

Chart of Accounts, Etc.!

Presented for the UAS Superintendents Endorsement Program

Amy Lujan, Executive Director

Alaska Association of School Business Officials (ALASBO)

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About Amy Lujan

- Twenty-three+ years in school business
 - Six years as business manager of Kuspuks School District, an REEA in western Alaska
 - One year with North Slope Borough SD
 - Seven years as business manager of Nome Public Schools, a municipal district
 - ALASBO Exec Director since 2009 - alasbo@gci.net

Prior to Alaska: MBA, worked in NYC & Silicon Valley

About ALASBO

- Our mission: To promote the highest standards in school business practices
- 170 members from K-12 business offices
- 46th Annual Conference to be held December 1-5, 2018 in Anchorage
- Training and networking all year
- Affiliate of ASBO International and associate of the AK Council of School Administrators (ACSA)
- www.alasbo.org

Presentation Outline

- Fund Accounting and Chart of Accounts
- Encumbrances
- Business Office and Policy Manual
- General Tips
 - Site reference: <https://education.alaska.gov/schoolfinance/>

Chart of Accounts (COA) Basics

- Mandated by the State of Alaska (4 AAC 06.120)
- Big change in 2000; minor tweaks since; ALASBO assisted with 2018 revisions
- Standard for fund accounting in school districts
- Better/simpler than in other states

Fund Accounting

- Standard for government entities under GAAP and GASB
- Separate, self-balancing funds reflect different aspects of operation
- Examples: General (Operating); Food Service, Title I

COA Account Structure

- 15 digits
- FUND (first three) most important
 - Biggest fund is general/operating fund 100
- Structure allows “slicing and dicing”

COA Required Codes

- Structure
 - Fund
 - School/Location (Optional)
 - Function
 - Program (Optional)
 - Object
- Required codes **ONLY** for Fund – Function
- Object

District Use of COA

- Districts have list of required codes
- Make the codes work for you!
- Software must support coding structure
- Centralized or distributed coding/reporting

COA Use in State Reporting

- Roll-ups to required codes
- Annual budget – July 15 deadline
- Audit – November 15 deadline
- Until recently: 70% required expenditure in operating fund on “instruction”

Encumbrances

- Sets aside funds for a transaction prior to payment
- Main purpose is to avoid overspending
- District use varies!

Critical School Finance/Business Office Functions

- Policy Manual Section 3000 - Business & Non-Instructional Operations
 - Budgeting
 - Income (revenue)
 - Expenditures (purchasing, including contracts)
 - Management of assets (inventory, audits)
- Policy Manual Section 4000 - Personnel
 - Compensation and benefits (payroll!)

Additional Business Office Functions

- Policy Manual Section 3000 - Business & Non-Instructional Operations
 - Maintenance, risk management, pupil transportation, food service
- Policy Manual Section 4000 - Personnel
 - Recruiting, conditions of employment, negotiations
- Policy Manual Section 5000 - Students
 - Student records
- Policy Manual Section 7000 - New Construction
 - Planning, funding

General Tips

- Business Manager a key team member
- Draw on knowledge of colleagues statewide
- Ask questions, at all levels
- Keep your policy manual up-to-date