



## **Financial Management Improvements**

### **What changes have been implemented to improve fiscal management and control spending?**

Monthly reports are now provided to the School Board's Finance Committee on the status of the District's cash account balance, and this account is closely monitored to better manage our money and avoid unnecessary borrowing, which is costly. Internal controls have been enhanced and are undergoing additional improvement. These controls improve oversight of financial transactions and reduce risk. For example, we have separated certain Business Office functions, such as handling cash and recording deposits.

The District has enacted purchasing procedures designed to enhance oversight of spending. Only specific employees are authorized to sign contracts on behalf of the School District, reducing the likelihood that an employee without budget responsibilities will commit us to contracts that we can't afford. Contracts must contain explicit maximum amounts, not open-ended hourly commitments that could result in more costs than anticipated. The District has started requiring prior written approval for non-emergency overtime to better manage overtime costs.

Pre-approval is required before purchases are made, which ensures that we can pay for goods or services before committing to buying them. We instituted additional controls over purchases made with federal funds, to guarantee that we comply with federal regulations and so we don't jeopardize our federal grant funding. Reimbursement rules were updated, to assure compliance with IRS regulations. We created an employee conflict of interest policy for procurement, to ensure personal relationships are not impacting purchasing decisions.

### **Did the District have a deficit in FY15?**

No. [The FY15 Audit](#) results reveal a surplus from FY15, of which \$1.1 million is being allocated for use in the FY17 budget. The surplus in FY15 was achieved through a combination of one-time revenues and prudent spending controls. Among the controls adopted were more restrictions on purchasing and hiring, as well as careful management of stipends and other payroll expenses.

### **Why did the equalized pupil count decrease from FY16?**

In collaboration with the Agency of Education (AOE), we were able to identify errors in pupil counts submitted in the fall of 2014. The inaccuracy of the 2014 numbers was likely the result of simple human error on the part of a former employee. The challenge in uncovering these issues is compounded by the fact that employees who worked on this calculation are no longer with the District. We have been able to correct the numbers to better reflect our current situation.

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**Has the District found ways to get more funding for English Language Learning (ELL) supports?**

Yes. Identification of ELL students is a challenge because students with ELL needs enroll in our District throughout the year, yet we must report the number for the entire year on a given date each fall. Since our first count, we've improved our process, resulting in the identification of an additional 33 ELL students that were added to our FY17 pupil count prior to the deadline for data submission.