATIONS STATEMENT:

The CEO shall not permit planning that allocates resources in a way that risks fiscal jeopardy or that is not aligned with achievement of the Board's ENDS.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. ~~Permit budget planning or College operations Operate~~ without a documented, multi-year strategy that can be expected to achieve a reasonable interpretation of the ENDS.
2. ~~Permit budgeting for any fiscal period or the remaining part of any fiscal period that is not derived from the multi-year plan during that year.~~
 - ~~2.1 Permit financial planning that omits credible multi-year (not less than three years) pro-forma trend of revenues and expenses.~~
 - ~~2.2 Permit financial planning without a projected multi-year (not less than five years) facilities master plan.~~
- 1.1. ~~Permit financial planning without a projected multi-year (no less than five years) facilities master plan~~
2. Permit financial planning that omits credible projection of revenues and expenses, separation of capital expenditures and operational expenses, cash flow projections, prior year comparisons, and disclosure of planning assumptions.
- 2.1. ~~Omit prior year comparisons for departments.~~

Commented [KB1]: Redundancy within the same policy.

Commented [KB2]: Redundancy within the same policy.

2-2.2.1. Omit in the annual operating budget adequate provision for plant and facilities maintenance, electronic and institutional equipment and program and course development, staff development and institutional research.

23.2.1 Unless otherwise approved by the Board, provide less than the amount required to address critical deferred maintenance.

23.2.1.1 Less than 4.5% of the total operating budget allocated for plant and facilities maintenance.

23.2.1.2 Less than 3.5% allocated for technology and institutional equipment.

~~3.1. Permit financial planning that omits credible multi-year (not less than three years) pro forma trend of revenues and expenses.~~

Commented [KB3]: Redundancy within the same policy.

~~4.1. Permit financial planning without a projected multi-year (not less than five years) facilities master plan.~~

Commented [KB4]: Redundancy within the same policy.

~~5. Permit planning that risks any situation or condition described as unacceptable in the "Financial Condition and Activities" policy.~~

Commented [KB5]: This policy item is not necessary as it is asking for compliance with another policy EL-04...which is also monitored for compliance.

6-3. Permit financial planning that does not provide the amount of operating funds determined annually by the Board for its direct use during the year to ensure Board advancement and competent governance of the College, such as costs of fiscal audit, Board development, Board and committee meetings, Board legal fees, and ownership linkage.

7-4. Allow an annual operating budget in which more funds are to be dispersed than are conservatively projected to be received.

8-5. Permit planning that endangers the fiscal soundness of future years or ignores the building of organizational capability sufficient to achieve ENDS in future years.

8-1-5.1. Operate without succession plans to facilitate smooth operations during key personnel transitions and ensure competent operation of the organization over the long term.

8-2-5.2. Permit the College to be without sufficient organizational capacity and current information about CEO and Board issues and processes for the competent operation of the organization to continue in the event of sudden loss of CEO services.

8-2-1-5.2.1. Prepare no fewer than two College executive staff to assume operation of the organization for a Board determined interim period.

Date Of Change	Version	Description of Change	Reviewing Trustees
11.11.19	1.0	First release following Policy Governance consulting work.	Chief of Staff
9.13.21	2.0	Scheduled monitoring – Omission of 1.1; 3.1.1 & 3.1.2. Language change in 3.2. Addition of 3.2.1; 3.2.1.1 & 3.2.1.2	President & CEO
6/13/22	2.0	Regular Review – Approved	CEO
5.8.23	3.0	Regular Review – minor edits	CGO / CEO



JACKSON COLLEGE BOARD OF TRUSTEES POLICY

Policy Type: EXECUTIVE LIMITATIONS

Policy Title: Planning

Policy Number: EL 03

Date Adopted: 11.11.19

Version: 3.0

Date Last Reviewed: 05.08.23

Responsible Party: Chief Governance Officer

Reviewing Committee: Chairperson Crist,
Trustee Lake,
Trustee Simpson

EXECUTIVE LIMITATIONS STATEMENT:

The CEO shall not permit planning that allocates resources in a way that risks fiscal jeopardy or that is not aligned with achievement of the Board's ENDS.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Permit budget planning or College operations without a documented, multi-year strategy that can be expected to achieve a reasonable interpretation of the ENDS.
 - 1.1 Permit financial planning without a projected multi-year (no less than five years) facilities master plan.
2. Permit financial planning that omits credible projection of revenues and expenses, separation of capital expenditures and operational expenses, cash flow projections, prior year comparisons, and disclosure of planning assumptions.
 - 2.1. Omit in the annual operating budget adequate provision for plant and facilities maintenance, electronic and institutional equipment and program and course development, staff development and institutional research.
 - 2.1.1 Unless otherwise approved by the Board, provide less than the amount required to address critical deferred maintenance.
 - 2.1.1.1 Less than 4.5% of the total operating budget allocated for plant and facilities maintenance.
 - 2.1.1.2 Less than 3.5% allocated for technology and institutional equipment.

3. Permit financial planning that does not provide the amount of operating funds determined annually by the Board for its direct use during the year to ensure Board advancement and competent governance of the College, such as costs of fiscal audit, Board development, Board and committee meetings, Board legal fees, and ownership linkage.
4. Allow an annual operating budget in which more funds are to be dispersed than are conservatively projected to be received.
5. Permit planning that endangers the fiscal soundness of future years or ignores the building of organizational capability sufficient to achieve ENDS in future years.
 - 5.1. Operate without succession plans to facilitate smooth operations during key personnel transitions and ensure competent operation of the organization over the long term.
 - 5.2. Permit the College to be without sufficient organizational capacity and current information about CEO and Board issues and processes for the competent operation of the organization to continue in the event of sudden loss of CEO services.
 - 5.2.1. Prepare no fewer than two College executive staff to assume operation of the organization for a Board determined interim period.

Date Of Change	Version	Description of Change	Reviewing Trustees
11.11.19	1.0	First release following Policy Governance consulting work.	Chief of Staff
9.13.21	2.0	Scheduled monitoring – Omission of 1.1; 3.1.1 & 3.1.2. Language change in 3.2. Addition of 3.2.1; 3.2.1.1 & 3.2.1.2	President & CEO
6/13/22	2.0	Regular Review – Approved	CEO
5.8.23	3.0	Regular Review – minor edits	CGO / CEO



BOARD OF TRUSTEES MEETING
Action & Information Report
 Board Meeting Date: May 13, 2024

TO: Jackson College Board of Trustees
FROM: Dr. Daniel J. Phelan, President & CEO

Subject to be Discussed and Policy Reference:

ARE WE STAYING IN OUR POLICY GOVERNANCE LANE?

6.0 Items for Decision

6.2 Executive Limitations

6.2.2 EL-03 Planning – Interpretations Review*

BOARD POLICY: EXECUTIVE LIMITATIONS: EL-03 Planning

Description:

Attached for their regular assessment are my interpretations for policy EL-03.

I am recommending changes to my interpretations that coincide with the proposed policy amendments. The enclosed version tracks the recommended changes, followed by a version that fully incorporates the recommended changes.

Resource Impact:

None

Requested Board Action:

Consideration of accepting or not accepting my interpretations for policy EL-03 Planning as demonstrating a reasonable interpretation of the policy.

Action Taken:



Jackson College Board of Trustees

Interpretation Assessment: EL – 03 Planning

Report Date: 05.13.24

Note: Board Policy is indicated in bold typeface throughout the report.

POLICY STATEMENT:

The CEO shall not permit planning that allocates resources in a way that risks fiscal jeopardy or that is not aligned with achievement of the Board's ENDS. Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. ~~Permit budget planning or College Operations~~ without a documented, multi-year strategy that can be expected to achieve a reasonable interpretation of the ENDS.

INTERPETATION:

~~I have interpreted that compliance with this policy statement will be demonstrated when the proposed new budget aligns with the current budget year, both appearing in the three-year pro-forma financial plan consisting of revenues and expenses presented each year to the Board.~~

I have ~~further~~ interpreted that compliance with this policy statement will be demonstrated when the CEO's Strategic Agenda, an evergreen planning document, consisting of 18 months of goals, strategies, and tactics, demonstrates a clear alignment from the ENDS policies, through to operational priorities assigned to the Leadership Council, which, in sum, is responsible for the bulk operational activity of the College. ~~I further interpret this policy to be compliant when the proposed budget and debt schedule for each year include a pro-forma projection of not less than 3 years.~~

This interpretation is reasonable because the use of a strategic planning document and ~~three-year~~ proforma budget data are traditional tools used in the achievement of Board policy directives in the higher education industry.

2. ~~Permit budgeting for any fiscal period, or the remaining part of any fiscal period, that is not derived from the multi-year plan during that year.~~

INTERPETATION:

~~I have interpreted that compliance with this policy statement will be demonstrated~~

Commented [KB1]: Redundancy within the same policy.

~~when the proposed new budget aligns with the current budget year, both appearing in the three year pro forma financial plan presented each year to the Board.~~

~~This interpretation is reasonable because the Board will have previously seen the three year pro forma from the prior year's budgeting process, as well as monthly reporting on budget actuals, as it considers the budget and planning for the next academic year.~~

2.1 ~~Permit financial planning that omits credible multi year (no less than three years) pro forma trend of revenues and expenses.~~

INTERPETATION:

~~I have interpreted that compliance with this policy statement will be demonstrated when the budget presentation, and subsequent budget book, includes rolling three year pro forma that has alignment with the current year budget adjusted as the year's activities proceed.~~

~~This interpretation is reasonable because the approved budget is codified in distributed form for Board inspection.~~

Commented [KB2]: Redundancy within the same policy.

2.21.1 Permit financial planning without a projected multi-year (no less than five years) facilities master plan.

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when the College's five-year facilities master plan is included in the Budget preparation documents used as a basis for determining priorities in a current year, with the understanding of the potential for changing economic conditions, as well as available funding.

This interpretation is reasonable because the five-year master plan is folded into the Board approved budget and is codified in distributed form for Board inspection.

3-2. Permit financial planning that omits credible projection of revenues and expenses, separation of capital expenditures and operational expenses, cash flow projections, prior year comparisons, and disclosure of planning assumptions.

I have interpreted that compliance with this policy statement will be demonstrated when, as noted ~~in 3.1 (prior year comparisons) and in 23.12~~ (separation of capital expenditures), as well as the following:

- a) Projected revenues from tuition and fees are based on a regression analysis of historical enrollment, adjusted against current events, and the CEO's initiatives.
- b) Housing revenues are derived from prior year application analysis, adjusted following consideration of actual and/or potential impactful, societal events.

- c) Property tax revenue is derived from property valuations, less the Headlee rollback effects on our millage rate.
- d) State Appropriations revenue assumptions are derived from information provided by my analysis following a review of state projections and consideration of a likely state budget outcome, given that our College budget needs to be approved by the Board fully three months before the State budget is required to be completed.
- e) Contract training revenue, performing arts activity, miscellaneous revenue, and Transfers Revenues are derived from historical activity.
- f) Hospitality Services revenue is derived from housing occupancy assumptions, based on the sale of a student residence mandatory meal plan, and catering services.
- g) Wages, Retirement and Benefit expense are derived from the current staffing roster, adjusted for labor agreement requirements, changes in State and Federal requirements, as well as the addition of new staff to the budget.
- h) Services – Staffing Agency, Services, Materials, Rent, Utilities, Insurance and Other operating costs are derived from historical trends, adjusted for current revenue assumptions.
- i) Transfers-Debt Services is derived from our debt repayment schedule for the required payments on outstanding obligations that year.
- j) Capital Equipment & Transfers are derived by the residual income over expenses after all other expenses are planned.
- k) The budget book includes five-year facilities plan for capital expenditures.
- l) Cashflow projections are prepared and reviewed with the Leadership Council, while ensuring the satisfaction of the Board requirements of two-month's operating on hand.
- m) The budget book includes major planning assumptions.

This interpretation is reasonable because all budget items are derived in a manner which is comparable to budget planning processes used in other community colleges of comparable size.

~~3.1 Omit prior year comparisons for departments and the annual budget summary.~~

~~INTERPETATION:~~

~~I have interpreted that compliance with this policy statement will be demonstrated when there is budget documentation of prior year activity and new year budget for all operational departments as part of the College's general fund.~~

~~This interpretation is reasonable because year end reports, and the new budget are standard ways of presenting prior year comparisons.~~

Commented [KB3]: Redundancy within the same policy.

3-22.1 Omit in the annual operating budget adequate provision for plant and facilities maintenance, electronic and institutional equipment and program and course development, staff development and institutional research.

~~I have interpreted this policy in items 3-2.1, 3-2.1.1, and 3-2.1.2 below. Compliance with these items will constitute compliance with this policy.~~

3-2.12.1.1 Unless otherwise approved by the Board, provide less than the amount required to address critical deferred maintenance.

INTERPETATION:

~~I have interpreted that compliance with this policy statement will be demonstrated when the amount required to address critical deferred maintenance in policy items 3-2.1.1 and 3-2.1.2 is provided.~~

3-2.12.1.1.1 Less than 4.5% of the total operating budget allocated for plant and facilities maintenance.

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when the total amount of plant transfers budgeted, debt, and/or transfers at year end, are at least 4.5% of the budgeted operating revenues.

This interpretation is reasonable because the Board of Trustees has opportunity to review and approve the budget at the beginning of the year, as well as any year-end budget adjustments, by the end of the fiscal year, for evidence of compliance with this numerical threshold.

3-2.12.1.1.2 Less than 3.5% allocated for technology and institutional equipment.

INTERPETATION:

Technology and institutional equipment are part of the capital budget. Compliance will be demonstrated when the total for technology and institutional equipment is included in the 3.5% of the operating budget planned for capital equipment, year-end transfers, and debt.

This interpretation is reasonable because the Board of Trustees has opportunity to review and approve the budget at the beginning of the year, as well as any year-end budget adjustments, by the end of the fiscal year, for evidence of compliance with this numerical threshold.

4. ~~Permit planning that risks any situation or condition described as unacceptable in the "Financial Condition and Activities" policy.~~

INTERPRETATION:

~~I have interpreted that compliance with this policy statement will be demonstrated when cash flow projections:~~

- ~~a) Are based on timely payment of payroll (EL-04);~~
- ~~b) Do not plan for the use of restricted or designated funds for other than purposes for which account was established.~~
- ~~c) Project a year-end deficit.~~

~~This interpretation is reasonable because, all budget planning is reviewed in advance of formal consideration, with the aforementioned items included. Further, the Board approves the annual budget, and receives monthly financial reports, as well as audited financial reports that present the budget plan, contemplating these items, as well as the Board receives audited financials annually that would also consider these items.~~

Commented [KB4]: This policy item is not necessary as it is asking for compliance with another policy EL-04...which is also monitored for compliance.

5.3. Permit financial planning that does not provide the amount of operating funds determined annually by the Board for its direct use during the year to ensure Board advancement and competent governance of the College, such as costs of fiscal audit, Board development, Board and committee meetings, Board legal fees, and Ownership linkage.

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when the budget account for the Board's direct use is identified as a separate department within the overall College.

This interpretation is reasonable because the Board has opportunity to reviews and approves the adoption of the annual operating budget.

6.4. Allow an annual operating budget in which more funds are to be dispersed than are conservatively projected to be received.

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when the projected year-end income over (under) expenses is zero or greater.

This interpretation is reasonable because the Board of Trustees receives and regularly has opportunity to review monthly financial reports on the College's financial activity, as well as audited financial reports for evidence of compliance with this policy item.

7.5. Permit planning that endangers the fiscal soundness of future years

or ignores the building of organizational capability sufficient to achieve ENDS in future years.

INTERPRETATION:

I have interpreted that compliance with this policy statement will be demonstrated when budget plans for the board include future years projections that are fiscally viable, as well as the following.

- a) Labor contracts do not incur long-term future financial commitments that are not provided for in our three-year pro-forma; and
- b) Borrowing (i.e., debt service) does not exceed 10% of ~~the~~ annual operating expenses, ~~which is consistent with the historical threshold previously used by the Board.~~

This interpretation is reasonable because the Board receives annual budget planning documents which include elements of fiscal soundness, (which is consistent with the historical threshold previously used by the Board), debt services, and projected outcomes of negotiated contracts in those years when union contracts are expired.

7-45.1 Operate without succession plans to facilitate smooth operations during key personnel transitions and ensure competent operation of the organization over the long-term.

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when

- a) Each Leadership Council Member has identified, to the College CEO, an interim successor.
- b) Each Council Member Successor is provided current operational information and has the opportunity to fill the responsibilities of the position from time to time.
- c) Each Council Member Successor is aware of their responsibility to the operations of the College and the Leadership council.

~~This interpretation is reasonable because the Leadership Council Members' positions are key operational personnel and cover all areas of the operation of the College.~~

This interpretation is reasonable because it monitors succession planning at the appropriate levels of the organization and is a consistent practice among other community colleges.

7-25.2 Permit the College to be without sufficient organizational capacity and current information about CEO and Board issues and processes for the competent operation of the organization to continue in the event of sudden loss of CEO services.

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when, (partially as noted in 540.2.1) as well as the following:

- a) Minutes of the Leadership Council confirm that it regularly discusses current operations of the organization.
- b) The Leadership Council understands how the organization is evaluated under Policy Governance and is involved in the development of Board Monitoring Reports.
- c) Performance Management Interviews (PMIs) between the Leadership Council member and their direct reports reveal discussions of larger operations in the area under supervision, as well as discussion of leadership growth and a pathway for doing so.

The interpretation is reasonable because it covers the two areas critical to continuity of the CEO's role; Operations of the College and support of the Board's assessment of organization performance. Further, PMI meetings, with direct reports, are a ~~mandated~~ requirement of all Leadership Council Members, which assess competence and promotes continuous professional development.

7.2.45.2.1 Prepare no fewer than two College executive staff to assume operation of the organization for a Board determined interim period.

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when (assuming that "*the assumption of the operation of the organization*" language includes the same authority and responsibility as the CEO):

- There is a documented succession plan with two named Leadership Council members that delineate the respected authorities and responsibilities of the CEO, for which each person is accountable during a temporary absence of the CEO of less than 6 months.
- When the two named successors, as determined by the CEO, are shared, in order, with the Board of Trustees.
- When the two named successors confirm their knowledge of their role as successor, and their responsibilities and accountabilities in the event of an absence.
- When the two named successors are required to attend monthly Board Meetings, Planning Sessions, and receive appropriate Board communications.

| The interpretation is reasonable because it supports the Board's ability to apply policy BMD-5 President & CEO Succession.



Jackson College Board of Trustees

Interpretation Assessment: EL – 03 Planning

Report Date: 05.13.24

Note: Board Policy is indicated in bold typeface throughout the report.

POLICY STATEMENT:

The CEO shall not permit planning that allocates resources in a way that risks fiscal jeopardy or that is not aligned with achievement of the Board's ENDS. Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. **Permit budget planning or College operations** without a documented, multi-year strategy that can be expected to achieve a reasonable interpretation of the ENDS.

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when the proposed new budget aligns with the current budget year, both appearing in the three-year pro-forma financial plan consisting of revenues and expenses presented each year to the Board.

I have further interpreted that compliance with this policy statement will be demonstrated when the CEO's Strategic Agenda, an evergreen planning document, consisting of 18 months of goals, strategies, and tactics, demonstrates a clear alignment from the ENDS policies, through to operational priorities assigned to the Leadership Council, which, in sum, is responsible for the bulk operational activity of the College.

This interpretation is reasonable because the use of a strategic planning document and three-year proforma budget data are traditional tools used in the achievement of Board policy directives in the higher education industry.

1.1 Permit financial planning without a projected multi-year (no less than five years) facilities master plan.

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when the College's five-year facilities master plan is included in the Budget preparation documents used as a basis for determining priorities in

a current year, with the understanding of the potential for changing economic conditions, as well as available funding.

This interpretation is reasonable because the five-year master plan is folded into the Board approved budget and is codified in distributed form for Board inspection.

2. Permit financial planning that omits credible projection of revenues and expenses, separation of capital expenditures and operational expenses, cash flow projections, prior year comparisons, and disclosure of planning assumptions.

I have interpreted that compliance with this policy statement will be demonstrated when, as noted in 2.1 (separation of capital expenditures), as well as the following:

- a) Projected revenues from tuition and fees are based on a regression analysis of historical enrollment, adjusted against current events, and the CEO's initiatives.
- b) Housing revenues are derived from prior year application analysis, adjusted following consideration of actual and/or potential impactful, societal events.
- c) Property tax revenue is derived from property valuations, less the Headlee rollback effects on our millage rate.
- d) State Appropriations revenue assumptions are derived from information provided by my analysis following a review of state projections and consideration of a likely state budget outcome, given that our College budget needs to be approved by the Board fully three months before the State budget is required to be completed.
- e) Contract training revenue, performing arts activity, miscellaneous revenue, and Transfers Revenues are derived from historical activity.
- f) Hospitality Services revenue is derived from housing occupancy assumptions, based on the sale of a student residence mandatory meal plan, and catering services.
- g) Wages, Retirement and Benefit expense are derived from the current staffing roster, adjusted for labor agreement requirements, changes in State and Federal requirements, as well as the addition of new staff to the budget.
- h) Services – Staffing Agency, Services, Materials, Rent, Utilities, Insurance and Other operating costs are derived from historical trends, adjusted for current revenue assumptions.
- i) Transfers-Debt Services is derived from our debt repayment schedule for the required payments on outstanding obligations that year.
- j) Capital Equipment & Transfers are derived by the residual income over expenses after all other expenses are planned.
- k) The budget book includes five-year facilities plan for capital expenditures.
- l) Cashflow projections are prepared and reviewed with the Leadership Council, while ensuring the satisfaction of the Board requirements of two-month's operating on hand.

m) The budget book includes major planning assumptions.

This interpretation is reasonable because all budget items are derived in a manner which is comparable to budget planning processes used in other community colleges of comparable size.

2.1 Omit in the annual operating budget adequate provision for plant and facilities maintenance, electronic and institutional equipment and program and course development, staff development and institutional research.

2.1.1 Unless otherwise approved by the Board, provide less than the amount required to address critical deferred maintenance.

2.1.1.1 Less than 4.5% of the total operating budget allocated for plant and facilities maintenance.

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when the total amount of plant transfers budgeted, debt, and/or transfers at year end, are at least 4.5% of the budgeted operating revenues.

This interpretation is reasonable because the Board of Trustees has opportunity to review and approve the budget at the beginning of the year, as well as any year-end budget adjustments, by the end of the fiscal year, for evidence of compliance with this numerical threshold.

2.1.1.2 Less than 3.5% allocated for technology and institutional equipment.

INTERPETATION:

Technology and institutional equipment are part of the capital budget. Compliance will be demonstrated when the total for technology and institutional equipment is included in the 3.5% of the operating budget planned for capital equipment, year-end transfers, and debt.

This interpretation is reasonable because the Board of Trustees has opportunity to review and approve the budget at the beginning of the year, as well as any year-end budget adjustments, by the end of the fiscal year, for evidence of compliance with this numerical threshold.

3. **Permit financial planning that does not provide the amount of operating funds determined annually by the Board for its direct use during the year to ensure Board advancement and competent governance of the College, such as costs of fiscal audit, Board development, Board and committee meetings, Board legal fees, and Ownership linkage.**

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when the budget account for the Board's direct use is identified as a separate department within the overall College.

This interpretation is reasonable because the Board has opportunity to review and approve the adoption of the annual operating budget.

4. **Allow an annual operating budget in which more funds are to be dispersed than are conservatively projected to be received.**

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when the projected year-end income over (under) expenses is zero or greater.

This interpretation is reasonable because the Board of Trustees receives and regularly has opportunity to review monthly financial reports on the College's financial activity, as well as audited financial reports for evidence of compliance with this policy item.

5. **Permit planning that endangers the fiscal soundness of future years or ignores the building of organizational capability sufficient to achieve ENDS in future years.**

INTERPRETATION:

I have interpreted that compliance with this policy statement will be demonstrated when budget plans for the board include future years projections that are fiscally viable, as well as the following.

- a) Labor contracts do not incur long-term future financial commitments that are not provided for in our three-year pro-forma; and
- b) Borrowing (i.e., debt service) does not exceed 10% of annual operating expenses.

This interpretation is reasonable because the Board receives annual budget planning documents which include elements of fiscal soundness, (which is consistent with the historical threshold previously used by the Board), debt services, and projected outcomes of negotiated contracts in those years when union contracts are expired.

5.1 Operate without succession plans to facilitate smooth operations during key personnel transitions and ensure competent operation of the organization over the long-term.

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when

- a) Each Leadership Council Member has identified, to the College CEO, an interim successor.
- b) Each Council Member Successor is provided current operational information and has the opportunity to fill the responsibilities of the position from time to time.
- c) Each Council Member Successor is aware of their responsibility to the operations of the College and the Leadership council.

This interpretation is reasonable because it monitors succession planning at the appropriate levels of the organization and is a consistent practice among other community colleges.

5.2 Permit the College to be without sufficient organizational capacity and current information about CEO and Board issues and processes for the competent operation of the organization to continue in the event of sudden loss of CEO services.

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when, (partially as noted in 5.2.1) as well as the following:

- a) Minutes of the Leadership Council confirm that it regularly discusses current operations of the organization.
- b) The Leadership Council understands how the organization is evaluated under Policy Governance and is involved in the development of Board Monitoring Reports.
- c) Performance Management Interviews (PMIs) between the Leadership Council member and their direct reports reveal discussions of larger operations in the area under supervision, as well as discussion of leadership growth and a pathway for doing so.

The interpretation is reasonable because it covers the two areas critical to continuity of the CEO's role; Operations of the College and support of the Board's assessment of organization performance. Further, PMI meetings, with direct reports, are a requirement of all Leadership Council Members which assess competence and promotes continuous professional development.

5.2.1 Prepare no fewer than two College executive staff to assume operation of the organization for a Board determined interim period.

INTERPETATION:

I have interpreted that compliance with this policy statement will be demonstrated when (assuming that “*the assumption of the operation of the organization*” language includes the same authority and responsibility as the CEO):

- There is a documented succession plan with two named Leadership Council members that delineate the respected authorities and responsibilities of the CEO, for which each person is accountable during a temporary absence of the CEO of less than 6 months.
- When the two named successors, as determined by the CEO, are shared, in order, with the Board of Trustees.
- When the two named successors confirm their knowledge of their role as successor, and their responsibilities and accountabilities in the event of an absence.
- When the two named successors are required to attend monthly Board Meetings, Planning Sessions, and receive appropriate Board communications.

The interpretation is reasonable because it supports the Board’s ability to apply policy BMD-5 President & CEO Succession.