



Jackson College Board of Trustees

Monitoring Report: EL – 05 Asset Protection

[FULL COMPLIANCE]

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

I present this monitoring report to the Jackson College Board of Trustees which addresses the Board's Executive Limitations Policy: Asset Protection – EL-05. I certify that the information contained in herein is true and represents compliance, within a reasonable interpretation of the established policy

Please note that all of my interpretations of the policy remain unchanged from the previous report, unless otherwise noted.

05.08.23

Daniel J. Phelan, Ph.D.
President and CEO

Date

POLICY STATEMENT:

The CEO shall not allow College assets to be unprotected, inadequately maintained, or unnecessarily risked. Further, without limiting the scope of the preceding statement by the following list, the CEO shall not:

- 1. Permit the organization to have inadequate insurance against property, casualty, and cyber (i.e., data) losses.**

I have interpreted "inadequate insurance" in policy items #1.1 (including 1.1.1 and 1.1.2) to 1.2. Compliance with these items below constitutes compliance with this policy.

- 1.1. Permit the organization to insure its property and operations with inadequate valuation and limits due to an insufficient scope of perils.**

INTERPRETATION:

I have interpreted “insufficient scope of perils” in policy items 1.1.1 and 1.1.2 below. I am further interpreting the scope of perils to include disruption of College operations, due to unpredictable events or ‘Acts of God’ (i.e., force majeure), as well as exposure to danger or serious danger.

Compliance with this policy will be demonstrated when insurances of the College, in particular its ‘Umbrella Insurance’, for disruption of college operations, is consistent with coverage limits standards for an institution our size, type, and scope, as well as when items 1.1.1 and 1.1.2, (below) are fully compliant.

This interpretation is reasonable because it is consistent with the recommendations of the College’s insurance consultant, and the Michigan Community College Risk Management Authority (MCCRMA) standards of coverage.

EVIDENCE:

A Review of the umbrella insurance policy on 04.30.23 confirmed that the policy provides coverage for a total limit of \$10MM per each occurrence, or each claim limit. As a point of comparison, the Michigan Community College Risk Management Authority (MCCRMA – *an organization created by members to provide property/causality insurance, risk management, and related services exclusively to Michigan community colleges.*) members do not require an excess/umbrella policy because the basic limit of liability is \$15MM each occurrence (for nearly all coverages) and there is no aggregate limit.

1.1.1. Permit insurance of all buildings and contents to be at less than the cost to replace, with a blanket limit of all buildings and contents.

INTERPRETATION:

I have interpreted compliance to be demonstrated when a schedule property of values is updated and signed each year, computing the blanket limit of coverage for buildings and contents, and that the College is in possession of insurance coverage documents to those amounts.

This interpretation is reasonable because it is based on insurance industry standards for current replacement blanket insurance on building and contents.

EVIDENCE:

A Review of the the College's facility insurance policy on 04.30.23 by the College's CFO confirmed that the blanket building limit is \$509,555,216 and the content blanket limit is \$26,563,775. The blanket building limit was increased by \$314,191,501 in response to the current inflationary environment. At this level, all buildings would be replaced in a 100% catastrophic event.

1.1.2. Permit the College to have inadequate insurance for theft, disappearance or destruction of money, and securities inside or outside the premises.

INTERPRETATION:

I have interpreted compliance to be demonstrated when:

- a) The College is in possession of an insurance policy provides for coverage for theft, disappearance or destruction of money and securities at the College, or at financial institutions holding College assets.
- b) The levels/type of insurance coverage provided is consistent with the range recommended by the insurance industry consultant (see insurance type and current insurance coverage schedule below).

