

Christian Academy in Japan
Board of Directors Minutes
Annex Meeting Room
8:45 a.m.
November 19, 2019

Attendance:

Gerald May (TEAM)
Lawrence Spalink (CRJM)
Joel Peterson (Member-at-Large)
Anda Foxwell (Head of School)
Pauline Carlson (ECC)
Jeremy Seminoff (Member-at-Large and Educator)
Jaine Chung (Jaine Loh) (Japan Baptist Fellowship)
Karen Stoesz (SEND)
Daniel Sexton (OMS)

Supervisor- Auditors

Jennifer Rood

Absent

Sobi Abraham- Supervisor-Auditor

SY19-20:33 Devotions

Larry Spalink shared from Luke 10:1-3a. We were encouraged to be faithful to God's call on our lives and to plead for God's Spirit to be given to accomplish the work.

SY19-20:34 Time of Prayer for CAJ (B.4.6.7)

Time was spent in prayer.

SY19-20:35 Call to order / Determination of Quorum (AoE Chap 3, 18.8)

The meeting was called to order at 9:28 a.m. A quorum was established according to policy.

SY19-20:36 Approval of agenda (B 4.3.5.3)

MSC to approve the agenda.

SY19-20:37 Approval of Consent Agenda (B 4.3.3)

1. October 22, 2019 Board of Directors Minutes (4.2.9.5)
2. October 22, 2019 Executive Action minutes (B 4.2.9.5, 4.2.9.2.4, 4.2.9.4)
3. November 11, 2019 Governance and Policy Review Committee minutes (B 4.7.6.3.2)
4. November 14, 2019 Finance and Audit Committee minutes (B 4.7.6.3.2)
5. Head of School monitoring report (B 2.3, End – B 1.1 (students) (B2.1.1., 2.5.1, 3.5.2.1)

6. Board Policy review: **B 3.2; 3.3** Governing Styles and Values (B 4.1.6)

7. Board policy compliance: B 4.1

MSC to approve the consent agenda.

Policies B2.3.1.4 and B2.3.1.1.3 from the monitoring report were briefly discussed.

SY19-20:38 Finance report (B 2.1.4)

Business Manager Bryan Lewis gave the finance report.

A detailed report will be filed with these minutes.

The report included:

Enrollment, budget, capital expenditures, building bidding process, development committee (consultant provided training in capital campaign planning with a long term vision)

20/21 Budget and 5 Year Plan (2020-2024)

Borrowing proposal

SY19-20:39 Finance Committee Recommendations (From committee minutes) (B 4.7.1)

1. Motion: The Board of Directors accepts the current 2019/20 projected profit and loss figures, the 2020/21 budget outline, and updated 5 Year Plan, as documents to be used for the purposes of seeking loan financing for the new development project.

Unanimously accepted.

(Note: final budget approval and loan approval to occur at the February 10, 2020 Board of Councilors meeting and the February 11, 2020 Board of Directors meeting.)

2. Motion: That the administration proceed to finalize the 2020/21 budget on the assumptions outlined in the reports presented. **It was determined that no action is needed on this item**
3. Motion: the BOD supports the Business Manager in seeking a financing proposal from a lender for 420 million yen for the financial needs of the current development project.

Unanimously accepted.

(Note: the final approval of the loan will need to be granted by the BOD/BOC, and final loan amount to be finalized once terms and conditions offered are known.)

SY19-20:40 Governance and Policy Review Committee Recommendations (From committee minutes) (B 4.7.1)

The board engaged in the ongoing discussion regarding the retirement age policy review.

