

**SHORELINE COMMUNITY COLLEGE
DISTRICT NUMBER SEVEN
BOARD OF TRUSTEES
REGULAR MEETING OF JUNE 28, 2017**

TAB 11

ACTION

Subject: President's Certification of Compliance Document

Background

At its May 26, 2010 Study Session, the Board of Trustees agreed “that commencing with the 2010 – 2011 year, the Board would utilize a certifying document (which the President is to certify by her/his signature) in relation to the ten Executive Limitations” contained in the Board of Trustees Governance Manual (aka Board Policy Manual).

The Board of Trustees has discussed and recommended changes to the Board of Trustees Governance Manual over the course of the last several years and the latest changes to the manual were approved at the September 28, 2016 Regular Meeting of the Board of Trustees. Approved changes included:

1. Renaming Section 2 from Executive Limitations (EL) to Executive Responsibilities and Expectations (ERE).
2. Revisions to Section 2 policies related to Global Executive Constraint; Treatment of People; Financial Planning/Budgeting; Financial Condition and Activities; and Compensation and Benefits.

Attachment

President's Certification of Compliance document denoting the ten (ERE-1 through ERE-10) Executive Responsibilities and Expectations as contained in the Board's Governance Manual.

Recommendation

That the Board of Trustees take action on the certified 2016 – 2017 President's Certification of Compliance document—to be furnished to the Board on June 28, 2017.

Prepared by: Lori Yonemitsu
Executive Assistant to the President & Secretary to the Board of Trustees
June 23, 2017

●EXECUTIVE RESPONSIBILITIES AND EXPECTATIONS●

●POLICY TYPE: EXECUTIVE RESPONSIBILITIES AND EXPECTATIONS
●POLICY TITLE: GLOBAL EXECUTIVE CONSTRAINT
●POLICY NUMBER: ERE-1
<ul style="list-style-type: none"> ●Adopted by Board of Trustees in Open Meeting: June 24, 2009 ●Revision Adopted by Board of Trustees in Open Meeting(s): September 28, 2011; September 26, 2012; September 28, 2016

The Board of Trustees delegates to the President of Shoreline Community College the authority to exercise in the name of the Board (RCW 28B.10.528) all of the powers and duties vested in or imposed upon the Board by law, except such powers and duties as the Board expressly reserves for the Board. The Executive Responsibilities and Expectations that are described in Section 2 provide clarification to the above delegated responsibility.

Within the college, the College President will allow, practices, activities, decisions, or organizational circumstances that are lawful, prudent, and in compliance with commonly accepted business and professional ethics and practices, and in agreement with the provisions set forth in the State Board for Community and Technical Colleges policy, Office of Financial Management policy, the Shoreline Community College Board of Trustees’ Policy and/or take into account any executive order of the Governor of the State of Washington.

●POLICY TYPE: EXECUTIVE RESPONSIBILITIES AND EXPECTATIONS
●POLICY TITLE: TREATMENT OF PEOPLE
●POLICY NUMBER: ERE-2
<ul style="list-style-type: none"> ●Adopted by Board of Trustees in Open Meeting: June 24, 2009 ●Revision Adopted by Board of Trustees in Open Meeting(s): September 28, 2011; September 26, 2012; September 28, 2016

With respect to treatment of students, employees, volunteers, community members and visitors, the President will promote conditions that are humane, fair, dignified, and non-discriminatory.

- 2.1. The President establishes operational policies and procedures that carry out the Board Policy including those that:
- a. clarify rules for students, employees, volunteers, community members and visitors, in addressing the Board, expressing ethical dissent, and rules and sanctions that provide a civil and non-disruptive learning environment.
 - b. provide for effective handling of grievances, and ensure that students and employees know their rights and responsibilities.
 - c. protect against wrongful conditions, such as nepotism and grossly preferential treatment for personal reasons, and comply with all laws, rules and regulations pertaining to students and employees, including those pertaining to discrimination.
 - d. ensure due process procedures for students, employees, volunteers and visitors without discrimination or retaliation against anyone for expressing non-disruptive ethical dissent.

