

TC (4) Work Step

Test to determine whether the DRAFT of the Governance Handbook and related documentation are comprehensive, adequate, and sufficient in addressing the duties and responsibilities of the Board and addresses the following areas.

- Board is not involved in the operations of the Bond program
- What is added as agenda items presented to the Board
- Brown Act requirements
- Conflict of Interest rules
- Conflict of Interest rules pertaining to vendors
- Involvement with District decisions
- Interactions with District employees and vendors
- Proposing amendments to vendor contracts

Results of Testing

The Governance Handbook was approved by the Board on 9/2/2015 and is no longer in draft form. Discussed below are the results of testing to determine whether the Governance Handbook and related documentation are adequate and sufficient in addressing the duties and responsibilities of the Board and addresses the areas of concern.

Board Involvement in Operations of the Bond Program:

The Governance Handbook addresses the topic of involvement of the Board in the operations of the Bond program on page nine as follows: Trustees “understand the distinctions between Board and staff roles, and refrain from performing management functions that are the responsibility of the superintendent and staff.” Board Policy 9005.7 also addresses this topic in the same manner. Additionally, Board members are required to attend an annual training hosted by the California School Board Association where they receive training related to their functions as Board members. See TC4-1 and TC4-6 recommendations for this area.

Agenda Items Presented to the Board:

The Governance Handbook addresses this area on page 10 as follows, “The Board President prepares with the superintendent and clerk the Board agendas.” Board Policy 9121 also addresses this topic in the same manner. In addition, the Governance Handbook addresses this area further on page 16 as follows: “The superintendent will prepare a draft agenda that is shared and discussed with the President and the Clerk of the Board approximately ten days prior to the meeting.” Board Policy 9322 also addresses this topic in the same manner. Per interviews conducted, the current process for inclusion of items to the Board agenda is to communicate these items to the Associate Superintendent for Operations. The Superintendent, Board President, and Board Clerk hold a meeting to prepare the agenda for the Board meeting. The items on the agenda are then scheduled to be discussed during a Facilities Subcommittee

meeting prior to presentation to the Board. The current process to include Board agenda items appears appropriate.

Brown Act Requirements:

The Governance Handbook addresses the Brown Act requirement on page 17 as follows: “The Brown Act prohibits a quorum of the Board from doing any of the following on a subject within the jurisdiction of the Board, whether through direct communications, personal intermediaries, or technological devices: 1) discussing the matter, 2) deliberating on the matter, 3) taking action. Board members should recognize that using the ‘reply all’ feature in response to an email creates the risk of a Brown Act violation.” An attachment to the Governance Handbook states that Brown Act training will be part of the Governance Calendar and will normally occur in the Month of July.

Per interviews conducted, the training mentioned in the Governance Handbook is a reference to participate in training through the California School Board Association (CSBA). The Board members normally attend the CSBA meetings but they are not required by the District or Board to attend the specific workshop for Brown Act training. Board members and the District are discussing whether the District may be able to bring the Brown Act training to the Board members and not simply rely on the fact that the training is available to them during the annual CSBA training. It appears that the concerns related to Brown Act requirements are appropriately addressed by the Governance Handbook. Improvements can be made to ensure that Board members are consistently receiving adequate and sufficient training related to Brown Act requirements. See TC4-2 recommendation for this area.

Conflict of Interest Rules (General):

The Governance Handbook does not address conflict of interest rules. However, the District uses Gamut Online, which is an online policy information service that incorporates the California School Board Association (CSBA) Policy Manual. The log-in credentials are displayed on the web page; therefore, all Board members can easily access this information.

Board Policy 9270 contains a comprehensive conflict of interest code. However, this conflict of interest code is not mentioned in the Governance Handbook. It appears that the basic requirements of a standard conflict of interest policy are included in the Board Policy; nevertheless, enhancements to this policy can be made and included in the Governance Handbook.²⁹ See TC4-3 recommendation for this area.

Conflict of Interest Rules (Vendors):

The Governance Handbook does not address conflict of interest rules pertaining to Board member interactions with vendors. However, Board Policy 9270 states, “Board members and designated employees shall not be financially interested in any contract made by the Board or in

²⁹ Refer to recommendation FI1-1 which recommends a Business Ethics Expectations policy.

any contract they make in their capacity as Board members or designated employees (Government Code 1090).” It is additionally stated, “Board members and designated employees may accept gifts only under the conditions and limitations specified in Government Code 89503 and 2 CCR 18730.”

Per interviews conducted, the Governance Handbook is a living document that will be enhanced by additions in the future. Board members have contemplated implementing a Board policy surrounding campaign contributions and Board/vendor interactions; however, currently, this policy has not been implemented and no mention of this is made in the Governance Handbook. The basic requirements of a conflict of interest policy appear to be appropriately addressed in the District Board policy. Nevertheless, enhancements to this policy can be made and included in the Governance Handbook. See recommendation TC4-4 recommendation for this area. In addition, refer to section TC (7) for TC7-5 recommendation related to Conflict of Interest.

