

School Financial Reports: Broadening the Base for Understanding

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Report of research conducted in 1990
for *Project Affirmation*

(revised 2005)

Table of Contents

A. School Financial Reports: Broadening the Base for Understanding	
Introduction	3
Simple, Understandable, Professional and Accurate Financial Reports	5
Creating a Highlight page (Ten questions)	5
Question Variation	7
Sample Highlights page using the "phrases" format	8
Sample Highlights page using the "question" format	9
Report Format	10
Balance Sheet	10
Summary of Financial Activity: Spreadsheets	10
Selected Details from Financial Activity Schedules	11
Summary of Financial Activity by Classification	11
Conclusion	11
B. Sample Document	
Title page	12
Financial Report Highlights	13
Balance Sheet	14
Summary of Financial Activities Budget	15
Summary of Financial Activities Actual	16
Selected Financial Schedules	17
Summary of Financial Activities by Classification	18

A. School Financial Reports: Broadening the Base for Understanding

Introduction

The research for this report grew out of a desire to include more school board members in financial decision-making and was commissioned by the North American Division Board of Higher Education and Board of Education, K-12 as a part of *Project Affirmation* in 1990. It was published under the title, *Understanding Academy Financial Reports*. As the title suggested, the focus was originally on secondary schools and all references were made to academy financial statements. Since then it has been further tested in a number of schools, both secondary and elementary. Since the concepts seem valuable in both contexts, the wording has been changed to reflect that finding. Other feedback from these experiments has been incorporated in this revision of the document. As in the original publication, the emphasis is on communication and understanding, not on accounting practices. It is understood that all reporting must be based on solid and accurate accounting. These issues are dealt with elsewhere. The main point of this research was to find a way to communicate financial information in more useful ways to school boards.

The success of any school depends on good decisions made in the area of finance. No matter whether the decisions concern curriculum, personnel, facilities or services, they all translate into financial decisions. Therefore, if those responsible for the direction of the school—the board and administration—do not clearly understand the financial situation, they will be unable to make proper decisions for any area in the school. The goals of the school are set in the yearly budget. The record of how these goals are being accomplished is reported in the monthly, quarterly, and year-end financial statements. The reports themselves do not make management decisions. They only report the details so that those who must make decisions are informed. Clearly presented financial information that is easily understood supports good decision-making; confusing reports tend to hide the issues and prevent or delay decisions.

Financial information is presented, unfortunately, in a language or format that not everyone can readily read and understand. In addition, these reports can very detailed, lengthy and more complicated. Some boards are expected to digest as many as 140 pages of accounting detail and make appropriate financial decisions for the current and future operations of the school, and to do it all, typically, in less than an hour. This may be seen as a sporting challenge to "auditor-types" who pride themselves in finding a 25 cent discrepancy on page 99, but the average board member is confused and bewildered by the sudden information overflow. Even those who have a business background may be confused by some unique aspects of SDA accounting/reporting. Consequently, valuable time allocated for financial decision-making is wasted by thumbing through reams of paper, trying to locate the figures under discussion and in explaining the quirks of accounting.

In order to reach the goal of full board participation every member must understand at least enough to ask questions. Unfortunately, in many lay boards, members seem rely on the few who appear to understand the financial statements. These "financial thought leaders," while dominating the discussion, also control the decision-making aspect as well. Those who are "lost" in the financial statement, are forced to rely on other clues to give an indication as to how they should vote. A frown, sigh, or sarcastic remark by a "financial thought leader" may unduly influence the vote. When board members are unsure, they may delay decisions indefinitely. This does not reflect upon the intelligence or value of board members; it reflects on the level of communication. Those who work with a financial report in a particular format daily may not realize the challenge for someone who does not. In the humorous example following, one can read the financial statement from another point of view. It illustrates how, if the information is not understood, the report becomes useless, decisions delayed and other issues and agendas introduced. To an outside reader, the school financial report may look like this:

