

**Global Executive Constraint  
Policy 3.0**

To: Board of Education

From: Dr. Chris Fiedler, Superintendent of Schools

Re: Internal Report on the Expectations of the Board – 3.0 Global Executive Constraint

I hereby present my report on the Expectations of the Board through our Global Executive Constraint, 3.0 in accordance with the monitoring schedule as set forth in Board policy. I certify the information in this report is true.

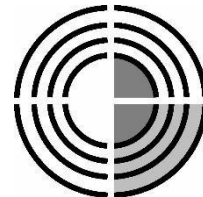
Signed: 

Date: August 28, 2018

Superintendent, School District 27J



**COLORADO SCHOOL DISTRICT 27J  
GOVERNING POLICY OF  
THE BOARD OF EDUCATION**



*Executive Limitations*

**Policy 3 – GLOBAL EXECUTIVE CONSTRAINT**

*Date Adopted/Last Revised: January 27, 2009 Executive Limitations*

The Superintendent will not cause or allow any practice, activity, decision or organizational circumstance that is unlawful, imprudent, or in violation of commonly accepted business and professional ethics and practices.

*I interpreted "unlawful" to mean:*

*any practice, activity, decision, or organizational circumstance (hereafter, "unlawful situation") which is determined to be contrary to applicable law by an agency of the state of Colorado or the United States, or by court of law. Other unlawful situations are those*

*about which the Superintendent or in-house counsel knows or should have known and which are likely to be found contrary to clearly established law applicable in the state of Colorado, including but not limited to the delegation of legal responsibilities of the Board of Education to the Superintendent in a manner contrary to law.*

*I interpret "imprudent" to mean:*

*any situation which violates executive limitations, any ongoing violation of Superintendent Policy, or any failure to adopt any policy required by law or governmental regulation.*

*I interpret "commonly accepted business and professional ethics and practices" to mean:*

*1.) Operating limitations as established by board policy*

*2.) Conduct standards that address the following topics:*

- ethics, conflicts of interest, and nepotism policies which include substantive standards commonly found in policies/procedures adopted by other Colorado school districts*
- bidding/procurement procedures which include substantive standards commonly found in policies/procedures adopted by other Colorado school districts*
- internal controls for processing financial transactions which include substantive standards that reflects sound accounting practices as determined by the School District 27J independent auditors*
- business functions within my operational span of control, but to exclude governance, other than advising the Board if I became aware of the Board's noncompliance with its own policies*

## **PART I – LEGAL**

### **Data Reported:**

#### **Unlawful:**

During the 2017-2018 reporting period, there was one Office of Civil Rights complaint filed against the District arising out of Overland Trail Middle School. The complaint alleged discrimination based on a failure to follow a student's behavior plan. OCR closed the case following a confidential agreement reached by both parties.

During 2017-2018 two state complaints were filed from issues within the Special Education department at Stuart Middle School and Prairie View High School:

Meetings were held in response to the complaint being filed with the Colorado Department of Education against Stuart Middle School alleging a violation of FAPE (Free Appropriate Public Education) as a result of an allegation that the school did not provide a timely response to a parent's request for an evaluation. By the time CDE ruled on these allegations, matters had been settled between the parents and the District.

The investigation into the matter at PVHS is ongoing at this time. Again, the allegation is based on parents alleging a denial of FAPE.

The District, as well as Brighton High School, has been named in the lawsuit filed by the parents of a student who was killed while crossing a street near the school. This matter is ongoing, and likely will be for some time.

An employee who was dismissed in 2017 has reached out to us through an attorney requesting a review of her case. This matter is ongoing as well.

Finally, on August 13<sup>th</sup>, we received notice from the Office of Civil Rights that they had referred a matter to the Equal Opportunity Employment Commission that did not fall within OCR's purview. We have not yet received anything from the EEOC as to whether or not they will be reviewing the case.

**Conclusion: I report compliance.**

**Imprudent:**

Operational guidelines are outlined in Superintendent Policies, driven by executive limitations, and district staff is required to adhere to those directives. As with any organization, there are also provisions to guard against individual choices that are detrimental to the school district.

At the beginning of each academic year mandatory training of administrators and supervisors related to the prevention, investigation and remediation of unacceptable employee conduct is provided and in place for all schools and District departments. This annual training was held on July 23 and 24, 2018.

The district is subject to audit by federal and state agencies, and engages its own audit firms to provide information that will assist areas of the district in making changes to better serve their internal and external customers while also remaining compliant. In accordance with Government Finance Officers Association (GFOA) best practices, we also persist in our internal audit efforts to ensure district entities are following state and federal laws, and district policies and regulations. If schools or non-school sites are found to be non-compliant, appropriate action is taken, including further training of site personnel in proper procedures. For example, we conduct monthly audits of purchasing card (p-card) transactions. The accounts are selected at random. Improper purchases or transactions lacking proper documentation are identified, recorded on an audit worksheet by the p-card administrator and the p-card user is notified. A card may be revoked for improper use or repeated instances of missing documentation.

Another indicator of compliance is that statutory requirements are continually fulfilled by numerous staff members and members of Executive Leadership. With each new legislative session and subsequent statutory updates, the list of requirements grows ever longer. Examples of requirements fulfilled by each department are listed below. Please keep in mind that many of these requirements overlap into more than one area of responsibility.

**Student Achievement :**

Title I Parent Notification  
School Accreditation Data  
Count of Students with Disabilities  
TCAP Testing  
Gifted and Talented Plan Submission  
Vocational Educational Program Expenditures  
Child Welfare Liaison

**Finance:**

Online posting of financials  
Charter School Overhead, Direct, and Purchased Service costs  
Kindergarten & Preschool Count  
ADE Pupil Reporting  
Annual Budget Preparation

**Operations:**

Food Allergy Policy Implementation/Update  
Public School Transportation Fund Reimbursement  
Capital Construction Expenditures  
Elections  
Student Handbook updated to website

**Human Resources:**

Teacher and Principal Evaluation  
Non-Renewal Notices

**Superintendent:**

Public Officials Honoraria Reporting  
Election Requirements  
Intergovernmental Agreements  
School Goals and Objectives Submission  
Board member and officer reports

**Legal:**

Student Handbook/FERPA updates  
Policies  
Charter School Liaison  
Contracts

Another indicator of compliance is that during this reporting period there have been no claims filed against, or settled by, our errors and omission insurance coverage that is provided for members of the organization including the Board of Education for incidents of imprudence.

We believe that through efficient training practices and an organizational understanding of decision-making, we can positively impact the safety of the workplace environment. Evidence supporting this is that, despite an increase in claims, the total financial impact of all claims filed in 2017-18 was \$278,127 which was a decrease over the prior year.

#### Adams Boces Worker's Compensation

<b>Year</b>	<b>Med Only Count</b>	<b>Temp Disability/ Other Count</b>	<b>Total Claim Count</b>	<b>Sum of Total Incurred Cost</b>	<b>Average Cost Per Claim</b>	<b>Student Count</b>	<b>Cost Per Student</b>	<b>Employee Count</b>	<b>Cost Per Employee</b>
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2006-07	51	7	58	\$367,582	\$6,337.62	9926	\$0.64	1275	\$4.97
2007-08	66	6	72	\$210,335	\$2,921.32	11689	\$0.25	1308	\$2.23
2008-09	67	3	70	\$127,528	\$1,821.83	11685	\$0.16	1363	\$1.34
2009-10	62	13	75	\$427,025	\$5,693.67	12219	\$0.47	1436	\$3.96
2010-11	44	13	57	\$211,533	\$3,711.11	12546	\$0.30	1320	\$2.81
2011-12	69	9	78	\$640,234	\$8,208.13	11644	\$0.70	1319	\$6.22
2012-13	54	8	62	\$276,846	\$4,465.26	15034	\$0.30	1501	\$2.97
2013-14	71	5	76	\$198,023	\$2,605.57	16786	\$0.16	1393	\$1.87
2014-15	70	5	75	\$229,349	\$3,057.99	17004	\$0.18	1497	\$2.04
2015-16	65	9	74	\$304,538	\$4,115.38	16791	\$0.25	1867	\$2.20
2016-17	58	15	73	\$592,581	\$8,117.55	16526	\$0.49	1972	\$4.12
2017-18	73	14	87	\$278,127	\$3,196.86	17187	\$0.19	1832	\$1.75

These efficient training practices and decision-making processes have also positively impacted the safety of the student environment. The cost of claims for 2017-18 increased by a large amount, with the increase coming mainly from auto accidents, roof replacements and a bus fire.

