Palisades Charter High School

Governance Training

Date and Time

Monday September 8, 2025 at 5:00 PM PDT

Location

In-Person

Pali South
302 Colorado Avenue
Santa Monica, CA 90401

Remotely - https://go.palihigh.org/BoardOfTrusteesLive

Agenda

		Purpose	Presenter	Time
I.	**Opening Items**			**5:00 PM**
	Opening Items			
	A. Call the Meeting to Order		Maggie Nance	
	B. Record Attendance and Guests			2 m
II.	**Consent Agenda**			**5:02 PM**
	A. Finance Items: School Organized Conferences/Trips	Vote	Maggie Nance	5 m

		Purpose	Presenter	Time
	September 18-21 | St. Louis, MO - 2025 ITAA Conference | Attendee: Ms. Shannon Skelly			

III. New Business/Announcements — 5:07 PM

A.	Upcoming Board Meeting Dates	FYI	Maggie Nance	2 m

- Governance Training: Monday, September 15 at 5:00pm
- Annual Goal Setting Retreat: Saturday, September 13, at 10:00am (Location: TBD)
- Monthly Board Meeting: Tuesday, September 16 at 5:00pm

IV. Governance — 5:09 PM

A.	Board Governance Training	Discuss	Greta Proctor, Procopio Firm	90 m

Legal Requirements/Regulations Including Brown Act, Conflict of Interest Laws, Fiduciary Duties, etc.; Best Practices for Excellence in Governance

V. Closing Items — 6:39 PM

A.	Adjourn Meeting	FYI	Maggie Nance	1 m

Coversheet

Finance Items: School Organized Conferences/Trips

Section: II. Consent Agenda
Item: A. Finance Items: School Organized Conferences/Trips
Purpose: Vote
Submitted by:
Related Material: Skelly - 2025 ITAA Conference.pdf

Palisades Charter High School
15777 Bowdoin St. • Pacific Palisades • California 90272
(310) 230-6623 • FAX (310) 454-6328

CONFERENCE/TRAVEL REQUEST FORM

Employee Attendee(s) Name(s): Shannon Skelly

Department/Site: CTE - Tech Date of Request: 8/25/2025

Name of Conference/Activity: 2025 ITAA Annual Conference

Organization/Company Holding the Conference/Activity: International Textile & Apparel Association

Location of Conference/Activity: St. Louis, MO Date(s) of Conference/Activity: 9/18-21

Purpose/Rationale (How will this conference/activity be of value to the school?)

Workshops/talks for teaching fashion merchandising. Topics: AI Tools, Product Development, & Data Analysis

Cost Estimate (if one form is being submitted for multiple people, be sure to include all costs for all individuals):

Estimated Expenditures						Pali to Pay Directly	Reimbursement Requested	Cost
Conference Registration	1	people	@	$ -	per person	970		$ 970 -
Certificated Substitute(s)	4	days	@	35.45	per day (sal. & stat. ben.)			$ -
Travel - Mileage		miles	@	$ 0.5750	per mile			$ -
Travel - Airfare	1	people	@	$ -	per person	500		$ 500 -
Travel - Ride Sharing Svs/Taxi/Shuttle					Type total amount into "cost" cell		160	$ 160 -
Lodging	3	nights	@	$ 165 -	per night	583		$ 583 -
Meals	4	Breakfasts	@	$ 10.00	per meal			$ 160 -
	4	Lunches	@	$ 10.00	per meal			
	4	Dinners	@	$ 20.00	per meal			
Other (Parking, Tolls, Conference Materials, etc.) - please list below: 3 Workshops						65		$ 65 -
							TOTAL APPROXIMATE COST	$ 2,438 -
							AMOUNT APPROVED	

without prior approval from an administrator. Upon returning from an approved event, attendee must submit an itemized Request for Reimbursement and/or a Mileage Report & Reimbursement Claim form with a copy of this form, the activity agenda/program, and all original itemized receipts for any out of pocket expenses to supervisor within 3 to 5 days of return. Expenses submitted without original itemized receipts will not be reimbursed.

Requestor Signature:

Executive Director Approval: Date:

Funding Source: SACS Code:

Will costs be reimbursed by another organization? Yes/No If so, what organization?

Board of Trustee/Designee Approval: Date:

Board Approval Date (if applicable): Business Office Review

(initial) (date)

Coversheet

Board Governance Training

Section: IV. Governance
Item: A. Board Governance Training
Purpose: Discuss
Submitted by:
Related Material:
PCHS - Board Governance Ethics Training (September 4, 8, 15, 2025).pdf
Closed Session Item Descriptions Chart (6467307.1).pdf

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BOARD GOVERNANCE TRAINING

AB 1234 Ethics Training & Best Practices for Excellence in Governance

Palisades Charter High School
September 4, 8, 15, 2025

Greta A. Proctor
Partner
Education Practice Leader
Procopio

Agenda

- Understanding the Charter School Governance Structure
- Understanding the Role of the Board
- Fiduciary Duties
- This is the Mandatory AB 1234 Ethics Training
  - Ralph M. Brown Act (open meetings)
  - Public Records Act (open records)
  - Avoiding Conflicts of Interest (Political Reform Act, Gov. Code 1090, etc.)
  - And much more…
- Best Practices of Great Boards
- Questions?

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What Is AB 1234 Ethics Training?

- Local agencies (i.e., cities, counties, and special districts) are required to provide ethics training to their local officials
  - At least two hours of training in general ethics principals and ethics laws
  - May be offered in one or more trainings
  - Must be provided at least once every two years
  - Training materials must be in consultation with the California Attorney General and Fair Political Practices Commission
- As a result of AB 2158 (2022), this requirement now applies to schools
  - *But not all of the underlying laws that are required to be covered in the training apply to charter schools!*

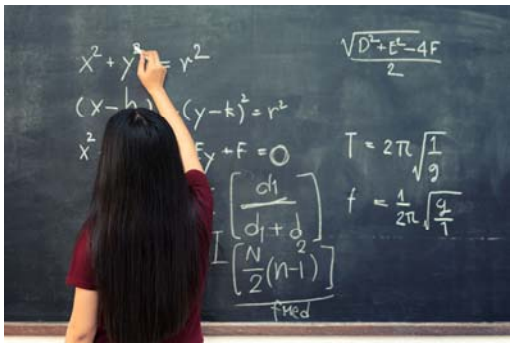


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Who at Your School Has to Do This Training?



Training required for "local agency officials" at a charter school

- Charter school Board members who are in office as of January 1, 2025 must receive training by January 1, 2026
  - One-time exception for Board members whose term ends before January 1, 2026
  - Then, at least every two years thereafter
- Employees who are designated by the Board to receive the training

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What Does AB 1234 Ethics Training Cover?

1. Laws relating to personal financial gain by public officials
2. Laws relating to perquisites (or "perks") of office
3. Government transparency laws
4. Laws relating to fair process

- Prohibition on bribery
- Conflicts of interest
  - Political Reform Act
  - Government Code Section 1090
  - Campaign contributions
  - Conflicts when leaving office
  - *We will also cover the nonprofit fiduciary duties of care and loyalty*

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What Does AB 1234 Ethics Training Cover?

1. Laws relating to personal financial gain by public officials
2. Laws relating to perquisites (or "perks") of office
3. Government transparency laws
4. Laws relating to fair process

- Limitations on gifts
- Honoraria ban
- Misuse of public funds
- Prohibition against gifts of public funds
- Mass mailing restrictions
- Prohibition against acceptance of free or discounted transportation

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What Does AB 1234 Ethics Training Cover?

1. Laws relating to personal financial gain by public officials
2. Laws relating to perquisites (or "perks") of office
3. Government transparency laws
4. Laws relating to fair process

- Economic interest disclosures under the Political Reform Act (Forms 700)
- Brown Act
- Public Records Act

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What Does AB 1234 Ethics Training Cover?