ABC Academy
Financial Statement
31 March 2005

355	Ω´´ώ	23423.00	32792.20	11711.50	16396.10	5855.75	8198.05
356	ωςΤΩ ΦΑΩω ΩωXχ	645.00	903.00	1264.20	1769.88	2477.83	3468.96
357	Ω´Ωφ Υ´Ω	789.00	1104.60	1546.44	2165.02	3031.02	4243.43
	Total	24857.00	34799.80	14522.14	20331.00	11364.60	15910.45
358	υ´, Υ´Ω	23455.00	32837.00	45971.80	64360.52	90104.73	126146.62
359	Υ´Υ´ΩςΩ,, ;Ωφύκφε	up 25%	up 75%	continues to rise over the year			
450	Σ´Ωφ Υ´Ω	988.00	1383.20	1936.48	2711.07	3795.50	5313.70
	Total (doesn't add up)	24444.00	34223.20	47908.28	67071.59	93900.23	131460.32
570	φ´ υ´Ω; ´ω Υ´Ω	7897.00	11055.80	15478.12	21669.37	30337.12	42471.96
688	ωXφΩ Xσ ΩωAσσ	234234.00	327927.60	459098.64	642738.10	99833.33	129766.67
799	ΣχΠ φ´	654.00	915.60	1281.84	1794.58	What is this?	
844	Xφ ´EΩ Σ´	45645.00	63903.00	89464.20	125249.88	175349.83	245489.76
	Total	338430.00	473802.00	663322.80	928651.92	130012.69	182157.76
	Subtotal	43453.00	43453.00	43453.00	43453.00	43453.00	43453.00
	Sub Grand Total	381883.00	517255.00	706775.80	Looks big	134565.69	No control
	More stuff (clueless)	161414.00	179386.00	193906.80	123131.00	257696.69	183610.76
555	Ω´´ώ	23423.00	32792.20	11711.50	16396.10	5855.75	8198.05
645	Xφ ´EΣ Σ´	645.00	903.00	1264.20	1769.88	2477.83	3468.96
234	Σ´Σφ ΦXψΣ	789.00	1104.60	1546.44	2165.02	Is this good or bad?	
	Total	24857.00	34799.80	14522.14	20331.00	11364.60	15910.45
789	ΦXψΣ ΦXφΣ´H	23455.00	32837.00	45971.80	64360.52	90104.73	126146.62
233	Vacation fund	100000.00	100000.00	100000.00	time for a new principal		
999	χΤυΣ Tω Xφ	3423.00	4792.20	6709.08	9392.71	13149.80	18409.72
234	Price of eggs	9799.00	13718.60	19206.04	Is this important or relevant?		
	Total	103667.00	105147.80	107186.92	106641.69	140898.36	197257.71
798	T υ´φ´ ρφ´	7897.00	11055.80	15478.12	21669.37	30337.12	42471.96
987	Debts	234234.00	327927.60	459098.64	642738.10	899833.33	159766.67
870	More debts	654.00	915.60	1281.84	1794.58	2512.41	3517.37
423	Bad debts	50000.00	70000.00	98000.00	137200.00	192080.00	268912.00
		Is it just me or do the numbers not add up?					
	Sub Subtotal	Who is the bookkeeper?					
	Grand Total	23453.00	33453.00	43453.00	53453.00	63453.00	93453.00
	Grandiose Total	43453.00	23453.00	53453.00	73453.00	93453.00	Looks bad
	Total and more stuff	-27584.00	-47584.00	-57584.00	-72554.00	-85584.00	Worse

Simple, Understandable, Professional and Accurate Financial Reports

One possible solution to this dilemma is to create a financial report that presents information in simple and easily understood terms. All board members, from treasurer to the non-accountant lay person, must be able to understand and therefore become active participants in the decision-making process. The report must be short but it should include enough detail to indicate that nothing is being hidden and that everything is open and transparent. If this is true then management can concentrate on making appropriate day-to-day decisions and the board will have the necessary information for making relevant decisions.

