# Principles of Charter School Governance

**Elisa A. Falco**
Vice President of School Services
efalco@gacharters.org

SCSC– Governance Retreat

GOSA
Georgia Charter Schools Association
*Your advocate for better schools.*

# Essential Governance Questions

- What is effective governance?

- How do you use governance systems and structures to solve problems?

- Why did you join a charter school governing board?

- How do you contribute to effective governance?

- What are your top priorities this year as a board?

- What are your primary responsibilities as a charter school governing board?
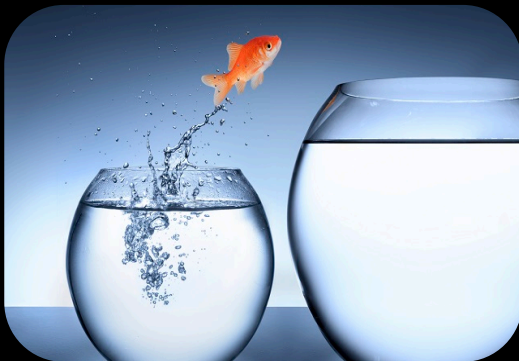
# Core Governance Responsibilities
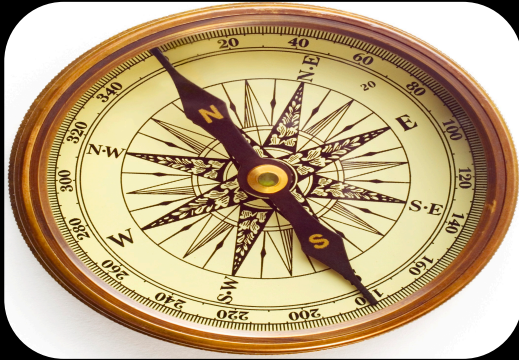


Keeper of the Vision & Strategy



Board Self-Management



Remove Obstacles



Leadership Oversight & Development



Provide Resources



Risk Management

# What are the barriers to effective governance?

# Barriers to Effective Governance

- Dominated by a founder of the school
- **Violations of the duty of loyalty, oversight, obedience**
- **Lack of internal cohesion**
- **Individual board members acting outside the scope of their authority**
- Micromanagement – failure to delegate authority to school leader
- **No plan for rotation, succession, on-boarding and transition**
- Failure to remove unproductive members

# More……..Barriers to Effective Governance

- **Shortage of time**
- **Lack of Preparation**
- **Lack of functioning committee structure**
- Lack of understanding actual organizational performance
- No strategic plan

# Fiduciary Duties of Boards (1)

1. **Duty of Care - ** Duty of care means that a board member must exercise reasonable care when making a decision as a steward of the charter school.

- Active participation
- Committees
- Board actions
- In the best interests of the organization & students
- With prudence
- Devote time, attention, and resources necessary to fulfill director obligations
- Meeting minutes (accurate record keeping and transparency)
- Protecting organizational property
- Resource development
- Investigations (warnings/grievances)

# Fiduciary Duties of Boards (2)

2.  **Duty of Loyalty -** Duty of loyalty means a board member will put the good of the charter school first and avoid engaging in transactions with the school from which the member will benefit.

- Set aside personal or conflicting interests
- Have a written policy to avoid conflicts
- Act solely in the best interest of the organization
- Avoid self-dealing
- Compliance with governing documents (by-laws)

# Fiduciary Duties of Boards (3)

3. **Duty of Obedience** - Duty of obedience means that board members are not permitted to act in a way that is inconsistent with the school's mission.

- Ensure compliance with state and federal statutes
- Filing requirements (990), annual report, audit
- Obey all laws, rules, and regulations pertaining to charter schools
- Act in furtherance of the organization's charitable purposes (education)

**Non-Profit board members have an ethical and legal obligation to protect the public interest and trust.**

How does your board guard against conflicts of interest?

# Tips for Monitoring Potential COI

- **SELF MONITOR**

- **SYSTEM OF CHECKS AND BALANCES**

- **CONFLICTS OF INTEREST POLICY:**
  1. Full disclosure of personal and business connections
     - ◆ <u>Annual</u> disclosure kept on file
     - ◆ Governance committee reviews COI disclosures annually to determine conflicts and report back to the board
     - ◆ As affiliations change update your disclosure form

  2. Abstention from discussion, influencing, and voting when conflict or potential conflict exists

     – Sample conflict of interest policy suggested by the IRS (pg. 25): http://www.irs.gov/pub/irs-pdf/i1023.pdf

