1.0 Global Ends Policy

SCS Mission - To proclaim Jesus Christ in all aspects of our program, emphasizing academic excellence and biblical Christian values, partnering with parents and the church to prepare godly young men and women so they may impact their world for Christ.

Ends Statement - Students will develop the character, capacity, and competence, both spiritual and academic, to develop into godly young men and women and impact the world for Christ at a financially responsible and sustainable institutional cost.

1. Students will encounter Jesus Christ in all aspects of SCS.
   a) Students will understand the primary teachings, values, and doctrines of the Christian faith as well as experience their relevance in all subjects and activities.
   b) Students will practice communing with God in prayer and worship.

2. Students will pursue academic excellence according to their God-given capabilities.
   a) Students will develop in their areas of God-given interest, talent, and strength.
   b) Students will have proficiency in internationally accepted core subjects.
   c) Students will develop the skills and knowledge to be prepared for post-secondary learning or employment of their choice.
   d) Students will engage in biblically-based critical thinking.

3. Students will live according to biblical Christian values.
   a) Students will demonstrate biblically moral and ethical decision-making.
   b) Students will demonstrate age-appropriate self-control and take responsibility for their actions.
   c) Students will demonstrate humility, compassion, and love for others.

4. Students will develop into godly young men and women.
   a) Students will grow in their individual faith in Christ.
   b) Students will grow in Christlike emotional maturity and independence.

5. Students will impact their world for Christ.
   a) Students will develop the ability to interact with and influence those around them through servant leadership.
   b) Students will grow in their ability to be healthy, productive, and contributing members of the SCS community, church community, and the community at large.
   c) Students will embrace and display Christ’s all-encompassing love towards all people.

2.0 Global Executive Limitations Policy
The Superintendent shall not cause or allow any organizational practice, activity, decision, or circumstance that is either unlawful, imprudent, or in violation of commonly accepted business and professional ethics or in violation of the doctrinal statement of Seattle Christian School.

2.1 Emotional and Spiritual Health of the CEO

The Superintendent shall not allow his or her relationships or the discharge of responsibilities to display any lack of personal integrity or operate in a manner that is inconsistent with living an exemplary and balanced life through the indwelling Lordship of Jesus Christ.

2.2 Treatment of Families and Students

The Superintendent shall not operate the school or enroll students under conditions that fail to protect them, the student body, or the school. Accordingly, the Superintendent:

2.2.1

Shall not fail to provide equal educational opportunities regardless of race, color, gender, or national origin. The Superintendent may designate some activities as gender specific. The school reserves the right to discriminate based on spiritual maturity, demonstrated attitude, and behavior.

2.2.2

Shall only enroll or re-enroll students where at least one parent or guardian will sign the Seattle Christian School Statement of Faith, proclaim Jesus Christ as his or her Lord and Savior, and agree to attend church regularly.

2.2.3

Shall ensure that students, parents, and/or guardians understand that the school's guiding principle is to glorify God in all areas of the school program and that our foundation for instruction is from a Biblical worldview.

2.2.4

Shall ensure the 7-12th grade student expresses a personal desire to attend SCS. The K-6th grade student either expresses a personal desire to attend or a willingness to accept his parents' wishes in the matter.

2.2.5

Shall ensure that parents and/or guardians agree to abide by the procedures outlined in the financial contract and family partnership expectations outlined in written handbook.

2.2.6

Shall only admit or re-enroll students for whom the school has resources to effectively meet the students' needs.

2.2.7

Shall not operate without a written handbook that outlines the school program; defines expected family partnership; clarifies student behavioral guidelines, discipline procedures, and processes; and provides for the handling of grievances.

2.2.8

Rev. 04/20
Shall not operate without safeguards and procedures for child protection which include campus security, emergency and evacuation procedures, student injury protocol and training for faculty, staff and volunteers.

2.2.9 Rev. 10/20

The Superintendent shall not fail to execute an annual family survey provided by the school’s accreditation organization and report the results to the Board prior to the annual Superintendent evaluation.

2.3 Treatment of Faculty and Staff

With respect to the treatment of employees and volunteers, the Superintendent may not cause or allow conditions that are unfair, unsafe, unbiblical, or undignified. Accordingly, the Superintendent:

2.3.1 Written Personnel Rules Rev.

Shall not operate without written personnel policies that clarify personnel rules for employees, provide for effective handling of grievances, and protect against wrongful conditions.

2.3.2 Rev.

Shall not operate without written policies that clarify rules for volunteers and protect against wrongful conditions.

2.3.4 Expression of Dissent Rev.

Shall not discriminate against any employee for expressing an ethical dissent.

2.3.5 Grievance Procedure Rev.

Shall not prevent employees from grieving to the Board when (1) internal grievance procedures have been exhausted and (2) the employee alleges that Board policy has been violated to his/her detriment.

2.3.6 Statement of Faith Rev.

Shall not employ staff, faculty, or administrative personnel that do not profess a personal faith in Christ as Savior and acknowledge annually their personal adherence to the SCS Statement of Faith.

2.3.7 Performance and Evaluation Rev.

Shall not fail to provide clear performance expectations to employees including job descriptions, responsibilities, and evaluation processes.

2.3.8 Amending Statement of Faith and Code of Conduct Rev.

Shall not modify or materially change the SCS Statement of Faith or SCS Employee Standards of Conduct without Board approval.

2.3.9 Standards of Conduct Rev.

Shall not operate without all employees agreeing to abide by the SCS Employee Standards of Conduct in writing, annually.

2.3.10 Inform Faculty and Staff Rev.

Shall not fail to acquaint employees and volunteers with this policy.

2.3.11 Annual Superintendent Survey Rev. 10/20

March 25, 2024
The Superintendent shall not fail to survey annually all direct reports, faculty, and staff which includes general operations and health of the school. The results will be reported to the Board prior to the annual Superintendent evaluation.

2.4 Financial Planning/Budgeting

Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the Board’s Ends priorities, risk fiscal jeopardy, or fail to be derived from the strategic multi-year plan. The Superintendent shall not fail to publish a strategic multi-year plan in cooperation with the Board. Accordingly, the Superintendent:

2.4.1 Financial Projections

Shall not allow budgeting which contains too little information to enable credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.

2.4.1.1 Strategic Financial Plan

Shall not fail to produce a strategic financial multi-year plan which includes: a 5-year financial schedule and a 5 year capital outlook for Board review and approval.

2.4.2 Balanced Budget Plan

Shall not allow budgeting which plans the expenditure in any fiscal year of more funds for operations, on an accrual basis, than are conservatively projected to be received in that period.

2.4.2.1 Budget Timeline

Shall not fail to produce for Board review and approval a preliminary budget and final budget in accordance with Appendix C.

2.4.2.2 Balanced Budget

Shall not allow expenses to exceed revenue in a given year.

