



## 2013, January 22 Board of Directors Minutes

CAJ Board of Directors meeting  
January 22, 2013, 8:45 a.m.  
Matuskawa Place, Higashi Kurume, Tokyo

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### Attendance

#### Present

1. Gaius Berg (for WorldVenture)
2. Pauline Carlson (ECC)
3. Eline de Wilde (Member at Large)
4. Louis Lau (for OMS)
5. Gerald May (TEAM)
6. Kenichi Shinagawa (Member at Large)
7. Steven Tarter (SEND International)
8. Brian Vander Haak (Headmaster)
9. Taizo Morimoto (Supervisor-Auditor)
10. John Sakurai (Supervisor-Auditor)

#### Absent

#### Proxies

1. Missok Gho (CRJM) gave her proxy to Eline de Wilde (Member at Large).

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### SY 12-13:68 Call to Order

The meeting was called to order at 8:45 a.m.

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### SY 12-13:69 Devotions

Steven Tarter led the board in devotions on God's leading.

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## SY 12-13:70 Prayer Time for the School

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## SY 12-13:71 Approval of Agenda

MSC to approve the agenda.

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## SY 12-13:72 Signers of the Minutes

MSC for Gerald May and Eline de Wilde to be signers of today's minutes, in addition to Pauline Carlson (board chair) and Steven Tarter (board secretary).

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## SY 12-13:73 Second Reading - B4.5.1.3 (Cf. SY 12-13:44)

The board accepted the following on November 20, 2012, as a first reading for B4.5.1.3:

- *Current reading:* Board members must not use their positions to obtain employment for themselves, family members, or close associates. **Should a board member desire employment within the organization, he or she must first resign.**
- *Proposed reading:* Board members must not use their positions to obtain employment for themselves, family members, or close associates. **(cf 2.2.23)**

MSC to accept as second reading.

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## SY 12-13:74 Second Reading - B2.2.23 (Cf. SY 12-13:45)

The board accepted the following addition of B2.2.23 on November 20, 2012, as a first reading: **Give no preference to board members, their family members, or those recruited by board members. (cf 4.5.1.3)**

MSC to accept as second reading.

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## SY 12-13:75 Second Reading - B2.2.23.1 (Cf. SY 12-13:46)

The board accepted the following addition of B2.2.23.1 on November 20, 2012, as a first reading: **Report to the board when a board member is employed by CAJ for the first time.**

MSC to accept as second reading.

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## SY 12-13:76 Second Reading - B2.2.23.2 (Cf. SY 12-13:47)

The board accepted the following addition of B2.2.23.2 on November 20, 2012, as a first reading: **Report annually to the board about board members employed by CAJ.**

MSC to accept as second reading.

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## SY 12-13:77 Second Reading - B2.3.1.1.3 (Cf. SY 12-13:49)

The board accepted the following on November 20, 2012, as a first reading for B2.3.1.1.3:

- *Current reading:* Non-Christian homes, up to 20% per class, where the parent(s) or guardian(s) agree to cooperate with the school's Christian objectives, provided the applicant is not from the home of a proselytizing religious group.
- *Proposed reading:* Non-Christian homes, up to 20% per **grade level**, where the parent(s) or guardian(s) agree to cooperate with the school's Christian objectives, provided the applicant is not from the home of a proselytizing religious group.

MSC to accept as second reading.

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## SY 12-13:78 Second Reading - B2.2.1.5.2 (Cf. SY 12-13:53)

The board accepted the following on November 20, 2012, as a first reading for B2.2.1.5.2:

- *Current reading:* Homosexual **or lesbian sexual** activity (Rom. 1:24-27, Deut. 20:13)
- *Proposed reading:* Homosexual activity (Rom. 1:24-27, Deut. 20:13)

MSC to accept as second reading.

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## SY 12-13:79 Second Reading - B2.2.22 (Cf. SY 12-13:54)

The board accepted the following on November 20, 2012, as a first reading for B2.2.22:

- *Current reading:* Ask exiting staff to give a written reason for leaving, note response, put a copy in the staff personnel file and give a copy to the board chair (cf 4.4.5)
- *Proposed reading:* Ask exiting staff to give a written reason for leaving, **summarize the responses**, put a copy in the staff personnel file and give a copy to the board chair (cf 4.4.5)

MSC to accept as second reading.

