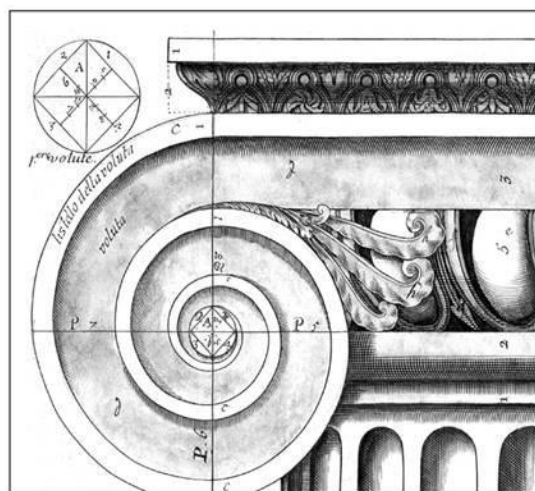


Policy Governance Manual



ROCKBRIDGE
ACADEMY

Rockbridge Academy

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Millersville, MD 21108

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www.rockbridge.org

Adopted February 21, 2015

Schedule of Revisions

SECTION

ADOPTED BY BOARD

ENDS POLICIES

POLICY 1 MISSION SUMMARY

To assist parents in providing students with an extraordinary education by means of an integrated curriculum, pedagogy, and culture, which are distinctly classical and distinctly Christian, and which pursue goodness, truth, and beauty in all spheres of life, while viewing these as elements of a divinely ordered whole.

POLICY 1.1

Students of Rockbridge Academy shall have the reasonable prospect of being able to evaluate their entire range of experience in the light of the Scriptures with eagerness in joyful submission to God by the work of the Holy Spirit.

- 1.1.1 Students shall be taught all subjects in the curriculum as parts of an integrated whole with the Scriptures at the center.
- 1.1.2 Students shall be provided a clear model of biblical Christian life demonstrated in the school staff and Board.
- 1.1.3 Students shall be encouraged to develop their relationship with God the Father through Jesus Christ.
- 1.1.4 Students shall have a heart for the lost and they shall distinguish real religion from religion in form only, possessing the former, knowing and loving the Lord Jesus Christ.
- 1.1.5 Students shall be equipped with an understanding of the tools of learning as conveyed through the model of the Trivium, emphasizing Grammar, Logic, and Rhetoric in all subjects. (Grammar refers to the fundamental rules and data of each subject; Logic refers to the ordered relationships of particulars in each subject; Rhetoric refers to the means by which the grammar and logic of each subject may be expressed persuasively, clearly, and winsomely.)
- 1.1.6 Students shall be encouraged to develop a love for learning and to achieve their academic potential.
- 1.1.7 Students shall be able to recognize cultural influences as distinct from biblical, and to be unswayed towards evil by the former.
- 1.1.8 Students shall be socially graceful and spiritually gracious.
- 1.1.9 Students shall demonstrate an attitude of gratefulness to God and humility to all.
- 1.1.10 Students shall be provided an orderly and secure atmosphere conducive to maintaining this mission.

POLICY 1.2

Commensurate with their aptitudes, abilities, interests, and efforts, students shall become academically, culturally, and morally literate. They will thus be able to edify themselves, honor their parents, serve their fellow men, and glorify God.

- 1.2.1 Students of Rockbridge Academy shall be academically literate in the core competencies of the arts, sciences, and humanities, and prepared for a lifetime of continued learning.
 - 1.2.1.1 These competencies shall be verified by internal assessments employing classical methodologies;
 - 1.2.1.2 These competencies shall be further evaluated by objective external assessments including, but not limited to, the accreditation standards of ACCS and standardized testing.
- 1.2.2 Students of Rockbridge Academy shall be culturally literate, possessing a basic knowledge of, appreciation for, and ability to conserve the history and heritage of Western Civilization.
 - 1.2.2.1 Students shall be acquainted with the institutions and disciplines fundamental to American society.
 - 1.2.2.2 Students shall be acquainted with the history and development of philosophy, science, and the Christian religion as primary intellectual, moral, and social influences.
 - 1.2.2.3 This knowledge shall be verified by internal assessments.
- 1.2.3 Students of Rockbridge Academy shall be morally literate, understanding and appreciating the ethical demands of biblical righteousness, and cultivating personal integrity in private and public life.

POLICY 1.3

Rockbridge Academy's families may expect to pay reasonable tuition and fees that sustain and support a school possessing an outstanding faculty and staff, an exemplary curriculum and program, and facilities and equipment necessary to foster such a program. At the same time, Rockbridge Academy will strive to be financially accessible to families seeking a classical Christian education.

GOVERNANCE PROCESS POLICIES

POLICY 2 GOVERNANCE COMMITMENT

The Board shall ensure that Rockbridge Academy (a) achieves results and uses means that are consistent with the Governing Documents and Ends Policies, and (b) avoids actions or inactions that will bring about results that are inconsistent with (a).

POLICY 2.1 GOVERNING STYLE AND VALUES

The Board shall govern Rockbridge Academy in a manner consistent with the following major principles: (a) biblically-based integrity and truthfulness in all the Board's methods and practices; (b) focused on vision, planning, and strategic leadership, (c) clear distinction of Board and Headmaster roles, (d) collective decision-making, (e) commitment to achieving long-term stability of Rockbridge Academy, and (f) being proactive in all the areas addressed in (a) through (e) above.

