

Keith School

Governing Policies Reference Manual

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POLICY OF THE KCDS BOARD

POLICY TYPE: STRATEGIC POLICIES

1.0 Vision Statement:

To be the finest independent school in the Region.

1.1 Mission Statement:

To prepare children for lives of meaning and purpose.

Priority Results:

1.2 FINANCIAL STABILITY AND GROWTH: Keith School is financially stable with a growing enrollment and tuition.

- Net operating surplus after debt.
- Eliminate 1-year financial hole.
- No long-term debt.
- Enrollment income goals met.
- Development and endowment goals met.
- Depreciation funded.

1.3 TEACHING AND LEARNING: Keith school creates and maintains a superior educational environment.

- Continual progress toward competitive faculty salaries and a professional development program.
- Continual curriculum and pedagogical evaluation and upgrade with appropriate monitoring and measurement.
- Continual evaluation, development and upgrade of faculty.
- Facilities commensurate with vision, mission, and philosophy of school.

1.4 COMMUNICATION AND MARKETING: All Keith School constituents and the community at large receive timely and effective communications that promote the School and its events.

- Internal/external community has positive perceptions of Keith School.
- Keith culture defined by a participative, vibrant and caring sense of community is in evidence.
- A plan that makes maximum use of technology, athletics, and social events is in place that develops and communicates a strong Keith community.
- Appropriate exposure of plans and activities in local and regional media.

1.5 HUMAN RESOURCES: Keith School develops, implements and maintains superior Human Resource practices.

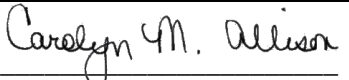
- Employees are managed through an effective process that includes comprehensive role definitions and yearly progress goals and reviews.
- An effective organizational structure is in place and utilized.
- Employment liability is managed to be effectively minimized.
- Every position is staffed by the best available person.

1.6 FACILITIES: Keith School continually improves, and maintains facilities that are commensurate with vision/mission of the School.

- Depreciation funded.
- A plan that evaluates current maintenance and general facilities that projects future needs is in evidence.
- Routine maintenance plans are in evidence and performed diligently.

EXTERNAL ROLE STATEMENT: Keith School adds value to the region by providing a superior, diverse, and independent educational option that helps our children reach their maximum potential.

Date of Adoption 6/11/2007 Affirmation of official board action adopting this policy:


Board Secretary

POLICY OF THE KCDS BOARD

Policy 2.0 POLICY TITLE: DIRECTORS' INDIVIDUAL RESPONSIBILITIES

The leadership success of the board is a direct result of the individual and collective participation of its members.

Therefore, each board member is expected to participate in the following ways:

1. **Attendance** – As board contemplation, deliberation and decision-making are processes which require wholeness, collaboration and participation, attendance at board meetings is required of board members. Members may not be absent from thirty percent (30%) of the board's regularly scheduled meetings in the board's annual cycle. Any absence which exceeds this allotment will be interpreted as that member's resignation from the board.
2. **Preparation and Participation** – Board members will prepare for board and committee meetings and will participate productively in discussions, always within the boundaries of discipline established by the board. Each member will contribute his or her own knowledge, skills and expertise to the board's efforts to fulfill its responsibilities.
3. **Members as Individuals** – The Head of School is accountable only to the board as an organization, and not to individual board members. Accordingly, the relationship between the Head of School and individual members of the board, including the board chair, is collegial, not hierarchical.
4. **Voluntarism** – As the functioning and success of the organization depends largely on the involvement and dedication of volunteers, all board members are required to serve as volunteers on at least one operating committee. In view of the Head of Schools' responsibility for operational activities and results, members of the board who choose, as individuals, to act as operational volunteers are subject to the direct supervision of the Head of School or responsible staff person.
5. **Funding**- Because KCDS is a non profit organization whose existence depends on philanthropic donations, each Board member will make a yearly monetary contribution to the school's annual fund and/or endowment fund. The yearly donation will be commensurate with each Board member's financial wherewithal.
6. **Event Attendance** – Board members are strongly encouraged to attend school and community life events. Such events include graduation, car show, annual charity auctions and faculty/staff parties.

Date of Adoption 6/11/2007 Affirmation of official board action adopting this policy:

Carolyn M. Allison
Board Secretary

POLICY OF THE KCDS BOARD

Policy 2.1 POLICY TITLE: BOARD MEMBERS' CODE OF CONDUCT

The board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as board members.