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## SY 12-13:80 Finance Committee

The Finance Committee shared its review of the philosophy of compensation and its discussion of liability insurance. The committee recommended that CAJ choose Nagao Accountancy Corporation (NAC) to conduct a standard operational audit per B4.8.2.1 in the CAJ Board of Directors Manual.

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## SY 12-13:81 Receiving Finance Committee Minutes

**MSC** to receive the Finance Committee Minutes of January 15, 2013.

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## SY 12-13:82 Board Review of B3.1, 4.10, and 4.11

The board reviewed and discussed policies regarding headmaster qualifications, the cost of governance, and grievances, whistle-blowing, and complaints. One board member recommended that all references to the leadership team be capitalized, and other board members suggested ways to get further training. The administration and Policy Review/Governance Committee were asked to look into when to report wrongdoing to Japanese legal authorities.

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## SY 12-13:83 Headmaster Report

The headmaster reported that CAJ is accredited through 2018, that the January 15 meeting regarding the legal status change went well, and that this year is a low turnover year for staff. He shared that this week is Spiritual Life Emphasis week for secondary students, and he explained how CAJ responded to a recent security situation. He then introduced Kim Essenburg, English Department chair and Social Studies Department chair, who gave an overview of how CAJ is carrying out its mission. She showed student work samples, reviewed the connections between board policy and teacher practice, and explained the increased emphasis on reading skills.

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## SY 12-13:84 Headmaster Report on Policy in Partial Compliance

Headmaster Brian Vander Haak reported that B2.4.13 is in partial compliance.

**MSC** to recognize the headmaster's report on partial compliance.

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## SY 12-13:85 Response to Partial Compliance of B2.4.13

**MSC** to recognize the lateness of compliance on B2.4.13, with the understanding that there will be compliance when the headmaster reports on this policy next school year.

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## SY 12-13:86 Executive Session

The board went into executive session.

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## SY 12-13:87 Policy Review/Governance Committee Report

The committee recommended policy changes, reported on its review of B2.3.1.1.3, and proposed discussion topics for future board meetings, including the February board training. The committee was asked to look at instances where the board is referred to as the "school board." The committee then solicited questions to ask mission representatives at the January 24 meeting. The board then discussed "Board Stability" and "Toward Consistent Governance" in terms of new board member training and board term minimums and limits.

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## SY 12-13:88 First Reading - B4.8.1

The Policy Review/Governance Committee recommended the combination of B4.8.1 and B4.8.5 into B4.8.1 and, consequently, the deletion of B4.8.5:

- *Current reading:*
  - 4.8.1 Governance Committee
  - 4.8.5 Policy Review Committee
- *Proposed reading:* 4.8.1 Governance **and Policy Review** Committee

**MSC** to accept as first reading.

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## SY 12-13:89 First Reading - B4.8.1.1

The Policy Review/Governance Committee recommended the combination of B4.8.1.1 and B4.8.5.1 into B4.8.1.1, and consequently, the deletion of B4.8.5.1:

- *Current reading:*
  - 4.8.1.1 Product: Orientation of missions to elicit appropriate nominations at appropriate time, orientation of new members, continuing education of current members, conducting exit interviews with board members leaving the board, and evaluation of the board process for adherence to policy governance. (SY 10-11:19)
  - 4.8.5.1 Product: Update board policy manual, clarify and amend policy to reflect board decisions, and ensure consistency and completeness of policies.
- *Proposed reading:* 4.8.1.1 Product: Orientation of missions to elicit appropriate nominations at appropriate time, orientation of new members, continuing education of current members, conducting exit interviews with board members leaving the board, and evaluation of the board process for

adherence to policy governance. (SY 10-11:19) **Update board policy manual, clarify and amend policy to reflect board decisions, and ensure consistency and completeness of policies.**

MSC to accept as first reading.

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## SY 12-13:90 First Reading - B4.8.1.2

The Policy Review/Governance Committee recommended the combination of B4.8.1.2 and B4.8.5.2 into B4.8.1.2, and, consequently, the deletion of B4.8.5.2:

- *Current reading:*
  - 4.8.1.2 Authority: Incur costs of no more than set aside in accordance with the policy on cost of governance. (cf. Division B, Section 4.10)
  - 4.8.5.2 Authority: The policy review committee will suggest modifications to, additions to and locations of board policies within the board manual. (SY 07-08:39)
- *Proposed reading:* 4.8.1.2 Authority: Incur costs of no more than set aside in accordance with the policy on cost of governance. (cf. Division B, Section 4.10) **Suggest modifications to, additions to, and locations of, board policies within the board manual. (SY 07-08:39)**

MSC to accept as first reading.

