

# EDUCATION

Microsoft Dynamics

## How School Districts Can Integrate Business Software and Tools with Microsoft® Dynamics™

Date: January, 2007



# Table of Contents

- Streamlining Strategies for School Districts..... 3**
- Human Resources Workforce Optimization ..... 4**
- Integrate Payroll and HR—Save Time and Labor ..... 4**
- Better Together—Integrate Business Applications with Microsoft Office Tools ..... 4**
- Improve Financial Performance ..... 5**
- Financial Insight and Control Make Sound Decisions ..... 6**
- Accurate Account Management and Reconciliation ..... 6**
- Increase the Value and Leverage of Contracts and Grants Funding Sources ..... 7**
- Develop and Maintain Solid Budgets ..... 7**
- Discover a Winning Solution for Your Organization ..... 8**
- Consider the Safe Choice ..... 9**

## ***Streamlining Strategies for School Districts***

School districts have highly specialized requirements to support district financial, procurement, and human resource operations. Demonstrating a high level of accountability and wise use of contracts and grants to your board, state, federal, and other funding sources is crucial for future funding and the success of your mission. You also need to consider that regulatory requirements are becoming more stringent. Regulations, such as Governmental Accounting Standards Board (GASB) 34 and state-mandated reporting, already demand highly specific accounting transactions and financial reports for school districts. The ability to support the No Child Left Behind (NCLB) Act by effectively tracking teaching competencies and the need to recruit highly skilled staff requires full integration of human resource data and student information systems. Today's K-12 administrators are challenged to do more with less.

With so many demands, and so much riding on the bottom line, school administrators need a powerful ally in the back office. In your district, you might face limited availability of staff resources and funding. Practical, flexible, and affordable tools geared for K-12 school districts allow administrators to effectively monitor budgets, streamline accounting functions, track encumbrances, comply with GASB 34 requirements, manage unique payroll requirements, automate reporting, and more. Microsoft® Dynamics™ can help reduce cost—and increase efficiency—by streamlining key administrative functions, including:

- Financial Administration
- Accounts Payable and Receivable
- Fund Accounting
- Contract and Grant Management
- Budget and Encumbrance Management
- Fixed Assets Management and Reporting
- Human Resources/Payroll
- Staff and Teacher Recruiting
- Workforce Management
- Certification and Skills Tracking
- Specialized Payroll for School Schedules

Regardless of whether you're a small or large school district, Microsoft Dynamics delivers financial and human resource management solutions that can help you serve the needs of your board and community. Microsoft Dynamics can give you the tools you need to comply with regulatory requirements, satisfy the demands of grantors and sponsors, use your budget and other resources more effectively, and increase your financial insight and control. This white paper gives you a few practical suggestions for improving the financial and workforce management in your district.

## ***Human Resources Workforce Optimization***

Manage the potential of district staff and faculty by maintaining and automating the tracking of skills, teaching experience, and certifications. Record and quantify teaching staff by consolidating employee demographics and support the process of NCLB. Track employee skills or enhance existing ones by providing specific training, typically a manual process.

- Track recruitment and training programs to support Improving Teacher Quality State Grants.
- Effectively maintain staff skills such as bilingual capabilities and other competencies that enable district eligibility for education grants.
- Provide detailed substitute staffing information.
- Manage every aspect of the employee life cycle smarter, faster, and better—for less cost than any other system.
- Increase employee satisfaction by offering flexible employee and manager self-service capabilities.
- Deliver the information that district staff and administrators need to make better-informed decisions.

With Microsoft Dynamics, school districts can get a concentrated view of staff competencies and support the proper use of their existing workforce, develop career plans, and identify recruiting needs.

## ***Integrate Payroll and HR—Save Time and Labor***

Microsoft Dynamics tightly integrates financial, payroll, and human resources functions to help reduce internal silos of information in schools and improve quality of data. Data can be entered or updated once and shared throughout school IT systems, thereby improving internal efficiency and communication between departments. The uniqueness of K-12 school district accounting is never more apparent than in the human resources and payroll management area. Microsoft Dynamics offers a toolbox for calculating and managing school districts' complex payroll inputs, including flexible pay and contract periods, variable compensation packages, licensure, certifications, and tenure. It also enables school administrators to calculate, track, and electronically file paycheck data, employee updates, and service credits, as required by teacher retirement agencies.