Points of discussion/opinion:

- In considering retirement, is it age or performance? Definitely don't want to shy away from performance reviews. We assume that younger teachers have a lot to learn, and more experienced teachers have a lot to offer. However, as people age, it's not always possible to determine if performance issues are the result of age or something else. If retirement is based on performance reviews only it could become necessary to not extend a contract to an older teacher based on a failed performance review. A set retirement age would honor the retiring teacher.
- When a younger teacher has a poor performance review, a growth plan is put in place. A 360 review process is starting to be implemented. According to Japanese labor law there must be a lot of proof of poor performance before any staff can be let go. Even then, it is still difficult to let

an under performing staff person go. It's common practice in Japanese companies to change the staff members' position in such a way as to force them to quit.

- Some missions have a certain retirement age with an established process for extending service beyond retirement.
- Age discrimination isn't always bad. There are many age based rules that consider the needs of the community above the needs of the individual (voting, driver's license)
- Some companies have a set retirement age and then rehire the staff at a reduced salary.
- A set retirement age can serve as a "heads up" for financial planning. A suggestion was made that CAJ could encourage staff to consult a financial planner to help with retirement planning.
- The staff were informed of the retirement age policies at an all staff meeting last year (2019). Planned conversations with staff turning 60, encouraging them to begin planning for retirement, is being implemented by the head of school.
- B2.2.11.2 make provision for limited exceptions for the retirement age up to the age of 67. What are the kinds of things we can make exceptions for? How does the head of school decide who receives an exception?(best for the teacher, best for the students, best for the program?)The focus needs to be on the best interest of the students and the needs of the school. The emphasis needs to be on the needs of the school. Are we a student centered school or a staff centered school?
- Teachers put in a lot of work. It's important to allow good performing teachers to stay on past the retirement age.
- CAJ is under obligation to follow Japanese law. We have to function under the Act of Endowment and our Jun Gakko Hojin status. Do we need to consider the laws of other countries from where our staff come from?
- Gerald May will research what Japanese law stipulates for a Jun Gakko Hojin school in regards to having a set retirement age.
- B4.1.3 was brought to our attention as in violation of age discrimination.
- An interpretation of U.S. law was stated: If the control of the company in a foreign country is from the U.S. that company must follow U.S. law.
- The head of school is responsible to carry out current policy as it stands.
- Current policy is not in violation of current labor laws in Japan.
- A suggestion was made to use the wording from previous policy as follows: Staff shall be retired at 65. When CAJ has need of their services, persons having reached 65 may be hired on a year-by-year basis. (SY72-73: EA7; SY88-89: 149)

No action was taken to amend current retirement policies. The Governance and Policy Review Committee will continue discussion at their January 14, 2020 meeting.

Recommend the addition of Section 4.7 Amendments under Section 4 Position Statements (First Reading)

Section 4.7 Amendments: These position statements may be amended by two-thirds vote at any duly-called meeting of the board of directors, provided that two weeks' previous notice has been sent to each member of the board stating the desired change.

MSC to approve.

Recommend policy B2.4.13 be rescinded. (First Reading)

Maintain a historical archive for the preservation of the history of evangelical missions in Japan and report on its activities annually. (cf SY14-15:34, SY14-15:124)

MSC to approve.

Recommend the amendment of policies B4.6.2 and B4.6.2.1 as follows (First Reading):

B4.6.2 Representation in Case of Absence (confer Act of Endowment 18.9)

When a founding mission board member expects to be absent, the mission may appoint an observer to attend meetings in place of the absent board member. The observer will have the privilege of expression, but not the right to vote. The board member who is absent will not be deemed present through the delegating allowed here. (SY 10-11:19; SY 12-13:229)

B4.6.2.1 Absent board members may discharge their responsibilities and will be considered present by submitting a written opinion and/or vote on any specific item or items of business. This method of attendance will be recorded in the minutes.

MSC to approve.

Recommend the amendment of B4.7.6.2.3 as follows (Second reading)

B4.7.6.2.3 Once the committee chair and most or all of the members of the committee give final approval of the draft minutes, the chair or designee will send the final draft to the board chair or the board secretary for placement on the board portal. (SY 12-13:197)

MSC to approve as second reading.