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## SY 12-13:91 First Reading - B4.8.2

The Policy Review/Governance Committee recommended the combination of B4.8.2 and B4.8.4 into B4.8.2 and, consequently, the deletion of B4.8.4:

- *Current reading:*
  - 4.8.2 Audit Committee
  - 4.8.4 Finance Committee
- *Proposed reading:* 4.8.2 **Finance and** Audit Committee

MSC to accept as first reading.

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## SY 12-13:92 First Reading - B4.8.2.1

The Policy Review/Governance Committee recommended the combination of B4.8.2.1 (with a wording change) and B4.8.4.1 into B4.8.2.1, and consequently, the deletion of B4.8.4.1:

- *Current reading:*
  - 4.8.2.1 Product: Set specifications and scope of outside audit and select audit firm by no later than the January board meeting each year.
  - 4.8.4.1 Product: Preliminary review of annual operating and capital budgets, monthly financial statements, long-term financial trends, and financial implications of program changes. Provide financial orientation and continuing education of board members as directed by the board.
- *Proposed reading:* 4.8.2.1 Product: **Preliminary review of annual operating and capital budgets, monthly financial statements, long-term financial trends, and financial implications of program changes. Provide financial orientation and continuing education of board members as directed by the board.** Set specifications and scope of outside audit and select **and approve** audit firm by no later than the January board meeting each year.

MSC to accept as first reading.

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## SY 12-13:93 First Reading - B4.8.2.2

The Policy Review/Governance Committee recommended the combination of B4.8.2.2 (with a wording change) and B4.8.4.2 into B4.8.2.2, and, consequently, the deletion of B4.8.4.2:

- *Current reading:*
  - 4.8.2.2 Authority: Review the audit report and management letter when received and incur no more than \$30,000 per year.
  - 4.8.4.2 Authority: To report unusual issues to the full board, along with options for action steps. (SY 07-08:10)
- *Proposed reading:* 4.8.2.2 Authority: **To report unusual issues to the full board, along with options for action steps. (SY 07-08:10)** Review the audit report and management letter when received and incur no more than **¥3,000,000** per year.

MSC to accept as first reading.

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## SY 12-13:94 First Reading - Use of the Term "Board"

The Policy Review/Governance Committee recommended the following addition to the beginning of the board manual: **The term "board" in the board manual refers to the Board of Directors, unless otherwise noted.**

MSC to accept as first reading.

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## SY 12-13:95 First Reading - B4.4.8

The Policy Review/Governance Committee recommended the addition of B4.4.8: **The board chair shall report annually in writing on board compliance with section B3 and B4 of the board policy manual.**

MSC to accept as first reading.

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## SY 12-13:96 First Reading - Change of Committee Name

The Policy Review/Governance Committee recommended that the board change "Policy Review/Governance Committee" to "Governance and Policy Review Committee" in B4.9.3.1, 4.9.3.2, 4.9.3.3, and 4.9.3.4.

**MSC** to accept as first reading.

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## SY 12-13:97 Change of Committee as Second Reading

The Policy Review/Governance Committee recommended that policies changed in SY12-13:96 be considered as a second reading.

**MSC** to accept as a second reading.

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## SY 12-13:98 Approval of Consent Agenda

**MSC** to approve the following consent agenda items: Monitoring reports B 2.4; 2.7; minus 2.7.11; 2.7.11.1; 2.7.11.2; 2.7.11.3 (and excluding the partial compliance report on B2.4.13)

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## SY 12-13:99 Board Housekeeping

There will be a mission representative meeting on Thursday. A survey about the board will be sent out to board members.

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## SY 12-13:100 Review of Board Process

The Board reviewed its process, noting that there was good discussion and that it was good to hear from a teacher that board activity is making a difference in the classroom.

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## SY 12-13:101 Closing Prayer

Gerald May closed in prayer.

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## SY 12-13:102 Approval of January 22, 2013 Minutes

**MSC** to approve the January 22, 2013 minutes, pending a minute for meeting adjournment.

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## SY 12-13:103 Adjournment

**MSC** to adjourn the meeting at 3:12 p.m.

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## Signatures

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Steven Tarter  
Board Secretary

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Pauline Carlson  
Board Chair

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Gerald May  
Board Member

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Eline de Wilde  
Board Member

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