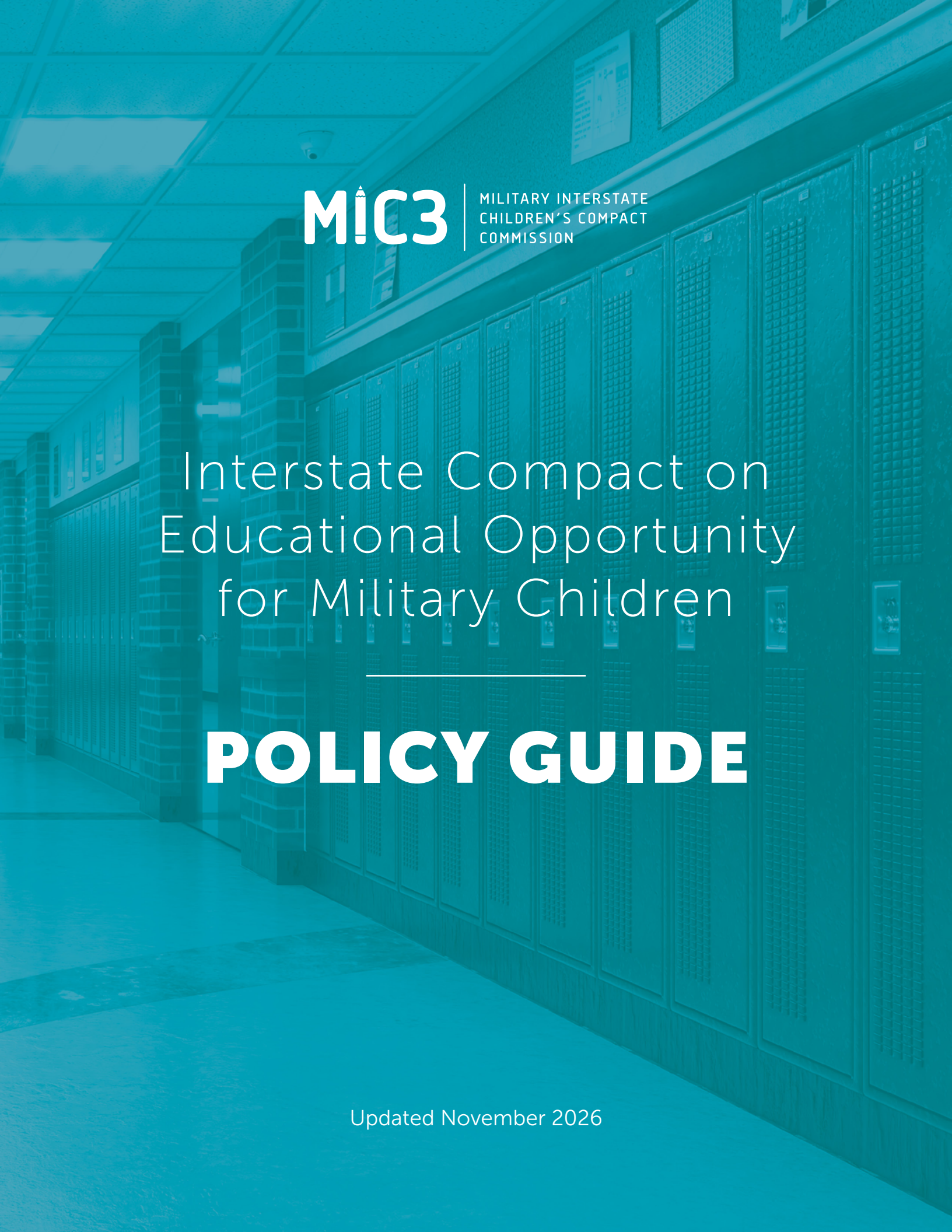

MIC3 | MILITARY INTERSTATE CHILDREN'S COMPACT COMMISSION

Interstate Compact on Educational Opportunity for Military Children

POLICY GUIDE

Updated November 2026

Introduction

The following documents are the administrative policies of the *Military Interstate Children's Compact Commission (MIC3)*, which is tasked with the successful implementation of the *Interstate Compact on Educational Opportunity for Military Children*. These policies are enacted to ensure accountability and clarity regarding implementation of the Compact and MIC3 administrative business.

Should you have any questions regarding these policies, please contact the national office at mic3info@csg.org.

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1-2014 | Travel and Reimbursement Guidelines

Issued: August 11, 2014
Revised: October 3, 2016; June 15, 2017; April 20, 2018; August 15, 2019; July 20, 2023; August 29, 2024

I. PURPOSE

A. Travel on Commission business to support or promote Compact-related programs is a valuable and necessary activity for the commissioners, ex-officio members, and staff. Expenses incurred for business and other travel expenses are reimbursable when properly documented, approved, and in compliance with Commission and Council of State Governments' travel policies and requirements.

B. Only reasonable, necessary, and appropriate travel and business expenses will be funded by the Commission; expenses of a personal nature are unallowable and are the traveler's obligation.

C. Commissioners, ex-officio, and staff making arrangements for the travel should follow all related requirements as detailed in this document and as required.

D. In the conduct of Commission business, commissioners, ex-officio members, and staff should maintain the highest ethical standards and should keep in mind their responsibilities as responsible stewards of the Commission funds as a quasi-governmental regulatory agency.

II. EXCEPTIONS TO THE TRAVEL POLICY

A. The executive director has the discretion to make exceptions to the Travel Policy in extreme circumstances. Any determination may be made in consultation with the Council of State Governments; the commission chair, treasurer; Executive or Finance Committees; general counsel; or individual or consultant as deemed necessary.

III. GENERAL INFORMATION

A. Personnel traveling on authorized MIC3 business:

1. Will adhere to the Conflict of Interest and Code of Conduct policies when traveling on authorized MIC3 business.
2. Will adhere to the Council of State Governments Accounting timelines and processes.
3. Within 30 days of completed travel, will submit a completed expense reimbursement form, and provide required documentation and itemized receipts. Itemized receipts must detail each item purchased, gratuity, plus tips (if applicable), and total amount paid.

B. For Annual Business Meetings (ABM), MIC3 will reimburse the commissioner, designee or proxy for: ground transport or mileage to/from the departure airport; airport parking fees; airfare and standard baggage fees; ground transportation [such as a shuttle, ride- hailing service (such as Uber or Lyft), or taxi] to and from the approved designated airport to the hotel/lodging. For meals, MIC3 will reimburse based on the federal government per diem rate for the specified location and time of year as provided by the U.S. General Services Administration. ***https://www.gsa.gov/travel/plan-book/per-diem-rates***.

1. All travel for ABM will be via air unless prior approval is authorized by the Executive Director.
    a. Travelers shall arrive into and depart from the approved event designated airport unless prior approval to travel from a secondary location, or a mode other than air, is obtained from the executive director. Submittals must be made at minimum 45 days prior to the event. A written justification, cost comparison of airfare vs. standard mileage, and other appropriate documentation must be submitted with the request.

b. Should the traveler reside in a neighboring state of the host state and wish to travel by personal vehicle instead of air, the traveler shall submit a request to the executive director at minimum 45 days prior to the event. A written justification, cost comparison of airfare vs. standard mileage, and other appropriate documentation must be submitted with the request.

2. ABM hotel/lodging days (authorized for the meeting) will be billed directly to MIC3.
3. The traveler will be charged directly by the hotel for any dates that are outside (prior to or post-meeting) of the authorized meeting dates.
4. MIC3 will not reimburse incidental charges such as entertainment, personal phone calls, and in-room snacks or bar purchases.

C. If traveling on other MIC3 business, the traveler will confirm the logistics and reimbursable expenses with the executive director prior to travel.

IV. RECEIPTS

A. **All receipts submitted for reimbursement must be itemized and notated with the item(s) being claimed. A credit card receipt with just an amount is not reimbursable.**

B. **Meals:** MIC3 will reimburse based on the federal government per diem rate for the specified location and time of year as provided by the U.S. General Services Administration. ***https://www.gsa.gov/travel/plan-book/per-diem-rates***

C. **Alcohol:** is not reimbursable and should be deleted from any receipt and the amount adjusted accordingly. **If possible, separate any alcohol expense from your meal expense**.

D. **Hotel/lodging:** the invoice must include the name/location of hotel, guest name(s), date(s) of stay, and an itemized breakdown of charges for lodging, meals, telephone, and any incidentals. For example, if a hotel statement specifies "room service," the traveler is required to provide a separate itemized receipt of the meal items purchased, plus tax and gratuity. It's understood that tips (hotel housekeeping, etc.) are discretionary and a receipt may not be available. These expenses may be claimed on the expense reimbursement form under "Other" with the specific type of tip (baggage, housekeeping, etc.).

V. AIR TRAVEL

A. The traveler is required to book air travel a minimum of **30 days prior to** the date of travel.

B. MIC3 will only reimburse for coach/economy-class air fares. A first, business class air fare is allowed only when the fare is no higher than the coach/economy-class air fare. The traveler shall use frequent flyer points or pay the difference between the coach/economy/main-class and upgraded air fare cost. The traveler must provide documentation of the itinerary and cost comparison between coach/economy class in comparison to the first-class ticket. This documentation must be submitted by the traveler to the executive director prior to purchase for approval at minimum 45 days prior to the trip.

C. The traveler shall use best efforts to ensure the airfare booking is the lowest available with a confirmed seat. Flights costs are authorized up to $700. The traveler must obtain approval from the executive director prior to travel should the traveler's ticket exceed this amount.

D. A traveler who is requesting an exception due to a medical issue must submit supporting medical documentation to the executive director for final determination.

E. Fees not authorized include:

1. Ticket change fees - Extenuating circumstances may be considered.
2. Excess baggage fees - Standard fees are authorized for one bag.
3. Seat upgrade charges. (e.g., upgrades to a higher-class fare such as Delta Comfort)
4. Additional legroom upgrades. (e.g., upgrades to a higher-class fare such as Delta Comfort)

VI. USE OF A PRIVATELY-OWNED VEHICLE (POV)

A. **Rate**. The current reimbursement rate for a privately-owned vehicle is based on the IRS standard business mileage rates at the time of travel.

B. When using a personal vehicle, the maximum reimbursement for all travel expenses will be calculated as follows:

   1. The maximum, including mileage, tolls and lodging, is limited to no more than the normal expenses that would have been incurred if commercial air had been used.
   2. A valid airfare cost comparison **must** be submitted with the travel voucher. The cost comparison must be obtained at least THREE weeks prior to the departure date of the trip. If the traveler must take a last-minute trip (inside three weeks of the departure date), then the cost comparison must be run on the day it is learned the trip must be made, and this explanation must be given on the travel voucher.
   3. The national office reserves the right to conduct their own cost comparison should it be required.

C. Documentation (map)

   1. 0 to 100 miles – Odometer reading and/or a map showing miles coinciding with the dates of travel.
   2. Greater than 100 miles – A map showing miles coinciding with the dates of travel is **required**.
   3. Greater than 500 miles – A map showing miles and documentation of the public carrier rate coinciding with the dates of travel is **required**.

D. Gas is not reimbursable when using a POV.

E. Note: The traveler is responsible for any traffic tickets/citations issued while traveling in a POV or a rental car on MIC3 business. MIC3 is not liable for any accidents or damage resulting from travel associated with MIC3 business.

VII. CAR RENTAL

A. Is **not** an approved method of transport unless prior authority has been granted and it can be shown that it is a cheaper or comparable method of transport than air,

   1. Rental charges should be net of any discounts and will be limited to the rental cost of compact or standard size cars.
   2. Valet parking – the traveler shall attempt to utilize self-parking if available. Valet may be allowable if there is no other option available or it has been discounted to the rate of regular parking for the purpose of the meeting in question.

VIII. GROUND TRANSPORTATION

A. If travel is by air, traveler shall attempt to utilize the most cost-effective form of transportation [a shuttle, ride-hailing service (such as Uber or Lyft), or taxi] to and from the hotel/lodging.

IX. TRANSPORTATION TO/FROM HOME/WORK AND AIRPORT

A. If the traveler plans to take public transportation (subway, bus, or tram), taxi or shuttle to/from the airport – the round-trip travel fare may be claimed.

B. If the traveler is dropped off/picked up at the airport by a friend or family member, only one-way travel mileage may be claimed for each trip. Airport parking fees incurred while a family member waits for the traveler upon his/her return are not eligible for reimbursement.

C. If the traveler utilizes airport parking for their personal vehicle, the round-trip mileage travel and airport parking fees may be claimed.

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X. HOTEL/LODGING (APPLIES TO TRAVEL OTHER THAN THE ABM)

A. If an overnight stay is necessary, hotel/motel accommodations should be based on a preferred rate plus applicable taxes. Inquire with MIC3 on the rate for your travel area.

B. MIC3 will not reimburse incidental charges such as entertainment, personal phone calls, and in-room snacks or bar purchases.

C. The hotel/lodging invoice must include the name/location of hotel, guest name(s), date(s) of stay, and a breakdown of charges for lodging, meals, telephone and any incidentals.

XI. EXPENSE REIMBURSEMENT

(Expenses are reimbursed after conclusion of the event, in accordance with the Council of State Governments' Accounting timelines and processes.)