# Avoiding Conflicts of Interest

Align COI policy with GaDOE language (at a minimum) → Adopt revised policy (if needed) → Have all board members sign every year ↓ Complete annual disclosure listing ALL professional and personal affiliations ← Governance committee review of disclosure statements ← Governance committee report to board on material and potential COI

# Operating in the Sunshine (1)

- **Open Government Guide:** [http://www.rcfp.org/ogg/index.php?op=browse&state=GA](http://www.rcfp.org/ogg/index.php?op=browse&state=GA)

- **MEETING** defined:
  - Gathering of a quorum of board members or committee of the members

  - Official business, policy or public matter is:
    - formulated
    - presented
    - discussed
    - voted upon

# Operating in the Sunshine (2)

What is <u>not</u> considered a MEETING:

*No official business is permitted at non-meetings gatherings.*

# Operating in the Sunshine (3)

## Open access of meetings:

How does your board ensure open access of meetings?

# Operating in the Sunshine (4)

## Notice and Agenda:

What are the requirements?

- Regular meetings
- Special meetings
- Emergency meetings
- Website requirements

# Operating in the Sunshine (5)

What are the *exceptions* to the Sunshine Laws? *(When can you have an executive session?)*

O.C.G.A. §§ 50-14-2, 50-14-3(a)(5), (b)(1)

# Operating in the Sunshine (6)

Executive Session Requirements:

– Requires a vote

– Regular minutes must show the specific reason for closing the meeting, those present, and those voting for closing the meeting

– **Requires that the chair execute a <u>sworn affidavit</u> showing the basis for the executive session and that the closed part of the meeting was limited to these provisions**

– Chair has the duty to keep the meeting limited to the proper purposes of the closed meeting, and if it is not, to adjourn the closed meeting

O.C.G.A. §§ 50-14-4

# Operating in the Sunshine (7)

Telephonic Meetings:

"Governing board, agencies, or committees with statewide jurisdiction may hold telephone conference call meetings, provided that public access is assured and the public notification provisions of the statute are followed……"

# Freedom of Information Act (FOIA) or Open Records Act of Georgia

## What is a document?

❑ *"Public record means **all documents, papers, letters, maps, books, tapes, photographs, computer based or generated information, data, data fields, or similar material** prepared and maintained or received by an agency or by a private person or entity in the performance of a service or function for or on behalf of an agency or when such documents have been transferred to a private person or entity by an agency for storage or future governmental use."*

O.C.G.A. §§ 50-18-70 (b)(2)

