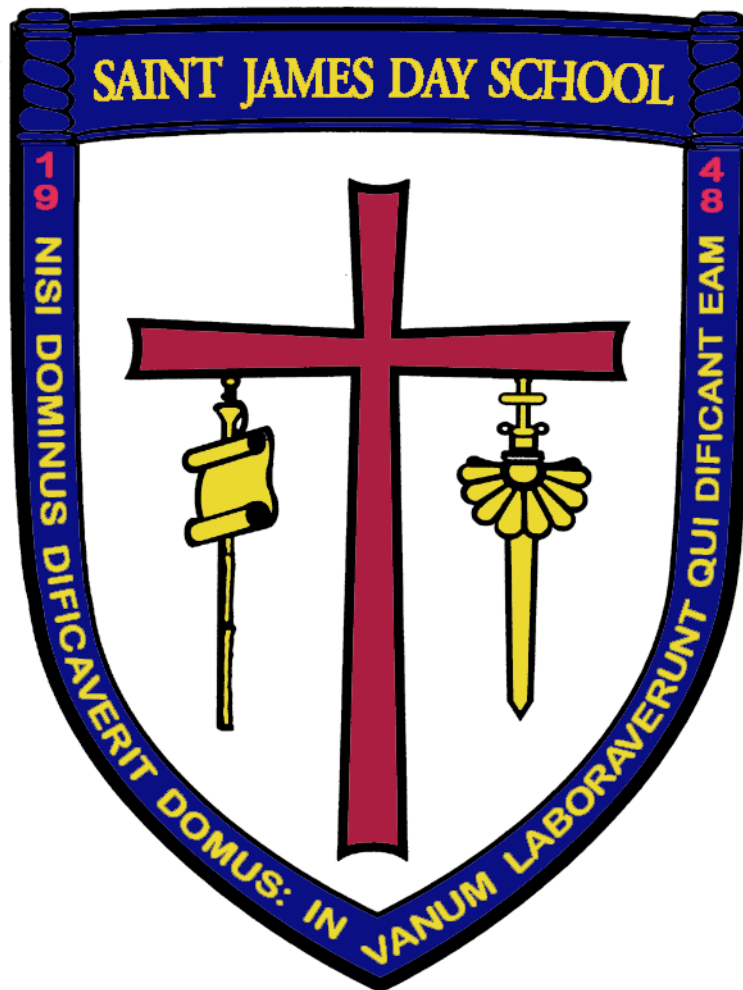


St. James Day School



Board Policies

New Operations Policies 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

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ST. JAMES DAY SCHOOL BOARD POLICIES

BOARD OPERATIONS

Policy #1: Mission, Philosophy, Objectives, Program and Motto

It is the sole responsibility of the St. James Board of Trustees to define the mission, philosophy, objectives, program and motto of the school. Every decision of the Board should be made with these in mind.

Mission:

The Mission of St. James Day School is to provide excellence in education by setting high academic standards that stimulate growth in each student while fostering physical, social, emotional and spiritual growth.

Philosophy:

- SJDS is a private school dedicated to excellence in education.
- The school believes that excellence is attained through well-rounded curriculum enhanced by a comprehensive computer program and studies in the fine arts.
- The school sets high academic standards offering challenges that stimulate continuous growth and progress in each student.
- The school seeks to foster physical, social, emotional and spiritual growth in addition to intellectual growth.
- The school emphasizes positive self-concept, individual accomplishment and attainment of worthwhile goals.
- The school devotes its energies to developing contributing citizens with conscientious awareness of civic activities.
- The school was established by the Episcopal Church and is faithful to the faith and worship of the Episcopal Church, while respecting and welcoming students of all religious and spiritual backgrounds into its diverse Christian community.

Objectives:

- To assist in the maximum development of the individual.
- To provide a comfortable, enthusiastic environment which is conducive to learning.
- To assist each student in the acquisition of skills in language arts, mathematics and sports and recreation.
- To assist each student in the development of knowledge of science concepts, social studies concepts and computer literacy.
- To assist each student in the development of knowledge and appreciation for fine arts and foreign languages.
- To work with students to development a feeling of self worth and a positive attitude toward authority and other people, good citizenship and responsibility, and sound Christian, moral values.