- 2.2. The President takes prompt and appropriate action when aware of any violation of federal laws, state laws, rules, regulations, State Board for Community and Technical Colleges policy, Office of Financial Management policy, any Executive Order of the Governor of the State of Washington, or Shoreline Board of Trustees policy.
- 2.3. The President protects the academic freedom of the institution, its faculty and its students and establishes rules and necessary sanctions that provide a civil and non-disruptive learning environment.
- 2.4. The President ensures that staff is prepared to deal with emergency situations.
- 2.5. The President attempts to maintain goodwill with community members and external stakeholders.

<p>●POLICY TYPE: EXECUTIVE RESPONSIBILITIES AND EXPECTATIONS</p>
<p>●POLICY TITLE: FINANCIAL PLANNING/BUDGETING</p>
<p>●POLICY NUMBER: ERE-3</p>
<p>●Adopted by Board of Trustees in Open Meeting: June 24, 2009 ●Revision Adopted by Board of Trustees in Open Meeting(s): September 28, 2011; September 26, 2012; September 28, 2016</p>

The President will promote and allow financial planning and budgeting for general, capital, student body, and other funds in any fiscal year or the remaining part of any fiscal year to be in accordance with the Board's policies, to protect fiscal integrity, to be derived from a multi-year strategic plan, and to be realistic in projections of income and expenses.

The President establishes operational policies and procedures that carry out the Board policy, including those that:

- 3.1. Uphold those situations or conditions described in the Board Policy "Financial Condition and Activities." (Policy No. ERE-4)
- 3.2. Develop a budget with credible projection of revenues and expenses that separates capital and operating items and that discloses planning assumptions and budget principles.
- 3.3. Plan that expenditure of funds in any fiscal year will not be more than the sum of a) what is conservatively projected to be received during that year and, b) what has been approved by the Board to be carried over for expenditure from previous years.
- 3.4. Develop budget processes that provide opportunities for information and feedback from a broad base, including administrators, faculty, staff and students.
- 3.5. Develop a budget that takes into account the Board priorities.
- 3.6. Allocate a minimum of \$200,000 annually, to be included as a contingency account in the College's annual budget under the President's authority, to cover unanticipated expenses during the annual fiscal period.

<p>●POLICY TYPE: EXECUTIVE RESPONSIBILITIES AND EXPECTATIONS</p>
<p>●POLICY TITLE: FINANCIAL CONDITION AND ACTIVITIES</p>
<p>●POLICY NUMBER: ERE-4</p>
<p>●Adopted by Board of Trustees in Open Meeting: June 24, 2009 ●Revision Adopted by Board of Trustees in Open Meeting(s): September 28, 2011; September 26, 2012; September 28, 2016</p>

With respect to the actual, ongoing financial condition and activities, the President will promote fiscal integrity and avoid material deviation from Board-approved priorities.

The President establishes operational policies and procedures that carry out the Board policy:

- 4.1. Expend only those funds that have been approved by the Board in the fiscal year, unless the Board's approval to do otherwise has been obtained.
- 4.2. Not incur debt in an amount greater than that which can be repaid by certain and otherwise unencumbered revenues within the current year, or can be repaid from accounts specifically established for such purpose, or Board approved.
- 4.3. Not make any single purchase or otherwise commit the College to any expenditure greater than one half (1/2) of one percent (1%) of the College's current approved operating budget that deviates from the Board-adopted budget, without notifying the Board within 45 days of such expenditure. Splitting orders or obligations to avoid this limit is not acceptable.
- 4.4. Promote fiscal integrity by expending College funds in a manner that will result in a zero or positive fund balance at the close of the fiscal year.
- 4.5. Promote comprehensive facilities planning and execute the resulting plans for the use of the College's physical plant in order to:
 - a. contribute to student learning,
 - b. assist in the attraction of new students and retention of existing students,
 - c. optimize the use of taxpayer-provided capital assets,
 - d. extend the useful life of existing structures to the greatest practical degree, and
 - e. promote a safe and healthy environment for students and staff.
- 4.6. Provide to the Board, quarterly and annual reports of the College's current financial condition that will continually enhance the Board's ability to meet its fiduciary responsibility.
- 4.7. Accept only gifts or grants that are in the best interest of the College, and not obligate the College to make future expenditures using funds other than those created by the gift or grant without Board approval.
- 4.8. Maintain a general fund balance reserve to provide for such items as adequate cash flow, emergencies, budget contingencies, multi-year planning, revenue shortfalls, unplanned but necessary expenditures, or operating changes that occur outside of the planned annual budget. The general fund balance reserves will be 10-12% of

the College's most recently completed fiscal year’s actual operating expenditures, unless a different level is necessary to sustain operations.