Accordingly:

- 2.1.1 The Board will align its policies and practices with the precepts of Scripture and the Governing Documents.
- 2.1.2 The Board will direct, govern, and inspire the organization through the implementation of this Policy Governance Manual. The Board may not vote to amend or adopt a policy unless the placement of such policy within the Policy Governance Manual is specifically provided for in the resolution. Policies shall not be adopted or established as "stand alone" policies.
- 2.1.3 The Board, in its hiring of the Headmaster and other activities, will not discriminate on the basis of race, color, national or ethnic origin, or because of physical or mental disability when the reasonable demands of the position do not require a distinction. To fulfill the distinctively Christian worldview of Rockbridge Academy, the Board may take into account marital status and gender to the extent the Board, in good faith, believes that Scripture compels such a distinction.
 - 2.1.3.1 "Marital status" is defined as marriage between a man and a woman.
"Gender" shall refer to biological gender at the time of birth.
- 2.1.4 The Board will exercise authority as a corporate body exclusively.
- 2.1.5 The Board will strive continuously and systematically to apply and improve this Policy Governance Manual.
- 2.1.6 The Board will enforce upon itself whatever discipline is needed to govern in accordance with the Governing Documents and this Policy Governance Manual.
 - 2.1.6.1 The Board shall receive and resolve complaints against Board Members. Any Member of the Association wishing to lodge a complaint of misconduct

against a Board Member shall submit the complaint in writing to the Chairman; provided, however, that if the complaint is against the Chairman, the complaint shall be submitted to the Vice Chairman. No complaint shall be received unless the complaining person signs the complaint and certifies that he has previously made the Board Member aware of the complaint and that it has not been resolved, consistent with the principles of godly communication laid out in Matthew 18:15-17. The Board shall be notified of the complaint at its next scheduled Board meeting.

POLICY 2.2 BOARD JOB DESCRIPTION

All of the affairs and business of Rockbridge Academy shall be exercised by or under the authority of the Board. The Board is responsible for evaluating and requiring organizational performance consistent with the Governing Documents and this Policy Governance Manual.

Accordingly:

2.2.1 The primary responsibilities of the Board shall be as follows:

- 2.2.1.1 Preserve and protect Rockbridge Academy's Mission and Vision;
- 2.2.1.2 Direct the long-term vision of Rockbridge Academy and perform long-term planning in keeping with this vision, including reviewing the mission and policies of Rockbridge Academy in a comprehensive manner;
- 2.2.1.3 Review the Governing Documents.
- 2.2.1.4 Develop, adopt, and revise this Policy Governance Manual, as needed.

2.2.2 The management and oversight responsibilities of the Board shall be as follows:

- 2.2.2.1 Conduct Board activities consistent with and pursuant to the Governing Documents and this Policy Governance Manual;
- 2.2.2.2 Ensure that all charitable giving to Rockbridge Academy is directed in accordance with donor directions or limitations (when applicable);
- 2.2.2.3 Cultivate, nominate, educate, and orient Board Members who possess the qualifications, talent, skills, and means to further the work of the Board;
- 2.2.2.4 Assess and improve its own performance;
- 2.2.2.5 Employ the Headmaster, who shall function as the Chief Executive Officer of Rockbridge Academy;
- 2.2.2.6 Encourage and annually review and evaluate the performance of the Headmaster;

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- 2.2.2.7 Render operational advice at the request of the Headmaster;
- 2.2.2.8 Strive to ensure that the Association Members are educated and supportive of Rockbridge Academy's foundational principles as enumerated in the Governing Documents, this Policy Governance Manual, and the Strategic Plan;
- 2.2.2.9 Review the annual budget proposed by the Headmaster and adopt the budget if it comports with the Governing Documents, the applicable provisions of this Policy Governance Manual, the Strategic Plan, and the Board's business judgment;
- 2.2.2.10 Report on the annual operating budget for the upcoming School year at the Annual Association meeting;
- 2.2.2.11 Review and approve Rockbridge Academy's annual tax return (IRS Form 990) prior to filing.

2.2.3 The Board shall, on an ongoing basis, engage in strategic, long-term planning.

POLICY 2.3 BOARD MEMBER EDUCATION

The Board will conduct an ongoing program of Board Member education in accordance with the pertinent sections of the Bylaws and periodically re-evaluate the policies set forth in the version of this Policy Governance Manual currently in force in order to improve its performance.

- 2.3.1 Board members shall annually review the Bylaws and Policy Governance Manual..
- 2.3.2 The Governance Committee of the Board shall review the Bylaws of Rockbridge Academy on at least an annual basis for the purpose of evaluating conformity to the mission of Rockbridge Academy, and in order to make recommendations regarding amendments of said Bylaws, if any, to the Board Members.
- 2.3.3 The Board shall establish, retain, and publish written requirements for training and qualifications for board service. Such requirements shall, among other things, require Board Member candidates to demonstrate a visible commitment to the model of classical Christian education provided at Rockbridge Academy, as expressed in Article V, Section 2 of the Bylaws, and as required of Board Members by Policy 2.5.2.

POLICY 2.4 BOARD CHAIRMAN'S ROLE

The Chairman of the Board will use reasonable efforts to maintain the Board's compliance with the Articles of Incorporation, Bylaws, the version of this Policy Governance Manual currently in force, and Strategic Plan currently in force, and in representing the Board to Rockbridge Academy's Members.

Accordingly:

- 2.4.1 To be eligible for nomination to the position of Board Chairman, the nominee must have previously served a minimum of one year as a Board Member.
- 2.4.2 The Board Chairman shall have the responsibilities specified as follows:
 - 2.4.2.1 To preside over Board meetings and meetings of the Association, with all the commonly accepted power of that position (e.g. ruling on points of order, recognizing speakers);
 - 2.4.2.2 To chair the regularly scheduled meetings of the Board;
 - 2.4.2.3 Draft a proposed agenda for the normal business meetings of the Board.

POLICY 2.5 BOARD MEMBERS' CODE OF CONDUCT

The Board will require the Board Members to practice biblical, respectful, and professional conduct, including proper use of authority and appropriate decorum at all times.