<u>Insuring Agreement</u>	<u>Limits of Liability</u>	<u>Deductibles</u>
Employee Theft	\$ 1,000,000	\$ 10,000
ERISA Fidelity	\$ 1,000,000	\$ -
Forgery or Alteration	\$ 1,000,000	\$ 10,000
Premise Coverage	\$ 1,000,000	\$ 10,000
Transit Coverage	\$ 1,000,000	\$ 10,000
Computer Fraud	\$ 1,000,000	\$ 10,000
Restoration Expense	\$ 50,000	\$ 1,000
Funds Transfer Fraud	\$ 1,000,000	\$ 10,000
Credit, Debit or Charge Card Fraud	\$ 1,000,000	\$ 10,000
Money Orders and Counterfeit Money	\$ 1,000,000	\$ 10,000
Investigative Expense	\$ 50,000	\$ -

This interpretation is reasonable because the assessment of adequate insurance is provided by a third-party independent insurance consultant, as noted in the schedule above) is an

accepted industry standard.

EVIDENCE:

A Review of the associated College insurance policy on 04.30.23 by the College CFO confirmed that the policy provides for coverage for theft, disappearance or destruction of money and securities at the College, or at financial institutions holding College assets. Specific MCCRMA limits are as follows:

Insuring Agreement	Limits of Liability	Retention
Employee Theft	\$1,000,000	\$100,000 (See Note)
ERISA Fidelity	Not Covered	N/A
Forgery or Alteration	\$1,000,000	\$100,000 (See Note)
Premises Coverage	\$1,000,000	\$100,000 (See Note)
Transit Coverage	\$2,000,000	\$100,000 (See Note)
Computer Fraud	\$2,000,000 (See Note)	\$50,000 (See Note)
Restoration Expense	\$2,000,000 (See Note)	\$50,000 (See Note)
Funds Transfer Fraud	\$100,000	\$50,000 (See Note)
Credit Debit or Charge Card Fraud	\$1,000,000	\$50,000 (See Note)
Money Orders and Counterfeit Money	\$1,000,000	\$100,000 (See Note)
Investigative Expense	See Note	\$50,000 (See note)

Additionally, the CFO MCCRMA retention functions through a stop loss fund so the amount retained is reduced. Finally, the College's Cyber Risk policy is a separate \$3M insurance policy and is addressed in 1.2 below.

1.2. Permit the organization to have inadequate privacy/cyber insurance.

INTERPRETATION:

I have interpreted compliance to be demonstrated when:

- a) The operational and disruptive threat of Cyber Security is mitigated using preventative controls and insurance protections are consistent with what was identified in the annual cyber security audit. This level of control will include the annual review of a Maintenance of Operations plan; and
- b) Insurance levels are consistent with the Michigan Community College Risk Management Authority (MCCRMA) standards of coverage for Cyber Liability.

This interpretation is reasonable because the insurer is a third-party expert and provides the College with an independent assessment of what adequate insurance is in the current environment, as well as what constitutes an appropriate Maintenance of Operation plan, which is required before any cyber insurance can be issued.

EVIDENCE:

- a) The College's CFO confirmed on 04.30.23 that the College's annual cyber security audit is nearing completion with a scheduled review during the June, 2023 audit committee meeting. Furthermore, the College's CIO confirmed on 04.30.23 that the IT department launched Proofpoint in 2023, which provides email protection against malware attacks. Proofpoint also filters emails that present phishing / malware risks before entering into our network. The CIO also confirmed an existing relationship with Mad Security which provides detection and response services. Mad Security has software that monitors and reviews system logs looking for suspicious activity. This allows for quick response actions that quarantine potential problems to minimize any potential damage.
- b) The College's CFO confirmed on 04.30.23 that the College's current Cyber Risk Coverage is \$3MM with \$30K retention/deductible. As a comparison, MCCRMA's coverage is capped at \$2MM with retention of \$50K.

2. Permit the Board members, College employees, and other individuals engaged in activities on behalf of the organization, or the organization itself, to have inadequate liability insurance.

INTERPRETATION:

I interpret the level of adequate insurance (i.e., E & O for the board, as well, as other liability insurances for staff and related parties) to be determined by an industry expert, in this case, the Michigan Community College Risk Management Authority (MCCRMA) and their standards of coverage determinations, and such policies are currently in place and on file.

This interpretation is reasonable because the insurer is a third-party expert and an independent assessment of what adequate insurance is.