Liability/Property & Casualty

<b>Year</b>	<b>Employee Count</b>	<b>Student Count</b>	<b>Claims Count</b>	<b>Total Incurred</b>	<b>Average Liability Cost Per Claim Per Student</b>	<b>Average Liability Cost Per Employee</b>	<b>Average Cost Per Claim</b>
2006-07	1275	9926	31	\$110,000	\$11.08	\$86.27	\$3,548.39
2007-08	1308	11689	19	\$226,364	\$19.37	\$173.06	\$11,913.89
2008-09	1363	11685	12	\$95,536	\$8.18	\$70.09	\$7,961.33
2009-10	1436	12219	30	\$258,397	\$21.15	\$179.94	\$8,613.23
2010-11	1320	12546	24	\$30,174	\$2.41	\$22.86	\$1,257.25
2011-12	1319	11644	12	\$14,658	\$1.26	\$11.11	\$1,221.50
2012-13	1501	15034	14	\$43,615	\$2.90	\$29.06	\$3,115.36
2013-14	1393	16786	17	\$36,572	\$2.18	\$26.25	\$2,151.29
2014-15	1497	17004	24	\$170,095	\$10	\$114	\$7,087.29
2015-16	1867	16791	21	\$72,871	\$4.34	\$39.03	\$3,470.06
2016-17	1972	16795	20	\$59,865.00	\$3.56	\$30.36	\$2,993.25
2017-18	1832	17187	23	\$267,627.00	\$15.57	\$146.08	\$11,635.96

Finally, the District received the following letter from the Rocky Mountain Risk Group referencing our ongoing commitment to training and safety.

August 15, 2018

Andy Pippin  
 18551 East 160th Avenue  
 Brighton, Co 80601

Dear Andy,

Rocky Mountain Risk provides both on line training and on-site scenario-based safety training for your employees. The classes completed for FY 2017–2018 are listed below:

Accident Investigation	5
Active Shooter	24
Adams County Boardman Ship Basics	1
Adams County Crisis Response	138
AED	2
Asbestos Awareness	2
Back Injury and Lifting	78
Bloodborne Pathogen Exposure Prevention	62
Browser Security Basics	1
Bully Recognition and Response	11
Bus Behavior and Discipline	29
CPR	3
Child Abuse Identification and Intervention	23
Child Abuse Mandatory Reporting	2
Civil Rights in Food Service	17
Communication Styles and Skills	25
Concussion Awareness	2
Conflict Management	43
Crisis Response and Recovery	79
Crossing Guard Safety	4
Customer Service	24
Cultural Competence and Racial Bias	1
De-escalation Strategies	28
Disruptive Student	28
Distracted Driving	4
Driver Safety Training	6
Diversity Awareness	18
Drug Free Workplace	1
Emergency Operation Planning	4
Evacuation Planning Special Needs	4
Fire Extinguisher	4
First Aid	27
Food Safety and Kitchen Sanitation	13
Food Service Equipment: Safe Use	9
Food Service Equipment: Sanitation	7
Foodborne Illness	33
Hazard Communication	53
Incident Command	2
Managing Difficult Behaviors	1

Nutrition Basics	7
Performance Evaluations	2
Playground Maintenance	18
Playground Supervision	26
Road Rage	3
Safety Orientation	3
School Meal Compliance	11
Sexual Harassment Policy and Prevention	6
Slips and Falls Prevention	72
Special Ed. (Lifts and Transfers)	7
Special Ed. (Safety in the Classroom)	4
Student Mental Health	29
Tactical Site Surveys	1
Terrorism Awareness	1
Threat Assessment	1
Transportation Safety	8
Visual Weapons Screening	1
Wheelchair Securement	3
Winter Driving	2
Total	1007

Sincerely,

Mike Sowder  
 Director Risk Management, Safety and Environmental Health

**Conclusion: I report compliance**

**PART II–FINDINGS RELATED TO FINANCIAL STATEMENTS**

Commonly Accepted Business and Professional Ethics and Practices:

- 1.) *Operating limitations as established by board policy*
- 2.) *Conduct standards that address the following topics:*
  - *ethics, conflicts of interest, and nepotism policies which include substantive standards commonly found in policies/procedures adopted by other Colorado school districts*
  - *bidding/procurement procedures which include substantive standards commonly found in policies/procedures adopted by other Colorado school districts*
  - *internal controls for processing financial transactions which include substantive standards that reflects sound accounting practices as determined by the School District 27J independent auditors*



- *business functions within my operational span of control, but to exclude governance, other than advising the Board if I became aware of the Board's noncompliance with its own policies*

### **Data Reported:**

Since the adoption of Policy Governance® (January 27, 2009), numerous expectation reports have been submitted by the Superintendent of Schools to the Board of Education. Each report has been found to be transparent and, when appropriate, contained self-reported incidents of noncompliance. It is noteworthy that in a few instances the Board of Education found the report to be reasonable and merited Board approval even though the superintendent, through internal staff, self-reported isolated instances of noncompliance.

Superintendent policies specifically dealing with ethics, conflicts of interest, and nepotism can be found in section "G" when dealing with staff members, in section "J" when dealing with students and in section "I" when dealing with the curriculum. These Superintendent policies can be found on the school district website, in hard copies in the office of the General Counsel, via request from the secretary of the Board of Education as well as on Google Drive for employee access.

Superintendent's Policy addressing Staff Ethics, Conflicts of Interest, and Nepotism mirror the provisions commonly found in parallel policies adopted in the Aurora, Cherry Creek, Douglas County and Jefferson County school districts.

When appropriate, the School District 27J Department of Financial Services identifies and brings to the attention of the Superintendent items that may contravene commonly accepted business practices and professional ethics. As previously mentioned, p-card transactions are continually audited to validate proper use and accountability of School District funds.

The General Counsel and the Chief Financial Officer reviewed Superintendent Policies pertinent to the individual expectation report during each of the reporting periods. Furthermore, the District's independent auditors reviewed the District's internal procedures concerning internal controls for financial transactions during the monitoring period. These reviews found that these existing policies include the provisions commonly found in policies/procedures adopted by other Colorado school districts, and that the internal controls in place in the finance department reflect sound accounting practices as determined by the District's independent auditor.

During the reporting period there have been no instances to report of Board violations of governance policies as required of me in Board Members' Code of Conduct 2.F(7).

The District's independent auditors presented one finding in the FY16-FY17 financial audit. Their management letter included a deficiency surrounding the year-end review and reconciliation process for construction accounts payable. Four construction applications which crossed fiscal years 2017 and 2018 were not included in the accrual for fiscal year 2017. Since the year-end audit, the District has included this process in our documented internal control

framework. The District does not anticipate this finding to be recurring or an issue in the audit of fiscal year 2018.

**Fiscal Health:** The Colorado State Auditor has a Fiscal Health Program that was developed to assist local governments and school districts with identifying financial warning signs. The most recently released Fiscal Health Analysis of Colorado School Districts analyzed the three-year period of fiscal years 2015 through 2017. That report was presented to the Legislative Audit Committee in July 2017. Through communication with the Colorado Department of Education's Office of School Finance, the District was not cited in the Fiscal Health Analysis and was not asked to respond in respect to ratios or indicators for FY16-17.

**Financial Accreditation:** On February 14, 2018, the District was mailed a letter from the Colorado Department of Education (CDE) noting that the FY16-17 data pipeline submission and audit were accepted by CDE. CDE communicated the following concerns related to state statutes and data submission issues identified during their review:

- Federal regulations concerning net cash resources for the food service fund
- Expenditures in excess of the amounts appropriated for the transportation and child care funds
- Provisions of the Public School Financial Transparency Act
- Some financial issues noted at the District's charter schools

All concerns were addressed and resolved during the review process. In addition, there were no findings or other issues noted during their review of federal funds provided through CDE. No formal response was required by CDE.

### **PART III – FEDERAL AWARD FINDS AND QUESTIONED COSTS**

The auditors presented no additional finding information in the FY16-17 A-133 audit which was presented to the Board of Education at the December 12th, 2017 meeting.

**Conclusion:** I report Non-Compliance.