Accordingly:

- 2.5.1 Board Members must meet the qualifications stated in the Bylaws of Rockbridge Academy, Inc.
- 2.5.2 Board Members must subscribe to the Statement of Faith as delineated in Article II, Section 2 of the Bylaws, and shall not fail to inform the Board of any qualification or change in this position, or to remove himself from the Board in such event.
- 2.5.3 Board Members must be loyal to the interests of Rockbridge Academy. This accountability supersedes conflicting loyalties 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 in his professional capacity or as a member of the Rockbridge Academy Association.
- 2.5.4 Board Members will submit to the final determination of the Board concerning any particular matter, irrespective of their personal positions concerning such matter.
- 2.5.5 Board Members must avoid conflict of interest with respect to their fiduciary responsibility, in accordance with Policy 3.1 below.
 - 2.5.5.1 A Board Member must not use his position to attempt to obtain employment for himself, family members, or close associates.
- 2.5.6 No Board Member will seek to use his position to influence Rockbridge Academy except as a voting Member of the Board or a Committee of the Board.

POLICY 2.6 RESPONSIBILITIES OF INDIVIDUAL BOARD MEMBERS

The Board will require the Board Members to participate in the process of governing Rockbridge Academy in accordance with its Articles of Incorporation, Bylaws, the version of this Policy Governance Manual currently in force, and the Strategic Plan currently in force.

Therefore, each Board Member is required to participate in the following ways:

- 2.6.1 Attendance: Because Board contemplation, deliberation, and decision-making are processes that require wholeness, collaboration, and participation, attendance at Board meetings is required of Board Members. Members may not be absent from more than three consecutive regular monthly meetings of the Board in any academic and fiscal year. Any absence that exceeds this allotment may be interpreted as that Board Member's resignation from the Board unless approved by the Board.
- 2.6.2 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 own knowledge, skills, and expertise to the Board's efforts to fulfill its responsibilities, however, a Board Member's application of such expertise or skill does not create a professional relationship between the Board Member and Rockbridge Academy.
- 2.6.3 Board Members as Individuals: The Headmaster is accountable only to the collective Board, and not to individual Board Members. Accordingly, the relationship between the Headmaster and individual members of the Board, including the Board Chairman, is collegial, not hierarchical.
- 2.6.4 Contributions: Board Members are encouraged to contribute generously within their individual means to support Rockbridge Academy by financial contributions. The demonstration of support, rather than the amount of the contribution, is of principal importance.
- 2.6.5 Enrollment of children: Board Members will enroll their school-age children in Rockbridge Academy; any exception must be approved by the Board.
- 2.6.6 Board Members will commit to pray regularly and fervently for Rockbridge Academy.

POLICY 2.7 BOARD COMMITTEE PRINCIPLES

Board committees will operate to make policy recommendations to the Board based on careful and prudent findings of fact and conclusions. Board committees should research policy alternatives and their implications before making a recommendation to the Board.

Accordingly:

- 2.7.1 All Board committees exist only by virtue of, and with authority derived from, the Board. Board committees may not act independently of the Board unless expressly authorized to do so by resolution of the Board.

- 2.7.2 Board committees may not speak or act for the Board except when formally given such authority by the Board, and then only for specific and time-limited purposes.
- 2.7.3 Board committees are to assist the Board in the execution of its functions. Board committees will not have direct supervision over the Headmaster or Faculty or Staff members.

POLICY 2.8 COMMITTEES OF THE BOARD

The Board is required to examine the goals, policies, programs, performance, and curriculum of Rockbridge Academy in the light of biblical principles and classical pedagogy. One of the key tools to effectively impact the school and sustain this vision is through the committee structure by which Board members, partnered with teachers, administrators, and parents with particular skills and abilities, work to improve classical pedagogy, Christian community, and the redemptive focus of the school. The following committees comprise the permanent committees charged with executing these tasks under the direction and authority of the Board.

Accordingly:

- 2.8.1 Strategic Planning: The Strategic Planning Committee assists the Board with its responsibilities for the organization's mission, vision, and strategic direction.

Accordingly, the Strategic Planning Committee's responsibilities shall include:

- 2.8.1.1 Making recommendations to the full Board related to Rockbridge Academy's strategic initiatives;
- 2.8.1.2 Helping the Board identify critical strategic issues facing Rockbridge Academy and assisting in analysis of alternative strategic options;
- 2.8.1.3 Ensuring that the Board has established an effective strategic planning process, including development of a three- to five-year strategic plan with measurable goals and time targets;
- 2.8.1.4 Periodically reviewing the mission, vision and strategic plan, and recommending changes to the Board;
- 2.8.1.5 Bi-annually reviewing the strategic plan and recommending updates as needed;
- 2.8.1.6 Establish vision and goals in order to effectively plan the development of both the Belvoir property and the Manor House/historic easement to grow and prosper Rockbridge Academy and impact and bless the local community;
- 2.8.1.7 Monitoring Rockbridge Academy's performance against measurable targets (*e.g.*, student retention and enrollment) or progress points (*e.g.*, break ground for new facility by October, 2015). (Similar language needs to be a part of each committee.)

- 2.8.2 Curriculum: The Curriculum Committee serves the School Board by continuing the review of all of our curricula, in light of biblical principles and the principles of classical education, improving in our ability to teach the stages of grammar, dialectic and rhetoric, to provide well the tools of learning to all our students, and by providing counsel and information necessary to the School Board on matters of curricula.

Accordingly, the Curriculum Committee's responsibilities shall include:

- 2.8.2.1 Working with the administration to develop recommendations to the full Board related to Rockbridge Academy's curriculum with consideration for any curricular initiatives identified in the Strategic Plan;
- 2.8.2.2 Assisting the administration to identify the most pressing curricular issues facing Rockbridge Academy;
- 2.8.2.3 Periodically reviewing the overall curriculum, and, with the administration, recommending changes to the Board.

- 2.8.3 Governance: The Governance Committee provides for the Board's effectiveness and continuing development.