A. All travelers must complete and submit claims using the ***Non-CSG Expense Reimbursement*** form. A downloadable, fillable form can be found at: ***http://mic3.net/pages/resources/resources.aspx***

XII. DEADLINES

Forms must be submitted no later than **30** days following the trip/event, in accordance with the *Council of State Governments' Accounting* timelines and processes.

A. If submittals are received beyond this window, the traveler may be asked to provide a written justification. Note: Expense claims are normally processed each Friday, and reimbursements are usually mailed the following Friday.

B. Expense Reimbursement forms with the required receipt documentation must be scanned/emailed to ***mic3info@csg.org***. (Photos of forms and documents are acceptable) If email is not available, mail forms to: *MIC3, c/o Council of State Governments, 1776 Avenue of the States, Lexington, KY, 40511.*

C. A guide to the completion of the reimbursement form can be found at: ***www.mic3.net*** under Commissioner, Forms, *Expense Reimbursement Form.*

D. Should you have any questions, please contact MIC3.

XIII. REIMBURSEMENT SUBMITTALS THAT DO NOT MEET THE TRAVEL POLICY

A. Submittals that do not meet the travel policy requirements and are not able to be processed by the National Office will be either:

1. Returned to the traveler with an explanation why the reimbursement or line items could not be processed.
2. Forwarded to the Finance Committee for review for review and determination.
3. Appeals: Should the reimbursement be declined by the Finance Committee; the traveler may submit an appeal to the Executive Committee for review. Appeals may be submitted to the Executive Director no later than seven (7) days prior to the next scheduled Executive Committee meeting. The traveler will provide a formal letter providing the reason for the appeal and the appropriate supportive documentation. The decision made by the Executive Committee is final.

MIC3

1-2015 | Awards

Issued: October 3, 2016
Revised: February 13, 2019; August 17, 2021

This policy has been created to define the process for recognizing individuals and organizations. The awards program also recognizes individuals for tenure, service, position, or noteworthy contribution to the Commission and its mission.

I. AWARDS

A. Cheryl Serrano Leadership Award – Gavel
B. Norman Arflack Leadership Award – Framed Certificate and Coin
C. MIC3 State Service Award – Certificate and Paperweight
D. MIC3 Merit Award – Certificate and Pin
E. MIC3 Community Award – Certificate and Coin

II. CHERYL SERRANO LEADERSHIP AWARD

A. Recognizes the current chair for outstanding leadership of the Commission through the enhancement of the mission and vision of the Compact.
B. The award is presented to the outgoing Chair of the Commission with approval of the executive Committee (EXCOM).
C. Timeline and venue for the presentation is dependent on the outcome of the elections at the Annual Business Meeting (ABM) unless the chair has notified the National Office they will not be seeking an additional term, or they resign during their 12-month tenure.

III. NORMAN ARFLACK LEADERSHIP AWARD

A. Recognizes an outgoing individual whose outstanding leadership on the EXCOM in a position other than Chair, has enhanced the mission and vision of the Compact. The nominee is a Compact commissioner who has served in an elected position of vice chair or treasurer; or was appointed to a standing committee chair position. The nominee must have served, at minimum, one full term.
B. The nomination is made by the executive director to the Commission chair for approval.
C. Timeline is dependent on the elections at the ABM. The award will be mailed within 4 to 6 weeks; or if practical, presented in-person.

IV. MIC3 STATE SERVICE AWARD

A. Recognizes an outgoing Compact commissioner whose outstanding leadership and or role has been essential to ensuring their state's implementation of the military interstate compact.
B. The nomination is made by the executive director to the EXCOM for approval upon confirmation of the resignation or the term end of the nominee.
C. The award will be mailed within four (4) to six (6) weeks.

V. MIC3 MERIT AWARD

A. Recognizes Compact commissioners and ex-officio members for years of service on the Commission.
B. The award when a Compact commissioner or ex-officio member reaches the following: 5, 10, 15, 20, 25, and 30+ years.
C. The nomination is made by the executive director to the EXCOM for approval.

D. The award will be mailed within four (4) to six (6) weeks.

VI. MIC3 COMMUNITY AWARD

A. Recognizes a Compact commissioner or an individual whose outstanding leadership and/or role has been essential to ensuring a state's implementation of the Compact. The nominee may be a Compact commissioner, a member of the state council, or another deserving individual who has shown the same traits in support of the Compact.

B. The nomination is made by the Compact commissioner or the executive director. The executive director is responsible for approving the award. The award will be mailed within four (4) to six (6) weeks to the Compact commissioner.

MIC3

1-2016 | Finance

Issued: October 3, 2016

This policy has been created to define the process for financial and budgetary documents on behalf of the MIC3.

FINANCIAL RECORDS

A folder will be designated on the MIC3 shared drive for each fiscal year. Each folder will have folders designated for the following materials:

I. Budget
II. Dues
III. Travel Reimbursements
    A. Staff
    B. Compact Commissioners
    C. Annual Meeting participants
IV. Credit cards
V. Tax Documentation
VI. Audits

I. BUDGET

Beginning in fiscal year (FY) 2017, budgetary documents and spreadsheets will be broken down quarterly to correspond with the meeting of the Finance Committee. Monthly finance reports (Balance, Revenue and Expense, and Detail) will be placed in the corresponding quarterly folder.

II. DUES

Dues folder will contain separate folders for the invoices and payments. All incoming dues payments must be marked with the corresponding state or state abbreviations

Resident numbers for the year and the dues spreadsheet should remain as separate files from these folders.

III. TRAVEL REIMBURSEMENTS

Travel reimbursements will have separate folders for each staff member and the members of the Executive Committee (EXCOM). Other folders can be created as the needs arise. These folders are for reimbursement outside of the Annual Business Meeting (ABM). Once completed and approved by the Executive Director, they are to be filed electronically.

A. MIC3 Employee Expense Reports

1. Reimbursements for travel expenses, business meals, or other approved costs will be made only upon the receipt of a properly approved and completed expense reimbursement form (see further policies under "Travel and Business Entertainment").
2. All original receipts must be attached, including itemized receipts for meals, and a brief description of the business purpose of trip or meeting must be noted on the form.
3. Expense reports for multiple party dinners should have the guests listed to eliminate the possibility of double payments of expenses. MIC3 travel policies shall apply to non-MIC3 participants.
4. Expense reports will be processed for payment on Thursday if received before noon on Monday.

5. Expense reports submitted without proper approvals, original receipts, or documentation or are otherwise incomplete will be returned without payment.

B. Commissioners

1. Commissioners traveling and presenting on behalf of the Commission outside of the ABM will follow the guidelines in the MIC3 administrative policy 1-2014: Travel Policy and Reimbursement Guidelines.
2. Using the following guidelines will ensure upon receipt of a claim, it is processed without an unnecessary delay.
3. Expense reports should be submitted no later than 30 days following the trip/event. If expenses are submitted beyond the 30-day window, individuals may be asked to provide a written justification as to why the expense report is being submitted late.
4. With immediate effect, it is now acceptable to submit expense forms electronically, via email. Original, itemized receipts are still required. These can be scanned and emailed along with the expense form to ***mic3info@csg.org***. You can still submit them via regular mail if preferred.

C. ABM – Commission

1. All travel reimbursements and the corresponding expense chart will be filed under the ABM folder. The reimbursement should be filed with the name and state of the Commissioner, designee, or temporary appointment.

IV. CREDIT CARDS

Credit Card reconciliation is completed each month by the cardholder. Once completed and coded according to The Council of State Governments (CSG) guidelines, and approved by the executive director, the bill and the receipts should be scanned and filed electronically under the cardholder name.

In the event that a card is lost, or stolen, a written record and all paperwork needs to be filed under the cardholder name in the event that it is needed for audit purposes. If a card is replaced a new folder should be created under the cardholder's name to distinguish the old card from the new. Paperwork regarding lost or stolen cards must be obtained and shared through Staff Accountant/Accounts Payable Coordinator at CSG.

V. TAX DOCUMENTATION

This includes W9 and any state paperwork needed for the processing of the dues to the Commission. Any change in the documentation or state paperwork should be filed promptly. If dealing with a state, the file name needs to include the appropriate state abbreviation.

VI. AUDITS

This file will include a list of material requested annually by the auditor and instructions for the audit. All materials needed for the audit should be placed in the audit folder on the MIC3 share drive as they are completed.

MIC3

2-2016 | Records Retention and Guidelines

Issued: October 3, 2016

I. OBJECTIVE

To ensure that records and documents produced by the MIC3 are adequately protected.

II. APPLICABILITY

This policy applies to all physical and electronic records produced by MIC3. Records and documents produced by The Council of State Governments on behalf of its affiliates are maintained in accordance with policies and procedures established by CSG. See Schedule B. This policy is not applicable to records or documents produced by member states which are maintained in accordance with policies and procedures established by their respective states.

III. ADMINISTRATION

The executive director in conjunction with the CSG is responsible for the implementation and administration of the record retention schedule shown in Schedule A.

IV. SUSPENSION OF RECORD DISPOSAL IN THE EVENT OF LITIGATION OR CLAIMS

In the event MIC3 becomes party to a court action, a government investigation, or audit, the disposal of any and all records and documents shall be suspended until such time as the executive director, with the advice of counsel, determines otherwise.

V. RECORD KEEPING

When an employee disposes of records in accordance with the schedule outlined in Schedule A, the employee shall prepare a written log identifying the records and documents destroyed, the date destroyed, and by whom. The logs are to be maintained by the executive director.

VI. SCHEDULE A: RECORD RETENTION SCHEDULE (MIC3)

A. Financial Records

Record Type	Minimum Retention Period
Budget	5 years
Dues Documentation	5 years
Travel Reimbursements	7 years
Credit card documentation	5 years
W9s	Permanent
Audits	5 years
Hotel Contracts	3 years after expiration

B. Commission and Committee Materials

Record Type	Minimum Retention Period
Minutes	Permanent
Agendas	Permanent
Committee Rosters	Permanent
Training Materials	3 years
Toolkits	3 years
Strategic Plans	Permanent
Annual Reports	Permanent
By-laws	Permanent
Rules	Permanent
Policies and Procedures	Permanent
Audio recordings of Committee/Commission Meetings	3 years

C. Internal documents

Record Type	Minimum Retention Period
Letters/Memos	2 years
Service Contracts	3 years
Legal Documents	Permanent
Conference Materials	2 years
Directories	2 years
Presentations	3 years
Publications (brochures, guides, handouts)	2 years
Logos	Permanent
Media	3 years
Press Releases	Permanent

D. State Materials

Record Type	Minimum Retention Period
Agendas	Permanent
Council Minutes	Permanent
Compact Commissioner Appointments	Permanent
Success/Achievements	Permanent

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VII. SCHEDULE B: RECORD RETENTION SCHEDULE (CSG)

A. Personnel Records

Record Type	Minimum Retention Period
Personnel Files (Employee Information and compensation records)	Permanent
I-9's	1 year after termination or 3 years after hire
Personnel Files (Payroll records & summaries including records related to employee's leave)	Permanent
Employee Earnings Records	Permanent
Personnel Records (including individual attendance records, application forms, job or status change records, performance evaluations, termination papers, training and qualification records)	Permanent
Personnel Files (terminated employee)	Permanent
Retirement and pension records	Permanent
Tax Returns and worksheets	10 years
Timesheets	Permanent
Workers Compensation	Permanent
Personnel Policies	Permanent
Job Descriptions	Permanent

B. Insurance Records

Record Type	Minimum Retention Period
Annual Loss Summaries	10 years
Claims Files (correspondence, medical records, injury documents, etc.)	10 years
Group Insurance Plans - Active Employees	10 years
Group Insurance Plans - Retirees	10 years
Insurance Policies (active and expired)	10 years

C. Payroll Documents

Record Type	Minimum Retention Period
Employee Deduction Authorizations	Permanent
Payroll Deductions	Permanent
W-2 and W-4 Forms	Permanent
Garnishments, Assignments, Attachments	Permanent
Labor Distributions Cost Records	8 years
Payroll registers (gross and net)	8 years

D. Accounting and Finance

Record Type	Minimum Retention Period
Accounts Payable ledgers/schedules	5 years
Accounts Receivable ledgers/schedules	5 years
Audit Reports/Financial Statements	5 years
Audit Records (Including work papers and other audit related documents)	5 years
Bank Statements/Canceled Checks	5 years
Expense Reports	7 years
General Ledgers	5 years
Investment Records	5 years
Credit Card Records	5 years
Depreciation Records	5 years

E. Tax Records

Record Type	Minimum Retention Period
Tax-Exemption Documents and Related Correspondence	Permanent
IRS Rulings	Permanent
Excise Tax Records	5 years
Tax Bills, Receipts and Statements	5 years
Tax Returns (income, franchise and property)	5 years
Tax Workpaper Packages - Orginals Sales/Use Tax Records	5 years
Annual Information Returns - Federal and State	5 years
IRS/Government Audit Records	5 years

MIC3

2-2017 | Code of Conduct

Issued: August 17, 2017
Revised: April 17, 2019; September 21, 2023; July 17, 2025

I. BACKGROUND

The Executive Committee is vested with the power to act on behalf of the Interstate Commission during periods when the Commission is not in session. This policy applies to signatory states to the Interstate Compact on Educational Opportunity for Military Children and commissioners or designees officially appointed to represent those states at the Annual Business Meeting (ABM), and staff.