Program:

In harmony with its stated objectives, the school shall:

- Create academic programs to provide for the maximum development of the individual.
- Provide the faculty with opportunities for staff development.
- Encourage the involvement of parents in the school program and activities through the Parents' Club.
- Seek private funding sources with which to further develop the programs and facilities of the school.
- Provide financial assistance in the form of scholarships to students who are deemed academically or financially worthy.
- Conduct an annual fund raising campaign.
- Not discriminate on the basis of age, sex, race, color, creed, national origin or disability with regard to admission to the school or hiring or promotion in faculty or staff positions.

Motto:

The Motto of the school is NISI DOMINUS -- "Unless the Lord build the house, their labor is in vain that build it."

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

BOARD OPERATIONS

Policy #2: Board Nominations

The Committee on Trustees of SJDS is responsible for identifying and recommending candidates to fill officer positions and vacancies on the Board.

Procedure:

The Committee on Trustees shall be open to the submission of names from any source but shall specifically solicit names from the current Board members. The committee may identify additional individuals in and of their own volition. The committee shall utilize the "Board Profile" document in their deliberations. The committee also shall maintain a list of potential Board members to ensure a sense of continuity. The committee should provide a candidate the "Board Member Job Description" for their consideration before the person accepts Board membership. The nominations for officers and new and returning Board members are presented and voted on at the April Board meeting.

General Qualifications:

- Ability to maintain confidentiality.
- A deep and abiding faith in the social significance of education.
- Willingness to serve on the Board.
- Ability to meet the projected time commitment (attendance at Board meetings, committee meetings, and retreats, in addition to preparation time).
- Capacity for attention to this organization.
- Ability to function as a member of a deliberative body (to participate in group decision making and have the ability to support Board decisions even when the individual voted against the majority).
- Willingness to participate in Board orientation and continuing education.
- Objectivity.
- Intelligence.
- Communication skills.
- Integrity and the absence of serious conflicts of interest.
- Ideology and values consistent with those of the organization.

Demographic Criteria:

- Age parameters – a minimum age of 25 and a maximum age of 70 at the time of initial appointment to the Board.
- Membership diversity in age, gender and race or ethnicity.
- Membership from the following groups: Episcopalians (determined by Bylaws), parents, alumni, parents of alumni, community leaders and educators.

Special Qualifications:

- Past experience on other Boards.
- Professional and business expertise.
- Membership balance based on specific occupations and skills such as in business, law, finance and education.
- Demonstrated leadership skills.
- Demonstrated big picture thinking ability.
- Demonstrated record of community involvement or connections.
- Political involvement or connections.

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

BOARD OPERATIONS

Policy #3: Board Member Job Description

A candidate for membership on the SJDS Board of Trustees should:

- Support the SJDS mission, philosophy and purposes and objectives representing the best interests of SJDS and not those of a constituency group.
- Become knowledgeable about the school's history and its relationship with St. James Episcopal Church and the Diocese of Dallas.
- Offer his or her best effort to attend meetings, retreats, conferences, social events and other activities hosted by SJDS, particularly such events as the annual Gala.
- Prepare for meetings by reading materials provided beforehand.
- Participate actively in meetings and discussions.
- Adhere to confidentiality and conflict of interest policies.
- Notify the President of the Board, the Head of School, or school office when unable to attend a Board meeting.
- Promote and maintain positive external relationships with the community, local businesses and governments, as well as local school districts and other appropriate organizations.
- Understand that the Board of Trustees, as a whole, sets policy and that an individual Trustee should never seek to impose a personal agenda on the Head of School or become involved in specific management or curriculum issues.
- Support the Head actively and demonstrate that support within the school community.
- When learning of a problem, bring it to the attention of the Head of School or Board President.
- Understand that a Trustee is not authorized to act on behalf of the Board on an individual basis.
- Contribute to Board sponsored fund raisers.
- Take his fiduciary responsibility seriously in the oversight of funds entrusted to the school and for the sound budgetary management of the school.

