NORTH THURSTON PUBLIC SCHOOLS

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EXECUTIVE LIMITATIONS MONITORING REPORT

EL -2 FINANCIAL PLANNING AND BUDGETING POLICY

FROM: Troy Oliver, Superintendent
DATE: March 12, 2026

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.

Budget Execution

With respect to execution of the budget, the Superintendent shall not cause or allow a material deviation from the annual budget or budget policy.

Policy Criteria 1: Expend more funds than are anticipated to be received in the fiscal year unless authorized by the Board.

Superintendent/CEO Interpretation:

The district will not spend more than budgeted revenue unless authorized by the Board to spend down fund-balance.

Superintendent/CEO Evidence Report:

- Through the budget process we provide the board with updates in an understandable format, which keeps the board informed regarding the needs for the upcoming school year.
- In July, we provide the Board with a draft budget. We review the projected revenues and expenditures, sharing with the Board if expenditures are projected to exceed revenues.
- In August, we bring the final budget, which goes through projected beginning fund balance, revenues, expenditures, and if we have used fund balance to cover expenditures that are anticipating to exceed revenues for the current year.
- A financial update is presented to the board on a monthly basis. The presentation includes monitoring of the revenues and expenditures.

Policy Criteria 2: Fail to settle payroll and debts in a timely manner.

Superintendent/CEO Interpretation:
The district will process payroll for all employees once a month per policy and cba agreements. The district will process all debts, or invoices prior to their due date.

Superintendent/CEO Evidence Report:

- The district provides warrant registers at each of the board meetings. These warrant registers provide the details of payroll and accounts payable payments being processed.
- The payroll and human resources department work closely together to audit all employee contracts, time sheets and extra duty contracts to ensure that all employees are paid accurately and on time.
- To ensure that invoices are paid on time, the finance department runs accounts payable weekly.
- Each year, North Thurston Public Schools is audited by the state and part of that audit is to review the districts' budget process, financial condition of the of the district, employee contracts and the timely processing of payroll and accounts payable.

Conclusion:
Based on the evidence stated above and that the district has received clean financial audits, this demonstrates that we are in compliance with Executive Limitations 2 Budget Execution, Criteria 1 and 2.