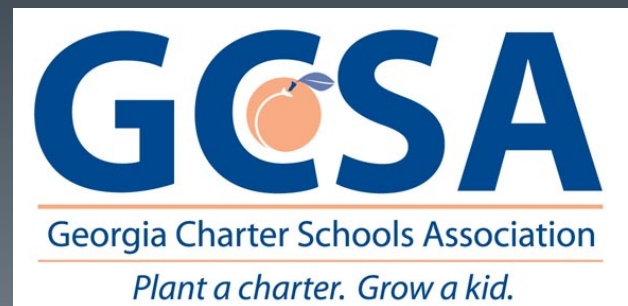


Policy Development and Effective Governance

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Purpose of this Training

- Discuss process, topics and issues related to policy development
- Understand how to develop policies compliant with state and SCSC rules
- Understand the need for sound fiscal policies
- To understand effective use of your board's committee structure

Responsibilities of a Governing Board

Strategic Plan and Policy-Making

- Adopt a three to five-year strategic plan
- ***Adopt policies that ensure the charter is implemented with fidelity and promotes student achievement***

Budget

- Adopt a budget to fund the implement the charter
- On-going fiscal health monitoring and resource development

ED/CEO/Principal

- Hire a leader to implement the strategic plan within budget
- Ratify all hiring decisions
- Adopt and keep updated a succession plan

Accountability

- Monitor through committees to ensure charter promises and compliance requirements are met
- Hold the leader accountable for implementing the strategic plan within budget
- Conduct regular self-evaluation to hold the governing board accountable
- Conduct regular training and capacity building activities

How do you define **Policy**?

A course or principle of action adopted or proposed by a governing body, party, business, or individual.



Why Have Written Policies?

- Written policies ensure the school meets legal requirements.
- Written policies provide direction to the governing board and staff in implementing the vision, mission, and goals of the school.
- Written policies are the means by which the governing board implements the vision and mission.





Policy vs. Procedure

- Roles
 - The governing board writes policy
 - The administrator creates procedure
- Definitions
 - Policies indicate what should be done
 - Procedures indicate how something should be done

Note: More is not better when it comes to policies



Policies.....

- Bring the mission and vision of the school to life
- Demonstrate board's commitments, goals, and attitude



Examples:

- Employment policies
- Nondiscrimination
- Sexual harassment
- Conflicts of interest
- Whistle blower
- Grievance



Examples:

- Lottery/enrollment
- Governance/board policies
- Financial policies
- Grievances/complaints
- Merit pay
- Compensation
- Uniform or dress code



Examples:

Policies that give definition to the vision and mission

- Educational program philosophy
- Administrative structure
- Curriculum development and review
- Student results and organizational performance
- Homebound services
- Field trips
- Religious expression
- Extracurricular activities



Examples:

Policies that communicate governing board decisions

Usually based on unique, unusual, or rare situations

- Facility use
- Media relations
- Student publications
- Part-time students
- Student retention



A policy manual is needed to:

- establish the necessary rules to ensure a safe, organized, empowering, legally compliant school
- inform employees, students and citizens as a whole about accepted and expected behavior
- communicate to those groups how the board will conduct business

Policy development best practices:

- Isolated incidents do not necessarily require a policy
- Once person's poor behavior should not drive policy development and this approach may impact morale
- Determine if you need a policy adopted by the governing board
- Determine if you need procedure(s) set by the chief administrative officer
- You do not need to restate existing law, but should cite relevant legal codes
- Some matters/risks need to be mitigated by developing policies along with accompanying procedures
- Policies inconsistent with the law/SCSC policy may **create** liability
- Consider implementation / enforcement when crafting policies
- Consider the **unintended** consequences.....

Guiding Questions

Is there an existing legal authority that determines how this issue must be handled?

Can the topic be handled in an employee or student handbook rather than in formal board policy? Who has enforcement power?

Can it be accomplished through administrative procedures?

The Policy Development Process



Key “Take Aways”

- Policies should be designed to create and sustain effective governance not just to comply with the law.
- When laws & rules change your policies may become obsolete or contradictory. Rescinding or amending a policy due to such changes required board action.

| Component of Organization | Sources of Risk | Type of Insurance or Ways to Manage Risk |
|---------------------------|--|--|
| Board | Self dealing Tax penalties Executive decisions Regulations Fiduciary duties Confidentiality | Directors & Officers (D&O) Association & professional liability Policies Board training Competent CFO Legal counsel |
| Services | Common torts (negligence) Malpractice | General liability Errors and Omissions Professional liability Competent and qualified staff Legal counsel |
| Employees | Injury Wrongful termination Civil rights Confidentiality Conduct towards students/ staff | Policies Procedures Adequate management Workers Compensation Some general liability policies Directors & Officers (D&O) |

| Component of Organization | Sources of Risk | Type of Insurance or Ways to Manage Risk |
|---------------------------|---|--|
| Volunteers | Injury Confidentiality Conduct towards students | Policies Procedures Volunteer training programs |
| Transportation | Accident | Vehicular coverage Policies Equipment maintenance Qualified drivers Driver training programs |
| Money | Theft Embezzlement | Policies ensuring segregation of duties Adequate management and oversight Bonding |
| Property | Theft Injury | Property insurance Bonds Property maintenance Security systems and processes |

| Component of Organization | Sources of Risk | Type of Insurance or Ways to Manage Risk |
|---------------------------|--|--|
| Food Service | Injury Allergy Illness Equity | Adequate mgmt. and oversight Policies and procedures Inspections Compliance checks |
| Reputation | All other risk sources above Poor academic achievement Unsuccessful audit Grapevine | Transparency Preemptive measures Policies Adequate mgmt. and oversight Building community trust |
| Authorizer Relationship | All other risk sources above Poor academic achievement Unsuccessful audit Poor reporting Grapevine | Transparency Preemptive measures Policies Adequate mgmt. and oversight Building authorizer trust |

Establishing Sound Fiscal Policies

- Business Plan and Budget Process
- Business Plan
- Budget Process
- Annual Operating Budget
- Monthly Cash Flow Statements
- System of Fiscal Controls
- Chief Financial Officer Selection
- Bank Accounts and Procedures
- System of Internal Controls
- Audit and annual Report Preparation
- Board Resolution Adopting Policy
- Annual Operating Budget Policy
- Bank Policy Procedures Policy
- Resolution Designating Financial Institution
- Cash Management Policy
- School Accounting System Policy
- Audit and Financial Statements Policy
- Conflict of Interest Policy
- Conflicts of Interest Questionnaire
- Payroll Policy
- Policy Statement Regarding Investment of State Funds
- Fund Balance Policy (GASB 54)
- Policies for Schools that are LEAs
- Federal Fiscal Compliance Policy
- Capital Assets Accounting Policy



QUIZ

- In yesterday's presentation indicated that at least 70% of your meeting time should be spent on _____.



Planning Ahead:

- What are your boards policy development priorities?



Questions?

Resources

- ◆ Drop Box

<http://www.dropbox.com>

- ◆ General Governance Tools

<http://charterschoolcenter.org>