Tenure:

Except as otherwise provided in the Bylaws, each term is for three years with the ability to be reappointed for one consecutive term for a maximum of six consecutive years of service. The Committee on Trustees will evaluate Board composition and individual Board member citizenship before asking a member to serve a second term.

Each Board member shall work with the full Board of Trustees to:

- Define and pursue the mission, philosophy, and purposes and objectives of SJDS with the highest integrity in our community by setting high academic standards that stimulate growth in each student.
- Establish long term direction.
- See that quality of education is maintained and continuously improved.
- Oversee the Head of School.
- Maintain financial viability through budget and financial oversight, fund development, and investment management.
- Assure that SJDS meets all accreditation, regulatory and legal requirements.

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

BOARD OPERATIONS

Policy #4: Board Member Reappointment

The Committee on Trustees of SJDS will review Board members with expiring terms for reappointment. The committee's review will include, but will not be limited to, the following:

Board Member Citizenship:

- Ability to maintain confidentiality.
- Board meeting attendance.
- Board committee meeting attendance.
- Continuing education participation.
- Board retreat attendance.
- Attendance at social events where Board member presence is requested.
- Active support of the Head and demonstration of that support within the school community.

Board Member Performance:

- Willingness to become informed about the school's history, goals, and current operations and concerns.
- Active and thoughtful contributions at Board and committee meetings.
- Ability to participate in meetings without dominating discussion.
- Review of Board packets prior to meetings.
- Support of Board actions and refusal to subvert past decisions or policy.
- Comfort in expressing a dissenting opinion or vote.
- Ability to express dissenting opinion constructively, not in a negative manner.
- Integration of continuing education into Board deliberation and function.
- Lack of violations of conflict of interest policy.
- Ability to place the best interests of the organization above personal or business interests, with special concern for ALL the children enrolled in the school.
- Understanding of and adherence to policies and procedures governing Board member conduct.
- Support of the organization's vision and mission.
- Knowledge of the strategy of the organization and use of that strategy as the basis for deliberating and considering issues before the Board.
- Ability to communicate effectively with key constituents regarding Board positions when asked to do so.
- Contributions to the development program of the school, including, but not limited to, financial support or other active involvement in the annual giving and capital campaigns.
- Demonstration of an understanding that each Board member has a fiduciary responsibility for the funds entrusted to the school and for sound budgetary management.

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

BOARD OPERATIONS

Policy #5: Removal of Board Members

The Board of Trustees may remove any Board member in the manner provided in the Bylaws. Grounds for removal include, but shall not be limited to, the following:

- Failure to attend three Board meetings.
- Violation of the conflict of interest policy.
- Violation of the confidentiality policy.
- Use of confidential information obtained as a Board member in such a way as to derive personal financial benefit.
- Verbal or physical abuse of Board members, Head of School, or any employee.
- Subversion of Board policies and decisions.
- Being charged with any felony criminal offense or any misdemeanor offense that would reflect poorly on the reputation of SJDS.

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

BOARD OPERATIONS

Policy #6: Board President Job Description

Along with all the responsibilities of a Board member, candidates for President of the SJDS Board of Trustees should overwhelmingly demonstrate the following attributes:

- Support the SJDS mission, philosophy and purposes and objectives representing the best interests of SJDS and not those of a constituency group.
- Be knowledgeable about the school's history and its relationship with St. James Episcopal Church and the Diocese of Dallas.
- Promote and maintain positive external relationships with the community, local businesses and governments, as well as local school districts and other appropriate organizations.
- Support the Head actively and demonstrate that support within the school community.
- Maintain confidentiality.