Accordingly:

1. Board members must represent unconflicted loyalty to the interests of Keith Country Day School. 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 board member acting as a consumer of the schools' services.
2. Board members must avoid conflict of interest with respect to their fiduciary responsibility.
 - A. There must be no self-dealing or any conduct of private business or personal services between any board member and the school except as procedurally controlled to assure openness, competitive opportunity, and equal access to inside information.
 - B. When the board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall absent herself or himself without comment from not only the vote but also from the deliberation.
 - C. In case of a dispute regarding the existence of a real or perceived conflict of interest, the board shall vote as to whether a conflict is present, and the vote of the board shall be final. The individual with the potential conflict of interest shall not vote.
 - D. Board members must not use their positions to obtain employment for themselves, family members or close associates. Should a board member desire employment, he or she must first resign.
 - E. Members will annually disclose their involvements with other organizations, with vendors, or any other associations that might produce a conflict.
3. Board members may not attempt to exercise individual authority over the school except as explicitly set forth in board policies.
 - A. Board members' interaction with the Head of School or with staff must recognize the lack of authority vested in individuals except when explicitly board authorized.
 - B. Board members' interaction with public, press or other entities must recognize the same limitation and the inability of any board member to speak for the board except to repeat explicitly stated board decisions.
 - C. Board members will give no consequence or voice to individual judgments of the Head of School or staff performance.
4. Members will respect the confidentiality appropriate to issues of a sensitive nature.

Date of Adoption 6/11/2007 Affirmation of official board action adopting this policy: _____

Carolyn M. Allison
Board Secretary

POLICY OF THE KCDS BOARD


Policy 2.2 POLICY TITLE: BOARD SIZE, NOMINATION, ELECTION & TERM LIMITS

The Board aims to maintain a size of seventeen (17) members. The Governance Committee will properly screen and nominate, for board consideration, the Board Chair, Vice- Chair, and the officers of the organization, as stipulated in the bylaws, and will nominate individuals to fill vacancies on the board.

Accordingly:

1. The Chair of the Board shall, in September, appoint, subject to board approval, at least three individuals to serve on the Governance Committee. The members will be selected from those who are not, at the conclusion of the current fiscal year, up for re-nomination.
2. Nominations for Board chair, vice-chair and officers, and for individuals to fill vacant board seats, will be made and voted upon at each years annual meeting . At the February and April meeting, the Governance Committee will solicit suggestions from the board for such nominations.
3. At the June meeting, the board shall:
 - A. Approve or disapprove the Governance Committee's nominations for chair, vice-chair, secretary and treasurer as a single slate; and
 - B. Approve or disapprove the Governance Committee's nominations for new and continuing Board members as a single slate.
4. Each member of the Board of Trustees shall serve for a term of (1) initial year with re-appointment for any additional term at the discretion of the Board. If re-appointed, members of the board shall serve no more than two consecutive three-year terms. The only exceptions to this policy are:
 - A. The board chair, who will serve one year as chair and the following year as a board member (even if such individual's term would exceed the limit during such period of time).
5. Members who serve two consecutive three-year terms may be nominated for board membership again after spending a minimum of one year as a non-member of the board.
6. Terms for all officers shall be one year in duration and limited to three consecutive terms. Officers who serve three consecutive terms may be nominated in an officer capacity again after spending a minimum of one year as a non-officer of the Board.
7. Re-nomination/nomination of board members may be based upon such factors as the Governance Committee deems appropriate, including a prospective board member's personal knowledge, skills, demonstrated leadership and commitment to the organization, professional relationships, professional associations, and, for existing board members, fulfillment of individual directors' responsibilities. In addition, as the organization's needs may change over time, it is expected that the Governance Committee may find it necessary to replace at least some members whose current terms are expiring with individuals who may better satisfy such needs. Accordingly, no member should expect to be re-nominated at the end of his or her term.
8. Ex-officio members of the Board shall consist of the Head of School, Legal Counsel, President of the Alumni Association, and the President of Home and School.

Date of Adoption 6/11/2007 Affirmation of official board action adopting this policy:


Board Secretary

POLICY OF THE KCDS BOARD

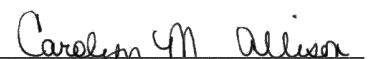
Policy 2.3 POLICY TITLE: *ACCOUNTABILITY OF THE HEAD OF SCHOOL*

The Head of School is the board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the board is concerned, is considered the authority and accountability of the Head of School.