## ***Better Together—Integrate Business Applications with Microsoft Office Tools***

With Microsoft Dynamics as your strategic application solution, you can leverage your existing Microsoft Office productivity tools to drive operational efficiencies and bottom-line results. The integration of Microsoft Dynamics with Microsoft Office allows your staff to view and present information using the tools they are already familiar with.

Integration with Microsoft Office enables you to:

- Simplify and consolidate existing systems.
- Eliminate multiple redundant systems.
- Provide district-wide access to faculty and staff regardless of platform.

How are you using individual applications now? Are those systems working together as efficiently as possible? You want the whole of your software to be greater than the sum of its parts. The name of the game today is collaboration—collaboration of processes between multiple departments and disparate systems.

Some benefits of implementing Microsoft Dynamics include:

- Less duplication and lower potential for errors—Introduce consistent, flexible automation and centralization into all areas of district management to streamline your efforts and minimize the potential for errors, and eliminate redundant data entry and other unproductive busywork. For example, to effectively manage their budgets, K-12 school administrators need financial data at their fingertips. The advanced reporting in Microsoft Dynamics allows financial officers and business directors to closely monitor expenditures and quickly analyze data for tight fiscal control. When finer detail is needed, users can quickly export Microsoft Dynamics reports to Microsoft Office Excel®, saving the time and effort of re-creating tables and charts.
- More strategic management—Lighten the load on your school administrators and let them concentrate on critical and strategic tasks with comprehensive reporting and automation capabilities designed with school districts in mind.
- Improved financial management and operational efficiency—Effectively share information across the district, using a Microsoft Windows®-based financial software solution that's designed to integrate easily with your other systems. With integrated systems, you'll be able to make sure that decision makers and financial managers see the information they need in comprehensive, well-designed reports, so they can make sound business decisions.

Microsoft Dynamics Financial Management can help you automate many business transactions and make them available over the Web. This automation could entail Web-based reporting, self-service capabilities, and more efficient project management.

One of the biggest “time-wasters” in school districts is the constant need to reenter data from one system to another. For example, many districts must manually reenter information from their student or grant management software to their accounting system. This manual process costs valuable employee time, is error-prone, and delays important reporting for the organization. Without timely and complete data, districts often don't have the information they need for critical analysis and accurate forecasting to avoid financial problems.

## ***Improve Financial Performance***

When you make your financial performance more productive and cost-efficient, you can increase the positive visibility of your district's accomplishments. To optimize financial performance, your district requires a high degree of flexibility, control, and responsiveness in its financial administration. You can track Title I funds and avoid budget cuts due to lower performance.

Microsoft Dynamics Financial Management gives you flexible reporting, analysis, and budget control tools to help you resolve issues before they have a negative impact on your finances. For instance, you can accurately forecast future expenses; increase the predictability of financial events, and direct resources for the best financial results. Accurate forecasting is critical when budgets are tight. Microsoft Dynamics can help school administrators plan appropriately with insightful, hypothetical data. With a few simple clicks,

administrators can analyze the effect of a possible union contract renegotiation on the current budget, or determine if next year's salary budget can accommodate a standard-rate-of-inflation increase.

Budget control capabilities help you avoid overspending and maintain balanced accounts with confidence. At any time, you can assess the status of your budgets with little effort. By creating reporting dimensions in Analytical Accounting, you can track information without having to refer to the chart of accounts. In order to fulfill your mission, it is necessary that you are able to evaluate your programs' performance and change direction quickly. Highly customizable reports allow you to highlight grant performance and show your grantors what they need to see, while giving you the ability to identify areas for improvement so you can respond and implement any corrections quickly.

### ***Financial Insight and Control Make Sound Decisions***

Successfully managing a school district demands accurate financial reporting and access to financial information, so that you can assess the status of your budgets at any time with little effort. In addition, school districts require flexible reporting options that meet their unique needs, while providing deep financial insight to help make sound business decisions. The financial management reporting tools from Microsoft Dynamics Financial Management give you the ability to create highly customizable reports that you can distribute with ease and to analyze financial data by any criteria you require.

Microsoft Dynamics Analytical Accounting gives you the reporting flexibility and extensibility to analyze financial data by your unique requirements. You can define the specific information that is important to your organization with limitless, user-defined transaction dimension codes and account classes that help you take control of your accounting processes. With Analytical Accounting, you can capture additional financial data without having to define this information as a segment within the general ledger chart of accounts. Transaction dimensions and dimension codes are defined to capture additional data during transaction entry. Dimensions may be alpha-numeric, numeric, date, or logical yes/no. For easy manipulation, Analytical Accounting reports are created using an inquiry wizard that produces the desired reports in Microsoft Office Excel® format. And multilevel reporting gives you a detailed view into your transactions and enables deep analysis for even better decision-making.