EVIDENCE:

The College's CFO confirmed on 05.01.23 that our current insurance policy provides for Employment Practices Liability coverage with \$1MM limit for each wrongful employment act/occurrence and \$5MM in aggregate. As a comparison, MCCRMA's coverage provides for \$15MM with no aggregate limit.

3. Permit individuals traveling out of the United States, on behalf of the College, to have inadequate travel accident insurance.

INTERPRETATION:

I have interpreted that compliance will be demonstrated when:

- a) The College has a professional activity form (i.e., pre-approval documentation) on file, granting approval to travel on behalf of the College. Further, that this form is utilized by persons traveling on College business.
- b) Employees are provided access to information about applicable travel insurance coverages prior to their approved travel.
- c) Coverages are consistent with 3rd party consultants' recommendations based on industry standards.

This interpretation is reasonable because prior approval to travel, as well as provisions for applicable travel insurance, is a standard practice among higher education institutions.

EVIDENCE:

- a) A statistical review of FY '22 completed by the College's Comptroller on 05.03.23 documented that 50% of employees completed a professional activity form ahead of travel.
- b) Comptroller also confirmed that College employees are provided access to information on travel insurance coverage on the College's employee intranet site.

4. Allow the College to have insurance for theft and crime coverage that is less than industry standards.

INTERPRETATION:

I have interpreted that compliance will be demonstrated when the College is ensuring its theft and crime coverages are at a level, identified by the College's the 3rd party insurance consultant, as standard for an institution our type, size, and scope.

This interpretation is reasonable because it is not only a standard practice utilized by higher education institutions, but that the recommendations for coverage levels are provided by a third-party industry consultant.

EVIDENCE:

A review of the College's insurance policy on 04.30.23 by the CFO confirms the policy provides for coverage for theft, disappearance or destruction of money and securities at the College, or at financial institutions holding College assets. Additionally, as an industry standard comparison, the MCCRMA limits are as follows, suggesting the College is comparable:

Insuring Agreement	Limits of Liability	Retention
Employee Theft	\$1,000,000	\$100,000 (See Note)
ERISA Fidelity	Not Covered	N/A
Forgery or Alteration	\$1,000,000	\$100,000 (See Note)
Premises Coverage	\$1,000,000	\$100,000 (See Note)
Transit Coverage	\$2,000,000	\$100,000 (See Note)
Computer Fraud	\$2,000,000 (See Note)	\$50,000 (See Note)
Restoration Expense	\$2,000,000 (See Note)	\$50,000 (See Note)
Funds Transfer Fraud	\$100,000	\$50,000 (See Note)
Credit Debit or Charge Card Fraud	\$1,000,000	\$50,000 (See Note)
Money Orders and Counterfeit Money	\$1,000,000	\$100,000 (See Note)
Investigative Expense	See Note	\$50,000 (See note)

Note that the MCCRMA retention functions through a stop loss fund so the amount retained is reduced.

5. Unnecessarily expose the organization, its Board members or College employees to claims of liability.

INTERPRETATION:

I have interpreted that compliance will be demonstrated when the ‘unnecessary exposure to claims of liability’ are addressed in item 5.1 below, as well as when all College Trustees and employees have received required training on Title IX, Sexual Harassment Prevention, and the Jackson College Code of Ethics, as constituting compliance with this policy.

This interpretation is reasonable because said training is required by the United States Department of Education.

EVIDENCE:

The COO confirmed on 04.30.23 that all employees, including adjunct faculty, are required to complete the Title IX training upon hire, as well as on an annual basis thereafter. Board members are also required to complete the training annually.

5.1. Allow any material contracts or material internal human resource documents to be executed with inadequate review by qualified legal counsel.

INTERPRETATION:

I am interpreting the phrase “material contracts or material internal human resource documents” to include all Labor Agreements and all contracts with vendors and organizations, to have a direct or indirect financial liability of \$100,000 or more. I have further interpreted that compliance will be demonstrated when:

- a) A random statistical sampling of contracts is reviewed by the College’s Internal Auditor to confirm all associated contracts greater than \$100,000 are reviewed by legal counsel prior to contract signing.
- b) A random statistical sampling of contract documents, reviewed by the College’s Internal Auditor, reveal that performance bonds for contracts of \$100,000 or greater with vendors the College does not have established relationships with, are on file in the College’s Business Office.