Involvement with District Decisions:

The Governance Handbook addresses the topic of involvement by Board members with District decisions on page nine as follows: Trustees “understand the distinctions between Board and staff roles, and refrain from performing management functions that are the responsibility of the superintendent and staff.” Board Policy 9005.7 also addresses this topic in the same manner. Additionally, the Board approved and has implemented Board Policy 9100 effective 9/16/15 that mandates a rotating Board presidency to ensure that one single individual does not hold the presidency of the Board indefinitely. This policy requires that a new Board Clerk be elected each year and after serving for one year in this capacity, the Board Clerk will replace the outgoing president who has served in this capacity for no more than one year. The intent of the Board in approving this policy was that no individual becomes so accustomed to the Board presidency that he or she becomes involved with District decisions that may overstep the Board President authority. The current guidance related to involvement of the Board with District decisions, and the additional control of a rotating presidency, appear appropriate; however, additional controls can be implemented in order to strengthen the Board members understanding of the distinctions between Board and staff roles. See TC4-5 recommendation for this area.

Interactions with District Employees and Vendors:

The Governance Handbook, while it addresses interactions with District staff, it does not address interaction of Board members with District vendors. The Governance Handbook instructs Board members on the process to follow for information requests or requests for staff support. Namely, these requests are to be made to the Superintendent, and the Handbook further describes that the requests should be relevant to the work of the Board and the current work in progress.

While the Handbook is silent about Board member interactions with Vendors, the Handbook states that Board trustees are to “understand the distinctions between Board and staff roles, and refrain from performing management functions that are the responsibility of the

superintendent and staff.” Board Policy 9005.7 also addresses this topic in the same manner. However, the policy does not specifically mention what type of interaction with vendors, if any, is or is not appropriate. Improvements can be made in this area.

Proposing Amendments to Vendor Contracts:

The Governance Handbook does not address proposing amendments to vendor contracts by Board members. Likewise, the Board policy does not address this area, as this area is very specific and refers exclusively to proposing amendments to vendor contracts.

The District has hired a Director of Contract Administration, who is working on improving processes and procedures related to contracting with vendors, and has implemented a stricter contract review process that includes drafting administrative regulations and procedures. The vendor contracting process was reviewed under TC (8).

New Score

Medium

Recommendations

- TC4-1. Include in the Governance Handbook examples of what would constitute the performance of a management function to help clarify the significance of the statement that Board members refrain from performing management functions. For example, include language to the effect that directing or attempting to direct the work of District vendors is not appropriate conduct for a Board Member. In addition, the Board should consider establishing a policy that restricts the frequency with which Board members may visit District offices or school facilities.
- TC4-2. Require that the Board members attend the Brown Act training workshop when attending the CSBA training or provide this training to Board members in-house.
- TC4-3. Include a conflict of interest section in the Governance Handbook that specifically defines the concept of conflict of interest, identifies restrictions placed on Board members related to conflict of interest issues, and provides examples of what a conflict of interest would be. Having this clear guidance stated in the Governance Handbook will ensure that all relevant policy information is in one location that is easy for Board members to reference.
- TC4-4. Develop a Board policy on conflict of interest specific to Board member relationships with District vendors and contractors, and include this policy in the Governance Handbook. The District may consider the inclusion of a statement that reminds Board members that they shall, at all times, avoid the appearance of a conflict of interest. The

statement may also mention that prior to participating in a discussion or vote on a proposed contract, a Board member shall disclose in open session the nature of any relationship that he/she may have with any proposed vendor/contractor, or the agent, employee, or subcontractor of any proposed vendor/contractor that may create an appearance of impropriety. It is important that this disclosure include, but not be limited to, the amount of campaign contributions over a certain amount received by the Board member during the campaign for their current term or contributions received during the current term.

- TC4-5. Provide guidance in the Governance Handbook and Board Policy related to the degree of authority Board members should have related to proposing amendments to vendor contracts. If this would be considered acceptable practice, a formal process should be designed and implemented to avoid vendor contract amendments that may not be in the best interest of the District. This policy should include the Board consulting with legal counsel whenever the Board desires modifications to be made to the terms of a contract.
- TC4-6. Develop and implement a Board member training calendar that is hosted directly by the District. This training calendar should be designed to ensure that all Board members receive the training at least annually and new Board members receive the training within one month of taking their position. The training should be presented by someone that is experienced with district board governance issues, such as an attorney. The training should cover all of the items included in the Governance Handbook. This would ensure that all Board members are receiving the necessary training and provide Board members with an opportunity to ask questions.

Response by District

District staff will recommend to the Board of Education's Governance Subcommittee that it include in its work for the 2016/17 year the consideration of the auditor's recommendations.

VLS's Assessment of Response by District

VLS reviewed the District's response and considers the course of action that these recommendations be made to the Board of Education's Governance Subcommittee to be appropriate.