Accordingly, the Governance Committee's responsibilities shall include:

- 2.8.3.1 Recommending to the Board policies and processes designed to provide for effective and efficient governance, including but not limited to policies for:
 - 2.8.3.1.1 Evaluation of the Board as a whole;
 - 2.8.3.1.2 Vetting of potential Board members;
 - 2.8.3.1.3 Board orientation and education; and
 - 2.8.3.1.4 Succession planning for the Board chair and other Board leaders.
- 2.8.3.2 Reviewing and recommending a position description detailing responsibilities of and expectations for Board members, committee chairmen, and the Board chairman;
- 2.8.3.3 Recommending nominees for advisors to the Board. To facilitate this responsibility, the committee will:
 - 2.8.3.3.1 Develop and recommend to the Board a statement of the competencies and personal attributes needed of advisors to the Board (keeping in mind that advisors are potential future Board members), to be used as a guideline for the recruitment and election of advisors;

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- 2.8.3.3.2 Develop, in cooperation with the Headmaster, a regularly updated list of potential Board members regardless of whether a current vacancy exists;
 - 2.8.3.3.3 Oversee a process for vetting the fitness of prospective Board nominees and advisors;
 - 2.8.3.4 Developing a succession planning process for the Board chairman and other Board leaders;
 - 2.8.3.5 Nominating Board officers for election by the full Board;
 - 2.8.3.6 Reviewing the corporate bylaws and recommending changes as needed;
 - 2.8.3.7 Developing plans for Board education, including new member orientation, education of Board members, and a potential annual Board retreat;
 - 2.8.3.8 Overseeing the Board's self-assessment and improvement process every one or two years.
- 2.8.4 Finance and Personnel: The Finance and Personnel Committee assists the School Board and Administration in maintaining a solid fiscal foundation for the school to ensure its long-term and future financial viability.
- Accordingly, the Finance and Personnel Committee's Responsibilities shall include:
- 2.8.4.1 Making sure that complete, accurate financial records are maintained and monitoring those reports;
 - 2.8.4.2 Working with the administration to developing an annual budget;
 - 2.8.4.3 Recommending that annual budget for approval to full Board;
 - 2.8.4.4 Communicating Rockbridge Academy's financial status to the full Board and working to ensure the full Board understands the financial picture;
 - 2.8.4.5 Ensuring compliance with local, state, and federal regulations governing nonprofit financial reporting;
 - 2.8.4.6 Protecting Rockbridge Academy's financial assets and making sure that any investments are wisely managed;
 - 2.8.4.7 Address specific financial or personnel related goals identified in the Strategic Plan and make recommendation to the Board to achieve those goals;
 - 2.8.4.8 Evaluating employee benefits and practices so as to continually meet our mission statement of seeing the faculty "well paid so that they may make a career at Rockbridge Academy";

- 2.8.4.9 Making recommendations to the Board for improvement in faculty salary and benefit structures;
- 2.8.4.10 Maintain a Financial Policy Manual which governs school's financial planning and decision-making.
- 2.8.5 Advancement Committee: The purpose of the Advancement Committee is to provide direction and oversight to the Rockbridge Academy Board for the development of strategies and relationships that promote the school in a manner that supports student recruitment and retention, builds and sustains a strong, engaged parent and student community, enhances the school's profile in the larger local community of Anne Arundel and surrounding counties, and fundraising efforts that build lifelong investors in the school.

Accordingly, the Advancement Committee's responsibilities shall be:

 - 2.8.5.1 Review the school's Strategic Plan annually and make recommendations to the full Board for effective implementation. Address specific goals in the Strategic Plan related to Advancement;
 - 2.8.5.2 Working with the Headmaster and Director of Advancement to continually improve student enrollment and retention;
 - 2.8.5.3 Coordinate Board involvement in Rockbridge Academy events and regional community groups, events, promotions, and outreach;
 - 2.8.5.4 Coordinating and executing Annual Fund and Capital Campaigns and any related activities including gift policies as they relate to ongoing campaigns;
 - 2.8.5.5 Recommending to the full Board goals and objectives of Rockbridge Academy to its public perception, community building, and fundraising efforts.

POLICY 2.9 CONDUCT OF MEETINGS

Board meetings shall be orderly and open to any Member of the Association (unless in Executive Session).

- 2.9.1 The business of the Board shall be conducted by agenda. The agenda shall normally contain the following order of business:
 - I. Adoption of the Agenda
 - II. Reading and approval of minutes of prior meetings.
 - III. Reports of Committees
 - IV. Headmaster's Report
 - V. Unfinished business from prior meetings
 - VI. New Business

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- 2.9.2 The Chairman, in consultation with the Headmaster, shall distribute to Board Members a proposed agenda and any reports and supporting materials at least one (1) week before the scheduled meeting.
- 2.9.3 Any Board Member may propose to the Chairman an item of New Business to be included on the proposed agenda for a meeting, but only within 72 hours of the issuance of the agenda by the Chairman and, if the terms of Section 2.9.3. have been complied with, the Chairman shall include the item on the proposed agenda. The Board Member proposing an item of New Business that is a new Policy or amendment to an existing Policy must communicate in writing to the Chairman, with copy to the Board and Headmaster:
 - 2.9.3.1 The language of a resolution or proposed Policy to be considered by the Board;
 - 2.9.3.2 The category into which a proposed policy falls (i.e., Ends, Governance Process, Board- Staff Linkage, Executive Limitation).
- 2.9.4 The Board shall enforce the requirements of the Governing Documents, the Policy Governance Manual, and the requirements of this Policy 2.9 with respect to the conduct of all meetings of the Board.
- 2.9.5 The Board's meetings shall be open to Members of the Association, the exception being matters discussed in Executive Session. All matters discussed in Executive Session shall be held in the strictest confidence by all Board Members and the Headmaster.
- 2.9.6 Minutes of Meetings: The Secretary shall record in official Minutes all Board actions taken in a business meeting.
 - 2.9.6.1 These minutes shall include:
 - 2.9.6.1.1 The date, place, and time of the meeting.
 - 2.9.6.1.2 Whether it was a regular or special meeting.
 - 2.9.6.1.3 The Board Members present and absent, and any members of the Association present.
 - 2.9.6.1.4 Written committee reports (as attachments)
 - 2.9.6.1.5 The full text of all motions, the names of the persons making and seconding these motions, and whether the motions passed or failed.
 - 2.9.6.2 These minutes shall not include:

- 2.9.6.2.1 The content of committee reports given orally, unless a Board Member specifically requests that a summary of the content be entered.
- 2.9.6.2.2 Discussion surrounding motions or other agenda items, or topics in Executive Session.
- 2.9.6.2.3 The numbers or names of votes for and against any motion, unless a Board Member specifically so requests.
- 2.9.6.2.4 Motions that are withdrawn.
- 2.9.6.2.5 Board Member comments, unless Members specifically request that their comments be entered and the Board concurs.
- 2.9.6.3 A draft of the minutes of each meeting normally will be completed by the Secretary and sent to the Board Members and Headmaster within two weeks of the meeting.
- 2.9.6.4 After being read, corrected, approved, and signed, the Minutes shall be archived in the Headmaster's office. General Session Minutes shall be made available for review by Members of the Association.

POLICY 3 CONFLICT OF INTEREST

Rockbridge Academy shall maintain a conflict of interest policy to protect Rockbridge Academy's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or Board Member of Rockbridge Academy or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the School Board or appropriate committee decides that a conflict of interest exists.

3.1 Definitions:

- 3.1.1 Interested Person: Any Board Member, Board Officer, the Headmaster, or member of a committee with School Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
- 3.1.2 Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family: (a) an ownership or investment interest in any entity with which Rockbridge Academy has a transaction or arrangement; (b) a compensation arrangement with Rockbridge Academy or with any entity or individual with which Rockbridge Academy has a transaction or arrangement; (c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which Rockbridge Academy is negotiating a transaction or arrangement.

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- 3.1.3 Compensation: Includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
- 3.2 Procedures:
 - 3.2.1 Duty to Disclose: In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board Members and members of committees with School Board delegated powers considering the proposed transaction or arrangement.
 - 3.2.2 Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he shall leave the School Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board Members or committee members shall decide if a conflict of interest exists.
 - 3.2.3 The following procedures shall be followed in addressing a conflict of interest:
 - 3.2.3.1 An interested person may make a presentation at the School Board or committee meeting, but after the presentation, he shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 - 3.2.3.2 The chairman of the School Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - 3.2.3.3 After exercising due diligence, the School Board or committee shall determine whether Rockbridge Academy can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 - 3.2.3.4 If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the School Board or committee shall determine by a majority vote of the disinterested Board Members whether the transaction or arrangement is in Rockbridge Academy's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

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3.2.4 Violations:

- 3.2.4.1 If the School Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- 3.2.4.2 If, after hearing the member's response and after making further investigation as warranted by the circumstances, the School Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

3.3 Records:

- 3.3.1 The minutes of meetings at which a conflict of interest is adjudicated will contain names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the School Board's or committee's decision as to whether a conflict of interest in fact existed.
- 3.3.2 The minutes of meetings at which a conflict of interest is adjudicated will contain the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

3.4 Compensation:

- 3.4.1 A voting member of the School Board who receives compensation, directly or indirectly, from Rockbridge Academy for services is precluded from voting on matters pertaining to that member's compensation.
- 3.4.2 A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from Rockbridge Academy for services is precluded from voting on matters pertaining to that member's compensation.
- 3.4.3 No voting member of the School Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from Rockbridge Academy, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

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3.5 Annual Statements:

3.5.1 Each Board Member, Board Officer, and each member of committees with School Board delegated powers shall annually sign a statement which affirms such person:

3.5.1.1 Has received a copy of the conflict of interest policy;

3.5.1.2 Has read and understands the policy;

3.5.1.3 Has agreed to comply with the policy;

3.5.1.4 Understands Rockbridge Academy is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

3.6 Periodic Reviews:

3.6.1 To ensure Rockbridge Academy operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

3.6.1.1 Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

3.6.1.2 Whether partnerships, joint ventures, and arrangements with management organizations conform to Rockbridge Academy's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

3.7 Use of Outside Experts:

3.7.1 When conducting the periodic reviews as provided for in 3.1.6 above, Rockbridge Academy may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the School Board of its responsibility for ensuring periodic reviews are conducted.

BOARD/STAFF LINKAGE POLICIES

POLICY 4 GOVERNANCE-MANAGEMENT CONNECTION

The Board's sole official connection to the operational management of Rockbridge Academy, its achievements and conduct, will be through the Headmaster.

POLICY 4.1 UNITY OF CONTROL AND COMMUNICATION

Unless otherwise stated herein, only decisions of the Board acting as a collective governing body are binding.

Accordingly:

- 4.1.1 The Board may delegate authority to individual Board Members, officers, or committees only by resolution at a duly called meeting of the Board.
- 4.1.2 The Chairman or his designee may request information or assistance from the Headmaster only as a result of formal board action.
- 4.1.3 The Headmaster may defer fulfilling such requests that, in the Headmaster's judgment, would require an unjustifiable amount of Staff time or funds or would be disruptive to Staff operations, and shall submit the matter to the Board for resolution.

POLICY 4.2 AUTHORITY AND ACCOUNTABILITY OF THE HEADMASTER

The Headmaster shall be the Board's only link to operational achievement and conduct, so that all authority and accountability of Faculty and Staff, as far as the Board is concerned, is considered the authority and accountability of the Headmaster.

Accordingly:

- 4.2.1 The Board shall not give instructions to persons who report directly or indirectly to the Headmaster.
- 4.2.2 The Board shall not evaluate any Faculty or Staff member other than the Headmaster.
- 4.2.3 The Headmaster shall comply with the Conflict of Interest Policy set forth in Policy 3.1.

POLICY 4.3 DELEGATION TO THE HEADMASTER

The Board will instruct the Headmaster through written policies that prescribe the organizational Ends to be achieved, and describe organizational situations and actions to be avoided (Executive Limitations).