This interpretation is reasonable because all labor agreements, and all contracts with vendors are reviewed by the College’s legal counsel and are additionally reviewed and signed by the College President. Further, all union labor agreements are executed by the Board of Trustees. Finally, all performance bonds for \$100,000 projects and higher with vendors the College does not have established relationships with, include liability protections for the College, ensuring that work is performed of a nature and timeline consistent with the contract.

EVIDENCE:

The College COO confirmed the following on 04.30.23:

- a) Current practice requires that all contracts are reviewed by Legal Counsel.
- b) Facilities/Plant project bids always include language regarding proposal guarantee (i.e., bid bond) and contract security (i.e., performance and labor & material payment bond).

6. Receive, process, or disburse funds under controls which are insufficient to meet audit standards or reasonably insufficient to detect and prevent fraud.

INTERPRETATION:

I am interpreting fraud protection, involving the receipt, process, or distribution of funds to be achieved when adequate crime (i.e., fraud) insurance is filed and current, as well as when both internal and external auditors confirm adequate internal controls are in place. I have further interpreted policy compliance to be demonstrated when:

- a) The external auditors do not find any deficiency in the internal controls process, as part of their annual audit; and

- b) Any deficiency noted in internal controls is corrected within 90 days.

This interpretation is reasonable because the use of internal and external third-party auditors to examine, evaluate, and recommend improvements and/or corrections to fraud protection practice is not only a higher education industry standard, but is also that standard for non-profit organizations.

EVIDENCE:

The College CFO confirmed the following on 04.30.23, which are being implemented by the Business Office:

- a) The results of the Internal Control Remediation and Data Testing completed by Plante Moran included four recommendations:
- The Comptroller or designee should perform a monthly review of the direct deposit changes, bank account change, and vendor record changes. The review is in the process of being embedded into normal Business Office operations.
 - Jackson College should consider an ERP system upgrade so that changes can be made without deletion of data. Leveraging the work through the Process Redesign and Reimagine project to help address this recommendation.
 - Jackson College should create an approved vendor listing, so that the business office has familiarity with approved vendors and will be able to easily identify unapproved vendors. Leveraging the work through the Process and Reimagine project to help address this recommendation.
 - Jackson College should install a proper safe in the box office. The safe has been installed.
- b) Cash controls continue to remain in compliance.

7. Make any purchases that do not result in appropriate level of quality, after-purchase service and value for dollar, or do not provide opportunity for fair competition.

I have interpreted this policy to be in compliance when, purchasing practices utilized within the College, are consistent with those of like-sized, industry comparable institutions, within the Michigan Community College Association (i.e., Group II, MCCBOA), as well as when items 7.1, 7.2, 7.3, and 7.4 (below) are fully in compliance.

This interpretation is reasonable because it ensures the attention to all items below, but also that the College purchasing processes are attendant to the structure of Michigan laws, but also that they are evaluated against peer community colleges in the MCCA Group II classification, and in combination with CFO peers in the Michigan Community College Business Officers Association).

7.1 Make any purchase wherein normally prudent protection has not been evaluated against conflict of interest.

INTERPRETATION:

Compliance will be demonstrated when:

- a) All administrators annually submit documentation regarding the absence of conflict of interest, or noting occasions wherein an actual or apparent conflict may occur. Further, the College Board of Trustees declare any conflict of interest that may exist in their decision-making prior to the commencement of any board meeting, as provided on the College's Board agenda;
- b) The external auditor notes there is no conflict of interest in transactions in the past fiscal year among employees or Trustees; and
- c) Material conflicts are disclosed in the annual audited financial report.

This interpretation is reasonable because not only are there formal practices for noting any actual or apparent conflicts of interest, a third-party auditor annual reviews these practices and conducts annual sampling to determine if any violations of this process have occurred. Finally, regarding the Board of Trustees, such practices are consistent with the national fiduciary standard for Duty of Loyalty among board members.