How does the your board ensure that organizational risk is mitigated to the greatest extent possible?
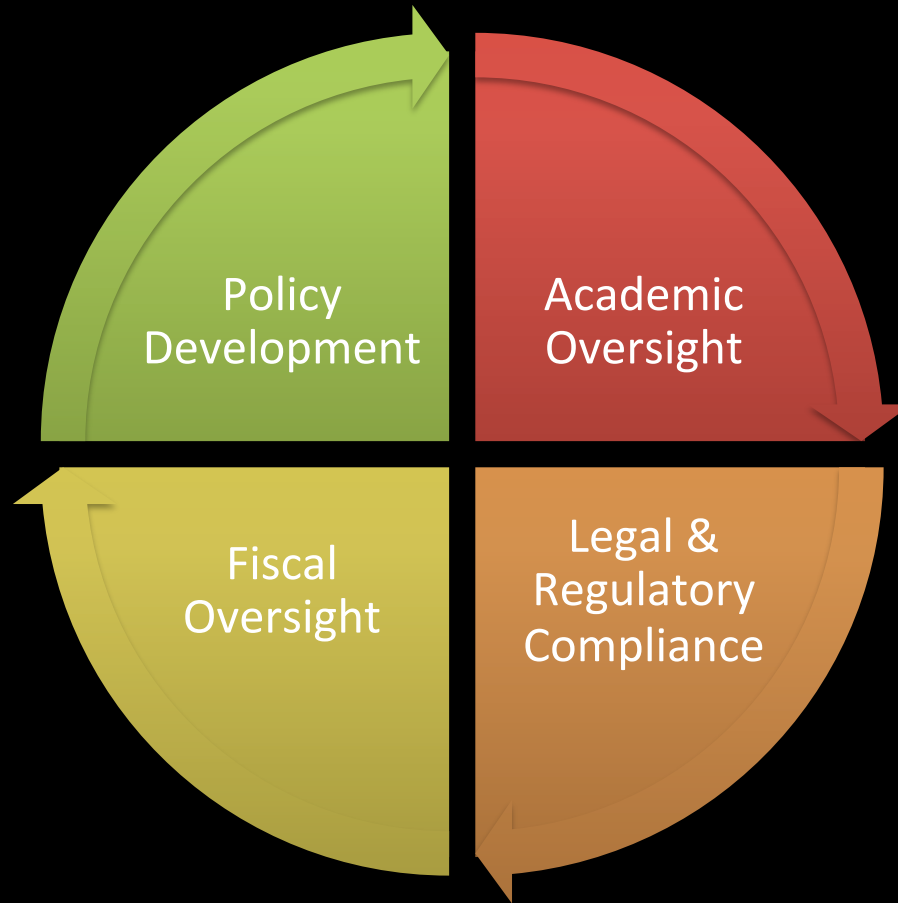
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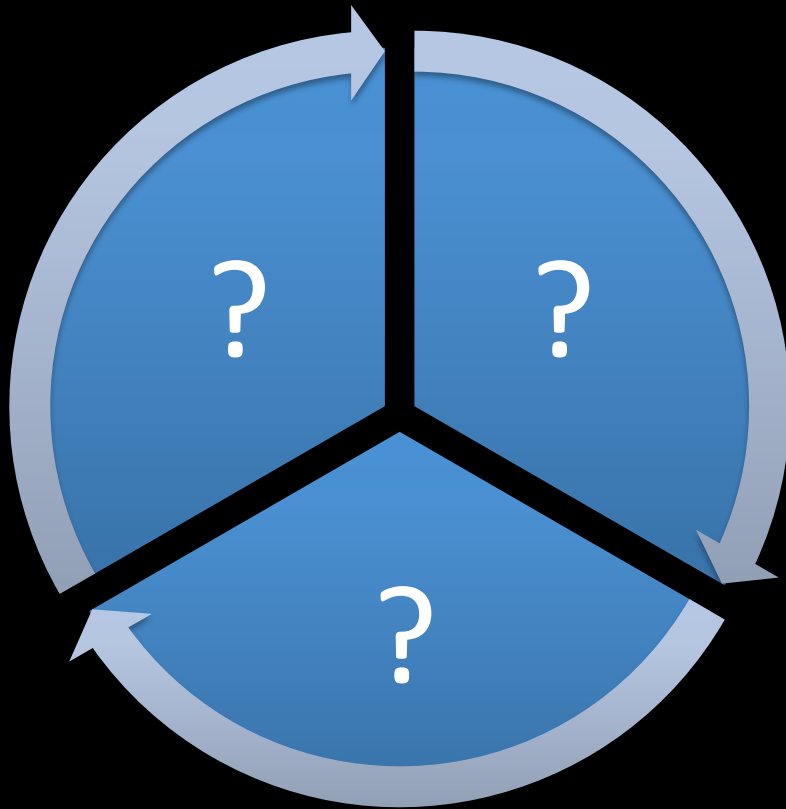


How does the your board establish priorities?

What are your top governance priorities?

# Top Priorities for Boards

# Common Governance Challenges

- Organizational Succession

- Strategic Planning

- On-boarding, Selection, & Vetting
  New Board Members

- Effective Oversight

# SCSC School Website Requirements

- Governing Board membership;
- Governing Board meeting calendar;
- Meeting agendas for upcoming Governing Board meetings;
- Meeting minutes for past Governing Board meetings (unless the Georgia Open Meetings Act limits their publication, e.g., executive session to discuss personnel matters);
- Procedure for contacting the school's governing board;
- Procedure for contacting the school's most senior school administrator;
- Any admissions application utilized by the school;
- Notification of enrollment and admission procedures required by SCSC Rule 691-2-.05, including the date, time, and location of any upcoming enrollment lottery; and
- The charter school's charter contract

# Effective and Compliant Meetings

- What are key elements of an effective meeting?

- What are the compliance requirements for board and committee meetings?

# Effective and Compliant Meetings

**The Board used the following *procedures*:**
*1 = Practice is Not Evident; 2= Practice is Somewhat Evident; 3=Practice is Evident but not Developed; 4= Practice is Developed; 5=Practice is Well-Developed*

- Proper notice is provided at the meeting site.
- The board maintains a quorum throughout the meeting.
- The board follows a consistent parliamentary procedure.
- The action and result of votes are clear to all governing board members.
- The action and result of votes are clear to the public.
- Motions to utilize Executive Session are seconded and voted upon with the reason for Executive Session clearly cited.
- Executive Session is only utilized for legally allowable reasons.

