

Washougal School District 112-06

**Policy Type: Executive Limits 8 (Financial Administration)**

**Board Review Date: January 26, 2010**

**Board Approval Date: February 9, 2010**

***Limitation:***

With respect to budget management 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 or budget policy adopted by the Board, 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.

<b>Therefore, the Superintendent may not:</b>	<b>Evidence Requested/Presented</b>	<b>Board Notes</b>	<b>In Compliance</b>	<b>Not in Compliance</b>	<b>Follow-up Review Date</b>
1. Expend more funds than are 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;	The 2008-2009 year end report (F196) shows that expenditures (\$27,518,240) were less than revenues (\$27,888,125).		<b>X</b>		
2. Fail to maintain and protect the minimum maintenance of funds balance in an amount equal to or greater than 6.0% of total expenditures;	The 2008-2009 school year ended with a 6% fund balance. Total Expenditures were (\$27,518,240) (minus PEP and TAH grants \$731,726) = \$26,786,513 subject to the 6% rule = \$26,786,513 x 6% = \$1,607,190 was required and we ended with an \$1,629,383 undesignated ending fund balance.		<b>X</b>		

<b>Therefore, the Superintendent may not:</b>	<b>Evidence Requested/Presented</b>	<b>Board Notes</b>	<b>In Compliance</b>	<b>Not in Compliance</b>	<b>Follow-up Review Date</b>
3. Fail to settle payroll and debts in a timely manner;	The AP specialist keeps an accurate record of past due accounts and tracks to resolution any outstanding or pending action, and that is reported to the Board. Minor payroll issues have been noted, as would be customary with payroll obligations per number of employees. We have had no major flaws in payroll in 2008-09 or 2009-10.		<b>X</b>		
4. Allow reports or filings required by any state or federal agency to be overdue or inaccurately filed;	SEFA (Schedule of Expenditures of Federal Awards) was reported to the State Auditors Office by November 15, as required.  Annual Financial Statement (F-196), Annual Budget (F-195), and Budget Extensions (F-200) were filed to OSPI according to required filing deadlines.		<b>X</b>		
5. Fail to arrange for the annual audit of all district funds and accounts.	The 2007-2008 audit was completed in spring 2009.		<b>X</b>		
6. Fail to aggressively pursue receivables after a reasonable grace period;	The district has a procedure for collecting accounts receivables in a timely manner. In cases of insufficient funds, the account is turned over to Columbia Collectors.		<b>X</b>		

Therefore, the Superintendent may not:	Evidence Requested/Presented	Board Notes	In Compliance	Not in Compliance	Follow-up Review Date
7. Fail to keep complete and accurate financial records by funds and accounts in accordance with established fiscal accounting procedures as reflected in generally accepted accounting practices;	<p>The state required Annual Financial Statement (F-196) which is a summary record of all financial records for all funds and accounts in a specific school year meets “generally accepted accounting practices” (GAAP) and is prepared in the format prescribed in the Administrative Budgeting Finance Reporting Handbook.</p> <p>The F-196 is in accordance with the Accounting Manual for Public School Districts in the State of Washington.</p>		<b>X</b>		
8. Fail to publish a financial condition statement annually as a part of the district’s Annual Report to the public.	<p>The 2009-2010 Annual Financial Report (F-195) was completed and sent to ESD 112 by the required deadline, July 10 2009 and filed with OSPI by August 31, 2009, as required. The required year close report (F-196) for 2008-2009 was presented to the Board at the November 10, 2009 board meeting. An article recapping the 2009-2010 budget is on the district website and the 2008-09 budget summary will be in the Community Report.</p>		<b>X</b>		

<b>Therefore, the Superintendent may not:</b>	<b>Evidence Requested/Presented</b>	<b>Board Notes</b>	<b>In Compliance</b>	<b>Not in Compliance</b>	<b>Follow-up Review Date</b>
9. Allow commercial entities to advertise or imply the endorsement of any product that is disruptive, distasteful or in excess.	<p>The Superintendent reviews all requests for school distributions and approves those that are deemed to be appropriate, not representative of an endorsed product, and not disruptive, distasteful or in excess.</p> <p>A file of approved distributions is maintained with the Superintendent's administrative assistant.</p>		<b>X</b>		

***Superintendent's Interpretation:***

I interpret this policy to mean that under my direction as superintendent, the Washougal School District will maximize fiscal resources and manage those resources within the constraints and requirements set forth in fiscal policy by the Board of Directors, Clark County, the state of Washington, and by the Federal government. Responsible management of fiscal resources calls for expert financial management of the current fiscal year, as well as long-range plans to ensure fiscal efficiencies in the future.

Further, I interpret this policy to mean that my job as superintendent is to guarantee the Washougal School District's obligation to responsibly manage resources aligned to the Board's Ends, which by proxy represent fundamental community interests in education for the children of Washougal.

Since Washougal School District is a public entity, I also interpret this policy to mean that the superintendent maintains full accountability for stewardship of public funds including analysis and implementation of cost efficiencies so that funds are not wasted or spent unnecessarily. Under current economic conditions which threaten prior reliability of revenue, a Community Budget Task Force and an Employee Budget Task Force were convened by the superintendent to broaden mutual understanding and communication during the development of the 2009-2010 budget. A similar process will be used for development of the 2010-11 Budget.