



Jackson College Board of Trustees

Monitoring Report: EL – 05 Asset Protection

[PARTIAL 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 Policy EL-05: “Asset Protection”. I certify that the information contained herein is true and represents compliance, within a reasonable interpretation of the established policy, unless specifically stated otherwise below. Please note that all of my interpretations of the policy remain unchanged from the previous report, unless otherwise noted.

A handwritten signature in black ink, appearing to read "Daniel J. Phelan".

05.11.26

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 every 3 years.

EVIDENCE:

A review of the umbrella insurance policy on 05.04.26 by the VP, Student Achievement & Financial Services confirmed that the policy provides coverage with a total limit of \$10 million per occurrence (each claim limit) and a general aggregate limit of \$10 million.

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 College’s commercial property insurance policy, including the Statement of Property Values, on 05.04.26 by the College’s VP, Student Achievement & Financial Services confirmed that the blanket building limit is \$477,062,591 and the blanket contents limit is \$51,315,000. These limits reflect current replacement cost coverage and are sufficient to replace all insured buildings and contents in the event of a total catastrophic loss.

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 providing 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 every 3 years (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-b) A review of the associated College insurance policy on 05.04.26 by the College VP, Student Achievement & Financial Services confirmed that the policy provides coverage for theft,

disappearance or destruction of money and securities at the College, or at financial institutions holding College assets, with coverage types and limits consistent with those outlined in Item 1.1.2.b.

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 annual recommendations from a third-party insurance consultant for Cyber Liability Coverage.

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 VP, Student Achievement & Digital Innovation confirmed on 04.30.26 that consistent with 2025, all critical applications and data are maintained on Google Cloud Platform. This provides the College with state-of-the-art data backup and recovery to protect against ransomware and other cyber-attacks. The environment is HIPAA, PCI, ISO (27001, 27017, 27018), and SOC (1,2,3) compliant. The IT department has addressed within the past year audit findings regarding improving access controls by extending multi-factor authentication (MFA) to students and closing remaining MFA gaps for employee accessible applications. Security awareness training was enhanced by ensuring all new employees receive training; all employees have annual refresher training; and concentrated training is provided during cyber-security awareness month. The most recent audit noted satisfactory improvement in this category.
- b) The VP, Student Achievement & Financial Services confirmed on 05.04.26 that the College's current Cyber Liability Coverage is a \$3 million aggregate limit with a \$30,000 retention/deductible, consistent with annual recommendations from the College's third-party insurance consultant.

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 a third-party consultant 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 VP, Student Achievement & Financial Services confirmed on 05.04.26 that the College's current insurance policy provides Educator and Employment Liability coverage with a \$1 million limit for each wrongful employment act/occurrence and \$5 million aggregate, consistent with coverage levels recommended by the College's third-party insurance consultant.

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 third-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-c) The VP, Student Achievement & Financial Services confirmed on 05.04.26 that the College has a Travel and Mileage policy which includes language on the use of a professional activity form (PAF). The PAF must receive advance approval before travel occurs. For international travel, travelers are provided with a Global Assistance ID card, consistent with travel insurance coverage recommended by the College's third-party insurance consultant.

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

INTEPRETATION:

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 third-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 Commercial Crime insurance policy on 05.04.26 by the VP, Student Achievement & Financial Services confirms the policy provides coverage for theft, disappearance, or destruction of money and securities at the College, or at financial institutions holding College assets, with coverage types and limits consistent with community college industry standards as recommended by the College's third-party insurance consultant.

<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	\$ -

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 *(Partial compliance indicated):*

The VP, Student Achievement & College Operations confirmed on 05.05.26 that all employees, including adjunct faculty, are required to complete the Title IX training upon hire, as well as on an annual basis thereafter. 95% of employees completed the training during this reporting period. Board members are also required to complete the Title IX training annually and 28% of board members completed the training during this reporting period. For the JC Ethics Course, 97% of our active employees completed and 28% of our board members completed the training during this reporting period.

Notifications to complete the required training from the training platform Vector Solutions can only be sent via Trustees’ jccmi.edu e-mail addresses. On 05.12.26, a new link for the training will be sent to the Trustees’ jccmi.edu email addresses with the request that Trustees complete the training by the 06.08.26 Board meeting.

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 legal counsel prior to contract signing to confirm all associated contracts.

- b) A random statistical sampling of contract documents, reviewed by the College's legal counsel, reveal that performance bonds 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 VP, Student Achievement & Financial Services confirmed the following on 05.04.26:

- a) Current practice requires that all contracts are reviewed by Legal Counsel prior to execution.
- b) Facilities/Plant bids for capital projects of \$100,000 or greater requiring Board approval include proposal guarantees (i.e., bid bonds) and contract security (i.e., performance and labor & material payment bonds), consistent with the College's purchasing policy.