1. Laws relating to personal financial gain by public officials
2. Laws relating to perquisites (or "perks") of office
3. Government transparency laws
4. Laws relating to fair process

- Common law bias prohibitions
- Due process requirements
- Incompatible offices
- Competitive bidding requirements for public contracts
- Anti-nepotism laws

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Goals of This Training

- Alert charter school officials to the kinds of financial interests, relationships, and/or activities that may either be prohibited or trigger disclosure or disqualification obligations (conflicts of interest)
- Note that ethics laws create minimum standards for ethical conduct by public officials; the public's expectations and ethics principles likely create an even higher standard for behavior
- Advise charter school officials to 1) avoid prohibited activities, 2) comply with disclosure, and other affirmative ethics law requirements, and 3) consult with qualified legal counsel and/or regulatory authorities as needed
- Advise participants of the legal and other consequences of violating ethics laws
- Include examples of conduct scenarios for charter schools that are covered by the ethics laws we will discuss

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More Goals of This Training

- Help incoming charter school board members develop depth of knowledge regarding what is and isn't in the purview of the board
- Refresher on independent public charter school structure within LAUSD
- FAQs about board member communications outside of board meetings, interfacing with school stakeholders and groups, and authority of board as a whole versus individual board members
- Advise participants of their fiduciary duties to school, especially board members who wear multiple "hats" at school
- Include examples of best practices for communication between board members and management

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Recordkeeping

We will provide a certificate of completion for your records!

Government Code section 53235.2 requires local agency officials to maintain records that indicate both the dates of training and the entity that provided the training. These records are disclosable public records and must be maintained for five years after the training.

...so it's important to keep that certificate of completion

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CHARTER SCHOOL GOVERNANCE STRUCTURE AND ROLE OF THE BOARD



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Understanding Charter Schools

- What is a California charter school?
  - Short answer: a public school created when the charter petition was approved (here, by LAUSD), run by a nonprofit, functioning as a local educational agency (LEA) and part of the state's system of public schools, funded with public money but not subject to all the same rules and benefits as school districts
- Who regulates charter schools?
  - Short answer: there is no short answer!
    - Authorizer provides oversight (here, LAUSD)
    - State laws passed by Legislature (e.g. Education Code, Health & Safety Code, etc.) and Federal laws (e.g. FERPA, Title IX, IDEA, etc.)
    - Regulations promulgated by agencies, both at state and federal level (e.g. DOE, CDE). Also various regulatory adjuncts, with jurisdiction usually tied to funding
    - Constitutions, both federal and state (e.g. right to free public education, no gift of public funds, First Amendment, Establishment Clause, etc.)
    - Case law, both federal and state

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Grounding Governance in the Basic Tenets of Charter Schools

- A <u>public</u> school serving some combination of grades TK-12
  - Public means it is free (no tuition), nonsectarian, nondiscriminatory and open to all
  - In California, charter schools were created by the Legislature in 1992. Per *Wilson v. State Board of Education*, they are part of California's public education system
  - Nonprofit (or part of a school district if *dependent*)
  - Entitled to (most) public school funding, and public school space via Proposition 39
  - Exempt from some laws governing school districts (e.g. most requirements of Public Contract Code), but more accountable in that they are only permitted to remain open upon evidence of student academic success
    - Charter schools are "authorized" for terms. A charter school's term (lifespan) is renewed if it meets the legal standard, primarily based on student academic performance during previous term

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Overview of PCHS Governance Structure

- Palisades Charter High School ("PCHS") is a 501(c)(3) tax-exempt nonprofit public benefit corporation governed by its Board of direcctors

  ...PCHS' charter is authorized and overseen by LAUSD but this does not mean it is governed by LAUSD...

- PCHS operates a charter school, and PCHS's Board is the school's governing body with ultimate legal and fiduciary responsibility for the school

  ...but this does not mean the Board runs the school operationally or is a daily decisionmaker...

- Governing documents include charter, Articles of Incorporation, Bylaws, any MOUs and authorizer requirements, Board-approved policies, etc.

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Board Composition

- Governed by Bylaws, and required to adhere to law and Charter
  - PCHS Bylaws provide for 11 voting board members and 1 non-voting student member
  - PCHS Bylaws provide unusual level of detail and defined stakeholder board
  - PCHS Elections Committee process
  - By law, authorizer entitled to a representative on the Board
- Bylaws set out procedures for board member removal
  - With or without cause by designators of that trustee, or by majority of Board with designators' consent
  - Automatic removal for failure to attend 3 successive regular Board meetings, unless granted leave of absence or for illness as approved by Board
  - Special considerations for removal of student Board member per Ed Code 47604.2
  - Special process for filling vacancies

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A Note About Stakeholder Boards…

- From the PCHS charter:
  - "…the PCHS Board of Trustees is elected by the different stakeholder groups, with various different groups having the ability to elect certain members of the Board of Trustees. By allowing Trustees to be directly elected by stakeholder groups, the ability of those groups to be heard in a meaningful way is enhanced. At the same time, however, the Board of Trustees, and each of its members, must always be cognizant of the fact that in their capacity as Trustee, he or she does not 'represent' the stakeholder group that elected him or her. Rather, each Trustee is obligated to 'represent' the stakeholders as a whole. Accordingly, each Trustee must decide each question put to the Board based on what is best for PCHS overall, not simply what is best for the stakeholder group that elected that particular Trustee."
- Takeaway: when wearing their "Board hat," all Board members owe the same fiduciary and ethical duty to the **organization,** not their **stakeholder group**

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Board Composition: Student Member

- ASB Student Body President is PCHS student board member
- Student members now also governed by Ed Code 47604.2, added by AB 824 (2022)
  - Preferential voting rights (first in time) but votes do not count
  - No closed session attendance or materials, but equal access to open session materials
  - Max 1-year term
  - Board may adopt resolution allowing student member to make motions except on matters dealing with employee-employer relations
  - Appointed to committees like other members, but may decline
  - Not considered board member for Brown Act purposes (e.g. quorum, triggering majority)
  - Written notice to authorizer
  - These terms supersede any inconsistent provisions in other governing documents

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Board Composition: Employees on the Board

- PCHS Bylaws and charter provide for 3 faculty board members, 1 administrative, and 1 classified, each with particular election procedures and terms
  - Per Corporations Code and Bylaws, no more than 49% of Board may be interested persons (compensated). With 5 of 11 board members as employees, be careful to ensure vacancies do not tip that balance
- Employees on Board raises conflict of interest and loyalty questions (*more on this later*)
  - Ed Code 47604.1 (SB 126) provides an exception allowing charter school employees to serve on board, where Gov Code 1090 otherwise prohibits
  - *BUT* employee board members "shall abstain from voting on, or influencing or attempting to influence another member of the governing body regarding, all matters uniquely affecting that member's employment."
    - What does it mean to "uniquely affect that member's employment"?

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Board Composition: Parent Board Members

- PCHS Bylaws and charter provide for 3 parent board members, elected by parents, 1 required to reside outside PCHS' "traditional geographic catch area." 2-year terms; staggered in two groups.
- Similar to employees on Board, parents on Board can also raise conflict of interest and loyalty questions
  - Important to understand the "hat" you are wearing as a Board member, especially for parent Board members
  - Board members must place the interests of PCHS as a whole before their own interests (for parent Board members, this means above those of their own student)

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Board Role

- Board ensures long-term viability of the organization
- Board approves the "big stuff":
  - Annual budget, interim financial reports, LCAP and Annual Update
  - Major educational and operational policies
  - Major contracts and vendors (leases, loans, contracts, usually as defined in the school's fiscal policies)
  - Reviews and monitors finances to inform and evaluate resource allocation
  - Hires and evaluates the Executive Director

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Board Role

- Board provides fiduciary oversight, and hires a leader (i.e., the Executive Director) to execute the day-to-day operations of the school
  - The Board should not get involved with day-to-day operations due to insurance and other potential liability issues
- The charter, job descriptions, and/or policies delineate roles and responsibilities, including delegated authority
  - Staff is accountable for implementing all Board policies
- Board typically supervises only the Executive Director
  - The Executive Director supervises all other employees
  - The Executive Director regularly reports to the Board, and is regularly evaluated by the Board

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Board Role

- Element 4 of PCHS charter reaffirms delegation of operations and day-to-day governance to Executive Director and Principal (EDP)
- Element 4 of PCHS charter reaffirms Board's role in setting overall school goals, priorities, major policies; ensuring school operates in fiscally responsible manner; overseeing and evaluating EDP and being informed of performance of senior staff; ensuring legal compliance
- See also PCHS Board member Code of Conduct and adopted policies

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Board Role

- Regulators expect Board and school leadership to have an understanding of school policies and procedures, including conflict of interest policies, and significant, applicable laws, rules, and regulations regarding charter schools and their use of funds
- How do your Board members and school leaders stay abreast of changes in law and best practices?
- What are your school's processes for ensuring compliance?

