Muskegon Community College

BOARD OF TRUSTEES
POLICY GOVERNANCE WORKSESSION MINUTES
May 18, 2015 – 2:30 p.m.
400Z – Board Room

Present: Chair Crandall, Vice Chair Osborn, Trustee Frye, Trustee Moore, Trustee Mullally and Trustee Portenga.

Absent: Trustee Oakes

Chair Crandall called the meeting to order at 2:41 p.m.

- Executive Limitations were reviewed and discussed. Vice Chair Osborn distributed a handout of her review using the Policy Governance Workbook by Carver, MCC's Policy Manual and Grand Rapids Community College's Executive Limitations, and edits were made to adapt them as needed for MCC. *(please see attached).*

- The work session for June will be cancelled. During the June Study Session, the Board will conduct a general review of the Policy Governance worksheet and everything that has been completed to date.

- The Board will need to pass a resolution stating they are ready to move forward with policy governance.

- The Ends policies will be developed over the next 4-6 months.

- Cindy will email the edited Policy Governance work sheet to the Board for review.

With no further business, the meeting was adjourned at 4:05 p.m.

Minutes submitted by Secretary, Nancy Frye.

/csd

POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY TITLE: TREATMENT OF ~~CONSUMERS~~PEOPLE

With respect to ~~interactions with consumers or those applying to be consumers~~treatment of all students, staff and citizens from the community, the ~~CEO~~ President ~~shall~~ may not cause or allow conditions~~, procedures, or decisions~~ that are ~~unsafe~~inhumane, unfair, ~~untimely,~~ undignified, ~~or unnecessarily intrusive.~~discriminatory or illegal.

~~The CEO will~~Accordingly, the President may not:

1. Operate without personnel procedures that clarify personnel rules, provide for effective handling of grievances and protect against improper implementation of ~~Elicit information for which there is no clear necessity.~~personnel rules.

2. ~~Use methods of collecting, reviewing, transmitting, or storing client information that fail to protect against improper access to the material~~Discriminate against any staff member for appropriately expressing an ethical or professional dissent.

3. Prevent students and staff from using established grievance procedures, and when those procedures are exhausted prevent staff from grieving to the Board when the employee alleges that Board policy has been violated to his or her detriment.

4. Fail to acquaint staff, students and citizens with their rights under this policy.

5. Allow the day-to-day operations to impede the vision or prevent the achievement of the ends of the institution.

6. Fail to take prompt and appropriate action when the President becomes aware of any violation of State or Federal laws, rules, or regulations or of Board policies.

~~3.~~7. Fail to ~~operate~~ seek solutions and adapt facilities ~~with appropriate accessibility and privacy~~and services that meet students' needs.

8. ~~Conduct interfund shifting in amounts greater than can be restored to a condition of discrete fund balances by certain and otherwise unencumbered revenues within thirty days.~~Fail to provide appropriate facilities and services that mjeet student's needs.

~~4.~~9. Fail to provide opportunities for learners to develop the skills they need to succeed in the world of changing technologies.

~~5. Fail to settle payroll and debts in a timely manner.~~

~~6. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.~~

~~7. Make a single purchase or commitment of greater than $ 10,000. Splitting orders to avoid this limit is not acceptable.~~

~~8. Acquire, encumber, or dispose of real estate.~~

10. ~~Fail to aggressively pursue receivables after a reasonable grace period.~~Fail to maintain a constant process of assessment and evaluation leading to improvement.

11. Fail to provide each employee with opportunities for meaningful professional/personal development based on his or her needs.

12. Fail to support academic freedom.

~~8.~~13. Fail to provide multiple structures that support shared governance.

POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY TITLE: FINANCIAL CONDITIONS

With respect to the actual ongoing conditions of the College's financial health, the pPresident may not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established in the ends policies.

Accordingly, the President shall not:

1. **Expend more funds than have been authorized in the fiscal year.**
2. **Use any long-term reserves that are not included in the annual budget.**
3. **Conduct inter-fund shifting in amounts greater than can be restored by certain otherwise unencumbered revenues within 180 days. Notice of funds shifts without restoration within 90 days are to be reported to the Board.**
4. **Allow cash to drop below the amount needed to settle payroll and debts in a timely manner.**
5. **Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.**
6. **Fail to provide a monthly report to the Board of the College's current financial condition.**
7. **Allow MCC property taxes to be captured by local governmental units for economic development purposes without prior notice to the Board of Trustees.**

POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY TITLE: FINANCIAL PLANNING/BUDGETING

Budgeting is derived from long-term planning. Budgeting any fiscal year or the remaining part of any fiscal year shall not deviate materially from Board ends priorities, risk fiscal jeopardy, or fail to a generally acceptable level of foresight.

Accordingly, the President may not cause or allow budgeting which:

1. **Contains too little information to enable accurate projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.**
2. **Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received during that period.**
3. **Proposes a budget that does not provide the annual operating fund for Board prerogatives, such as costs of fiscal audit, Board development and training and Board professional fees.**
4. **Proposes a budget that does not have a broad base of input.**
5. **Proposes a budget that fails to include reasonable needs of the institution, including written rationale for justification of underfunding.**
6. **Infringes on the Board's authority to adopt or amend an annual operating budget.**
7. **Includes tuition and fee revenues at rates that differ from those approved by the Board.**

POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY TITLE: COMMUNICATION AND SUPPORT TO THE BOARD

The President may not permit the Board to be inadequately informed regarding the College or its interests.

