

**BOARD OF EDUCATION
POLICY DEVELOPMENT MINUTES**

October 23, 2008

The policy development meeting of the Board of Education of the Portage Public Schools held on Thursday, October 23, 2008, was called to order at 4:04 p.m. by President Johnson in the Professional Development Center of the Administration Building, 8111 S. Westnedge, Portage, Michigan.

Board Trustees Present: Shirley Johnson, Melanie Kurdys, Deb Polderman, Dale Posthumus, Rusty Rathburn, and Jennifer Whistler

Board Trustees Absent: Wendy Mazer*

Others Present: Marsha Wells, Superintendent; John Manske, Legal Counsel; and Eric Craymer, Growth Management Consulting

CLOSED SESSION

A motion was offered by Mrs. Polderman, supported by Mrs. Whistler, that the Board of Education move into closed session for the purpose of discussing negotiations, attorney-client privileged information, and litigation. Upon a roll call vote, all Trustees present voted in favor of the motion.

The Board moved into closed session at 4:05 p.m.

*Mrs. Mazer joined the meeting at 4:30 p.m.

The Board returned to open session at 4:46 p.m.

The Board returned to open session and through discussion, reached consensus that the Board's Legal Services Ad Hoc Committee should proceed to conduct interviews with at least two legal service firms and apprise the Board of their findings.

POLICY DEVELOPMENT SESSION

The Board continued its policy development work with Mr. Eric Craymer, Growth Management Consulting. Through discussion, further clarification and revision of two policies occurred.

A motion was offered by Mrs. Polderman, supported by Mr. Posthumus, that the Board of Education approve revisions to Policy 2.5, as presented. Motion passed through a majority of support.

Audit Committee Chair Mrs. Polderman reported that the District's auditor had reviewed the Board's financial policies and found them to be excellent. Based upon the auditor's recommendation, the Board made a minor wording adjustment to Policy 2.6.

A motion was offered by Mrs. Whistler, supported by Mr. Posthumus, that the Board of Education approve revisions to Policy 2.6, as presented. Motion passed unanimously.

The Board reviewed a draft of its bylaws and made further adjustments. It was agreed that the next draft would be reviewed at its November 10th work session.

Mr. Craymer confirmed that the next policy development session is scheduled for Saturday, November 22, which will focus on the policy monitoring process.

There being no further business to come before the Board, the meeting was adjourned at 7:35 p.m.

Respectfully submitted,

Marsha Wells
Secretary Pro Tem

POLICY TYPE: EXECUTIVE LIMITATIONS

2.5 POLICY TITLE: *FINANCIAL CONDITION AND ACTIVITIES*

With respect to the actual, ongoing financial condition and activities, the Superintendent shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from board priorities established in Ends policies.

Further, without limiting the scope of the foregoing by this enumeration, he or she shall not:

1. Expend more funds than have been received in the fiscal year to date unless the debt guideline (below) is met.
2. Indebt the organization in an amount greater than can be repaid by certain, otherwise unencumbered revenues.
3. Allow annual undesignated fund balances to fall below 7%.
4. Conduct inter-fund shifting in amounts greater than can be restored to a condition of discrete fund balances by certain, otherwise unencumbered revenues within 60 days.
5. Allow payroll obligations to be unsettled or untimely.
6. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.
7. Make a single purchase or a commitment to purchase a physical asset of greater than \$100,000 beyond the approved budget. Splitting orders to avoid this limit is not acceptable.
8. Acquire, encumber or dispose of real property.
9. Allow receivables to go uncollected beyond a reasonable period of time without aggressively pursuing their collection.
10. Commit expenditures from a flexible fund to cover expenses in a more restricted fund.

Adopted: 9/22/08
Revised: 10/23/08

POLICY TYPE: EXECUTIVE LIMITATIONS

2.6 POLICY TITLE: ASSET PROTECTION

The Superintendent shall not allow corporate assets to be unprotected, inadequately maintained or unnecessarily risked.

Further, without limiting the scope of the foregoing by this enumeration, he or she shall not:

1. Assume property or casualty risk unnecessarily, including risk against liability losses to board members, staff and the organization.
2. Allow unbonded personnel access to material amounts of funds.
3. Subject facilities and equipment to improper wear and tear or insufficient maintenance.
4. Unnecessarily expose the organization, its board or staff to claims of liability.
5. Make any purchase: (a) wherein normally prudent protection has not been given against conflict of interest; and (b) where the amount exceeds 5 times the number of dollars over which the State of Michigan requires the letting of bids without following a stringent method of assuring the balance of long term quality and cost. Orders shall not be split to avoid these criteria.
6. Allow intellectual property, information and files to be inadequately protected from piracy, loss, theft, or from suffering significant damage.
7. Receive, process or disburse funds under controls which are insufficient to meet the board-appointed auditor's standards.
8. Invest 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, within reason.
9. Endanger the organization's public image or credibility, particularly in ways that would hinder its accomplishment of Ends.
10. Change the organization's name or substantially alter its identity in the community.

Adopted: 9/22/08
Revised: 10/23/08