2.4.3 Operating Expenses

Shall not allow budgeting which allows cash to drop below a safety reserve of four months’ operating expenses.

2.4.4 Board Funding

Shall not allow budgeting which provides less for Board prerogatives during the year than is set forth in the Cost of Governance policy (in Governance Process).

2.4.5 Revenue Sources

Shall not allow budgeting of revenues which relies solely on members’ tuition for capital and operational expenses.

2.4.6 Financial Access

Shall not operate without a financial aid plan that provides access to families from a wide socio-economic background.

2.4.7 Fund Development

Shall not operate without a fund development plan.
2.4.8 Operational Timeline

Shall not fail to utilize Appendix C as the operational timeline for major budgeting events for the organization.

2.5 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.

2.5.1 Income and Expenses

Shall not expend in any fiscal year more funds for operations than have been recognized (excepting Temporarily Restricted net assets and Unrestricted Designated net assets which are recognized as revenue in one year and expended in the following year(s)), except for contributions received in current period that are expected to be utilized in future periods.

2.5.2 Cash Reserves

Shall not allow the ratio of current assets and current liabilities to drop below 1:1 as of the end of the academic school year.

2.5.3 Ends Priorities

Shall not accept money for a specified purpose that deviates materially from the Board’s Ends priorities.

2.5.4 Gift Spending

Shall not spend or permit spending of restricted gifts for any other purpose than that for which they were solicited or outside of the use designated by the donor.

2.5.5 Invoice and Debt Payment

Shall not fail to settle payroll or pay invoices and debts in a timely manner.

2.5.6 Governmental Filings and Obligations

Shall not allow tax payments or other government ordered payments of filings to be overdue or inaccurately filed.

2.5.7 Capital Spending

Shall not expend in any fiscal year more funds for capital improvements than budgeted without prior Board approval. Shall not make a single unbudgeted capital commitment that exceeds $10,000 without prior Board approval.

2.5.8 Real Estate

Shall not acquire, encumber, or dispose of real property without prior Board approval.

2.5.9 Receivables

Shall not fail to aggressively pursue material receivables after a reasonable grace period.

2.5.10 General Acceptable Accounting Practices

Shall not fail to follow General Acceptable Accounting Practices (GAAP).

2.5.11 Multi-Year Obligations

Shall not fail to follow General Acceptable Accounting Practices (GAAP).
Shall not enter into multi-year financial obligations, including debt and/or lease, in excess of $10,000/year without prior Board approval.

2.5.12 Balance Sheet
Rev. 03/24

Shall not fail to provide financial statements to all Board members the week prior to every meeting of the budget year that includes a statement of financial position. The balance sheet shall report the assets, liabilities, and net worth of the organization as of the most recently completed month end, a year prior, and the end of the last fiscal year.

2.5.13 Financials
Rev. 03/24

Shall not fail to provide financial statements to all Board members the week prior to every meeting of the budget year that includes a statement of revenue and expenses. The income statement shall report the amount of the surplus or shortfall of the organization for the fiscal year to date, the prior fiscal year to date, and the year-to-date budgeted amounts.

2.5.14 Dashboard
Rev.

Shall not fail to provide financial statement to all Board members the week prior to every meeting of the budget year that includes a summary of relevant financial data. The dashboard report shall include summaries of financials, investments, savings/working capital, projected cash flow, record of amounts borrowed and/or paid back from working capital, discounts, enrollment, pre-paid tuition, and accounts receivable.

2.5.15 Cash Flow
Rev.

Shall not fail to provide financial statements to all Board members the week prior to every meeting of the budget year that includes a summary of cash flow. The Cash Flow Analysis should be a 12-month outlook of cash flow, clearly indicated if and where any borrowing and/or repayment of working capital is expected to occur.

2.5.16 Annual Audit
Rev. 9/20

Shall not fail to ensure a timely delivery of the annual independent auditor’s report. Timely delivery is considered to be, at the least:

- A preliminary audit report to the Board in November
- A final audit report to the Board in January
- Once financial statements are audited and finalized, they are to be made available to all members upon request

2.6 Asset Protection
Rev.

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

2.6.1 Insurance
Rev.

Shall not fail to insure against theft and casualty losses to at least 80% of replacement value against liability losses to directors, employees, and the organization itself in an amount equal to the average for comparable organizations.

2.6.2 Personnel Access to Funds
Rev.

Shall not allow inadequate accounting controls relating to material amounts of funds.
2.6.3 Asset Maintenance
Shall not subject plant and equipment to improper wear and tear or insufficient maintenance.

2.6.4 Liability Exposure
Shall not negligently expose the organization, its Board, or employees to claims of liability.

2.6.5 Purchase Conditions and Limits
Shall not make any purchase wherein normally prudent protection has not been given against conflict of interest.

2.6.6 Intellectual Property Protection
Shall not fail to protect intellectual property, information, and files from loss or significant damage.

2.6.7 Control of Funds
Shall not receive, process, or disburse funds under controls that are insufficient to meet the Board-appointed auditor’s standards.

2.6.8 Capital Security
Shall not invest or hold operating capital in insecure instruments, including uninsured checking accounts and bonds of less than AA rating, or in non interest-bearing accounts except where necessary to facilitate ease in operational transactions. Shall not make investments that do not align with Appendix B.

2.6.9 Public Damage
Shall not endanger the organization’s public image or credibility, particularly in ways that would hinder the accomplishment of its mission.

2.6.10 Name and Identity
The Superintendent shall not change the organization’s name or substantially alter its identity in the community.

2.6.11 Subsidiary Conditions and Limits
Shall not create any wholly or partially owned subsidiary of SCS without prior approval by the Board of the new organization’s Articles of Incorporation and Bylaws.

2.7 Fundraising
Fundraising will not fail to conform to high ethical and professional standards and will help support the organization.

2.8 Emergency Superintendent Succession
In order to protect the Board from sudden loss of Superintendent services, the Superintendent shall not fail to designate and inform the Board of individuals who will be familiar with Board and school administrative issues and processes.

2.9 Compensation and Benefits
With respect to employment, compensation, and benefits to employees, consultants, and contract workers, the Superintendent shall not cause or allow jeopardy to fiscal integrity or public image. Accordingly the Superintendent:
2.9.1 Superintendent Compensation and Benefits
Shall not change his/her own compensation and benefits.

2.9.2 Employment Promises
Shall not promise or imply permanent or guaranteed employment.

2.9.3 Salary and Benefits
Shall not establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed. The defined reference market is up to the reasonable interpretation of the Superintendent and applied consistently.

2.9.4 Compensation Obligations
Shall not create compensation obligations over a longer term than revenues can be safely projected, in no event longer than one year and in all events subject to losses in revenue.

2.9.5 Compensation Changes
Shall not establish or change compensation or benefits so as to cause unpredictable or inequitable situations, including those that:

- Incur un-funded liabilities.
- Provide less than some basic level of benefits to all full-time employees, though differential benefits to encourage longevity are not prohibited.
- Allow any employee to lose benefits already accrued from any foregoing plan.