EVIDENCE:

The College COO confirmed the following on 04.30.23:

- a) Based upon a review of the required conflict of interest forms submitted by administrators, department chairs and the Board of Trustees, 100% of the individuals completed a conflict-of-interest declaration, during this reporting period. Documents in the Human Resources/Talent office track all Administrators and Department Chairs, ensuring that they have completed the annual conflict of interest form. All Trustees, during the course of each Board Meetings, as noted in official meeting minutes, declare any potential conflict of interest with Board Agenda items.
- b) The annual audit report for 06.30.22 did not note any disclosure of conflicts of interest; and
- c) For the fiscal year 06.30.22 no conflicts of interest needed to be disclosed.

7.2 Make any purchase of over \$100,000 without having obtained comparative prices and quality from at least three competitive bids, unless considered a 'sole source' provider. Orders shall not be split to avoid these criteria.

INTERPRETATION:

I have interpreted compliance to be demonstrated when verification has occurred, for

those College departments, which have the authority to initiate purchase order requisitions, have transmitted their request for approval through first, their Leadership Council Member, and then through the Business Office. I have further concluded that compliance will be demonstrated when items a, b., and c. (below) are also compliant:

- a) The College's Internal Auditor conducts a review of a statistically valid sample of purchase order requisitions for policy compliance and confirms that all orders approved by the College's Comptroller are compliant with the required bid documentation, or sole source provider documentation if the purchase price is greater than \$100,000;
- b) The College's external auditor annual conducts a statistical sampling of the processes of purchases of \$100,000 or more, for process compliance; and
- c) The administrative purchasing policy is consistent with Board Policy.

This interpretation is reasonable because the process validation is conducted by both internal and external auditors of the College, which is an industry standard approach.

EVIDENCE:

The College COO confirmed the following on 04.30.23:

- a) Current practice is all contracts are reviewed by Legal Counsel.
- b) The College's external auditor had no findings.
- c) A review of the administrative policy on 05.03.23 by the CFO shows it aligns with the requirements of the board policy.

7.3 Make any purchase without a stringent method of assuring: 1) Long-term quality 2) Reasonable Cost; 3) Consideration of the financial support provided to the College by a bidder, and 4) Local vendor preference.

INTERPRETATION:

I have interpreted that compliance will be demonstrated when:

- a) All College departments and employees with purchasing authority are provided the criteria of this policy;
- b) All College Administrators annually receive, and annually review, the College's purchasing policy in the Administrative Council Meeting annually; and
- c) The members of Leadership Council confirm the policy is being applied in their respective areas of responsibility.

This interpretation is reasonable because an annual review of the College's purchasing practices ensures familiarity with existing employees, as well as provides for the proper review of employees who are new to the organization.

EVIDENCE:

- a. On 05.02.23 the CFO provided the purchasing policy to departments and employees with purchasing authority.
- b. On 05.03.23 the Administrative Council members received the purchasing policy. The policy will be reviewed again during the Council's meeting in June, 2023.
- c. The College's Leadership Council received the policy on 05.03.23 and then required to provide attestation that the policy is being applied in their respective areas of responsibility.

7.4 Allow minority, women, and veteran vendors to be without information critical to their receiving equitable consideration in competitive bidding.

INTERPRETATION:

I have determined that compliance will be demonstrated when:

- a) Purchasing departments and their employees with purchasing authority have been provided this policy, which is annually reviewed, to ensure that purchases at the College are consistent with this criterion; and
- b) The members of the College's Leadership Council confirm the policy is being followed in their respective area of responsibility.

This interpretation is reasonable because an annual review of the College's purchasing practices relative to minority, women and veteran vendors ensures

familiarity with existing employees, as well as provides for the proper review of employees who are new to the organization.

EVIDENCE:

- a) On 05.02.23 the CFO provided the purchasing policy to departments and employees with purchasing authority.
- b) On 05.03.23 the Administrative Council members received the purchasing policy. The policy will be reviewed during the Council's meeting in June, 2023.
- c) The College's Leadership Council received the policy on 05.03.23 and then required to provide attestation that the policy is being applied in their respective areas of responsibility.