- 4.9. Maintain, as necessary, local capital fund reserves to manage facilities needs that are not funded, or are underfunded, by the state. The President will annually recommend to the Board of Trustees an amount to be set aside to maintain this fund, which is subject to approval by the Board of Trustees. Establish a reserve fund up to 50% of maintenance budget.
- 4.10. Maintain a tuition contingency reserve of 10% of the previous year’s tuition collections, to provide financial cover in the event of unforeseen fluctuations in enrollment.
- 4.11. Maintain an innovation and opportunities reserve fund up to 2% of the operating budget to facilitate college investment in initiatives that demonstrate the potential for substantial return on investment, and that are deemed by the President as vital to the College’s future. The President will approve all distributions, and will recommend future designations based on the College’s overall financial performance. The President will provide the Board of Trustees with at least semi-annual financial reports. Each self-supported program will budget up to 10% of each applicable budget for reserves.
- 4.12. Maintain, as necessary, a reserve for designated programs, including auxiliary services and self-support programs, to provide for adequate cash flow, multi-year planning, and operating contingencies.
- 4.13. Maintain a reserve for all funds required by law, regulations and/or agreement that are restricted as to type of use complying with federal, state, grantor, and office of financial management rules.
- 4.14. Designate between 5-8% of the most recently completed fiscal year’s operating budget surplus to the Board of Trustees Reserve Fund. Under the sole authority of the Board of Trustees, funds may be used for special board initiatives, and/or to ensure that sufficient funds are available in the event of an unbudgeted emergency.
- 4.15. Provides reports, on an annual basis, the status of reserves and reserve projections.

<p>●POLICY TYPE: EXECUTIVE RESPONSIBILITIES AND EXPECTATIONS</p>
<p>●POLICY TITLE: EMERGENCY EXECUTIVE SUCCESSION</p>
<p>●POLICY NUMBER: ERE-5</p>
<p style="text-align: right;">●Adopted by Board of Trustees in Open Meeting: June 24, 2009</p> <p>●Revision Adopted by Board of Trustees in Open Meeting(s): September 28, 2011; September 26, 2012; September 28, 2016</p>

To protect the Board from sudden loss of presidential services, the President will have at least two executives sufficiently familiar with board and presidential issues and processes to enable either to take over with reasonable proficiency as an interim successor.



PRESIDENT’S CERTIFICATION OF COMPLIANCE

●POLICY TYPE: EXECUTIVE RESPONSIBILITIES AND EXPECTATIONS
●POLICY TITLE: ASSET PROTECTION
●POLICY NUMBER: ERE-6
<p style="text-align: right;">●Adopted by Board of Trustees in Open Meeting: June 24, 2009</p> <p>●Revision Adopted by Board of Trustees in Open Meeting(s): September 28, 2011; September 26, 2012; September 28, 2016</p>

The President will protect and maintain College assets.

Accordingly, the President will:

- 6.1. Insure adequately, to the extent appropriate for a state-owned institution of higher education, against:
 - a. theft and casualty losses in amounts consistent with replacement values, and
 - b. liability losses to the College itself, Board members, and employees.
- 6.2. Ensure that un-bonded personnel do not have access to funds in amounts considered material for audit purposes.
- 6.3. Promote the proper care and sufficient maintenance of physical plant and equipment.
- 6.4. Protect the College, the Board, and employees against claims of liability.
- 6.5. Receive, process, and disburse funds under controls that are sufficient to meet standards used by all auditors at various federal, state, and local levels that may be reasonably expected to assess the College’s controls.
- 6.6. Invest funds in accounts or in investments only as permitted by Washington state law.
- 6.7. Acquire, encumber, name, and dispose of real property only with Board approval.
- 6.8. Protect information, files, and intellectual property from loss, damage, and misuse.
- 6.9. Protect the College’s name and maintain its identity in the community.
- 6.10. Submit the facilities master plan to the Board for approval.

<p>●POLICY TYPE: EXECUTIVE RESPONSIBILITIES AND EXPECTATIONS</p>
<p>●POLICY TITLE: COMPENSATION AND BENEFITS</p>
<p>●POLICY NUMBER: ERE-7</p>
<p>●Adopted by Board of Trustees in Open Meeting: June 24, 2009 ●Revision Adopted by Board of Trustees in Open Meeting(s): September 28, 2011; September 26, 2012; September 28, 2016</p>

With respect to employment of, compensation for, and benefits to employees, consultants, and contract workers, the President will protect the financial integrity and public image of the College, and is in accordance to the Ethics and other State Laws.