Accordingly:

- 4.3.1 Within the Executive Limitations Policies, the Headmaster is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities to achieve the Board's Ends Policies.
- 4.3.2 Should the Headmaster or his Faculty or Staff intentionally or unintentionally violate a Board policy, upon becoming aware of the violation, he shall inform the Board promptly, but not later than the next regularly scheduled Board meeting.

POLICY 4.4 MONITORING HEADMASTER PERFORMANCE

The Board shall conduct systematic and thorough monitoring of Headmaster job performance against the following criteria: (a) accomplishment of Board policies on Ends; (b) operation within the boundaries established in Board policies on Executive Limitations; (c) annual performance objectives set in conjunction with the Headmaster's immediately prior evaluation; and (d) conditions set forth in the Headmaster's employment agreement and job description. Evaluation of the Headmaster will be conducted by the Board primarily through the Headmaster Evaluation Committee.

Accordingly:

- 4.4.1 The Board will acquire monitoring data by one or more of three methods: (a) internal report, in which the Headmaster discloses compliance information to the Board; (b) external report, in which an external, disinterested third party selected by the Board assesses compliance with Board policies; and (c) direct Board inspection, in which the Board and the Headmaster Evaluation Committee assess compliance with the appropriate policy criteria.
- 4.4.2 In every case, the standard for compliance to the policy being monitored shall be any reasonable interpretation by the Headmaster of the policy in effect at the time the decision was made. The Board is the final judge of reasonableness and will always judge with a "reasonable person" test (whether what the Head of School did was what a reasonably prudent executive would do in that context), even if those choices may not be the choices the Board or its members may have made.
- 4.4.3 The Board shall, before the end of each fiscal year, conduct a formal, documented evaluation of the Headmaster's performance.

EXECUTIVE LIMITATIONS

Introduction

The Board believes these "Executive Limitations" are not the product of the Board's lack of confidence in, or trust of, the Headmaster. Quite the contrary, they exist because the trust and confidence is so great that the Board Members are prepared to delegate administrative responsibility to the Headmaster (except as provided in these "Executive Limitations"). These

policies are designed as an alternative to, and to avoid the necessity of, the Headmaster coming to the Board for “approval” of every administrative procedure, guideline, decision, or action. In short, the Headmaster is free to use any reasonable means he chooses to attain the “Ends” mandated by the Board, with the only exceptions being those means expressly noted in these “Executive Limitations.”

The Board does retain the authority and responsibility to modify these limitations from time to time, as the Board deems it beneficial to give the Headmaster clearer and more comprehensive guidance. However, when the Board chooses to exercise its prerogative of changing the boundary between Board and Headmaster authority by creating or revising policies, it expressly notes that such modifications are the normal, ongoing business of a diligent Board as it works in partnership with the Headmaster to ensure institutional vitality and success. Such changes are to be viewed as signs of a healthy governance culture, not a dysfunctional one.

POLICY 5 GENERAL EXECUTIVE CONSTRAINT

The Headmaster shall not cause nor allow any practice, activity, decision, or organizational circumstance that is unlawful, imprudent, or in violation of Biblical standards, Rockbridge Academy’s Bylaws, or this Policy Governance Manual.

POLICY 5.1 PROGRAMS/SERVICES

The Headmaster shall ensure that the programs and services of Rockbridge Academy meet or exceed Rockbridge Academy’s Ends regarding the developmental approach to Classical Christian education, the standards of Rockbridge Academy’s accrediting agency, the Association of Classical and Christian Schools (ACCS), and best practices for excellence in program quality and safety.

Accordingly, the Headmaster shall not:

- 5.1.1 Fail to provide instruction to students in an orderly atmosphere structured to support the spiritual, moral, social, intellectual, emotional, and physical development occurring simultaneously in the Christian home.
- 5.1.2 Allow Rockbridge Academy to lose accreditation with ACCS.
- 5.1.3 Allow Rockbridge Academy to fail to adhere to ACCS academic, classical methodology, or financial standards.
- 5.1.4 Change graduation requirements without Board approval.

POLICY 5.2 COMMUNICATION AND SUPPORT TO THE BOARD

The Headmaster will keep the Board informed and support the Board in its work.

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Accordingly, the Headmaster shall not fail to:

- 5.2.1 Submit monitoring data required by the Board (as required in Policy 4.4 - Monitoring Headmaster Performance) in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies being monitored.
- 5.2.2 Communicate to the Board, in a timely manner, relevant trends, anticipated adverse media coverage, threatened or pending lawsuits, grievances, material external and internal changes, particularly changes in the assumptions upon which any Board policy has been previously established.
- 5.2.3 Advise the Board if, in the Headmaster's opinion, the Board is not in compliance with the Board's 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 Headmaster.
- 5.2.4 Marshal for the Board internal and external points of view, issues, and options to promote informed Board choices.
- 5.2.5 Avoid dealing 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.
- 5.2.6 Report in a timely manner any operational aspect of Rockbridge Academy that is in actual or anticipated noncompliance with any policy of the Board.

POLICY 5.3 EMERGENCY HEADMASTER ABSENCE OR SUCCESSION

In order to protect Rockbridge Academy from sudden loss of Headmaster services, the Headmaster shall not fail to have an interim succession plan to ensure continuity of operations, which shall have been approved by the Board.

POLICY 5.4 TREATMENT OF MEMBERS OF ROCKBRIDGE ACADEMY, INC.

With respect to interactions with members and prospective members of the Corporation and their children, the Headmaster shall not cause or allow conditions, procedures, or decisions that are unsafe, unhealthy, undignified, unresponsive, unnecessarily intrusive, unbiblical, illegal, or which fail to provide appropriate confidentiality or privacy.

Accordingly, the Headmaster shall not:

- 5.4.1 Use methods of collecting, reviewing, transmitting, storing, or disposing of information that fail to protect against unauthorized access.
- 5.4.2 Fail to maintain facilities that provide meeting spaces with a reasonable level of privacy, both visual and aural.

- 5.4.3 Fail to enact and consistently apply a general conflict resolution policy that comports with the principles of Matthew 7:1-5 and Matthew 18:15-17.
- 5.4.4 Operate without making available clear written policies, procedures, and guidelines that describe what is expected of students and parents, what parents and students may expect from the School, the consequences of noncompliance, and a grievance process.
- 5.4.5 Prevent parents from appealing to the Board when (1) grievance policies and procedures have been exhausted, or (2) the parent alleges that the Board policy has been violated to his or her detriment.
- 5.4.6 Fail to prepare students and Staff to respond to emergency situations.
- 5.4.7 Enroll or re-enroll families who openly do not support the Mission, Vision, and Values of Rockbridge Academy.
- 5.4.8 Operate without a dress code that specifies uniforms for students.
- 5.4.9 Allow teachers to advocate a particular view either of primary doctrine that does not fully comport with the Rockbridge Academy Statement of Faith, or of secondary doctrine as representing the official position of Rockbridge Academy. Secondary doctrine is doctrine which is not explicitly contained in the Rockbridge Academy Statement of Faith. This policy does not, however, preclude the discussion or debate of matters of secondary doctrine in the classroom.

POLICY 5.5 HIRING AND TREATMENT OF FACULTY AND STAFF

The Headmaster is invested with complete authority to hire, supervise, evaluate, and dismiss all Faculty and Staff. With respect to the treatment of Faculty and Staff, (including volunteers), the Headmaster may not cause or allow conditions that are unfair, unsafe, unbiblical, undignified, or unlawful.

Accordingly, the Headmaster shall not:

- 5.5.1 Discriminate on the basis of race, color, national or ethnic origin.
 - 5.5.1.1 For purposes of Policy 5.5.1, “marital status” is defined as marriage between a man and a woman.
 - 5.5.1.2 For the purposes of Policy 5.5.1, “gender” shall refer to biological gender at the time of birth.
- 5.5.2 Operate without written personnel procedures and guidelines, which clarify personnel rules, provide for effective handling of grievances, and protect against wrongful conditions.
- 5.5.3 Discriminate against any Faculty or Staff member for expressing a reasonable opinion dissenting from a policy or practice of the Board or Headmaster.

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- 5.5.4 Prevent Faculty or Staff from appealing to the Board when (1) internal grievance policies and procedures have been exhausted, or (2) the Faculty or Staff member alleges that Board policy has been violated to his or her detriment.
- 5.5.5 Fail to acquaint Faculty and Staff with this policy.
- 5.5.6 Employ or continue to employ Faculty and/or Staff members that fail to meet the following minimum qualifications:
 - 5.5.6.1 Profess a personal faith in Jesus Christ as Savior and Lord and maintain a credible Christian testimony as an evangelical Protestant.
 - 5.5.6.2 Be a member in good standing in a local evangelical church whose doctrine is in substantive agreement with Rockbridge Academy's Statement of Faith.
 - 5.5.6.3 Subscribe without evasion or mental reservation to the Statement of Faith as delineated in Article 2, Section 2 of Rockbridge Academy's Bylaws.
 - 5.5.6.4 Subscribe without mental reservation to the model of the Trivium as presented in Rockbridge Academy's teacher training, Dorothy Sayers' article, *The Lost Tools of Learning*, and ongoing teacher training as provided by the administration of Rockbridge Academy.
 - 5.5.6.5 Possess other personal and professional qualifications that show promise of successfully discharging the duties of the job description while in the employ of Rockbridge Academy as assigned by the Headmaster.
 - 5.5.6.6 Submit to criminal and reference background examinations, as well as such other examinations, tests, or analyses as the Headmaster may require.
 - 5.5.6.7 Affirm their understanding and agreement to live by Christian moral standards as prescribed in the Scriptures (whether by precept, explicit command, or by good and necessary inference).
 - 5.5.6.8 Provide a minimum of three satisfactory references.
- 5.5.7 Employ Faculty and/or Staff members that have a real or apparent conflict of interest between their personal interests and their employment responsibilities.
 - 5.5.7.1 For purposes of this Policy, "conflict of interest" shall include taking action of a personal, family, or financial nature that is detrimental to the Faculty or Staff member's ability to satisfactorily perform his or her job.
 - 5.5.7.2 For purposes of this Policy, "conflict of interest" shall include a full-time Faculty or Staff member's educating his or her eligible children at a public school, or private school other than Rockbridge Academy. Exceptions will be considered by the Headmaster for children with diagnosed learning disabilities.

- 5.5.7.3 For purposes of this Policy, “conflict of interest” shall not include the mere fact that a Faculty member teaches his or her own child.

POLICY 5.6 COMPENSATION AND BENEFITS

With respect to employment, compensation, and benefits to employees, the Headmaster shall not cause or allow jeopardy to fiscal integrity or Christian testimony.

Accordingly, the Headmaster shall not:

- 5.6.1 Change his own compensation and benefits.
- 5.6.2 Promise or imply permanent or guaranteed employment.
- 5.6.3 Create compensation obligations over a longer term than one year subject to withdrawal based on unanticipated shortfalls in revenue.
- 5.6.4 Establish or change compensation or benefits so as to cause unpredictable, inequitable, or illegal situations, including those that:
 - 5.6.4.1 Incur unfunded liabilities.
 - 5.6.4.2 Provide less than some basic level of benefits to all full-time employees, though differential benefits to encourage longevity are not prohibited.

POLICY 5.7 FINANCIAL PLANNING/BUDGETING

Financial planning for any fiscal year or the remaining part of any fiscal year shall not risk fiscal jeopardy, or fail to be derived from the Board’s Strategic Planning.

Accordingly, the Headmaster shall not:

- 5.7.1 Allow planning that:
 - 5.7.1.1 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.
 - 5.7.1.2 Plans the expenditure in any fiscal year of more funds for operations than projected tuition-related income and pledged giving.
 - 5.7.1.3 Allows cash to drop below a reasonable and prudent safety reserve.
 - 5.7.1.4 Fails to allocate a reasonable and prudent amount to long term savings/debt reduction.
- 5.7.2 Fail to consult with the Finance Committee in planning the budget for any fiscal year.