Duties:

- Place Board members on committees.
- Organize a Board "retreat" in August.
- Prepare Board notebooks for new Board members.
- Organize a new Board member orientation.
- Preside over all Board meetings and Executive Committee meetings.
- Attend all committee meetings.
- Attend Parents' Club meetings.
- Assist the External Affairs Committee in finding Annual Fund and Gala chairs.
- Attend weekly meetings with the Head.
- Write or delegate "Board Briefs" for publication in the school's weekly newsletters, as needed.
- Coordinate with the Executive Committee to perform evaluations of the Head in January and June.
- Generate a contract and goals for the Head for the next fiscal year by June of the current fiscal year.
- Compose a letter for the Gala program.
- Attend Kindergarten graduation and read the students' prophecies.
- Attend 6th grade graduation.
- Choose a recipient for the Alumni award and present the award at 6th grade graduation.
- Recognize outgoing Board members at the June meeting and present them with pens (obtained from administration).

Tenure:

The term of office for President is one year. The President is expected to serve on the Board and the Executive Committee the following year as Past President regardless of terms limits imposed on Board members, as provided in the Bylaws.

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

BOARD OPERATIONS

Policy #7: Head of School

The Board of Trustees has an obligation to hire a qualified Head of School. The authority of administering school policies shall be delegated to the Head of School who shall be responsible for all aspects of the day-to-day operations of the school within the framework of policy of the Board of Trustees. The Head of School is the only employee that the Board oversees and evaluates.

In working with the Board of Trustees, the Head of School shall:

- With the Board of Trustees, shape and uphold the school's mission, philosophy, goals, and standards and articulate them to the school's constituencies and to the wider community.
- Recommend policies on organization, finance, instruction, school plant, and other functions of the school program to the Board of Trustees.
- Keep the Board of Trustees continually informed on the progress and conditions of the school.
- Actively participate on various committees of the Board and assist in addressing legitimate school concerns.

In reference to instructional and administrative leadership, the Head of School shall:

- Administer the development, maintenance, and evaluation of positive educational and religious programs designed to meet the needs of the children of the school and to carry out policies of the Board.
- Maintain, along with the faculty, the goals and objectives of the instructional program, as well as the planning, development and adoption of curriculum, keeping with the school's mission and philosophy.
- Work with the staff to examine the needs of students and to put in place programs and policies to meet those needs.
- Hold the school to the highest academic standards in program and teaching and conforming to all applicable accreditation standards.
- Oversee the care and maintenance of buildings and grounds.
- Develop and initiate programs for student recruitment.
- Be responsible, along with the school's Business Manager, for prudent budgeting, financial management, insurance coverage, safety issues, and maintenance of the physical plant.
- Hire, supervise, and evaluate all school personnel.
- Formulate administrative policy.
- Develop and maintain comprehensive curriculum and grading systems.
- Place all students.
- Clear all school publicity, correspondence, and activities.
- Approve and cooperate in the success of activities of the Parents' Club.
- Supervise the school's compliance with all applicable state, federal, and local laws.
- Communicate for the school for purposes of public relations, alumni relations, community relations, and development.
- Attend all meetings of the Board of Trustees.

In communicating with constituents, the Head of School shall:

- Establish a school climate of love, care, courtesy, and respect.
- With the faculty, define responsible Christian behavior for students, including guidelines and consequences for behavior.

- Manage the discipline of students who have been referred to the Head of School for various concerns and help these students learn self-discipline through appropriate correcting and counseling.
- Be accessible, within reason, to all constituencies -- faculty, parents, students, Trustees, and graduates -- and in particular ensure that parents are kept informed of the school's policies, programs, and the progress of their children.
- Oversee the well-being of the entire school, rather than of any individual constituency, and work to help all constituencies see the school as part of a network of local, state, regional and national schools concerned with educational issues and excellence.

In professional growth, the Head of School shall:

- Take responsibility for all assigned tasks related to the daily operation of the school and the broader St. James school community.
- Keep current in scholarship, educational and administrative areas through membership and participation in the affairs of professional organizations, through attendance at conferences and seminars, through enrollment in advanced courses, and through subscriptions to professional journals and newspapers.
- Become a part of a network of peers who provide personal support and professional assistance.
- Work constructively with constituents by contributing ideas and listening to the ideas of others.

