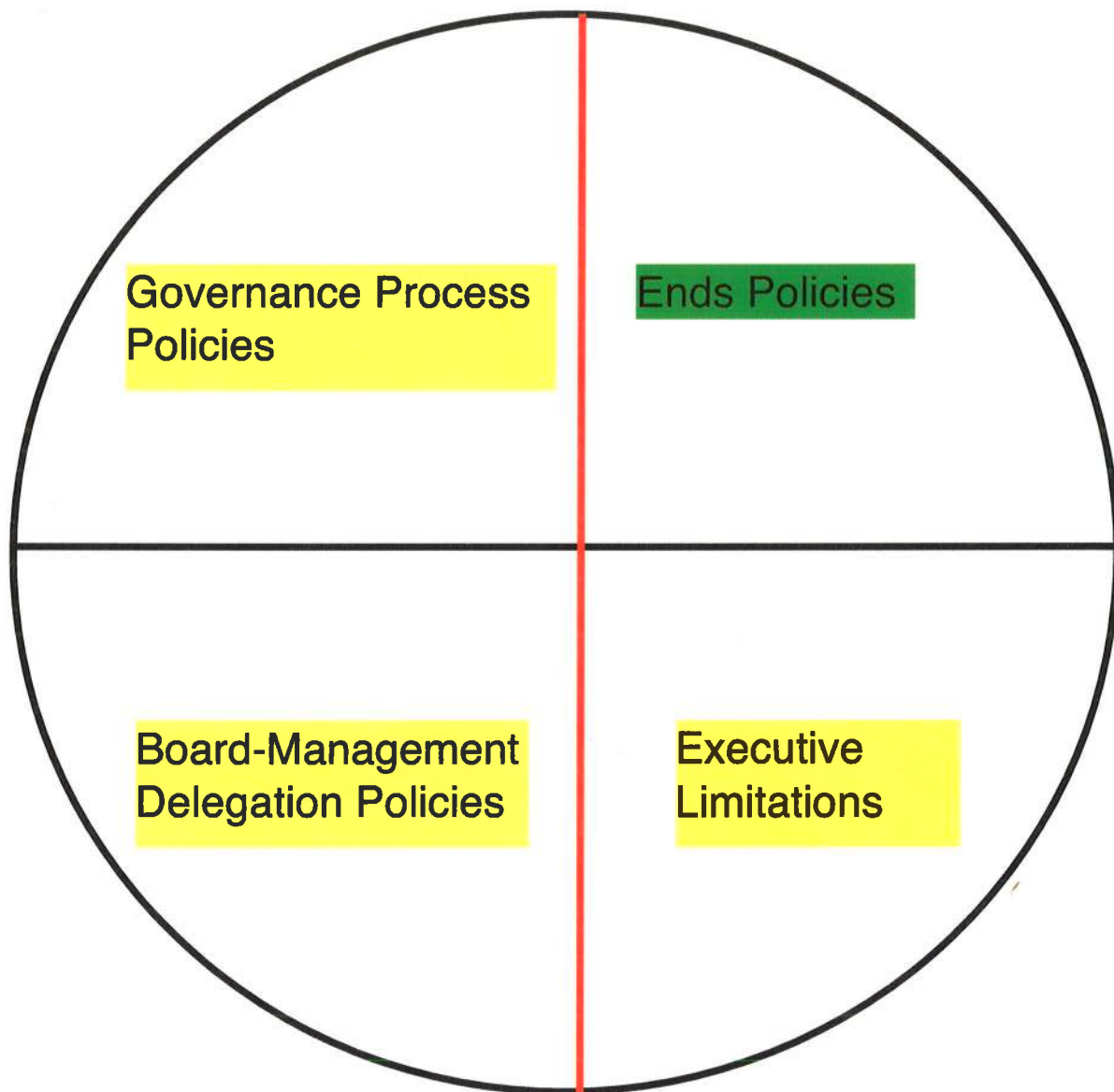


## Keys to Understanding the Policy Governance® Diagram

1. PG policies are always diagrammed in the quadrants shown below.
2. Even though the quadrants are equal in size, the number of policies in each varies.
3. Ends policies are one set of policies. They are in highlighted green.
4. Three sets of policies are means policies. They are in highlighted in yellow.
5. All policies to the right of the red vertical line constitute the board's complete instructions to its executive from whom it will accept any reasonable interpretation.
5. All policies to the left of the red vertical line constitute the board's instructions to itself and its individual members.



Policy Governance is a registered trademark of John and Miriam Carver. The diagram above is an adaptation of the Carver's diagram and was reprinted with permission.

Temporary Ends Statement for Michigan Virtual Charter Academy



**Temporary Ends Policy**

**As summarized in the MVCA charter, the board's ultimate intent is that the school's graduates are academically ready and able to pursue a future of their choosing.**

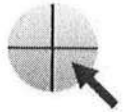
My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

**June 27, 2012**  
Date

*Mary Jolle*  
Board Secretary

Policy Governance is a registered trademark of John & Miriam Carver. This policy was adapted from John Carver's book "Reinventing Your Board."

Executive Limitations Policies for Michigan Virtual Charter Academy



**Policy EL #1: Global Executive Limitations Policy**

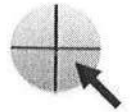
K12 shall not cause or allow any organizational practice, activity, decision, or circumstance that is either unlawful, imprudent, a material deviation of the school's bylaws, articles of incorporation and charter, or commonly accepted business and professional ethics and practices.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

Mary Tolle  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy



**Policy EL #2a: Treatment of Families & Prospective Families**

With respect to interactions with parents and students (including prospective, exiting, and former families), K12 shall not cause or allow operational conditions, procedures, or decisions that are unsafe, untimely, undignified, or unnecessarily intrusive.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

*Mary Jolle*  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy

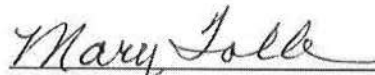


**Policy EL #2b: Treatment of Faculty & Staff**

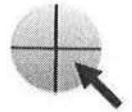
With respect to the treatment of paid and volunteer faculty & staff, K12 may not cause or allow conditions that are unfair, undignified, disorganized, or unclear.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy




**Policy EL #2c: Financial Planning/Budgeting**

K12 shall not cause or allow financial planning for any fiscal year or the remaining part of any fiscal year to deviate materially from the board's Ends (identified in the charter), risk financial jeopardy, or fail to be derived from a multiyear plan.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy

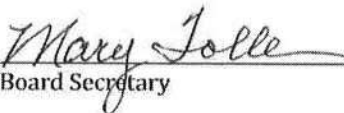


**Policy EL #2d: Financial Condition and Activities**

With respect to the actual, ongoing financial conditions and activities, K12 shall not cause or allow the development of financial jeopardy or material deviation of actual expenditures from board priorities established in its Ends policies.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy



**Policy EL #2e: Emergency K12 Succession**

This policy intentionally left blank.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

Mary Tolk  
Board Secretary



Executive Limitations Policies for Michigan Virtual Charter Academy



**Policy EL #2f: Asset Protection**

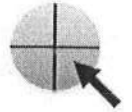
**K12 shall not cause or allow MCVA assets to be unprotected, inadequately maintained, or unnecessarily risked.**

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

Mary Toell  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy

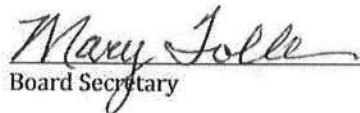


**Policy EL #2g: Compensation and Benefits**

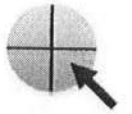
With respect to employment, compensation and benefits to employees, consultants, contract workers, and volunteers, K12 shall not cause or allow jeopardy to financial integrity or to public image.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy



**Policy EL #2h: Communication and Support to The Board**

**K12 shall not cause or allow the board to be uninformed or unsupported in its work.**

**My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:**

May 23, 2012  
Date

Mary Toek  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy



**Policy EL #21: Ends Focus on Grants or Contracts**

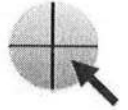
**K12 may not enter into any grant or contract arrangements that fail to emphasize primarily the production of the board's stated Ends.**

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

*Mary Tolle*  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy



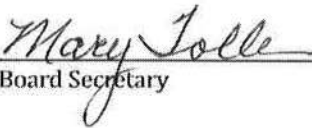
**Policy EL #3a: Treatment of Families & Prospective Families**

K12 shall not:

1. Elicit information for which there is no clear necessity.
2. Use methods of collecting, reviewing, transmitting, or storing student information that fail to protect against improper access to the data.
3. Fail to operate facilities with appropriate accessibility.
4. Fail to establish with families and prospective families a clear understanding of what may be expected and what may not be expected from the programs offered by the school.
5. Fail to establish and adhere to a fair lottery system in the event that the school is oversubscribed.
6. Fail to inform families and prospective families of this policy or to provide a way to be heard for persons who believe they have not been accorded a reasonable interpretation of their rights under this policy.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy



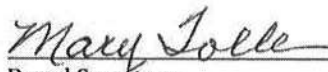
**Policy EL #3b: Treatment of Faculty & Staff**

The K12 shall not:

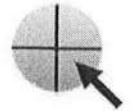
1. Operate without written personnel rules that (a) clarify rules for faculty and staff, (b) provide for effective handling of grievances, and (c) protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons.
2. Retaliate against any staff member for non-disruptive expression of dissent.
3. Fail to acquaint faculty and staff with K12's interpretation of their protections under this policy.
4. Allow faculty or staff to be unprepared to deal with emergency situations.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy



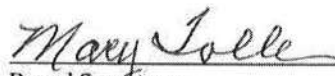
**Policy EL #3c: Financial Planning/Budgeting**

The K12 shall not make plans that:

1. Risk incurring those situations or conditions described as unacceptable in the board policy "Financial Condition and Activities."
2. Omit credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
3. Provide less for board prerogatives during the year than is set forth in the "Cost of Governance Policy."

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy



**Policy EL #3d: Financial Condition and Activities**

K12 shall not:

1. Expend more funds than have been received in the fiscal year to date unless the board's debt guideline is met.
2. Incur debt in an amount greater than can be repaid by certain and otherwise unencumbered revenues within sixty days.
3. Use any long-term reserves without prior board approval.
4. Conduct inter-fund shifting in amounts greater than can be restored to a condition of discrete fund balances by certain and otherwise unencumbered revenues within thirty days.
5. Fail to settle payroll and debts in a timely manner.
6. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
7. Make a single purchase commitment of greater than \$5,000.00. Splitting orders to avoid this limit is not acceptable.
8. Acquire, encumber, or dispose of real estate or other significant assets.
9. Fail to aggressively pursue receivables after a reasonable grace period.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

Mary Lolle  
Board Secretary



Executive Limitations Policies for Michigan Virtual Charter Academy



**Policy EL #3f: Asset Protection**

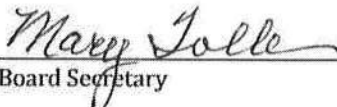
K12 shall not:

1. Fail to insure adequately against theft and casualty to the school and against liability losses to board members, staff, and the organization itself.
2. Allow unbonded personnel access to material amounts of school funds.
3. Subject facilities and equipment to improper wear and tear or insufficient maintenance.
4. Unnecessarily expose the organization, its board, or faculty and staff to claims of public liability.
5. Make any purchase wherein normally prudent protection has not been given against conflict of interest.
6. Fail to protect information and files from loss or significant damage.
7. Receive, process, or disburse funds under controls insufficient to meet the board-appointed auditor's standards.
8. Compromise the independence of the board's audit or other external monitoring or advice, such as by engaging parties already chosen by the board as consultants or advisors.

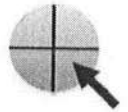
**Policy EL #3f continued on next page**

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy



**Policy EL #3f continued from previous page**

9. Invest or hold operating capital in insecure instruments, including uninsured checking accounts or in non-interest bearing accounts except when necessary to facilitate ease in operational transactions.
10. Endanger MCVA's public image, its credibility within the Michigan chartering community or its ability to accomplish its Ends.
11. Change MCVA's name or substantially alter its identity in the community.
12. Cause or allow facilities, buildings, rooms, departments, programs, grounds to be named or renamed without prior board approval.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

Mary Tolle  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy



**Policy EL #3g: Compensation and Benefits**

K12 shall not:

1. Establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed.
2. Create 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.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

*Mary Tolle*  
Board Secretary

## Executive Limitations Policies for Michigan Virtual Charter Academy



### **Policy EL #3h: Communication and Support to The Board**

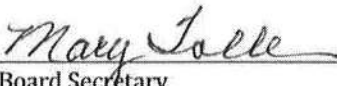
K12 shall not:

1. Neglect to submit monitoring data or evidence required by the board in Board-Management Delegation Policy "Monitoring K12 Performance" in a timely, accurate, and understandable fashion, directly addressing provisions of board policies being monitored, including K12 interpretations consistent with Board-Management Delegation Policy "Delegation to K12," as well as relevant data or evidence.
2. Allow the board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy regardless of the board's monitoring schedule.
3. Allow the board to be without decision information required periodically by the board or let the board be unaware of relevant trends.
4. Let the board be unaware of any significant incidental information it requires including anticipated media coverage, threatened or pending lawsuits, and material internal and external changes.
5. Allow the board to be unaware that, in K12's opinion, the board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of board or board member behavior that is detrimental to the work relationship between the board and K12.
6. 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 other.

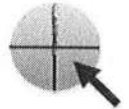
**Policy EL #3h continued on next page**

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

  
Board Secretary

Executive Limitations Policies for Michigan Virtual Charter Academy

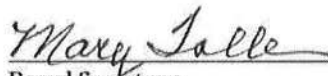


**Policy EL #3h continued from previous page**

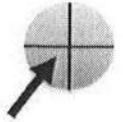
7. Allow the board to be without a workable mechanism for official board, officer, or committee communications.
8. Deal with the board in a way that favors or privileges certain board members over others, except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the board.
9. Fail to submit to the board consent agenda containing items delegated to K12 yet required by law, regulation, or contract to be board-approved, along with applicable monitoring information.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

  
Board Secretary

Board-Management Delegation for Michigan Virtual Charter Academy



**Policy BMD #1: Global Board-Management Delegation Policy**

The board's official connection to operational organization, its achievements, and conduct will be through K12.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

*Mary Tolle*  
Board Secretary

Policy Governance is a registered trademark of John & Miriam Carver. This policy was adapted from John Carver's book "Reinventing Your Board."

Board-Management Delegation for Michigan Virtual Charter Academy



**Policy BMD #2a: Unity of Control**

Only officially passed motions of the board are binding on K12.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

*Mary Tolle*  
Board Secretary

Board-Management Delegation for Michigan Virtual Charter Academy



**Policy BMD #2b: Accountability of K12**

**K12 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 K12.**

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

*Mary Tolle*  
Board Secretary



Board-Management Delegation for Michigan Virtual Charter Academy



**Policy BMD #2c: Delegation to K12**

The board will instruct K12 through written policies that prescribe the organizational Ends to be achieved and proscribe organizational situations and actions to be avoided (Executive Limitations), allowing K12 to use any reasonable interpretation of these policies.

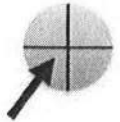
My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

*Mary Tolle*  
Board Secretary

Policy Governance is a registered trademark of John & Miriam Carver. This policy was adapted from John Carver's book "Reinventing Your Board."

Board-Management Delegation for Michigan Virtual Charter Academy



**Policy BMD #2d: Monitoring K12 Performance**

Systematic and rigorous monitoring of K12 performance will be solely against the only expected K12 job outputs: organizational accomplishment of board policies on Ends and organizational operation within the boundaries established in board policies on Executive Limitations.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

Mary Tolle  
Board Secretary

Policy Governance is a registered trademark of John & Miriam Carver. This policy was adapted from John Carver's book "Reinventing Your Board."

Board-Management Delegation for Michigan Virtual Charter Academy



**Policy BMD #3a: Unity of Control**

1. Decisions or instructions of individual board members, officers, or committees are not binding on K12 except in rare instances when the board has specifically authorized such exercise of authority.
2. In the case of board members or committees requesting information or assistance without board authorization, K12 can refuse such requests that require, in K12's opinion, a material amount of staff time or funds, or are disruptive, or are in violation of FERPA.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

Mary Solle  
Board Secretary

Board-Management Delegation for Michigan Virtual Charter Academy

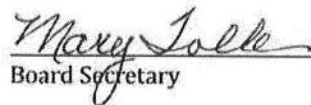


**Policy BMD #3b: Accountability of K12**

1. The board will never give instructions to persons who report directly or indirectly to K12.
2. The board will not evaluate, either formally or informally, any faculty or staff member other than the K12 onsite head of school.
3. The board will view K12 performance as identical to organizational performance so that organizational accomplishment of board-stated Ends and avoidance of board-proscribed means will be viewed as successful K12 performance.

My signature as board secretary hereby certifies that this policy was adopted by the board on the date shown below:

May 23, 2012  
Date

  
Board Secretary