# Board Finance Committee Planning

## Fiscal Calendar

<table>
<thead>
<tr>
<th>Month</th>
<th>Task</th>
</tr>
</thead>
<tbody>
<tr>
<td>August</td>
<td>Begin audits. Review reconciliations of previous fiscal year. Complete ESSA application.</td>
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<tr>
<td>September</td>
<td>Meet with auditors to review findings.</td>
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<tr>
<td>October</td>
<td>Submit the audited financial statements and management letter to authorizer. Review quarterly report.</td>
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<tr>
<td>November</td>
<td>Share audit results with full board. Approve 990 submission or extension request.</td>
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<tr>
<td>December</td>
<td>Discuss school leadership staffing plans and priorities for the next fiscal year. Review year-end financial projections.</td>
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## What Should Happen Each Month

- Conduct a monthly call or meeting with the finance committee, school management and school finance staff or consultants.
- Review financial reports.
  - Completing only quarterly reports can lead to problems.
- Review bank statements and account reconciliations.
  - Designate a member of the finance committee to do this monthly.
- Recommendations:
  - Close the books and finalize reports by the 21st.
  - Allow management one week to review, provide feedback and approve monthly reports.
  - Send reports to the finance committee by the 28th.
  - Hold the finance committee meeting one week after the 28th at the earliest.

## What to Review in Each Meeting

**FINANCIAL REPORTS**

- **Summary Page**
  - Outlines reasons for largest variances and meaningful key ratios
  - Ratios used may differ by school based on factors such as: private vs. public facility, bond covenant requirements, authorizer concerns/requests
- **Operating and Capital Budget vs. Actual plus Forecasts through Fiscal Year End**
- **Balance Sheet**
- **Enrollment Budget vs. Actual and Financial Impact of Variances**
- **Income Statement per Restricted Funding Source**
- **Cash Flow Projections (if/when cash is low)**
  - What to Look For:
    - Reasons for Major Variances
    - Low cash levels
    - Concerns related to timing of revenues, expenses and cash requirements for assets/liabilities

## Questions to Ask Your School Leader:

- Are we reaching or exceeding our enrollment targets?
- Are we forecasting a surplus or deficit?
- What are the key financial ratios telling us?
- Are we on track for short term and long term financial goals?
- How much cash is on hand?
- What is the fundraising plan?
- Which donations are expected from whom and for what purposes?

- Contingency planning
  - Keeping the discussion high-level
- Understand reasons for major variances.
- Highlight low cash levels.
- Highlight any concerns related to timing of revenues, expenses and cash requirements for assets/liabilities.
- Discuss any contingency plans (if/when needed).
- Keep it high-level.