2.10 Communication and Support to the Board
The Superintendent shall not permit the Board to be uninformed or unsupported in its work.

2.10.1 Monitoring Data
Shall not neglect to submit monitoring data required by the Board (see policy on monitoring Superintendent performance in Board/Staff Linkage) in a timely, accurate and understandable fashion, directly addressing provisions of Board policies being monitored.

2.10.2 Incidental Information
Shall not let the Board be unaware of relevant trends, anticipated adverse media coverage, or legal actions, or material external and internal changes, and particularly changes in the assumptions upon which any Board policy has been previously established, in a timely manner.

2.10.3 Board Policies Non-Compliance
Shall not fail to advise the Board if, in the Superintendent’s opinion, the Board is not in compliance with its own policies on Governance Process and Board/Staff Linkage, particularly in the case of Board behavior that is detrimental to the work relationship between the Board and the Superintendent.

2.10.4 Informed Board
Shall not fail to marshal for the Board as many staff and external points of view, issues, and options as needed for fully informed Board choices.

2.10.5 Information Types and Format
Rev.
Shall not present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and incidental.

2.10.6 **Board Communication Mechanism**

Shall not fail to provide a mechanism for official Board, officer or committee communications.

2.10.7 **Board Interaction**

Shall not fail to deal with the Board as a whole except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.

2.10.8 **End and EL Non-Compliance**

Shall not fail to report in a timely manner an actual or anticipated noncompliance with any policy of the Board.

2.10.9 **Required Approvals Agenda**

Shall not fail to supply all items delegated to the Superintendent yet required by law or contract to be Board-approved, along with the monitoring assurance pertaining thereto.

2.11 **Programs and Services**

With respect to the programs produced/services provided by the organization, the Superintendent shall not fail to ensure that these programs/services meet or exceed industry standards. Accordingly the Superintendent: Shall not fail to maintain accreditation or affiliation with professional organizations in academics, finance, and fundraising.

3.0 **Global Board Management Delegation**

The Board’s sole connection to the operational organization, its achievements, and its conduct will be through a chief executive officer, titled Head of School/Superintendent.

3.1 **Unity of Control**

Only decisions of the Board acting as a body, by majority vote, are binding on the Superintendent.

3.1.1 **Individual Board Member Authority**

Decisions or instructions of individual directors, officers, or committees are not binding on the Superintendent except in rare instances when the Board has specifically authorized such exercise of authority.

3.1.2 **Individual Information Requests**

In the case of directors or committees requesting information or assistance without Board authorization, the Superintendent can refuse such requests that require, in the Superintendent’s opinion, a material amount of staff time or funds or are disruptive.

3.2 **Accountability of the Superintendent**

The Superintendent is the Board’s only link to operational achievement and conduct, so that all authority and accountability of staff is considered the responsibility of the Superintendent.

3.2.1 **Instructions to Staff**

The Board will never give instructions to persons who report directly or indirectly to the Superintendent.
3.2.2 Staff Evaluation

The Board will refrain from evaluating, either formally or informally, any staff other than the Superintendent.

3.2.3 Superintendent and Organizational Performance

The Board will view Superintendent performance as identical to organizational performance, so that organizational accomplishment of Board-stated Ends and avoidance of Board-prescribed means will be viewed as successful Superintendent performance.

3.3 Delegation to the Superintendent

The Board will instruct the Superintendent through written policies that prescribe the organizational Ends to be achieved, and prescribe organizational situations and actions to be avoided, allowing the Superintendent to use any reasonable interpretations of these policies.

3.3.1 Ends Policies

The Board will develop policies instructing the Superintendent to achieve certain results, for certain recipients, at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels, and will be called Ends policies. All issues that are not Ends issues as defined here are means issues.

3.3.2 Executive Limitations Policies

The Board will develop policies that limit the latitude the Superintendent may exercise in choosing the organizational means. These policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Executive Limitations policies.

3.3.3 Superintendent Decision Authority

As long as the Superintendent uses any reasonable interpretation of the Board’s Ends and Executive Limitations policies, the Superintendent is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and develop all activities.

3.3.4 Changing Policies

The Board may change its Ends and Executive Limitations policies, thereby shifting the boundary between Board and Superintendent domains. By doing so, the Board changes the latitude of choice given to the Superintendent. However, as long as any particular delegation is in place, the Board will respect and support the Superintendent’s choices.

3.3.5 Policy Violations

Should the Superintendent violate a Board policy, he or she shall promptly inform the Board. Informing is simply to guarantee no violation may be intentionally kept from the Board, not to request approval. Board response, either approving or disapproving, does not exempt the Superintendent from subsequent Board judgment of the actions nor does it curtail any executive decision.

3.4 Monitoring the Superintendent Performance

Systematic and rigorous monitoring of the Superintendent job performances will be solely against the expected Superintendent job output: organizational accomplishment of Board policies on Ends and organizational operation within the boundaries established in Board policies on Executive Limitations.
Using these criteria, the Board will also provide an annual written evaluation of the Superintendent’s job performance to the Superintendent.

3.4.1 Monitoring Rationale

Monitoring is simply to determine the degree to which Board policies are being met. Data that does not do this will not be considered monitoring data.

3.4.2 Monitoring Methods

The Board will acquire monitoring data by one or more of three methods: (a) by internal report, in which the Superintendent discloses compliance information to the Board, (b) by external report, in which an external, disinterested third party selected by the Board assesses compliance with Board policies, and (c) by direct Board inspection, in which a designated director or directors assess compliance with the appropriate policy criteria.

3.4.2.1 Human Resources and Business Manager Report

To assist with the Superintendent’s evaluation the Human Resources Manager and the Business Manager will present a status update of the Superintendent’s oversight of these departments to the Board twice annually.

3.4.3 Assessment Criteria

In every case, the standard for compliance shall be any reasonable Superintendent interpretation of the Board policy being monitored and whether the data demonstrate accomplishment of the interpretation.

3.4.4 Monitoring Schedule

The Board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule as prescribed in Appendix A.

4.0 Global Governance Process Policy

The purpose of the Board, in service to God and to Christians who actively support the doctrinal statement and mission of the school (collectively known as the “Owners of SCS”), is to establish and maintain a governance process which ensures that Seattle Christian School (1) achieves appropriate results for appropriate persons at an appropriate cost and (2) avoids unacceptable actions and situations.

4.1 Governance Styles and Values, Doctrinal, Beliefs, Discipline

Within a framework of deep respect for the founding principles of SCS, the Board shall govern with an emphasis on (a) biblically-based integrity and truthfulness in all methods and practices, (b) proactive outward vision rather than reactive, internal preoccupation, (c) strategic leadership more than administrative detail, (d) clear distinction of Board and Superintendent roles, and collective rather than individual decisions.

