

**BRIEFING/MONITORING REPORT TO THE BOARD**

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| **DATE:** | **June 2022** |
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| **TO:** | **BOARD OF DIRECTORS, PUGET SOUND EDUCATIONAL SERVICE DISTRICT** |
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| **FROM:** | **JOHN WELCH, SUPERINTENDENT/CEO**  **PUGET SOUND EDUCATIONAL SERVICE DISTRICT** |
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| **TOPIC:** | **EXECUTIVE LIMITATION (EL) 7: FINANCIAL PLANNING/BUDGETING** |

**REPORT PURPOSE:**

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| 🞏 | **Policy Development/Review/Enhancement/Approval** | **⌧** | Board Monitoring CEO Report |
|  | 🞏 **Ends Policy and Sub-Ends Policy** |  | 🞏 Ends |
|  | 🞏Executive Limitations Policy |  | **⌧** Executive Limitations |
|  | 🞏 Board-Management Delegation Policy | 🞏 | Board Monitoring Board Report |
|  | 🞏 Governance Process Policy |  | 🞏 Board-Management Delegation Policies |
| 🞏 | Board Implementation of Policy |  | 🞏 Governance Process Policies |
|  | 🞏 Board-Management Delegation Policies | 🞏 | Incidental Report |
|  | 🞏 Governance Process Policies |  | 🞏 Superintendent |
| 🞏 | Ownership Linkage Report |  | 🞏 Board Chair |
| **BACKGROUND:** | |  | 🞏 Other: Briefing Report |

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| **POLICY TITLE:** EL7: Financial Planning/Budgeting | **POLICY NO:** 7 |
| **POLICY SECTION:** Policy Governance – Executive Limitation | |
| **DATES REVIEW:**  Adopted – February 2001  Revised May 2006, November 2015, March 2018, May 2019  Last Reviewed and Approved – June 2022 | |
| **BOARD POLICY REVIEW FREQUENCY:**  Every Year | |
| **BOARD MONITORING CEO FREQUENCY:** One Time a Year in December | |
| **BOARD CHAIR SIGNATURE:** | |

Current Policy Language

EXECUTIVE LIMITATION POLICY 7: FINANCIAL PLANNING/BUDGETING

Financial planning for any fiscal year shall include the collaborative and inclusive use of the Racial Equity Tool and not deviate materially from the Board’s Ends policies, risk fiscal jeopardy to the organization, or fail to be derived from a multi­year plan.

Accordingly, the Superintendent may not present a recommended budget that:

1. Fails to show the amount spent in each program or area for the most recently completed fiscal year, the amount budgeted for each program or area for the current fiscal year, and the amount recommended for the next fiscal year.
2. Fails to disclose budget planning assumptions.
3. Plans for the expenditure in any fiscal year of more funds than are conservatively projected to be received or otherwise available during the year.
4. Does not provide an unrestricted fund balance at the end of the next fiscal year that is less than 3% of current year budgeted expenditures.

Superintendent Interpretation & Action

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| **RECOMMENED MOTION**  That the Executive Limitation Ends Policy 7: Financial Planning/Budgeting be approved as in compliance and that the superintendent has used reasonable judgement in interpreting this policy. |