

Minutes  
Kentucky Community and Technical College System  
Board of Regents  
Executive Committee Meeting  
September 17, 2020

Committee Members Present:

- Dr. Gail R. Henson, Committee Chair
- Ms. Lisa V. Desmarais, Committee Vice Chair
- Dr. Wendy Fletcher, Secretary
- Mr. Chris Girdler
- Mr. James Lee Stevens – *joined at 10:31 a.m.*

Committee Members Absent:

- Mr. Damon V. Allen

Call to Order:

KCTCS Board of Regents Chair Gail Henson called to order the meeting of the Kentucky Community and Technical College System Board of Regents Executive Committee at 10:06 a.m. (ET) on September 17, 2020. The meeting was held virtually via Microsoft TEAMS. The press was notified of the meeting on September 9, 2020. Hon. Pamela Duncan, Interim General Counsel, served as parliamentarian.

There being a quorum present, the meeting began.

Approval of Minutes:

Chair Henson asked if there were any corrections to the June 11, 2020, minutes presented in the meeting materials. There being none, the minutes were declared approved as presented.

Additions or Changes to the Agenda:

There were no changes or additions to the agenda.

Action: Renewal of Mission Statement for Big Sandy Community and Technical College

RECOMMENDATION: That the KCTCS Board of Regents approve the renewal of the mission statement for Big Sandy Community & Technical College (BSCTC) as presented in the agenda materials.

Chair Henson called on President Box to present the agenda item. President Box introduced Dr. Sherry Zylka, BSCTC President/CEO, who assisted with the presentation. Dr. Zylka acknowledged Ms. Myra Elliot and Ms. Denese Atkinson who assisted with the Mission Statement review process.

President Box noted that it is the policy of the KCTCS Board of Regents that each SACS-accredited college under the jurisdiction of the KCTCS Board of Regents has a statement of purpose approved by the governing board and that the KCTCS Board of Regents periodically review and approve mission statements of each SACS-accredited college. It is also the policy of KCTCS that the college mission statement is reviewed annually and submitted to the KCTCS Board of Regents for approval at least once every three years.

Dr. Zylka noted that in the fall of 2019, she assembled the Strategic Planning Team inclusive of the leadership across the college to review the current mission statement while ensuring alignment of the BSCTC themes with the proposed goals of KCTCS. As a result of this meeting, the consensus was the mission statement represented the college's vision and commitment. A draft version was developed which added the required statement about serving the region. In February 2020, Dr. Zylka conducted a community forum. Results from the meeting reflected the mission statement is in alignment with their expectations for BSCTC.

Dr. Zylka shared that in April 2020, the current mission statement was sent to community members along with a survey designed to solicit input and to provide an opportunity for feedback. Results reflected the mission statement is relevant and consistent with community perceptions, with 89 percent of the respondents indicating the mission statement accurately represents the core purpose and focus of BSCTC. In April 2020, the draft version was sent to all BSCTC employees, along with a survey designed to solicit input and to provide an opportunity for feedback. Results reflected the mission statement is relevant and consistent and continues to describe the overall purpose and scope of BSCTC, with 92 percent of the respondents indicating the mission statement accurately represents the core purpose and focus of BSCTC.

Dr. Zylka shared that the final version of the revised mission statement and the comprehensive 2016-2022 BSCTC Strategic Plan and its individual components consisting of the vision statement, values, priorities, and themes, were approved at the May 2020, BSCTC Board of Directors' meeting.

Chair Henson called for discussion, there being none, she called for the motion.

MOTION: Ms. Desmarais moved, and Mr. Girdler seconded, that the Executive Committee recommend that the KCTCS Board of Regents approve the renewal of the mission statement for Big Sandy Community & Technical College (BSCTC) as presented in the agenda materials.

Chair Henson called for the vote. Due to the meeting being held virtually, voting had to be conducted by roll call vote. Chair Henson asked Ms. Duncan to conduct the roll call vote. The motion was approved unanimously.

Chair Henson moved to the next agenda item.

**Action: Policy Revision KCTCS Board of Regent Policy 7.4 – Recognition of Independent KCTCS Foundations**

**RECOMMENDATION:** That the KCTCS Board of Regents approve the proposed revision of KCTCS Board of Regents Policy 7.4 Policy on Recognition of Independent KCTCS Foundations (Attachments A and B).

Chair Henson called on President Box to present the item. Vice President Mohler assisted with the presentation.

