

Best Practices for a Successful and Timely CAR

Software System

- Understand how it works. Contact the vendor for training if necessary.
- Become familiar with every report and the capabilities of the system.
- Run updates when they are released.

Support Services

- Take advantage of organizations like Iowa Association of School Business Officials (IASBO), Iowa Association of School Boards (IASB), Iowa School Finance Information Services (ISFIS), etc.
 - Training and conferences.
 - Information on websites.
 - Mentoring services are available through IASBO.
- Network with neighboring district business managers, AEA business manager.
- Use resources at the state level.
 - Department of Education (DE), Department of Management (DOM), etc. – use the website and contact the appropriate people with questions.
- Read the material sent from the Department of Education and Department of Management.

Supervisor

- Communicate with your supervisor. This person is a check and balance and could be the superintendent or an audit committee. It is a good practice to periodically review the reports that are due to the DE and have this person monitor progress. Reports that are tied to the CAR that must be completed are the Juvenile Home Claim (AEA only), Special Education Supplement (SES), Annual Transportation Report (ATR), and CNP-2.

Beginning of Fiscal Year

- Code staff to the proper account codes. Consult the Uniform Financial Accounting Manual (UFA) before creating new account codes. Consult the DE website regularly to ensure you are using the most current UFA. The Iowa Chart of Account Coding is posted monthly with the most recent updates.
- Certified teaching staff receiving Teacher Salary Supplement (TSS) should have an account code for TSS that matches function and program to the salary code. Staff that fulfills more than one function will also have more than one salary code and an accompanying TSS code for each salary code.
- Code as much as possible up front to show usage during the year instead of making journal entries at the end of the year.

- Review account codes. Eliminate those that aren't needed anymore. Add codes as needed.
- Have conversations with the superintendent about the state and federal project codes. Find out what and who is supposed to be coded to things like At-Risk, TAG, Dropout Prevention, Title monies, individual grants, etc. and code them up front.
- All funds should be on one financial system. If they are not, work towards getting that into place ASAP.

Monthly Procedures

- Deposit and post all receipts on a timely basis within the month. This would include automatic deposits from the state and other governmental agencies as well as local bank deposits.
- Reconcile bank accounts each month for all funds.
- After month end, look through the balance sheet.
 - Look through the balance sheet and understand the different accounts.
 - If an account should have zeroed out after payroll and it didn't, investigate now.
- Look through the revenues and expenditures for anything unusual.
 - Make sure revenues are recorded to revenue accounts and expenditures are recorded to expenditure accounts.
 - Investigate negatives. There are only a few allowable incidents when revenues should be recorded to expenditure accounts, such as a refund of an overpayment, or indirect costs in object code 95x.
 - Review actual expenditures for individual categorical funded programs to ensure expenditures align with budgeted revenues.
 - Monitor total expenditures against the Certified Budget to determine if a budget amendment becomes necessary.

End of Fiscal Year

- Look at State and Federal Project Numbers. Check to see if any funds should be restricted (state) or deferred as Advances from Grantors (federal).
- Check total revenues against information posted on the web by the DE or DOM for accuracy.
- Review tax deposits and be sure they have been coded properly. Mobile Home taxes, Utility Excise Replacement Tax, and Military credit have their own source number and are not coded with property taxes.
- Do journal entries for succeeding year's property taxes and income surtax. These entries have been explained in [School Business Alerts](#).
- Make sure all accrual, receivable and payable entries have been made.
- Although the CAR is not required to be an audited report, districts may want to schedule and complete their audit prior to the CAR certification. If adjustments need to be made after certification, journal entries may be made in the subsequent year's financials.

However, do not wait for the audit to be completed before filing the CAR. The CAR must be filed timely.

- For assistance in the above concepts (i.e. restricting, recording advances from grantors, accruals, receivables, payables, etc.), contact the DE staff listed on the bottom of the COA-CAR data collections or the district's auditors.

Certified Annual Report (CAR)

- Test new account codes for validity in the COA Test site.
- Once the current year's test system is in place in the spring, run a test file. Continue to do this often and eliminate errors.
- When the CAR upload is available in August, most of the work to eliminate errors in the district's financial accounts should have been completed by using the test system. Continue uploading into the data collection. Finish fixing the problems. Then review the Special Education Supplement (SES) and Annual Transportation Report (ATR) and make any changes to the financial records prior to certifying the CAR.