



SCHOOL BOARD ACTION REPORT

DATE: October 10, 2023
FROM: Director Vivian Song

For Introduction: October 11, 2023
For Action: November 15, 2023

1. TITLE

Amendment 1 to the Board Action Report titled “Board Governance Policy Manual Financial Planning and Budgeting (Guardrail section) and Administration of the Annual Budget and Financial Reporting, numbering/lettering system consistent with the Board Governance Policy Manual as adopted.”

2. PURPOSE

This amendment revises the policy titled “Governance Policy Manual, Policy Category: Recommended Guardrail, Financial Planning and Budgeting (Interim Policy GPM.G2 or 6000)” proposed for adoption in the underlying Board Action Report to remove points (6), (10), (11), and (12).

3. RECOMMENDED MOTION

I move that the School Board approve Amendment 1 to the Board Action Report titled “Board Governance Policy Manual Financial Planning and Budgeting (Guardrail section) and Administration of the Annual Budget and Financial Reporting, numbering/lettering system consistent with the Board Governance Policy Manual as adopted” and substitute the version of the policy titled “Governance Policy Manual, Policy Category: Recommended Guardrail, Financial Planning and Budgeting (Interim Policy GPM.G2 or 6000)” as attached to the amendment. To the extent the attached substitute policy conflicts with the information presented in the underlying Board Action Report, the substitute policy shall control.

4. BACKGROUND INFORMATION

- a. **Background** The amendment proposes four revisions to one of the two policies proposed for adoption in the underlying item.
- b. **Alternatives** If this amendment is not approved, this motion will not go into effect with regard to the underlying item.
- c. **Research** Research conducted by sponsors of the underlying item is described in the underlying Board Action Report.

5. FISCAL IMPACT/REVENUE SOURCE

The fiscal impact of this amendment is indeterminate.

Expenditure: ☐ One-time ☐ Annual ☐ Multi-Year ☐ N/A

Revenue: ☐ One-time ☐ Annual ☐ Multi-Year ☐ N/A

6. COMMUNITY ENGAGEMENT

With guidance from the District's Community Engagement tool, this action was determined to merit the following tier of community engagement:

☐ Not applicable

☒ Tier 1: Inform

☐ Tier 2: Consult/Involve

☐ Tier 3: Collaborate

Community engagement was not conducted separate from that described in the underlying item.

7. EQUITY ANALYSIS

Equity analysis conducted by sponsors of the underlying item is described in the underlying Board Action Report.

8. STUDENT BENEFIT

Student benefits anticipated by sponsors of the underlying item are described in the underlying Board Action Report.

9. WHY BOARD ACTION IS NECESSARY

☐ Contract initial value or amendment value exceeds applicable threshold (Policy No. 6220)

☐ Amount of grant exceeds \$250,000 in a single fiscal year (Policy No. 6114)

☒ Adopting, amending, or repealing a Board policy

☐ Formally accepting the completion of a public works project and closing out the contract

☐ Legal requirement for the School Board to take action on this matter

☐ Board Policy No. _____, [TITLE], provides the Board shall approve this item

☒ Other: Board action is necessary to amend the underlying item.

10. POLICY IMPLICATION

This amendment will revise one of two policies included for adoption in the underlying item.

11. TIMELINE FOR IMPLEMENTATION

If approved, the amendment will immediately take effect with regard to the underlying motion. The timeline for implementation of the underlying item is not impacted by this amendment.

12. ATTACHMENTS

- Substitute Governance Policy Manual, Policy Category: Recommended Guardrail, Financial Planning and Budgeting, (Interim Policy GPM.G2 or 6000) (clean) - For Approval
- Substitute Governance Policy Manual, Policy Category: Recommended Guardrail, Financial Planning and Budgeting, (Interim Policy GPM.G2 or 6000) (tracked changes comparison to the version attached to the Board Action Report titled “Board Governance Policy Manual Financial Planning and Budgeting [Guardrail section] and Administration of the Annual Budget and Financial Reporting, numbering/lettering system consistent with the Board Governance Policy Manual as adopted.”) - For Reference

Governance Policy Manual
Policy Category: Recommended Guardrail
Financial Planning and Budgeting
(Interim Policy GPM.G2 or 6000)
Review cycle: Annual in June

Financial planning or budgeting for any fiscal year, or part thereof, shall be derived from a minimum four-year plan in full compliance with state law and shall not risk fiscal jeopardy or deviate materially from the Board's goals and resulting District strategic plan.

Without limiting the above, for any financial plan or budget, the Superintendent shall adhere to the following constraints.

Budget Preparation

The Superintendent shall not cause or allow Seattle Public Schools to:

- 1) Omit: credible projections of revenues and expenses; separation of capital and operational items; cash flow and significant balance sheet items; or disclosure of planning assumptions and analysis.
- 2) Fail to compare, for each major fund type and activity, the actual expenditures for the most recently closed fiscal year, budgeted expenditures for the current fiscal year, and proposed budget expenditures for the next fiscal year.
- 3) Fail to provide adequate and reasonable budget support for Board development and other governance priorities, including the costs of fiscal audits, Board and committee meetings, Board memberships and activities as delineated in the Board's annual plans.
- 4) In years in which an operating deficit or surplus is projected, omit categorical and programmatic location and type of budget reductions or enhancements and their maintenance of Board's goals and resulting District strategic plan.
- 5) In years in which a significant operating deficit or surplus is projected, fail to present a Reduced or Increased Educational Program Resolution for Board approval.
- ~~6) Utilize or agree to funding models and staffing ratios that 1) center adult over student need, 2) are not flexible enough to ensure alignment with established goals related to ensuring student outcomes, and 3) are inconsistent with the Board's policies and statement of values including the Board's goals and resulting District strategic plan.~~
- ~~7) 6) _____~~ Fail to delineate, manage to, and communicate a clear timeline regarding the budgeting process.
- ~~8) 7) _____~~ Propose to retain static student assignment plans, school boundaries and transportation standards, if modifications will create or maintain efficacy in association with the proposed budget and aligned with high standards of service.
- ~~9) 8) _____~~ Omit or fail to propose budget changes which mitigate risk and/or are fiscally sound due to any existing provision in a collective bargaining agreement for which there is no legal requirement.

- ~~10) Fail to propose and negotiate pay scales aligned with multi-year fiscal capacity so as to ensure equitable pay and benefits for all labor partners and other staff and mitigate the risk of compensation concentration in any class or sub-class of labor class.~~
- ~~11) Allow building or other leaders to solicit or accept finding in support of building, departmental or district budget if that funding is not a) sustainable, if one-time funds, or for one-time needs, and/or b) aren't clearly shown as matched by the district through a balancing mechanism consistent with the Board's goals and resulting District strategic plan.~~
- ~~12) Fail to delineate in budget the fiscal mechanisms and data the District uses ensure ASBs, ASB Executive Committee, Boosters, PTAs, PTOs, funders and building leaders are supported with pathways and processes that ensure equitable access, within and among buildings, to any and all curricular, extracurricular, athletic, social, equipment, materials and opportunities generated through the use of Seattle Public Schools resources, with the express goal of equalizing access while retaining relationships with diverse contributors.~~