Accordingly, the President may not:

1. **Neglect to submit monitoring data required by the Board in a timely, accurate and understandable fashion, directly addressing provisions of the Board policies being monitored.**
2. **Let the Board be unaware of relevant trends, anticipated adverse media coverage, information that might have political consequences, material external and internal changes, particularly in the case of Board behavior that is detrimental to the working relationship between the Board and the President.**
3. **Fail to advise the Board if, in the President's opinion, the Board is not in compliance with its own policies on Governance Process and Board-Staff Relationships, particularly in the case of Board behavior that is detrimental to the working relationship between the Board and the President.**
4. **Present information in unnecessarily complex or lengthy form or that is knowingly inaccurate or incomplete.**
5. **Fail to deal with the Board as a whole, except when responding to officers or committees duly charged by the Board.**
6. **Fail to provide information to any trustee with all other trustees when such information deals with matters before the Board or is intended to secure action by the Board.**
7. **Fail to provide a copy of any written communication to a Trustee that deals with the business of the Board, to any other Trustee.**
8. **Fail to provide a mechanism for official Board, officer, or committee communications.**
9. **Fail to report in a timely manner an actual or anticipated noncompliance with any policy of the Board.**
10. **Permit the Board to be uninformed about the value that programs add to lives of students, the cost of each program, and the recommended priority for the development of each new college program given its costs and benefits.**

POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY TITLE: COMPENSATION AND BENEFITS

The President may not cause or allow compensation and benefits to employees, consultants, contract workers or volunteers to jeopardize fiscal integrity or public image.

Accordingly, the President may not:

1. **Change his or her own compensation and benefits.**

2. **Promise or imply permanent or guaranteed employment.**

3. **Employ administrators under a contract for longer than one year's duration without Board approval.**

4. **Grant fringe benefits to employees not approved by the Board.**

5. **Provide for or change the compensation and benefits of employees that are:**

    a. **Outside Board approved monetary guidelines;**
    b. **Approved by the Board in collective bargaining and Meet and Confer agreements; or**
    c. **In salary schedules and plans adopted by the Board.**

POLICY TYPE: **EXECUTIVE LIMITATIONS**

POLICY TITLE: **~~EMERGENCY CEO~~VISION/FUTURE/~~-~~SUCCESSION**

In today's fast paced society, a major responsibility of the President is to assure the college is well positioned for the future.

Accordingly, the President shall not:

1. Fail to lead the Board in relevant discussion and work to assure a clear five-year vision.

2. Fail to position the organization to be successful and sustainable.

3. Fail to aid the Board in the succession planning for the future President of the college.

4. Fail to plan for an emergency executive succession. In order to protect the Board from sudden loss of chief executive services, the President may not have fewer than two senior staff members that are familiar with Board and President issues and processes.

POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY TITLE: ASSET PROTECTION

The ~~CEO~~ President shall not cause or allow ~~corporate (Muskegon Community College)~~ assets to be unprotected, inadequately maintained, or unnecessarily risked.

Accordingly ~~T~~the ~~CEO~~ President ~~will~~ may not:

1. Fail to insure adequately against theft and casualty and against liability losses to board members, staff, and the organization itself.

2. Allow unbounded personnel access to material amounts of funds.

~~3. Subject facilities and equipment to improper wear and tear or insufficient maintenance.~~

~~4.~~3. Unnecessarily expose the ~~organization~~College, ~~its~~ the ~~board~~Board, or staff to claims of liability.

4. Make any purchase or commit the organization to any expenditure greater than $35,000 without prior Board authorization.

5. ~~: (a) wherein normally prudent protection has not been given against conflict of interest; (b) of more than $ 2,000 without having obtained comparative prices and quality; (c) of more than $10,000~~Unless a sole source item or exceptional circumstances, make any purchases over $35,000 without soliciting formal quotations ~~without a stringent~~ (sealed bid~~s~~ ~~process~~) ~~assuring the balance of long-term quality and cost and final board approval~~. ~~The board may waive the sealed bid requirement for item(s) or service(s) costing more than $10,000 when there is reason to believe that negotiations regarding the price of any item(s) or service(s) would be in the best interest of Muskegon Community College. Orders shall not be split to avoid these criteria.~~nor make purchases between $10,000 to $35,000 without evaluating at least three quotations, which may be received by fax or phone. A summary report on transactions from $10,000 and above will be presented to the Board monthly.

6. ~~Fail to protect intellectual property, information, and files from loss or significant damage~~Make any purchase or award any contract where a conflict of interest exists.

7. Receive, process, or disburse funds under controls that are not ~~in~~sufficient to meet the ~~board-appointed~~ auditor's standards.

~~7.~~8. Acquire, encumber or dispose of real property without Board approval.

~~8. Compromise the independence of the board's audit or other external monitoring or advice, such as by engaging parties already chosen by the board as consultants or advisers.~~

9. Invest funds in non-interest bearing accounts or in investments not permtted by Federal or Michigan law. ~~or hold operating capital in insecure instruments, including uninsured checking accounts and bonds of less~~

~~than AA rating at any time, or in non-interest-bearing accounts except where necessary to facilitate ease in operational transactions.~~

~~10. Endanger the organization's public image, credibility, or its ability to accomplish Ends.~~

~~11. Change the organization's name or substantially alter its identity in the community.~~

~~11.~~10. ~~Create or purchase any subsidiary corporation without prior board approval.~~ Fail to protect property, information and files from loss or damage.