

Overhauling the Chart of Accounts

In the Spring of 2017, Allovue partnered with a sizeable school district to modernize their financial data structures with an end goal of ensuring that every dollar was tied to district goals. This work took three months to complete. Below are the early benefits the district has seen.

Educating Every Child for LIFE!



Before



Financials were not available by location

\$104MM out of \$107MM sat in an undefined location. The location was literally called "Not Applicable".

After



Personnel budgets and spending are assigned to every school and department.

Non-personnel spending is being tracked by school and department.

Why this matters Dollars not tracked at locations leads to a whole host of challenges including the inability to hold budget owners accountable for spending (it will all fall on the CFO's shoulders), the inability to analyze and optimize school-level expenditures, and lack of readiness for enforcement of the Every Student Succeeds Act.

Before



Lack of a comprehensive, up-to-date reference for all financial codes

The only source of information on financial codes was a large, white binder that sat in someone's office for years. It was out-of-date and staff did not know where to look for information on the right codes to use.

After

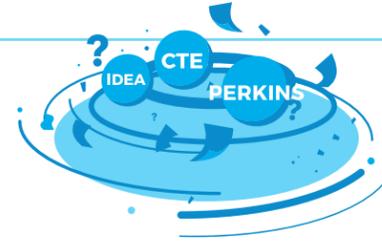


Creation of a chart of accounts manual

With the modernization of the district's chart of accounts, a comprehensive manual was created and shared widely in hard and soft copies with staff. It can be updated over time as new codes are added.

Why this matters When staff aren't sure of which codes to use, they use the codes that make the most sense to them or leave the codes blank altogether. With a standard structure in place and enforced, financial data quality improves enabling richer and speedier analysis of spending. It also ensures that students are treated equitably and that the district can now comply with state ESSA reporting requirements.

Before



Lack of clarity on program spending

There was no process nor data structure in place to ensure that investments in the programs the district cared about could be tracked.

Why this matters Academic and financial data must talk to each other if finance is to be used as a tool for ensuring student success. When the right programs are tracked in finance, there is a stronger incentive for program managers to monitor spending, which is the first step in creating a more strategic alliance between academics and finance.

After

IDEA	\$4.5MM
CTE	\$436K
PERKINS	\$432K

Greater insight on program spending

With a focus on academic outcomes, the district can now track spending associated with every program and over time, track the return on investment to evaluate their drivers of success.

Before



Number of staff with access to budget and spending information in FY2017 = 1

Previously, the only person held accountable for monitoring spending was the CFO.

Why this matters Inefficiencies in district financial management are created when only one staff member monitors spending but isn't responsible for all the spending that occurs within the district. Empowering budget owners frees up the CFO's time to spend on more strategic matters.

After



Number of staff with access to budget and spending information in FY2017 = 14 (+ principals in the Spring)

With greater accuracy in location-based budgets, monitoring spending can be done by all budget owners.

Before

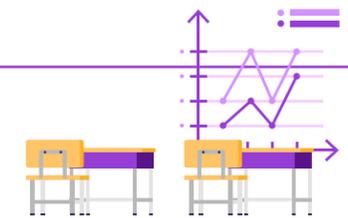


Strategic priorities disconnected from finances

Many districts discuss academics and finances as though they are separate conversations. Yet, resource allocation is critical to ensuring student success.

Why this matters Districts strive to track return on investment. By embedding your academic goals into your financial data, you ensure that all spending made aligns to the district's priorities.

After



Strategic priorities are embedded in financial accounts

With the incorporation of the strategic priorities directly within the chart of accounts, spending can be tracked, and its return can be evaluated.