

Monitoring Report

Superintendent Monitoring Report:	Internal	Organization:	Rutland City Public Schools
Policy Type:	Executive Limitations	Policy Number/Title:	2.4 Financial Planning & Budgeting
Submitted on:	October 13, 2026	Period Covered:	June 9, 2026 – October 13, 2026

Policy *(paste in the entire policy)*

2.4 Financial Planning and Budgeting

The Superintendent shall not cause or allow financial planning for any fiscal year or the remaining part of any fiscal year to deviate materially from the Board's Ends priorities, risk financial jeopardy, or fail to be derived from a multiyear plan.

Further, there will be not financial plans that:

- 1. Risk incurring those situations or conditions described as unacceptable in the Board policy "Financial Condition and Activities."*
- 2. Omit credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.*
- 3. Provide less for Board prerogatives during the year than is set forth in the Governance Investment Policy.*
- 4. Omit disclosure of anticipated impact(s) of proposed budget.*

Interpretation *(Note if it has changed since last report)*

I interpret this overall policy to mean that all budget development and financial forecasting processes must align with and prioritize the Board's established Ends policies. Financial plans should ensure long-term stability, avoid fiscal vulnerability, and fit within a broader multiyear strategic framework.

The term "**deviate materially**" is interpreted as any allocation shift that substantially exceeds a major program budget, or any omission of funding for a core Ends goal without prior Board notification and context.

"Risk financial jeopardy" is interpreted to mean proposing a budget that compromises sound fund balances, relies on unsustainable revenue sources to cover

ongoing operational costs, or violates the financial safeguards established by our lenders.

"Multiyear plan" is interpreted as a financial projection spanning fiscal years that accounts for enrollment trends, ratified labor agreements, and facility needs.

With regard to financial plans, I interpret the following:

1. The Superintendent shall not enter into situations that compromise the District's financial health and must uphold fiscal responsibility, transparency, and accountability by operating within approved budgets, maintaining lawful and ethical financial practices, preserving the integrity of the fund balance, and ensuring accurate, timely, and fraud-resistant accounting systems.
2. The Superintendent shall not omit the necessary information to demonstrate transparency for both expenses and revenue, as well as the rationale behind financial planning.
3. The Superintendent shall not propose a budget or make financial decisions that shortchange the Board's operational funding, as previously established in the Board's governance policy or annual goals.
4. The Superintendent shall make available to the Board knowledge held by the Superintendent and the administration that may impact the proposed budget.

Rationale:

1)	The Superintendent's role is to ensure that financial decisions remain within the boundaries established by the Board and that the District maintains sufficient financial capacity to pursue its Ends over time. Maintaining appropriate reserves, operating within approved budgets, and ensuring reliable financial controls reduce the risk that short-term financial decisions will create conditions that impair the District's ability to meet its obligations or advance its priorities in future years. The reference to lawful, ethical, accurate, timely, and fraud-resistant financial practices further establishes that financial stewardship encompasses more than achieving a balanced budget. Sound financial management requires appropriate internal controls, accurate reporting, accountability, annual public audits and protection of public resources. These are reasonable operational conditions for maintaining the organization's financial integrity.
2)	Credible projections of revenues and expenditures, identification of planning assumptions, separation of capital and operational expenditures, consideration of cash flow, and explanation of significant financial factors allow the Board to understand not only the proposed financial plan but also the circumstances and assumptions upon which it is based.

	Transparency does not require the Superintendent to provide the Board with every operational detail or involve the Board in the development of individual budget line items. Rather, it requires the Superintendent to disclose information material to the Board's governance responsibilities, including significant assumptions, risks, anticipated changes, and factors that could affect the District's financial position or its ability to achieve its Ends.
3)	The Board must have sufficient resources to carry out its own governance responsibilities, including policy development, monitoring, evaluation, community engagement, and other responsibilities established through Board policy. Ensuring that adequate resources are available for Board prerogatives recognizes that governance itself is an organizational function that requires appropriate support. The Superintendent's financial planning should therefore account for the resources necessary for the Board to fulfill its defined responsibilities while continuing to delegate operational decisions to the Superintendent.
4)	The Superintendent and administration possess information regarding enrollment, staffing, labor obligations, facilities, programs, revenues, expenditures, regulatory requirements, and other conditions that may materially affect the District's financial position. Providing the Board with relevant information about these factors enables the Board to understand the anticipated consequences and risks associated with a proposed financial plan. The expectation of disclosure does not mean that every piece of operational information must be presented to the Board or that the Board becomes responsible for developing the budget. Rather, the Superintendent is responsible for identifying and communicating information that could reasonably affect the Board's decisions, its ability to monitor compliance with policy, or the District's ability to achieve its Ends.

Observable Conditions & Evidence:

Observable Condition	Evidence: Data/Result
a) Financial planning aligns with Ends and the District's multi-year Strategic Plan	* The proposed annual budget demonstrates a clear connection between significant resource allocations and the Board's Ends priorities and the District's Strategic Plan.

	* The budget-development process includes planning for multi-year projects and projections. * The multiyear planning incorporates relevant assumptions regarding enrollment, ratified labor agreements, facilities, revenues, and expenditures. * Significant changes in financial assumptions are identified and communicated to the Board. * Budget recommendations identify significant anticipated impacts on the District's ability to achieve its Ends. Capital Plan School Board Meeting Minutes September 2025
b) District expenditures and financial commitments remain within Board-approved budgets and established financial parameters, with material variances identified, monitored, and communicated to the Board.	* Financial systems and practices support accurate, timely, lawful, ethical, and fraud-resistant accounting, reporting, authorization, and internal controls. * Fund balance and financial reserves are maintained consistent with Board policy and established financial safeguards, with significant actual or projected variances communicated to the Board. * Significant financial risks, fiscal pressures, and conditions that could adversely affect the District's financial position are identified, monitored, and communicated to the Board in a timely manner. * The District meets its financial obligations and operates in accordance with applicable laws, regulations, contractual requirements, Board policies, and established financial safeguards, while protecting public resources from unnecessary or avoidable financial risk. FY25 Audit Report Act 73 Update Budget Planning Assumptions September 2025 Committee Meeting Minutes September 2025 Budget Proposal November 2025 Committee Meeting Minutes November 2025 School Board Meeting Minutes November 2025 Budget Proposal December 2025 School Board Meeting Minutes Budget Proposal January 2026

	School Board Meeting Minutes January 2026
c) Timely, accurate, and sufficiently comprehensive financial information to understand the District's financial position, the assumptions underlying financial plans, and the anticipated implications of significant financial decisions, while maintaining the Board's role in governance and the Superintendent's authority over operational financial management.	* Financial plans include reasonable projections of anticipated revenues and expenditures based on available information and identified assumptions. * Significant assumptions underlying the development of financial plans and budget recommendations are identified and communicated to the Board. * Financial planning and reporting clearly distinguish capital expenditures from ongoing operational expenditures and identify the financial implications of significant capital commitments. * Financial planning considers anticipated cash flow and liquidity needs and identifies conditions that could materially affect the District's ability to meet its financial obligations. * The Board receives financial information with sufficient context to fulfill its governance and monitoring responsibilities and make informed decisions regarding matters within its authority. FY27 Budget Update October 2025 Committee Meeting Minutes October 2025 School Board Meeting Minutes October 2025 School Board Meeting Minutes November 2025 FY27 Budget Proposal December 2025 Capital Plan
d) Financial planning and resource allocation preserve the resources necessary for Board operations, governance activities, and established governance priorities, without substituting administrative priorities for Board prerogatives.	* Financial planning provides the appropriate resources necessary for the Board to fulfill its governance responsibilities consistent with Board policy and established annual goals. Resources for professional development and learning opportunities, annual retreat materials and supplies, and Board stipends are included in the annual budget. * Resources designated for Board governance are used for their intended governance purposes and are not redirected to operational priorities in a manner that compromises the Board's ability to carry out its responsibilities.

	* Financial decisions support the Board's ongoing capacity to establish policy, monitor performance, evaluate organizational results, and fulfill its other responsibilities as the governing body.
e) The Board has access to material information known by the Superintendent and administration that could reasonably affect the Board's understanding of, consideration of, or decision regarding a proposed budget or significant financial decision, including anticipated impacts, assumptions, risks, and future financial obligations.	* Information known to the Superintendent or administration that could materially affect the proposed budget is identified and communicated to the Board. * Material assumptions, uncertainties, contingencies, and financial risks underlying budget recommendations are disclosed to the Board. * Significant budget recommendations identify anticipated effects on programs, staffing, services, operations, or other areas relevant to the Board's Ends. * Financial decisions with significant implications beyond the current fiscal year include information regarding anticipated future costs, revenues, commitments, or other fiscal consequences. * The Board receives sufficient relevant information to understand the significant consequences, risks, and opportunities associated with proposed financial decisions while retaining the authority to determine policy and governance priorities. Committee Meeting Minutes September 2025 Budget Update October 2025 School Board Meeting Minutes October 2025

Compliance:

I report compliance with this policy

Notes:

