



FINANCIAL STATEMENTS

& BUDGETS: BEST PRACTICES

Liz Springer, Auburn City Schools

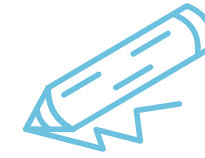


FINANCIAL STATEMENTS

MONTHLY FINANCIAL STATEMENTS: BEST PRACTICES

- *Create and utilize a month-end checklist*
- *Verify LEA Transaction Report each month*
- *Clear critical errors on a monthly basis to avoid additional work at year-end*

YEAR-END FINANCIAL STATEMENTS: GENERAL RECOMMENDATIONS



A/P Accrual

Year-End

Cut-off Dates

Batches

Checklist

Establish cut-off dates for POs and credit card purchases. This helps create a "clean break" between fiscal years and reduces accruals.

Create separate A/P batches for invoices received after year-end that need to be accrued. This helps leave a clear audit trail for accounts payable.



Utilize a shared list containing tasks to be completed along with person assigned to each task. Include area for sign-offs indicating completion and review.



YEAR-END FINANCIAL STATEMENTS

Closing Funds

- As soon as the fiscal year ends, begin balancing and closing fund sources that contain payroll only
 - Saves time later in the month
 - Utilize salary transfers in NextGen
- After accruals are completed, balance and close other fund sources
 - Close federal fund sources first, then state fund sources
 - Foundation Program is typically closed last
- While closing funds, go ahead and complete the corresponding section of the Desk Review

A collection of approximately 20 colored pencils of various colors (red, blue, green, yellow, orange, purple, brown, black, pink, etc.) are arranged in a circular pattern, pointing their tips towards the center. The word "BUDGET" is written in a dark blue, serif font in the center of the circle.

BUDGET

BUDGET TIMELINE:

ADVANCED PLANNING REDUCES ERRORS

*Send local budget allocations
to schools & departments*

MARCH

APRIL

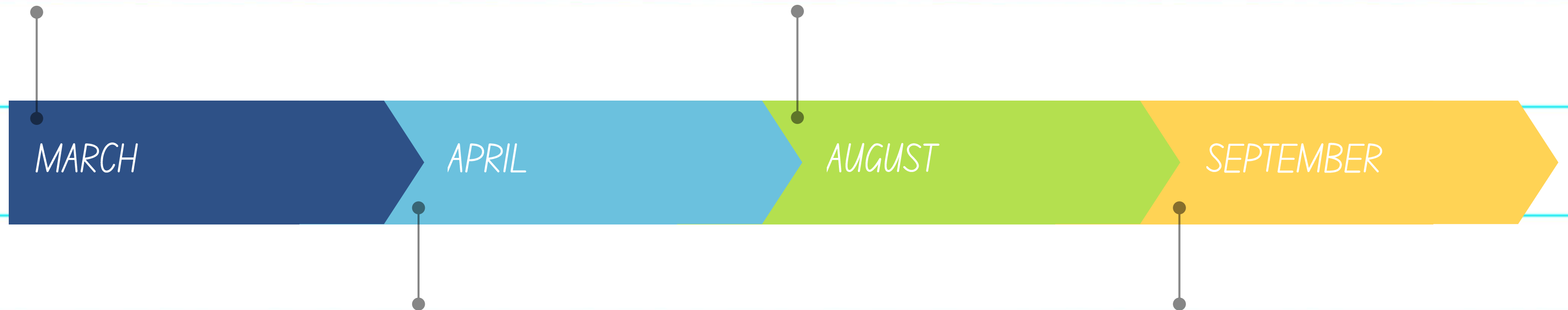
*Budget meetings held with
each school & department to
discuss budget requests*

Board Work Session

AUGUST

SEPTEMBER

*Public Hearings
BOE Budget Approval
Budget due to ALSDE*



BUDGET: PROJECTIONS

- Obtain enrollment projections
 - Drives staffing needs
- Project local revenues in March/April
 - Work closely with local governments
- This approach allows us to grant certain budget requests in the spring and then do another round after state and federal allocations are received



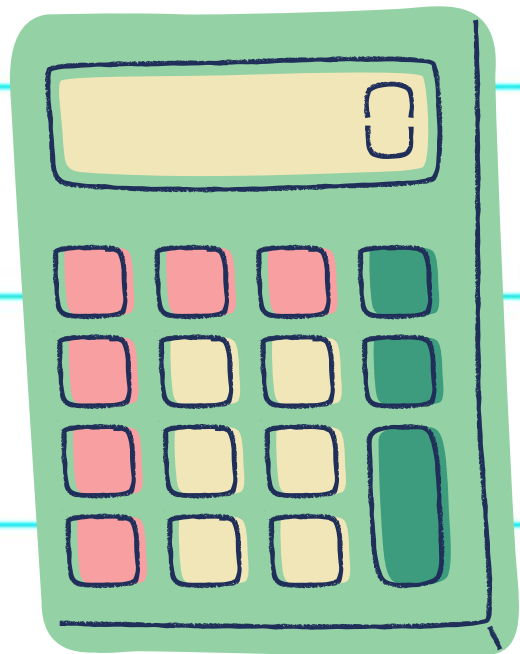
BUDGET: PAYROLL

- Salaries & benefits make up the majority of most LEA budgets
- Utilize Budget Works in NextGen
- Payroll Manager very involved
- Assign Foundation Program units first, then federal units, then other state units

BUDGET: AMENDMENTS

- Keep a running file throughout the year for items that need to be adjusted
- Use an Excel file that can be filtered to track budget changes
 - Allows for easy identification of the adjustments that caused changes to the B-I Report
- Make sure e-Gap matches budget file

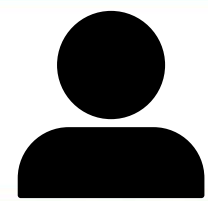
SUBMISSION TO ALSDE



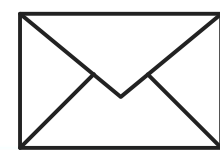
SUBMISSION TO ALSDE: BEST PRACTICES

- Create and utilize internal checklists
 - Add items to the list that have triggered edits in the past
- Upload multiple files to check for errors along the way
- Communicate with your Team Accountant
 - Be proactive when you have questions. This will help you avoid having to make corrections after submittal
- Desk Review
 - Check (and double check!) all items in detail
 - Make notes for your Team Accountant regarding any irregularities or critical errors that need to be cleared

THANK YOU!



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