II. INTRODUCTION

The Interstate Commission on Educational Opportunity for Military Children ("MIC3") is comprised of one commissioner from each of the 50-states and Washington, D.C. Created by the enactment of the Compact by the member states, the Commission affords great deference to its member states in selecting commissioners to represent them. The Commission's policy on the Code of Conduct was implemented to ensure transparency, accountability, and integrity among all members of the Commission.

III. COMMISSIONER, STAFF, AND EX-OFFICIO MEMBER CODE OF CONDUCT

This Code of Conduct has been adopted to foster harmonious relations among commissioners, and to engender the respect and confidence of members and the entire MIC3 community.

A. Commissioners, staff, and ex-officio members should perform their duties honestly, in good faith, and with a reasonable amount of diligence and care.
B. Commissioners, staff, and ex-officio members should act in the overall best interests of the organization, its member states, and the general MIC3 community.
C. Commissioners, staff, and ex-officio members should conduct themselves at all times in a manner that does credit to the organization and the state they represent.
D. No commissioner, staff, or ex-officio member shall engage in criminal or disgraceful conduct prejudicial to the Commission, any other commissioner or any other state.
E. Commissioners, staff, and ex-officio members shall, as applicable:
    1. Abide by all other rules, policies and regulations of the Commission.
    2. Maintain reasonable competence to carry out duties of the commissioner.
    3. Except when specifically required by a rule of the Commission or by law, refrain from sharing, copying, reproducing, transmitting, divulging or otherwise disclosing confidential information related to the affairs of the Commission.
    4. Uphold confidentiality of Closed session meetings.
    5. Perform assigned duties in a timely manner including due diligence in ascertaining expectations of other commissioners or committees for timeliness of responsiveness or work product.
    6. Upon termination of service, promptly return to the Commission all documents, electronic and hard files, reference materials, and other property entrusted to the commissioner to fulfill their Commission responsibilities. Such a return will not abrogate the commissioner from their continuing obligations of confidentiality, to the extent permitted by law, concerning information acquired as a consequence of their tenure on the Commission.
F. Commissioners, staff, and ex-officio members shall not:

1. Engage in communication that is or may be libelous or defamatory, threatening, injurious, abusive, aggressive, or violent, or which constitutes harassment in any form or is otherwise harmful to the reputation of the organization;
2. Deceive, defraud, or mislead other commissioners, staff, ex-officio members, or those with whom MIC3 has business or other relationships;
3. Misrepresent MIC3 in any negotiations, dealings, contracts, or agreements;
4. Engage in unethical practices of any type;
5. Use MIC3 property, financial resources, or services of MIC3 personnel for personal benefit;
6. Violate any applicable laws or ordinances;
7. Make any complaint with knowledge that the allegations are false.

IV. MIC3 MEMBER CONTACT INFORMATION AND APPROPRIATE EMAIL USE POLICY

Electronic mail or "e-mail" is considered an official method for communication by the MIC3 because it delivers information in a convenient, timely, cost-effective, and environmentally conscious manner.

A. Purpose

This policy ensures commissioners, staff and ex-officio members have access to this important form of communication and can be reached as needed. Specifically, the purpose of this policy is to:

1. Establish policy on privacy and confidentiality in electronic communications;
2. Ensure MIC3 electronic communications resources are used for purposes appropriate to the MIC3 mission;
3. Use of commissioner, staff and ex-officio representative email addresses shall be used for Commission or Compact-related purposes only;
4. Prevent misuse of MIC3 electronic communications resources, services, and activities.

B. Contacts

Questions or comments about this policy should be directed to the Executive Committee and/or Executive Director.

C. Definitions

1. **Commercial mailings** - Information or promotion of the products or services by an ex-officio member or an entity not directly affiliated with MIC3.
2. **Emergency or necessity** - Circumstances under which notification will reduce the risk of personal harm, property damage, or severe negative impact on MIC3 operations.
3. **Forwarded email** - E-mail sent to an address that is automatically sent via computer code to another e-mail account.
4. **Hacking** - Gaining or attempting to gain the unauthorized access to any computers, computer networks, databases, data or electronically stored information.
5. **Large routine, periodic, targeted mailings** - Electronic mailings sent to all or most of a broad constituency such as commissioners, staff and ex-officio members. Examples of such electronic mailings would be those containing news and announcements collected and sent on a regular basis by the commission.

6. **MIC3 community** - Commissioners, staff, ex-officio members, and immediate stakeholders from state councils and/or military such as military school liaisons or U.S. Department of Defense representatives.
7. **Official e-mail** - An e-mail account, utilized by commissioners, staff, ex-officio members, and immediate stakeholders from state councils and/or military such as military school liaisons or U.S. Department of Defense representatives.

D. E-Mail Provisions That Apply to the Entire MIC3 Community Responsibilities

1. MIC3 commissioners, staff, ex-officio members, and immediate stakeholders shall be aware that their conduct or information they publish could reflect on the reputation of their state, agency, organization, and MIC3. Therefore, professionalism in all communications is of the utmost importance.
2. MIC3 commissioners, ex-officio members, and immediate stakeholders from state councils and/or military such as military school liaisons or U.S. Department of Defense representatives have an obligation to conform to their state, agency, organization's access to the Internet and e-mail in a responsible and informed way, conforming to their network etiquette, customs, courtesies, and any or all applicable laws or regulation.
3. As with other forms of publications, copyright restrictions/regulations shall be observed.
4. MIC3 commissioners, staff, ex-officio members, and immediate stakeholders shall represent themselves and their state, agency, organization, and MIC3 accurately and honestly through electronic information or service content.
5. E-mail should be used for "appropriate business use" only.

E. Unacceptable Uses

Since e-mail provides for peer-to-peer communications between member states, it also has great potential for misuse.

Use of e-mail for inappropriate conduct or any gross misconduct may result in referral to the Executive Committee, executive director, and/or notification to the appointment authority. Examples of inappropriate conduct include, but are not limited to:

1. Using e-mail for financial gain or outside business activities in a commercial connotation such as buying or selling goods or services.
2. Using e-mail for transmitting statements, language, images or other materials that are reasonably likely to be perceived as offensive or disparaging of others based on race, national origin, sex, sexual orientation, age, disability, religious or political beliefs.
3. Using abusive or objectionable language in either public or private messages.
4. Using e-mail for disseminating, soliciting or storing sexually oriented messages or images.
5. Using e-mail for sending or forwarding chain letters.
6. Distributing or forwarding unsolicited commercial e-mail.
7. Using e-mail for soliciting money for religious or political causes, or advocating religious, or political opinions.
8. Using e-mail for any illegal purposes, including initiating or receiving communications that violate any federal or state laws and regulations. This includes malicious use, spreading of viruses, and hacking.

9. Misrepresenting, obscuring, suppressing, or replacing a user's identity in e-mail. This includes the use of false or misleading subject headers and presentation of information in the distribution of e-mail.
10. Using e-mail to distribute personal information to include any information that constitutes an unwarranted invasion of personal privacy as defined in state and federal laws.
11. Using e-mail for copying, disseminating or printing copyrighted materials (including articles, images, games, or other software) in violation of copyright laws.
12. Distribution of MIC3 name, logo, name of a MIC3 meeting program, product, or service, in communications with organizations in a manner that implies the commission participates in, or approves of, the communication, or implies MIC3 endorsement or sponsorship of the content of the communications, without prior MIC3 approval in writing.

Note: MIC3 maintains sole ownership of all work products and materials provided to the Commission. The work and all data, reports, research, content, programs, information, speeches and presentations (together with all handouts, outlines and ancillary materials), articles, papers, documents, products, recordings, materials (including, but not limited to, written or electronically stored materials or ideas), and other original works of authorship fixed in a tangible medium of expression shall be the sole and exclusive property of MIC3.

F. State Comissioner and Ex-officio Member Contact Information Do's and Don'ts

1. Do:
    a. Utilize contact information for commission business only.
    b. Contact a member for insight, ideas, general feedback, and discussion on how to handle a particular issue or case.
2. Don't:
    a. Make unsolicited contact with other members to describe or promote your business or services, or to make a sale.
    b. Use member or ex-officio contact information to promote your clients.
    c. Use member or ex-officio contact information to generate bulk communications, direct mail, or e-blast lists.
    d. Share member or ex-officio contact information with third parties.

V. CONCERN OVER CODE OF CONDUCT

Concerns over violations of this Code of Conduct should be brought to the attention of the Chair of the Commission for consideration by the Executive Committee. The individual who is alleged to have engaged in actions that are potentially in violation of this policy will be given notice in writing of the nature of the reported concern. The Executive Committee will determine if any of the provisions of the Commission's policy on Code of Conduct have been violated and decide the appropriate action, if any, including but not limited to that provided in Section VII, if applicable.

VI. CODE OF CONDUCT FORM

All commissioners, staff, and ex-officio members are required to complete a Code of Conduct Form which must be submitted to the executive director by June 30th of each year, regardless of whether there have been any changes in status from the previous year. If a commissioner or ex-officio member is appointed after June 30th, a completed form must be submitted within six weeks following the appointment.

VII. NOTIFICATION TO STATE APPOINTING AUTHORITY

The Commission may notify the appropriate appointing authority in the home state of the commissioner regarding any concerns it may have with respect to the conduct of said commissioner or violation of this Policy. Removal of a commissioner from their position as a representative of a member state shall be at the sole discretion of the appointing authority of that state.

MIC3

3-2017 | Accessing General Counsel

Issued: December 7, 2017

I. AUTHORITY

The Executive Committee (EXCOM) is vested with the power to act on behalf of the Commission during periods when the Commission is not in session.

II. APPLICABILITY

This policy applies to signatory states to the *Interstate Compact on Educational Opportunity for Military Children* and commissioners, or designees appointed to represent those states to the Commission, state legal representatives, and all persons engaged in the business of the Compact.

III. POLICY

A. The commissioners or designees appointed to represent those states to the Commission, state legal representatives and all persons engaged in the business of the Compact shall access the general counsel of the Commission through the executive director. Pursuant to the Compact and Compact Rules, these persons may request a legal interpretation in writing or by email through the executive director. The general counsel of the Commission shall not communicate directly to anyone in regard to his scope of responsibility to the Commission on matters for which a fee for general services will be charged to the Commission without the knowledge of the executive director.

B. Should costs be incurred due to commissioners or designees, state legal representatives, or persons engaged in the business of the Compact communicating directly with the general counsel of the Commission without the executive director's approval, the non-approved fees or costs will not be paid by the Commission

MIC3

2-2019 | Conflict of Interest

Issued: April 17, 2019
Revised: July 17, 2025

I. AUTHORITY

The Executive Committee is vested with the power to act on behalf of the Interstate Commission during periods when the Commission is not in session. The Executive Committee oversees the day-to-day activities managed by the executive director.

II. APPLICABILITY

This policy applies to signatory states to the Interstate Compact on Educational Opportunity for Military Children and commissioners or designees appointed to represent those states to the Commission.

III. INTRODUCTION

The Interstate Commission on Educational Opportunity for Military Children ("MIC3") is comprised of one commissioner from each of the 50 states and Washington, D.C. As a joint government entity created by the enactment of the Compact by the member states, the Commission affords great deference to its member states in selecting commissioners to represent them. The diverse personal, educational, and professional backgrounds of commissioners are one of the Commission's greatest assets. However, this diversity means that some commissioners may have personal pecuniary interests which are affected by the outcomes of management and other decisions which must be made concerning the administration of the Compact Commission at times. The Commission's Policy on Conflict of Interest was implemented to ensure transparency, accountability, and integrity in the Commission's decision-making process.

IV. COMMISSIONER CONFLICT OF INTEREST

The Commissioner Conflict of Interest adopted as a policy of the Commission provides as follows:

Conflict of Interest. Commissioners and their designees appointed by the states are responsible for upholding the integrity of the Commission and its member states.

No commissioner or designee shall vote or participate in debate upon a matter in which the commissioner or designee has a direct or indirect financial or other personal interest resulting in a personal benefit that conflicts with the fair and impartial conduct of official duties.

The Executive Committee shall have the sole authority to consider allegations of breaches of this code, including appeals from commissioners or designees alleged to be in violation herewith. In the case of a breach, the Executive Committee may direct the chair to notify the appropriate appointing authority in the commissioner's or designee's home state.

Definition

A **Conflict of Interest** is a set of circumstances that creates a risk that professional judgment or actions regarding a primary interest will be unduly influenced by a secondary personal interest economic or otherwise.

V. CONFLICT OF INTEREST FORM (DISCLOSURE FORM)

A. All commissioners and designees are required to complete a Conflict of Interest Form (Disclosure Form). The form requires recusal from participating in debate or voting on a matter in which there are

personal interests, financial or otherwise, that may impact the ability of a commissioner or designee to conduct business in a "fair and impartial" manner.

B. Completed Commission Disclosure Forms must be submitted to the executive director by June 30 of each year, regardless of whether there have been any changes in status from the previous year. If a commissioner or designee is appointed after June 30th, a completed Disclosure Form must be submitted prior to participation in a Commission meeting. For the first year of implementation of this Policy, all commissioners and designees must complete a disclosure form prior to the 2018 Annual Business Meeting.