In community relations, the Head of School shall:

- Cooperate with heads of other independent day schools and the Southwestern Association of Episcopal Schools to ensure that good relations among schools are maintained.
- Network with other school districts in the region to ensure a smooth transition process as St. James students matriculate into these school communities.
- Support the efforts of St. James through attendance at school functions.
- Work with the Public Relations/Development Director to guarantee the school maintains strong public relations within the community at large.
- Uphold and promote St. James' philosophy, statement of purpose, and policies.
- Maintain professional confidentiality at all times. Any and all information regarding students, staff members, and their families obtained through the performance of duties at St. James is to remain confidential.

Qualification Requirements:

- Minimum of a Master's degree with an appropriate academic major.
- Belief in Jesus Christ as Lord and Savior.

In addition, to perform this job successfully, an individual must be able to perform each essential duty and responsibility satisfactorily. This employee shall have strong typing and computer skills (word processing, data bases, desktop publishing), professional telephone skills, and skills in filing and maintenance of records. This person must display a willingness to get along with both students and adults. This individual must be able to manage time effectively. This employee must be a self starter, results oriented, and able to work with little direction.

Physical Requirements:

The physical demands described here are representative of those that must be met to successfully perform the essential functions of this position. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. While performing this job, the employee is frequently required to stand; use hands and fingers; handle or feel objects, tools or controls; speak

in a clear and distinct voice; hear; walk; reach with hands and arms; stoop, kneel, crouch; taste; and smell. The employee must occasionally lift and/or move approximately 30 pounds. Specific vision abilities required by this position include close vision, distance vision, color vision, and the ability to adjust focus.

Work Environment:

The work environment characteristics described here are representative of those an employee encounters while performing essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. The work environment will include performing the job in both indoor buildings and outdoors as dictated by the curriculum or requested by a teacher. The noise level in the work environment is usually moderate but may escalate depending upon the activity.

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

BOARD OPERATIONS

Policy #8: Executive Committee

The purpose of the Executive Committee is to assist the Board of Trustees in fulfilling its responsibility of oversight. Assessing the Head of School's performance is a major responsibility of this committee.

Responsibilities:

- Acts on behalf of full Board in emergencies.
- Monitors Head's performance, morale, health, and compensation.
- Performs formal evaluation of Head.
- Serves as strategic planning committee.
- Monitors committee system.
- Serves as sounding board for Head.
- Communicates with standing committees.
- Monitors meetings – Board and committee.
- Insures compliance with Bylaws.
- Conducts and prepares a formal annual appraisal of Board's effectiveness.
- Keeps individual Trustees informed on major issues affecting the school.

Composition:

- Board President, Chairman
- Officers
- Head of School ad hoc

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

BOARD OPERATIONS

Policy #9: Committee on Trustees

The purpose of the Committee on Trustees is to monitor Board effectiveness, specifically through Board composition and training and oversight of Board policies.

Responsibilities:

- Determines Board composition according to Bylaws.
- Maintains a Board profile instrument.
- Identifies prospective Board members.
- Cultivates prospects.
- Enlists new Board members.
- Orients new Board members.
- Recognizes exceptional service by Trustees and others.
- Organizes annual Board retreat.
- Trains new Board members.
- Updates Board policy and procedures manual.

Composition:

- Secretary of the Board, Chairman
- Minimum three additional Board members
- Head of School and Board President ad hoc

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

BOARD OPERATIONS

Policy #10: Operations Committee

The purpose of the Operations Committee is to monitor and maintain financial viability of every aspect of SJDS. Additionally, the committee oversees the buildings and grounds.