4.1.1 Board Beliefs

The Board believes in the Scriptures of the Old and New Testaments as verbally inspired by God and inerrant; there are no contradictions, no historical inaccuracies, and no false scientific information in the original manuscripts (II Timothy 3:16). We believe that the Old and New Testaments not only contain the Word of God, but are the Word of God in their entirety and are the final authority in all subjects on which they speak (II Peter 1:21).

4.1.2 Board Discipline

Rev.
The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuance of governance capability.

4.1.3 **Board Commitments**

The organization, in its hiring, admissions, and other activities, will not discriminate on the basis of race, national origin, age, handicap, gender, or military status. The organization reserves the right to discriminate based upon scriptural principle (I Timothy 4:12, Matthew 15:18-20, Galatians 5:19-21, I Thessalonians 4: 3-8). The organization should reflect the biblical perspective of integrity and of appropriate personal and family relationships, business conduct, and moral behavior. Employees, students, and directors should maintain a lifestyle based on biblical standards of moral conduct. Moral misconduct includes, but is not limited to, promiscuity, homosexual behavior, sexual harassment, viewing of pornographic material or websites, sexual abuse, or child abuse as defined by Scripture and federal and state law. The organization’s activities, with the exception of personnel matters, shall be open and accessible to scrutiny by its owner, sponsors and supporters.

4.1.4 **Group Responsibility**

The Board will cultivate a sense of group responsibility. The Board, not the staff, will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to staff initiatives. The Board will use the expertise of individual directors to enhance the ability of the Board as a body, rather than to substitute the individual judgements for the Board’s values. The Board will allow no officer, individual, or committee of the Board to hinder or be an excuse for not fulfilling Board commitments.

4.1.5 **Written Policies**

The Board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the Board’s values and perspectives about ends to be achieved and means to be avoided. The Board’s major policy focus will be on the intended long-term impacts outside the organization, not on the administrative or programmatic means of attaining those effects.

4.1.6 **Board Development**

Continual Board development will include orientation of new directors in the Board’s governance process and periodic Board discussion of process improvement.

4.1.7 **Board Self-Monitoring**

The Board will monitor the Board’s process at each meeting and discuss its overall performance annually. Self-monitoring will include comparison of Board activity and discipline to policies in the Governance Process and Board/Staff Linkage categories according to the schedule found in Appendix D.

4.1.8 **Board Action**

All Board action requires approval by simple majority of voting directors unless otherwise explicitly required in these policies.

4.1.9 **Statement of Faith, Standards of Conduct, and Bylaws**

All Board members must review and approve the Seattle Christian Statement of Faith, Standards of Conduct, and the Bylaws annually.
4.2 Board Job Description

The job of the Board is to rely upon God and represent Christians who actively support the doctrinal statement and mission of the school in determining and demanding appropriate organizational performance.

4.2.1 Ownership Linkage

The Board will produce the link between the organization and the ownership.

4.2.2 Written Governing Policies

The Board will produce written governing policies that, at the broadest levels, address each category of organizational decision:

4.2.2.1 Ends

Organizational products, effects, benefits, outcomes, recipients, and their relative worth (what good for which recipients at what cost).

4.2.2.2 Executive Limitations

Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.

4.2.2.2 Board/Staff Linkage

How power is delegated and its proper use monitored; the Superintendent role, authority, and accountability.

4.2.2.4 Governance Process

Specifications of how the Board conceives, carries out and, monitors its own task.

4.2.3 Performance Assurance

The Board will produce assurance of Superintendent performance (against policies in 4.2.2.1 and 4.2.2.2).

4.2.4 Fundraising

The Board will be involved in raising funds as it may from time to time deem necessary.

4.2.5 Policy Monitoring

The Board will monitor the work being done under these policies through: 1) self-evaluation, 2) Superintendent evaluation, and 3) monitoring reports (as specified in policies 3 and 4).

4.3 Agenda Planning

To accomplish its responsibilities with a governance style consistent with Board policies, the Board will follow an annual agenda that (1) completes a re-exploration of Ends policies (2) reviews all other policies, and (3) continually improves Board performance through Board self-evaluation, education, feedback from ownership, and deliberation.

4.3.1 Cycle Conclusion

The cycle will conclude each year on the last day of August so that administrative planning and budgeting can be based on accomplishing a one year segment of the Board’s most recent statement of long term Ends.
4.3.2 Cycle Start

The cycle will start with the Board’s development of its agenda for the next year.

4.3.2.1

Methods of gaining ownership input, as well as governance education and education related to Ends determination, will be arranged during the spring, to be held during the balance of the Board’s planning cycle.

4.3.2.2

The Chairperson will, at the commencement of the Board’s annual planning cycle, prepare a tentative agenda for the following year’s meetings.

4.3.2.3

The Chairperson will determine the agenda for any particular meeting, although directors, parents, or community members are encouraged to recommend any appropriate matters for Board consideration as follows:

- Any director desiring to recommend a matter for Board discussion will advise the Chairperson of such matter at least thirty (30) days prior to the scheduled Board meeting. This includes any changes to existing policy or recommendation for new policy. Recommendations will be submitted in the form of a motion and should include pertinent discussion items. Proposed policy changes will require a second reading at a subsequent Board meeting prior to a vote by the Board. The second reading requirement can be set aside by a 2/3 vote of the directors in attendance. The Chairperson will inform all directors of any denied requests.
- By an affirmative vote of a majority of the directors in attendance, additional matters may be added to the agenda of any Board meeting.
- After bringing questions and concerns to the appropriate school personnel, parents desiring to recommend any matter for Board consideration will present a written request to the Chairperson with their expectation of the Board at least thirty (30) days prior to the scheduled Board meeting. All correspondence to the Board of Trustees should be sent to the SCS Board email address. All such correspondence will be delivered to the acting Chairperson of the Board. The Chairperson will inform all trustees of any denied requests, and will respond to the parent in a timely manner.

4.3.3 Consent Agenda

Throughout the year, the Board will attend to consent agenda items as expeditiously as possible.

4.3.4 Board Meeting

In accordance with the Seattle Christian School Association Bylaws the Board will meet at least once per year. The Board will also determine the frequency, content, and structure of additional Board meetings as outlined in Appendix A.

4.3.5 Superintendent Monitoring

Rev.
Superintendent monitoring will be included on the agenda if monitoring reports show policy violations, or if policy criteria are to be debated.

4.3.5.1

If a director believes a policy violation may exist, he or she will advise the Chairperson. The Chairperson will, in turn, ask the Superintendent for clarifying information pursuant to Policy 2.10.

4.3.5.2

If, after receipt of the clarifying information from the Superintendent, through the Chairperson, a director believes a policy violation does exist, he or she may request that the Chairperson: include Superintendent monitoring on the agenda of the next meeting and/or ask for an interim (out of cycle) monitoring report from the Superintendent.