C. Completed Disclosure Forms will be made available to the public upon request.

D. Disclosure Forms must be updated annually by commissioners and their designees. If a commissioner or designee does not have any changes to their Disclosure Form, the previous year's form can be resubmitted.

VI. COMMISSIONER AND DESIGNEE RECUSAL

Prior to discussing an issue in which a commissioner or designee believes a conflict of interest may exist, the Commissioner or designee must advise the chair at, or prior to the meeting that they are recusing themselves from participating in the caucus and voting. Once recused, the commissioner or designee will not be able to participate in the debate or the vote concerning the matter that led to the recusal.

VII. CONCERNS OVER CONFLICT OF INTEREST

Concerns over conflicts of interest should be brought to the attention of the chair of the Commission for consideration by the Executive Committee. The individual who is alleged to have engaged in actions that are potentially in violation of this policy will be given notice in writing of the nature of the reported concern. The Executive Committee will determine if any of the provisions of the Commission's policy on Conflicts of Interest have been violated and decide the appropriate action, if any, including that provided in Section VIII.

VIII. NOTIFICATION OF HOME STATE APPOINTING AUTHORITY

If any of the following conditions are met, the Commission may notify the appropriate appointing authority in the home state of the commissioner or designee regarding its concern about the ability of the commissioner or designee to perform their duties in a fair and impartial manner or if it becomes aware of any of the following information:

A. The commissioner or designee has a substantial financial or other personal conflict of interest in the outcome of the matter, such as the awarding of a contract for services or employment, and refuses to recuse from debate or voting on such matter;

Removal of a commissioner from their position as a representative of a member state shall be within the sole discretion of the appointing authority of that state.

MIC3

3-2019 | Guidelines for Commission Meetings

Issued: June 20, 2019

I. PURPOSE

The objective of this policy is to establish guidelines for participants and attendees during meetings of the Commission. These guidelines are intended to insure positive interaction and timely resolution of any issues that may occur during the course of debate. They are not intended to circumvent or stifle debate but to ensure agenda items are addressed efficiently.

II. AUTHORITY

Article VI, Section 4. Procedure of the MIC3's by-laws establishes Robert's Rules of Order as the procedural guide for conducting Commission meetings unless otherwise prescribed by by-laws or rules adopted by the Commission. This policy is consistent with Robert's Rules of Order.

III. APPLICABILITY

This policy applies to the National Office staff, the Compact commissioners of all member states, proxies for Compact commissioners, ex-officio organization representatives, and members of the public attending meetings of the Commission. This policy refers to the term "Compact commissioner" as defined in *Article II Membership* of the Compact by-laws.

This policy is intended for use during all Commission meetings including: the Annual Business Meeting (ABM); standing and ad hoc committee; task force; and tier groups meetings. And will apply to meetings conducted in-person, and by telephone or web-based conferencing.

IV. GENERAL INFORMATION

All Commission meetings are open to the public. Compact commissioners, Ex-officio representatives, or public participants may attend meetings, however, may only speak when recognized by the chair in accordance with Article VIII, *Section 4 Public Participation* of the Compact by-laws. It is expected that all discussion, remarks, and comments made during Commission meetings will be courteous, respectful, and professional. Comments of a personal nature or that are intended to insult, belittle, or otherwise denigrate any individual are not acceptable.

V. POLICY

Meetings of the Commission will uphold the following practices:

A. Compact commissioners may have the floor to speak after being recognized by the Chair.
B. Compact commissioners are not to interrupt the individual who has the floor.
C. The chair will present a draft agenda after the start of the meeting. Members may move for changes to the agenda before voting to adopt it.
D. To discuss or debate an agenda item, the Compact commissioner shall make a motion. The discussion will be opened after the motion has been seconded by another Compact commissioner.
E. No Compact commissioner may speak twice about the same issue until everyone else wishing to speak has been allowed to do so.
F. The chair may establish reasonable limits to the debate in order to expedite matters and accomplish Commission business.
G. The chair has the same rights to speak and vote on questions as do other Compact commissioners.

VI. MAINTAINING AND RESTORING ORDER FOR ALL MEETING ATTENDEES

The chair is responsible for maintaining and restoring order during the meetings. The chair shall employ the following steps progressively to maintain order:

A. Remind Compact commissioners and meeting attendees of the proper procedures and expectations for discussion and debate.
B. Call the meeting back to order.
C. An offending individual:
    1. Shall be admonished by name and the minutes of the meeting shall reflect the unacceptable behavior, words, or actions at the direction of the chair.
    2. Can be removed from the meeting.
        a. Compact commissioners may be removed from the meeting by a two/thirds vote of the body. A Compact commissioner has the right to appeal the decision.
        b. The chair has the power to remove a meeting attendee, non-voting representative, or public participant at any time during a meeting, and this individual has no right to appeal the chair's decision.
        c. Each of these actions shall be recorded in the minutes of the meeting at the direction of the chair.

VII. PENALTIES FOR COMPACT COMMISSIONERS, EX-OFFICIO REPRESENTATIVES, AND MEETING ATTENDEES

Once a quorum is established, disciplinary action may be imposed for inappropriate behavior by a vote of the Compact commissioners present. A Compact commissioner may ask to be recognized and move to propose a penalty, or the chair may ask what penalty should be imposed.

Possible penalties include:

A. An apology by the offending individual.
B. Formal censure or reprimand.
C. Removal of the offending individual for the remainder of the meeting.
D. Suspension of the offending individual's rights for a designated period of time.
E. Expulsion of the offending individual from the organization.
F. Any penalty other than expulsion requires a majority vote to adopt; expulsion takes a two-thirds vote. At the request of a single member, the vote on a penalty motion must be taken by ballot.

Compact commissioners may vote to have the offending individual leave the meeting while they discuss the penalty. This action must also be presented in the form of a motion. If the Commission does not ask the offending individual to leave during the discussion, they shall allow the offending individual to speak briefly in his or her defense. If the offending individual denies the charges, the secretary can read back what he or she has said or done.

VIII. EX-OFFICIO REPRESENTATIVES

The Commission by-laws, *Article II, Section 3* defines ex-officio members as "*non-voting representatives* who are members of interested organizations. Military-oriented, military family, education-oriented, and parent and teacher organizations are welcome to petition the Commission for inclusion as an ex-officio member."

A. Ex-officio representatives may participate in debate and discussion if recognized by the chair after member comments have been concluded.
B. Non-voting representatives, may not move, second, or vote on any motion.

MIC3

4-2019 | Ex-officio Representative Role and Conduct

Issued: June 20, 2019

I. INTRODUCTION

Pursuant to Article IX of MIC3 model compact language and *Article II Section 3* of the Commission by-laws, ex-officio representatives are *(non-voting representatives who are members of interested organizations, including but not limited to military-oriented, military family, education-oriented, and parent and teacher organizations.)*

The title of ex-officio follows the position, or the office, as in its Latin roots, "from the office," serving on MIC3 as an official representative from his or her organization.

The following describes the standards for ex-officio participation on the Commission:

II. APPOINTMENT

A. Each ex-officio organization shall provide an appointment letter to the Commission designating, by name, the official representative for their respective organization to the Commission.
B. Each ex-officio organization shall be permitted one representative.

III. VOTING STATUS

Ex-officio representatives are non-voting and therefore unable to vote on any matter that comes before the Commission.

IV. COMMITTEES

A. Each ex-officio representative may only serve on one committee as assigned by the chair of the Commission, or as provided by the by-laws.
B. No ex-officio shall serve on the Leadership Nomination Committee or any subsequent committee that is dedicated to identifying MIC3 leaders and monitoring the election of MIC3 officers.
C. Ex-officio representatives may not be included in the committee chair's count when determining the number of committee representatives needed for a quorum.
D. Ex-officio representatives serving on a committee shall have the right to participate in debates and discussions before the Commission or their assigned committee.
E. Ex-officio representatives are expected to refrain from participating in debate upon a matter that the ex-officio has a direct or indirect financial or other personal interest, resulting in a personal benefit that conflicts with the conduct of his or her duties.
    1. Should an ex-officio representative believe a conflict of interest exists, they should announce to the committee or the Commission that they are recusing themselves from the debate.
F. The ex-officio representative must sign the MIC3 Conflict of Interest Disclosure Form unless their organization has a similar Conflict of Interest Policy and Conflict of Interest Disclosure Form signed by the ex-officio. In this event, the ex-officio shall furnish a copy of this form to the Commission.
    1. The U.S. Department of Defense ex-officio member serving as the liaison to MIC3 shall be exempt from signing such Conflict of Interest form, however, they remain subject to the regulations and policies of the U.S. Department of Defense.

V. CODE OF CONDUCT

Ex-officio representatives are expected to comply with the principles detailed in the MIC3 Code of Conduct Policy, including;

A. Participating in good faith in MIC3 activities;
B. Conducting themselves in a manner that does credit to their respective organizations and to the Commission;
C. Acting in the overall best interests of the Commission and their organizations;
D. Not engaging in any conduct that is criminal, disgraceful, or prejudicial to MIC3 or to their own organizations;

VI. COMMISSION MANAGEMENT AND OPERATIONS

Ex-officio representatives shall not engage directly or indirectly in the management or function of the Commission. Therefore, they may not vote or make decisions on the daily administration of the Commission, including but not limited to the election of officers, strategic planning, or personnel matters.

VII. REPRESENTATION TO THIRD PARTIES

A. Ex-officio representatives represent their respective organizations on the Commission, and are not appointed Compact commissioners of member states or the District of Columbia, therefore ex-officio representatives shall not represent the Commission to third parties or to the U.S. Government;
B. Ex-officio representatives shall not represent or speak on behalf of the Commission at any event without the approval of the Executive Committee.

MIC3

5-2019 | Defining Role of Compact Commissioner, Designee, and Proxy

Issued: June 20, 2019

I. AUTHORITY

The MIC3 established the position of commissioner to represent and administer the Compact in each member state. This policy will define the duties and responsibilities of the Compact commissioner, designee, and those individuals attending the MIC3 Annual Business Meeting (ABM) as the state's proxy. It will clarify the party responsible for allocating those duties and responsibilities to the individual.

II. APPLICABILITY

This policy applies to individuals chosen to administer the Compact as indicated by the appointing authority, as outlined in the state's statute, or the Compact commissioner whether they are administering the Compact daily or serving as a proxy only for the MIC3 ABM.

III. DEFINITIONS: COMPACT MODEL LANGUAGE, RULES, AND BY-LAWS

A. Compact Model Language: Article VIII & Article IX

Article VIII – State Coordination

C. The Compact commissioner responsible for the administration and management of the state's participation in the Compact shall be appointed by the governor or as otherwise determined by each member state.

Article IX – Interstate Commission

B. Consist of one Interstate Commission voting representative from each member state who shall be that state's Compact commissioner.

3. A representative shall not delegate a vote to another member state. In the event the Compact commissioner is unable to attend a meeting of the Interstate Commission, the governor or state council may delegate voting authority to another person from their state for a specified meeting.

B. Compact Rules: Ch. 100, SEC. 1.101 Definitions

e) "Compact commissioner" as the voting representative of each compacting state, appointed pursuant to Article VIII of this compact.

C. MIC3 By-laws: Article II – Membership

Section 2. Compact Commissioners. Each compacting state shall have and be limited to one member. A member shall be the Compact commissioner of the compacting state. Each compacting state shall forward the name of its Compact commissioner to the National Office of the Commission, who will advise the Commission chairperson. The National Office of the Commission shall promptly advise the appropriate appointing authority of the compacting state of the need to appoint a new Compact commissioner upon the expiration of a designated term or the occurrence of mid-term vacancies. If a resignation of a Compact commissioner occurs or a change is made by the state appointing authority, it is the responsibility of the member state to inform the Commission of the vacancy or change.

IV. POLICY: DEFINING ROLES

A. Compact commissioner

As defined by the Compact Rules Chapter 100, section 1.101 the "Compact commissioner" means: the voting representative of each compacting state, appointed pursuant to Article VIII of this compact. This individual, as indicated by an appointment letter from their state's appointing authority, administers and manages the Compact in their state. The Compact commissioner serves on at least one standing committee and may be eligible to hold an elected leadership position on the Commission. In addition, the Compact commissioner attends and actively participates in the ABM as their state's voting representative.

B. Designee

Should a Compact commissioner choose to delegate the duties and responsibilities of the Compact commissioner to another individual this person shall be the "designee". The Compact commissioner must inform the MIC3 National Office in writing or by utilizing the MIC3's Delegation of Authority Form of the name of their designee within 60 days of their appointment. The "designee" is the voting representative for their compacting State, will serve on at least one standing committee, and may be eligible to hold an elected leadership position on the Commission. In addition, the Compact commissioner designee attends and actively participates in the ABM as their state's voting representative.

C. Proxy

Should the Compact commissioner or the designee be unable to attend the ABM then a "proxy" may be selected by the appointing authority, Compact commissioner, state council, or designee to serve as the voting representative for their state only for the duration of the specified ABM. A proxy will not serve on a standing committee but may attend any meetings held during the ABM, so they may communicate relevant information to their Compact commissioner or state council upon the conclusion of the ABM. A proxy may not run for or hold a leadership position in MIC3.