Responsibilities:

- With the assistance of the Head and business manager, prepares a three year financial plan.
- Formulates annual budget with the assistance of the Head and business manager.
- Develops yearly budget cycle.
- Issues reports on capital projects.
- Maintains financial viability of the school, both short and long term.
- Communicates and educates the Board on the school's financial condition.
- Recommends tuition increases.
- Oversees buildings and grounds.
- Insures compliance with financial regulations.
- Takes responsibility for legal matters, property management and property and liability insurance coverage (including coordination with St. James Episcopal Church on mutual interests).
- Reviews employee benefits package.
- Reviews all employment agreement forms.
- Reviews parent contract forms.
- Reviews annually insurance coverage, including legal liability of faculty, staff and Trustees and officers

Composition:

- Treasurer of the Board, Chairman
- Minimum three additional Board members
- Rector, Head of School, Business Office Manager and Board President ad hoc

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

BOARD OPERATIONS

Policy #11: External Affairs Committee

The purpose of the External Affairs Committee is to set policy for and monitor all fund raising activities. Additionally, the committee monitors all aspects of marketing and public relations for the school.

Responsibilities:

- Communicates the role fund raising plays in the life of the school.
- Educates and encourages Board members to participate in fund raising.
- Insures a balanced development program is in place.
- Sets school policy and guidelines for fund raising.
- Assists in getting most effective use of fund raising counsel.
- Sets goals for trustee giving.
- Identifies, evaluates and assigns gift prospects.
- Insures congruence between the strategic plan and all development initiatives.
- Publishes an annual report.
- Insures the image of the school is accurately presented to the outside public.
- Oversees marketing and public relations.
- Monitors relations between SJDS and St. James Episcopal Church, including joint projects.
- Annually reviews standardized test scores.
- Seeks opportunities to include non-Board members in school projects (e.g., grant writing, service on special or ad hoc committees, etc.)

Composition:

- President-Elect of the Board, Chairman
- Minimum three additional Board members
- Head of School, Development/Public Relations Coordinator and Board President ad hoc

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

BOARD OPERATIONS

Policy #12: Meetings

The SJDS Board shall meet 8 times per year for regularly scheduled Board meetings. The meetings will normally be held in August, September, November, January, February, March, April and June. Regular Board meetings shall be held on the third Tuesday of the month, unless otherwise agreed upon by a majority of the Board. Retreats or other special meetings may be held as needed and in accordance with the Bylaws.

Board meetings are not open forums. Persons other than Board members and the Head of School will be allowed to attend Board meetings by invitation only. In the event a non-Board member wants to attend a Board meeting, that person should contact the President of the Board and ask to be placed on the agenda. Whether the non-Board member's issue is placed on the agenda is at the sole discretion of the President. If a non-Board member's issue is placed on the agenda, he will be given a specific time to address the Board, after which he will be asked to leave so that the Board may conduct its official business.

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

BOARD OPERATIONS

Policy #13: Parental Grievance Policy

In the event a parent has questions regarding assignments, grades, notes from teachers, interactions between children, or other occurrences of the school day, the following procedure is to be followed.

- After conferencing with the teacher, if a parent remains unclear or concerned about a situation, he/she shall contact the Head of School, who shall render a decision on the matter.
- In any situation where a difference of opinion arises with the Head of School's decision, the matter may be brought to the President of the Board, in writing. A copy of the complaint will be given to the Head of School and Rector. The President may choose to call a meeting of the Executive Committee of the Board and may include the parent and/or others at the President's discretion. The decision of the Executive Committee is final.

It should be made clear that in all adversarial situations, St. James expects that any and all communications will be civil, polite, and in keeping with the Christian environment that St. James seeks to promote. We do not accept communication that includes abusive language or personal attacks on campus or within earshot of children or adults on campus.

Effective: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

QUALITY

Policy #1: Ethics

The following general guidelines are to be followed by all members of the Board of Trustees, Head of School and employees of SJDS. These guidelines are offered not as an all-inclusive listing but to provide guidance. In situations not specifically mentioned, prudent and ethical judgment is expected. If at any time there is any question of the appropriateness of any action, such concern should be directed to the Board of Trustees.

SJDS expects its governing Board members, Head of School and employees to observe high standards of integrity, business ethics, and fair dealing, and to avoid any actions that are or appear to be inconsistent with such standards.

All potential conflicts of interest should be identified as required by established governing Board policy. In addition, during any Board deliberations where there arises the potential of conflict, it should be verbally identified as mandated by established governing Board policies.