Vice President Mohler noted that this agenda item was brought forward as Information item at the June 11-12, 2020, KCTCS Board of Regents meetings, and there were no concerns or objections to the revision. Currently, all recognized foundations are out of compliance with Policy 7.4, as it is currently written. He shared that this policy has not been revised since 2005.

It was shared that the proposed policy revisions align with industry best practice and KCTCS prevailing current practice. These revisions simplify policy to the most critical elements to protect the interests of KCTCS and designate official recognition of an independent foundation. This policy recommendation and the related administrative policy and procedures have been vetted and recommended by the Presidents of each KCTCS Colleges, their Chief Advancement Officer (who also serves as Executive Director of their respective related foundation) and KCTCS Legal Services.

Mr. Mohler shared that this revised policy and its implementing administrative policy and procedure help facilitate a consistent standard of professionalism, ethics, confidentiality, accountability, and donor expectations across the charitable organizations designated with recognized foundation status.

Chair Henson called for discussion.

During discussion, Regent Fletcher asked why the KCTCS President would be able to implement a change to the policy and if it would give the KCTCS President the authority to move funds from the Foundation? Mr. Mohler noted that since they are independent foundations, the KCTCS President does not have any authority, nor does the KCTCS Board of Regents, to move any money from independent foundations.

Chair Henson called for additional discussion, there being none, she called for the motion.

**MOTION:** Dr. Fletcher moved, and Ms. Desmarais seconded, that the Executive Committee recommend that the KCTCS Board of Regents approve the proposed revision of KCTCS Board of Regents Policy 7.4 Policy on Recognition of Independent KCTCS Foundations (Attachments A and B).

Chair Henson called for the vote. Chair Henson asked Ms. Duncan to conduct the roll call vote. The motion was approved unanimously.

Chair Henson moved to the next agenda item.

#### Update: KCTCS Board Policy Review

Chair Henson called on President Box to present the item. Interim General Counsel Duncan assisted with the presentation.

Ms. Duncan provided an overview of the KCTCS Cabinet's review and assessment of the KCTCS Board Regents policies and discussed the plan to revise those in need of updating.

Chair Henson called for discussion.

During discussion, Regent Desmarais asked for the policies to be reviewed for consistency of form and content. She asked for a change to be made in the policies from "at the discretion of the Chair" to "at the discretion of the Board." Ms. Duncan noted that the Board Bylaws gives the Board the authority to do that and that the policies would be reviewed to make that change.

Regent Fletcher asked if the policies align with Kentucky Regulations. Ms. Duncan shared that Kentucky Regulations give the Kentucky Statutes preference. Regent Desmarais asked for the timeline for updating the policies. Chair Henson shared that an update would be given in December with final review at the March 2021 meeting.

Chair Henson called for additional discussion, there being none, she announced the next meeting.

#### Next Meeting:

The next meeting of the KCTCS Board of Regents Executive Committee will be held on December 3, 2020, at the KCTCS System Office in Versailles.

Chair Henson called for a motion to adjourn.

#### Adjournment:

Dr. Fletcher moved that the meeting adjourn. Ms. Desmarais seconded the motion.

Chair Henson called for the vote. Chair Henson asked Ms. Duncan to conduct the roll call vote. The motion was approved unanimously, and the meeting adjourned at 10:35 a.m. (ET).

**December 3, 2020**

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Date Approved by the  
KCTCS Board of Regents

**SIGNATURE ON FILE**

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Gail R. Henson, Ph.D., Chair  
KCTCS Board of Regents

**SIGNATURE ON FILE**

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Wendy Fletcher, DNP, APRN, FNP-BC, FAANP  
Secretary  
KCTCS Board of Regents

**SIGNATURE ON FILE**

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Paul B. Czarapata, Ed.D.  
KCTCS Interim President

## STRIKETHROUGH VERSION

### Recognition of Independent Foundations

~~Any independent, not-for-profit foundation organized for the purpose of raising private funds and working to enhance the programs and services for any institution of the Kentucky Community and Technical College System (KCTCS) shall seek recognition as the fund-raising arm of the institution with which it is associated and shall adhere to the following policy:~~

#### ~~7.4.1—Legal Status~~

~~The foundation shall be recognized by the Internal Revenue Service (IRS) as a Section 501(c)(3) organization. A copy of the IRS Determination of Tax Status shall be supplied to the college and be made available for review upon request to officials of KCTCS.~~

~~The foundation's Articles of Incorporation shall provide that the sole purpose of the foundation is to support the KCTCS college with which it is associated. The Articles shall also provide that, in the event the foundation is dissolved, all assets and property will be transferred to the college that is part of KCTCS.~~

