

Shelby County Board of Education

0024

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BOARD COMMITTEES

PURPOSE

To outline the standards for Board Committees

II. SCOPE

This policy applies to all Shelby County Schools Board of Education Committees and Board Members.

III. POLICY STATEMENT

The Board of Education is a corporate body. It is understood that the members of the Board have authority only when acting as a Board legally in session. The Board will not be bound in any way by any action or statement on the part of any individual Board member except when such statement is pursuant to specific instructions and official actions taken by the Board.

Insofar as possible, all committee work should be done as a committee of the whole. However, the Board authorizes Board Committees to assist with the work of the Board. Work conducted during committee meetings has no force of final authority and are acts under, subordinate to, and advisory to the Board. Advance notice of at least five (5) days must be given to all committee and Board members, the public, and the media, except in emergencies where notice will be provided at least twenty-four (24) hours prior to the meeting, where practicable. A written record should be kept for each meeting and submitted during a regular meeting to the full Board for acceptance into the District's official public record.

Ad Hoc, Standing and Advisory Committees

The Board may establish ad hoc, standing and advisory committees at any time to facilitate and support the work of the Board. A majority of Board members must agree

to the formation of the committee. All Board established ad hoc, standing and advisory committees shall be subject to the following, except where otherwise provided:

- The functions of all committees shall be fact-finding, deliberative, and advisory, but not administrative.
- All ad hoc and standing committee meetings shall be conducted in accordance with *Robert's Rules of Order, Newly Revised*.
- A majority of the Board members who are appointed to an ad hoc or standing committee shall constitute a quorum for the transaction of business of that committee.
- All voting shall be by those appointed committee members attending the meeting in person or by electronic means. Voting by proxy will not be permitted.
- The Board Chairman is responsible for appointing membership to committees with the exception of the appointment to ad hoc committees of a person (s) external to the District and advisory committee appointments. In the case of ad hoc committee appointments, both the Board Chairman and the ad hoc committee chair may recommend external members, but the Board must approve the recommendation. In the case of standing committee appointments, appointees shall be ratified by a majority vote of the Board. In the case of advisory committee appointments, any individual Board member may recommend members, but the Board must approve the recommendation; the Board Chairman, however, may appoint Board member(s) to serve only as liaisons to an advisory committee.
- The Board Chairman is also responsible for appointing the chair of ad hoc and advisory committees. Once appointed, the chair of a committee may delegate responsibility for coordinating a committee project to committee members and/or may identify committee members to serve as vice chairs.
- The Chairman of the Board and Superintendent (or designee) shall be non-voting, ex-officio members of all committees, except advisory committees.
- Upon request from the Chairman of the Board, the Superintendent shall appoint such members of the administration as may be necessary and appropriate to assist the Board committee in its tasks.
- All Board members who are not appointed to a particular ad hoc or standing committee are permitted to attend and may participate, at the discretion of the committee chairman, in discussions in those committee meetings; however, they are not entitled to vote. Only duly appointed committee members are entitled to vote. In the case of advisory committees, a Board member appointed as a liaison shall serve only in that capacity. Board members who are not the appointed liaison(s) are permitted to attend but not participate in discussions.

- Reports resulting from all committee work shall be in writing; include a description of the way in which the charge was undertaken; the facts uncovered or information obtained; the findings or conclusions derived from the facts; and the committee's resolutions or recommendations approved by a majority vote of appointed committee members.
- Recommendations, proposals, resolutions, contracts, etc., requiring Board action shall be placed on the Board Meeting Agenda under “New Business” after advancing through Board Work Session in accordance with Board policy (0000 School Board Meetings, Section III).
- All committee meetings are subject to the requirements of the Open Meetings Act¹ and shall take place in a public location accessible and with sufficient space to reasonably accommodate the public.
- The Board reserves the right to dissolve any ad hoc or advisory committee by a majority vote of the Board.

Ad Hoc Committees

Ad hoc committees are established for a limited time period in order to investigate and deliberate over specific issues or topics that are of concern. Any Board member may propose the establishment of an ad hoc committee by motion. The motion shall include a written proposed charter. The charter must contain, among other items, the committee's proposed membership composition (i.e. number of Board members, number of external members, types of external members [business, medical, and/or religious community, parents, students, etc.]); purpose and responsibilities; and its expected duration. When the Board determines that an ad hoc committee should be established, the Board must approve a charter for the committee prior to appointing members to the committee. Subsequent to approval, charters may be amended by a majority vote of the Board.