The central issue is increased communication. Each board member is chosen to serve as a representative for a particular constituency and viewpoint. For any member to be locked out of the vital information found in financial reports is a loss, not only to the individual member, but also to the school. As a goal, the report must be kept *simple*, focused and appropriate to the discussion and time limitations; *understandable* and written in terms as free of accounting jargon as possible; *professional* in appearance so that it speaks of quality and careful preparation; and *accurate* and error-free as possible. Before sending the information to the board, the school administrator can ask the *SUPA* questions: Is it simple? Is it understandable? Does it reflect the professional standards of this organization? Are the figures accurate? The benefits will include an increased communication with the board, an improved image of school management, better decisions by the board to guide administrative action, and as a result, an increased potential for the success of the school. There are probably a number of ways in which a financial report can be formatted to achieve the goals of the *SUPA* test. Whatever model is chosen it must focus on clear communication at first glance.

Creating a Highlights page (Ten Questions)

For whatever reasons, many members are afraid to ask financial questions in board meetings that might reveal their ignorance or an inability to understand accounting. So the project that resulted in the "Financial Report Highlights" page began with the idea: "Ten questions you wanted to ask about the academy finances but were afraid to." Listening to financial discussion in school boards over the course of several years, led to a short list of questions to be included in the Highlights page. Later in discussions of the Highlights page with others, the questions were expanded or changed. The questions included in this model are real questions asked by management and board members.

Financial discussions in many not-for-profit organizations, and especially those that are heavily subsidized by a parent organization, often center on cash flow issues and how resources allocated to the organization have been spent. This was certainly found to be true in the questions asked by board members in this research study. As a result the questions chosen for this model are largely from these two areas. Reporting a single figure may not be meaningful to the reader without a comparison. Each of the questions asked has a current answer and a comparative answer. Sometimes it makes more sense to compare a number with last month, last year or with budgeted amount.

Ten questions were chosen for the first draft and were used for several years without significant changes. They reflected the needs of that particular board. Some issues were relevant to them that would not apply in all cases, such as student labor. Other schools have modified the questions and customized them to fit the needs of their boards.

1. How many students are currently enrolled? (How many were enrolled last month?
How many were enrolled last year at this time?)
2. How much cash did we receive? (How much were we expecting?)
3. How much did parents pay? (How much were we expecting?)
4. How much did students earn? (Off-campus this month (cash), Last month; On-campus this month, Last month)

5. How much did we spend? (How much were we planning to spend?)
6. How much do we owe to others? (How much did we owe last month?)
7. How much do others owe us? (How much did they owe last month?)
8. How much is in the checking account? (How much did we have last month?)
9. How old are our debts to vendors (in days)? (How old were they last month?)
10. How are we doing? (What were we expecting?)

It was felt by some that asking questions in this way made things too simple. Others expressed concern that the questions “talked down” to board members. It might give the impression that they were not seen to be as smart as they should be. Feedback indicates that this was a perception more often of school administrators, conference superintendents and union directors. But interestingly the board members who responded to the initial draft did not widely express that concern. Another option was to state the ten questions as simple phrases. They appear as follows:

1. Current Student Enrollment
Enrollment last month
Enrollment last year at this time
2. Cash Received by the Academy
Projected amount
3. Amount Paid by Parents
Projected amount
4. Amount Earned by Students
Off-campus (cash)
Last month
On-campus
Last month
5. Amount Spent by the Academy
Budgeted amount
6. Amount Owed by the Academy to Others
Last month at this time
7. Amount Owed to the Academy
Last month at this time
8. Money in the Checking Account
Last month at this time
9. Age of Academy Debts to Vendors (in days)
Last month at this time
10. Operating Margin for the Year (to date)
Budgeted margin (for the same period)

The answers to these questions come from a variety of sources. Some are available in the details of the budget and monthly financial statements while others are compiled from other records. In fact, these questions can give a much broader picture of the operations than

simply the financial statement alone. Cashflow questions often arise when anticipated revenues and expenses do not match the budgeted ones. Many questions can be answered before being asked in the board by choosing a budgeting method that does more than assign 1/12th of the budget to each month. Seasonal variations can be anticipated in the budget, making monthly comparisons more accurate and predictive. Many board members reported that they would like to know in a single figure how the school is doing financially. There is no "bottom line" as such. But to answer the question put to the school by the board, the Highlights page includes an "operating margin" a figure that gives the feeling of a "bottom line."