~~The foundation's bylaws will more specifically provide for the role of the foundation, its board of directors, and its committees. The bylaws shall not be inconsistent with these guidelines.~~

#### ~~7.4.2—Board of Directors~~

##### ~~7.4.2.1—Membership~~

~~The foundation's board of directors should be comprised as follows:~~

- ~~▸ No less than 6 members and no more than 30 members. Elected board members from the community shall comprise the majority of the foundation board.~~
- ~~▸ The college president/chief executive officer shall be an ex-officio, voting member of the foundation's board of directors. Per the Commission on Colleges of the Southern Association of Colleges and Schools (SACS) *Principles of Accreditation*, "The institution's chief executive officer has ultimate control of the institution's fund-raising activities."~~
- ~~▸ The college's chief development officer or other person chosen by the college president/chief executive officer shall be an ex-officio, voting member of the foundation's board of directors and shall serve as the foundation's executive director.~~

~~▸—At least one member of the foundation’s board of directors shall be elected from the current membership of the college’s board of directors to serve as an ex-officio, voting member.~~

~~▸—The terms of all members of the foundation board of directors shall be staggered so that approximately one-third of the terms expire each year, except that the ex-officio members shall serve for the periods that they hold their respective offices.~~

#### **7.4.2.2—Compensation**

~~Members of the foundation’s board of directors shall serve without compensation, but by resolution of the board of directors may be reimbursed for expenses paid or incurred in the performance of their duties as directors.~~

#### **7.4.2.3—Meetings/Minutes**

~~The foundation’s board of directors shall meet a minimum of two times per year with a majority of the members present. The Executive Committee or other committees of the board of directors may meet on a more frequent basis as needed.~~

~~The foundation’s Secretary shall keep accurate minutes of all meetings of the directors and shall have the care and custody of the foundation’s minute book.~~

#### **7.4.2.4—Custody and Care of Funds**

~~The foundation shall have a Treasurer who is a voting member of the foundation’s board of directors. The Treasurer, subject to the order of the board of directors, shall have the care and custody of the money, funds, valuable papers, and documents of the foundation, and shall have and exercise, under the supervision of the board of directors, all the powers and duties commonly incident to such office. The Treasurer shall deposit all funds of the foundation in such bank or banks, trust company or trust companies, or with such firm or firms doing a banking business, as the board shall designate.~~

#### **7.4.2.5—Audit/Reporting Guidelines**

~~The foundation shall file annually and make available for public review the IRS Form 990 as required by federal law.~~

~~The foundation shall supply annually to KCTCS the names, home and business addresses, and telephone numbers, and titles of its board of directors.~~

The foundation shall provide to the development office of the college with which it is associated the names and addresses of prospective donors and the donors' names, addresses, and amounts and designation of gifts received in a manner prescribed by the KCTCS Office of Development, for the purpose of appropriate reporting, acknowledgment, and recognition by KCTCS.

### **7.4.3—Fund-Raising Practices**

The foundation should assure that in all solicitations, the solicitors

- ~~▸ Identify his/her relationship to the foundation and the KCTCS college for which they are seeking support.~~
- ~~▸ Advise donors at the time of solicitation that they may make contributions directly to the college to be deposited into appropriate gift accounts maintained by the college.~~
- ~~▸ Clearly state the purpose, programs, and activities for which the funds will be used.~~
- ~~▸ Conduct fund raising without excessive pressure.~~
- ~~▸ Should not directly or indirectly solicit contributions for any purpose by misrepresentation of his/her name, occupation, financial condition, social condition or residence, and no person should make any other misstatement, practice any deception or fraud in connection with any solicitation or any contribution for any purpose.~~
- ~~▸ The foundation should establish and exercise adequate controls over fund-raising activities and contributions received, including commitment to writing of all fund-raising transactions.~~
- ~~▸ The foundation should also seek to keep fund raising and administrative costs below 20% of the foundation's total annual income.~~
- ~~▸ In all cases where funds are transferred from the foundation to the college, copies of documentation from the donor(s) that state the intended use of the gift(s), and that include the donor's name(s) and address(es), shall accompany the transfer of funds. The foundation, the college, and KCTCS will respect the wishes of donors who wish to remain anonymous.~~



#### **7.4.4—Terms and Privileges of Recognition**

~~During the term of this recognition, the foundation shall be the private fund raising arm of the college with which it is associated.~~

~~The foundation and the college shall enter into a Memorandum of Understanding (MOU) that stipulates the obligations of both parties and defines the use of and compensation for the facilities, equipment, personnel, and services of the college to carry out foundation activities. Such agreements shall be in compliance with guidelines and policies adopted by the KCTCS Board of Regents and shall comply with applicable state laws.~~