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FAQ re communications from “the Board”

- Who speaks for the Board and/or the school?
  - Communications typically come from school leader and/or Board Chair if authorized
  - Otherwise, the Board speaks with one voice as a group
    - Communications “from the Board,” if necessary, should be something the full Board discusses and approves, or delegate authority to a representative
  - Individual Board members are not typically authorized to speak for the Board, and because of their role they must be careful in all of their communications about school matters
    - This is especially challenging for parent or staff Board members

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FAQ re interaction of the Board and public at Board meetings

- How should the Board (and its members) interface with stakeholders at Board meetings?
  - Public comment at regular meetings (agenda and non-agenda items) and at special meetings (may be limited to agenda items only)
  - Public comment is not a conversation
  - Board meetings are a chance for *the Board as a group* to discuss, deliberate, and make decisions
    - Non-Board members do not participate in Board discussions, even when those occur in open session, except as required, e.g. staff providing a report to the Board, answering questions, providing context, or the Board hearing public comment

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LAWS RELATING TO PERSONAL FINANCIAL GAIN



Let's Start with an Ethics Hypothetical…

A school vendor offers a charter school Board member $5,000 if the Board member approves the vendor's proposed contract with the charter school. Is this permissible?

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Let's Start with an Ethics Hypothetical…

A school vendor offers a charter school Board member $5,000 if the Board member approves the vendor's proposed contract with the charter school. Is this permissible?

No!

- The board member would have engaged in bribery
- The board member likely has a financial interest (i.e., a potential conflict of interest) in the proposed contract

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Prohibition on Bribery

An officer, employee, or appointee of the State, or political subdivision of the State, who asks, receives, or agrees to receive, any bribe to influence their vote, opinion or action on a matter in their official capacity is guilty of bribery, punishable by:

- Imprisonment for 2-4 years, or
- Restitution in the form of a fine.
- The official also forfeits their current office, employment, or appointment, and is disqualified from holding any state office, employment, or appointment.

(Penal Code § 68)

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Conflicts of Interest

Understanding the context

- Avoiding conflicts of interest is part of how Board members fulfill their fiduciary duties to their charter school
- Also part of a charter school's legal compliance
- More scrutiny and regulation of conflicts of interest and even the appearance of impropriety; serious consequences for charter schools

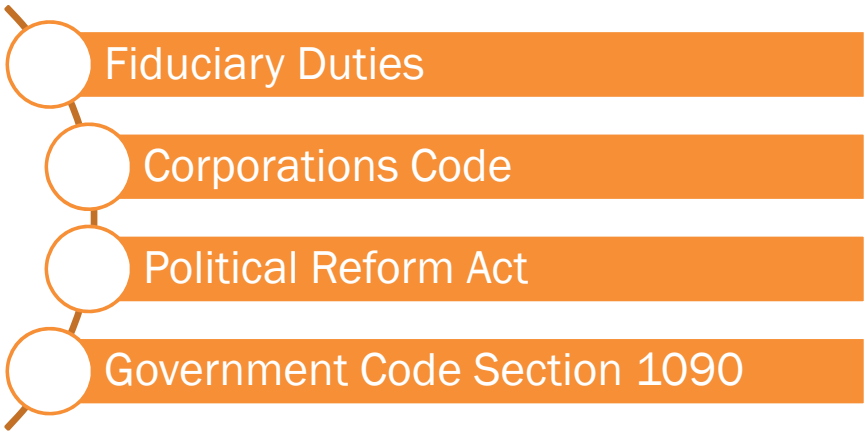
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Conflicts of Interest (cont.)

Numerous "layers" of conflict of interest rules apply, and charter school Board members need to comply with all of them by following the strictest applicable standard

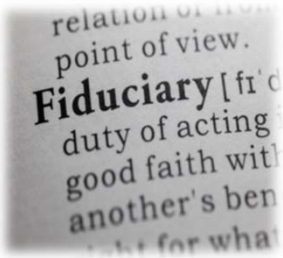


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Fiduciary Duties of Nonprofit Board Members



A fiduciary relationship is any relationship between parties in which one of the parties has a duty to act "with the utmost good faith for the benefit of the other party"

Directors owe fiduciary duties to the nonprofit corporation:

- Duty of care
- Duty of loyalty (no conflicts of interest)

Board members have statutory protection and PCHS should also have D&O insurance for Board members acting in official capacity

...but Board members can be personally liable (no statutory protection and no insurance) when acting outside scope of duties

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Corporations Code

- Applies to Boards of all nonprofit public benefit corporations
- Directors must avoid "self-dealing" transactions, *i.e.,* no material financial interest in transaction
- For *most* charitable nonprofits, the corporation could still enter into the transaction if:
  - transaction is beneficial and fair to the corporation;
  - majority of Board affirms "fairness" of the transaction; and
  - financially interested Board member may be required to disclose and disqualify.

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Now A Conflicts Hypothetical…

A nonprofit is considering a proposed service contract with a vendor owned by one the nonprofit's Board members. Could the Board approve this contract given the Board member's ownership in the vendor?

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Now A Conflicts Hypothetical…

A nonprofit is considering a proposed service contract with a vendor owned by one the nonprofit's Board members. Could the Board approve this contract given the Board member's ownership in the vendor?

The Board member has a material financial interest in the contract. Under the Corporations Code, the Board may approve the contract only if:

- transaction is beneficial and fair to the corporation;
- majority of Board affirms "fairness" of the transaction; and
- financially interested Board member discloses and recuses.

…but wait, there's more

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Political Reform Act

The Political Reform Act has two main requirements for charter schools:

1. Disclosure

- i.e., filing Forms 700

2. Disqualification

- i.e., recusal when a conflict arises



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Political Reform Act: 1. Disclosure

- Decision-makers must disclose certain personal financial interests by filing Forms 700
- Every charter school must adopt a Conflict of Interest Code that describes, among other things:
  - Designated Positions: the positions that are required to file Forms 700
  - Disclosure Categories: what must be disclosed on each position's Form 700
- What about 87200 filers?

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Political Reform Act: 2. Disqualification

Disqualification is required from any decision that may materially affect the decision-maker's personal financial interests

- Must disclose their financial interest and recuse from all parts of the decision-making process
- What is considered a "financial interest" is clearly defined by law
  - What are the different types?
  - Financial interests of spouse and sometimes dependents count

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Political Reform Act

- Applies to Board members and other decision-makers
- Special rules for gifts and campaign contributions (we'll cover that later)
- Civil and criminal penalties for violations (we'll cover that later as well)
- No defense or indemnity by school or insurers
- Under Political Reform Act, the agency can still enter into such a transaction as long as the official meets the disclosure and disqualification rules

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Back to Our Conflicts Hypothetical…

A charter school is considering a proposed service contract with a school vendor owned by one the Board members. Could the Board approve this contract given the Board member's ownership of the vendor?