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 VP, Student Achievement & Financial Services confirmed the following on 05.04.26:

- a) Based on the results of the FY 2025 external audit, no material weaknesses or significant deficiencies in internal controls related to the receipt, processing, or disbursement of funds were identified. In addition, internal control remediation items previously identified through third-party review and validation by Plante Moran have been fully implemented by the Business Office, including: (1) monthly reviews of direct deposit changes, bank account changes, and vendor record changes; (2) implementation of an ERP system upgrade to prevent vendor record deletion for student vendors; and (3) completion of an approved vendor listing with an ongoing maintenance process established.
- b) Cash controls remain in compliance.

7. Make any purchases that do not result in an appropriate level of quality, after-purchase service and value for the dollar expended, 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's HR Director confirmed the following on 05.06.26:

- a) Based upon a review of the required conflict of interest forms submitted by administrators, department chairs and the Board of Trustees, 94% of the individuals completed a conflict-of-interest declaration during this reporting period. Follow-up has been sent to the individuals that have not responded for their response. 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 each Board Meeting, as noted in official meeting minutes, declare any potential conflict of interest with Board Agenda items.
- b) The annual audit report for 6/30/26 noted two disclosures of conflict of interest but did not rise to the level of a conflict of interest; and
- c) For the fiscal year 06.30.26 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 legal counsel 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 CFO 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 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 VP, Student Achievement & Financial Services confirmed the following on 05.04.26:

- a) Current practice requires Legal Counsel review of all contracts and high-dollar purchases subject to bidding thresholds to ensure compliance with competitive bid or sole-source documentation.
- b) Based on the results of the FY 2025 external audit, no material findings related to the College's purchasing or competitive bidding processes were identified.
- c) The administrative purchasing policy is consistent with 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 Committee 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-c) On 05.04.26, the VP, Student Achievement & Financial Services confirmed that the College's administrative purchasing policy (Policy 1209), which includes criteria addressing long-term quality, reasonable cost, consideration of financial support provided to the College by bidders, and local vendor preference, is posted on the College intranet and accessible to employees with purchasing authority. The policy will be reviewed during the current year, with any updates communicated to employees through the Employee Newsletter. College administrators and members of Executive Council are responsible for ensuring the policy is applied within their respective areas of responsibility.

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

EVIDENCE:

- a-b) On 05.04.26, the VP, Student Achievement & Financial Services confirmed that the College's administrative purchasing policy (Policy 1209), which establishes requirements to ensure vendors receive equitable consideration in competitive bidding, is posted on the College intranet and accessible to employees with purchasing authority. The policy will be reviewed during the current year, with any updates communicated to employees through the Employee Newsletter. In addition, members of the College's Executive Council are responsible for ensuring that the purchasing policy is consistently applied within 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 05.01.26, the VP, Student Achievement & College Operations confirmed that the TCS2 logo is still owned by Jackson College.

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:

- a-b) On 04.28.26 the Registrar confirmed the College has no show-cause orders, and no programs are currently flagged for concern. The financial review was recently submitted as accepted and approved for a monitoring report. CEP applications are pending, but that is a standard request, nothing punitive related.

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:

- a-b) The College's VP, Student Achievement & College Foundation attested on 04.28.26 that policies related to gift acceptance and fundraising were reviewed and are in alignment with EL-05 Asset Protection interpretations.

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 VP, Student Achievement & College Operations confirmed the following on 05.01.26:

- 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 by the department.
- d) No complaints were reported as confirmed by the HR Director 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:

- a-b) On 05.04.26 the College VP, Student Achievement & Financial Services confirmed that authority to enter collaborative relationships on behalf of the College is limited to the College President and administrators acting within delegated authority. Members of the Executive Council are responsible for ensuring such relationships within their areas are aligned with the College's mission, vision, values, and belief statements. The College President determines whether any identified incompatible relationship should be discontinued, subject to contractual and legal requirements.

9.5 Allow relationships with Owners 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 Owner/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 VP, Student Achievement & College Operations confirmed the following on 05.01.26:

- a) There were no outstanding issues aside from appeals requiring more documentation from the student and/or current semester grades to post.
- b) There are currently no outstanding negative public relations coverage/concerns.
- c) 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:

a-d) The College VP, Student Achievement & College Operations confirmed on 05.01.26 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:

a-b) The College VP, Student Achievement & College Operations confirmed on 05.01.26 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 partial compliance with a reasonable interpretation of the policy at the regular Jackson College Board meeting on May 11, 2026. Full compliance is expected by the regular Jackson College Board meeting on June 8, 2026.