4.3.5.2.1

If, as determined by a vote of the Board, there is not a policy violation, but the Board deems that further action is necessary, the only appropriate action is to modify, add, or delete policy to better define what the Board considers a reasonable interpretation of said policy.

4.3.5.2.2

If, as determined by a vote of the Board, there is a policy violation, the Superintendent will be so advised and may be asked to provide a date for policy compliance, or the Board may elect to modify, add, or delete policy to avoid a subsequent technical violation.

4.3.6 Superintendent Compensation

Superintendent compensation and benefits will be considered annually after a review of monitoring reports received in the preceding year from the Superintendent. Any adjustments to compensation and benefits will become effective on the contract anniversary date.

4.3.7 Policy Review

All policies will be reviewed and modified if desired during the annual Board cycle. SCS Articles of Incorporation will be reviewed at least once every 10 years. Proposals to amend the Bylaws or Articles of Incorporation will be approved by SCS members as specified in the SCS Bylaws.

4.3.7.1 Policy Changes

All changes to policies, Bylaws, Articles of Incorporation and SCS Standards of Conduct will be subject to two Board readings and two Board approvals before adjustments are in effect.

4.4 Officers’ Roles

Board officers ensure the integrity of the Board’s process and its records.

4.4.1 Role of Chair

The Chairperson ensures the integrity of the Board’s process and occasionally represents the Board to outside parties as needed.
4.4.1 Chair Responsibility

The responsibility of the Chairperson is to see that the Board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization.

4.4.1.1 Meeting Content

Meeting discussion content will be only those issues which, according to Board policy, clearly belong to the Board, not the Superintendent.

4.4.1.2 Deliberation Values

Deliberation will be fair, open, and thorough, but also timely, orderly, and kept to the point.

4.4.1.2 Authority of the Chair

The authority of the Chairperson consists in making decisions that fall within topics covered by Board policies on Governance Process and Board/Staff Linkage (as shown in the attached SCS Policy Governance Model), except where the Board specifically delegates portions of this authority to others. The Chairperson is authorized to use any reasonable interpretation of the provisions in these policies. Thus, the Chairperson functions as the Chief Governance Officer of the organization (a counterpart to the Chief Executive Officer, as shown in the attached SCS Policy Governance Model).

4.4.1.2.1 Meeting Chair

The Chairperson is empowered to chair Board meetings with all the commonly accepted power of that position (e.g. ruling, recognizing).

4.4.1.2.2 Authority Over Superintendent

The Chairperson has no authority to make decisions about policies created by the Board with Ends and Executive Limitations policy areas. Therefore, the Chairperson has no authority to supervise or direct the Superintendent.

4.4.1.2.3 Other Representation

The Chairperson may represent the Board to outside parties in announcing Board-stated positions and in stating Chairperson decisions and interpretations within the area delegated to her or him.

4.4.1.2.4 Delegation of Chair Authority

The Chairperson may delegate this authority but remains accountable for its use.

4.4.1.3 Committee Chairs

The Chairperson may appoint directors and a Chairperson for each Board committee, unless otherwise stipulated by Board policies or the organization’s bylaws.

4.4.2 Vice Chair Responsibilities

Rev.
The vice-Chairperson will represent the Chairperson in his or her absence and ensure the integrity of the Board’s records.

4.5 Directors’ Code of Conduct

The Board commits itself and its directors to biblical, ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as directors. Accordingly:

**4.5.1 Loyalty to Ownership**

Directors must represent loyalty without conflict to the interests of the ownership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any director acting as a consumer of the organization’s services.

**4.5.2 Conflicts with Fiduciary Responsibility**

Directors must avoid conflict of interest with respect to their fiduciary responsibility.

4.5.2.1 Self-Dealing and Disclosure

There must be no self-dealing or any conduct of private business or personal services between any director and the organization except as procedurally controlled to assure openness, competitive opportunity, and equal access to inside information.

4.5.2.2 Unavoidable Conflicts of Interest

When the Board is to decide upon an issue about which a director has an unavoidable conflict of interest, that director shall absent herself or himself, without comment, from not only the vote but also from the deliberation.

4.5.2.3 Employment Conflicts

Directors must not use their positions to obtain employment for themselves, family members, or close associates. Should a director desire employment within the organization (exclusive of coaching), he or she must first resign.

4.5.3 Individual Authority

Directors may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.

4.5.3.1 Superintendent Interaction

Directors’ interaction with the Superintendent or with staff must recognize the lack of authority vested in individuals except when explicitly Board authorized.

4.5.3.2 Speaking to Board Decisions

Directors’ interaction with public, press, or other entities must recognize the same limitation and the inability of any director to speak for the Board except to repeat explicitly stated Board decisions.

4.5.3.3 Speaking to Superintendent or Staff Performance

Directors will give no consequence or public voice to individual judgments of Superintendent or staff performance.

4.5.4 Confidentiality
Directors will respect the confidentiality appropriate to issues of a sensitive nature.

4.6 Individual Responsibilities of Directors

The Board commits itself to the individual and collective participation of its members to ensure leadership success. Therefore, each director is expected to participate in the following ways:

4.6.1 Attendance

Whereas Board contemplation, deliberation, and decision-making are processes that require wholeness, collaboration and participation, attendance at Board meetings is required of directors. Directors may not be absent from more than 3 of the regularly scheduled meetings in any Board year, as defined by the SCS Board of Trustees Annual Agenda. In the event that absence occurrence exceeds this allotment, directors will be invited to examine barriers to participation and discuss board service intentions with the board chair.

4.6.2 Preparation and Participation

Directors will prepare for Board and committee meetings and will participate productively in discussions, always within the boundaries of discipline established by the Board. Each director will contribute his or her own knowledge, skills, and expertise to the Board’s efforts to fulfill its responsibilities.

4.6.3 Directors as Individuals

The Superintendent is accountable only to the Board as an organization, and not to individual directors. Accordingly, the relationship between the Superintendent and individual directors, including the Board chairperson, is collegial, not hierarchical.

4.6.4 Volunteerism

In view of the Superintendent’s responsibility for operational activities and results, directors acting as operational volunteers are subject to the direct supervision of the Superintendent or responsible staff person.

4.6.5 Contributions

Each director is expected to be a donor of record each year at Seattle Christian School. The demonstration of support, rather than the amount of the contribution, is of principal importance; directors are expected to contribute only within their individual means.

4.6.6 Prayer

Directors will commit to pray regularly for the school.

4.6.7 Support

Directors will support the final decisions of the Board after they have been duly enacted, irrespective of the director’s personal positions concerning the matter.

4.6.8 Spiritual Health

Directors will seek to maintain a close, intimate relationship with the Lord by regularly spending time with him in the Word and prayer.