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Back to Our Conflicts Hypothetical…

A charter school is considering a proposed service contract with a school vendor owned by one the Board members. Could the Board approve this contract given the Board member's ownership of the vendor?

The Board member has a personal financial interest in the contract with the school. Under the Political Reform Act, the Board may approve the contract only if the Board member discloses their financial interest and recuses from all parts of the decision-making process.

…but wait, there's more

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Government Code Section 1090

- Section 1090 provides that a public agency officer or employee may not make, participate in making, or attempt to influence a contract in which the officer is financially interested
  - Also applies to some independent contractors
- Section 1090 deals specifically with conflicts of interest in the *contract-making process.* It does not supplant the Political Reform Act, but acts in tandem (and is more strict)
- Financial interest is broadly defined

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Government Code Section 1090

When section 1090 applies, then:

1. A public official who has a financial interest in a contract cannot be involved with the contract process at all
   - Includes all preliminary discussions, negotiations, planning, etc.
2. Unless an exception applies (there are a few), a Board member's interest imputes to the rest of the Board, even where the Board member does not actually participate
3. Harsh penalties and remedies
   - Contract is void and cannot be enforced
   - Official who commits a violation is subject to felony prosecution, civil and administrative sanctions
   - Person convicted of a violation is disqualified from holding any office in the state

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Last Time with Our Conflicts Hypothetical…

A charter school is considering a proposed service contract with a school vendor owned by one the Board members. Could the Board approve this contract given the Board member's ownership in the vendor?

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Last Time with Our Conflicts Hypothetical…

A charter school is considering a proposed service contract with a school vendor owned by one the Board members. Could the Board approve this contract given the Board member's ownership in the vendor?

No! Under section 1090, the Board member's financial interest imputes the entire Board. It is not sufficient for the interested Board member to abstain from the contract making process.

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Other Conflicts of Interest – Campaign Contributions

Elected or appointed officers are prohibited from receiving campaign contributions from parties/participants in hearings or decisions regarding licenses, permits, and other entitlements for use

- Generally, the officer is disqualified from participating in the agency decision
- Must disclose contributions of more than $500 in the prior 12 months
- Officer is prohibited from soliciting or receiving contributions in excess of $500 during proceedings affecting campaign contributors, or 12 months after

(Gov. Code, § 84308)

You may know this as SB 1439 or the "pay-to-play" prohibition

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Other Conflicts of Interest – Campaign Contributions (cont.)

Does SB 1439 (the "pay-to-play" prohibition) apply to charter school Board members?

Charter school Board members do not receive campaign contributions, but this is still relevant for charter schools and Board members

- City Council members who might hear permits for a school construction project
- Board of Education members who might hear a charter renewal



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Other Conflicts of Interest – When Leaving Office

- After leaving office, certain officials are prohibited for a period of one year from appearing before or communicating with their former agency to influence any administrative or legislative action. (Gov. Code, § 87406.3)
- A public official shall not make, participate in making, or use their official position to influence any governmental decision directly relating to any person with whom the official is negotiating their prospective employment. (Gov. Code, § 87407)



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Other Conflicts of Interest – When Leaving Office

A school district Board of Education member steps down from her position on the Board. After leaving office, she begins serving as a charter school Chief Academic Officer. In that role, she wishes to influence her colleagues on the school district Board to approve a second charter.

- The former Board member is prohibited from appearing before or communicating with the Board of Education or district staff for one year after leaving the Board to influence the district's decision about the second charter, since it involves her former agency.
- While negotiating her new position at the charter school, she cannot use her position on the Board to influence the board's decision on the second charter.

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LAWS RELATING TO "PERKS" OF OFFICE



Perks: Gifts and Honoraria

- A lobbyist cannot gift over $10 in a calendar month to one person
- Local public agency decisionmakers (board members and Form 700 filers) cannot:
  - Accept gifts above $630 from a single source during a calendar year
    - Exceptions include gifts from family members, acts of neighborliness
    - Gifts with a value over $50 must be reported
  - Receive an honoraria payment for making a speech, publishing an article, or appearing at a conference, convention, social event, meal, etc.
    - Special rules for travel related to a legislative or governmental purpose
  - These prohibitions apply to individuals/entities that would be disclosed on the Form 700



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Perks: Misuse, Ban on Gifts of Public Funds

- Public resources cannot be used for campaign activities or personal purposes (Gov. Code, § 8314)
  - But incidental/minimal use of public resources is permitted
  - Misuse of public resources is subject to civil penalties
- Gift of public funds is unconstitutional (Art. 16, § 6)
  - Public funds must be used in furtherance of a public purpose
  - Cannot give or lend public funds to any person or entity
  - Officials may have personal liability
  - *What about teacher incentives, holiday parties, or meals in the staff lounge?*

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Perks: Mass Mailing Restrictions

A "mass mailing" sent at public expense is prohibited if:



- Features an elected officer affiliated with the agency, such as including the officer's photo or signature, or singling out the officer
- More than 200 substantially similar items are sent in a calendar month
- The costs of distribution are paid with public funds, or more than $50 in public funds are used to design, produce or print the mailing
- A tangible item, such as a newsletter or brochure, is transmitted by mail or fax (note: emails, website postings, text messages, recorded phone messages are not "tangible items")

(Gov. Code, § 89001)

Does this apply to charter schools? (next slide)

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Application to Charter Schools

- Most charter schools send out their blasts by email, website posting, text and phone message – so would not be a tangible item.
- Also, most charter schools do not feature elected officials who are affiliated with the school. BUT keep this rule in mind if you are highlighting a school alum or Board member who is running for elected office.
- ALSO keep in mind, as a 501(c)(3), charter schools should never endorse, support, or oppose, a candidate for political office.

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Perks: Ban on Free Transportation

California constitution prohibits public officials from accepting free or discounted transportation from transit companies (Art. 12, § 7)

- Penalty is forfeiture of office
- Does not apply to public agency employees
- *Application to charter schools?*



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BEST PRACTICES FOR EXCELLENCE IN GOVERNANCE



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Best Practices of High-Functioning Boards

- Board and committee members receive orientation and ongoing professional development as needed
  - Training topics for boards/committees may include: legal updates and pending legislation, understanding charter school funding/rules about use of funds, risk mitigation strategies and trends, efficient board meetings, charter school facilities, etc.
- Board members are familiar with governing documents and know where to find resources when questions arise
- Board and committees meet regularly (do not miss meetings except as absolutely necessary)
- Stakeholder board members clearly wear board “hat” while serving in that role
- Board strikes the right balance: not a rubber stamp and is engaged and asking questions before making decisions, but sticks to strategic and oversight role and does not micromanage leadership or engage in backchanneling

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Board Member Code of Conduct?

- Should establish ethical standards for directors when wearing Board "hat"
- Cannot (and should not attempt to) address every possible ethical scenario or permutation
- Review and update as needed
- Typically covers legal topics like nondiscrimination and confidentiality, as well as non-legal topics like respect for others and promoting a safe and respectful environment in Board dealings
- Transparently sets expectations
- High-level tool for accountability

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Best Practices of High-Functioning Boards

- Meeting minutes are organized and locatable for all Board and committee meetings
- Board members avoid conflicts of interest as well as appearance of impropriety
- At appropriate cadences, Board engages as a group in strategic thinking and planning for the school into the future; not just there for operational approvals
- Chair and school leader work together to develop meeting agendas, with a system for individual board members to request items be agendized
  - *Remember that under Brown Act, a majority of the Board can always decide to agendize something*
- Leadership provides complete and timely communication to Board on key issues, does not gate-keep important operational issues that may be brewing
- Board members do not try to handle school problems on an individual basis, bring issues communicated to them to the ED and/or full board

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Best Practices of High-Functioning Boards

- Board regularly evaluates key leadership positions (CEO, CFO), and consider Board self-evals
  - *Consider accountability: how does your Board follow-through on goal-setting and goal-evaluation?*
- Board (at least Chair) has direct line to school's legal counsel as needed, e.g. if a problem were to arise regarding the ED
- Board helps recruit diversity of expertise and experience on Board
- PCHS has a system of evaluation for staff and key vendors
- PCHS has robust stakeholder communication system (e.g. key items available on website)
- Board committees are productive and report back to the Board (committees should make a Board more efficient, not less)
- Board members review key documents, ask questions, stay informed

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TRANSPARENCY LAWS



Economic Interest Disclosure

Public officials must file a Form 700 (public document)

- File upon taking office, leaving office, annual basis (April deadline, with limited exceptions, e.g., active military duty)
- File with your code-reviewing entity or your agency (check your code)
- Signed under penalty of perjury
- Fines if not filed timely
  - $10 per day penalty for filing late, not to exceed $100
  - Referral can be made to the FPPC enforcement division

See previous slides on Disclosure element of Political Reform Act…

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Economic Interest Disclosure – Who Must File?

