NORTH THURSTON PUBLIC SCHOOLS

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EXECUTIVE LIMITATIONS MONITORING REPORT

EL -2 FINANCIAL PLANNING AND BUDGETING POLICY

FROM: Dr. Debra Clemens, Superintendent
DATE: August 15, 2023

The Financial Planning and Budgeting Policy focuses on achieving the Board priorities established in the district Ends Policies and, in the Superintendent's, aligned Ends Policy Interpretation and resulting district Strategic Plan and not place the long-term financial health of the district in jeopardy.

Financial and Budget Planning

Accordingly, the Superintendent will not present to the Board a recommended budget which fails to include:

Policy Criteria 9: Consideration for fiscal soundness in future years or ignores the building of organizational capabilities sufficient to achieve Ends in future years.

Superintendent/CEO Interpretation:

Throughout the year we collaborate with district departments for budget status updates not only in the current year but also for projecting future expenditures of planned and known initiatives into the next year and beyond all while following guidance provided by the legislature and OSPI in developing and maintaining our budget. We use software tools, including ForeCast5, for projecting trends for enrollment, revenues, and expenses into future years. We file our projected four-year budget as required OSPI. We provide updates to the Board of Directors during our financial presentations and share information regarding any new funding sources and/or known increases in expenses. By projecting future years revenues and expenditures during the budget process this ensures that there are adequate resources available and earmarked for fiscal soundness in the years to come.

Accordingly, the Superintendent may not fail to present:

Policy Criteria 10: Anticipated changes in employee compensation including potential negotiated agreements, legislative changes, increases and benefits.

Superintendent/CEO Interpretation:
Presented in the four-year forecasted budget we have accounted for anticipated increases to compensation, negotiated contracts, potential and known legislative changes and both increases and decreases to benefits. The four-year forecast is created based on average history spending, OSPI budget building tools and ForeCast 5 budgeting software.

Accordingly, the Superintendent may not fail to present:

Policy Criteria 11: The Superintendent will present state-required budgets for the General Fund, Capital Projects Fund, Debt Service Fund, Associated Scholar Body Fund and Transportation Vehicle Fund to the Board for adoption no later than August 31.

Superintendent/CEO Interpretation:
We follow budget procedures provided by the legislature and OSPI. The 2023-24 budget is presented in the state required format of the F195. The budgets for the General, Capital Projects, Debt Service, Associated Scholar Body and Transportation Vehicle Funds are presented to the Board of Directors for adoption prior to August 31.

Superintendent/CEO Evidence Report:
We believe we have met the expectations outlined in Executive Limitations Policy EL-2, *Criteria 9, 10 and 11. The budget provides estimated resources available for the 2023-24 fiscal year and shows the district fully spending these resources. The budget and the four-year projected budget provides for support to our Board of Directors.*

We have met all deadlines established by RCW/WACs for the budget of the General, Capital Projects, Debt Service, Associated Scholar Body and Transportation Vehicle Funds. Once adopted by the Board of Directors, the District's F195 will be filed with OSPI. Through a process of collaboration, we have developed a budget that will allow the district to continue to implement and maintain the strategic plan. We have also provided a four-year projection as required by OSPI.

Conclusion:
This budget presented to the Board of Directors demonstrates that we are in compliance with this Executive Limitations Policy.