4.6.9 Affirmations

Directors shall affirm annually, in writing, their commitment to the SCS Doctrinal Statement, the SCS Standards of Conduct, and Policies 4.5 and 4.6. This shall be done no later than October
1 of each year. Record of such affirmation shall be kept by the secretary in the official book of minutes.

4.7 **Board Committee Principles**

Board committees, when used, will be assigned so as to reinforce the wholeness of the Board’s job and so as never to interfere with delegation from Board to Superintendent.

4.7.1 **Role or Purpose**

Board committees are to help the Board do its job, never to help or advise the staff. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board’s broader focus, Board committees will normally not have direct dealings with current staff operations.

4.7.2 **Authority**

Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the Superintendent.

4.7.3 **Staff Relations**

Board committees cannot exercise authority over staff. Because the Superintendent works for the full Board, he or she will not be expected to obtain approval of a Board committee before an executive action.

4.7.4 **Over-Identification**

Board committees are to avoid over-identification with organizational parts rather than the whole. Therefore, a Board committee which has helped the Board create policy on some topic will not be used to monitor organizational performance on that same subject.

4.7.5 **Use of Committees**

Committees will be used sparingly and ordinarily in an ad hoc capacity. Committees will normally be asked to provide options in addition to recommendations with supporting rationale.

4.7.6 **Policy Application**

This policy applies to any group which is formed by Board action, whether or not it is called a committee and regardless whether the group includes directors. It does not apply to committees formed under the authority of the Superintendent.

4.8 **Board Committee Structure**

A committee is a Board committee only if its existence and charge come from the Board, regardless of whether directors sit on the committee. The only standing Board committees are those which are set forth in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. The Superintendent will serve as a non-voting member of each standing committee.

4.9 **Board Size, Nomination, Election, and Term Limits**

Directors and Board officers shall be selected under conditions that (1) properly screen candidates for Christian commitment, depth of character, leadership abilities, and Board governance skills, and (2) promote a stable Board size and stability of operation. Accordingly:

4.9.1 **Officer Election**
Officers will be nominated and elected in the September meeting for a term of service to begin that meeting.

**4.9.2 Board Member Terms**

Directors shall serve no more than 2 consecutive 5-year terms.

**4.9.3 Consecutive Terms**

Directors who serve two (2) consecutive five (5)-year terms may be nominated for directorship again after spending a minimum of one (1) year off the Board.

**4.9.4 Re-Nomination**

Re-nomination/nomination of directors may be based upon such factors as the Nominating Committee deems appropriate. Accordingly, no director should expect to be re-nominated at the end of his or her term.

**4.10 Cost of Governance**

The Board will invest in its governance capacity. Accordingly:

**4.10.1 Board Skills for Excellence**

Board skills, methods, and supports will be sufficient to assure governing with excellence.

**4.10.1.1 Training**

Training and retraining will be used liberally to orient new directors and candidates for directorship, as well as to maintain and increase existing director skills and understanding.

**4.10.1.2 Monitoring Assistance**

Outside monitoring assistance will be arranged so that the Board can exercise confident control over organizational performance. This includes, but is not limited to, fiscal audit. The Board shall each year appoint an outside auditor for the annual audit, and review of the auditing firm shall occur at least every five years.

**4.10.1.3 Ownership Outreach**

Outreach mechanisms will be used as needed to ensure the Board’s ability to listen to owner viewpoints and values.

**4.10.2 Costs of Capability**

Costs will be prudently incurred, though not at the expense of endangering the development and maintenance of superior education for students.

**4.10.2.1 Training Support**

Up to $5,000 per year for training, including attendance at conferences and workshops, retreats, and monthly meetings.

**4.10.2.2 Survey Support**

Up to $2,000 annually for surveys, focus groups, and opinion analyses beginning with the 2000-2001 school year.

**4.10.2.3 Professional Support Services**
Up to $12,000 annually for financial and legal audits, and professional services.

4.10.3 Cost of Governance Budget  
The Board will establish its cost of governance budget for the next fiscal year and inform the Superintendent in a timely manner.

4.11 Policy Deleted  
Rev. 03/24

4.12 Governance of Related Organizations  
Rev.

The Board will provide appropriate input to the creation and oversight of SCS affiliated organizations.
## APPENDIX A

<table>
<thead>
<tr>
<th>Policy</th>
<th>Method</th>
<th>Frequency</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>Global Ends Policy</td>
<td>Internal</td>
<td>Annually</td>
</tr>
<tr>
<td>2.1</td>
<td>Superintendent Health</td>
<td>Internal</td>
<td>Annually</td>
</tr>
<tr>
<td>2.2</td>
<td>Treatment of Families and Students</td>
<td>Internal</td>
<td>Annually</td>
</tr>
<tr>
<td>2.3</td>
<td>Treatment of Faculty and Staff</td>
<td>Internal</td>
<td>Annually</td>
</tr>
<tr>
<td>2.4</td>
<td>Financial Planning/Budgeting</td>
<td>Internal</td>
<td>Annually</td>
</tr>
<tr>
<td>2.5</td>
<td>Financial Condition &amp; Activities</td>
<td>Internal</td>
<td>Annually</td>
</tr>
<tr>
<td>2.6</td>
<td>Asset Protection</td>
<td>Internal</td>
<td>Annually</td>
</tr>
<tr>
<td>2.7</td>
<td>Fundraising</td>
<td>Internal</td>
<td>Annually</td>
</tr>
<tr>
<td>2.8</td>
<td>Emergency Superintendent Succession</td>
<td>Internal</td>
<td>Annually</td>
</tr>
<tr>
<td>2.9</td>
<td>Compensation and Benefits</td>
<td>Internal</td>
<td>Annually</td>
</tr>
<tr>
<td>2.10</td>
<td>Board Communication and Support</td>
<td>Internal</td>
<td>Annually</td>
</tr>
<tr>
<td>2.11</td>
<td>Programs/Services</td>
<td>Internal</td>
<td>Annually</td>
</tr>
</tbody>
</table>
1. **Preamble**

It is the policy of the Board of Directors (Board) to treat all assets of Seattle Christian Schools (SCS), including funds which are legally unrestricted, as if held by SCS in a fiduciary capacity for the sake of accomplishing its mission and purposes. The following investment objectives and directions are to be judged and understood in light of that overall sense of stewardship. In that regard, the basic investment standards shall be those of a prudent investor as articulated in applicable state laws.

2. **Delegation**

The Board has delegated supervisory authority over its financial affairs to the Finance Committee (Committee). The Committee is responsible for regularly reporting on investments to the Board. In carrying out its responsibilities, the Committee and its agents will act in accordance with these Investment Policies (the Policies) and all applicable laws and regulations. The Board reserves to itself the exclusive right to revise, or grant exceptions to, the Policies.