Question Variation

There are hundreds of questions that could be included on the Financial Report Highlights page. However, in order to follow the *SUPA* test, it is important to keep the items to a few important ones—perhaps ten or twelve. Which questions the school would want to adopt are entirely up to the administration and board. Those items of most interest and importance for decision-making should be included. There is something to be said for consistency, and, after a period of experimentation, a set of questions should be formalized and used for a more extended period of time.

In addition to the ten questions in the sample sheet, other questions were suggested by board members:

In the area of income:

How much scholarship was applied to student accounts?

How much conference scholarship was applied to student accounts?

In the area of expense:

How much was spent on utilities?

How is the cafeteria doing? (this question could be asked of any area of special interest for the board to facilitate decision-making)

In the area of receivables:

How much do students owe? (this could also be shown in terms of age of debts: 30, 60, 90, 120 days)

In the area of payables:

How much does the academy owe to vendors? (a particular vendor could be tracked, this could also be aged as in the sample, item 9)

How much does the academy owe the conference? (Or visa versa; this could also be aged as in the sample, item 9)

How much is the loan at the bank? (if there is an operating loan, or other loans, these could be specifically identified)

Other areas not shown on the sample page but that could be included:

How much was borrowed for operating this month?

How much depreciation was funded this month?

How much income came from special grants or subsidies?

How many students are currently employed at XYZ industry?

Only items that are central to the decision-making role of the board should be included on the Highlights page. Too much information might only confuse the issues; ten questions seemed to be the right average for those who have used this format.

Sample Highlights page using the "phrases" format

**ABC Academy
Financial Report Highlights
30 April 2005**

		Difference
1. <u>Current Student Enrollment</u>	195	
Enrollment last month	196	-1
Enrollment last year at this time	192	3
2. <u>Cash Received by the Academy</u>	142,676.38	
Projected amount	125,309.75	17,366.63
3. <u>Amount Paid by Parents</u>	51,673.52	
Projected amount	31,600.00	20,073.52
4. <u>Amount Earned by Students</u>		
Off-campus (cash)	22,237.95	
Last month	22,798.90	-560.95
On-campus	18,282.03	
Last month	15,794.34	2,487.69
5. <u>Amount Spent by the Academy</u>	138,825.46	
Budgeted amount	124,586.29	14,239.17
6. <u>Amount Owed by the Academy to</u>	166,572.30	
Last month at this time	158,552.39	8,019.91
7. <u>Amount Owed to the Academy</u>	260,372.54	
Last month at this time	245,232.68	15,139.86
8. <u>Money in the Checking Account</u>	38,111.59	
Last month at this time	34,260.67	3,850.92
9. <u>Age of Academy Debts to Vendors (in</u>	42	
Last month at this time	33	9
10. <u>Operating Margin for the Year (to date)</u>	129,454.00	
Budgeted margin (for the same	28,321.00	101,133.00

Sample Highlights page using the "question" format

**ABC Academy
Financial Report Highlights
30 April 2005**

		Difference
1. <u>How many students are currently</u>	195	
Enrollment last month	196	-1
Enrollment last year at this time	192	3
2. <u>How much cash did we receive?</u>	142,676.38	
How much were we expecting?	125,309.75	17,366.63
3. <u>How much did parents pay?</u>	51,673.52	
How much were we expecting?	31,600.00	20,073.52
4. <u>How much did students earn?</u>		
Off-campus (cash)	22,237.95	
Last month	22,798.90	-560.95
On-campus	18,282.03	
Last month	15,794.34	2,487.69
5. <u>How much did we spend?</u>	138,825.46	
How much were we planning to	124,586.29	14,239.17
6. <u>How much do we owe to others?</u>	166,572.30	
How much did we owe last month?	158,552.39	8,019.91
7. <u>How much do others owe us?</u>	260,372.54	
How much did they owe last month?	245,232.68	15,139.86
8. <u>How much is in the checking account?</u>	38,111.59	
How much did we have last month?	34,260.67	3,850.92
9. <u>How old are our debts to vendors (in</u>	42	
How old were they last month?	33	9
10. <u>How are we doing? (Operating Margin,</u>	129,454.00	
What were we expecting?	28,321.00	101,133.00

Report Format

A model financial report is presented in this study as an illustration of what can be produced. It is intended to be only a sample from which schools can take ideas in developing their own individualized financial reports. The heart of the concept is found in the balance between questions asked in the "Financial Report Highlights" page and selected accounting detail to accompany that page. With the exception of the "Highlights" page, all the pages in this illustration follow the format outlined in the Academy Accounting Manual.

