

Shorewood School District
Operational Expectations Monitoring Document – OE-7

Disposition of the Board : **Date:** 1-10-2017 **Re-monitoring:** _____

_____ In Compliance
_____ Not in Compliance
_____ Compliance with Noted Exceptions

Summary statement/motion of the Board:

President: _____ **Superintendent:** _____

Certification of the Superintendent: *I certify this report to be accurate*

Signed: _____, Superintendent **Date:** _____

_____ In Compliance
_____ Not in Compliance
_____ Compliance with Noted Exceptions

OE-7: Asset Protection		Superintendent		BoE	
The Board values the property, facilities and equipment that have been acquired to support education in the District. To that end, the Superintendent will assure that all District assets are adequately protected, properly maintained, appropriately used and not placed at undue risk.		In Compliance*	Not in Compliance*	In Compliance	Not in Compliance
<p>Superintendent Interpretation:</p> <ul style="list-style-type: none"> District assets shall mean all property and equipment that is tangible in nature with a life longer than one year owned by the district that cost more than \$5,000.00. Adequately protected shall mean insured for 100% replacement value. Properly maintained shall mean serviced and repaired on a regular basis to retain in good operating condition. Appropriately used shall mean as trained by district personnel in compliance with operating guidelines established by the manufacturer. Not placed at undue risk shall mean safe from actions that would cause District assets to be harmed or damaged or create an unsafe environment. 					
Board Comments:					

Commented [PLM1]: I understand the insertion of what the board values, I do, however, disagree with repetition throughout the remainder of the OE. A strong statement of what is valued sets the stage for the

Commented [RQ2]: ALL sections of the policy(ies) need to have a very broad interpretation before launching into the more narrow interpretation of the key terms and phrases. Begin with the stem "The Board values..." then complete the thought with your broad interpretation of the policy statement. I will not repeat this for every section, but it applies to them all.

OE-7.1 The Superintendent will maintain property and casualty insurance coverage on district property with limits equal to 100% of replacement value.				
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> Property shall mean facilities, vehicles, equipment, and materials with an insurable risk. 100% of replacement value shall mean the ability to replace and make whole property losses experienced by the District subject to any and all deductibles. 			In Compliance	Not in Compliance
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> The District purchases and receives the coverage declarations for property and casualty insurance equal to 100% of replacement value. <p>SUPERINTENDENT Evidence of Compliance:</p> <ul style="list-style-type: none"> District Business Office holds copies of all policy information. Declarations are at the following link: https://drive.google.com/open?id=0B7JI9VtUjOSrdXRqa2N6NXlUUU The District has secured property insurance through Chubb Insurance Company with a blanket limit of \$106,192,800, valid from 28 June 2016 through 28 June 2017. (Policy information available upon request from the District Business Office) The District has secured auto comprehensive and collision insurance through Community Insurance Corporation, with a \$1,000 deductible, valid from 01 July 2016 through 01 July 2017. 				
Board Comments:				

Commented [RQ3]: See above

Commented [RQ4]: ...documenting compliance with this standard.

OE-7.2 The Superintendent will maintain Errors and Omissions and General Liability insurance coverage protecting board members, staff and the district itself in an amount that is reasonable for school districts of comparable size and character.				
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> Errors and Omissions insurance shall mean protection for the Board, board members and staff who make a mistake in performing their duties in good faith and results in harm to the District. General Liability insurance shall mean protection for the District against claims by third parties. Amount that is reasonable shall mean the value of the insurance recommended by the districts insurance consultants based on the districts risk exposure. Comparable size and character shall mean other school districts with similar numbers of students and at-risk factors, such as Brown Deer School District, or Whitefish Bay School District. 			In Compliance	Not in Compliance
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> The district has purchased and receives the coverage declarations for Errors and Omissions and Comprehensive General Liability insurance coverage. <p>SUPERINTENDENT Evidence of Compliance:</p> <ul style="list-style-type: none"> District Business Office holds electronic copies of all policy information. Declarations are at the following link. The District has secured Public Entity Liability coverage in the amount of \$6,000,000 through Community Insurance Corporation, valid from 01 July 2016 through 01 July 2017. This includes: Public Entity General Liability, Bodily Injury and Property Damage, Errors and Omissions, Educator Legal Liability, Uninsured and Underinsured Motorist, Medical Payments. The District has secured Cyber Crime coverage in the amount of \$1,000,000 and computer and funds transfer fraud coverage in the amount of \$500,000 through Community Insurance Corporation, valid from 01 July 2016 through 01 July 2017. 			x	
Board Comments:				

Commented [PLM5]: When I originally sent this OE for indicator approval, I omitted the term "comprehensive" and left it as general liability. As stated previously, at its most basic definition, General Liability covers the cost of claims investigation and defense against third party lawsuits. It may cover party's immediate medical expenses and the cost of repairing/replacing damaged property

Commented [RQ6]: I realize this was lifted from another district, but I believe this to be an incorrect interpretation of CGL insurance. CGL covers against bodily injury and property damage claims.