Accordingly:

1. The board will never give instructions to persons who report directly or indirectly to the Head of School.
2. The board will refrain from evaluating, either formally or informally, any staff other than the Head of School.
3. The board will view the Head of School's performance as identical to organizational performance, so that organizational accomplishment of board stated strategies, and avoidance of board proscribed means, will be viewed as successful Head of School performance.

Date of Adoption 03/05/2007 Affirmation of official board action adopting this policy:


Board Secretary

Addendum to Policy 2.3 – Accountability of the Head of School

	Monitoring Reports	Governance Process	Other Business
January Board Meeting	6.0 Financial Condition and Activities. 6.1 Financial Planning/Budgeting		Approve cost of tuition Preliminary Budget
February Board Meeting	5.0 Arts and Athletics 6.0 Financial Condition and Activities	Solicit Board Member Nominations	
March No Board Meeting			
April Board Meeting	6.0 Financial Condition and Activities 6.1 Financial Planning/Budgeting 3.3 Communication and Support to Board	Solicit Board Member Nominations. 2.3 Monitoring Performance	Car Show
May No Board Meeting			
June Board Meeting Board Retreat	1.0-1.6 Strategic Policies 2.5 Monitoring Board of Directors Performance 3.0 Human Resources/Organizational Development 3.1 Treatment of staff. 3.2 Communications 5.0 Arts and Athletics 5.1 Curriculum 6.0 Financial Condition and Activities 6.2 Financial Aid	2.2 Board size, nomination, election, term limits. 1.0-1.6 Strategic Policies Reviews 2.0 Directors Individual Responsibilities 2.1 Board Member Code of Conduct Annual Meeting. Vote on slate of officers. Present Audit	Commencement
July No Board Meeting			
August Board Meeting			Faculty/Staff Party
September Board Meeting	6.0 Financial Condition and Activities 5.2 Student Discipline 4.1 Safety and Security	Appoint Governance Committee	Vote on final budget.
October No Board Meeting			Parent Association Fundraiser
November Board Meeting	6.0 Financial Condition and Activities 1.0-1.6 Strategic Policies 4.0 Facilities		
December No Board Meeting			

Date of Adoption 6/11/2007 Affirmation of official board action adopting this policy:

Carolyn M. Allison
Board Secretary

POLICY OF THE KCDS BOARD

POLICY TYPE: BOARD/STAFF LINKAGE

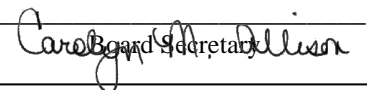
Policy 2.4 POLICY TITLE: MONITORING HEAD OF SCHOOL PERFORMANCE

Systematic and rigorous monitoring of Head of School job performance will be solely against the expected Head of School job outputs: organizational accomplishment of board policies on Strategies and organizational operation within the boundaries established in board policies on Executive Limitations.

Accordingly:

1. Monitoring is simply to determine the degree to which board policies are being met. Data that do not address policy compliance will not be considered in the evaluation of the Head of School.
2. The board will acquire monitoring data by one or more of three methods: (a) by internal report, in which the Head of School discloses, in writing, policy interpretations and 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 member or members of the board assess compliance with the appropriate policy criteria.
3. In every case, the Board will judge whether (a) the Head's interpretation is reasonable, and (b) whether data demonstrate accomplishment of or compliance with the Head's interpretation.
4. In every case, the standard for compliance shall be *any reasonable Head of School interpretation* of the Board policy being monitored. The Board is the final judge of reasonableness, and will always judge with a "reasonable person" test. Interpretations favored by individual board members or by the Board as a whole shall not constitute a "reasonable person" test.
5. All policies which instruct the Head of School will be monitored at a frequency and by a method chosen by the board. The board can monitor any policy at any time by any method, but will ordinarily depend on the following routine schedule.