The sample report includes four sections:

1. Financial Report Highlights (Ten Questions)
2. Balance Sheet
3. Summary of Financial Activity by Function or Classification
4. Selected Details from Financial Activity Schedules

The importance of explaining to board/committee members the meaning of the various elements found in the report must not be overlooked or taken for granted. Some numbers as they increase show improvement while others as they increase indicate serious problems. Since this document may look different from previous financial reports and if the goal is to increase understanding, enough time should be allocated in the first meeting to allow for a thorough in-service. Subsequent meetings should include at least a quick review of these ideas to serve as reinforcement.

Balance Sheet

The balance sheet is also a summary page and usually only one page in length but that does not mean it is easily understood. This page needs explanation, too. Liabilities and assets are confusing and sometimes appear to mean exactly the opposite of what their name suggests. In the interest of clarity and focused discussion (although the whole page should be included), it is suggested that two or three items of significance be highlighted from the Balance Sheet in each report.

Summary of Financial Activity: Spreadsheets

There are two spreadsheets included in this report that reflect the same time period. One is the year-to-date budget which shows the targeted amounts and the other is the year-to-date actual figures. The format shown is designed to show the whole operation in one glance and to note the relationship between the various departments and activities of the school. Although this is not the format in which board members may have been accustomed to seeing the summary of financial activities, with some explanation and practice, this can become a useful and very quick reference to high points and troubled spots in the organization. This format is found in the *Academy Accounting Manual* and is generated automatically by some accounting software packages. These figures can also be represented on pages designed in a more traditional four-column format for budget/actual comparison. Whichever style is used, the goal remains on openness and clarity and brevity.

There probably will need to be some explanation to board members concerning the function transfers and the fund transfers. This may be a new concept to some members. If the budget is originally presented to and approved by the board in this format, it will also make more sense as members see it develop through the year. By including both the Year-to-Date Budget and the Year-to-Date Actual, a comparison can be made by checking the same location on both spreadsheets.

These spreadsheets are valuable in the information they present but also in the fact that on one page the entire operations can be seen at one time. Board members can feel satisfied that they have had a good overview of the operations and then they can concentrate on the variances of importance.

Selected Details from Financial Activity Schedules

The amount of detail provided at this point depends on the information needs of the board. While many questions have already been answered on the preceding pages, additional detail is often asked for in specific areas. Expense areas frequently asked about in more detail are: Instructional Activity (especially employee expenses and department budgets), Maintenance, and Cafeteria. Not all detailed schedules need to be included and even in those that are included not every detail must be presented. Various line items that are important for department managers may be collapsed and reported as one in the reports to the board. What should be included is really up to the administration and, to a certain extent, the board. This will depend on the current areas of concern, areas in which special effort has been directed, or areas specifically requested by the board. Some may feel that, unless all the detail is provided, the administration is attempting to hide something. If the pages of detail are limited to those that are central to the current decisions the discussions will have greater focus and result in better decision-making.

Summary of Financial Activity by Classification

The question is often raised, should the operating statement be reported in terms of function or classification? By looking at functions, management can see various cost centers and compare those with targeted goals. The spreadsheets in this model show them categorized by function. The last page illustrates the summary of financial activity organized by classification. Classification is another way to look at income and expense but focuses on board categories across cost centers pulling together such classifications as salaries, or department expense. The different ways of report simply give a different emphasis on the same information. Some board like to see both; others will decide on one or the other as it suits their needs. The feedback from boards has been that the function or cost center presentation is the more popular but the classification method may need to be included, at least at first, as a reassuring page for those familiar with that way of reporting.

Conclusion

This document was prepared with the goal in mind of increasing the understanding of school financial statements. As it has been shared with various school, conference, and union educational and financial leaders, many see value in developing something similar for their schools. On the whole, the project has been received enthusiastically by those closely related to the schools. Portions of the document were circulated with a short questionnaire.

One director of education said, "Anything that can be done to simplify and point out major areas of concern are welcome—and needed." Another added, "Good work—things needed to be made more understandable." An associate director observed, "I see board members having a better opportunity to see the picture. Full financial statements confuse and at times make it difficult for "lay finance" persons to know for sure what the statement is saying." A superintendent shared it with his board and concluded, "Our people are very happy with this." Board members were also enthusiastic. One wrote, "I think this is a great idea! I can see more applications, thanks." Another one, apparently feeling a need finally met, concluded, "Excellent. Simple questions for simple uninformed board members!"

B. Sample Document

The following six pages illustrate an academy financial report prepared in the *SUPA* format. While based on actual data, the names and dates have been altered to protect the innocent and the guilty.

ABC Academy

Financial Report

30 April 2005

ABC Academy Financial Report Highlights 30 April 2005

		Difference
1. <u>Current Student Enrollment</u>	195	
Enrollment last month	196	-1
Enrollment last year at this time	192	3
2. <u>Cash Received by the Academy</u>	142,676.38	
Projected amount	125,309.75	17,366.63
3. <u>Amount Paid by Parents</u>	51,673.52	
Projected amount	31,600.00	20,073.52
4. <u>Amount Earned by Students</u>		
Off-campus (cash)	22,237.95	
Last month	22,798.90	-560.95
On-campus	18,282.03	
Last month	15,794.34	2,487.69
5. <u>Amount Spent by the Academy</u>	138,825.46	
Budgeted amount	124,586.29	14,239.17
6. <u>Amount Owed by the Academy to</u>	166,572.30	
Last month at this time	158,552.39	8,019.91
7. <u>Amount Owed to the Academy</u>	260,372.54	
Last month at this time	245,232.68	15,139.86
8. <u>Money in the Checking Account</u>	38,111.59	
Last month at this time	34,260.67	3,850.92
9. <u>Age of Academy Debts to Vendors (in</u>	42	
Last month at this time	33	9
10. <u>Operating Margin for the Year (to date)</u>	129,454.00	
Budgeted margin (for the same	28,321.00	101,133.00

ABC Academy Balance Sheet 30 April 2005

Current Assets

S-021	Petty Cash	5,562.20	5,088.01	474.19
S-022	Checking Accounts	38,455.61	51,426.03	-12,970.42
S-023	Passbook Savings	43,596.26	1919.54	41,676.72
S-04	Accounts Receivable	260,372.54	73,048.21	187,324.33
S-06	Inventories & Supplies	46,222.77	40,091.00	6,131.77
S-07	Prepaid Expense	20,594.42	4,798.96	15,795.46
S-081	Due from Operating Fund	50,819.03	31,259.16	19,559.87
S-095	Loan to Operating Fund	322,174.73	322,174.73	0.00

Total Current Assets 787,797.56 529,805.64 257,991.92

Liabilities

Current Liabilities

S-22	Accounts Payable	166,572.30	178,462.16	-11,889.86
S-23	Notes/Loans Payable,	51,905.36	44,325.54	7,579.82
S-245	Deferred Unrestricted	116,887.46	0.00	116,887.46
S-259	Misc. Agency Trust Funds	36,214.94	10,254.33	25,960.61
S-282	Due to Non-Operating	-9,480.85	517.76	-9,998.61

Total Current Liabilities 362,099.21 233,559.79 128,539.42

Net Worth

S-310	Alloc Oper	425,698.35	296,245.85	129,452.50
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Total Liabilities and Net Worth 787,797.56 529,805.64 257,991.92

