



Denver Public Schools EL17- Asset Protection Monitoring Report

December 2022

Board policy is indicated in **bold** typeface throughout.

I hereby present my monitoring report on your Executive Limitation policy EL-17, "Asset Protection" according to the schedule set out. I certify that the information contained in this report is true, and represents compliance with all aspects of the policy unless specifically stated otherwise.

Signed *Alex Navarro*, Superintendent

Date 12/30/2022

Policy Statement:

The Superintendent will ensure that district assets are reasonably protected, adequately maintained, and appropriately used by the school community.

Accordingly, the Superintendent will :

- 1. Obtain insurance coverage against theft and casualty losses and against liability losses to Board members, staff, or the district itself in an amount that is reasonable for school districts of like size and in accordance with law;**
- 2. Take steps to ensure that the facilities and equipment are maintained;**
- 3. Guard against the knowing or reckless exposure to the district, its Board, or staff to a substantial risk of legal liability;**
- 4. Make any purchase and use a competitive bidding procedure for contracted services consistent with guidelines from the D series of the Administration Policies referenced below.**
- 5. Protect intellectual property, information, and files from loss or significant damage;**
- 6. Preserve and dispose of all records related to affairs or business of the district in accordance with state and federal law;**
- 7. Receive, process, or disburse funds under controls which are sufficient under generally accepted accounting procedures;**
- 8. Invest funds as aligned with law and existing district administration investment policies;**
- 9. Ensure that real property is not acquired, encumbered, or disposed without Board approval;**
- 10. Guard against the knowing or reckless endangerment of the district's public image or credibility, which thereby jeopardizing the district's ability to accomplish its mission; and**
- 11. Prevent the district from entering into a contract in which a Board member has an interest unless one of the statutory exceptions applies.**

Adopted: [October 21, 2021]

LEGAL REFS.:

C.R.S. 22-32-109 (1)(b) (Board must have policy on competitive bidding)

C.R.S. 22-32-109 (1)(h) (employees with access to funds in excess of \$50 must be bonded)

C.R.S. 22-32-109 (m) (Board policy must ensure preservation of district records)C.R.S. 24-18-201 and 202 (local government officials/employees may not have interest in contract made in their official capacity)

C.R.S. 24-75-601 et seq. (legal investments by public entities)

Administration Policy REFS.: DJA, DJA-R, DJB, DJD, DJE, DJG, DKR, DKR-1

Monitoring Method:**Monitoring Data:****Monitoring Frequency:****Definitions:**

1. Reckless Exposure:
2. Intellectual Property:

EL-17 Asset Protection

As one of the largest employers in the Denver metro region, the assets that we purchase enable us to create learning and recreational environments for students, parents, guardians and community members. Our assets include the furniture, fixtures and equipment necessary to outfit all of our facilities. This also includes the resources needed to address transportation services, food services, safety and security and all other resources needed to address students with special needs as required by law. I understand that all of these facilities need to be maintained and used appropriately.

Our assets also include our intellectual property, logos, school and program names. This constitutes just a few of the many elements of intellectual property (IP) for the district. Our classrooms are spaces for fostering creativity and innovation and as such, promote student creativity using district resources.

As the leader of this great district, I must be mindful of the proper use and maintenance of all of our district assets. I will protect our assets to ensure that the resources of the district are not placed at risk or depleted due to unnecessary litigation. For any new large purchases for the district, I commit to employing a competitive bidding process in alignment with best practices to ensure all purchases are made that optimize value for the district.

Accordingly, I agree to:

1. Obtain insurance coverage against theft and casualty losses and against liability losses to Board members, staff, or the district itself in an amount that is reasonable for school districts of like size and in accordance with law;
2. Take steps to ensure that the facilities and equipment are maintained;
3. Guard against the knowing or reckless exposure to the district, its Board, or staff to a substantial risk of legal liability;
4. Make any purchase and use a competitive bidding procedure for contracted services consistent with guidelines from the D series of the Administration Policies referenced below.
5. Protect intellectual property, information, and files from loss or significant damage;
6. Preserve and dispose of all records related to affairs or business of the district in accordance with state and federal law;
7. Receive, process, or disburse funds under controls which are sufficient under generally accepted accounting procedures;
8. Invest funds as aligned with law and existing district administration investment policies;
9. Ensure that real property is not acquired, encumbered, or disposed without Board approval;
10. Guard against the knowing or reckless endangerment of the district's public image or credibility, which thereby jeopardizing the district's ability to accomplish its mission; and
11. Prevent the district from entering into a contract in which a Board member has an interest unless one of the statutory exceptions applies.

