



Gleaning Powerful Insights From Financial Data

A modern approach to budget monitoring can have a widespread impact on schools' decision-making capabilities.



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K-12 SCHOOL DISTRICTS ACROSS the country are moving forward on their IT modernization journeys because they know technology is the key to achieving their districts' educational missions. Today's technology advances are directly supporting teachers and students, but school performance also benefits from improvements to back-office operations. Better budget management in particular can have a meaningful impact on a wide range of goals.

The latest technologies enable schools to automate routine activities, such as processing and paying invoices. An automated system can more quickly, efficiently, and accurately capture information than humans can, but even more importantly, automation opens up the ability to adopt machine learning, which can identify important patterns and trends in spending. By freeing the finance team from mundane tasks and providing richer insights into how budgets are being used, schools can plan more effectively and ensure their money is being spent wisely.

Furthermore, the Every Student Succeeds Act of 2015 requires states to provide per-student spending data to the federal government. In 2020, Lucy Hadley, Elizabeth Ross and Marguerite Roza of **Edonomics Lab**, a university-based research center, assessed states' progress

on providing that data. "It's hard to think of a time when education leaders need financial data more as they grapple with tough financial decisions for schools," they wrote. Among other benefits, data "can daylight schools that were shortchanged well before the pandemic so district leaders can prioritize their protection from cuts (or at least lessen the blow)."

The researchers also noted that to comply with the act, "some states had to devise new reporting and/or accounting protocols, train district leaders in how to assemble financials for reporting, and/or hire vendors to assemble and display the data." Fortunately, the U.S. Education Department offers a **self-diagnostic framework and an analysis tool** to help states and districts meet the act's requirements by identifying and analyzing school-level expenditure data.

Meanwhile, superintendents are hungry for actionable data. In a 2022 public opinion poll by the Data Quality Campaign (DQC) and the AASA: The School Superintendents Association, 90% of superintendents said better access to information would give them more confidence in their ability to make decisions for their districts.

"Data that is easy for all users to find, understand, and act on is paramount," said Jennifer Bell-Ellwanger, president and CEO of



DQC, in a **press release**. “State leaders must prioritize modernizing their data systems to ensure that data works for everyone who needs it to make decisions.” In a separate document on **fiscal transparency**, DQC states that “when school spending data is presented side by side with student outcomes data, leaders can make

better decisions about how to help students in the classroom.”

At a time when they need to make every dollar count, administrators can take the guesswork out of budget planning and management by adopting systems that help them better capture and understand data.

How Budget Transparency Fuels Modernization

Visibility into budgets and spending is an essential element of any strategy that seeks to modernize technology and education.

SUCCESSFUL MODERNIZATION begins with an honest evaluation of a school district’s current systems and an understanding of the technology changes it needs to plan and budget for so that it can increase efficiencies. A modernization strategy should also seek to eliminate technical debt, which accumulates when a district has invested in the wrong technology or when a technology has outlived its purpose.

Furthermore, optimizing budget efficiency is an essential element of achieving a district’s modernization goals and improving education. When schools decrease the amount of money they spend on administration and have greater insight into spending, they can increase the amount of resources going directly to education.

Shifting from Mundane to Value-Added Activities

During the coronavirus pandemic, school districts across the country recognized that they needed to modernize their systems to better serve students, teachers and parents. And many of those districts have begun to make progress

on their modernization journeys. However, it’s important to note that a like-for-like replacement is not an improvement because it does not take advantage of the innovation happening in the technology industry today.

By deploying technologies that streamline operations and make them more efficient, school districts enable employees to concentrate on value-added activities rather than on mundane, manual tasks. That’s because the most effective technologies rely on automation to provide near-real-time insights into where money is being spent, who’s spending it and what it’s being spent on. There’s no way to optimize a budget without that kind of transparency.

SAP Concur’s cloud platform deploys artificial intelligence, machine learning and other cutting-edge technologies to capture all the spending data within a school district. Wherever money is moving, we track it, record it and provide visibility into it. Superintendents, principals and school board members can easily pull up a dashboard to see where the district’s money is going, how cash flow is looking and whether any spending patterns require

attention. When school districts have that kind of valuable data, they can use it to create the business outcomes they want.

In addition, SAP Concur's technology is one of the links in the security chain that prevents purposeful or accidental losses of money. For example, when a charter school was breached last year, a bad actor wrote an invoice for \$1 million, and payment for that invoice was authorized. However, SAP Concur's technology caught the fraudulent transaction and stopped the payment. If our solution had not been in place, that money would have been gone forever.

Seamless Integration with Financial Systems

SAP Concur is an agnostic platform. Regardless of what financial solution a school district uses, we can interface and integrate with it at some

level to automate the movement of information into the main financial system so that all transactions are appropriately posted.

We're also a bridge technology, which means that if a district decides to change its core financial system, that change has no impact on SAP Concur. The district's technology investment with us is secure. We continue to work seamlessly with our customers' financial systems even when they upgrade an existing solution or choose a new one.

The core of SAP's mission in the K-12 space is to create an environment in which schools have transparency into where, why and how their money is being spent so that they can achieve their educational missions.

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- B. Comply with regulations
- C. Help students succeed
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