Date of Adoption 03/05/2007 Affirmation of official board action adopting this policy:


Carol Board Secretary

POLICY OF THE KCDS BOARD (In policy order)

To be added as an appendix to the
Board Policy Manual

Addendum to 2.4

Pol. #	Policy Title	Type of Report	Frequency	Date Due
1.0 – 1.6	Strategic Policies*	Internal	2X	June, November
3.0	Human Resources/Organizational Development*	Internal	Annually	September
3.1	Treatment of Staff	Internal	Annually	June
3.2	Communications	Internal	Annually	September
4.0	Facilities	Internal	Annually	November
4.1	Safety and Security	Internal/External (Audit)	Annually	September
5.0	Arts and Athletics	Internal	Annually	February
5.1	Curriculum	Internal	Annually	September
5.2	Student Discipline	Internal	Annually	September
6.0	Financial Condition and Activities	Internal/External (Audit)	Monthly	September-May
6.1	Financial Planning/Budgeting	Internal/External (Audit)	Annually	January
6.2	Financial Aid	Internal	2X	January, June
3.3	Communication & Support to the Board	Internal	1X	April

* - While periodic Head of School updates on Strategic achievements are beneficial, and policy requires the Board to be informed promptly about “material changes” or “anticipated non-compliance” issues, Keith School’s strategies are, at the broadest level, appropriately long-term in nature. Keith School will monitor progress three times per year. **NOTE:** *This does not mean Strategies should only be discussed at that frequency – Board education and exploration of strategically related issues should be the primary current/emphasis of agenda planning.*

Date of Adoption 6/11/2007 Affirmation of official board action adopting this policy:

Carolyn M. Allison
Board Secretary

POLICY OF THE KCDS BOARD

Policy 2.5 POLICY TITLE: MONITORING BOARD OF DIRECTORS PERFORMANCE

Systematic and rigorous monitoring of the Boards job performance will be against two items:

1. Organizational accomplishment of board policies on Strategies and organizational operation within the boundaries established in Governing Policies Reference Manual on Executive Limitations and Board Policies.
2. Achievement of Board fund raising goals. These goals are to be set and achieved by the Board on a yearly basis.

Accordingly:

1. Both Board and Head of School performance are defined by overall organizational performance. Head of School compliance with Executive limitations policies ensures organizational, and therefore Board, performance. All policies which instruct the Head of School will be monitored at a frequency and by a method chosen by the board per policy 2.4. Accordingly, every June Board retreat shall include a Goal for policy compliance for the coming school year and a review on policy compliance for the previous school year.
2. At the June retreat a compilation of Board fundraising activities will be reviewed and compared to the year goal. New goals will be set for the coming year.

Date of Adoption 6/11/2007 Affirmation of official board action adopting this policy: Carolyn M. Allison

POLICY OF THE KCDS BOARD

Policy 3.0 POLICY TITLE: HUMAN RESOURCES/ORGANIZATIONAL DEVELOPMENT

With respect to the management and organization of the school, the Head shall not operate under conditions that do not provide for adequate supervision of staff. All management and organizational techniques must meet the vision and mission of the school.

Accordingly, pertaining to paid staff, he/she shall not:

1. Operate without an adequate organizational structure that provides for employee supervision and includes job descriptions which are reviewed on a yearly basis.
2. Allow any staff member to directly manage more than six employees.
3. Operate outside the boundaries of any applicable state, local, and federal laws and/or regulations.
4. Allow any staff member to go without an employment review for more than one year.
5. Fail to have a HR strategic plan that projects management, staffing and employee benefit needs into the future.
6. Operate without a compensation grid and benefits sheet.
7. Operate without an adequate faculty/staff handbook.

Date of Adoption 03/05/2007 Affirmation of official board action adopting this policy:


Board Secretary

POLICY OF THE KCDS BOARD

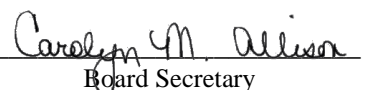
Policy 3.1 POLICY TITLE: TREATMENT OF STAFF

With respect to the treatment of paid and/or volunteer staff, the Head of School may not cause or allow conditions which are unfair, unsafe or undignified.

Accordingly, pertaining to paid staff, he/she shall not:

1. Operate without written personnel policies which clarify personnel rules for staff, provide for effective handling of grievances and/or claims of unlawful harassment and protect against wrongful and/or unlawful conditions.
2. Fail to enforce personnel rules as outlined in Faculty/staff handbook (Ref. 3.0)
3. Prevent staff from grieving to the board when (1) internal grievance procedures have been exhausted and (2) the employee alleges that either (a) board policy has been violated to his/her detriment or (b) board policy does not adequately protect his or her human rights.
4. Fail to acquaint staff with their rights under this policy.

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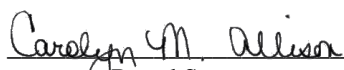
Policy 3.2 POLICY TITLE: COMMUNICATIONS

With respect to school communications, the Head of School may not cause or allow conditions which leave constituents uninformed and/or unresponded to.

Accordingly, pertaining to school communications he/she shall not:

1. Operate without written communications procedures which leave all school constituents fully informed as to school news and events in a timely manner.
2. Fail to use the school's website to transmit homework and parental communications.
3. Fail to utilize any and all communications vehicles at the school's disposal to transmit appropriate and vital communications.
4. Fail to operate under a process that is commensurate with the vision and mission of the school.

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Board Secretary

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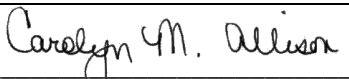
Policy 3.3 POLICY TITLE: COMMUNICATION AND SUPPORT TO THE BOARD

The Head of School shall not permit the board to be uninformed or unsupported in its work.

Accordingly, he or she may not:

1. Neglect to submit monitoring data required by the board in a timely, accurate and understandable fashion, directly addressing provisions of board policies being monitored.
2. Let the board be unaware of relevant trends, anticipated adverse media coverage, material external and internal changes, particularly changes in the assumptions upon which any board policy has been previously established.
3. Fail to advise the board if, in the Head of School'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 Head of School.
4. Fail to marshal for the board as many staff and external points of view, issues and options as needed for fully informed board choices.
5. Fail to provide a mechanism for official board, officer or committee communications.
6. 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.
7. Fail to report in a timely manner any actual or anticipated noncompliance with any policy of the board.
8. Fail to supply for the consent agenda all items delegated to the Head of School yet required by law or contract to be board approved, along with the monitoring assurance pertaining thereto.
9. The CEO may not fail to have in place a Crisis Communications Plan which specifies:
 - a) Designated media spokespersons
 - b) Procedures for press queries, requests for public information, preparation and dissemination of news releases, press statements, feature articles, requests for interviews and media relations in an emergency.
 - c) Its applicability to all employees, contract workers, agents, officers and members in an emergency

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Board Secretary

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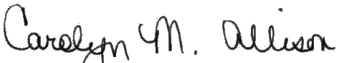
Policy 4.0 POLICY TITLE: FACILITIES

With respect to facilities, the Head of School may not operate without an annual maintenance and long-term facilities plan. Any plan must comply with any and all State, Federal, and Local ordinances.

Accordingly, pertaining to facilities, he/she shall not:

1. Operate without a written facilities plan that defines and provides for yearly maintenance and long-term facilities needs.
2. Operate without complete knowledge of and compliance with any and all relevant Governmental regulations.
3. Operate without a maintenance manual that contains daily maintenance schedules in order to maintain daily cleanliness and protect the schools physical assets.
4. Allow kitchen operations to fall below Winnebago County health standards.
5. Allow food service menus to fall below appropriate nutrition standards.
6. Fail to execute ad hoc maintenance requests without the use of a work order system.

Date of Adoption 03/05/2007 Affirmation of official board action adopting this policy:


Board Secretary

POLICY OF THE KCDS BOARD

Policy 4.1 POLICY TITLE: SAFETY AND SECURITY

With respect to the programs and services provided by KCDS, the Head of School shall not fail to ensure that these programs and services exceed community/industry standards for excellence in safety and security.

Accordingly, he or she may not:

1. Fail to produce a safety and security procedures plan designed to ensure that KCDS maintains a high standard of safety for all participants in any KCDS program or service.
2. Fail to execute said safety and security procedures plan in a fashion that ensures the highest standard of implementation.
3. Fail to review and evaluate said safety and security procedure plan and its implementation on a yearly basis.

Date of Adoption 03/05/2007 Affirmation of official board action adopting this policy: _____

Carolyn M. Allison
Board Secretary

POLICY OF THE KCDS BOARD

Policy 5.0 POLICY TITLE: ARTS and ATHLETICS

With respect to arts and athletics, the Head of School may not cause or allow conditions which do not treat the music, art, drama and athletic departments as a critically important factor in the fulfillment of the vision and mission of the school.

Accordingly, pertaining to these programs he/she shall not:

1. Fail to operate without an effective staff with an appropriate budget for each department.
2. Fail to utilize any and all communications vehicles at the school's disposal in order to communicate and recognize performances as well as achievements.
3. Fail to have a plan that seeks to achieve outstanding student and parent support for these programs.

Date of Adoption 03/05/2007 Affirmation of official board action adopting this policy: _____

Carolyn M. Allison

Board Secretary

POLICY OF THE KCDS BOARD

Policy 5.1 POLICY TITLE: CURRICULUM

With respect to the student education provided by KCDS, the Head of School shall not fail to ensure that the school's curriculum is commensurate with the vision and mission of the school, and is based on the latest prerequisites for college preparation.