Creating reports that everyone can understand and delivering them to the people who require them can be a daunting task. Microsoft FRx® helps you master your financial reporting processes with high-performance capabilities that give you comprehensive, flexible, presentation-quality financial and management reports that are easy to create, distribute, and use. Create reports using a "building block" approach to help ensure that each report is built to meet your needs, and take advantage of Web-enabled reporting so that you can distribute reports and other critical information to anybody, at any time. Empower everyone—from the board members to the staff accountants—with a full understanding of funds, expenses, and financial performance.

### ***Accurate Account Management and Reconciliation***

Many school districts struggle with manually reconciling information and typically have unique fund-tracking needs. Funds often require special setup within a financial management system in order to comply with an increasing number of strict reporting guidelines. Microsoft Dynamics helps provide the confidence that accounts are balanced and reporting to state agencies is accurate.

The enhanced reporting functionality of Microsoft Dynamics gives school administrators General Ledger tools to comply with state financial reporting requirements and provides them with a flexible chart of accounts that allows for various sorting and reporting options to meet state, as well as internal, reporting needs. Fund accounting is streamlined so school districts can readily provide required fund financial statements to state and federal regulators or grant-making agencies. Better reporting and drilldown capabilities allow auditors to quickly justify past, present, or future educational expenditures, which can pave the way for schools to receive additional grant funding. And with advanced fund accounting and tracking capabilities, school districts have the necessary applications to meet all state and local financial reporting requirements.

To accommodate the unique reporting needs of school districts, you can assign a unique ledger account to each fund that provides revenue, expense, and balance sheet reports; and you can summarize funds as a whole within the organization. In addition, you can edit reports for verification prior to posting without affecting the General Ledger, thereby making financial results more accurate and accessible. This kind of verification helps ensure effective compliance with strict GASB reporting requirements.

## ***Increase the Value and Leverage of Contracts and Grants Funding Sources***

Carefully tracking contracts, grants, and other funding sources is crucial to the success of your district so that you can comply with strict regulations and guidelines, and demonstrate accountability to sponsors in order to improve your chances to obtain extended grants and future funding. Managing and allocating grants and other funding sources manually, however, can be a productivity drain.

Microsoft Dynamics Grant Management helps streamline and automate the grant management process and lets you keep a closer eye on daily transactions and expenditures. Tight integration with Analytical Accounting lets you easily create budgets for grants and other transaction dimensions for greater insight into your grants and funding sources.

With Grant Management, you will also be able to:

- Centralize grant information and help ensure that it's secure, accessible, and up to date so that you can accurately track costs for the entire life cycle of a grant.
- Focus on grant performance and funding allocation, instead of manually calculating amounts used, by monitoring daily business transactions and expenditures with automatic warnings that notify you when you've exceeded the budget or when transactions are allocated outside of a grant timeline.
- Help ensure compliance with regulations by automatically tracking accounting transactions to specific grants and programs, and allocating costs based on grant and program budgets.
- Manage grant information flexibly; independent of your district's fiscal reporting periods and with the ability to distribute a specific transaction to multiple grants, projects, or both.

## ***Develop and Maintain Solid Budgets***

One of the biggest challenges facing school districts is solid budget planning and management. Providing financial data to school administrators in a format that is easy to use allows key staff to closely monitor expenditures and manage cash flow. With strong budget-planning and management capabilities,

Microsoft Dynamics Financial Management helps position your district for excellent financial practice and performance. Administrators can also access data with tools such as Excel and Word.