8. Allow College intellectual assets, to be unprotected or exposed to loss or significant damage.

INTERPRETATION:

I have interpreted that compliance will be demonstrated when all College logos, names and characters of proprietary nature have registered trademarks or copyrights.

This interpretation is reasonable because registration not only provides legal basis for protecting assets against improper or fraudulent use, but it is an industry standard relative to the protection of intellectual assets.

EVIDENCE:

On 05.01.23 the Chief Operating Officer confirmed that the Men of Merit program has been copyrighted and trademarked. As well, our TCS² logo has been copyrighted and trademarked.

9. Endanger the organization's public image, credibility, or its ability to accomplish Board Ends.

INTERPRETATION:

I have interpreted compliance with this policy statement will occur when, I have demonstrated sufficient breadth of operational policies, processes, and training frequency for employees regarding the protection of the College's reputation, as well as when items 9.1 through 9.5 (below) are fully compliant. This is the basis for protecting assets against improper or fraudulent use, but it is an industry standard relative to the protection of intellectual assets.

This interpretation is reasonable because policy and process development, deployment, and training are current industry standard for protection of the College's image and reputation.

9.1 Allow non-adherence to guidelines required for required institutional and secondary program accreditors.

INTERPRETATION:

I have interpreted that compliance will be demonstrated when:

- a) Institutional (i.e., Regional) and Secondary accreditation agencies confirm that all required data and documentation has been provided by required submission dates; and
- b) The College institutionally, as well as those programs which are accredited by secondary accrediting agencies report that they are in good standing. No Jackson College programs with supplemental accreditation standing regarding accreditation status.

This interpretation is reasonable because both the College's regional accreditor, as well as is secondary program accreditors are external to the College and have defined practices for determining the quality of the College and its program offerings.

EVIDENCE:

The College's Chief Academic Officer (CAO) confirmed the following on 05.01.23:

- a) The College's regional accreditor, the Higher Learning Commission (HLC) has confirmed there are no outstanding documents.
- b) No programs were on conditional status with the HLC.

9.2 Accept gifts or grants which obligate the College to make future expenditures other than those that are reasonably required by the gift or grant.

INTERPRETATION:

I have interpreted that compliance will be demonstrated when:

- a. All grants considered by the College include agreements which detail the nature of the grant, any match requirement, period of time in which the College is required to expend funds, prior to acceptance. Grant applications requiring organizational matches by the College must be approved by the President before application submittal. Further, all match requirements for the grant must be provided within the annual budgets of the College.
- b. All donations/gifts to the College must be codified by a memorandum of understanding or agreement that outline the nature of the donation/gift, the use of said donation/gift, and define any additional contributions or

considerations by the College, prior to acceptance. These MOU's and agreements are signed by the College president and Foundation executive

This interpretation is reasonable because it ensures that, prior to any pursuit of a grant or the rescript of any donation or gift, consideration has been given to obligations of the College and ensure the budgeting of same.

EVIDENCE:

The College's Chief Advancement Officer confirmed the following on 04.30.23:

There are no relevant gifts or grants requiring this evidence as of 06.30.22.

9.3 Publicly position the College in support of, or opposition to, any known political organization or candidate for public office.

INTERPRETATION:

I have interpreted that compliance will be demonstrated when:

- a) Review of public sources leading up to election dates do not reveal or report instances of the College supporting or opposing political organizations or candidates for public office;
- b) All political organizations and candidates for public office are given equal opportunity to speak on campus;
- c) No signage supporting candidates appear on any college property; and
- d) No College employees promote candidates in the classroom, their offices, nor do faculty or other employees promote candidates in their backgrounds on video meetings, internal print or digital communications, on clothing, use of buttons, or other promotional materials, while on college property or when conducting college business.

This interpretation is reasonable because it is the law of the State of Michigan.

EVIDENCE:

The College COO confirmed the following on 05.04.23:

- a) The College did not host any political candidates on campus. No signed agreements (Facilities Rental or Request for Demonstration/Activity on Jackson College Grounds) are on file.
- b) The College did not approve any political candidates/events on campus, therefore no need for an opposing party present.
- c) The Marketing department approves campus signage and no requests of this type were

approved with the department.

d) No complaints were reported to the HR Office, and would have been addressed if brought to the department's attention

9.4 Develop or continue collaborative relationships with organizations whose principles or practices are incompatible with those of the College.

INTERPRETATION:

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

- a) All Leadership Council members and the College President have confirmed that they have not engaged in, created any partnership agreement, or obligated the College in any way with any organization whose principles or practices are incompatible with those of the College, or that are unaligned with the College's mission, vision, values, and belief statements.
- b) If an incompatibility is discerned, the College President will make the final determination as to the cessation of the relationship with the offending party, understanding that the contractual and legal nature of the relationship, if present, must be adhered to, relative to contract cessation requirements.

This interpretation is reasonable because only the Leadership Council members and the President are allowed to enter into contractual relationships.

EVIDENCE:

On 05.03.23 the College CFO sent a communication to members of the Leadership Council to attest that they have not developed or continued collaborative relationships with organizations whose principles or practices are incompatible with those of the College. This was affirmed by all LC members.

9.5 Allow relationships with careholders and/or stakeholders to be inconsistent with the productive cooperation necessary to the achievement of Ends.

INTERPRETATION:

I have determined that compliance will be demonstrated when:

- a) A review of tracking software and/or consultation with student support offices confirm there is no outstanding, or unresolved issues with students with the College's Student Resolution Advocate or with the College's Judicial Committee;
- b) There are no unresolved or public relations matters that have not been addressed; and
- c) The College has a process to address other careholder/stakeholder concerns, including Freedom of Information Requests (FOIA), and that all are addressed within a reasonable period of time, even though a

resolution may not be possible.

This interpretation is reasonable because such practices represent a common industry-based approach. Further, a record of such engagements is retained for validation in each of the aforementioned offices. Matters of resolving FOIA requests are defined by State law and are addressed by the College's Chief Operating Officer.

EVIDENCE:

The College's Ombudsman COO confirmed the following on 04.22.23:

- a) There were no outstanding issues aside from appeals requiring more documentation from the student and or current semester grades to post.
- b) The Chief Operating Officer confirmed on 05.04.23 that there are currently no outstanding negative public relations coverage/concerns.
- c) The COO also confirmed on 05.04.23 that each FOIA (i.e., Freedom of Information Act) request has been responded to within the timeframe established by State law.

10. Change the organization's name or substantially alter its identity in the community.

INTERPRETATION:

I have interpreted that compliance will be demonstrated when:

- a) On those occasions wherein a name is changed, it is noted by action of the Board of Trustees, as approved and recorded in the minutes;
- b) Proposed name changes are requested of and approved by the Higher Learning Commission;
- c) Proposed name changes are requested of and approved by the Michigan State Department Education; and
- d) Any change in the name, image, and likeness, or positioning of the College identity, is supported by a Board motion approved and recorded in the minutes.

This interpretation is reasonable because it is a requirement of the aforementioned authorities to advance a name change.

EVIDENCE:

The College COO confirmed the following on 04.30.23 that there has been no name change or identity alterations for this reporting period.

11. Create or purchase any subsidiary corporation.

INTERPRETATION:

I have interpreted that compliance will be demonstrated when:

- a) The establishment or purchase of any subsidiary corporation is documented on a College Board of Trustees agenda for consideration, and is subsequently placed in the minutes of the Board meeting at which it was approved; and
- b) The Board's auditor confirms that there has been no purchase or creation of a subsidiary corporation without prior approval by the Board of Trustees.

This interpretation is reasonable because the Board of Trustees has retained the authority of the decision for the purchase of a subsidiary corporation and all Board decisions must report a duly recorded motion and the vote to approve such a decision.

EVIDENCE:

The College COO confirmed the following on 04.30.23 that there has been no purchase or creation of a subsidiary corporation during this reporting period.

The Jackson College Board of Trustees assessed this monitoring report and found that it demonstrated compliance with a reasonable interpretation of the policy at the regular Jackson College Board meeting on May 8, 2023.