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 24th, 2013.

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 siding, refurbished ramps, replaced roofs and gutters to portable classrooms as necessary.
   - Completed the energy upgrades to lighting across the district and replaced the boiler burner and hot water tank at the high school.
   - Restriped parking lots.
   - 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 (both upper and main gyms) and elementary school gym floors.
   - Performed annual maintenance on equipment such as HVAC systems, emergency generators, etc.
   - Trimmed shrubs and trees on both campuses.
   - Power washed the roofs on all buildings.

   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 regularly monitors our HVAC equipment through the use of a computer tracking system and completes system trend analysis as needed. We have also continued to complete the significant energy upgrade to systems across the district (i.e. lighting, new burner on the HS boiler, new hot water heater at the HS, significant upgrades to lighting including the football field, etc.) to improve energy savings. As part of this work, we received a state energy grant and utility rebates. As part of this contract, the energy company and their engineers are required to provide ongoing energy evaluations to determine the effectiveness of the upgrades made.

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 planning 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 originally developed in the spring of 2007 with several updates since that time 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
The high school has a fire-resistant room. The middle school has a storage room, but it is not fire rated and would require significant expense to upgrade. Physical security from theft for all records is at an acceptable level due to upgrading security of the record area in the MS loft area. The main area of concern continues to be that the district office has no fire protection due to not having any sprinkler system or fireproof records storage. The cost of these upgrades would be significant. Therefore, given our continued efforts to have more and more of our records digitally stored offsite (i.e. Skyward, AESOP, email servers, library records, school calendar, etc.) and considering the limitations of our current facilities and fire systems, I believe I am in compliance with these expectations as best possible.

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. Due to our consistent clean audit record, the district was offered and the Board approved the move to a three-year audit cycle with the state.

9. ***The superintendent shall not acquire, encumber, or dispose of real property without approval of the 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 is 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. These examples range from various legal matters, negotiations processes, various accidents and student incidences that have occurred throughout my tenure. I feel the Board has a long history of how I have meet this expectation over time so I am very confident to identify this as being in compliance.