The following specific functionality is available within the Microsoft Dynamics solution suite to help you effectively manage your district's budgets:

- Microsoft Dynamics Encumbrance Management—Staying within budget is complicated by the need to track encumbrances, an important task for school districts. Recording encumbrances serves as a valuable aid for keeping expenditures within budget because without proper handling of encumbered funds, districts run the risk of overspending. Often, processes for checking budgets against expenditures are manual and time-consuming. With Encumbrance Management, encumbered funds can be tracked automatically, which can help reduce the risk of overspending on specific accounts with automated messages. Also, it helps ensure funds will be available when purchases are made, providing immediate tracing upon entering transactions and encouraging effective cash planning and control.
- Microsoft Dynamics Commitments, an enhancement to Requisition Management—One of the best ways to preserve your financial integrity as a school district is to avoid budgeting surprises that you would need to justify to your school board, sponsors, or donors. By tracking requisitions as commitments, the Commitments module within Microsoft Dynamics helps you forecast future expenses so you can maximize control of your requisition process and maintain tight control of your budget. To avoid overspending, users who generate or approve requisitions receive a notification when a transaction surpasses the budgeted amount. When notified, users must approve overspending—consciously making the decision. Budget accountability, therefore, becomes the responsibility of anyone authorized to approve requisitions.
- Microsoft Dynamics Control Account Management, an enhancement to Payables Management—Save time and avoid human error by identifying the proper distribution of Accounts Payable to multiple control accounts, and eliminate the need to reconcile reporting segments manually. Review distribution of funds in a summary report at the level of detail in which you are interested.

## ***Discover a Winning Solution for Your Organization***

Financial accounting and management systems from Microsoft Dynamics can help you integrate all of your information. Microsoft Dynamics applications come packed with tools to help improve decision making, eliminate time-consuming reporting processes, and allow access anytime to information across your entire district. Microsoft Dynamics is a complete solution for K-12 school districts with financial management capabilities integrated into the application, so you can realize tangible benefits in efficiency, control, and productivity very shortly after implementation.

With automated and streamlined financial management, you help ensure tighter budget control, positioning your organization for improved financial performance. Microsoft Dynamics is an award-winning solution—named “Best Financial Application” by the SQL Server Magazine 2004 Readers’ Choice Award Competition—designed to meet your unique needs now and in the future.

## ***Consider the Safe Choice***

You can rely on Microsoft Dynamics to provide the foundation and resources to support your important mission. School district budgets are tight and staffs are lean, yet the demand for timely, accurate financial information and accountability has never been greater. At Microsoft, we understand your needs and have demonstrated a commitment to school districts with flexible, affordable, real-world solutions for K-12 financial and human resources management. With more than 250,000 customers worldwide, Microsoft Dynamics is a proven performer.

With Microsoft Dynamics, you only pay for the functionality you require, and can maximize your return on investment and have an additional opportunity to demonstrate your fiscal responsibility. An expert network of worldwide partner organizations deliver Microsoft Dynamics solutions and share a commitment to lasting customer relationships, and are deeply familiar with the business issues school districts face. Microsoft Certified partners provide personalized, local service—from planning to implementation, and ongoing support. They help make sure you receive the business solution best suited for your precise needs.

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems your company already has implemented. By automating and streamlining financial, customer relationship and supply chain processes, Microsoft Dynamics brings together people, processes and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

Worldwide (1) (701) 281-6500

U.S./Canada Toll Free (1) (888) 477-7989

[www.microsoft.com/dynamics](http://www.microsoft.com/dynamics)

The information contained in this document represents the current view of Microsoft Corporation on the issues discussed as of the date of publication. Because Microsoft must respond to changing market conditions, it should not be interpreted to be a commitment on the part of Microsoft, and Microsoft cannot guarantee the accuracy of any information presented after the date of publication.

This white paper is for informational purposes only. MICROSOFT MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN THIS DOCUMENT.

Complying with all applicable copyright laws is the responsibility of the user. Without limiting the rights under copyright, no part of this document may be reproduced, stored in, or introduced into a retrieval system, or transmitted in any form or by any means (electronic, mechanical, photocopying, recording, or otherwise), or for any purpose, without the express written permission of Microsoft Corporation.

Microsoft may have patents, patent applications, trademarks, copyrights, or other intellectual property rights covering subject matter in this document. Except as expressly provided in any written license agreement from Microsoft, the furnishing of this document does not give you any license to these patents, trademarks, copyrights, or other intellectual property.

© 2007 Microsoft Corporation. All rights reserved. Microsoft, Excel, FRx, Microsoft Dynamics, the Microsoft Dynamics logo, and Windows are either registered trademarks or trademarks of Microsoft Corporation, FRx Software Corporation, or their affiliates in the United States and/or other countries. FRx Software Corporation is a subsidiary of Microsoft Corporation. All other trademarks are property of their respective owners.

The Microsoft logo, consisting of the word "Microsoft" in a bold, sans-serif font.