

Monitoring Report - Executive Limitations POLICY
EL-4, Business, and Finance

BOARD POLICY EXPECTATION

With respect to the execution of the budget and the actual, ongoing condition of the district's financial health, the Superintendent shall not cause or allow a material deviation from the annual budget, cause or allow any fiscal condition that is inconsistent with achieving the Board's Ends or places the long-term financial health of the district in jeopardy.

CERTIFICATION

I hereby present my monitoring report on Executive Limitations Policy EL-4 "Business and Finance" in accordance with the monitoring schedule set forth in board policy. I certify that the information contained in the report is true as of May 18, 2022.

Peter Rosenkranz, Superintendent

SUPERINTENDENT'S INTERPRETATION OF POLICY

I interpret this expectation regarding business and finance to mean the Board believes the district must be good stewards of the public's funds, materials, facilities, and equipment. All funds, other than grants and donations, are derived from taxpayers. State, federal, and local funds all come from various taxes paid by our public for the good of our students. We continue to work within our budget as approved by the board and levy only what is absolutely necessary from local patrons. Having just completed our annual audit, we have earned a clean audit with no findings nor concerns as to how we manage the district finances. We continue to maximize the funding we do receive to the fullest extent possible including how we collaborate with local partners to ensure records and bills are paid accurately. I am honored to offer Executive Limitations 4 as **IN COMPLIANCE** in all nine areas.

REPORT

There are nine specific areas described in this policy. The following will address each specific area of EL-4 as best as possible. I am writing this report specific to the work and challenges that have been addressed since I began my contract on July 1, 2021. At the time of this report, I believe that the district is in compliance with the Board's expectations.

1. The superintendent shall not fail to develop a budget that is targeted to achieve the Board's Ends policies and meets all Board Executive Limitation policies

IN COMPLIANCE

The work we accomplished last year in our budget preparation is paying off this year with a consistent path forward for the board. The process typically starts in April with draft numbers from the legislature and determining the impacts of their work. That being said, this has been a unique year with not only coming out of COVID, but also a levy loss in February. The bulk of our work has been balancing the budget with less funding and managing to save as much as possible from our current year's budget. We have been able to significantly slow spending and managed to revive the budget approval process from last year. We are on track to pass our budget for the 2022-2023 school year by the June regular board meeting. Additionally, we are preparing for a budget revision in the event we pass our levy being run again on August 2nd.

2. The superintendent shall not expend more funds than anticipated to be received in the fiscal year unless authorized by the board through utilization of available reserves or unless resources are made available through other legal means. **IN COMPLIANCE**

We have stayed on budget in this current fiscal year. Due to the spring savings of funds from the levy loss, we will finish well above the budgeted ending fund balance. Those funds will be needed to make up for reduced funding and the budget will be revised in the event of the levy passage.

3. The superintendent shall not fail to ensure that adequate fiscal controls and procedures are in place to meet appropriate financial safeguards and auditor requirements. **IN COMPLIANCE**

We have been working for the past three years to improve our internal controls with the guidance of our auditors. We are receiving a clean audit this year. This includes a first time federal audit that was triggered with the additional federal COVID funds that were distributed from the state. We have been auditing every year since Dave returned from southern Oregon. Next year, we will take a year off from the state audit. The federal audit will be required as we continue to meet the federal fund requirements that necessitate an audit.

4. The superintendent shall not fail to provide adequate and timely financial reports to the Board. **IN COMPLIANCE**

I have directed Nancy Carner to ensure that we have timely financial reports in the regular board meetings each month.

5. The superintendent shall not fail to keep the Board informed of changes to the financial conditions that will impact the budget. **IN COMPLIANCE**

The level of communication this year has been very consistent and informative for the board to stay current of issues pertaining to the district as a whole. When financial issues have presented themselves, the board has been aware. We have shown due diligence, with board support, to ensure we are accounting for all funds, even utility bills. Internal controls triggered a review of our utility bills and resulted in a better working relationship with the city.

6. The superintendent shall not fail to maintain school facilities and adequately plan for future facility needs to achieve the mission of the district. **IN COMPLIANCE**

With the new middle school online and planning for the use of allocated bond funds for the elementary school, we will focus on the high school. The infrastructure in the high school is showing its age. My plan moving forward is to build in undesignated reserves to support the aging high school. For example, periodically, sprinkler pipes will burst causing damage to the surrounding area. We will need to build in additional reserves to be able to fix and manage our buildings. Our maintenance crew is second to none. They work to maintain our grounds and appearance of the schools. We work to care of what the taxpayers have provided for not only our current students, but also future generations.

7. The superintendent shall not fail to pursue alternative funding in pursuit of the district's mission. **IN COMPLIANCE**

Michelle O'Neil has been able to garner significant grant resources this year to support everything from professional development for paraeducators and teachers to technology for our teachers. The largest of these is a grant from the Cowlitz Tribal Foundation in the amount of \$90,000 for the purchase of laptops to upgrade our teacher devices. Michelle's impact has been tremendous and in direct service to the mission of the district in creating supportive learning environments that empowers students to reach their fullest potential.

8. The superintendent shall not fail to allocate resources where needed to achieve the Board's Ends policies and meet the expectations of the Board's Executive Limitation policies. **IN COMPLIANCE**

The COVID impacts will be around for years to come and will present in various ways. We received federal funds through the state specifically to support districts for the increased costs of managing COVID mandates. As you know, one specific area we have been focused on is reading. We were able to allocate significant funds to the reading

program in the elementary for grades K-5. We trained paraeducators, hired part time reading specialists and jump started our interventions for struggling readers. I truly believe this was an essential step to ensure our students have access to learning throughout their schooling. Moving into next year we can then focus those strategies into the K-3 program and build support, absent the federal funding, to ensure all kids can read and comprehend. Ultimately they need to transition from learning to read to reading to learn. Michelle and the elementary team have been focused on that work all year and I am proud of their efforts.

9. The superintendent shall not fail to take reasonable and prudent actions to secure and protect district assets. **IN COMPLIANCE**

I continue to take reasonable and prudent steps to secure and protect district assets. Building relationships with the police chief, Sergeant Olsen, city personnel, La Center United, Lions Club, and various other functions provide connections and relationships for folks to inform me of what is happening around town and within our community. Additionally, Leo's club has been conducting routine campus clean up, bottom's clean up, and even took a trip to the beach for beach clean up on the coast. We are working on continuing to build a culture where students are part of the solution in taking care of our schools.