Who? Generally, individuals with contracting or purchasing authority are designated in the agency's Code and must file Forms 700

- What about consultants?

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Economic Interest Disclosure – When?

When? Must file within 30 days of assuming office, annually by beginning of April thereafter (limited exceptions), and within 30 days of leaving office

- Deadline is usually April 1
- Amendments can be made at any time
- No extensions for individuals, except for active military duty
- Limited exception if you assumed office between October 1 and December 31

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Economic Interest Disclosure – Where?

Where? Most positions will file with your agency's filing officer, but some will file directly with the FPPC or county board of supervisors (*e.g.*, using an online platform)

- Copies to charter school authorizer?
- What about officials holding multiple positions?

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Economic Interest Disclosure – What to Disclose?

There are six different schedules:

- Schedule A-1 – Investments
  - Ownership interests is less than 10%
- Schedule A-2 – Investments/Business Positions
  - Ownership interest is 10% or greater; must disclose more info
- Schedule B – Real Property
- Schedule C – Income, Loans, and Business Positions
- Schedule D – Gifts
- Schedule E – Travel Payments


CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION

STATEMENT OF ECONOMIC INTERESTS
COVER PAGE
A Public Document

Please type or print in ink.

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable — Your Position

▸ If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: — Position:

2. Jurisdiction of Office (Check at least one box)

☐ State — ☐ Judge, Retired Judge, Pro Tem Judge, Statewide Jurisdiction

☐ Multi-County — ☐ County of:

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Economic Interest Disclosure – What to Disclose?

Common Reportable Interests:

- Some stocks and bonds, including those held in an IRA or 401(k)
- Some ownership interests in business entities (*e.g.*, sole proprietorships, partnerships, LLCs)
- Some real property (*e.g.*, owned or leased office-space, or a home rented out via AirBnB or VRBO)
- Non-governmental salaries of the official
- Community property interest in your spouse or registered domestic partner's income
- Gifts from certain individuals or businesses (*e.g.*, tickets to sporting events)

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Economic Interest Disclosure – What to Disclose?

Common Non-Reportable Interests:

- Government bonds, diversified mutual funds, and government pensions (e.g., CalPERS or CalSTRS)
- Insurance policies
- Savings accounts, checking accounts, money market accounts, certificates of deposit, and annuities
- Cryptocurrency
- Property used exclusively as a personal residence
- Salary, per diem, or reimbursement for expenses from a government agency (*e.g.*, a school district or city)
- Gifts from family members, gifts that were returned to the donor within 30 days, and certain gifts of a personal nature

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PCHS' Conflict of Interest Code

Palisades Charter High School

Exhibit "B"

Designated Positions	Disclosure Categories
Member, Charter School Board	1, 2, 4, 5
Executive Director/Principal	1, 2, 4, 5
Assistant Principal/Director	1, 2, 4
Chief Business Officer	1, 2
Director of Human Resources	1, 2, 4, 5
Director of Operations	2, 5
Finance Manager	1, 2
Director of Information Technology	2
Consultants/New Positions*	

* Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitations:

The Executive Director/Principal or his or her designee may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with disclosure requirements in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director/Principal or his or her designee's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Section 81008.)

Individuals who perform under contract the identical duties of any designated position shall be required to file Statements of Economic Interests disclosing reportable interests in the categories assigned to that designated position.

EFFECTIVE: 01/06/2021

Palisades Charter High School

Exhibit "A"

CATEGORY 1
Persons in this category shall disclose all interest in real property which is located in whole or in part within two (2) miles of any facility utilized by the Palisades Charter High School, including any leasehold, beneficial or ownership interest or option to acquire such interest in real property.

Persons are not required to disclose a residence, such as a home or vacation cabin, used exclusively as a personal residence; however, a residence in which a person rents out a room or for which a person claims a business deduction may be reportable.

CATEGORY 2
Persons in this category shall disclose all investments and business positions in, and sources of income (including gifts, loans and travel payments) that are from, business entities engaged in the performance of work or services, or sources that manufacture, sell, repair, rent or distribute school supplies, books, materials, school furnishings or equipment of the type utilized by the Palisades Charter High School.

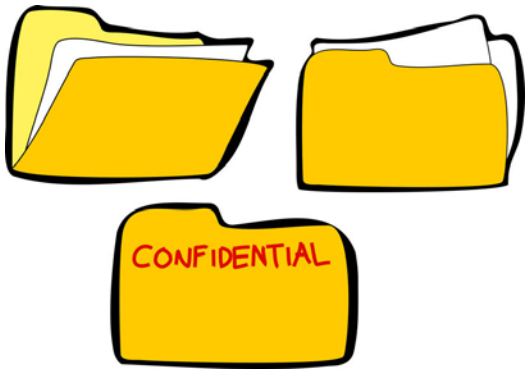
CATEGORY 3
Persons in this category shall disclose all investments and business positions in, and sources of income (including gifts, loans and travel payments) that are from, business entities engaged in the performance of work or services, or sources that manufacture, sell, repair, rent or distribute school supplies, books, materials, school furnishings or equipment of the type utilized by the designated position's department.

CATEGORY 4
Persons in this category shall disclose all income (including gifts, loans and travel payments) from any Palisades Charter High School employee or any known representative or association of such employee or any business known by the reporting official to be owned or controlled by such employee.

CATEGORY 5
Persons in this category shall disclose all business positions, investments in, and/or income (including gifts, loans, and travel payments) from businesses and or individuals that lease, rent or seek a permit for use of Palisades Charter High School space.

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Public Records Act



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The California Public Records Act: Overview

- What is the California Public Records Act ("CPRA")?
- What are public records?
  - *Hint: most of your schools' records!*
  - A public record includes "any writing containing information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency, regardless of physical form or characteristics"
  - A "writing" includes notes, handwriting, copies, faxes, voicemails, videos, pictures, **emails, texts** (more on these later)… regardless of the manner in which they're stored
- Under CPRA, records are by default public BUT lots of *exempt* records…

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Are All of the School's Records Open to the Public?

- What types of records are exempt from CPRA disclosure?
  - Identifiable student records (FERPA)
  - Personnel and medical records
  - Attorney-client privileged communications
  - And many more
- But email and other records that are kept in the ordinary course of business may be public
  - Even email/texts from personal accounts or personal devices
  - Do you have a record retention policy?