The Committee is authorized to retain one or more Investment Advisors (Advisors) to assume the investment management of funds and assets owned or administered by the organization. In discharging this authority, the Committee can act in the place and stead of the Board and may receive reports from, authorize compensation to, enter into agreements with, and delegate investment authority to the Investment Advisors. The Committee also delegates the day-to-day management of the funds to the Superintendent. This delegation includes receiving and asking for monthly reports, enabling authorized transfers to and from investments and working the Advisors to resolve any operating issues and monitoring adherence to the Investment Policy.

3. **Funds and Purposes**

SCS maintains several funds that have different purposes. The following funds are the current funds designated by the Board and may from time to time change or other funds may be added with approval of the Board. Funds are to be allocated functionally as follow:

<table>
<thead>
<tr>
<th>FUND</th>
<th>ALLOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCS Endowment Fund</td>
<td>60/40 Equity Income</td>
</tr>
<tr>
<td>SCS Legacy Endowment Fund</td>
<td>60/40 Equity Income</td>
</tr>
<tr>
<td>McMicken Heights Comm. Center Fund</td>
<td>60/40 Equity Income</td>
</tr>
</tbody>
</table>

4. **Investment Objectives**

- **Seattle Christian Schools Endowment Fund**

  The long-term investment objective of these investment guidelines is to realize a real return net of inflation (CPI) of at least 5% per year over a rolling ten-year period. As a result, preservation and growth of purchase power after withdrawals are the primary focus. The ability to achieve these returns will depend on the Endowment's ability to accept moderate risk. The Board recognizes a reasonable degree of market volatility is necessary to achieve long-term capital appreciation and maintain real spending growth. It is expected however, that both professional management and sufficient portfolio diversification will smooth volatility and help to assure a reasonably consistent return.

- **Seattle Christian Schools Legacy Endowment Fund**

  The long-term investment objective of these investment guidelines is to realize a real return net of inflation (CPI) of at least 5% per year over a rolling ten-year period. As a result, preservation and growth of purchase power after withdrawals are the primary focus. The ability to achieve these returns will depend on the Endowment's ability to accept moderate risk. The Board recognizes a reasonable degree of market volatility is necessary to achieve long-term capital appreciation and maintain real spending growth. It is expected however, that both professional management and sufficient portfolio diversification will smooth volatility and help to assure a reasonably consistent return.
• **McMicken Heights Community Center Fund**
   The long-term investment objective of these investment guidelines is to realize a real return net of inflation (CPI) of at least 5% per year over a rolling ten-year period. As a result, preservation and growth of purchase power after withdrawals are the primary focus. The ability to achieve these returns will depend on the Endowment's ability to accept moderate risk. The Board recognizes a reasonable degree of market volatility is necessary to achieve long-term capital appreciation and maintain real spending growth. It is expected however, that both professional management and sufficient portfolio diversification will smooth volatility and help to assure a reasonably consistent return.

5. **Asset Mix**
   It is the Board’s policy to diversify investment among both equity and fixed-income securities so as to provide a balance that will enhance total return while avoiding unacceptable risks which rise from concentration in any single asset, or investment class. The funds should be invested within the following ranges:

   - **Seattle Christian Schools Endowment Fund**
     Portfolio will consist of 60% Equity investments and 40% Fixed Income investments, allocated in the following manner:

     | Asset Class       | Allocation |
     |-------------------|------------|
     | Cash & Equivalent | 5%         |
     | Large Cap Stock   | 18%        |
     | Small Cap Stock   | 10%        |
     | International Stock | 16%     |
     | Emerging Mkts Stock | 8%         |
     | Real Estate       | 5%         |
     | Balanced Funds    | 5%         |
     | Fixed Income Funds | 33%      |

   - **Seattle Christian Schools Legacy Endowment Fund**
     Portfolio will consist of 60% Equity investments and 40% Fixed Income investments, allocated in the following manner:

     | Asset Class       | Allocation |
     |-------------------|------------|
     | Cash & Equivalent | 5%         |
     | Large Cap Stock   | 18%        |
     | Small Cap Stock   | 10%        |
     | International Stock | 16%     |
     | Emerging Mkts Stock | 8%         |
     | Real Estate       | 5%         |
     | Balanced Funds    | 5%         |
     | Fixed Income Funds | 33%      |

   - **McMicken Heights Community Center Fund**
     The portfolio will consist of 60% Equity investments and 40% Fixed Income investments, allocated in the following manner:

     | Asset Class       | Allocation |
     |-------------------|------------|
     | Cash & Equivalent | 5%         |
     | Large Cap Stock   | 18%        |
     | Small Cap Stock   | 10%        |
     | International Stock | 16%     |
     | Emerging Mkts Stock | 8%         |
     | Real Estate       | 5%         |
     | Balanced Funds    | 5%         |
     | Fixed Income Funds | 33%      |
6. Monitoring Investments
The Committee recognizes that there must be a systematic and objective process for determining when an investment should be considered for replacement. The Committee also recognizes that under-performing investments should be given adequate time to work through issues that have caused the under-performance. Therefore, any investment that does not meet the objectives as defined in paragraph four (4) of this policy, will be monitored for three (3) consecutive calendar quarters before it is considered for replacement.

The Committee will determine the most appropriate course of action when an investment is subject to replacement. The Committee may choose to: a) replace the investment within ninety (90) days; b) add a new investment alternative in the same category and direct future contributions to it; or c) take no action based on appropriate circumstances.

7. Asset Quality

- **Common Stocks** – The Advisors may invest in any unrestricted, publicly traded common stock that is listed on a major exchange or a national, over the counter market and that is appropriate for the portfolio objectives, asset class and/or investment style of the fund that is to hold such shares.

- **Convertible preferred stock and convertible bonds** – The Advisors may use convertible preferred stocks and bonds as equity investments. The quality rating of convertible preferred stock and convertible bonds must be BBB or better, as rated by Standard & Poor’s, or BAA or better, as rated by Moody’s®. The common stock into which both may be converted must satisfy the standard of Section 1, above.

- **Fixed-income securities** – The quality rating of bonds and notes must be A or better, as rated by Standard & Poor’s or Moody’s®, The portfolio may consist of only traditional principal and interest obligations (not derivatives) with maturities of seven years or less.

- **Short-term reserves** – The quality rating of commercial paper must be A-1, as rated by Standard & Poor’s or Moody’s®, or better. The assets of any money market mutual funds must comply with the quality provisions for fixed-income securities or short-term reserves.

8. Asset Diversification
The Advisors will maintain reasonable diversification at all times and may not make investments in the equity securities of any one company that exceed 5 percent of the fund (at the time of purchase) nor allow the total securities position (debt and equity) in any one company exceed 10 percent of the portfolio. The Advisors shall also maintain reasonable sector allocations and diversification. In that regard, no more than 25 percent of the entire portfolio may be invested in the securities of any one sector.

