

# Principles of Effective Charter School Governance

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SCSC– School Governance Training



# 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



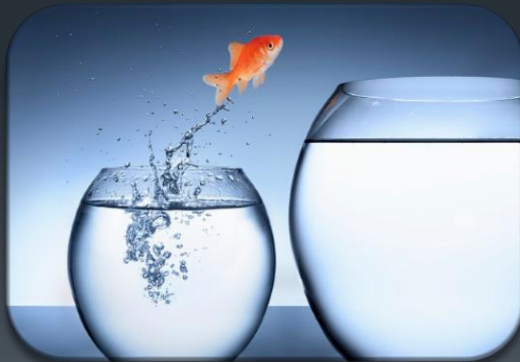
Keeper of the Vision  
& Strategy



Board Self-  
Management



Remove Obstacles



Leadership Oversight  
& Development



Provide Resources



Risk Management

# Primary Responsibilities

## 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

## CEO/Principal

- Hire a leader to implement the strategic plan within budget
- Ratify 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

# 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



# The Fundamentals

*of Effective Governance*



# 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)



# Conflicts of Interest



**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
    - ◆ Annual disclosure kept on file
    - ◆ Governance committee reviews COI disclosures annually
    - ◆ As situations arise
  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>

# Operating in the Sunshine (1)

- **Open Government Guide:**

<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 not 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
- 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 sworn affidavit 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

# 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?



# Quality Board oversight & development



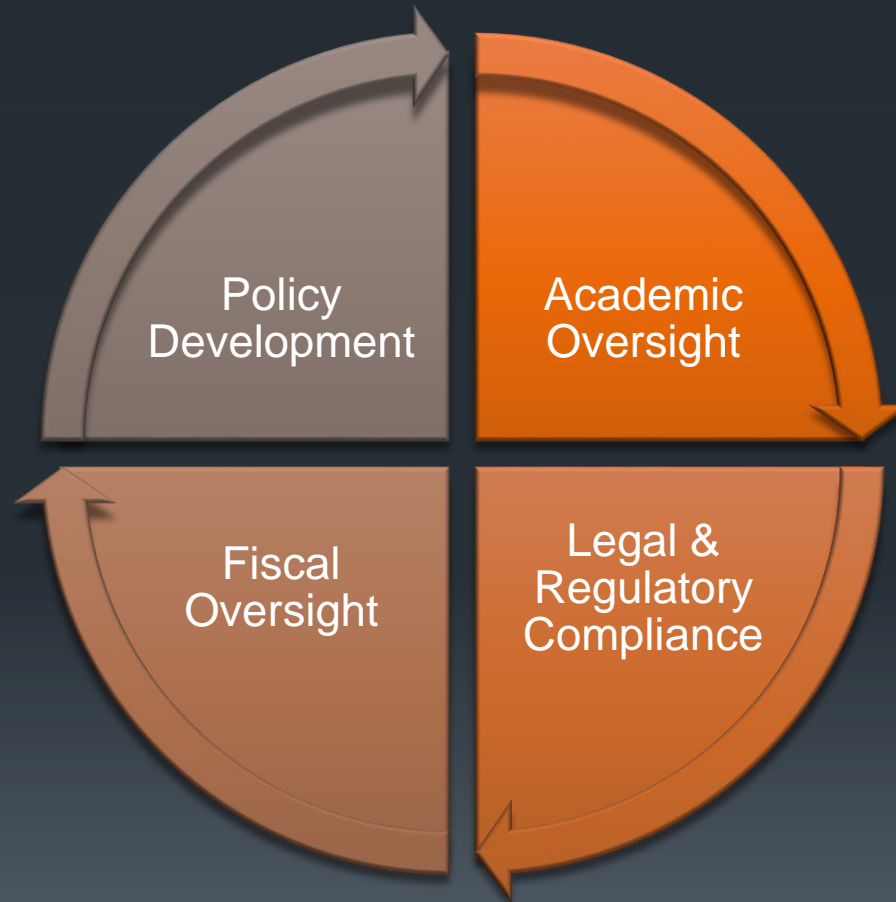
# Top Priorities for Boards



How does the  
your board  
establish  
priorities?

What are your top  
governance  
priorities?

# Top Priorities for Boards



# Common Governance Challenges



- ◆ Succession
- ◆ Strategic planning
- ◆ On-boarding, selection, & vetting new board members
- ◆ Effective oversight



Key Elements to  
**Governing Effectively...**

# 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

- Proper notice as required by O.C.G.A §§ 50-14-1 through 6
- When was the agenda distributed and made public
- How was a quorum established? Was it announced before meeting is called to order?
- Do minutes reflect names of board members both present & absent?
- Do the minutes reflect times members arrived late or departed early?
- If a vote is not unanimous, do the minutes reflect each member's vote?
- Is there an opportunity for public comment? How is it announced and managed?
- How is the agenda organized? Are action and information items separated? Are agenda items time-bound?
- Is there evidence in the minutes and agendas that oversight is conducted through committees?
- Is there a rational relationship between how long the board spends on an agenda item and the importance of the item?

# Effective and Compliant Meetings



- Is there evidence that all votes are taken in public meetings?
- What is the one time you can vote in closed / executive session (that must be followed by a subsequent public vote)?
- What does the finance committee / CFO / treasurer report include?
- Are the Comprehensive Performance Framework metrics specifically addressed in the board meeting or is there evidence of monitoring at the committee level?
- What does the school leader's report include?
- If a closed session is held was the proper procedure followed? What is this procedure?
- Do minutes contain the date they were approved by the board and a place for the board secretary's signature or initials?
- Is there evidence of proper procedures in place to amend the agenda?
- Is there evidence of a proper process to develop, approve, and adopt board policies?
- Is there evidence of a strategic plan being followed or referenced?

# Effective and Meetings- Focus on Cohesion and Dynamics



- The meeting is conducted in a business-like manner and follows accepted parliamentary procedures and rules.
- The chairperson keeps the meeting focused on the agenda and redirects tangential dialogue.
- Board members and school staff treat each other respectfully during the meeting
- Board members demonstrate knowledge of the vision/mission and take them into consideration in decision-making.
- The appropriate school personnel are present at the meeting to provide information on agenda items as needed.
- The location and setting of the meeting is conducive to board business with adequate room for the public and media.



# Effective and Meetings- Focus on Cohesion and Dynamics

- A conscious effort is made to make the public feel welcome at board meetings, providing them with copies of the agenda.
- The policy for public participation is explained at each meeting by the board chairperson and is followed to maintain order.
- The meeting starts on time and ends within a reasonable amount of time.
- Board members appear familiar with the materials provided to them prior the board meeting.
- Board members display good listening skills, a spirit of compromise when problems arise, and work to build consensus.
- Board members are engaged in the meeting and are not unduly deferential to the school administration.
- There is evidence that the board understands its role to act as a whole and though board members may disagree prior to board action, all board members support and respect board decisions.
- The board follows its role as a policy body and does not become involved in making administrative decisions at the meeting.

# Effective Oversight -- Committees

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

Key  
Elements of  
Effective  
Governance:

- Understand the difference between Governance and Management. Create a document that delineates the 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 weaknesses as a board and be intentional about mitigating them.
- **Set an example for other boards.**



# Questions?

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