

# Financial Resource Management

The financial operations of school business management are crucial to its overall success. In this area of practice, school business officials have in-depth knowledge of financial planning, budgeting, auditing, financial analysis, reporting and much more. A school business officials should also be able to communicate effectively the overall financial picture of the jurisdiction to their education leaders, school boards and community.

The financial resource management area of practice encompasses:

- Budgeting and Financial Planning
- Accounting, Auditing and Reporting
- Cash Management, Investments and Debt Management



As an affiliated associate with ASBO International, we have aligned our professional standards to those of the global community to reflect the current roles and responsibilities of members working in the business, finance, and operations in the K-12 education system in Alberta.

This profile tool is intended to frame your reflection on your practice, based on the indicators for each area of the Planning and Evaluation practice standards.

A suggested approach for using this tool:

## Evidence in Practice

Review each of the statements highlighting ones that represent practices you demonstrate.

Identify those practices you demonstrate in the “Evidence of Practice” column. (are the practices observable? Are they measurable?)

If you currently demonstrate a practice that is not described, consider adding it to evidence in practice column.



## Areas for Growth

Reflect on your current practice and on the job behavior as they relate to the area of practice to assist you in identifying areas for growth.

You may choose to add additional indicators based on shared practices and/or emerging legislation and/or research that identify areas in which you would like to grow.

This tool is intended for your personal use. You may choose to share with mentors and/or colleagues as you see fit. It is also a good tool to use when identifying areas of experience and/or specific PD/CPD required in meeting or maintaining the CSBO designation. Individual members who wish to do a more in-depth assessment of their current skill levels, may wish to request a copy of the [2021 ASBO International School Business Management Professional Standards](#) which provides further information for entry, mid and senior level guides for competencies.



## AREA OF PRACTICE

### Financial Resource Management

#### ACCOUNTING, AUDITING AND FINANCIAL REPORTING

This function represents the reporting side of Financial Resource Management. School business officials in this function track funding, know how to report it and to whom and make reporting standards for school authorities so they can have consistent data. They are also involved in the auditing process and reporting to school boards, government and their communities.

INDICATORS	EVIDENCE IN PRACTICE
<p>A school business official understands and demonstrates the ability to:</p> <ul style="list-style-type: none"> <li>a) Establish and maintain standards, policies, procedures that preserve the legal compliance and integrity of financial data reported to all stakeholders</li> <li>b) Design and administer a chart of accounts and reporting structures to comply with mandatory provincial reporting requirements/guidelines to document the consistent classification of balance sheet accounts, revenues, and expenditures, to enable comparison of financial data and to provide a framework for controlling budget expenditures.</li> <li>c) Analyze the accounts using statements and/or financial reports to determine the accuracy of the general ledger and verify that all transactions are properly recorded in the financial records.</li> </ul>	
<ul style="list-style-type: none"> <li>d) Develop methodology to monitor and communicate reports for internal and external stakeholders that accurately reflect the financial health of the school authority.</li> <li>e) Provide interim financial reports that include projections to the end of the school year to the governing body throughout the fiscal year.</li> <li>f) Ensure that there is an internal audit process in place to assess and report on the adequacy of the internal controls.</li> <li>g) Assist the governing body to implement an audit committee, responsible for monitoring and reviewing the risk, control and governance processes established in board policy.</li> </ul>	<p style="text-align: center;">AREAS FOR GROWTH</p>

## AREA OF PRACTICE Financial Resource Management

- h) Develop a plan to eliminate accumulated operating deficits or to expend excess surpluses in compliance with Government regulations.
- i) Prepares for the annual audit by gathering organizational data, closing the books in a timely manner, and preparing reports to facilitate an efficient and accurate audit process.
- j) Review following the annual audit, opportunities for improvement in financial tracking, reporting, internal controls, and other processes.
- k) Report the financial status of the school authority to the appropriate government and/or provincial agencies in the mandated format.

## AREA OF PRACTICE

### Financial Resource Management

#### BUDGETING AND FINANCIAL PLANNING

School business officials in this function are responsible for understanding funding models and budgeting requirements. They know how the budget applies to the jurisdiction, the board, the education, and strategic plans. They must be able to explain to the board, community, and staff how funding is distributed, with the intention of maximizing resources. They work with senior leadership to facilitate a system-wide discussion about long-term prioritization.

INDICATORS	EVIDENCE IN PRACTICE
<p>A school business official understands and demonstrates the ability to:</p> <ul style="list-style-type: none"> <li>a) Use collaborative efforts to develop annual budgets that provide resources for student and program needs that are consistent with assumptions, goals and objectives of the school authority.</li> <li>b) Ensure that the financial impact of strategic goals is reviewed by analyzing and quantifying relevant data for optimal decision-making and leads to successful educational outcomes for the jurisdiction.</li> <li>c) Ensure that short- and long-term financial goals are developed by evaluating relevant data to support the school authority program needs, instructional objectives, and good stewardship of financial, human, and capital resources.</li> <li>d) Effectively and efficiently allocate limited resources using all relevant social, demographic, and economic data.</li> <li>e) Effectively plan for future resource requirements using multi-year forecasts and historical data.</li> <li>f) Ensure that reasonable budget assumptions are used to align human and capital resources with estimated funding levels.</li> <li>g) Communicate budget principles, priorities, revenue sources and expenditure plans to stakeholders.</li> <li>h) Ensure compliance with public sector accounting standards and all legal, legislative, regulatory requirements provincially and federally.</li> </ul>	
	AREAS FOR GROWTH

## AREA OF PRACTICE

### Financial Resource Management

#### CASH MANAGEMENT, INVESTMENTS AND DEBT MANAGEMENT

School business officials in this function understand the investment market and investment opportunities, as well as all the laws surrounding them. They develop financial goals, explore financing options, develop outside funding sources, and analyze economic data.

INDICATORS	EVIDENCE IN PRACTICE
<p>A school business official understands and demonstrates the ability to:</p> <ul style="list-style-type: none"> <li>a) Comprehend the legal constraints of cash and debt management.</li> <li>b) Develop specifications for the selection of banking and other financial services.</li> <li>c) Implement procedures that comply with the legal constraints for cash collections and disbursements.</li> <li>d) Ensure appropriate level of cash resources to meet current financial obligations.</li> <li>e) Assess market liquidity, cash flow and investment strategies.</li> <li>f) Understand the risk of various investment options and debt financing instruments.</li> <li>g) Evaluate financing options, including debt repayment strategies, with lenders to optimize funding for capital projects and other initiatives.</li> <li>h) Develop outside funding sources by identifying, soliciting, and marketing potential areas of revenue to support the overall educational goals.</li> <li>i) Analyze relevant economic and demographic data by identifying, collecting, and monitoring all available sources of pertinent information to effectively and efficiently allocate limited resources.</li> </ul>	<div style="border: 1px solid black; height: 300px; width: 100%;"></div> <p style="text-align: center; border-top: 1px solid black; border-bottom: 1px solid black;">AREAS FOR GROWTH</p> <div style="border: 1px solid black; height: 150px; width: 100%;"></div>