

# HOW TO USE THIS MANUAL

The *Financial Management for Georgia Local Units of Administration* (LUA) is designed to assist LUAs with improving their financial management systems. The manual may be used as an educational tool for new personnel or for those less experienced, and as a reference guide for experienced personnel. The manual can serve as an introductory text for those needing to familiarize themselves with LUA financial management and the financial requirements for Georgia LUAs. On the other hand, this manual can aid those already proficient in these disciplines by serving as a reference tool that provides quick access to needed information.

## ORGANIZATION

The structure of this manual is designed to facilitate its use and is divided into the following general sections:

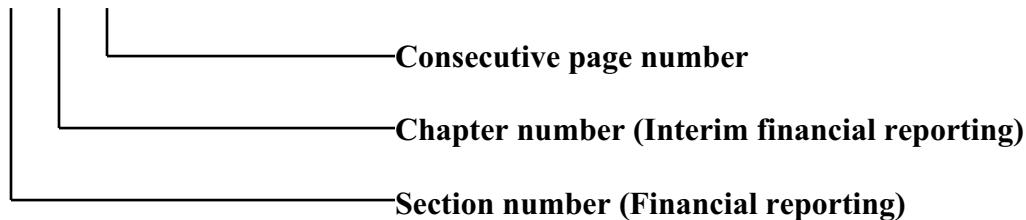
- **Table of contents** includes the first two text subhead levels. In addition, the manual includes at least one additional level in some chapters to assist the reader in finding desired topics.
- I. **GAAP ACCOUNTING AND FINANCIAL REPORTING PRINCIPLES** – The first eight chapters of the manual provide an examination of the basic principles that underlie governmental accounting. The accounting for specific topics is presented in chapters 9 - 13. A detailed discussion of each of the fund types and account groups is presented in chapters 14 - 20. QBE accounting is highlighted throughout this section.
- II. **FINANCIAL REPORTING** - This section includes a description of the structure and content of interim and annual financial reports in the public sector. Chapter 23 presents a detailed description of the financial aspects of the Quality Basic Education (QBE) Act. Chapters 25 and 26 contain the reporting requirements for LUAs with deficit fund balances and an explanation on the calculation of indirect costs available to LUAs.
- III. **THE ACCOUNTING CYCLE PROCEDURES** - A variety of the various accounting sub-systems are reviewed in this section.
- IV. **FINANCIAL MANAGEMENT** - This section includes detailed discussions of each financial management topical area. As part of these discussions, both Georgia statutes and GA DOE administrative rules are presented in detail. Both the theoretical side and the practical side of the topics are presented.

- V. **OTHER INFORMATION** - Specific regulations regarding travel, state and federal programs and records retention are presented.
- VI. **REGIONAL EDUCATION SERVICE AGENCIES (RESA)** - This section provides specific information for those personnel working in RESAs. Any general discussions that apply to RESAs are included in the applicable chapter throughout the manual. However, those issues only applicable to RESAs are presented in this chapter.
- VII. **DELETED**
- VIII. **APPENDICES** - These appendices provide the user a reference to answer specific questions regarding terms or account coding problems.

### **General Use of Manual**

Each chapter of the manual begins with an information box which provides an update on the status of the chapter. The "List of Manual Updates" provides the reader with assurance that the manual has been updated by the GA DOE. Care needs to be taken to insure that all updates have been appropriately incorporated into the manual. Each chapter is numbered separately. The section number followed by the chapter number is included on each page of the manual. In addition, each chapter is numbered consecutively. A sample page number follows:

**II-21-4**



### **Using the Manual as an Introductory Text**

As the contents of the manual change, become obsolete, or new requirements are added, the Financial Review Section will post the appropriate pages to the Index page listing the Sections and Chapters. Although the Manual's chapters are relatively self-contained, a certain order should be used in approaching the chapters to enhance an understanding of the material. If the reader lacks a sound foundation in basic accounting principles, chapters 1 - 8 should be read and reviewed in order. Each of these chapters includes a summary which might be reviewed initially to determine if the reader already has a working knowledge of the data presented. Chapters 9 - 13 provide more specificity about the chapter topic. Chapters 14 - 20 are devoted to individual fund types and account groups assume that the reader is familiar with the basic principles of governmental accounting outlined in chapters 1 - 13.

Section II provides the reader with much detail regarding LUA financial reporting. Chapters 21 and 22 of this section provide the basics of both interim and annual financial reporting. Chapters 23 – 26 provide specifics for LUAs reporting in Georgia.

Section III explains each of the accounting cycles used in LUA financial management. This section provides an overview for less experienced personnel.

Section IV illustrates numerous financial management techniques LUA use in each operating area. Each of these chapters not only provides standard topical techniques, but discusses in detail the specifics of the area in the State of Georgia.

Section V is important for the less experienced personnel since it includes the state mandated travel regulations (Chapter 40), the specific state and federal accounting and reporting requirements and a brief discussion of records management.

Section VI has been deleted (regional libraries are now a part of the Board of Regents).

Sections VI provides specific details regarding regional education service agencies.

Section VIII presents the Appendices.