~~Donors to the foundation during the term of this recognition shall be acknowledged and recognized in the same manner and afforded the same privileges as donors to the college and KCTCS.~~

#### **7.4.5—Maintaining Recognition**

~~Failure to comply with any of these guidelines may cause a foundation to forfeit the KCTCS recognition as a recognized independent foundation and all benefits provided thereby.~~

- ~~A.—In the event of failure to comply, a foundation shall be notified in writing that KCTCS is withdrawing its recognition. Unless the foundation secures a renewal of its recognition within 30 days of the receipt of such notice, the foundation shall no longer be recognized.~~
- ~~B.—Within 60 days after termination of recognition, the foundation shall transfer to the college with which it is associated all gifts received, including all accrued interest, during the time period of recognition for the purposes restricted by the contributors and/or otherwise provided for in the Memorandum of Understanding (MOU) between the foundation and the college.~~

##### **7.4.1 Purpose**

The Kentucky Community and Technical College System (KCTCS) Board of Regents hereby establishes this policy as a framework to formally recognize independent 501(c)3 charitable organizations that represent the philanthropic interests of both benefactors and beneficiaries of KCTCS and its member colleges. This ensures a consistent standard of professionalism, ethics, confidentiality, accountability, and donor expectations across the charitable organizations designated with this recognized status.

##### **7.4.2 Scope**

This policy applies to any non-KCTCS entity that seeks recognition by KCTCS as a duly organized, official foundation properly affiliated with KCTCS for the purposes of raising private funds and working to enhance programs and services for any institution of the Kentucky Community and Technical College System (KCTCS).

### **7.4.3 Policy**

A. To achieve and maintain recognition by KCTCS as a duly organized, official foundation properly affiliated with KCTCS for the purposes of raising private funds and enhancing programs and services of any KCTCS institution, a non-KCTCS entity must substantially comply with the provisions of this policy and any implementing KCTCS administrative policies.

B. Though recognized by KCTCS, these foundations remain independent for the purposes of fiduciary governance and to limit undue influence of the philanthropic investments entrusted by the donors of these respective foundations.

C. Entities that do not comply with the provisions on this policy shall not be recognized by KCTCS or once recognized may forfeit recognition as a duly organized properly affiliated foundation of KCTCS and may be subject to legal process as determined by KCTCS.

D. Requirements. To be recognized as independent foundations of KCTCS:

1. The foundation must first be recognized by the United States Internal Revenue Service (IRS) as a Section 501(c)(3) organization. A copy of the IRS Determination of Tax Status shall be supplied to the applicable college and to the KCTCS administration official primarily responsible for foundations, advancement, and philanthropy.

2. The Foundation's Articles of Incorporation shall provide that its primary purpose is to support KCTCS and/or the specific college with which it is associated. The Articles shall also provide that, in the event the Foundation is dissolved, all assets and property will be used in accordance with donor intent and in a manner benefitting KCTCS and/or the particular college with which it is affiliated.

3. The Foundation's bylaws must provide that the members of its board shall serve without compensation, but by proper resolution of its board, Foundation board members may be reimbursed for reasonable and necessary expenses paid or incurred in the performance of their duties for the Foundation.

4. The role of the Foundation's bylaws, governing board, and committees shall not be inconsistent with applicable KCTCS policies or procedures.

5. The Foundation must reasonably cooperate with KCTCS and the specific college with which it is associated, as appropriate for an independent foundation.

**7.4.4 Procedure**

Consistent with this policy, the KCTCS President may administratively recognize or withdraw recognition of a Foundation and promulgate administrative policies and procedures to implement and manage this Board of Regents policy.

6-18-99  
Date Approved by  
KCTCS Board of Regents

9-23-05; 9-18-20  
Date of Last Review

9-23-05; 9-18-20  
Date of Last Revision  
*(Include all dates in  
in chronological order)*

(SIGNED) ~~9-23-05~~ 9-18-20  
Chair, Board of Regents      Date

(SIGNED) ~~9-23-05~~ 9-18-20  
President, KCTCS      Date

## AS IT WILL APPEAR VERSION

### 7.4 Recognition of Independent Foundations

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6-18-99	9-23-05; 9-18-20	9-23-05; 9-18-20
Date Approved by KCTCS Board of Regents	Date of Last Review	Date of Last Revision <i>(Include all dates in chronological order)</i>
Chair, Board of Regents	9-18-20 Date	9-18-20 Date
	President, KCTCS	