POLICY 5.8 FINANCIAL CONDITION AND ACTIVITIES

With respect to the actual, ongoing financial condition and activities, the Headmaster shall not cause or allow the development of fiscal jeopardy.

Accordingly, the Headmaster shall not:

- 5.8.1 Expend more funds than have been received in the fiscal year to date without prior approval of the Board.
- 5.8.2 Use any long-term reserves without specific approval from the Board.
- 5.8.3 Accept money for a specified purpose that deviates materially from the Board's Ends priorities.
- 5.8.4 Accept any funds that have conditions that violate the Governing Documents.
- 5.8.5 Spend or permit spending of restricted funds other than for the restricted purposes.
- 5.8.6 Fail to settle payroll obligations and undisputed debts in a timely manner.
- 5.8.7 Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.
- 5.8.8 Acquire, encumber, or dispose of real property.
- 5.8.9 Fail to pursue collection of accounts receivable appropriately after a reasonable grace period.
- 5.8.10 Without prior approval of the Board, enter into contracts for consultants or contract workers for a term greater than a year unless the contract allows termination without penalty in the event of unanticipated shortfalls in revenue.

POLICY 5.9 ASSET PROTECTION

The Headmaster shall not allow the assets of Rockbridge Academy to be unprotected, inadequately maintained, or unnecessarily risked.

Accordingly, the Headmaster shall not:

- 5.9.1 Expose the organization, its Board, Faculty, Staff, or Rockbridge Academy itself to unreasonable risk of liability.
- 5.9.2 Fail to insure improvements to real estate against casualty loss in an amount equal to at least 80% of the replacement cost, fail to insure tangible assets against theft and casualty loss in an amount equal to at least 80% of the replacement cost or fail to insure Board Members, Faculty, Staff, and Rockbridge Academy against general liability claims.

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- 5.9.3 Allow unauthorized personnel access to material amounts of funds.
- 5.9.4 Permit the facilities, property, or equipment to be subjected to excessive wear and tear or insufficient maintenance.
- 5.9.5 Obligate any funds:
 - 5.9.5.1 Wherein that action would violate Policy 3.1 (Conflict of Interest).
 - 5.9.5.2 Without obtaining competitive bids for purchases over \$5,000. Any exceptions must be documented and approved by the Board.
 - 5.9.5.3 Without prior approval of the Board for purchases or leases over \$20,000.
 - 5.9.5.4 For consulting services without a signed, written contract that states milestones, deliverables, and acceptance criteria. .
- 5.9.6 Fail to protect intellectual property, information, and files from loss or significant damage or from unauthorized use.
- 5.9.7 Receive, process, or disburse funds under controls that are insufficient to meet the standards as laid out in the Financial Policy Manual.
- 5.9.8 Invest or hold operating capital in insecure instruments, including uninsured bank accounts and bonds of less than AA rating, or in non interest-bearing accounts except where necessary to facilitate ease in operational transactions.
- 5.9.9 Endanger Rockbridge Academy's public image or credibility, particularly in ways that would hinder the accomplishment of its mission.

POLICY 6 GIFT ACCEPTANCE

The Members, School Board, Headmaster, Faculty, and Staff of Rockbridge Academy are encouraged to solicit current and deferred gifts from individuals, corporations, and foundations to further and fulfill the mission of Rockbridge Academy. These policies and guidelines govern the acceptance of restricted and unrestricted gifts to Rockbridge Academy and provide guidance to prospective donors and their advisors when making gifts to Rockbridge Academy. A gift is defined as any transfer of personal or real property made on a voluntary basis and without consideration received in return. A gift is not a payment for goods or services received, nor payment made to directly benefit a pre-selected individual, such as a scholarship for a specific student selected by the payer. In the case of payments which are part gift and part payment for goods and services, Rockbridge Academy shall specify such differentiation in printed materials for events and gift receipts. Subject to any limitations that may be present in the Policy Governance Manual, the Headmaster, in his sole discretion, shall determine whether to accept a gift to Rockbridge Academy.

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Accordingly, the Headmaster shall not:

- 6.1 Accept any gift that in any way may detract from its mission, character, integrity, or independence.
- 6.2 Accept any gift that would cause or allow discrimination against any individual on the basis of race, color, sex, or national or ethnic origin.
- 6.3 Accept any gift that is too restrictive in purpose. Gifts that are too restrictive are:
 - 6.3.1 Those that violate the terms of the Governing Documents.
 - 6.3.2 Gifts that are too difficult to administer.
 - 6.3.3 Gifts that are for purposes outside the mission of Rockbridge Academy.
- 6.4 Accept any restricted gift, the conditions and expectations of which are not specified in writing by the donor at or prior to the date that Rockbridge Academy receives the gift. Restrictions on gifts are to be clearly detailed in writing and mutually agreed upon by the donor and Rockbridge Academy.
- 6.5 Use restricted gifts for any purpose other than those designated by the donor or as set forth in related solicitation materials.
- 6.6 Fail to secure the prior approval of the Board for:
 - 6.6.1 Any gifts that would have a significant impact on the operations of Rockbridge Academy.
 - 6.6.2 Any gifts conditioned on naming or other acknowledgement.
- 6.7 Fail to maintain the confidence and trust of donors by protecting any and all personal information that donors may provide, namely: names, postal addresses, e-mail addresses, and telephone numbers.
- 6.8 Fail to use personal information only to distribute information about Rockbridge Academy, to alert donors to special events, and to continue to solicit donations.
- 6.9 Share, sell, rent or otherwise provide any of the above listed information to third parties.
- 6.10 Fail to ensure that the above listed information is not accessible through the internet and is only accessible by authorized Staff members.
- 6.11 Fail to comply with all laws and regulations affecting or relating to charitable giving and fundraising activities.

- 6.12 Fail to seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate.