



Finance Business Operations Assessment

West Bonner County School District 83
October 7, 2025

Rethink Possible.

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Introduction

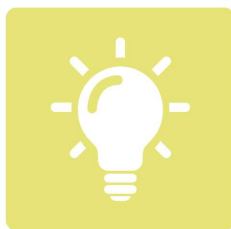
West Bonner County School District 83 (the District) is a public school district located in rural northern Idaho, serving approximately 950 students and employing more than 160 staff members. The District's Superintendent, Kim Spacek, contacted the Center for Effective School Operations (CESO) in March 2025 to conduct a study for the district to assess its Finance Business Office functions as the District strives to better support its employees and district operations. CESO completed this study between June and October 2025.

This report provides an overview of the assessment structure, the results of the assessments with a score under each category, and customized recommendations for the District prioritized into three categories: **Do Now**, **Do Soon**, and **Do Later**.

Assessment Structure

Methodology

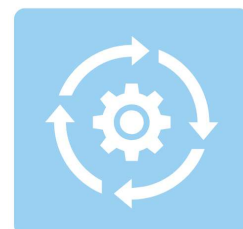
CESO completed the Finance Business Operations Assessment (FBOA) for the District using the following methodology:



Kickoff



Interviews



Report

- CESO met with Kim Spacek, Superintendent, to establish a working relationship, discuss project goals, and finalize project deliverables.
- CESO electronically shared an assessment overview with the District to outline the process and expectations, including FBOA categories.

- The District identified its FBOA interview team and provided scheduling availability to CESO.
 - ◆ The District's interview team included:
 - Kim Spacek, Superintendent
 - Kendra Salesky, Business Manager
 - Ryan Carruth, Operations Director
 - Tracy Rusho, Human Resources Coordinator
 - Tracy Smith, Accounts Payable/Payable Clerk
- CESO conducted group FBOA interviews with the District's team on July 30, 2025.
 - ◆ The CESO assessment team for the FBOA included:
 - Kris Kratz, Finance Consultant
 - Isaiah Thompson, Finance Specialist
 - Christa Zirbes, Director of Operational Success
- Utilizing responses from the group FBOA interviews and the process documentation provided by the District, CESO developed recommended next actions for the District within each FBOA category.

Categories

To understand the current finance business processes of the District, CESO collected data from the identified district team members through a qualitative assessment. This data was then examined for findings under the seven categories we consider integral for highly effective finance business operations:



Purchasing &
Accounts Payable



Accounts Receivable &
Cash Handling



General Accounting
Practices



Payroll & Benefits



Reporting & Compliance



Talent Development



Proactive Practices

[Purchasing & Accounts Payable](#)

Purchasing and accounts payable encompasses everything needed to acquire and pay for goods and services on behalf of the district. This includes vendor management, purchase initiation, purchase administration, payment options, standard and out-of-cycle payments, documentation, and communications.

[Accounts Receivable & Cash Handling](#)

Accounts receivable and cash handling refers to the systems and processes used to manage payments to the district for any goods supplied or services rendered. This includes revenue tracking, invoice management, petty cash management, and payment processing and reconciliation.

[General Accounting Practices](#)

General accounting practices encompass several different components to capture important functions of the district's finance and business office. This includes finance systems, account management, and reporting processes.

Payroll & Benefits

Payroll and benefits covers the processes needed to complete compensation and benefits for district employees. It includes payroll calendar and deadlines, payment processes, benefit cost schedules, and enrollment processes.

Reporting & Compliance

Every district is required to complete and submit reports to demonstrate compliance with federal and state laws. This category looks at report completion as well as the submission process. This includes 1099s, W-2s, audit, budgeting, levy, board reports, and other state and federal reporting.

Talent Development

Talent development consists of the structures and processes in place to help the business office be successful both short and long-term. This includes onboarding processes, cross-training, development planning, retention strategies, succession planning, role definition, and capacity planning.

Proactive Practices

Proactive practices refers to the actions a district puts in place to support its long-term business goals and strategy. This includes technology use and implementation, community engagement, negotiations, third party relationships, goal planning, and future finance project planning.

Rubric

For each of the categories in the FBOA, CESO evaluated the District's responses and rated findings on a scale from one (Emerging) to four (Distinguished):



Emerging

An emerging rating is given when a district's operations are in the beginning stages with minimal evidence of identified practices to achieve strategic goals. Basic tasks may be completed but with low efficiency and effectiveness. Practices are not documented so critical items may be missed, have errors, or take a significant amount of time to complete.

Developing

A developing rating is given when a district's operations show evidence of some basic practices but attention is needed to address gaps and improve practices. Basic tasks and operations are effectively executed to maintain the essential functions of the department but take a significant amount of time to complete. Minimal documentation may exist for some practices, but processes may be reliant on employee knowledge to be executed.

Proficient

A proficient rating is given when a district's operations are performed consistently and intentionally, demonstrating a strategic approach to its practices. The essential functions are executed efficiently and effectively, allowing for some focus on proactive practices to continue to improve department function and support the district's overall strategic plan.

Distinguished

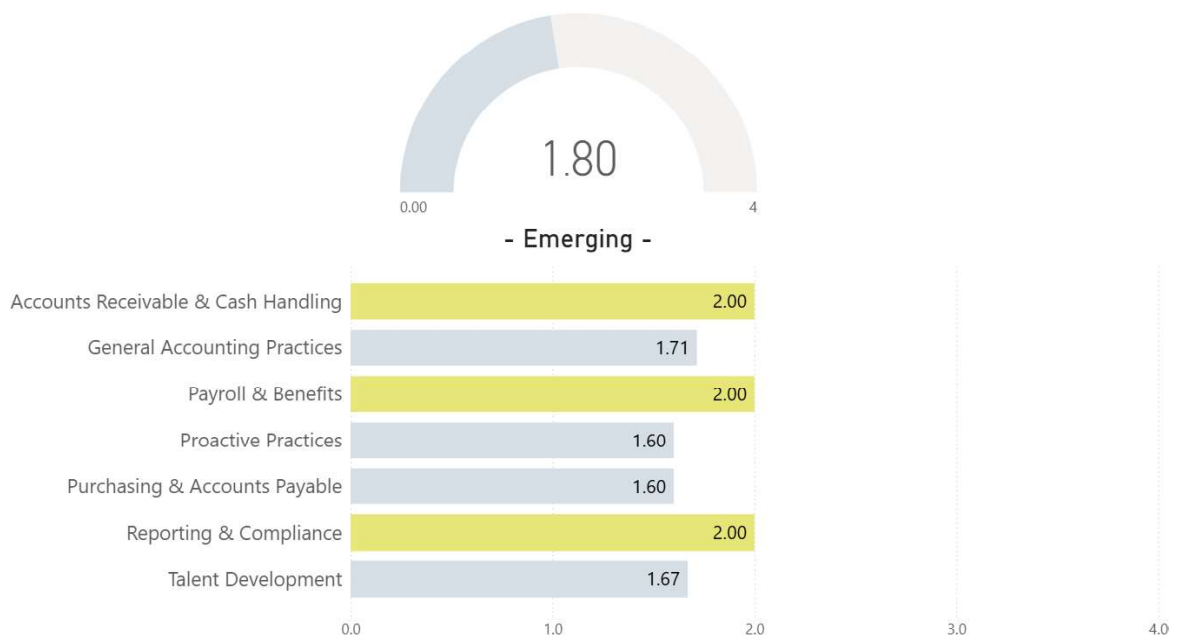
A distinguished rating is given when a district's operations demonstrate a deep understanding of strategy with evidence that exceeds standard performance of practices. Tasks and projects are completed highly effectively and efficiently with minimal errors. Processes are well documented and the department can focus its efforts on proactive practices in alignment with the district's strategic plan.

Note: A district's rating is reflective of the point in time that the assessment is completed.

Finance Business Operations Assessment (FBOA) Key Findings

Overall

Based on responses to the questions in the FBOA, the District has been given an overall finance operations rating of **1.80** or **Emerging**:



This rating is generated as the average of the individual scores for each FBOA category (Purchasing and Accounts Payable, Accounts Receivable and Cash Handling, General

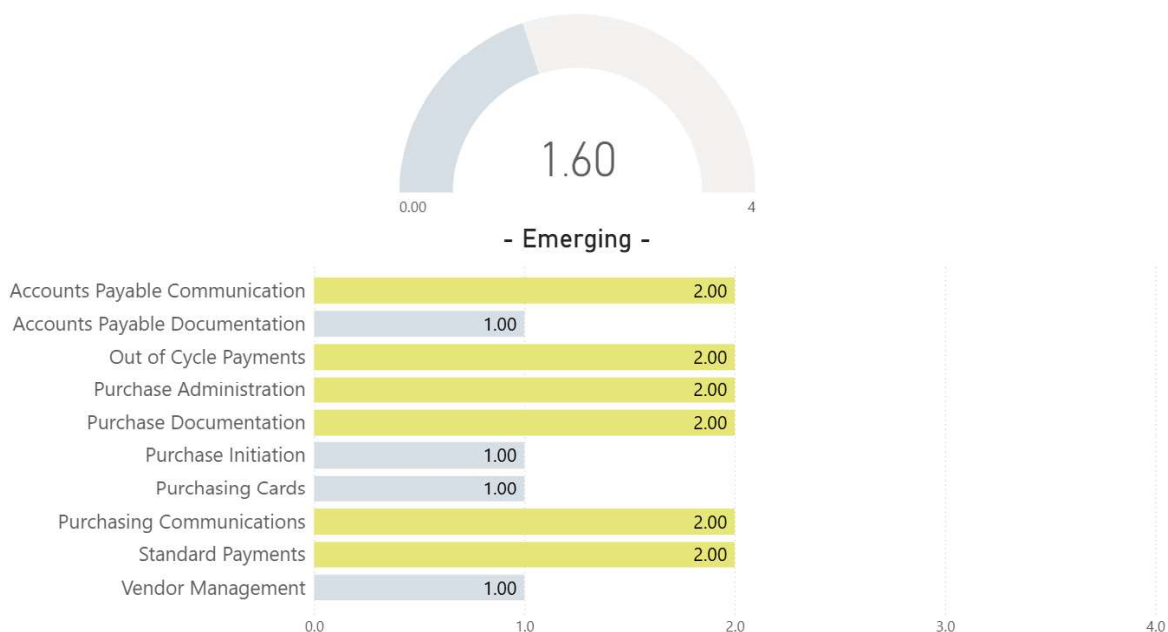
Accounting Practices, Payroll and Benefits, Reporting and Compliance, Talent Development, and Proactive Practices). The District has an opportunity to streamline and formalize its processes not only to ensure efficient completion of tasks and compliance with requirements but also to take a proactive, employee-centered approach. By addressing gaps in documentation, consistency, and communication, the District can create a supportive, equitable environment that empowers both employees and supervisors while driving organizational effectiveness.

The sections below provide further detail into each category's individual score and next actions will be outlined in the [Gap Analysis and Recommendations](#) section of this report.

Purchasing and Accounts Payable

The District's identified FBOA interview team responded to a series of questions on ten topics under the Purchasing and Accounts Payable category: vendor management, purchase initiation, purchase administration, purchasing cards, purchase documentation, purchasing communications, standard payments, out-of-cycle payments, accounts payable documentation, and accounts payable communication.

Based on the responses to the questions in the FBOA, the District has been given an overall rating of **1.60**, or **Emerging**. This rating is the average of the individual scores for each topic within the Purchasing and Accounts Payable category. These scores are illustrated in the following visual:



Further insights into each topic are highlighted below.

Vendor Management

Vendor data is maintained in the finance system by the Accounts Payable/Payroll Clerk. A W-9 form is requested from all new vendors to ensure the vendor record is complete prior to issuing payment; the District retains completed paper copies of these forms. The District does not perform additional vendor verification such as TIN matching with the IRS or review vendor demographics and relationships.

Purchasing Process

Purchase Initiation

The District operates under a decentralized purchasing model, allowing purchasers to establish new vendor relationships while maintaining many existing connections with local vendors. The District primarily uses purchase orders or purchase cards to facilitate the acquisition of goods and services. Some purchases are made through state purchasing contracts, by soliciting bids or quotes, or directly from vendors in the open market.

Purchase Administration

System generated purchase orders are delivered to the vendor by the individual initiating the purchase. The District is developing a purchasing manual to be distributed to staff at a later date. Administrative functions related to outstanding purchase orders are to be managed by the purchase initiator. Receiving records are not maintained in the finance system.

Purchase Cards

The District has a purchasing card program. The District is in the process of moving this program to a local bank as their current provider has moved out of the area. The District is actively reviewing the program, including the number of cards issued and cardholders during this transition. Online shopping and punch-out functions within the finance system have not yet been implemented.

Purchasing Communications

The District communicates year-end cutoff deadlines to staff on a regular basis, but does not otherwise issue regular communications to employees about purchasing requirements and deadlines. The purchasing manual in development includes guidelines for purchasing using the approved purchasing methods. Purchase inquiries are primarily handled by the department or individual placing the order. Additional communications with district leadership are addressed as needed.

Accounts Payable Process

Standard Payments

Invoices are routed to departments for coding and approval by the Accounts Payable/Payroll Clerk. Complete invoices are submitted to the accounts payable department weekly and are entered on a regular basis. Invoices are matched to the associated purchase order record previously created in the finance system. Vendor checks are issued on a monthly schedule. A voucher report is provided at the regular school board meeting, and payments are mailed upon approval by the school board. The District has not documented standard operating procedures for the accounts payable process.

Out-of-Cycle Accounts Payable

Standard processing and payment practices followed by the District minimize or nearly eliminate the need to process out-of-cycle vendor payments.

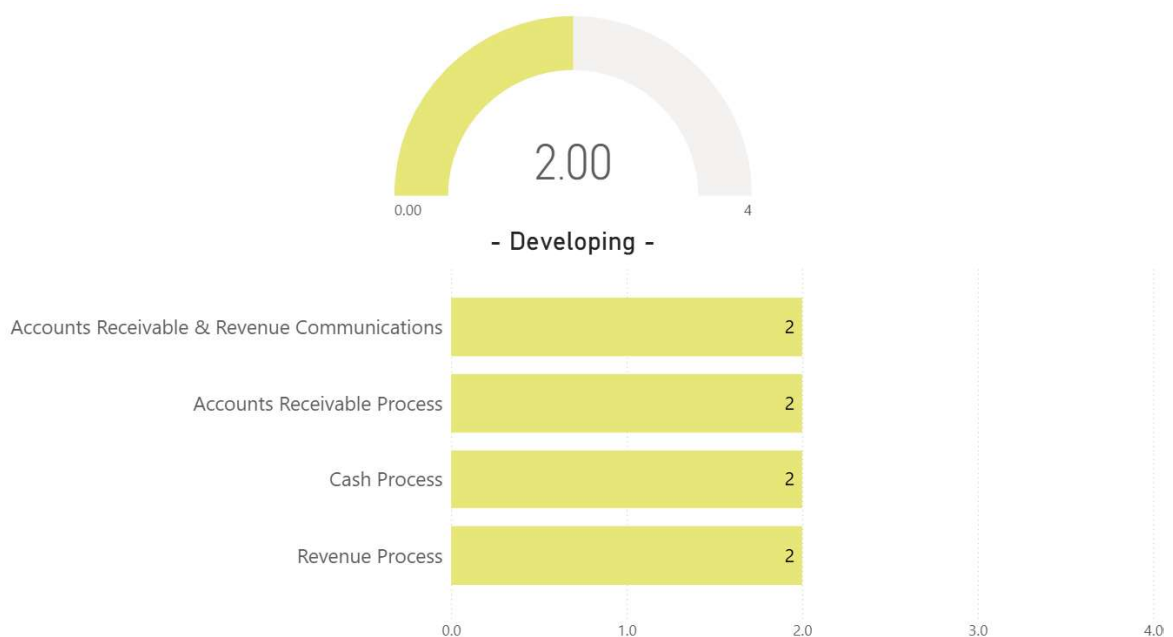
Accounts Payable Communications

Vendor communications related to invoicing inquiries are primarily handled by the Accounts Payable/Payroll Clerk. District staff responsible for approving, coding and submitting invoices for processing are advised by the Accounts Payable/Payroll Clerk to adhere to correct invoice submission procedures. The finance department maintains a dedicated email inbox, which is checked daily by the Accounts Payable/Payroll Clerk and managed during staff absences. District staff are directed to use this email address for submitting approved invoices and other purchasing or payment correspondence.

Accounts Receivable and Cash Handling

The District's identified FBOA interview team responded to a series of questions on four topics under the Accounts Receivable and Cash Handling category: accounts receivable communications, accounts receivable process, cash process, and revenue process.

Based on the responses to the questions in the FBOA, the District has been given an overall rating of **2.00**, or **Developing**. This rating is the average of the individual scores for each topic within the Accounts Receivable and Cash Handling category. These scores are illustrated in the following visual:



Further insights into each topic are highlighted below.

Accounts Receivable Process

Invoicing is not a significant function of the District's operations. Manual invoices have been issued for unique billing situations on a district created form. Facility rentals are processed through a standard space rental request form, with payment collected upon submission. The District has not documented standard operating procedures for the accounts receivable process or for writing off bad debts.

Accounts Receivable Communications

District staff address communications related to accounts receivable and invoices on an as-needed basis due to a limited volume of receivables.

Revenue Process

State and Federal Revenue Recognition

Revenues received from the State of Idaho are deposited electronically into one of the District's banking accounts multiple times during the fiscal year. The Business Manager ensures proper code combinations are communicated and understood to accurately recognize revenues in the financial system. Federal funds flow through the state on a reimbursement basis. The District applies for additional state grant funding if eligibility requirements are met.

Receipting and Recognition of Other Revenues

The District receives grant and donation revenues from local sources. The District utilizes some cashless payment systems and records revenues from these systems in the finance system during the bank reconciliation process. Miscellaneous revenue from local sources is recognized when received, and cash receipts are entered and reconciled. All known revenues are recorded in the finance system. The District has not documented standard operating procedures for the receipt and revenue recognition processes.

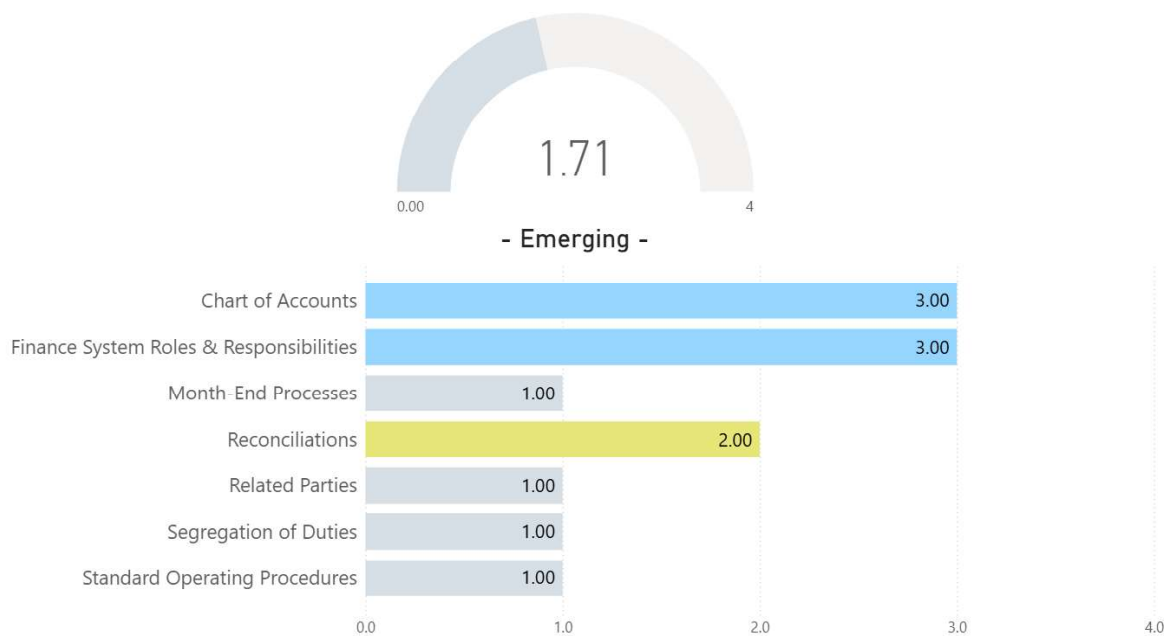
Cash Process

Cash and checks receipts are dual counted and then stored in a safe until submitted to the business office. Amounts are verified by the Business Manager prior to depositing in the bank account. Deposit details are recorded on a password protected spreadsheet and then imported into the finance system. Receipt records are currently maintained in a paper format. Manual reconciliation processes for the cashless system are time-consuming and labor-intensive. The District has begun documenting standard operating procedures for the cash processes.

General Accounting Practices

The District's identified FBOA interview team responded to a series of questions on seven topics under the General Accounting Practices: chart of accounts, finance system roles and responsibilities, month-end processes, reconciliations, related parties, segregation of duties, and standard operating procedures.

Based on the responses to the questions in the FBOA, the District has been given an overall rating of **1.71**, or **Emerging**. This rating is the average of the individual scores for each topic within the General Accounting Practices category. These scores are illustrated in the following visual:



Further insights into each topic are highlighted below.

Reconciliations

The district maintains a banking relationship with a local banking institution. The positive pay function is used on all checks and bank uploads are completed by the Business Manager. Bank accounts are reconciled; the District is currently processing delinquent reconciliations due to staff transitions.

Chart of Accounts

The chart of accounts is developed using Idaho Financial Accounting Reporting Management System (IFARMS) guidance and is maintained by the Business Manager. The Business Manager inactivates and renames accounts no longer in use.

Finance System Roles and Responsibilities

In recent years, the District has experienced turnover in several key finance positions. To stabilize and realign the business department, the District has brought in consultants and hired new staff. Assignments and system access to finance modules are assigned by the Business Manager. Permissions by role and responsibility are not documented. The District has not documented the process to deactivate system access for terminated employees.

Month-end Processes

The finance department has not established a month-end cycle. Bank reconciliations are not completed timely. Board reports are compiled and included in the monthly board packet. The District has not documented standard operating procedures for the month-end close and reporting processes.

Related Parties

The District maintains relationships with third-parties with close ties to its operations, including student activities and boosters. The finance department provides some guidance on operations to these organizations. The District has not documented standards operating procedures for related parties.

Segregation of Duties

The District has limited segregation of duties in certain financial processes due to the size of the finance department team. Current staffing levels and role assignments do not allow for adequate separation of duties according to the District's financial auditors.

Standard Operating Procedures

Finance system-specific operating procedures are updated and maintained by the District's software provider and are accessible to all system users. Some district-specific guidelines have been documented and shared with staff where relevant; however, in several operational areas, the District has not documented standard operating procedures.

Payroll and Benefits

The District's identified FBOA interview team responded to a series of questions on seven topics under the Payroll and Benefits category: payroll pre-processing, payroll standard processing, out-of-cycle payroll, payroll post-processing, payroll communications, benefits communications, and benefits administration.

Based on the responses to the questions in the FBOA, the District has been given an overall rating of **2.00**, or **Developing**. This rating is the average of the individual scores for each topic within the Payroll and Benefits category. These scores are illustrated in the following visual:



Further insights into each topic are highlighted below.

Benefits Administration

Benefits enrollment is currently a hybrid process, using Employee Navigator, an electronic enrollment system with manual updates to the employee profile. Enrollment information is communicated electronically to the District's insurance providers. The District has an insurance committee that helps decide major changes in the plans offered, providers, and insurance rates and collaborates with a benefits consultant through this process.

Benefits Communications

Benefits communication is managed closely between the Human Resources Coordinator and district employees. New hires receive automated benefit enrollment notifications through the electronic enrollment system. The District also engages with a benefits consultant to facilitate communication to employees and the District's insurance committee. Employees are invited to attend an annual benefit fair for additional benefit information. Benefits information is not currently published on the District's website.

Payroll Process

Payroll Pre-Processing

District staff are paid monthly on the 25th day of each month. Paper timesheets are approved by an employee's supervisor and then submitted to the business office for manual entry and processing. Currently the Business Manager and the Accounts Payable/Payroll Clerk processes timesheets according to the dates established on the payroll calendar.

Payroll Standard Processing

Contracts and pay rates are entered into the system and assigned to an employee upon hire by the human resources department. The Business Manager is currently training the Accounts Payable/Payroll Clerk for payroll processing procedures. In a recent payroll, the team was able to review system-generated payroll reports and anticipates completing this review for subsequent payrolls. Employees are primarily paid via direct deposit. The District has not documented standard operating procedures for payroll processing.

Out-of-Cycle Payroll Processing

If additional pay must be processed outside of the normal payroll cycle, the Business Manager typically issues this during the next regularly scheduled payroll, if feasible. If early processing is requested, this is completed following state requirements.

Payroll Post-Processing

Some review and reconciliation processes are completed during each standard payroll cycle by the Business Manager. Payroll and liabilities have not historically been reconciled each pay period; however, payroll liabilities are remitted to the appropriate agencies on time. Quarterly reports and filings are completed timely.

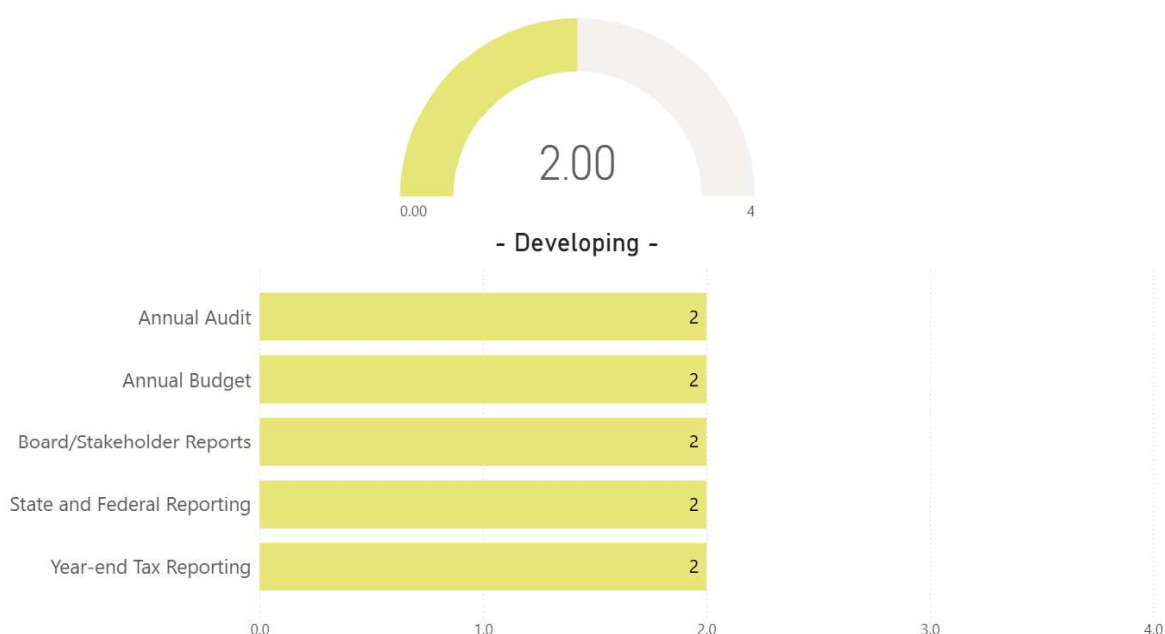
Payroll Communications

The payroll calendar communicates payroll related deadlines to employees; in addition, deadlines are printed on manual timecards. The payroll department is not utilizing system-generated emails to inform employees of direct deposit pays or other standard payroll related communications or deadlines. The District does not utilize a payroll email inbox; payroll related questions are sent directly to the Business Manager.

Reporting and Compliance

The District's identified FBOA interview team responded to a series of questions on five topics under the Reporting and Compliance category: annual audit, annual budget, board reports, state and federal reporting, and year-end tax reporting.

Based on the responses to the questions in the FBOA, the District has been given an overall rating of **2.00**, or **Developing**. This rating is the average of the individual scores for each topic within the Reporting and Compliance category. These scores are illustrated in the following visual:



Further insights into each topic are highlighted below.

Annual Audit

The annual year-end close and audit process has not been completed timely in the last several years. As a result, the state of Idaho has withheld funding until the audit submissions are completed. The District is working to complete the late audit submissions and anticipates the current annual audit will be completed timely.

Annual Budget

The District currently consults with a former business manager to assist the current Business Manager with annual budget development. Budgets are presented to the school board. Subsequent budget revisions are also approved by the board and imported into the finance system to track results throughout the year.

Board Reports

The Business Manager prepares a Treasurer's Report for each monthly board meeting. Board packets are made publicly available on the District's website.

State and Federal Reporting

Federal, state, and local reporting requirements are currently handled by external consultants, who have access to the required reporting systems. Annual reporting requirements are understood by the consulting team.

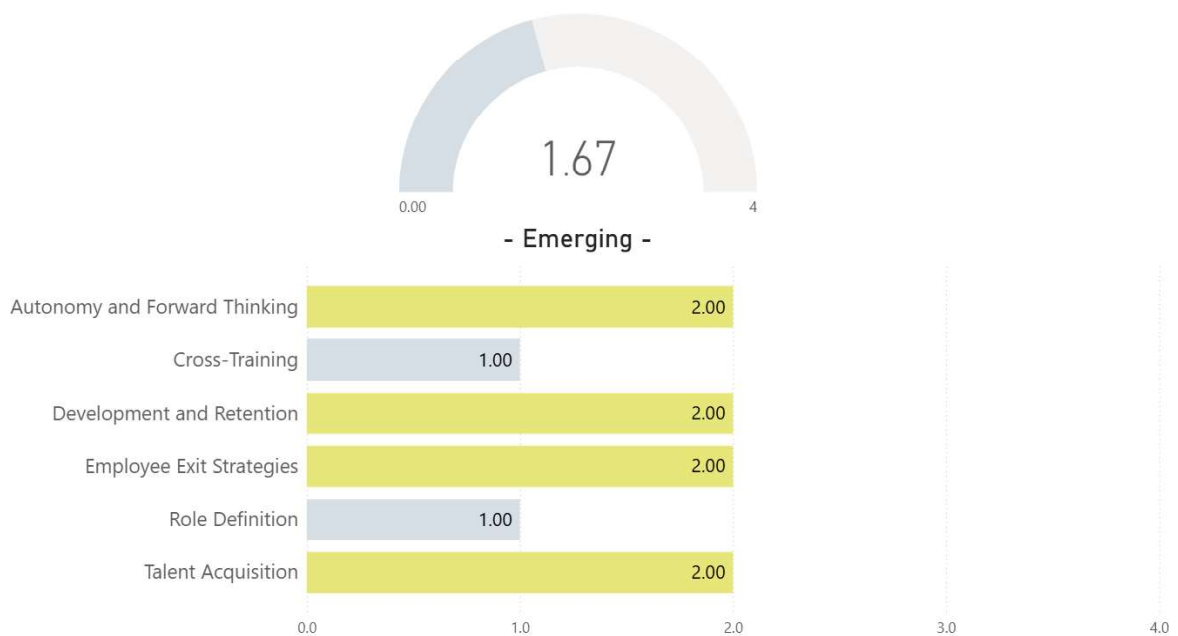
Year-End Tax Reporting

Year-end reporting is completed by various team members according to their assigned roles and responsibilities. System-specific documentation is available to support the reporting requirements within the finance system. The District issues Form 1099, W-2, and Form 1095-C in paper to employees and vendors. State and federal submissions are completed by the required deadlines.

Talent Development

The District's identified FBOA interview team responded to a series of questions on six topics under the Talent Development category: autonomy and forward thinking, cross-training, development and retention, role definition, talent acquisition, and employee exit strategies.

Based on the responses to the questions in the FBOA, the District has been given an overall rating **1.67**, or **Emerging**. This rating is the average of the individual scores for each topic within the Talent Development category. These scores are illustrated in the following visual:



Further insights into each topic are highlighted below.

Autonomy and Forward Thinking

The team members in the business office feel they have autonomy in their way and choice of work. While new ideas and innovations are welcomed, the finance department team reports they have not had the opportunity to develop and implement new processes. The finance department does not have a formal process for establishing department goals.

Cross-Training

The finance department has not implemented cross-training in several key business services functions. Additionally, there is minimal process documentation outlining how to complete these critical processes. While many functions can be carried out to some extent, additional resources may be needed to fully execute critical business services functions.

Development, Retention, and Succession Planning

Team members are encouraged to pursue professional development, but access to training opportunities and low attendance suggest employees are not engaging in these opportunities. Employees receive feedback on their job performance informally and through staff evaluations completed annually. Additionally, the finance department has not developed a formal succession plan.

Role Definition

Job descriptions are not regularly reviewed or updated. Team members indicated there are opportunities for additional growth within the department and are open to collaborating with each other and external parties to achieve this. Additional work assignments identified are added to an already established role within the finance department.

Talent Acquisition

The District continues to engage external consultants to support current workload demands. An Accounts Payable/Payroll Clerk was recently hired to assist the Business Manager with accounts payable and payroll functions. Decisions regarding further staffing will be based on both financial considerations and operational needs.

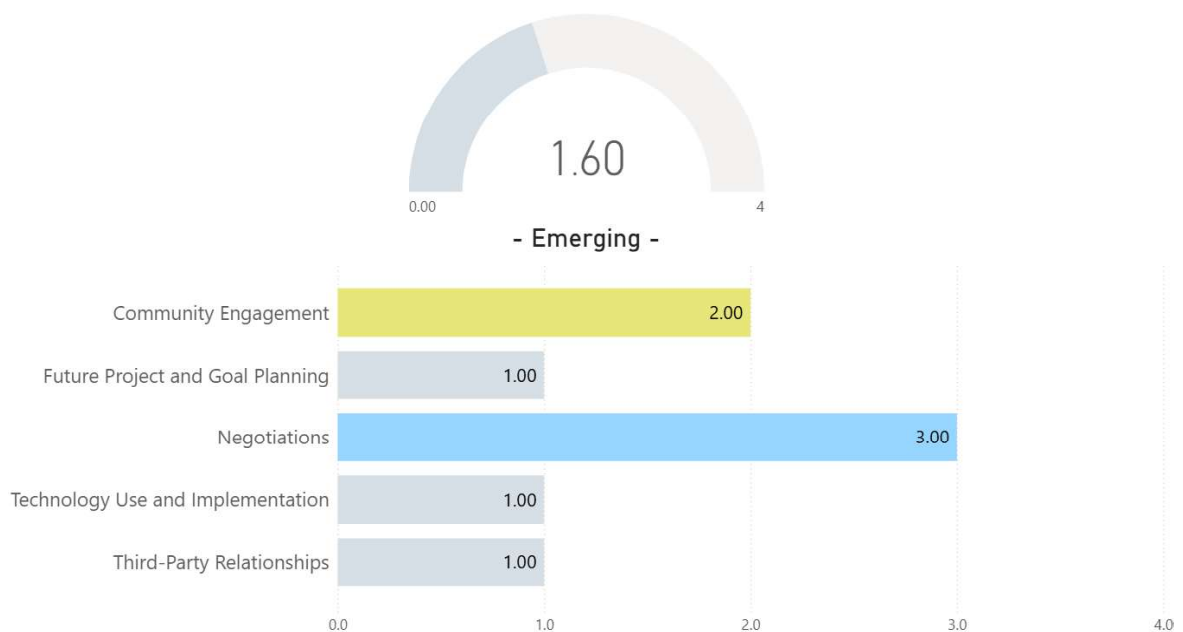
Employee Exit Strategies

The District has procedures in place to recover equipment and deactivate technology access when an employee leaves. Where possible, staff are encouraged to complete knowledge transfers related to their job duties and functions. Exit interviews are not part of the District's offboarding process.

Proactive Practices

The District's identified FBOA interview team responded to a series of questions on five topics under the Proactive Practices category: community engagement, future planning, negotiations, technology use, and third-party relationships.

Based on the responses to the questions in the FBOA, the District has been given an overall rating of **1.60**, or **Emerging**. This rating is the average of the individual scores for each topic within the Proactive Practices category. These scores are illustrated in the following visual:



Further insights into each topic are highlighted below.

Community Engagement

The District's community is highly involved in a number of operational matters. Some subcommittees have been formed to support district operations. The Superintendent and Business Manager attend district events and host meet and greet events to connect with community members to promote fiscal transparency.

Future Project and Goal Planning

Members of the finance team have not formally established individual goals. The District will engage with outside organizations to support finance operations. Broader planning efforts are expected to take place as capacity allows.

Negotiations

The Business Manager participates in the annual staff negotiation process. Key components of the negotiations include staff evaluations and career ladder considerations. Settled agreements are communicated with the district staff.

Technology Use and Implementation

The District uses a digital payment platform commonly used by school districts to collect revenues. The finance department maintains paper and electronic records. School board packets are available on the District's website. While the finance system adequately supports the finance-related activities of the District, the District has considered exploring other options.

Third-Party Relationships

The finance department engages third-party organizations to support various financial functions of the District. These external partners assist with tasks such as reporting, compliance, and process support. The scope of support is adjusted based on the District's operational needs and available resources.

Gap Analysis & Recommendations

Based on CESO's findings, the District is working to put practices in place to support its finance business operations. CESO has identified areas of opportunity for the District to continue to make its operations more effective and efficient. They are outlined below and prioritized by Do Now, Do Soon, and Do Later. The implementation timeline will depend on how the District chooses to proceed.

Throughout these recommendations, CESO uses the following definition for **Standard Operating Procedures (SOP)**:

Instructions and images, available to every staff member via a shared digital location, that describe the step-by-step process to successfully complete a task.

Do Now

Vendor Management

To improve vendor management practices, CESO recommends the District take the following actions:

- Review vendor listing and inactivate unused vendors. Regularly review vendor relationships for competitive pricing and cost-saving opportunities.
- Complete an annual suspension and debarment search for any vendors paid with federal funds prior to the start of the fiscal year to confirm continued eligibility and federal compliance. Complete this search prior to engaging in new vendor relationships as well to ensure compliance in federal programs.
- Perform IRS Tax Identification Number (TIN) matching for active vendors, beginning with those identified as vendors potentially receiving a Form 1099-NEC from the District. Repeat this process for new vendors, making sure tax information is accurately collected and entered.
- Retain vendor documents, including Form W-9, using the District's preferred method for electronic record retention.
- Conduct quarterly audits of new and changed vendors by a party independent of the Accounts Payable/Payable Clerk.

Purchasing

CESO recommends the District implement the following to update and streamline current purchasing processes:

- Create SOP documentation for the complete purchasing cycle including authorized vendors, spend thresholds, receiving practices, reporting and reconciliation.
- Establish clear guidelines for when each method of purchasing should be used, depending on the nature and amount of the purchase.
- Set authorized spending limits for budget managers including system generated escalation or additional approval, for high-value purchases. Additionally, establish authorized credit limits for purchasing card (P-card) holders. Limits should be established by the Business Manager.
- Expand the use of purchase order functions to streamline procurement processes, enhance accuracy in tracking orders, and ensure better control over budgeting and vendor relationships.
- Maintain purchasing records within the finance system, including purchase initiation, receiving, and approval for paying vendor invoices. Digitize order and receiving documents using the District's preferred method for record retention.
- Utilize joint powers and cooperative purchasing ventures wherever possible to obtain the best bulk pricing with government approved vendors.
- Establish a purchasing deadline to align with year-end financial close to assist with processing transactions before the fiscal year ends and within the budget established for the fiscal year. Communicate deadlines and purchasing expectations using the District's preferred communication method.
- Continue to update the P-card manual, including roles and responsibilities for cardholders, approved card usage, non-compliance ramifications, receiving, reporting and reconciliation practices in conjunction with the transition to the new card program administrator.
- Consider expansion of the P-card program and build in backup administrators for emergent situations which may arise.

Accounts Payable (AP) processing & expense review

To improve the District's Accounts Payable processing and other expense reviews, CESO recommends the following:

- Create SOP documentation for the complete accounts payable cycle including invoice receipt through issuing vendor payment.
- Transition to electronic invoice delivery from vendors where possible. Retain documents using the District's preferred method for electronic record retention.
- Transition standard payment issuance to a bi-weekly or semi-monthly schedule. In partnership with the school board, issue authorization to a designated business administrator to make payments prior to receipt of school board approval. Report payments at the next school board meeting to comply with state laws related to claims and disbursements.
- Update the District's payment calendar for changes to submission deadlines, issuing accounts payable payments, and subsequent reporting requirements for positive pay transactions. Assign tasks to finance team members to ensure timely completion of these functions.
- Develop and communicate a process for issuing vendor checks outside of the standard payment cycle.
- Explore opportunities to reduce paper check payments by authorizing electronic payments where permitted by law. Gather the necessary supporting documentation for these transactions to create expense records in the finance system and retain the documents using the District's preferred method for electronic record retention.
- Digitize paper documents using the District's preferred method for electronic record retention as a part of the conclusion for each regular AP cycle.
- Implement training or create self-service instructional guides directing budget managers (or their designated staff) to generate reports for budget and spend analysis.

Annual Reporting

To improve the District's annual financial close and reporting functions, CESO recommends the District take the following actions:

- Prioritize audit submissions to the required reporting agencies, beginning with the oldest outstanding items.
- Establish a comprehensive plan to ensure timely submission of future audits, taking into account key timelines, staff and consultant availability, workload distribution, internal review processes, and potential scheduling conflicts or delays.
- Complete all state required filings on or prior to the due date.

Revenue Tracking and Custody

To ensure accurate tracking of the District's revenue and cash payments, CESO recommends the District take the following actions:

- Create SOP documentation for cash handling, counting, and reconciliation.
- Develop a system to reconcile deposits from cashless systems. Utilize system reports to ensure registrations or payments are properly identified within the departments generating the revenue. Further, tie out individual deposit items from the bank statement to prove out the receipt.
- Consider changing to weekly or monthly reconciliation and tracking of cash receipts, which may also lead to the identification of potential issues prior to completing the monthly reconciliation.
- Research options for other cashless systems to reduce or eliminate the need to collect cash at school sponsored events.

Payroll

To improve the District's payroll processes, CESO recommends the following:

- Create SOP documentation for the complete payroll cycle including timecard approval through bank initiation, start and stop dates for deductions, and quarterly and annual payroll related filings.
- Create SOP documentation for the submission and reconciliation of payroll liabilities. Identify an alternate to perform functions in the absence of the Accounts Payable/Payroll Clerk. Obtain additional system logins to support payroll related functions to ensure timely completion of time-sensitive processes.

- Create a payroll calendar with relevant payroll deadlines, including time sensitive data originating from the human resources department. Publish the calendar using the District's preferred communication method.
- Create a detailed payroll processing checklist outlining the steps in the payroll cycle.
- Create a dedicated payroll email inbox for payroll communications, and assign management to multiple business office team members to ensure coverage and rapid response to these messages. Encourage all vendor and employee payroll related communication to flow through this email inbox.
- Enable system-automated workflows and employee self-service updates within the system where possible.
- Implement a review process for payroll where a high-level analysis is conducted by someone who was not involved in calculating or entering the payroll, prior to final processing.
- Consult with the Accounts Payable/Payable Clerk during negotiations surrounding payroll and benefits to ensure the agreement is practical in workflow.
- Reconcile payroll liability accounts monthly or quarterly.
- Create a process to reconcile year-end payroll data with the quarterly 941 filings before issuing employee W-2 forms. Promote the electronic delivery of W-2 forms to employees to streamline distribution and enhance efficiency.

Benefits

To improve the District's benefits processes, CESO recommends the following:

- Update SOP documentation including open enrollment, qualifying life events, decision points, timelines, and communications.
- Create an employee benefits guide and publish using the district's preferred communication channel.
- Conduct audits during the year to verify insurance coverage accurately aligns with employee census, primarily during open enrollment. Collaborate with the district's insurance broker when correcting enrollment discrepancies.
- Ensure that benefit catch-up deductions are processed within the same calendar or fiscal year, in accordance with the payroll reporting period, when necessary.

Do Soon

Accounts Receivable (AR) processing & revenue review

CESO recommends the District take the following actions to improve its accounts receivable and revenue review processes:

- Create SOP documentation for the accounts receivable and cash receipt process including revenue and receipt (sources, federal draws, timeline, resources), invoice management, month-end, and entering receipts into the finance system.
- Create a process for collections of outstanding invoices, including recognition of bad debts.
- Leverage the invoicing function within the finance system. Include standard payment terms on all invoices issued. Use system-generated aging reporting to monitor outstanding balances efficiently.

Talent Development

To support the development and retention of the District's business office staff, CESO recommends the following:

- Perform employee performance evaluations, including an annual evaluation and informal check-ins throughout the year. Address performance missteps or issues promptly, should issues arise.
- Expand opportunities and encourage participation in professional development.
- Foster an environment where the development of new ideas and efficiencies are encouraged. Allow employees to share their insights and contribute to continuous improvement within the District, especially after attending professional conferences where these ideas may have been generated.
- Establish a weekly staff meeting to review needs and tasks, ensuring clear priorities and coordination for business office staff.

Roles & Responsibilities

To support the efficient operations of the business office, allow for cross-training and succession planning, CESO recommends the District:

- Audit all finance business job descriptions for clear and accurate role responsibilities and eliminate redundancies. Rewrite descriptions as needed and communicate to the collective finance team for role clarity.
- Measure responsibilities and focus areas for finance department team members annually. Adjust roles when turnover or mastery occurs.
- Cross-train in critical business areas, beginning with payroll. Implement in conjunction with finalizing SOP documentation.
- Collaborate with the external auditors to identify specific areas where proper segregation of duties is lacking. Reassign duties or develop alternative procedures to address segregation of duties finding where feasible.
- Develop a business office calendar which outlines key reporting, deadlines, and other important dates to help plan projects and capacity and share with the finance department team.

System Security and Management

To improve security of the District's systems, CESO recommends the District implement the following:

- Update system access assignments to align with updated position descriptions and job duties.
- Disable system access for employees who are no longer part of the finance department or in roles with finance-related responsibilities to safeguard against unauthorized access to sensitive systems and data.

General Accounting

CESO recommends the following actions to ensure the District has well-established and supported accounting practices:

- Create SOP documents for critical business functions including, but not limited to reconciliations, journal entries, month and fiscal close, board reports, and required state reporting.

- Reconcile bank and investment accounts timely, within 15 days of month end. Ensure the reconciliations from cashless systems are included with the reconciliation files to support the bank reconciliation. Completed bank reconciliations should be reviewed by the Business Manager or Superintendent.
- Create and distribute a guideline for the standard coding of expenditures and revenues to staff tasked with this support function. Explain foundation and importance of compliance with guidelines. Update guidelines annually, or when significant coding changes are identified in the IFARMS manual.
- Utilize finance system subsidiary modules to record transactions to retain automated tracking and reporting features developed for that module.
- Conduct periodic audits of ledger accounts throughout the year to support ongoing compliance and ease the burden of year end reporting and auditing.
- Create a checklist to manage all annual reporting submissions. Include a listing of all relevant data to prep and submit the required deliverables by the defined deadlines.
- Create and publish guidelines for booster clubs and other donors on the District's website, outlining roles, fundraising practices, and financial management responsibilities.

State and Federal Reporting

CESO recommends the District create a grant tracker to manage awards, expenditures reported for each award, and draws completed. CESO additionally recommends the District use an identified grant manager to manage unspent federal awards carried to a subsequent year and ensure funds will be used in accordance with the original grant objectives and within the allowable time frame.

Stakeholder Reporting

To improve financial transparency, CESO recommends the District review and update monthly stakeholder reports, including additional financial information deemed necessary to provide clarity such as a budget to actual comparison report, an investment report, or other financial reports.

Do Later

Proactive Practices

CESO recommends the following actions to enhance the District's business operations:

- Collaborate with partner entities to strategically manage cash flows, ensuring optimal liquidity while identifying and capitalizing on investment opportunities that maximize financial returns
- Utilize forecasting tools to make informed decisions that support strategic planning, budgeting, and resource allocation.
- Collaborate with partner entities to assist in completion of reconciliations, annual financial audits and other accounting functions. Focus on strategic priorities while building the knowledge and systems needed to bring these functions in-house.

Development Planning

To support the development of business office staff, CESO recommends the District develop a prioritized list of department tasks and invest resources toward these tasks where possible. CESO additionally recommends the District develop an individual goal setting process for each member of the finance department team and then review progress and reassess goals throughout the year.

Technology

To improve the efficiency and accuracy of business office operations, CESO recommends the District review its use of technology and implement electronic processes where possible. Items to consider include:

- Develop district standards for digitizing records, such as utilizing the finance system attachment function to store back up documentation. Eliminate paper records once digitized. Follow the District's record retention policy when reviewing and purging records.
- Research and expand use of punchout systems, including vendors with an existing purchasing relationship. Inform requisitioners of the vendors set up as punchout vendors.
- Research and select an electronic time recording system. Transition groups in intentional waves to the electronic time recording process.

- Implement additional automated workflows, utilize system modules, and online processes whenever possible. CESO recommends beginning with timesheet entry and submission and benefits enrollment processes.

Future Assessment

Finally, CESO recommends conducting a follow-up assessment; this will allow the District to observe and measure the impact of any process changes implemented following this initial assessment and adjust its strategy on an ongoing basis.

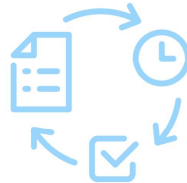
Conclusion

If requested, CESO can support the District with its implementation of any or all recommended action items or other needs identified by the district. We can take complete ownership of implementation, partner alongside you, or turn the plan over to your team's capable hands.



Consulting

Our goal is to give you more hours in the day to focus on what matters most. We bring you the best options to drive greater impact in your school community.



Management

We do the project management work with your team to deliver results through prioritization, collaboration, and accountability.



Staffing

When there is a resource gap, we provide industry expertise, tools, and a network of passionate people. We do the work for you through interim or long-term staffing.

Finance Key Solutions

- Federal Compliance Consulting
- Audit Preparation
- Actuarial Studies
- Payroll
- Accounts Payable
- Accounts Receivable
- ERP / SIS Software Implementation
- Student Reporting Accounting
- Fixed Asset Data Preparation
- Grant Accounting & Reconciliation
- Month-End Close Management
- Special Projects Budgeting
- Business Manager Staffing
- Finance Executive Staffing
- Controller Staffing
- Accountant Staffing
- Finance Specialist Staffing