**ABC Academy
Summary of Financial Activity
Budget--1 July 04 to 30 April 05**

Function Name	Budgeted Income		Budgeted Expense	Increase -Decrease	Function Transfers
	Restricted	Unrestricted			
310 Instructional	104,237.0	591,781.00		- 364,331.0	-336,000.0
<u>Total Instructional</u>	<u>104,237.0</u>	<u>591,781.00</u>	<u>-331,687.0</u>	<u>364,331.0</u>	<u>-336,000.0</u>
340 Guidance	.00	.00		- 55,821.0	55,821.00
341 Health Services	.00	13,453.00		- 2,197.00	-2,197.00
342 Rec/Entertainment	.00	8,705.00	-6,343.00	2,362.00	-2,362.00
343 Registrar's Office	.00	12,827.00		- 2,211.00	-2,211.00
344 Student Accident	.00	4,557.00	-2,750.00	1,807.00	-1,807.00
345 Bus Transportation	.00	25.00	-1,776.00	-1,751.00	1,751.00
<u>Total Student</u>	<u>0.00</u>	<u>39,567.00</u>	<u>-88,562.0</u>	<u>-48,995.0</u>	<u>48,995.00</u>
350 Plant Oper & Maint.	.00	2,300.00		- 158,379.00	158,379.00
355 Greenhouse &	.00	5,940.00	-5,728.00	212.00	-212.00
<u>Total Plant</u>	<u>0.00</u>	<u>8,240.00</u>	<u>-166,407.0</u>	<u>-158,167.0</u>	<u>158,167.00</u>
360 Student Financial	61,333.00	.00		- 4,951.00	4,951.00
<u>Total Student</u>	<u>61,333.00</u>	<u>0.00</u>	<u>-66,284.0</u>	<u>-4,951.00</u>	<u>4,951.00</u>
371 General	.00	34,332.00		- 93,735.0	93,735.00
<u>Total Gen Adm</u>	<u>0.00</u>	<u>34,332.00</u>	<u>-128,067.0</u>	<u>-93,735.0</u>	<u>93,735.00</u>
381 Bookstore	.00	8,145.00	-7450.00	695.00	-695.00
382 Boys' Dorm	.00	83,189.00		- 12,597.0	12,597.00
383 Girls' Dorm	.00	82,179.00		- 15,431.0	15,431.00
384 Cafeteria	.00	201,672.00		- 23,125.0	23,125.00
389 Staff Housing	.00	36,560.00		- 20,306.00	-20,306.00
<u>Total Auxiliary</u>	<u>0.00</u>	<u>411,745.00</u>	<u>-441,897.0</u>	<u>-30,152.0</u>	<u>30,152.00</u>
<u>Total Functions</u>	<u>165,570.0</u>	<u>1,085,665.00</u>	<u>-1,222,90</u>	<u>28,331.00</u>	<u>0.00</u>

ABC Academy
Summary of Financial Activity
Actual--1 July 04 to 30 April 05

Function Name	Actual Income		Actual Expense	Increase -Decrease	Function Transfers
	Restricted	Unrestricted			
310 Instructional	105,208.0	629,445.00		- 429,223.0	-335,998.0
<u>Total Instructional</u>	<u>105,208.0</u>	<u>629,445.00</u>	<u>-305,430.</u>	<u>429,223.0</u>	<u>-335,998.0</u>
340 Guidance	.00	.00		- -61,163.0	55,821.00
341 Health Services	.00	13,434.00		- 2,849.00	-2,197.00
342 Rec/Entertainment	.00	9,339.00	-6,827.00	2,512.00	-2,362.00
343 Registrar's Office	.00	14,328.00		- 3,892.00	-2,211.00
344 Student Accident	.00	5,093.00	-3,231.00	1,862.00	-1,807.00
345 Bus Transportation	.00	.00	-776.00	-776.00	1,751.00
<u>Total Student</u>	<u>0.00</u>	<u>42,194.00</u>	<u>-93,018.0</u>	<u>-50,824.0</u>	<u>48,995.00</u>
350 Plant Oper & Maint.	.00	2,694.00		- -157,477.	158,379.00
355 Greenhouse &	.00	667.00	-630.00	37.00	-211.00
<u>Total Plant</u>	<u>0.00</u>	<u>3,361.00</u>	<u>-160,801.</u>	<u>-157,440.</u>	<u>158,168.00</u>
360 Student Financial	63,716.00	.00		- -2,311.00	4,950.00
<u>Total Student</u>	<u>63,716.00</u>	<u>0.00</u>	<u>-66,027.0</u>	<u>-2,311.00</u>	<u>4,950.00</u>
371 General	.00	7,294.00		- -121,417.	93,735.00
<u>Total Gen Adm</u>	<u>0.00</u>	<u>7,294.00</u>	<u>-128,711.</u>	<u>-121,417.</u>	<u>93,735.00</u>
381 Bookstore	.00	4,503.00	-6528.00	-2,025.00	-695.00
382 Boys' Dorm	.00	92,985.00		- 11,636.00	12,596.00
383 Girls' Dorm	.00	86,914.00		- 11,968.00	15,430.00
384 Cafeteria	.00	222,597.00		- -8,481.00	23,124.00
389 Staff Housing	.00	36,350.00		- 19,125.00	-20,305.00
<u>Total Auxiliary</u>	<u>0.00</u>	<u>443,349.00</u>	<u>-411,126.</u>	<u>32,223.00</u>	<u>30,150.00</u>
<u>Total Functions</u>	<u>168,924.0</u>	<u>1,125,643.00</u>	<u>-1,165,11</u>	<u>129,454.0</u>	<u>0.00</u>

