

Supervision framework of Stichting Het Rijnlands Lyceum

Introduction

The supervision framework of Stichting Het Rijnlands Lyceum describes the procedures and relationships between the Supervisory Board and the Executive Board. The Supervisory Board is responsible for the full and independent supervision of the Executive Board. Besides its statutory duty (supervision of the legitimate use of funds, compliance in the broadest sense of the word, supervision of quality), the Supervisory Board also has a social responsibility for the benefit of the stakeholders (parents, students, staff, primary education, further education, municipalities, [international] companies and organisations). Here too, this primarily concerns the quality of education, avoiding risks, ensuring compliance with the core values, ensuring transparent responsibility, integrity, reliability, accountability and good employment practices. The Supervisory Board makes agreements with the Executive Board on the intended results (including finances and quality) and assesses whether the resources (money and staff) are used efficiently and effectively to this end. The supervisory role of the Supervisory Board is characterised by integrality and thus covers the full width of the strategy, education implementation, management and accountability.

The Executive Board provides transparent reports, which outline possible risks. The quality of reporting should be such that the supervisor is informed of the crucial aspects and is thus able to perform its duties. The supervisor is involved in advance in decision-making and choices (strategy, goals, budget, major issues and outlines of policy); it is informed in the interim about the progress (quarterly reports, progress reports) and subsequently about the results by means of the Annual Report/Financial Statements/Audit Report (management letter).

In addition to its supervisory role, the Supervisory Board has an advisory/sounding board function for the Executive Board. Furthermore, the Supervisory Board assumes the role of employer for the Executive Board, thereby establishing terms and conditions of employment, assessing performance, supervising the style of management and paying attention to professional development.

The supervision framework is based on the articles of association of the Stichting, the regulations of the Supervisory Board and the Executive Board, the Code of Conduct Corporate Governance & Rulebook of the Supervisory Board and the Good Education Governance code (2015). Everything that is determined in these documents is fully applicable to the relationship between the Supervisory Board and Executive Board and the procedures of the Supervisory Board. Where this supervision framework deviates from the above-mentioned documents or appears to be in conflict with them, these documents will prevail.

The supervision framework

The supervision framework has four lines of approach:

1. Intended results
 2. Scope of authority of the Executive Board
 3. Reports
 4. Internal procedures of the Supervisory Board
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1. Intended results: The intended results are prepared by the Executive Board on the basis of a strategic plan with an horizon of four years and submitted to the Supervisory Board for approval. The strategic plan defines the objectives that are directed towards educational

quality, HRM policy, financial policy, accommodation and ICT policy. The Supervisory Board thus has explicit objectives targets and indicators for its own supervision. The schools base their four-year school plans on the strategy of the Stichting. An annual budget is submitted for approval with a long-range perspective of four years, which contains a realistic forecast of student numbers and the staff numbers required. The Executive Board concludes a management agreement for the next school year with the principals and the heads of the management office. They give an explanation of the school budget/CSO budget in the overall budget text of the Stichting, with a link being made between their own objectives and the resources required for these.

2. Scope of authority of the Executive Board: matters of strategic importance, or matters with a substantial financial interest (> € 100,000) that occur during the year are submitted to the Supervisory Board and if necessary discussed in the education & strategy committee or the finance committee. Matters of strategic importance are in any case issues relating to long-lasting cooperation with another legal person or organisation. These also include the intentions with respect to important accommodation decisions or European tenders for the contracting of suppliers of services and products when the contract exceeds the EU procurement limit or the internal target amount of <€ 100,000.

3. Reporting: once every three months the Executive Director produces a quarterly report, which presents the financial and staff data. In view of the fact that the salary costs constitute 80% of the annual operating costs, the provision of insight into the development of the staffing levels is of vital importance. At regular intervals (six to eight weeks), the Executive Director also produces a progress report in which he reports on numerous developments within the schools and the Stichting. In the interim he consults with the Chairman of the Supervisory Board about progress, particular developments, or the preparation of meetings. The Supervisory Board is informed about Inspection reports and results of accreditations. The Supervisory Board also receives the improvement plans in response to the staff, student or parent surveys.

The Executive Director also immediately communicates problems and conflicts of any significance in the organisation, for example in the relationship with third parties, such as government and cooperation partners; calamities, which have been reported to the education inspectorate or the police; legal proceedings; issues, which can be expected to receive publicity.

In June, the Executive Board submits the draft annual report and the draft financial statements for approval by the Supervisory Board. In the annual report, the Executive Board reports on the realisation of the strategic goals (including the corresponding risks), the quality of the education, the handling of social issues, and its evaluation of internal management systems (including management information provision) in relation to the objectives of the Stichting. The report of the Executive Board (Annual Report) and financial statements are followed by an audit report (and management letter from the auditor). On this occasion the auditor in any case speaks to the Supervisory Board in the absence of the Executive Director, the controller and the minutes secretary. In the interim, the Supervisory Board receives a copy of the approved reports of the meetings of the Joint Participation Councils. The Supervisory Board ensures that the Executive Board also reports transparently by means of the primary and secondary education “Vensters” for the benefit of horizontal accountability and dialogue.

4. Internal procedures of the Supervisory Board. The Supervisory Board meets at least four times a year with the Executive Director. This meeting is preceded by a meeting of the finance committee with the Executive Director and the controller. The controller is present at the meeting of the Supervisory Board during the discussion of the finances to provide an explanation, if necessary. The controller is obliged to inform the Supervisory Board on his own initiative on matters that he considers relevant to safeguard the integrity. The Executive Director meets on average twice a year with the education and strategy committee to prepare for meetings or discuss developments in the field of education and strategy. The finance committee is involved in the realisation of the auditor's *client service plan*, which explains the priorities of the annual audit. The Supervisory Board meets once a year with all the principals and once with all the primary education directors. The Supervisory Board once a year attends the joint meeting of the Executive Director with the two Joint Participation Councils. Besides looking back at the past school year, a number of topics that have been agreed in advance are discussed. A delegation of the Supervisory Board makes an annual visit to the schools and holds discussions with the school management. This visit may have a particular theme, but can also focus on a topical subject. New members of the Supervisory Board strive to become acquainted with all schools during the first year after taking office.

The Supervisory Board has a statutory duty that is anchored in the Primary Education Act (WPO) and the Secondary Education Act (WVO) in order, within the context of good governance, to obtain active and passive information about the schools that resort under the Executive Board which is subject to Supervisory Board supervision. A non-exhaustive list of the various sources of information is provided in the (internal) Code of Conduct Corporate Governance & Rulebook.

In the presence of the Executive Board, the Supervisory Board regularly evaluates the mutual cooperation between the Executive Board and internal control and the content and functioning of the supervision framework.

The Supervisory Board annually evaluates its own performance, records the conclusions and agreements in writing and reports about this in the annual report. The Executive Board is asked for input. The conclusions of the self-evaluation of the internal control are subsequently discussed with the Executive Board, and the self-evaluation takes place at least once every three years under the supervision of an external moderator/chairman.

In its employer role, the Supervisory Board evaluates the functioning of the Executive Director, the performance of the Executive Director and the professional development needs. For the recruitment, appointment, evaluation and dismissal process, the Supervisory Board operates with a remuneration committee consisting of the chairman and vice chairman. Prior to the appraisal interview with the Executive Director in January of any year, he prepares a summary of the results of that year (the progress of the realisation of the strategic objectives) in the form of a *dashboard*.