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Public Records Requests

- Who can make a CPRA request?
- How are CPRA requests made?
- Can you charge for responding to a CPRA request?
  - Can charge for copies and data extraction
  - Cannot charge for staff time
- Duty to respond within ten days from receipt of the request (with exceptions), but reasonable time to produce records
- Electronic records

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Ralph M. Brown Act



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Holding Board Meetings: Brown Act

- The Brown Act is California's "open meetings" law for local public agencies
  - Applies to charter schools under Education Code section 47604.1
- Generally requires that the actions of a local public agency's governing board be taken at an open meeting accessible to the public, duly noticed, where the public can attend and speak on matters on the agenda or within the agency's jurisdiction

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Holding Board Meetings: Definition of Meeting

- What is a meeting?
  - Any congregation of a majority of Board members to discuss any item of school business
    - Much broader than traditional concept
    - Avoid inadvertent meetings, e.g., at a social gathering
    - Avoid "serial" meetings, e.g., by text or email

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Holding Board Meetings: Definition of Meeting

- Limited exceptions (these are NOT a meeting):
  - A majority of Board members may attend a conference or similar gathering open to the public that involves a discussion of issues of general interest to the public or to like schools, provided that a majority of the Board do not discuss school business among themselves other than as part of the scheduled program
  - May also attend an open community meeting, another agency's meeting, or social or ceremonial occasions with similar limitations, or as observer-only at committee meeting

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Holding Board Meetings: Definition of Meeting

- What else is NOT a meeting?
  - One-on-one agenda briefings (no serial meetings, please)
  - Conversations about whether to call a meeting
  - Information-only updates *received* by the full Board (no reply-all)
- What about annual retreats, strategic planning sessions, budget workshops?
  - *These are meetings*
- What about board member use of social media?

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Holding Board Meetings: Types of Meetings

- Types of Meetings
  - "Regular" meetings require 72 hours posting notice
  - "Special" meetings require 24 hours posting notice
  - "Emergency" – very rarely used
- Board must set time and place for regular meetings (e.g., a regular meeting schedule)
  - If necessary, regular meetings can be adjourned to a later date/time
- Special meetings held as needed between regular meetings
  - Who can call special meetings?

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Where Can Meetings Be Held?

Brown Act requires meetings to be held in agency's jurisdiction

- Limited exceptions (e.g., to inspect property located outside of jurisdiction, multi-agency meetings, meetings with elected/appointed officials, attorney offices, or emergencies)
- JPA meets within the territory of at least one of its member agencies

Special location and conferencing requirements for charter schools …

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Charter School Requirements (Ed. Code 47604.1)

For ***classroom-based schools,*** board meeting location requirements vary depending on number of school sites and counties you operate in

SINGLE CHARTER	MULTIPLE CHARTERS	
	SAME COUNTY	MULTIPLE COUNTIES
Meeting to take place within boundaries of county where authorized and located	Meeting to take place within boundaries of county where authorized and located	Meeting to take place within county where greatest number of pupils reside (may change)
Two-way teleconference from each site* if you have more than one	Two-way teleconference from each site*	Two-way teleconference from each site*
		Audio/video record and post to website

* Includes schoolsites and resource centers.

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Charter School Requirements (Ed. Code 47604.1)

For ***nonclassroom-based schools,*** board meeting location requirements vary depending on number of charters

SINGLE CHARTER	MULTIPLE CHARTERS
Meeting to take place within county where greatest number of pupils reside (may change)	Meeting to take place within county where greatest number of pupils reside (may change)
Two-way teleconference from each resource center	Two-way teleconference from each resource center
	Audio/video record and post to website

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Virtual Board Meeting Participation



3 options:

- Traditional teleconferencing (most commonly used)
- AB 361 virtual meetings (during state of emergency)
- AB 2449 remote participation (for "just cause" or "emergency circumstances" and until January 1, 2026; lots of rules; not commonly used)

Board members who want to participate in a meeting by teleconference or videoconference need to fall under one of these sets of rules, not all 3

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Holding Board Meetings: Teleconferencing

- Board members may use teleconferencing if:
  - Agenda must identify teleconference locations (where Board members are dialing-in from)
  - Quorum must be within the jurisdiction
  - Agenda must be posted at teleconference locations in same timelines (72 hours or 24 hours in advance of meeting)
  - Teleconference locations must be accessible to the public
  - Roll call votes required
- These are the traditional teleconferencing requirements (*and most commonly used!*)

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AB 361 (2021): Virtual Meetings During Emergency

- The Board may use teleconferencing without complying with many of the traditional rules if:
  - The Governor has proclaimed a state of emergency; and
  - The Board determines that due to the emergency, meeting in person would present imminent risks to the health or safety of attendees.

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AB 361 (2021): Virtual Meetings During Emergency

- To hold virtual meetings, must comply with the following:
  - Make appropriate findings every 45 days
  - Roll call votes required
  - Agenda must be posted in a publicly accessible location and on the website
  - Agenda must identify how the public can access the meeting (e.g., a Zoom link)
  - The public must be notified of how they can address the Board

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AB 361 (2021): Virtual Meetings During Emergency

- To hold virtual meetings, must comply with the following:
  - The public must be able to provide comments directly to the Board and in real-time
    - Can't require submission of written comments before the meeting
  - If a disruption occurs (e.g., Zoom room shuts down), Board cannot take further action until public access is restored
  - If there is a timed public comment period, the Board may not close public comment until the time has elapsed (not applicable to many charter schools)

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AB 2449 (2022): Remote Participation

- AB 2249 provides new, limited teleconferencing procedures for individual board members
- A Board member may participate remotely without complying with many of the traditional rules if a quorum of the Board is in-person at a singular physical location and:
  - There is "just cause," which is defined as a childcare or caregiving need, a contagious illness, a need related to a physical or mental disability, or travel while on agency business; or
  - There are "emergency circumstances," which is defined as a physical or family medical emergency that prevents a member from attending in person, and Board takes action to approve the request.

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AB 2449 (2022): Remote Participation

- To participate remotely, must comply with the following:
  - Roll call votes required
  - Agenda must be posted in a publicly accessible location and on the website
  - Must provide either a two-way audiovisual platform (e.g., Zoom) or a two-way telephonic service and live webcasting
  - Agenda must identify how the public can access the meeting via a call-in option, via an internet-based service option, and in-person at the meeting location

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AB 2449 (2022): Remote Participation

- To participate remotely, must comply with the following:
  - The public must be able to provide comments directly to the Board and in real-time
    - Cannot require submission of written comments before the meeting
  - If a disruption occurs (e.g., Zoom room shuts down), Board cannot take further action until public access is restored
  - Board member must publicly disclose at the meeting who is also in the room before any action is taken
  - Board member must participate via audio and visual technology

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AB 2449 (2022): Remote Participation

- For just cause, Board member must notify charter school as soon as possible of need to participate remotely at a particular meeting, including at start of meeting
- For emergency circumstances, Board member must request to appear remotely, and the Board must take action to approve the request
- Each Board member may not use remote participation for more than:
  - Two meetings per year, if the Board has one or fewer regular meetings/month
  - Five meetings per year, if the Board has two regular meetings/month
  - Seven meetings per year, if the Board has three+ regular meetings/month
- AB 2449 is repealed as of January 1, 2026

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Holding Board Meetings: Agendas

- Agenda
  - Brief general description of business to be transacted (20 words or less)
  - Post in publicly accessible place at/near location and on the website
    - "One-click" rule: current agenda must be posted in format that is accessible in one click on main page, word-searchable, downloadable
    - Be careful with "information" vs. "action" items
- What about the agenda packet?
  - Agenda packet is a public record and must be available for public inspection at the time distributed to majority of Board members

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Holding Board Meetings: Agendas

- What can the Board consider at a meeting?
  - Brown Act limits to only what is on the posted agenda
  - Very high bar to add items to agenda; only allowed if:
    - (A) majority vote that there is an emergency (defined narrowly); or
    - (B) 2/3 vote of Board members present, or unanimous vote if less than 2/3 of full Board is present, that *there is need to take immediate action* and *need arose subsequent to agenda being posted*