Board members, the Head of School, and employees of SJDS should not accept any gift or gratuity from any dealer, supplier, or anyone with an organizational relationship with the school that could in any way be construed as influencing or rewarding a particular course of action.

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

QUALITY

Policy #2: Conflict of Interest

Members of the Board of Trustees shall discharge their duties in good faith and with undivided loyalty to the interests of SJDS. Accordingly, it is incumbent on each Trustee to:

- Conduct himself solely in the interests of SJDS without consideration of the interests of any other individual, company, or organization.
- Disclose any transaction with SJDS that might result in material, financial, or other beneficial interest to such Trustee or to another entity he represents and refrain from participation in that transaction until authorized by the Board.
- Refrain from using any information obtained from his activities as a Board member to his material, financial, or other beneficial interest or the interest of any other company, agency, organization, or association with which he is associated.

Members of the Board of Trustees shall disclose in writing on an annual basis and as occasions arise during the year all interests which could result in a conflict.

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

FACILITIES

Policy #1: Rental of Facilities

The Board gives the Head authority to rent the facilities located on the St James Day School campus. This authority is given with the understanding that the group renting the facility/facilities will use them for activities that are appropriate for the school environment. The activities shall not tarnish the school's reputation.

The Head shall establish reasonable fees for any rental.

Anyone wishing to rent a school facility shall execute a binding legal document releasing the school from any liability associated with the use of the facility.

Effective Date: July 1, 2006

ST. JAMES DAY SCHOOL BOARD POLICIES

FINANCIAL

Policy #1: Fiduciary Responsibility

The Board of Trustees has the sole fiduciary responsibility for the oversight of funds entrusted to the school and for the sound budgetary management of the school.

Duties:

- The Board will be responsible for sponsoring one major fundraiser annually.
- The annual budget will be presented by the Operations Committee. Ideally, the presentation will be made at the November meeting and voted on at the January meeting. In any event, approval of the budget shall occur no later than the February meeting.
- A revised budget, with actual enrollment figures, will be presented at the September meeting.
- The Board is committed to giving annual raises to all personnel when possible.
- Any student whose account is in financial arrears at the end of the first semester will not be allowed to return for the start of the second semester until the account is paid in full.
- Any student whose account is in financial arrears at the end of the school year will not be allowed to return for the next year until the account is paid in full.
- School records will not be forwarded for students having unpaid debts at St. James.
- The Head shall get Board approval for all unbudgeted expenditures of \$5,000 or more.
- The Head shall get Board approval for all budgeted capital expense items of \$20,000 or more at the time of the expenditure.
- The Treasurer and Business Office Manager shall take reasonable steps to make sure that all bank accounts (excluding the operating account) are fully insured under current FDIC regulations.
- Periodically, the Treasurer should review banking relationships taking into account terms, interest rates, service fees, financial support of SJDS and other relevant factors.
- Five percent (5%) of all funds raised on behalf of SJDS, from any source, shall be deposited in the Scholarship Fund.

Effective July 1, 2006

ST. JAMES DAY SCHOOL

FINANCIAL

Policy #2: 401(k) Investment Policies

The primary goal for the assets of the SJDS 401(k) Plan is to provide supplemental retirement funds to its participant employees. The specific objectives for these assets shall be to achieve an average annual rate of return (over a period of ten years) of the Consumer Price Index plus 5% for the aggregate investments.

Asset Allocation:

The following asset classes and allocations shall be utilized to achieve the objectives of the portfolio:

- Income Short Term: 20%
 - Money market funds 12%
 - U.S. Government Bonds 8%
- Income Intermediate Term: 16%
 - U.S. Government bonds 9%
 - Corporate Bonds 7%
- Income Long Term: 7%
 - U.S. Government Bonds 7%
- Growth: 57%
 - Growth and income stocks 18%
 - Growth stocks 16%
 - Aggressive growth stocks 12%
 - International stocks 11%

These asset allocations may be amended by a majority vote of the trustees of the 401(k) Plan and the approval of the Board of Trustees.

Effective Date: July 1, 2006