# Effective and Compliant Meetings

The Board maintained the following **_decorum_**:
*1 = Practice is Not Evident; 2= Practice is Somewhat Evident; 3=Practice is Evident but not Developed; 4= Practice is Developed; 5=Practice is Well-Developed*

- All board members display respect for fellow members at all times.
- All board members display respect to and for the authority of the chair at all times.
- All board members display respect for school staff at all times.
- All board members display respect for the public at all times.
- Board members support board decisions though they may disagree with the outcome.
- Board discussion remains germane to the topic at hand.

# Effective and Compliant Meetings

The Board demonstrated the following **_engagement_**:
*1 = Practice is Not Evident; 2= Practice is Somewhat Evident; 3=Practice is Evident but not Developed; 4= Practice is Developed; 5=Practice is Well-Developed*

- Each board committee provides a report.
- All board members participate in the conversation and avoid personal distractions.
- Board members demonstrate a general knowledge of school operations, finances, and academics.
- The board demonstrates that it understands it is held accountable to the SCSC's Comprehensive Performance Framework.
- The board devotes appropriate time to matters given their relative importance.
- The board is conducted in a room suitable for public attendance.
- The board creates a culture in which the community's feedback is heard and valued.

# Effective and Compliant Meetings

The board demonstrates the following **general accountability**:
*1 = Practice is Not Evident; 2= Practice is Somewhat Evident; 3=Practice is Evident but not Developed; 4= Practice is Developed; 5=Practice is Well-Developed*

- Pertinent staff are present at the meeting.
- Materials for the meeting were distributed in advance.
- Staff are asked questioned by the board.
- Staff are capable of aptly answering questions and providing feedback.
- Contractors are evaluated and appropriately held accountable.
- The board engages with school leaders at a level that demonstrates its ability to hold school leaders accountable.
- Board members align their actions and decisions to the school's mission, vision, and strategic plan.
- The board promotes policy development that is aligned with the school's strategic plan.

# Effective and Compliant Meetings

The board demonstrates the following **_operational accountability_**:
*1 = Practice is Not Evident; 2= Practice is Somewhat Evident; 3=Practice is Evident but not Developed; 4= Practice is Developed; 5=Practice is Well-Developed*

- Board members ask relevant questions.
- Board members ask questions that further discussion and enhance understanding of school solutions.
- There is evidence that the board reviewed applicable compliance reports.
- The board recognizes that operational issues are the responsibility of school personnel.
- The board solicits and receives recommendations from the School Leader.
- The board evaluates the performance of the school leader and other personnel.

# Effective and Compliant Meetings

The board demonstrates the following ***academic accountability***:
*1 = Practice is Not Evident; 2= Practice is Somewhat Evident; 3=Practice is Evident but not Developed; 4= Practice is Developed; 5=Practice is Well-Developed*

- Board members ask relevant questions.
- Board members ask questions that further discussion and enhance understanding of school solutions.
- The board reviews the school's academic progress.
- The board reviews data on the school's academic performance.
- The board makes decisions based on review of research and data.

# Effective and Compliant Meetings

The board demonstrates the following ***financial accountability***:
*1 = Practice is Not Evident; 2= Practice is Somewhat Evident; 3=Practice is Evident but not Developed; 4= Practice is Developed; 5=Practice is Well-Developed*

- Board members ask relevant questions.
- Board members ask questions that further discussion and enhance understanding of school solutions.
- The board reviews the school's financial reports.
- The board reviews the school's budget.
- The board makes decisions based on review of research and data.

# Effective Oversight – *Committee Structure*

- Academic, Finance, Governance – *fundamental committees*
- Comprehensive Performance Framework (CPF) metrics should be reflected in committee work – agendas, goals, minutes, and members
- <u>Vote on committee</u>:
  - Members
  - Goals
  - Meeting Schedule
- <u>Must follow Open Meetings Act</u>:
  - Notice
  - Agenda
  - Minutes
  - Quorum
- Committees should be lead by board members
- Standing committees should be named in the By-laws

# Key Elements of Effective Governance:

- Understand the difference between Governance and Management. Create a document that delineates these differences
- Make sure your meetings are compliant
- **Always think strategically about succession, composition and filling vacancies… plan ahead**
- **Have a sound committee structure in place to monitor academics, finance, governance, and compliance on a monthly basis**
- Have a method for developing policies in a pro-active rather than reactive manner
- **Comply with all laws pertaining to charter schools.**
- Compose your board of mostly stewards, not stakeholders
- Have a plan in place to support your top executive while holding him/her accountable
- Contingency plans……
- Have a strategic plan in place to reconcile present conditions with future goals / aspirations
- Understand your strengths and weaknesses as a board
- **Set an example for other boards.**

# Questions?

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(404) 550-9401