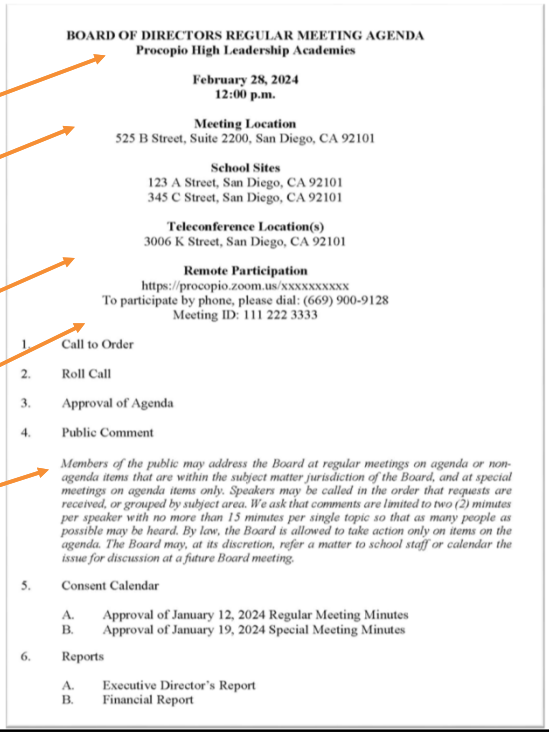
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Sample Agenda

- Regular vs. special board meeting
- Date, time, and location of meeting (charter schools may include your 2-way conference locations at each school site, resource center)
- Physical teleconference location(s), if applicable (per traditional Brown Act rules)
- Remote participation information, if applicable (i.e. if using the AB 361 or AB 2449 rules)
- Your requirements for public comments
- General description of each item of business to be transacted or discussed



BOARD OF DIRECTORS REGULAR MEETING AGENDA
Procopio High Leadership Academies

February 28, 2024
12:00 p.m.

Meeting Location
525 B Street, Suite 2200, San Diego, CA 92101

School Sites
123 A Street, San Diego, CA 92101
345 C Street, San Diego, CA 92101

Teleconference Location(s)
3006 K Street, San Diego, CA 92101

Remote Participation
https://procopio.zoom.us/xxxxxxxxxx
To participate by phone, please dial: (669) 900-9128
Meeting ID: 111 222 3333

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Public Comment

Members of the public may address the Board at regular meetings on agenda or non-agenda items that are within the subject matter jurisdiction of the Board, and at special meetings on agenda items only. Speakers may be called in the order that requests are received, or grouped by subject area. We ask that comments are limited to two (2) minutes per speaker with no more than 15 minutes per single topic so that as many people as possible may be heard. By law, the Board is allowed to take action only on items on the agenda. The Board may, at its discretion, refer a matter to school staff or calendar the issue for discussion at a future Board meeting.

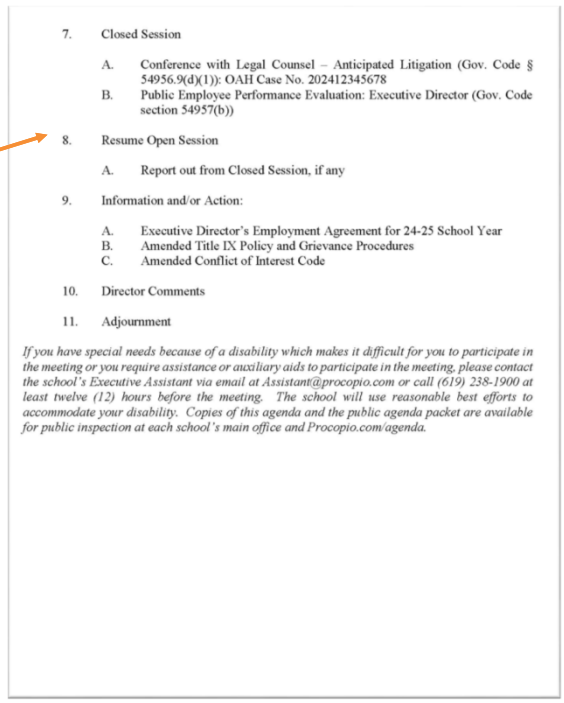
5. Consent Calendar
   - A. Approval of January 12, 2024 Regular Meeting Minutes
   - B. Approval of January 19, 2024 Special Meeting Minutes
6. Reports
   - A. Executive Director's Report
   - B. Financial Report

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Sample Agenda (cont.)

- General description of each item of business to be transacted or discussed (cont.), including closed session and reporting actions taken in closed session
- Information for requesting disability-related modifications or accommodations



7. Closed Session
   - A. Conference with Legal Counsel – Anticipated Litigation (Gov. Code § 54956.9(d)(1)): OAH Case No. 202412345678
   - B. Public Employee Performance Evaluation: Executive Director (Gov. Code section 54957(b))
8. Resume Open Session
   - A. Report out from Closed Session, if any
9. Information and/or Action:
   - A. Executive Director's Employment Agreement for 24-25 School Year
   - B. Amended Title IX Policy and Grievance Procedures
   - C. Amended Conflict of Interest Code
10. Director Comments
11. Adjournment

If you have special needs because of a disability which makes it difficult for you to participate in the meeting or you require assistance or auxiliary aids to participate in the meeting, please contact the school's Executive Assistant via email at Assistant@procopio.com or call (619) 238-1900 at least twelve (12) hours before the meeting. The school will use reasonable best efforts to accommodate your disability. Copies of this agenda and the public agenda packet are available for public inspection at each school's main office and Procopio.com/agenda.

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Holding Board Meetings: Committees

- ***Tip***: If you miss the 72-hour posting deadline to include an item on a regular agenda, you can still post a special meeting agenda with 24 hours notice for same time and place
- Brown Act applies to committees created by Board, even if advisory:
  - Applies to all "standing" Board committees, even advisory
  - "Ad hoc" committees exempt, but only if composed of Board members only, less than a quorum, limited existence
  - Brown Act does not apply to non-Board committees, e.g. working groups, parent focus groups, booster clubs, ELAC, SSC

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Holding Board Meetings: Public Comments

Brown Act provides the following:

- At regular meetings, public may speak on any topic in board's purview
- At special meetings, may limit to comments on agenda items only (check agenda wording)
- Right to speak *before* action taken (including closed session)
- Right to attend meeting without having to sign in
- Public comment can and should be time-limited (check agenda)
- Not a conversation with board
- May speak critically, but disruptive conduct not permitted
  - Brown Act now defines disruptive conduct and requires warning prior to removal

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What Constitutes "Disruptive" Conduct at a Board Meeting

- Disrupting, disturbing, impeding, or rendering infeasible the orderly conduct of the meeting
- Failing to comply with reasonable and lawful regulations adopted by the board (e.g., time limits)
- Behavior that constitutes use of force, or a true threat of force

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Procedure for Removing a Disruptive Individual

At a school Board meeting, a parent speaks critically about a new curriculum proposal. While his comments are within his rights, he begins to yell loudly at the Board, interrupt others during their public comments, and he even stands up threatening to harm others if his opinion is "silenced" by the Board. How would the Board remove this parent?