Only Board members may chair ad hoc committees. However, persons external to the District may serve as members on ad hoc committees. To serve, they must be recommended by the chair of the ad hoc committee or the Board Chairman and approved by the full Board. External ad hoc committee members shall have full participation on the committee, including full voting rights. Only members duly appointed to an ad hoc committee shall have voting rights. Ad hoc committees shall be dissolved after the committee work is completed.

Standing Committees

Only Board members may serve on standing committees. Standing committees shall be comprised of all Board members. Standing committees shall be listed in the policy manual along with the committee's specific purpose; responsibilities; processes and

procedures; committee qualifications, if any; length of term; meeting schedule; and any other requirements of the committee. Standing committees shall continue until the Board approves its dissolution. Standing committees shall include the following:

Budget, Finance, and Audit Committee

Purpose:

The purpose of this committee is to serve in an advisory capacity to the Shelby County Board of Education to provide recommendations regarding the (1) budget and finance and (2) audit functions of the district. The specific purposes regarding each function are outlined below:

Budget and Finance Function

The purpose of the budget and finance function of the Budget, Finance, and Audit Committee is to facilitate the Board's obligation to exercise fiscal oversight during the budget process; to foster better understanding of the budget by Board members and the community; to provide a venue for Board members to develop a keen understanding of issues that have a significant fiscal impact on the District; to improve the ability of stakeholders to advocate for adequate resources from the District's funding bodies; to work with the Superintendent and staff to develop, based on available revenues, both the School Year and Fiscal Year budgets for the District, including the District's operating budget; to discuss details of the budget and ensure that it is aligned with the Board's and District's strategic objectives; and to facilitate approval of the budget by the Shelby County Board of Education in a timely and transparent manner.

Audit Function

The purpose of the audit function of the Budget, Finance, and Audit Committee is to provide added protection to the Board in discharging its responsibility for the overall stewardship of District affairs, particularly its financial management; to provide public support for the District's audit programs; to provide assurances that the overall levels of audit coverage are both reasonable and appropriate to protect the District from undue risks; to assist in obtaining effective corrective action and necessary improvement based upon audit findings and recommendations from external and internal auditors; to review compliance with Board policies, the School Activities Accounting Manual and the Internal School Uniform Accounting Policy Manual; and to provide the Board and the public with additional assurances that the prescribed systems of

internal controls are functioning as intended to protect the District from fraud, abuse, and waste.

Although the Budget, Finance, and Audit Committee has the responsibilities set forth below, it is not the responsibility of the committee to plan or conduct routine audits or to be the primary determinant that the District's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles and applicable rules and regulations. These tasks are the responsibility of management and the independent auditor; the committee has an oversight responsibility to see that the objective is achieved. This committee is advisory in nature; its recommendations regarding audit findings and exceptions and any other items shall be provided in writing to the Board and the Superintendent.

Responsibilities:

Budget and Finance Function

General

- Submit a recommended budget to the Board for approval
- Review details of the budget and budget process
- Receive and review information from staff and other appropriate sources regarding the budget
- Recommend to the Board budget amendments
- Discuss items of interest
- Provide answers to Board members' questions concerning any aspect of the budget

Audit Function

General

- Conduct an annual review of the audit committee's responsibilities and provide to the Board, if necessary, recommended revisions for approval;
- Establish a training program in consultation with and/or provided by the District's third-party external auditor or other consultant for audit committee members to develop the necessary financial expertise;
- Review internal and external audit reports;
- Prepare and submit annual audit committee activities report;

- Prepare, approve, and submit meeting minutes to the Board, appropriately notating all reviews and recommendations;
- Develop and conduct an annual self-assessment of the effectiveness and efficiency of the audit committee with the District's third-party external auditor;
- Review the District's procedures for reporting on problems, including whistle-blower hotline;
- Review critical Board policies relating to Audit and Finance; and
- Perform specific audit committee assignments as requested by vote of the Board.

Specific Responsibilities: Internal Audit

- Review and approve the annual plan for the upcoming fiscal year;
- Review management's implementation of recommendations made by the internal auditors, or reasons why recommendations are not being implemented;
- Make recommendations related to the effectiveness of the internal audit effort; and
- Review the adequacy of the internal audit budget in relation to annual audit plan.