9. Investment Management Limitations
All purchases of securities will be for cash and there will be no margin transactions, short selling, or commodity transactions. In additions, the Advisors may not make direct investments in real estate, loan money (except through the purchase of fixed-income securities as permitted above), or permit the lending, mortgage, pledge, or hypothecation of any assets.

10. Custody and Security Brokerage
The Committee will establish such custodial and brokerage relationships as are necessary for the efficient management of SCS’s funds. Whenever the Committee has not designated a brokerage relationship, then the Advisors shall execute transactions wherever it can obtain best price and execution.

11. Reporting Requirements and Evaluation

a. Periodically – The Advisors shall meet with the Committee no less than semi-annually and provide detailed information about (1) asset allocation, (2) investment performance, (3) future investment strategies, and (4) any other matters of interest to the Committee. The Advisors will promptly advise the Committee of any significant changes in its ownership, financial condition, or investment personnel.
b. Annually – The Advisors shall provide an annual summary of all transactions in each fiscal year together with a report of investment performance for the year by the portfolio to the Committee and the Board.

c. Semi-Annually – It is expected that the Portfolio’s actual asset allocations will vary from the target asset allocations as a result of the varying periodic returns earned on its investments in different asset classes. Therefore, the Advisors will rebalance the Funds to their target normal asset allocation at least semi-annually. If any allocation within a fund has increased or decreased by greater than 20% of its target allocation, the fund may be rebalanced at any time by the Advisor.

The Advisors will be evaluated on the basis of performance relative to standard indexes for the:

- Year-to-date
- Trailing three years
- Trailing five years
- Trailing ten years

In addition to the Advisors’ performance record, particular emphasis will be placed on a firm’s ethical and financial viability, organizational structure, experience of key personnel, and investment philosophy.

The Committee will review performance at least semi-annually, but for the purposes of retention or dismissal, a review shall occur annually and be reported to the Board.

12. **Cash Flow Requirements**

SCS will be responsible for informing the Advisors in a timely manner of SCS’s cash distribution requirement from any managed portfolio or fund. The Advisors are responsible for providing adequate liquidity to meet such distribution requirements.

SCS have reviewed the investment policy and agree that the policy reflects SCS’s intent with regard to the objectives, asset allocation, security selection and evaluation of the portfolio.
# APPENDIX C

## Timeline of Budgeting Events for School Year

<table>
<thead>
<tr>
<th>Month</th>
<th>Action</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>August</td>
<td>• Budget finalized based on current enrollment and medical insurance</td>
<td></td>
</tr>
<tr>
<td>September</td>
<td>• Final adjustments made to current year budget</td>
<td></td>
</tr>
<tr>
<td>October</td>
<td>• Budget reviewed for final approval (2.4.2.1)</td>
<td></td>
</tr>
<tr>
<td>November</td>
<td>• Board sets tuition rates for upcoming school year</td>
<td>• Admissions season begins</td>
</tr>
<tr>
<td></td>
<td>• Secondary new student admissions begin</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td></td>
<td></td>
</tr>
<tr>
<td>January</td>
<td>• Faculty/Staff intentions for upcoming school year to Human Resources</td>
<td>• Staffing discussions with department leaders</td>
</tr>
<tr>
<td></td>
<td>• Departments begin budget work first week of Jan.</td>
<td>• Departments begin budget work first week of Jan.</td>
</tr>
<tr>
<td>February</td>
<td>• Re-Enrollment begins</td>
<td>• Re-Enrollment begins</td>
</tr>
<tr>
<td></td>
<td>• Department budgets due first week of Feb.</td>
<td>• Department budgets due first week of Feb.</td>
</tr>
<tr>
<td>March</td>
<td>• Elementary new student admissions begin</td>
<td>• Draft budget presented to Board (2.4.2.1)</td>
</tr>
<tr>
<td>April</td>
<td>• Teacher and Administrator contracts distributed</td>
<td></td>
</tr>
<tr>
<td>May</td>
<td>• Monthly tracking of enrollment and expense adjustments made to preliminary budget and reported to the Board</td>
<td></td>
</tr>
<tr>
<td>June</td>
<td>• Monthly tracking of enrollment and expense adjustments made to preliminary budget and reported to the Board</td>
<td></td>
</tr>
<tr>
<td>July</td>
<td>• Monthly tracking of enrollment and expense adjustments made to preliminary budget and reported to the Board</td>
<td></td>
</tr>
</tbody>
</table>

### Board Retreat

- Budget Forecast – 3 years
- Investment Review with consultant
- Tuition and Salary Benchmarks

### Draft budget to include

- Projected enrollment w/supporting data
- Major income or expense changes from previous year
- Firm manpower and benefits costs
- Real tuition revenue data
<table>
<thead>
<tr>
<th>#</th>
<th>Policy</th>
<th>Frequency</th>
<th>Even Years</th>
<th>Odd Years</th>
<th>Month</th>
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<td>3.0</td>
<td>Global Board Management Delegation (1)</td>
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<td>3.1</td>
<td>Unity of Control (3)</td>
<td>Bi-annually</td>
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<td>May</td>
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<tr>
<td>3.2</td>
<td>Accountability of the Superintendent (4)</td>
<td>Bi-annually</td>
<td>X</td>
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<td>May</td>
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<tr>
<td>3.3</td>
<td>Delegation to the Superintendent (6)</td>
<td>Annually</td>
<td>X</td>
<td>X</td>
<td>April</td>
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<tr>
<td>3.4</td>
<td>Monitoring the Superintendent Performance (6)</td>
<td>Annually</td>
<td>X</td>
<td>X</td>
<td>April</td>
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<tr>
<td>4.0</td>
<td>Global Governance Process Policy (1)</td>
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<td>X</td>
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<td>4.1</td>
<td>Governing Styles and Values, Doctrinal, Beliefs, Discipline (10)</td>
<td>Annually</td>
<td>X</td>
<td>X</td>
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<tr>
<td>4.2</td>
<td>Board Job Description (10)</td>
<td>Annually</td>
<td>X</td>
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<td>June</td>
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<td>4.3</td>
<td>Agenda Planning (16)</td>
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<td>X</td>
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<td>October</td>
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<td>4.4</td>
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<td>X</td>
<td>September</td>
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<td>4.5</td>
<td>Directors’ Code of Conduct (11)</td>
<td>Annually</td>
<td>X</td>
<td>X</td>
<td>August</td>
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<td>Individual Responsibilities of Directors (10)</td>
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<td>X</td>
<td>X</td>
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<tr>
<td>4.7</td>
<td>Board Committee Principles (7)</td>
<td>By-annually</td>
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<td>March</td>
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<td>4.8</td>
<td>Board Committee Structure (1)</td>
<td>By-annually</td>
<td>X</td>
<td></td>
<td>March</td>
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<tr>
<td>4.9</td>
<td>Board Size, Nomination, Election, and Term Limits (5)</td>
<td>Bi-annually</td>
<td>X</td>
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<td>May</td>
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