NORTH THURSTON PUBLIC SCHOOLS

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EXECUTIVE LIMITATIONS MONITORING REPORT

EL -3 FINANCIAL CONDITION

FROM: Troy Oliver, Superintendent
DATE: December 10, 2024

The Financial Condition Policy focuses on the actual, ongoing financial condition of North Thurston Public Schools.

Financial Condition:
Accordingly, the Superintendent shall not cause or allow the development of unreasonable financial risk or a material deviation of actual expenditures from Board Priorities:

Policy Criteria 3: Incur non-voted debt without Board approval.

Superintendent/CEO Interpretation:
The District will not incur non-voted debt without approval from Board. Non-voted debt is an obligation that would span multiple years.

Superintendent/CEO Evidence Report:
We believe we have met the expectations outlined in Executive Limitations Policy EL-3, Criteria 3.

- The District has internal controls in place that would not allow for non-voted debt without Board approval.
- Contracts that span multiple years would need budget capacity and Board approval.
- Purchases over the state and federal thresholds are required to be bid and publicly advertised prior to selecting a vendor.
- All contracts go to the Board for approval.
- Purchase orders are approved at multiple levels prior to contracting with vendors.

Policy Criteria 6: Allow the untimely payment of payroll and debts.

Superintendent/CEO Interpretation:
The District will have procedures in place to ensure that payroll and invoices are processed and paid in a timely manner.

Superintendent/CEO Evidence Report:
We believe we have met the expectations outlined in Executive Limitations Policy EL-3, Criteria 6.

- Payroll is processed on a scheduled basis to ensure timeliness of payments.
- Invoices are processed weekly through accounts payable, and warrants are printed at that time.
- Upon processing of payroll and accounts payable, warrant registers are approved at the following Board meeting.
- The District has a 6% minimum fund balance policy that ensures payment of payroll and debts can be made in a given month.
- Our annual accountability audit reviews the District's payroll and accounts payable payments and procedures for processing. No issues have been found by the state auditors during our last audit.

Conclusion:
The Superintendent evidence stated above demonstrates that we are in compliance with Executive Limitations Policy 3 – Financial Condition, criteria 3 and 6.