Selected Financial Activity Schedules 30 April 2005

Any number of schedules showing the details behind the spreadsheets could be included. Some examples of useful schedules would include: Instructional Activity (shows conference subsidies, tuition and fees, and a breakdown of instructional salaries and other related expense, and departmental budgets and expense); Dormitories; Cafeteria; and Maintenance. In the interest of simplicity and focus, these pages should be limited to only those that pertain directly to the decisions to be made or areas of question or concern.

ABC Academy
 Summary of Financial Activity
 by Classification
 30 April 2005

	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>YTD 2003-04</u>
Student Income					
Tuition	75,209.93	67,023.84	575,668.54	536,794.54	562,294.04
Fees	1,026.23	933.27	80,494.94	80,614.33	56,073.81
Special Earnings	7,263.77	7,972.18	67,548.40	65,244.122	57,423.34
Departmental	45,245.91	42,264.10	376,969.16	348,572.47	329,376.69
<u>Total</u>	<u>128,745.84</u>	<u>118,193.39</u>	<u>1,100,681.04</u>	<u>1,031,225.46</u>	<u>1,005,167.88</u>
Nonstudent Income					
Departmental	6,933.15	7,324.00	66,382.26	63,175.00	63,057.41
Miscellaneous	1,737.75	9,260.50	22,300.32	52,602.00	23,540.39
<u>Total</u>	<u>8,670.90</u>	<u>16,584.50</u>	<u>88,682.58</u>	<u>115,777.00</u>	<u>86,597.80</u>
<u>Total Income</u>	<u>137,416.74</u>	<u>134,777.89</u>	<u>1,189,363.62</u>	<u>1,147,002.46</u>	<u>1,091,765.68</u>
Expenses					
Salaries	-41,568.83	-43,585.65	-414,581.54	-436,089.83	-415,381.13
Workers Allowances		-12,381.93	-13,986.67	-95,559.49	-93,381.90-
Student Labor	-18,282.03	-20,826.62	-148,059.23	-178,618.13	-181,847.85
Worker Related	-5,746.60	-5,914.89	-56,194.28	-57,159.90	-50,452.79
Supplies & Expense	-45,383.36	-50,564.81	-439,055.35	-446,003.44	-435,286.52
Bad Debt Expense	-1,166.66	-1,166.66	-11,666.60	-11,666.60	-11,666.60
<u>Total</u>	<u>-124,529.41</u>	<u>-136,045.30</u>	<u>-1,165,116.4</u>	<u>-1,222,919.8</u>	<u>-1,149,176.5</u>
<u>Oper. Gain/Loss w/o</u>	<u>12,887.33</u>	<u>-1,267.41</u>	<u>24,247.13</u>	<u>-75,917.34</u>	<u>-57,410.85</u>
Church Sub. and Grants	11,191.69	10,173.76	105,208.11	104,237.59	202,738.53
<u>Net Increase/Decrease</u>	<u>24,079.02</u>	<u>8,906.35</u>	<u>129,455.24</u>	<u>28,320.25</u>	<u>145,327.68</u>