Accordingly, he or she may not:

1. Fail to produce a curriculum for lower, middle, and upper schools. The curriculum will be designed to ensure that KCDS maintains a high standard of education that is commensurate with the vision and mission of the school.
2. Fail to execute said curriculum in a fashion that ensures the highest standard of implementation.
3. Fail to review and evaluate said curriculum and its implementation on a yearly basis.

Date of Adoption 03/05/2007 Affirmation of official board action adopting this policy: _____

Carolyn M. Allison
Board Secretary

POLICY OF THE KCDS BOARD

Policy 5.2 POLICY TITLE: STUDENT DISCIPLINE

With respect to the discipline of students, the Head of School may not allow conditions that provide for a lack of discipline or allow disciplinary procedures that are unfair, unsafe or undignified.

Accordingly, pertaining to paid staff, he/she shall not:

1. Operate without a written discipline policy, outlined in the student and faculty handbooks, that defines and provides for effective handling of student misconduct.
2. Fail to educate staff as to the proper handling of reporting misconduct and applying corrective actions that protect against wrongful and/or unlawful actions.
3. Fail to bring appropriate disciplinary measures down to the lowest possible work unit.

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Carolyn M. Allison
Board Secretary

POLICY OF THE KCDS BOARD

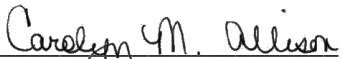
Policy 6.0 POLICY TITLE: FINANCIAL CONDITION AND ACTIVITIES

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

Accordingly, the Head of School shall not:

1. Fail to make progress towards not expending more funds than have been received in the fiscal year to date unless the operating reserve guidelines are met, according to 6.1.1.
2. Fail to make progress toward the long-term financial goal of the development of operating reserves sufficient to maintain normal operations during low revenue periods, and the development of a separate Board designated reserve.
3. Fail to settle payroll and debts in a timely manner.
4. Make a single purchase or commitment of greater than \$40,000 that is not included in annual or quarterly budget monitoring reports. Fail to highlight these in appropriate financial reports.
5. Solely execute checks in an amount greater than \$25,000, or solely execute any payments to himself/herself.
6. Acquire, encumber or dispose of real property.
7. Fail to aggressively pursue material receivables after a reasonable grace period.
8. Use restricted contributions for purposes other than stated by the contributor.
9. Fail to exercise adequate internal controls over disbursements to avoid unauthorized payments. The organization shall not have secret funds and it shall prohibit any unaudited transactions or loans.
10. Pledge any of the assets of KCDS as security within any contracts.
11. Allow the expenditure of organizational funds for travel purposes, which are not specifically related to or consistent with the organization's purpose and functions.

Date of Adoption 6/11/2007 Affirmation of official board action adopting this policy:


Board Secretary

POLICY OF THE KCDS BOARD

Policy 6.1 POLICY TITLE: 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 Strategic plan, risk fiscal jeopardy, or fail to take into consideration a multi-year plan.

Accordingly, the Head of School shall not allow budgeting which:

1. 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. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period.
3. Fail to make progress toward having operating reserves equivalent to 1 month of basic operating costs.

Date of Adoption 03/05/2007 Affirmation of official board action adopting this policy: _____

Carolyn M. Allison
Board Secretary

POLICY OF THE KCDS BOARD

Policy 6.2 POLICY TITLE: FINANCIAL AID

With respect to the amount and distribution of financial aid, the Head of School will not allow aid to be distributed inequitably or distribute total aid in an amount that materially increases the school's overall expenses. Accordingly, the Head of School shall not:

1. Fail to have, in writing, admissions standards that considers the "complete student". This defines a student who is well rounded in extra curricular activities in academics, sports and/or the arts.
2. Distribute aid to any student who does not meet basic admissions requirements.
3. Distribute aid without an eye towards appropriate racial, ethnic, and religious diversity.
4. Fail to utilize at least one outside source as part of the evaluation process in determining each applicants need. Said sources should be generally recognized by the NAIS or other independent school association.
5. Exempt any grade level from financial aid consideration.
6. Distribute total aid in an amount that materially increases the school's operating expenses, exclusive of aid recognition, without prior consultation with the Board of Directors.

Date of Adoption 6/11/2007 Affirmation of official board action adopting this policy:

Carolyn M. Allison
Board Secretary