Monitoring Report - Executive Limitations Policy
EL-10, Asset Protection

BOARD POLICY EXPECTATION

The Superintendent shall not allow assets to be unprotected, inadequately maintained, inappropriately used, or unnecessarily risked.

CERTIFICATION

I hereby present my monitoring report on Executive Limitations Policy EL-10 "Asset Protection" in accordance with the monitoring schedule set forth in board policy. I certify that the information contained in this report is true as of September 22nd, 2009.

Mark Mansell, Superintendent

SUPERINTENDENT'S INTERPRETATION OF POLICY

I interpret District assets to include financial assets, real property, facilities, equipment, staff, elected directors, and the District's local and statewide reputation as a quality school district.

REPORT

There are ten specific areas described in this policy. The following will address each specific area of EL-10 as best as possible. At the time of this report, I believe that the district is in compliance with the Board's expectations with all ten expectations.

1. ***The superintendent shall not fail to obtain insurance coverage against theft, casualty, and liability losses in accordance with Risk Management Pool directions.*** **IN COMPLIANCE**
   The district is part of the Southwest Washington Risk Management Insurance Cooperative, Southwest Washington Workers' Compensation Trust and Southwest Washington Unemployment Compensation Pool through ESD112. The district has liability coverage of $20 million per occurrence, property coverage of $50 million per incident along with money and securities coverage of $1 million per occurrence.

2. ***The superintendent shall not allow un-bonded personnel access to funds in excess of $50,000.*** **IN COMPLIANCE**
   The District's system of financial control tightly limits direct access to cash and securities by any one person in the District. No one person in the district has access to that amount of money at any given time. All property tax, state funding transactions and federal money transactions are handled directly by the Clark County Treasurer's Office. Together these sources represent approximately 97% of all receipts.

As extra coverage, the district has a blanket public official bond of $50,000 to cover Brett Blechschmidt as our fiscal officer and myself as superintendent. Our Insurance Cooperative also provides crime insurance coverage in the amount of $1 million for money and securities crimes.

3. ***The superintendent shall not fail to take steps to ensure that a program of preventive maintenance is in place for district facilities and equipment.***
IN COMPLIANCE
This past year the district has completed several projects that reflect our commitment to maintaining the facilities entrusted to us by the patrons of the district. The following is a list of some of the most significant projects completed:
   - Replaced a large section of fire sprinkler line at the high school that had been leaking at various times due to rusted pipes. These pipes were incorrectly installed with un-drainable low spots. This issue was raised by maintenance during the remodel in 2004/05, but no funds were available at that time. Our only option is to tackle them as the situation and funding allows.
   - Painted and made repairs as needed to numerous classrooms, offices and hallways throughout the district over the summer.
   - Screened and refinished the high school, middle school and elementary school gym floors.
   - Performed annual maintenance on equipment such as HVAC systems, emergency generators, etc.
   - Trimmed shrubs and trees on both campuses.
   - Cleaned parking lots and painted, as needed the striping and/or curbing identifications.

   As part of this effort to maintain our facilities, our maintenance supervisor and principals touch base weekly to determine any specific needs that should be met as well as review the progress of any work requested.

4. ***The superintendent shall not fail to conduct energy assessments and to make modifications, which result in energy savings.*** **IN COMPLIANCE**
Our maintenance department monitors our HVAC equipment through the use of a computer tracking system and completes system trend analysis as needed. We also track utility bills to determine if there is any abnormal energy usage.

5. ***The superintendent shall not recklessly expose the district, its Board, or staff to legal liability.*** **IN COMPLIANCE**
Our district leadership team works hard to follow state statutes, board and district policies, student and staff handbooks and good professional practices to reduce our likelihood of exposure to risk. To assist us with some of the legal matters that go beyond normal issues, the district has access to attorneys with various specialties. For capital facility plan and growth management issues we use Marnie Allen from ESD 112. For real estate issues we utilize the expertise of LeAnne Bremer from Miller Nash, LLP. For student and staff matters, as well as all other legal issues, we utilize the services of Rockie Hansen, PLLC.

6. ***The superintendent shall not approve any purchase in violation of the district's procurement code.*** **IN COMPLIANCE**

All purchases are approved through the district's procurement process established by our fiscal officer, Brett Blechschmidt, and called for in the State of Washington's accounting manual. The district's accounting system and fiscal processes have consistently passed state audits. The procurement protocol developed in the spring of 2007 continues to prove itself as a valuable tool for aligning the actions of staff and ensuring that proper oversight is occurring.

7. ***The superintendent shall not fail to implement procedures to protect information, records, and files from loss or damage.***

IN COMPLIANCE

As a result of past efforts, the district's ability to protect information, records and files from loss or damage has significantly improved. Examples of this effort are as follows:

- Created a secure long-term records storage area on the K-8 campus.
- Established a system for safely shredding and disposing of records that are allowed by law to be destroyed.
- Reorganized district office to more easily store essential records and have begun a process to move less essential records to the district's new long-term storage area at the middle school.
- Initiated a process of formulating a list of critically important documents and data (hard copies and digital copies) in order to determine security needs, appropriate handling and data back-up procedures.

Both the middle school and high school have fire-resistant rooms that were upgraded during the remodeling process just completed on both campuses. Physical security from theft for all records is now at an acceptable level. However, the main area of needed improvement at this point is with fire protection of district records as there is no sprinkler system or fireproof records storage within the district office.

8. ***The superintendent shall not receive, process, or disburse funds under controls, which are insufficient under generally accepted accounting principles for governments.*** **IN COMPLIANCE**

Our controls and procedures follow the state's accounting manual and auditor recommendations. As evidence of meeting this expectation, the district has a long record of successfully passing its bi-annual state audit. This past year was no different as we successfully passed another state audit as well as received many commendations for good fiscal practices.

9. ***The superintendent shall not acquire, encumber, or dispose of real property without approval of Board.*** **IN COMPLIANCE**

Each month, the board agenda includes any and all property and other donated material/funds for board approval. The agenda also shows requests, as per district

policy, for board approval when the disposal of district property of significant value was needed.

10. ***The superintendent shall not knowingly or recklessly endanger the district's public image or credibility, thereby jeopardizing the district's ability to accomplish its mission.*** **IN COMPLIANCE**

Part of this responsibility is to keep the board and the district leadership informed of issues and possible issues so proactive steps can be taken. There are many examples of this type of action that could demonstrate meeting this expectation. To offer one example of meeting this expectation we can look at when patrons raised concerns around the advanced lesson plans associated with the President's address to students at the start of the year. At one level, we took appropriate action to listen to stakeholders regarding their concerns. On another level, the district leadership team took appropriate action to be clear with staff, yet at the same time provide them the professional latitude to use the speech if they felt strongly about it supporting their curriculum. Guidance was also provided staff on how to support any parents who did not want their students to see the speech at school.

Finding the balance between a variety of stakeholders in a way that supports students in these types of issues is essential to maintaining and building upon the good will the district enjoys with stakeholders. Ends policy E-1 clearly articulates this expectations as well as EL-10 (10) and I believe we have a strong track record of achieving this expectation.