Accordingly,

- 7.1. Only the Board of Trustees can change the President’s compensation and benefits.
- 7.2. The President cannot establish or change the compensation and benefits of other employees except in accordance with collective bargaining agreements negotiated by the Board or in accordance with salary schedules or plans adopted by the Board.
- 7.3. Not promise or imply permanent or guaranteed employment beyond that provided in Board adopted contractual agreements or Board approved contractual templates.



PRESIDENT’S CERTIFICATION OF COMPLIANCE

<p>●POLICY TYPE: EXECUTIVE RESPONSIBILITIES AND EXPECTATIONS</p>
<p>●POLICY TITLE: COMMUNICATION AND SUPPORT TO THE BOARD</p>
<p>●POLICY NUMBER: ERE-8</p>
<p>●Adopted by Board of Trustees in Open Meeting: June 24, 2009 ●Revision Adopted by Board of Trustees in Open Meeting(s): September 28, 2011; September 26, 2012; September 28, 2016</p>

The President will inform and support the Board in its work.

Accordingly the President will:

- 8.1. Submit monitoring data required by the Board in a timely, accurate, and understandable manner that directly addresses provisions of the Board policies being monitored.
- 8.2. Inform the Board Chair of relevant trends, anticipated adverse media coverage, actual or anticipated legal actions, or material external and internal changes, including changes in the assumptions upon which any Board policy has been established.
- 8.3. Tell the Board that, in the President's opinion, the Board is not in compliance with its own policies on Governance Process and Board-President Relationship, particularly in the case of Board behavior that is detrimental to the working relationship between the Board and the President.
- 8.4. Not present information that is knowingly inaccurate or incomplete.
- 8.5. Provide a mechanism for official Board communication.
- 8.6. Deal with the Board in a way that indicates no favoritism and privilege towards certain Board members, except when:
 - a. fulfilling individual requests for information, or
 - b. responding to officers or committees duly charged by the Board.
- 8.7. Submit a consent agenda to the Board containing items that although delegated to the President, are required by law, regulation, or contract to be Board-approved, along with applicable monitoring information.



PRESIDENT’S CERTIFICATION OF COMPLIANCE

●POLICY TYPE: EXECUTIVE RESPONSIBILITIES AND EXPECTATIONS
●POLICY TITLE: TENURE
●POLICY NUMBER: ERE-9
<ul style="list-style-type: none"> •Adopted by Board of Trustees in Open Meeting: June 24, 2009 •Revision Adopted by Board of Trustees in Open Meeting(s): September 28, 2011; September 26, 2012; September 28, 2016

The Board of Trustees reserves the authority to grant tenure, deny tenure, and to issue a final order for dismissal of tenured faculty at Shoreline Community College. Additionally, the Board reserves the authority to renew or not renew contracts for probationary faculty and to issue a final order to dismiss probationary faculty.

Accordingly, the President will:

- 9.1. Submit recommendations to the Board to grant, deny or tenure faculty.
- 9.2. Submit recommendations to the Board to issue the final order to dismiss tenured faculty.
- 9.3. Submit recommendations to the Board for the renewal or non-renewal of contracts for probationary faculty.
- 9.4. Submit recommendations to the Board to issue the final order to dismiss probationary faculty.

●POLICY TYPE: EXECUTIVE RESPONSIBILITIES AND EXPECTATIONS
●POLICY TITLE: NEGOTIATED AGREEMENTS
●POLICY NUMBER: ERE-10
<ul style="list-style-type: none"> •Adopted by Board of Trustees in Open Meeting: June 24, 2009 •Revision Adopted by Board of Trustees in Open Meeting(s): September 28, 2011; September 26, 2012; September 28, 2016

The Board of Trustees reserves the authority to ratify negotiated agreements between the Board of Trustees and any bargaining unit representing the employees of Shoreline Community College.

Accordingly, the President will:

- 10.1. Not ratify any such negotiated agreements on behalf of the Board.

I, the President of Shoreline Community College, hereby certify that I have complied with the Executive Responsibilities and Expectations as set forth herein.

Signed:

Date: