Governance Process	Ends
Board-President Delegation	Executive Limitations

BOARD OF TRUSTEES POLICY

Policy Type: Executive Limitations

Policy Title: Planning

Policy Number: EL-03

Date Adopted: 11/11/19

Version: 1.0

Date Last Reviewed: 11/11/19

Office Responsible: President's

Reviewing Committee: Board of Trustees

The President 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 President shall not:

1. Operate without a documented, multi-year strategy that can be expected to achieve a reasonable interpretation of the Ends.
    1.1. Permit planning that does not explain and justify assumptions, and identify relevant environmental factors.
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.
3. 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.
    3.1. Omit prior year comparisons for departments.
    3.2. Provides less than the amount required to address critical deferred maintenance. 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.
        3.2.1. Less than 4.5% of the total operating budget allocated for plan and facilities maintenance.
        3.2.2. Less than 3.5% allocated for electronic and institutional equipment.
4. Permit financial planning that omits credible three year pro-forma trend of revenues and expenses.
5. Permit financial planning without a projected five-year facilities master plan.
6. Permit planning that risks any situation or condition described as unacceptable in the "Financial Condition and Activities" policy.

7. 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
8. Allow an annual operating budget in which more funds are to be dispersed than are conservatively projected to be received.
9. Permit planning that endangers the fiscal soundness of future years or ignores the building of organizational capability sufficient to achieve Ends in future years.
   - 9.1. Operate without succession plans to facilitate smooth operations during key personnel transitions and ensure competent operation of the organization over the long term.
   - 9.2. Permit the College to be without sufficient organizational capacity and current information about President and Board issues and processes for the competent operation of the organization to continue in the event of sudden loss of President services.
     - 9.2.1. 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	Responsible Party
11.11.19	1.0	First release following Policy Governance consulting work.	Chief of Staff