- The Chair should first warn the parent to stop his disruptive behavior and warn that, if the behavior doe not promptly cease, he will be removed from the meeting
- If the parent's behavior continues, the Chair may remove him from the meeting to restore order and allow the meeting to continue

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Holding Board Meetings: Closed Sessions



- Special rules for closed sessions:
  - Only for limited topics, such as:
    - Litigation (identify matter)
    - Personnel evaluation, termination (identify position)
    - Real estate negotiations (identify property, negotiator)
  - Use the safe harbor descriptions in Gov. Code section 54954.5 on your agendas!
  - Not for budget discussions, general planning
  - Only essential persons may be present in closed session
  - What happens in closed session, stays in closed session
  - Report out final action taken

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Holding Board Meetings: Executive Compensation

- Various special rules for executive compensation (i.e., Executive Director) and personnel matters
  - Examples of special rules:
    - Board cannot take action regarding executive compensation at special meeting
    - Board must orally report summary of executive compensation before final action taken
    - Board must review and approve compensation of executive for reasonableness

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Holding Board Meetings: Minutes

- Minutes are important
  - This is your record of Board action and diligence
- Minutes generally approved by Board at subsequent meeting
- How much detail in minutes?
  - Minutes are not a transcript
  - Open session items: usually in a narrative format, track your agenda, briefly describe discussion, who made the motion and second, and how each Board member voted
  - Closed session items: only the description found on the agenda and anything reported out

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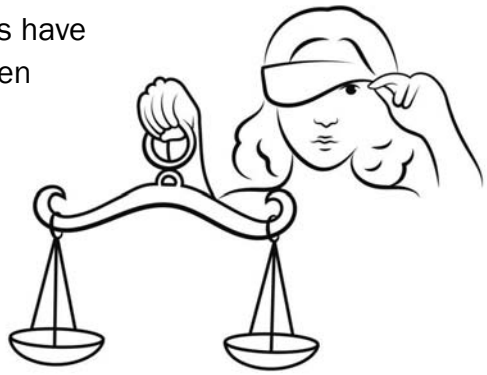
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LAWS RELATING TO FAIR PROCESS



Bias Prohibitions

- Public officials must exercise power disinterestedly
  - Includes financial and non-financial interests
  - Political Reform Act requires recusal if decisions have material impact on spouse or dependent children
- Consider perception of fairness
  - Disqualification when affecting dependent family members (anti-nepotism)
  - Non-dependent family members, prior association, advocacy of cause, membership in organizations



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Due Process



- Basic requirements
  - Impartial decision maker (no bias, conflict)
  - Notice of decision to be made
  - Opportunity to be heard
  - Some right of appeal
- Examples at charter schools
  - Student discipline matters
  - Special education

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Incompatible Offices

A public officer cannot simultaneously hold two public offices that are incompatible (Gov. Code § 1099)

Penalty is forfeiture of first office upon acceding to second office

Offices are incompatible if:

- Either office may audit, overrule, remove members of, dismiss employees or exercise supervisory powers over the other office or body
- Possibility of a significant clash of duties or loyalties
- Public policy considerations make it improper to hold both offices

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Two Recent California Attorney General Opinions related to charter school incompatible offices:



The AG concluded that serving on a charter school board is incompatible with serving on the county board of education in the county where the charter school is located



The AG granted a request to sue a trustee on the county board of education for holding an incompatible office while also serving as President, Chief Executive Officer, and Executive Director of a nonprofit operating multiple charter schools located within the county

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Competitive Bidding



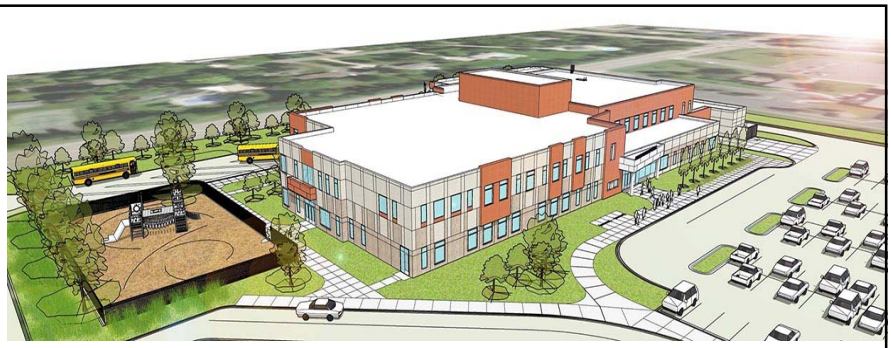
- Public Contract Code generally does not apply to charter schools, except in certain instances (*and see next slide…*)
  - Check funding source
  - Check your fiscal policies and what you've agreed to
- Purpose is to prevent favoritism, fraud, corruption, waste of public funds
- Public works project must be awarded to lowest, responsive, responsible bidder
  - Statutory exceptions (e.g., emergency contracts, sole source)
  - Applies to some charter school projects (e.g., construction using state bond funds, grant programs, or on school district property)
- Process must be fair
  - Must follow agency's rules or award can be protested or set aside
  - Cannot change rules in middle of bidding/award process

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Will Competitive Bidding Become a Requirement for All Charter Schools in the Future?



Keep an eye on this. Early versions of Assembly Bill 84 (*proposed this Legislative cycle as part of "school accountability" but now stopped!*) would have required charter schools to comply with the Public Contract Code.

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Anti-Nepotism

Some charter schools have agreed to have an anti-nepotism policy in an MOU with their authorizers, or have adopted a policy on their own

- Disqualification from participating in decisions affecting family members
- Conflict of interest statutes (i.e., Political Reform Act and Government Code Section 1090) typically apply to spouse and dependent family members
- Common law conflicts extend to noneconomic interests, such as a Board member's personal interest in seeing their child successfully employed
- Requires abstaining from action, and not attempting to influence the discussion, negotiation, or vote affecting dependent family members



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Questions (now or later)?



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CLOSED SESSION ITEM DESCRIPTIONS UNDER THE RALPH M. BROWN ACT

The following chart can be used when drafting the closed session item descriptions on agendas and minutes of governing board meetings. Many of these item descriptions are from the "safe-harbor" descriptions under Government Code section 54954.5. Please update the highlighted areas before posting the agenda.

GOV. CODE SECTION	CLOSED SESSION ITEM DESCRIPTION (The same language should be used for both the agenda and minutes)
54956.8 (Use to discuss the purchase, sale, exchange, or lease of real property by or for the school)	CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov. Code section 54956.8.) Property: *address* Agency negotiator: *name of negotiator* Negotiating parties: *name of opposing party* Under negotiation: *e.g. "price and/or terms of payment"*
54956.9 (Use when threatened with litigation or administrative proceeding, e.g. if the charter may be revoked/ non-renewed)	CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION (Gov. Code section 54956.9(d)(2).): (*number of matters*).
54956.9 (Use when considering suing someone)	CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION (Gov. Code section 54956.9(d)(4).): (*number of matters*).
54956.9 (Use to confer with, or receive advice from, legal counsel regarding pending litigation, including SPED due process matters)	CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION (Gov. Code section 54956.9(d)(1).) Name of Case: *insert case name* *OR, if disclosing the case name would jeopardize settlement negotiations, use the following:* CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION (Gov. Code section 54956.9(d)(1).) Case Name Unspecified: (disclosure would jeopardize settlement negotiations)
54957 (Use when discussing the hiring of a new employee)	PUBLIC EMPLOYEE APPOINTMENT (Gov. Code section 54957(b)(1).) Title: *title of position to be filled*

54957 (Use when reviewing the performance of an existing employee)	PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Gov. Code section 54957(b)(1).) Title: *title of employee being evaluated*
54957 (Use when discussing the discipline or dismissal of an employee; there are also notice obligations for this type of closed session)	PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE (Gov. Code section 54957(b).)
54957.6 (Use when meeting with school representative to discuss salaries, salary schedules, or compensation with represented or unrepresented employees)	CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code section 54957.6.) Agency designated representative(s): *name of school representative(s)* Employee Organization: *name of organization representing employees* *OR, if the employee is unrepresented, use the following:* CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code section 54957.6.) Agency designated representative(s): *name of school representative(s)* Unrepresented employee: *title of employee*
54957 (Use when meeting with law enforcement personnel on matters posing a threat to the security of public buildings or services—this is rare)	THREAT TO PUBLIC SERVICES OR FACILITIES (Gov. Code section 54957(a).) Consultation with: *specify name of law enforcement agency and title of officer*
ED. CODE SECTION	**CLOSED SESSION ITEM DESCRIPTION** **(The same language should be used for both the agenda and minutes)**
48912(b) (use when discussing discipline against a student except expulsion, e.g. readmission of previously expelled student)	STUDENT DISCIPLINE (Ed. Code section 48912(b)): (number of matters)
48918(c) (use when discussing student expulsion)	STUDENT EXPULSION (Ed. Code section 48918(c)): (*number of matters*)

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