Standard - RI Must-haves

- The standard of measurement for one or more parts of the policy
- The level of achievement on the standard for one or more parts of the policy
- The rationale for the standard of measurement for one or more parts of the policy
- The rationale for the level of achievement on the standard for one or more parts of the policy

- Is the interpretation reasonable?
- Is the data sufficient to support compliance?

Outcome

Compliance with this Executive Limitation 17 will be achieved for 22/23 when the following measures are in the affirmative and has evidence of such:

Measure	Family of Schools/District Run	Report Timing	Justification
1. Obtain insurance coverage against theft and casualty losses and against liability losses to Board members, staff, or the district itself in an amount that is reasonable for school districts of like size and in accordance with law;	Family of Schools (all schools)	December	Demonstrates compliance with Executive Limitation
2. Take steps to ensure that the facilities and equipment are maintained;	Family of Schools (all schools)	December	Demonstrates compliance with Executive Limitation
3. Guard against the knowing or reckless exposure to the district, its Board, or staff to a substantial risk of legal liability;	Family of Schools (all schools)	December	Demonstrates compliance with Executive Limitation
4. Make any purchase and use a competitive bidding procedure for contracted services consistent with guidelines from the D series of the Administration Policies referenced below.	Family of Schools (all schools)	December	Demonstrates compliance with Executive Limitation
5. Protect intellectual property, information, and files from loss or significant damage;	Family of Schools (all schools)	December	Demonstrates compliance with Executive Limitation
6. Preserve and dispose of all records related to affairs or business of the district in accordance with state and federal law;	Family of Schools (all schools)	December	Demonstrates compliance with Executive Limitation
7. Receive, process, or disburse funds under controls which are sufficient under generally accepted accounting procedures;	Family of Schools (all schools)	December	Demonstrates compliance with Executive Limitation
8. Invest funds as aligned with law and existing district administration investment policies;	Family of Schools (all schools)	December	Demonstrates compliance with Executive Limitation
9. Ensure that real property is not acquired, encumbered, or disposed without Board approval;	Family of Schools (all schools)	December	Demonstrates compliance with Executive Limitation

10. Guard against the knowing or reckless endangerment of the district's public image or credibility, which thereby jeopardizing the district's ability to accomplish its mission; and	Family of Schools (all schools)	December	Demonstrates compliance with Executive Limitation
11. Prevent the district from entering into a contract in which a Board member has an interest unless one of the statutory exceptions applies.	Family of Schools (all schools)	December	Demonstrates compliance with Executive Limitation

Aggregation Methodology

I will be successful if I meet 75% of the weighted targets above.

Evidence of Outcomes Achieved

Goal: Demonstrate Compliance with this Executive Limitation

December Measures

Measure	Family of Schools/District Run Schools	Compliant? YES/NO
1. Obtain insurance coverage against theft and casualty losses and against liability losses to Board members, staff, or the district itself in an amount that is reasonable for school districts of like size and in accordance with law;	Family of Schools (all schools)	Yes
2. Take steps to ensure that the facilities and equipment are maintained;	Family of Schools (all schools)	Yes
3. Guard against the knowing or reckless exposure to the district, its Board, or staff to a substantial risk of legal liability;	Family of Schools (all schools)	Yes
4. Make any purchase and use a competitive bidding procedure for contracted services consistent with guidelines from the D series of the Administration Policies referenced below.	Family of Schools (all schools)	Yes
5. Protect intellectual property, information, and files from loss or significant damage;	Family of Schools (all schools)	Yes
6. Preserve and dispose of all records related to affairs or business of the district in accordance with state and federal law;	Family of Schools (all schools)	Yes
7. Receive, process, or disburse funds under controls which are sufficient under generally accepted accounting procedures;	Family of Schools (all schools)	Yes
8. Invest funds as aligned with law and existing district administration investment policies;	Family of Schools (all schools)	Yes
9. Ensure that real property is not acquired, encumbered, or disposed without Board approval;	Family of Schools (all schools)	Yes

10. Guard against the knowing or reckless endangerment of the district's public image or credibility, which thereby jeopardizing the district's ability to accomplish its mission; and	Family of Schools (all schools)	Yes
11. Prevent the district from entering into a contract in which a Board member has an interest unless one of the statutory exceptions applies.	Family of Schools (all schools)	Yes

Summary

The district is compliant with all aspects of EL-17 within this monitoring report.

1. **Insurance Coverage:** DPS insurance policies which provide liability coverage as well as a crime policy that ensures coverage for theft; these policies are reasonable and adequate for the size of the district, as well as in accordance with applicable law. The most recent recommendations for insurance coverage purchase can be found [here](#).
2. **Facilities Maintenance:** DPS ensures facilities are equipped and maintained with allocation of personnel resources and funds to support critical capital and maintenance needs. All DPS properties are insured with deductible limits noted [here](#) on page 2 of the PDF.
3. **Guard against Legal Liability:** DPS is covered for Public School Liability (PSL) and School Board Legal (SBL) Liability as part of the coverage noted [here](#) under school entity liability. For employees, coverage would cover activities within the scope of employment.
4. **Competitive bidding procedure:** Any purchase of goods, services and construction needed by the District requires a contract, unless it is a purchase up to \$10,000 made by PCard, per policy [DJA-R](#). Thresholds for purchasing are found in policy [DJE](#).
5. **Protect intellectual property, information and files:**
 - a. The district maintains insurance coverage for cyber attacks. The most recent recommendations for insurance coverage purchase can be found [here](#). While coverage is maintained, few firms are willing to cover K-12 organizations.
 - b. The district maintains policy [JRCB](#), regulation [JRCB-R](#), policy [JRA/JRC](#), and regulation [JRA/JRC-R](#) to govern the protection of confidential information, particularly of students. All contracts with external vendors are governed by these policies. As a part of the annual mandatory student data privacy training, staff are informed of their responsibility to ensure data protection.
6. **Preserve and dispose of all records:** The Colorado State Archives is authorized by statute to prepare retention and disposition schedules for state agencies, municipalities and counties, school districts and special districts in Colorado. The Guidance document for School Districts and BOCES can be found [here](#). To the best of our knowledge as of the date of this presentation, DPS is in compliance with all of the requirements. In the event that the district is made aware of any non-compliance, a remedy would be implemented as soon as reasonably possible.
7. **Accepted Accounting Procedures:** DPS is in compliance with this EL through application of the Committee on Sponsoring Organizations (COSO) internal control framework for funds control and financial reporting. This includes assessing risks and establishing policies and procedures to mitigate these risks. The effectiveness of the controls are monitored by Management through KPI reporting as well as results of internal and external audits.
 - a. External audit results for the most recent school year 2021-22 identified no financial statement findings. When there are audit findings, leadership will make efforts to improve any processes and controls to respond.
8. **Aligned and Lawful Investments:** DPS follows state regulations and District policy when investing fund. The District utilizes an external investment advisor to recommend investments that minimize risk, achieve desired returns and comply with law and policy. The DPS Administrative Investment Policy is [DFA](#).
9. **Board Approval for Property transactions:** DPS is in compliance with this EL; most recent example is the [property sale](#) noted here from October 2022.
10. **Protect district's image:** DPS is covered for Public School Liability (PSL) and School Board Legal (SBL) Liability as part of the coverage noted [here](#) under school entity liability. For employees, coverage would cover activities within the scope of employment

11. **Board Member Contracting Protections:** DPS has not entered into a contract with any Board of Education Directors, and there have been no known reports of any interest of Board of Education member and a vendor of the district at the time of this report. Board Governance [Process Policy G-11](#), Board Member Conflict of Interest restricts the Board or the District from entering into a relationship in which a Board of Education member has a financial interest.

Additional Resources

None

Explanatory notes for preparing a monitoring report

Non-compliance:

N/A