Commented [RQ7]: ...documenting compliance with this standard.

OE-7.3 The Superintendent will adequately protect the District against theft or misappropriation of funds by any personnel who have access to material amounts of district and school funds.				
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> Any personnel shall mean any District employee. Material amounts shall mean more than \$1,000.00, which is equivalent to the deductible. General liability and crime policy shall mean District "policy and/or procedures, and insurance coverages related to the handling of, loss of, or damage to "money, securities" and other property" resulting directly from theft or other misconduct, committed by an employee, whether identified or not, acting alone or in collusion with other persons. 			In Compliance	Not in Compliance
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> The District's asset handling and protection policies and procedures have been annually updated and published. The District annual audit indicates no material deficiencies related to asset handling and protection. The District has coverage declarations for general liability and crime coverage. <p>SUPERINTENDENT Evidence of Compliance:</p> <ul style="list-style-type: none"> District Business Office has published asset handling and protection policies and procedures dated for the current fiscal year. The District's annual financial statement indicates no material deficiencies in asset handling and protection. District Business Office holds electronic copies of all policy information. Declarations are at the following links: https://drive.google.com/open?id=0B7JI9VtUiOSreW01OXdFUkxqeJA The District business office is currently updating its procedural manual which includes asset handling and protection procedures. This update will be ready for publication 01 February 2017. The District has secured Cyber Crime coverage in the amount of \$1,000,000 and computer and funds transfer fraud coverage in the amount of \$500,000 through Community Insurance Corporation, valid from 01 July 2016 through 01 July 2017. 			X	
Board Comments:				

Commented [PLM8]: Updated

Commented [RQ9]: This is process, not a measurable outcome indicator.

Commented [PLM10]: Updated

Commented [RQ11]: ...documenting compliance with this value.

Commented [PLM12]: Updated

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OE-7.4 The Superintendent will protect intellectual property, information, files, records and fixed assets from loss or significant damage.				
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> Intellectual property shall mean creations of the mind: inventions, literary and artistic works, and symbols, names, images, designs used in commerce, original curriculum, teaching materials, or other documents created by district employees as part of their job for use by the District or its employees. Information, files and records shall mean electronic data on district servers deemed critical (Finance, Human Capital, Student Support, or Research) to the operations of the District. Fixed assets shall mean property and equipment with original cost of \$5,000.00 or more. With regard to fixed assets, significant damage shall mean harm or destruction requiring replacement or more than \$5,000 of unplanned repair or maintenance including labor, material, and equipment rental costs. 			In Compliance	Not in Compliance
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> The District receives no legal complaints that its employees violated intellectual property rights. Information, files, and records are backed up each night and there is no loss of these files and records during the school year. District intellectual property used by other school districts is used with the permission of either the Office of Curriculum and Instruction (or applicable department) or the Superintendent. <p>SUPERINTENDENT Evidence of Compliance:</p> <ul style="list-style-type: none"> The The District has received no has received no notices of legal action or complaints regarding intellectual property violations. The District has received no has received no has received no requests for access to any District intellectual property from individuals or other school districts. The District's student information data (Infinite Campus and Oasys) and financial data (Skyward) are backed up, off site, daily as contracted with the individual software vendors. 			✖	
Board Comments:				

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OE-7.5 The Superintendent may not allow facilities and equipment to be subject to improper use or insufficient maintenance.			
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> • Facilities and equipment shall mean assets in excess of \$5,000.00 original cost. • Improper use shall mean inappropriate operation or treatment, or utilization in a manner or for a purpose contrary to what was intended. • Insufficient maintenance shall mean inadequate repair, cleaning, inspection, or upkeep as recommended by manufactured specifications. 		In Compliance	Not in Compliance
<p>SUPERINTENDENT Indicators of Compliance: We will know we are compliant when:</p> <ul style="list-style-type: none"> • No person is injured in one of the District's facilities or when using District equipment as a result of insufficient maintenance of the facility or equipment. • Workmen's compensation claims filed as a result of the improper use of equipment do not exceed 5 claims in the school year. • District fixed assets impaired by significant damage are removed, repaired, or replaced within 30 days of the documented damage • The District maintains and adheres to a long-range capital preventative maintenance plan to help guide the prioritization of Capital Maintenance Fund allocations. <p>SUPERINTENDENT Evidence of Compliance:</p> <ul style="list-style-type: none"> - The District had one workers compensation claim due to improper use in the past 12 months. - The District had no workers compensation claims or injury/liability claims due to insufficient maintenance of equipment in the past 12 months. - No Workman's compensation claims have been filed with the District's workers compensation carrier related to improper use of district equipment or faulty equipment. Workers compensation records are on file in the District Business Office. - District Maintenance Department has received no notification of assets da 		X	