V. MIC3 DELEGATION OF AUTHORITY FORM

The MIC3 *Delegation of Authority* form for the ABM containing the name and contact information of the selected individual must be submitted at least 60 business days but no later than 30 business days prior to the first day of the ABM to ensure all pertinent information, i.e. items to be voted on, are communicated. Only those individuals serving as a proxy who have submitted the proper documentation to the National Office will be eligible for reimbursement under the 1-2014 *Travel Policy and Reimbursement Guidelines* for expenses incurred in relation to the ABM.

MIC3

1-2020 | Policy Development and Approval

Issued: June 18, 2020

I. APPLICABILITY

This policy applies to the *Interstate Commission on Educational Opportunity for Military Children*, also known as the MIC3, as defined in the Compact Rules; Chapter 100, SEC. 1.101, j.

II. AUTHORITY

This policy is meant to clarify and establish transparent guidelines by which Commission policies are developed, reviewed, approved, and distributed. This policy includes how to develop new policies, how to amend existing policies, and how to rescind existing policies.

A. MIC3 By-laws: Article I Commission Purpose, Function and by-laws

Section 2. Functions.

In pursuit of the fundamental objectives set forth in the Compact, the Commission shall, as necessary or required, exercise all of the powers and fulfill all of the duties delegated to it by the compacting states. The Commission's activities shall include, but are not limited to, the following: the promulgation of binding rules and operating procedures; equitable distribution of the costs, benefits and obligations of the Compact among the compacting states; enforcement of Commission Rules, Operating Procedures and By-laws; provision of dispute resolution; coordination of training and education; and the collection and dissemination of information concerning the activities of the Compact, as provided by the Compact, or as determined by the Commission to be warranted by, and consistent with, the objectives and provisions of the Compact.

However, where there are Commission policies that do not directly relate to those actions identified in the Commission's by-laws. The Commission, through the model compact language, delegated to the Executive Committee (EXCOM) the authority to develop and approve new policies or make amendments to existing policies.

B. Model Compact Language: Article XI Organization and Operation of the Interstate Commission
Section C. EXCOM, Officers and Personnel

1. *The EXCOM shall have such authority and duties as may be set forth in the by-laws, including but not limited to:*
    a. *Managing the affairs of the Interstate Commission in a manner consistent with the by-laws and purposes of the Interstate Commission;*
    b. *Overseeing an organizational structure within, and appropriate procedures for the Interstate Commission to provide for the creation of rules, operating procedures, and administrative and technical support functions; and*
    c. *Planning, implementing and coordinating communications and activities with other state, federal, and local government organizations in order to advance the goals of the Interstate Commission.*

III. POLICY

A. Submitting New Policies and Amending Existing Policies – Proposed new policies and amendments to existing policies shall be submitted to the EXCOM for referral to the appropriate standing committee as follows:

1. Any Compact commissioner may submit a policy proposal or policy amendment for referral during any standing committee meeting. The presence of a quorum must be established before any vote of the committee can be taken. This proposal must be made in the form of a motion and approved by a majority vote of the Committee members present at the committee meeting;
2. Standing committees of the Commission may propose policies or policy amendments by a majority vote, after a quorum has been established, of that committee.

B. Initial Draft – Initial policy drafts can be developed by any standing committee, Compact commissioner, or designee. Once a draft has been submitted the EXCOM will designate a committee to review the proposed new policy or amendment to an existing policy.

1. Policy Drafts – All policy drafts should take into consideration the following:
    a. Issue the policy intends to address
    b. Language
    c. Applicability to the Commission
    d. Impact on other Commission policies

C. Approval – With the responsible standing committee's approval, as demonstrated by simple majority vote, after a quorum of that committee has been established, the proposed new policy or amendment to an existing policy will be forwarded to the EXCOM for review before the submission is considered adopted.

D. EXCOM Proposals –The EXCOM may develop proposals based on recommendations received from other committees, Compact commissioners, or designees. The EXCOM will review the proposed policy or amendment to an existing policy and may vote to adopt the policy. If a motion is made to adopt the proposal, at a meeting where quorum has been established, then the EXCOM may adopt the policy by a simple majority vote. Should the EXCOM develop a proposed policy then that proposal will be referred to another standing committee for review prior to adoption and will be vetted through the same process as outlined in Section III, C.

E. National Office Proposals – Proposed policies or amendments to existing policies originating from the National Office will be developed in collaboration with the EXCOM. All proposals originating from National Office recommendations will be vetted through the same process as EXCOM proposals which is outlined in Section III, D.

F. Recommendation of Issues to EXCOM for Review – If a committee has concerns regarding a policy-related issue, the committee may vote to recommend the EXCOM review the issue to determine what, if any, further action should be taken. It is not necessary for the committee to draft a proposal if this type of recommendation is made.

1. EXCOM Review – The EXCOM reviews all proposals, taking into consideration the following:
    a. Proposed language;
    b. Need/justification for the proposal;
    c. Impact on other policies or Rules;
    d. Formatting changes (requires notification to referring committee chair);
    e. Legal issues (if applicable); and
    f. Feasibility/applicability across all compact commissioners and member states.

2. EXCOM Actions – After discussing a recommendation or proposal, the EXCOM will determine whether to support a proposal as submitted, or recommend changes.

G. Recommend Substantive Changes to Proposals from Committee – If the EXCOM determines substantive changes are needed, the proposal will be returned to the referring committee with reasoning and justification for the suggested changes. The referring committee may:

1. Approve the EXCOM's changes;
2. Proceed with its original submission; or
3. Withdraw its original submission.

Any adjustments made to a proposal must be approved by majority vote, once a quorum has been established, of that committee. A proposal may be withdrawn at any time by the committee who initially submitted it.

H. Recommend Formatting Changes to Proposals – Formatting or technical modifications may be made prior to final approval of the proposal. This may include grammar, numbering, and language modifications that do not affect the intent of the proposal or the justification. Any formatting changes are conveyed to the referring party or committee chair who can dispute the format change for context.

I. Rescinding a Policy – A committee, Compact commissioner, or designee may ask the EXCOM to rescind an adopted policy. The request must be in writing and include the reasoning and justification for asking that the policy be voided. A request to rescind a policy must be voted and passed by both the EXCOM and one additional standing committee. A request to rescind an adopted policy will be recorded on the consent calendar for approval by a simple majority vote of the full Commission at the next Annual Business Meeting (ABM).

IV. DISTRIBUTION AND COMMUNICATION

Once a policy is adopted by the EXCOM it will be published on the Commission website within 10 business days of passage. A link to the policy will be published in one of the Commission's electronic communications (newsletter, chair message) within 45 days of passage.

V. RATIFYING POLICIES AT THE ABM

Once a proposed policy or amendment to an existing policy is reviewed and approved by a standing committee and the EXCOM, it will be a provisional policy and will take effect immediately. All provisional policies are to be recorded on the consent calendar for review, and amendment if necessary, at the next ABM. A provisional policy is considered "adopted" by a simple majority vote of the full Commission at the following ABM after a quorum has been established.

MIC3

2-2020 | Investment

Issued: August 20, 2020

I. AUTHORITY

The objective of this policy is to establish investment guidelines by which assets in the form of reserve funds or funds in excess of operating expenses may be invested to ensure the MIC3 assets are invested in a prudent manner, in order to optimize long term returns at an appropriate level of risk.

Responsibility for investment of the "Fund" rest with the MIC3 Finance Committee, including; the establishment of an overall investment policy, including asset allocating guidelines and a structure of investment managements; the appointment or removal of portfolio managers and other advisors; and monitoring the performance of the Fund.

II. APPLICABILITY

This policy applies to the *Interstate Commission on Educational Opportunity for Military Children*, also known as the Interstate Commission, as defined in the Compact Rules; Chapter 100, SEC.1.101, Subsection j.

III. DEFINITIONS

A. "Asset Allocation" means: the way an investment portfolio is divided among various asset classes, such as cash, investments, bonds, and stocks.
B. "Interstate Commission" means: the Commission that was created under Article IX of this compact.
C. "Fund" means: the primary monetary amount invested by the MIC3 Finance Committee obtained from the Interstate Commission's reserve fund or funds in excess of operating expenses.
D. "Market Value" means: the current price of an asset.
E. "Net Return" means: the gain or loss realized by an investment portfolio.
F. "Portfolio" means: all the securities held by a mutual fund or the total investment holdings of an individual or an institution.
G. "Portfolio Manager" means: the person or organization that makes the day-to-day decisions regarding a portfolio's investments.
H. "Principal" means: the amount of money originally put into an investment.
I. "Rate of Return" means: the net gain or loss on an investment over a specified time period, expressed as a percentage of the investment's initial cost.

IV. RETURN OBJECTIVES

A. Preservation of principal
B. To achieve a net rate of return of a minimum 3% per year based on a three year moving average.
C. This is to be considered and managed as a balanced portfolio
    1. While the primary objective is to add value through prudent management. The nature of the requirements may change over time, and accordingly, the objectives will be reviewed by the Finance Committee annually while considering the MIC3's level of assets and purpose.

V. GUIDELINES

A. Investment Philosophy – Asset Allocation

1. The Finance Committee believes that it should be the function of the portfolio manager to allocate the portfolio's assets among common stocks, bonds, and cash reserves. Accordingly, it is the guidance of the Finance Committee that the asset mix of the portfolio should be 60% equity and 40% fixed. The portfolio shall be rebalanced at such time as the equity percentage drops below 55% or exceeds 65%.

B. Preservation of Principal

1. It is the intention of the Finance Committee to preserve the principal in the long-term investment portfolio. It is understood that there will be months and quarters when a negative rate of return will be experienced. The Executive Director or their designee is expected to notify the Finance Committee Chair at any time the portfolio exceeds a negative net return in excess of 10% in any fiscal year.

C. Types of Assets

In order to provide the portfolio manager with the freedom to invest in various types of assets, the following items are expressly approved for investment purposes:

1. Common Stock
2. Preferred Stock
3. U.S. Government Securities
4. Convertible Securities
5. Bonds with a "BBB" or higher rating by Moody's or Standard & Poor's
6. Mutual Funds
7. Money Market Funds
8. Covered Call Options
9. Dollar Denominated ADR's
10. Zero Coupon Bonds

D. Prohibited Transactions

All assets selected for inclusion in the portfolio must have a readily ascertainable market value and must be readily marketable.

The following types of assets or transactions are expressly prohibited:

1. Selling Short
2. Commodities
3. Letter Stock
4. Options (other than covered call options)
5. Non-traditional or new forms of securities, i.e.; Index Options, Future Contracts, etc.
6. Tax-Exempt Securities

E. Diversification of Equity Securities

The equity portion of the portfolio should be invested in an Index Fund that tracks the performance of the stock market as a whole.

VI. FUND MANAGEMENT

The Finance Committee may select professional competent portfolio managers to assist with management and recommendations for fund assets. The Finance Committee may make portfolio manager changes from time to time as they deem in the best interest of the Interstate Commission. The selection of portfolio managers will be made in a prudent manner taking into account their relevant experience, expertise, and ability.

The Finance Committee may also direct the executive director to hold cash equivalents on a short-term basis, either to meet obligations or pending allocation to an investment account.

VII. VALUATION OF INVESTMENTS

Most investments will be valued at their market value when that is available from regular public trading but not less than quarterly.

If the market valuation of an investment is not available, then a fair value shall be supplied by the portfolio manager at each quarter end. A reasonable methodology should be applied consistently over time.

VIII. MONITORING

The Finance Committee will annually review and discuss:

1. The portfolio managers, or their designated representative, will meet with the Finance Committee on at least an annual basis to review their progress in meeting the investment objectives of this policy. In addition, the Finance Committee may be asked to make a formal presentation to the Interstate Commission.
2. Current economic outlook and investment plans.
3. Asset mix of the invested funds and take action necessary to comply with desired asset allocation guidelines.
4. Rate of return.

IX. FUND EXPENDITURES

Each year, the Finance Committee will review the portfolio and make a recommendation to the Executive Committee (EXCOM).

The dollar amount and timing of any distribution(s) from the fund will be left up to the EXCOM based on recommendations from the Finance Committee and the executive director. The EXCOM, on behalf of the Commission, is authorized to withdraw up to 5% of the total market value of the Fund annually (market value to be determined as of the last business day of the preceding year) for the organization's operating purposes, to include replenishment of the Operating Reserve Fund balance.

MIC3

3-2020 | Reserve Fund

Issued: August 20, 2020
Amended: August 29, 2024

I. PURPOSE

The purpose of the Military Interstate Children's Compact Commission's (MIC3) Reserve Fund policy is to ensure the stability of the mission, programs, employment, and ongoing operations of the organization. The Reserve is a deliberate method of accounting used to address future inflation and the unpredictable revenue generated from a dues-based Commission.

The Reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. Here are some examples of what the Reserve may be used for:

- balance annual budgets until future dues increases are considered.
- account for the number of planning years required by commissioners to coordinate with their respective states for subsequent potential dues increase.
- address Departments of Commerce, Health and Human Services and Homeland force structure changes that reduce the number of uniformed dependents enrolled in the Compact, consequently reducing revenue.
- address Department of Defense force structure changes that reduce the number of military dependents enrolled in the Compact, consequently reducing revenue.
- promulgate the Commission's strategic plan and support the programs and services available to uniform-connected families covered by the Compact's provisions.
- fully or partially fund legal support required to enforce Compact compliance.

The Reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure.

Reserve Funds are not intended to replace a permanent loss of funds or eliminate an annual budget gap for a recurring budget line item. It is the intention of MIC3 for Reserve Funds to be used and replenished as the fiscal situation dictates. The Reserve Policy will be implemented in concert with the other governance and financial policies of MIC3 and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

II. DEFINITIONS AND GOALS

The Reserve Fund is defined as a designated fund set aside by action of the Executive Committee. The minimum amount to be designated as the Reserve Fund will be established in an amount sufficient to maintain ongoing operations and programs for a set period of time, measured in months. The Reserve Fund serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

The target minimum Reserve Fund balance is equal to twenty-four months' average operating costs. The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries and benefits, occupancy, office, travel, program, and ongoing professional services. The calculation does not include depreciation, in-kind, and other non-cash expenses. The amount of the Reserve Fund balance

target minimum will be calculated each year after approval of the annual budget, reported to the Finance and Executive Committees, and included in the regular financial reports.

III. ACCOUNTING FOR RESERVES

The Reserve Fund balance will be recorded in the financial records as Reserve Funds. The Reserve Fund will be commingled with the general cash and investment accounts of the organization.

IV. FUNDING OF RESERVES

The Reserve Fund will be funded with surplus unrestricted operating funds to include investment income and dues revenue adjusted for inflation and specifically designated to balance future budgets until the next dues increase is considered. The Executive Committee may, from time to time, direct that a specific source of revenue be set aside for the Reserve. Examples may include one-time gifts, bequests, special grants, or special appeals.

V. USE OF RESERVES

Use of the Reserve Fund requires three steps:

A. Identification of Appropriate Use of Reserve Funds.

The executive director and staff will identify the need for access to Reserve Funds and confirm that the use is consistent with the purpose of the Reserve as described in this Policy. This step requires

1. Analysis of the reason for the shortfall,
2. The availability of any other sources of funds before using Reserve Funds,
3. Evaluation of the time period that the funds will be required and
4. Estimated time period it will take to replenish the Reserve Fund.

B. Authority to use Reserve Funds.

The executive director will submit a request to the Finance Committee to use the Reserve Fund. The request will include the analysis and determination of the use of funds and plans for replenishment. The organization's goal is to replenish the funds used within twelve months to restore the Reserve Fund to the target minimum amount. If the use of Reserves will take longer than twelve months to replenish, the Finance Committee may request additional documentation to support the use of Reserve Funds.

The Finance Committee will submit a recommendation to the Executive Committee (EXCOM) to include the initial proposal from the executive director should it differ from the Finance Committee's recommendation. The EXCOM, on behalf of the Interstate Commission, is authorized to approve or modify the request and authorize transfer from the Reserve Fund. The 'Authority to use Reserves Funds' process outlined in this section may be enacted by the Finance Committee should the *Operational Reserve Goal* be attained as described in Section II of this policy.

C. Reporting and Monitoring.

The executive director is responsible for ensuring that the Reserve Fund is maintained and used only as described in this policy. Upon approval for the use of Reserve Funds, the executive director will maintain records of the use of funds and plan for replenishment. He/she will provide regular reports to the Finance Committee/Executive Committee of progress towards restoring the Fund to the target minimum amount.

D. Relationship to Other Policies

The National Office shall maintain the following Executive Committee approved policies, which may contain provisions that affect the creation, sufficiency, and management of the Reserve Fund.

1. Finance Policy
2. Investment Policy

E. Review of Policy

At a minimum, this policy will be reviewed by the Finance Committee every other year, or sooner if warranted by internal or external events or changes. Changes to the policy will be recommended by the Finance Committee to the EXCOM.

MIC3

1-2022 | Policy for COVID-19 Vaccination

Issued: February 9, 2022

I. AUTHORITY

President Biden signed an executive order on September 9, 2021, mandating employees of federal contractors, such as MIC3, be vaccinated against COVID-19. MIC3 is adopting this vaccination policy to ensure our compliance with the new federal requirements and to safeguard the health and well-being of our employees, their families, the state officials with whom we work, and our neighbors.

This policy is adopted to align with the The Council of State Governments' policy of which MIC3 is an affiliate member organization.

II. APPLICABILITY

A. On and after November 15, 2021, all MIC3 employees, as a condition of employment, must be fully vaccinated for COVID-19.
B. For employees who encounter limited access to vaccines, MIC3 will assist them in obtaining access to the vaccine.
C. A person is considered fully vaccinated two weeks after completing a full course of a vaccine regime.
D. Between now and November 15, 2021, MIC3 employees required to travel for MIC3 are required to be fully vaccinated at the time of travel.

III. PROCEDURES

A. On or before November 15, 2021, all MIC3 employees shall provide MIC3 with a copy of their CDC vaccination card as proof that they are fully vaccinated.
B. All offers of employment with MIC3 shall be conditioned on receiving proof of full vaccination prior to beginning employment with MIC3.
C. Vaccination records should be scanned and emailed to CSG Human Resources at ***COVID-19vaccine@csg.org.***
D. Employees not in compliance with this policy will be placed on unpaid leave while the circumstances of noncompliance are evaluated by relevant MIC3 management, in consultation with CSG Human Resources.
E. Noncompliance may result in disciplinary action up to and including termination. Please direct any questions regarding this policy to the human resources department.

MIC3

2-2022 | Open Records Request

Issued: August 18, 2022
Revised: April 21, 2026

I. AUTHORITY

The objective of this policy is to establish a proactive process for the public to request records from the Military Interstate Compact Children's Commission (MIC3). This policy is intended to set guidelines for how to request records and establish a reasonable time frame for the Commission to return the requested records.

II. APPLICABILITY

The MIC3 is a quasi-governmental agency and is located in Lexington, Kentucky. MIC3 operates independently of state statutory mandates regarding public records and is not a public agency as defined by KRS 61.870 et. seq., otherwise known as the Kentucky Open Records Act. However, this policy hereby affirmatively incorporates the provisions of KRS 61.870 to 61.884 as a matter of organizational policy to the extent reasonably applicable. This policy applies to citizens, corporations, associations, public interest groups, private individuals, and universities who submit an Open Records request to MIC3.

III. DEFINITIONS

A. Public Record – A public record is defined as the original or copy of any documentary material in any form, to include written materials, books, photographs, photocopies, films, microfilms, records, tapes, computerized records, maps, and drawings created or received by the Commission in connection with the transaction of public business.

B. Privacy – Performance data and personally identifiable student information data need to be kept safe, private, and follow federal and state standards and laws, including the Family Educational Rights and Privacy Act (FERPA), to maintain student data security and privacy. While the data used by the Commission is comprehensive, the data made available to the public may be redacted to avoid unintended disclosure of personally identifiable information in school or state level reports.

C. Exempt Records – Consistent with Article IX.F. of the model Compact statute, the Commission may withhold public records consistent with any applicable exemptions set forth in KRS 61.878. This may include but is not limited to:

1. Benefit Selections/Payroll Deductions
2. DD-214s (military discharge forms)
3. Financial Records
4. Health Insurance Records
5. Medical Records
6. Commendations
7. Driver's License Information
8. Law Enforcement Records
9. Personally Identifiable Student Records
10. Employee Personnel Records
11. Communications protected by attorney-client privilege
12. Preliminary drafts, recommendations, and memoranda not adopted as final Commission policy

D. FERPA – (20 U.S.C. § 1232g; 34 CFR Part 99) is a ***federal law*** that protects the privacy of student education records. The law applies to all schools that receive funds under an applicable program of the U.S. Department of Education.

E. Commercial Purpose – ***KRS 61.870(4)*** defines "commercial purpose" as "the direct or indirect use of any part of a public record or records, in any form, for sale, resale, solicitation, rent, or lease of a service, or any use by which the user expects a profit either through commission, salary, or fee." However, "commercial purpose" does not include the publication or related use of the public record by a newspaper or periodical, by a radio or television station in its news or informational program, or by use in the prosecution or defense of litigation by the parties to such an action or their attorney.

IV. PROCESS

A. A request for public records shall adhere to the following:

1. The request shall be made using the Open Records Request form.
    a. Requester shall fill out the form in its entirety and include the requester's name and contact information, and state they reside in.
    b. Consistent with ***KRS 61.874(2)(a)***, the requester shall indicate whether they desire hard or electronic copies; the request shall include a specific description of the public records requested in as much detail as possible; and the requester shall indicate whether or not the records sought are for a commercial purpose as defined by ***KRS 61.870(4)***.

2. Response
    a. The Commission shall provide a response to the records requester within five (5) business days of the date the request is received. Notice promptly shall be sent to the requesting party if additional time is needed consistent with ***KRS 61.872 and 61.880*** to respond to the request.
    b. When a response is delayed, the Commission shall specifically indicate to the requester that additional time is required to process the request and explain the circumstances justifying additional processing time.

3. Cost Estimate
    a. The Commission shall provide the requester with a cost estimate. This may include, but is not limited to administrative fees, legal counsel service fees, and hard copy fees, if applicable.
    b. Hard copies of the public records of MIC3 shall be furnished to any requester, on payment of a fee of ten (10) cents a page, but electronic copies shall be provided via email whenever possible, at no cost. If providing electronic copies via email is not possible, the fee charged to the requester will be ten (10) cents a page and postage of packages up to fifty (50) dollars. The requestor shall be notified if postage cost exceeds this threshold.
    c. Copies of nonwritten records (photographs, material stored in computer files or libraries, etc.) shall be furnished on request, on payment of a charge equal to the actual cost of producing copies of such records by the most economic process not likely to damage or alter the record.
    d. If applicable, the Commission may require payment in advance.

4. State Records
    a. For situational awareness, the national office will inform the relevant Commissioner when a request for records held by an individual state is submitted to the Commission.

b. Requests for state-specific data or information otherwise held by an individual state are governed by the laws of that specific state rather than Commission policy.
c. The National Office will notify the requester that the requested records are not Compact or Commission-related and fall outside the scope of this policy
d. It is the sole responsibility of the requesting party to research the specific state's open records laws and submit their request directly to the appropriate state agency.
e. Neither the National Office nor the state's Commissioner are responsible for processing, facilitating, or assisting with requests for records maintained by an individual state.

Any request not outlined in this document will be reviewed by the Executive Committee for determination.

MIC3

1-2023 | Monitoring Compact Statute and State Legislation

Issued: August 17, 2023

I. AUTHORITY

Per the Model Compact Language *Article VIII – State Coordination*

C. The Compact commissioner responsible for the administration and management of the state's participation in the compact shall be appointed by the governor or as otherwise determined by each member state.

II. APPLICABILITY

This policy applies to the *Interstate Compact on Educational Opportunity for Military Children (ICEOMC)*, also known as the Interstate Commission, specifically the position of commissioner or designee representative, hereto referred to as commissioner, to the Commission discharged with administering and managing the Compact in each member state.

III. BACKGROUND

Interstate Compacts allow states to collaboratively pool resources, creating economies of scale and allowing for the development and utilization of technology to cost-effectively improve public policy. Due to the flexibility of interstate compact statutes state legislatures attempt to immolate the structure for other populations going so far as to reference or utilize portions of the language in the ICEOMC statute language.

Amending Compact statute language requires concentrated and coordinated efforts in the government by each member state to pass identical language. However, properly drafted external legislation enacted by a state may, in certain situations, reference the Compact to provide similar benefits to other populations within a state. Legislation of this kind must be carefully drafter to not conflict with the pre-existing language of the Compact, as any state law in conflict with the Compact will be superseded by the Compact itself. Model legislation can be presented to the Commission by interested member states to ensure that the proposed external legislation does not inadvertently conflict with the Compact terms.

IV. POLICY

As the Compact commissioner is responsible for administering and managing the Compact within their state it is the responsibility of the Compact commissioner to monitor and inform the Commission when statute language is proposed that could amend, conflict with, or reference their state's Compact statute.

Each commissioner shall be responsible for monitoring the status of the Compact statute enacted in their state, and the status of any statutes related thereto; and

Upon becoming aware of any proposed legislative amendments to any of these statutes, the commissioner shall promptly provide notice of these anticipated changes to the executive director, who will then refer the matter to counsel for legal review as appropriate.

Failure to notify the executive director of legislative action in the member state resulting in compliance issues will be referred to the Compliance Committee for resolution and will follow the process outlined in Compact Rules, Chapter 700, SEC. 7.105 Escalation and Reporting of Disputes.