External Audit

- Review recommendations related to hiring of external auditing firms when necessary; recommend areas to be emphasized in the external audits; and
- Review the annual financial statements and the accountants' reports, including management letters related to improving the accounting and internal control systems and staff responses.

Committee Processes and Procedures:

Committee Requests for information

- Submit requests to the committee chair for Committee approval – Requests may be reviewed by the chair with the director of internal audit

and chief financial officer for recommendations (e.g. information relevancy, scope, nature, etc.)

- Committee approved requests for information shall be made to the Superintendent (or his/her designee)

Process for Special Investigations (Pertains to the Committee's Audit Function)¹

- Submit request to committee chair with supporting documentation for Committee approval – Requests are reviewed by the committee with the director of internal audit and chief financial officer for recommendations (e.g. relevancy, scope, nature, etc.)
- Once reviewed, requests for special investigations shall be approved by the Committee
- Committee approved special investigations shall be noticed to the Superintendent, where appropriate
- Any information requests required for the investigation shall be made in accordance with the “Requests for Information” process provided above
- All findings and any recommendations shall be presented to the Board

¹The Committee's special investigations are not intended to interfere with or supersede Federal/State laws or regulations pertaining to reporting/investigations.

Meeting Schedule:

The committee shall schedule regular meetings at least quarterly and such special meetings and conferences as it deems necessary. The committee shall hold an initial meeting at least by October to identify a minimum of four (4) meeting times per year devoted to the District's budget and budget process. The committee chairman shall determine the date, hour, and the place of meetings. Special meetings may also be called at the written request of a majority of the members of the committee.

The number of meetings shall be sufficient to review;

- The District's proposed budget;
- The plan for the annual independent audit;
- The District's financial statements and the results of examinations performed by independent auditors; and

- Significant findings and recommendations resulting from internal audit examinations.

Summary reports on each audit and committee recommendations related thereto shall be prepared in sufficient detail to convey the substance of committee findings.

Advisors Related to the Audit Function of the Budget, Finance, and Audit Committee:

The Budget, Finance, and Audit Committee, by majority vote, may select up to two (2) community members to serve as its advisors in matters related specifically to the committee's audit function; the community members shall possess accounting and auditing expertise (e.g. CFO, CPA, and CIA) or the equivalent professional experience. Advisors shall be nominated by Board members and shall be ratified by a majority vote of the Board. Appointees shall serve one (1) year terms, unless said appointment is decreased by a majority vote of the Board.

Advisory Committees

The Board may establish advisory committees to advise the Board on certain issues of interest to the District. Recommendations of advisory committees are not binding but are essential to the Board's deliberations over critical issues of the District. Advisory committees may be comprised of persons external to the District (e.g., President of the NSBA Board of Directors), community members, and other internal (e.g., District personnel consultant) and external (e.g., TN department of education representative) stakeholders. To serve, they must be recommended by a Board member and approved by the full Board. The Board Chairman, however, may appoint Board member(s) to serve as liaisons to advisory committees. When the Board determines that an advisory committee should be established, the Board must adopt a charter for the committee prior to appointing members. The charter should contain, among other items, the following:

- The length of time each advisory committee operates, except as otherwise provided by Board policy;
- The purpose for which the advisory committee was created;
- The number of members to be appointed;
- How the leadership of the committee will be determined;
- The names and duties of professional persons or Superintendent recommended district staff who will furnish staff assistance to the committee;
- The length of each advisory committee member's appointment;

- The authority of the advisory committee to involve individuals other than those named, if necessary;
- The responsibility of the advisory committee to keep minutes and make them available to the Board;
- A clear statement of the Board's desire to have specific recommendations for Board action in the advisory committee report(s); and
- The frequency of Board reports expected.

Advisory committee members are subject to the Board's rules and regulations for participation on advisory committees.

The Board will endeavor to appoint Advisory Committees that are broadly representative of the diversity of the community.

Board Review

The Board shall review and/or revise this policy in accordance with Board policy and state law.

V. RESPONSIBILITY

- A. The Board, individual Board members, external committee members, and advisory committee members are responsible for adhering to the standards regarding Board committees.

Legal References:

1. TCA 8-44-102(b)
2. TCA § 49-2-205

Cross References:

1. 0000 School Board Meetings
2. 0004 Board Officers and Duties