Board Comments:				

OE-7.6 The Superintendent may not recklessly expose the District, the Board or staff to legal liability.				
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> Recklessly expose shall mean to commit an offense that is grossly negligent putting the District in a legally difficult position. Legal liability shall mean <u>obligations under law arising from civil actions (torts) or under contract, litigation with another party where attorney fees are incurred.</u> 			In Compliance	Not in Compliance
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> The District incurs no damage awards as a result of careless and reckless acts by the Superintendent. <p>SUPERINTENDENT Evidence of Compliance:</p> <ul style="list-style-type: none"> The The District has received no liability claims due to negligent acts of any employee of the District in the past 12 months. 			X	
Board Comments:				

Commented [RQ13]: This last clause does nothing for me. The fact that attorneys are engaged has little to do with whether the superintendent has acted recklessly.

Commented [PLM14]: Updated – hopefully this does a little more for you.

OE-7.7 The Superintendent may not invest funds in investments that are not secured or that are not authorized by law.			
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> Funds shall mean money or capital. Investments shall mean the commitment of district money or capital to the purchase of financial instruments or other assets so as to gain profitable returns in the form of interest, income, dividend, or appreciation of the value of the instrument. 		In Compliance	Not in Compliance
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> All investments are in compliance with Wisconsin State Statutes and the auditor's management letter makes no comment in regards to investments. The District has only deposited funds with entities authorized within the District's investment policy. <p>SUPERINTENDENT Evidence of Compliance:</p> <ul style="list-style-type: none"> The Annual District financial report indicates audit found no material violations of District investment policy. The District investment policy can be found at http://www.shorewood.k12.wi.us/page.cfm?p=3454. Annual The District's annual financial report audit indicates found no material violations of State or Federal investment compliance regulations. District cash flow is managed by PMA Financial Network Local Government Investment Pool services, and is managed in the Wisconsin Investment Series Cooperative. The 2016 Annual Information Statement is attached. https://drive.google.com/a/shorewood.k12.wi.us/file/d/0B7JI9VtUiOSrZGF4aU5kM3I0ckE/view?usp=sharing. Annual District cash flow report indicates depository accounts at North Shore Bank are transferred regularly to not exceed the limits of FDIC insurance. District investment information for Mid America (Health HRA) and Charles Schwab (Alumni Scholarship Fund) may be viewed upon request in the District Business Office. (Due to sensitive account information, statements are not included in the public document but may be viewed under supervision in the District business office.) 			x
Board Comments:			

OE-7.8 The Superintendent may not purchase or sell real estate, including land and buildings.				
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> Purchase shall mean to obtain ownership of an asset in exchange for money or value. Sell shall mean to surrender ownership of an asset in exchange for money or value. 			In Compliance	Not in Compliance
<p>SUPERINTENDENT Indicators of Compliance: We will know we are compliant when:</p> <ul style="list-style-type: none"> All dispositions and acquisitions of land and buildings are approved by board resolution. There will be no audit finding by the independent external auditors in reference to improper disposition and acquisition of land and buildings. <p>SUPERINTENDENT Evidence of Compliance:</p> <ul style="list-style-type: none"> There have been no purchases or sales of real property in the District without board approval in the past fiscal year. The District has had <u>no sale of real property</u> in the last 12 months. 			X	
Board Comments:				

OE-7.9 The Superintendent may not take any action that damages the District's public image or credibility.			
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> Action shall mean to commit an offense that is grossly negligent. Public image shall mean overall positive perception of District among the members of the Village of Shorewood and the School District of Shorewood. 		In Compliance	Not in Compliance
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> The District's annual survey indicates a positive public <u>image of 51% or higher.</u> <p>SUPERINTENDENT Evidence of Compliance:</p> <ul style="list-style-type: none"> Annual survey has not been conducted at the time of this report, thus at the time of the preparation of this report the District is not in complianceThe annual District survey has not been conducted at this time 			
Board Comments:			

Commented [RQ15]: What is considered "positive?" 50%? 75%? 90%?