



The Importance of a Comprehensive Business and Finance Manual

MAY 2021

Why is a Comprehensive Manual Important?

- Communication Resource¹
- Limits Legal Liability²
- Administrative Time Saver³
- Institutionalize good financial management practices⁴
- Clarify and crystallize strategic intent for financial management⁵

Why is a Comprehensive Manual Important?

- Define Boundaries¹
- Support good bond ratings and thereby reduce the cost of borrowing²
- Promote long-term and strategic thinking³
- Manage risks to financial condition⁴
- Comply with best practices⁵

Why is a Comprehensive Manual Important?

- Clarify Expectations¹
- Articulation of Required Steps²
- Performance Measures³
- Process Consistency⁴
- Serves as a Training Tool⁵

Why is a Comprehensive Manual Important?

- Incorporates Worker Experience¹
- Training Refresher²
- Foundation for Process Improvement³

POLICY

The formal guidance needed to coordinate and execute activity throughout the district. When effectively deployed, policy statements help focus attention and resources on high priority issues - aligning and merging efforts to achieve the district's vision. Policy provides the operational framework within which the district functions.

- Widespread application
- Changes less frequently
- Usually expressed in broad terms
- States "what" and/or "why"
- Answers operational issues

PROCEDURE

The operational processes required to implement district policy. Operating practices can be formal or informal, specific to a department or building or applicable across the entire district. If policy is "what" the district does operationally, then its procedures are "how" it intends to carry out those operating policy expressions.

- Narrow application
- Prone to change
- Often stated in detail
- States "how", "when", and/or "who"
- Describes process

What Should Your Manual Accomplish?

- Communicate policies¹
- Comply with Applicable Laws and Regulations²
- Consistent processes and structures³
 - Departments runs smoothly and operate as expected
 - Mistakes and hiccups in processes can be quickly identified and addressed
 - Use time and resources more efficiently
 - Employees have clear understanding of their responsibilities
- Better quality service⁴
- Provide rules and guidelines for decision making
- Provide a clear and consistent response across the district

What A Manual Is Not

- Not a Contract¹
- Not Personnel Policy Manual²
- Not a Substitute for Good Practices³
- Not a Substitute for Personal Interaction⁴

The background features a dark blue gradient on the left, transitioning into a complex, glowing blue structure on the right. This structure consists of numerous thin, parallel lines that curve and spiral inward, creating a sense of depth and movement, similar to a tunnel or a data stream. The lines are more densely packed and brighter in the center of the curve, fading towards the edges.

Policy Must Haves

Comprehensive Business and Finance Manual

- Accounting and Financial Reporting
- Budgeting
- Capital Planning
- Debt Management
- Fund Balance
- Risk Assessment
- Treasury and Investment Management

Accounting and Financial Reporting

- Policies and Procedures Documentation¹
- Capital Assets²
- Disaster Recovery³
- Grants⁴

Budgeting

- **Achieving a Structurally Balanced Budget¹**
- **Financial Analysis²**
- **Budget Amendment³**

Capital Planning

- **Strategies for Establishing Capital Asset Renewal and Replacement Reserve Policies¹**
- **Capital Planning Policies²**

Debt Management

- Debt Limits¹
- Debt Structuring Practices²
- Debt Issuance Practices³
- Refunding Municipal Bonds⁴
- Refunding Debt Service Savings⁵
- Refunding Savings Structure⁶

Debt Management

- **Other Refunding Matters¹**
- **Continuing Disclosure Responsibilities²**
- **Primary Market Disclosure³**
- **Investment and Management of Bond Proceeds⁴**
- **Post-Issuance Policies and Procedures⁵**

Fund Balance

- **General Guidelines¹**
- **Use of Fund Balance²**
- **Replenishment of Fund Balance³**

Treasury and Investment Management

- **Scope and Investment Objectives¹**
- **Roles, Responsibilities and Standards of Care²**
- **Suitable and Authorized Investments³**
- **Investment Diversification⁴**
- **Safekeeping, Custody and Internal Controls⁵**
- **Authorized Financial Institutions, Depositories & Brokers/Dealers⁶**
- **Risk and Performance Standards⁷**
- **Reporting and Disclosure Standards⁸**

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