MIC3

2-2023 | MIC3 Ex-officio Organization Application Process

Issued: July 20, 2023

I. DEFINITION OF AN MIC3 EX-OFFICIO MEMBER?

A. Model Compact Language: Article IX Interstate Commission on Educational Opportunity for Military Children

1. *Consist of ex-officio, non-voting representatives who are members of interested organizations. Such ex-officio members, as defined in the by-laws, may include but not be limited to, members of the representative organizations of military family advocates, local education agency officials, parent and teacher groups, the U.S. Department of Defense, the Education Commission of the States, the Interstate Agreement on the Qualification of Educational Personnel and other interstate compacts affecting the education of children of military members.*
2. *Establish an Executive Committee, whose members shall include the officers of the Interstate Commission and such other members of the Interstate Commission as determined by the by-laws. Members of the Executive Committee shall serve a one-year term. Members of the Executive Committee shall be entitled to one vote each. The Executive Committee shall have the power to act on behalf of the Interstate Commission, with the exception of rulemaking, during periods when the Interstate Commission is not in session. The Executive Committee shall oversee the day-to-day activities of the administration of the compact including enforcement and compliance with the provisions of the compact, its by-laws and rules, and other such duties as deemed necessary. The U.S. Dept. of Defense shall serve as ex-officio, nonvoting member of the Executive Committee.*

B. By-Laws: Article II Membership

Section 3. Ex-officio Members. *The Commission will include Ex-officio, non-voting representatives who are members of interested organizations. Military-oriented, military family, education-oriented, and parent and teacher organizations are welcome to petition the Commission for inclusion as an Ex-officio member. Commission members may also petition on behalf of a group for Ex-officio membership. All petitions must be approved by a simple majority vote of the Commission membership.*

Section 4. Membership. *Organizations that are Ex-officio members of the Commission are:*

U. S. Department of Defense (DOD)

Military Child Education Coalition (MCEC)

Military Impacted Schools Association (MISA)

National Military Family Association (NMFA)

National Federation of State High School Associations (NFHS)

Note: NFHS joined in 2015. The four other organizations are inaugural members.

Ex-officio members are provided a seat on the Commission. Ex-officio members are considered subject matter experts regarding the work of the organization they serve, and the population supported by the organization. The Commission chair appoints ex-officio members to serve on a standing committee. Although they are

non-voting members of the Commission and standing committees, they provide information in their field of expertise and feedback to assist the Commission.

II. QUALIFICATIONS

A. Organizations and governmental agencies eligible to apply for ex-officio member status shall share a similar mission, vision, and values consistent with the Commission which supports the Compact rules and regulations and assist military-connected students and/or families.

B. The applicant's mission, vision, and values shall not conflict with the Commission's mission, vision, nor its rules or regulations.

C. Applications will be reviewed by the Executive and Communications & Outreach Committees to ensure organization alignment and a conflict of interest does not exist.

D. State and local education agencies, or school districts, are not eligible for ex-officio membership.

III. APPLICATION

A. Application packets are due annually on March 1 and may be emailed to ***mic3info@csg.org*** or mailed to 1776 Avenue of the States, Lexington, KY 40511.

B. Packets must:

1. Include a Letter of Recommendation from a MIC3 commissioner, of a member state that is currently in good standing, in accordance with the Commission rules, regulations, and policies. The commissioner will include a statement they are "sponsoring" the application, and provide how the organization or agency meets the Commission mission, vision, and values.
2. Include a cover letter from the organization's President, CEO, or executive director or equivalent, which provides:
    a. Background of their organization/agency's mission, vision, and values.
    b. Evidence they are consistent with, and do not conflict with, the Commission's mission, vision, and values.
    c. Evidence they support the Compact rules and regulations and the mission of successful educational transitions for military-connected students
    d. Evidence on how they support families and schools.
    e. Outline how their membership would benefit and promote the Commission.

IV. TIMELINE

A. January 1–March 31: Applications accepted. (3 months)

B. April 1–June 1: (3 months)

1. First application review by the Communication & Outreach Committee.
2. Second application review by the Executive Committee.

C. July 1-31

1. Notification of status: The applicant and commissioner/sponsor will be informed of their status
2. Information meeting scheduled to review next steps and requirements.
    a. Contingent on full Commission vote at the Annual Business Meeting (ABM)
    b. Review role and responsibilities as an ex-officio member.
    c. Inform of Code of Conduct, Conflict of Interest, memorandum of understanding, and ex-officio policy.

d. If approved, will require a formal letter of appointment indicating the individual who will serve as the ex-officio representative from the organization/agency.

3. Approved applicant will be invited to the ABM to present before the full Commission.

D. August 1–October 1

1. The applicant and the Commissioner/sponsor will be informed of their role and responsibilities at the ABM.
2. Applicant information will be released to Commission in alignment with the Docket Book release prior to the ABM.

E. Annual Business Meeting

1. The commissioner/sponsor will formally present the applicant to the Commission.
2. The applicant will present their application to the Commission via presentation and/or handouts. The floor will be open for Q&A and feedback.
3. Membership is contingent on a majority vote by the full Commission.

V. BENEFITS

A. MIC3 ex-officio organizations are a group of individuals associated with an interested organization, group, or agency who champion the MIC3 mission, vision, and values.

B. Membership benefits:

1. Recognized advisory member of the Commission, with non-voting status.
2. Participate in meetings and briefs.
3. Access programs and resources.
4. Recognized on the MIC3 website.
5. Ability to connect and interact with commissioners.

VI. COST

A. The Commission may reimburse travel expenses for Ex-officio members to attend the ABM in accordance with the *1-2014 Travel and Reimbursement Guidelines* policy.

VII. GOALS

A. Each ex-officio organization will be responsible for promoting the Commission through their organization to stakeholders.

VIII. OTHER INFORMATION

A. If approved by the full Commission, ex-officio organization representatives will serve in their capacity, unless terminated by the Commission or the Executive Committee, or rescinding their membership by submitting in writing their intent to separate within 60 days. Ex-officio organizations will sign a Memorandum of Understanding (MOU) which will be renewed every two years.

B. Ex-officio organizations must adhere to the *2-2017 Code of Conduct*. Ex-officio representatives are expected to comply with the principles detailed in the *2-2017 Code of Conduct* policy, including: participating in good faith in MIC3 activities; conducting themselves in a manner that does credit to their respective organizations and to the Commission; acting in the overall best interests of the Commission and their organizations; not engaging in any conduct that is criminal, disgraceful, or prejudicial to MIC3 or to their own organizations.

C. Ex-officio representatives shall not engage directly or indirectly in the management or function of the Commission. Therefore, they may not vote or make decisions on the daily administration of the Commission, including but not limited to the election of officers, strategic planning, or personnel matters.

D. Ex-officio representatives represent their respective organizations on the Commission and are not appointed commissioners of member states or the District of Columbia, therefore ex-officio representatives shall not represent the Commission to third parties or to the U.S. Government; representatives shall not represent or speak on behalf of the Commission at any event without approval of the MIC3 Executive Committee.

MIC3

1-2025 | Compliance Fee Assessment

Issued: July 17, 2025

I. AUTHORITY

The Executive Committee is vested with the power to act on behalf of the Commission during periods when the Interstate Commission is not in session. The Executive Committee oversees the day-to-day activities managed by the executive director. Compact Article IX of the Interstate Compact on Educational Opportunity for Military Children and Compact Rule Chapter 700 provides the Commission with the authority to establish requirements from each state signatory of the Compact.

II. APPLICABILITY

This policy applies to signatory states to the Interstate Compact for Educational Opportunity for Military Children and commissioners appointed to represent those states to the national Commission.

Upon passage, the policy will take effect on January 1, 2026.

III. GOVERNANCE

A. *Article XIV Financing of the Interstate Commission* established the authority for the Commission to determine a formula to establish dues to be paid by each signatory state to the Compact.

B. *Compact Article X Powers and Duties of the Interstate Commission of the Interstate Compact* state in part "promulgate rules and take all necessary actions to effect the foals, purposes and obligations as enumerated in this compact."

C. *Article XIII Oversight, Enforcement, and Dispute Resolution D. Enforcement* "The Interstate Commission, in the reasonable discretion, shall enforce the provisions and rules of this compact" as set forth in Article XIII and Compact Rules Chapter 700

D. *Rule SEC. 7.103 Enforcement Actions Against a Defaulting State*

(a) "If the Interstate Commission determines that any State has at any time defaulted ('defaulting State') in the performance of any of its obligations or responsibilities under this Compact, the by-laws or any duly promulgated rules the Interstate Commission may impose any or all of the following penalties:

1. *Damages or costs in such amounts as are deemed to be reasonable as fixed by the Interstate Commission;*
2. *Remedial training and technical assistance as directed by the Interstate Commission;*
3. *Suspension and termination of membership in the Compact. Suspension shall be imposed only after all other reasonable means of securing compliance under the by- laws and rules have been exhausted. Immediate notice of suspension shall be given by the Interstate Commission to the governor, the chief justice or chief judicial officer of the state, the majority and minority leaders of the defaulting State's legislature, and the state council."*

E. Assessment

1. Rule Chapter 700, SEC. 7.103 *Enforcement Actions Against a Defaulting State* establishes the Commission's authority to impose a penalty against a member state(s) that has defaulted in the performance of its obligations and responsibilities under this Compact.
2. Under SEC. 7.103(a)(1) "*Damages or costs in such amounts as are deemed to be reasonable as fixed by the Interstate Commission.*"

3. As authorized by the Executive Committee, fees will be assessed based on a flat rate fee as established in H. Assessment Table.
4. The Compliance Committee reserves the right to review the assessment fee and formula periodically and adjust accordingly to reflect changes in the Commission's administrative or legal costs associated with compliance under the Compact.

F. Enforcement

1. Annual State Dues

   i. Member states shall be invoiced for the annual dues before the beginning of the state's fiscal year.

   ii. If a member state has not paid its annual dues within thirty (30) days of the June 30 deadline. The National Office will send a written reminder to the commissioner and payment authority. I In the event a member state fails to remit payment within 30 days of the June 30 deadline, a compliance fee will be assessed against the member state for 50% of the administrative and/or legal fees incurred by the Commission, as defined in H. Assessment Table.

   iii. If a member state has not paid its annual dues within the ninety (90) days of the start of the Commission's new fiscal year, the National Office will send a written delinquency notice to the commissioner, appointing, and payment authority by email/registered mail.

   iv. If a member state has not paid its annual dues within one hundred twenty (120) days of the start of the Commission's fiscal year, the executive director will refer the matter to the Compliance Committee for enforcement action.

2. Annual Paperwork Deadlines

   i. *Rule SEC. 8.101 Coordination Between States and Commission* member states shall appoint a Compact commissioner, hold an annual state council meeting, and submit an end-of-year report.

   ii. If a member state has not submitted the required annual paperwork within thirty (30) days of the June 30 deadline, the national office will send a written reminder to the commissioner and appointing authority. In the event a member state fails to remit documentation within 30 days of the June 30 deadline, a compliance fee will be assessed against the member state for 50% of the administrative and/or legal fees incurred by the Commission, as defined in H. Assessment Table.

   iii. If a member state has not submitted the required annual paperwork within the ninety (90) days of the start of the Commission's new fiscal year, the National Office will send a written delinquency notice to the commissioner, appointing, and payment authority by email/registered mail.

   iv. If a member state has not submitted the required annual paperwork within one hundred twenty (120) days of the start of the Commission's fiscal year, the executive director will refer the matter to the Compliance Committee for enforcement action.

G. Request for Extension, Appeals, and Determination of Assessment

1. The member state, through the commissioner, may request an extension of the deadline by submitting a written request to the executive director prior to the annual dues or paperwork deadline.

2. If the executive director denies the request for an extension, the requesting commissioner can submit a written appeal to the Compliance Committee for review.
3. Any discrepancies will be referred to the Compliance Committee for review and determination.
4. Determination of Assessment
    i. Upon referral for enforcement action, the Compliance Committee will consider the state's historical compliance record in addition to any known factors that may be beyond the state's control (e.g. failure of the state's legislature to convene or government shutdown). Based on this analysis, the Compliance Committee will make a recommendation to the Executive Committee, detailing the factors taken into account in determining the appropriate fee.
    ii. After receiving the Compliance Committee's recommendation, the Executive Committee has the discretion to adjust the fee assessment based on relevant factors, such as but not limited to Commission or personnel time, complexity, legal fees.

H. Assessment Table

Item	FY24 Total Cost to Collect	Fee
Commissioner Appointment	$2,298	$1,100*
Code of Conflict Form	$1,351	$700 *
Conflict of Interest Form	$1,351	$700*
End of Year Report	$1,027	$500*
Annual State Council Meeting	$1,075	$500*
State Dues Payment	$1,603	$800*

**Additional administrative and/or legal fees may be assessed as appropriate*

MIC3

2-2025 | Financial Forecasting

Issued: June 26, 2025

I. PURPOSE

This policy outlines the procedures for developing, reviewing, and managing financial forecasts. Its goal is to ensure accurate and timely financial planning and decision-making that aligns with the priorities set forth in the strategic plan.

II. APPLICABILITY

This policy applies to all committees involved in the budget forecasting process.

III. DEFINITIONS

A. **Budget:** An estimated income and expenditure for a defined period, typically a fiscal year.

B. **Budget Forecasting:** A specific form of forecasting that uses the budget as its foundation to predict financial performance for the upcoming fiscal period, reflecting historical expenditures in consideration of future resources and fluctuations.

C. **Forecasting:** An adaptable process used to assess current performance and predict future financial outcomes.

D. **Strategic Plan:** A document outlining the organization's goals, the actions required to achieve those goals, and metrics for tracking progress. It ensures efficient resource allocation and alignment with the organization's mission and vision.

IV. PROCESS

A. Timeline

- **December:** Completion of the annual audit.
- **January-February:** In accordance with *Rule Chapter 200: General Provisions, Sec 2.103 Dues Formula*, the data, as provided by the appropriate federal agency, will detail the number of school-aged, uniformed connected dependents residing within each state.
- **March-May:** Standing committees conduct a review of their budget and forecasts.
- **July:** Recommendation approved by the Finance Committee.
- **August:** Final approval by the Executive Committee.

B. Budget Preparation

1. The National Office will prepare a detailed annual budget two years in advance of its effective date, ensuring alignment with the organization's mission and strategic goals.
2. The budget forecast should be based on realistic assumptions and historical data, with justifications for any significant variances. It should account for expected revenues, expenses, and other expenditures.

C. Forecast Development

1. The National Office with the consideration of the tasks assigned to the relevant standing committees will develop a financial forecast for the upcoming fiscal year, building on the budget and incorporating potential risks and opportunities.

a. **Consider Seasonal and Locale Trends:** Account for seasonal fluctuations in revenue and expenses, as well as regional cost variations.
b. **Expense Projections:** Forecast expenses based on historical data, planned activities, and anticipated changes.
c. **In-Kind Donations & Support:** Factor in the value of monetary and in-kind donations from member states, ex-officio members, and other external and partner organizations, ensuring an accurate reflection of resources.
d. **Revenue Projections:** Forecast revenue based on historical data, anticipated trends, and external factors.

2. Regular financial updates should be provided at least quarterly, reflecting changes in the business environment and actual performance.

D. Review and Approval

1. Budgets and forecasts will be reviewed by the relevant standing committees.
2. The National Office will provide guidance throughout the process to ensure consistency and accuracy.
3. Final approval of the budget and forecasts is the responsibility of the Executive Committee.

E. Scenario Analysis

1. The National Office and relevant standing committees will conduct scenario analysis to identify potential risks and opportunities, and to develop contingency plans.

F. Data Accuracy

1. The National Office, in collaboration with the Council of State Governments Accounting and appropriate federal agencies, will ensure the accuracy and reliability of the data used in the forecasting process.

V. RESPONSIBILITIES

- **Standing Committees:** Responsible for reviewing their respective committee expenditures, ensuring compliance with this policy. Committees include, but are not limited to: Executive, Compliance, Communications and Outreach, Finance, Leadership Nomination, Rules, and Training.
- **Finance Committee:** Responsible for providing guidance and support throughout the budget forecasting process, ensuring consistency and accuracy.
- **Executive Committee:** Responsible for the final approval of budgets and forecasts. In the event unforeseen circumstances occur, the Executive Committee is authorized to act on behalf of the Commission as provided in *Article VII, Section 1. Executive Committee* of the by-laws

VI. POLICY REVIEW

A. This policy will be reviewed and updated as necessary to ensure its continued relevance and effectiveness.

VII. DEVIATIONS

A. Any deviations from this policy must be approved by the Executive Committee. #11j
B. Finance Approved: July 22, 2026 1
C. 1-2026 Financial Review Provided by Rule SEC. 2.103Issued: TBD

MIC3

1-2026 | Financial Review Provided by Rule SEC. 2.103

Issued: September 17, 2026

I. PURPOSE

The purpose of this Financial Review Policy is to establish the process and procedures by which the Military Interstate Children's Compact Commission's (MIC3) Finance Committee fulfills its responsibilities under Rule SEC. 2.103(f) of the Compact Rules concerning the periodic review of the Commission's dues formula and annual adjustment percentage.

Pursuant to Rule SEC. 2.103, the Commission is responsible for determining and administering the formula used to calculate annual assessments paid by member states in accordance with Article XIV. B. of the Interstate Compact on Educational Opportunity for Military Children. This policy provides a structured framework for evaluating the continued appropriateness, sustainability, and financial sufficiency of the dues formula established in Rule SEC. 2.103(d) and the annual adjustment percentage established in Rule SEC. 2.103(e).

The review process shall ensure that recommendations regarding modifications to the dues formula and/or annual adjustment percentage are supported by objective financial analysis and consideration of the Commission's operational needs, strategic priorities, budget requirements, and economic conditions.

Compact Rule SEC. 2.103 Dues Formula.

(a) The Commission shall determine the formula to be used in calculating the annual assessments to be paid by member states as authorized by Article XIV. B. of the Compact. Public notice of any proposed revision to the approved dues formula shall be given at least 30 days prior to the Commission meeting at which the proposed revision will be considered.

(b) The Commission may consider the population of the States, the number of students subject to the compact within each state, and the volume of student transfers between states in determining and adjusting the assessment formula.

(c) The approved formula and resulting assessments for all member states shall be distributed by the Commission to each member state annually.

(d) Beginning with FY 2027, the dues formula shall be based on the figure of one dollar and seventy-eight cents per child ($1.78) of military families eligible for transfer under this compact, and this calculation shall be based upon the State in which each military family resides, except that no State dues assessment shall be less than four thousand dollars ($4,000.00). For purposes of this Rule, the dues amount for each State under the foregoing formula calculation set forth in this Sec. 2.103(d) shall be the "Base Dues Amount."

(e) Beginning with FY 2028 and continuing for each fiscal year thereafter, the Base Dues Amount for each state shall be increased annually by four percent (4%) (the new dues amount in any respective fiscal year shall be the "Adjusted Dues Amount.") For example, for any given state, the Adjusted Dues Amount for FY 2029 shall be calculated by increasing the FY 2028 Adjusted Dues Amount by four percent (4%).

(f) At least every three (3) years, the Finance Committee shall review the base dues calculation formula set forth in Sec. 2.103(d) and the adjustment percentage set forth in Sec. 2.103(e). Following such review, the Finance Committee may make recommendation(s), to the Rules Committee

regarding modification of the base dues formula calculation and/or the annual percentage increase set forth therein. Such recommendations shall be based upon an assessment of inflation, overall costs, and the operations, activities, and budget of the commission consistent with Article XIV.B. of the Compact.

II. MONITORING AND FINANCIAL REPORTING

Consistent with Article IV, Section 2 of the Commission By-laws, the Executive Director is responsible for preparing the draft of the annual budget; monitoring all Commission expenditures for compliance with approved budgets; maintaining accurate records of the Commission's financial account(s).

The Executive Director is also responsible for ensuring that the Reserve Fund is maintained and administered in accordance with policy 3-2020 Reserve Fund. If use of Reserve Funds is approved, the Executive Director will maintain records of the use of funds and plan for replenishment. He/she will provide regular reports to the Finance Committee/Executive Committee of progress towards restoring the Fund to the target minimum amount.

To support the review required by Rule SEC. 2.103(f), the Finance Committee will review Commission financial information including, but not limited to:

A. Annual budgets and actual expenditures
B. Revenue and dues collection trends
C. Reserve fund balance and projections
D. Inflationary indicators and economic conditions
E. Multi-year financial forecasts
F. Programmatic and operational cost analysis
G. Membership and military student population data
H. Other financial information deemed relevant by the Finance Committee

III. REVIEW OF POLICY

The purpose of the review shall be to determine whether the current dues structure continues to provide sufficient and sustainable funding to support the Commission's statutory duties, programs, operations, strategic initiatives, and reserve requirements.

At a minimum, this policy will be reviewed by the Finance Committee every other year, or sooner if warranted by internal or external events or changes. The Finance Committee will recommend changes to the policy to the Executive Committee.

A. Review Criteria

   In conducting its review, the Finance Committee shall consider factors including, but not limited to:

   1. Inflation and changes in economic conditions.
   2. Historical and projected operating expenses.
   3. Revenue adequacy and long-term financial sustainability.
   4. Reserve fund sufficiency and funding requirements.
   5. Strategic priorities and organizational growth.
   6. Changes in the population of military-connected students eligible under the Compact.
   7. Trends in student mobility and interstate transfers.
   8. Cost pressures associated with Commission operations and services.

9. Financial forecasting projections.
10. Any other factors the Finance Committee determines are relevant to fulfilling the Commission's responsibilities under Article XIV.B. of the Compact.

B. Recommendations

Following completion of its review, the Finance Committee may recommend to the Executive Committee:

1. No changes to the existing dues structure;
2. Modifications to the Base Dues amount calculation;
3. Modifications to the annual adjustment percentage; or
4. Other revisions deemed necessary to ensure the Commission's fiscal stability and operational effectiveness.

All recommendations shall be supported by documented financial analysis and findings.

C. Rulemaking Process

Any recommended modifications to the dues formula or annual percentage will be processed in accordance with the Commission's rulemaking procedures and public notice requirements.

IV. RELATIONSHIP TO OTHER POLICIES

This policy will be administered in conjunction with all applicable Commission financial policies. The National Office will maintain the following Commission-approved policies,which may affect the creation, management, sufficiency, and use of Commission assets and reserve funds.

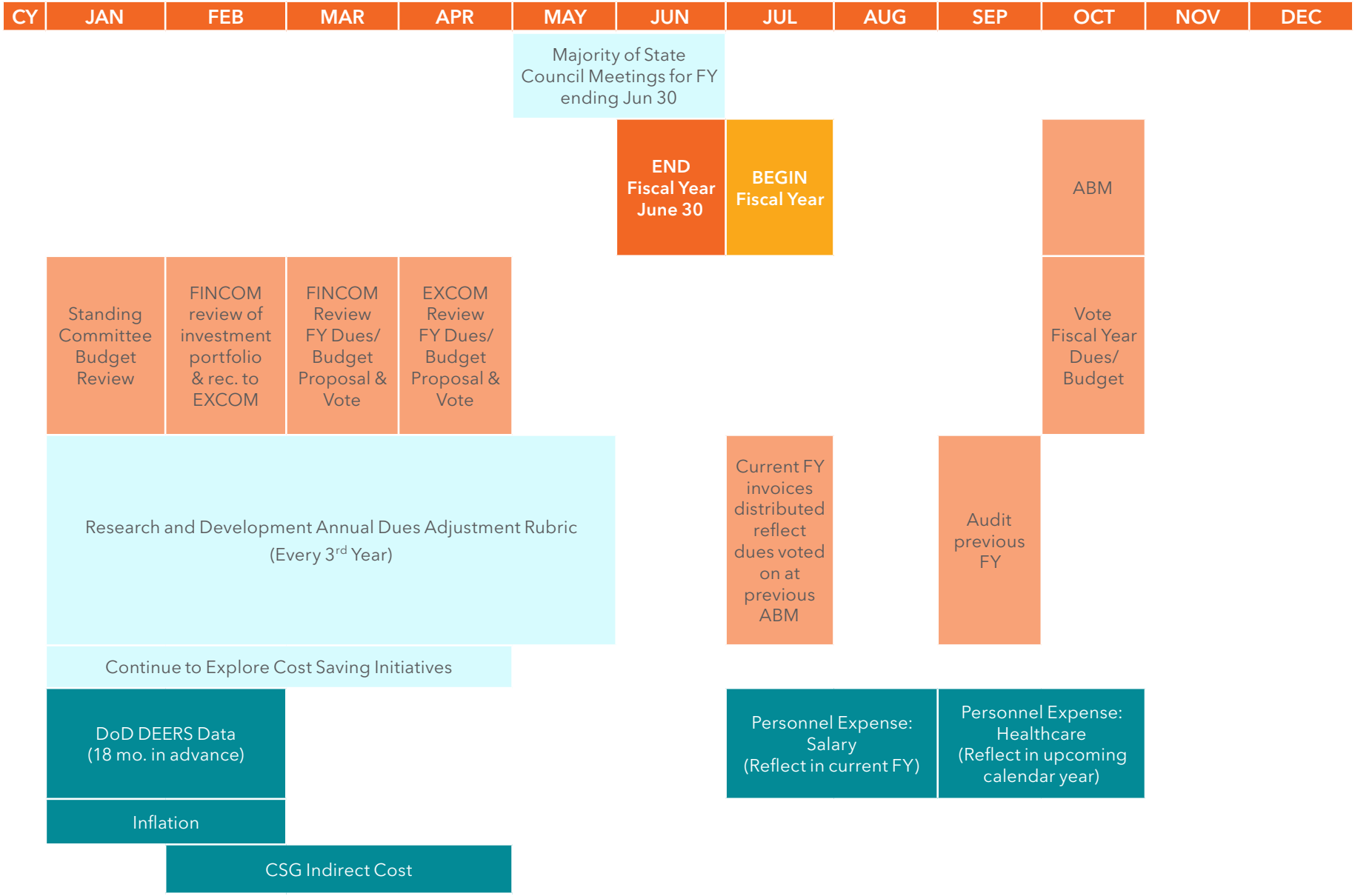
A. Policy 1-2016 Finance
B. Policy 2-2020 Investment
C. Policy 3-2020 Reserve Fund
D. Policy 2-2025 Financial Forecasting

V. REVIEW RUBRIC AND TIMELINE

To promote consistency, transparency, and accountability in the review process of the base dues calculation formula set forth in Sec. 2.103(d) and the adjustment percentage set forth in Sec. 2.103(e) of the Compact Rules, the MIC3 Policy Timeline (Exhibit A) , which will serve as the Commission's guiding framework for conducting periodic reviews of the base dues amount calculation and the annual adjustment percentage.

MIC3 POLICY TIMELINE

Fiscal Timeline



MILITARY INTERSTATE CHILDREN'S COMPACT COMMISSION
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