SY19-20:41 Head of School Report – School “Temperature Check”

Anda Foxwell reported on the following:

- An update was given on the ongoing investigation into historical allegations of child abuse. Details can be found in the November 19, 2019 Executive Action Minutes.
- Leadership Team retreat
- Development Committee- fundraising ideas and strategy- Sports field, playground and new cafeteria building is phase 1. Phase 2 is elementary building/industrial arts wing

MSC to receive the Head of School report with thanks.

SY19-20:42 Strategic Plan Review

The Strategic Plan Dashboard was reviewed.

The following items were brought to the boards attention.

- A mid-term WASC evaluation will take place in 2021
- “Governance” items under “Strategic Initiative” were reviewed.
- Board training specific for CAJ needs - A BoC training program is in development with a look to becoming an annual orientation session for BoC members.

SY19-20:43 Building committee report

Joel Peterson gave an update on the progress of plan completion. If everything goes as planned, ground breaking for the new building should begin in April, 2020.

Gerald May expressed thanks for all the work of the building committee.

SY19-20:44 Report on Indonesia Governance Retreat

Gerald May and Joel Peterson gave a brief report on the Indonesia governance retreat.

Gerald May shared some photos from Indonesia.

- The focus of the retreat was on the spiritual formation in schools.
- Dr. Daniel Egeler, Vice president of Grand Canyon University was the presenter. He also conducts spiritual health evaluations of schools.
- Points of teaching:
- Academic excellence
- Spiritual formation- teachers and students are on a journey together
- Characteristics of a Community of faith: hospitality, gratitude, truth telling, promise keeping
- How do we build a climate that allows students to grow spiritually? The teachers do things with students, not to or for students.

SY19-20:45 Anda Foxwell left the meeting for a meeting with a potential donor.

SY19-20:46 Strategic Discussion: Ends Review

Due to time constraints, this item was not discussed. With the agreement of the board, it will be on the agenda for the January 21, 2020 Board of Directors meeting.

Evaluate End B 1.1 – Students

Question to answer: What does our ownership demand from CAJ in the area of development of our students?

Does this encapsulate the end result we desire?

Does this express that desired result clearly?

At “what cost?” What resources do we deem appropriate to attain this End?

SY19-20:47 Other items (as needed)

The Head of School Evaluation Committee was formed: Gerald May, Pauline Carlson, Jeremy Seminoff, and Jaine Loh

SY19-20:48 Board housekeeping

- Shared Drive and email explanation/training
 - Nate Rudd gave a brief tutorial on how to use google shared drive.
- Board/Staff Christmas Tea – Tuesday, December 10(?) Gerald May will confirm the date and will inform the board members of the exact schedule.
- Next meeting: January 21, 2020
- Governance & Policy Review Committee and Finance Committee meetings: January 14, 2020

SY19-20:49 Monthly review of board process: verbal (B 4.1.7)

Several board members made comments about today’s meeting.

SY19-20:50 Closing prayer

Jennifer Rood and Gerald May gave the closing prayer.

SY19-20:51 Adjournment

MSC to adjourn at 4:00 p.m.

SY19-20:52 Sign and put seals on Board of Directors meeting minutes (B 4.2.9.5)

The board members signed the following sets of minutes.

October 22, 2019 Board of Directors Minutes

October 22, 2019 Executive Action Minutes

Respectfully submitted,

_____(seal)

Karen Stoesz- Secretary

_____(seal)

Gerald May- Board Chair

_____(seal)

Pauline Carlson- Board Vice Chair

_____(seal)

Joel Peterson- Vice Chair of Finance

_____(seal)

Anda Foxwell- Head of School/Board Member

_____(seal)

Lawrence Spalink- Board Member

_____(seal)

Jeremy Seminoff- Board Member

_____(seal)

Jaine Chung (Jaine Loh)- Board Member

_____ (seal)
Daniel Sexton- Board Member