

ASBO International

Certified Administrator of School Finance and Operations® (SFO®)

Guide to Studying for the Examinations



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ASBO International's certification program is governed by the Certification Commission, a semi-independent certifying body of the Association of School Business Officials International. In adherence to best practices for certifying bodies, Certification Commission volunteers and certification staff are not involved in the development of any preparatory program, and no preparatory program is endorsed by the Certification Commission nor is a prerequisite to earn the certification. The Certification Commission and its staff are solely responsible for the policies and administration of the certification program, including application procedures and qualification requirements.

About the Authors:

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Overview of the SFO Credential Program

Economic challenges continue to have a huge impact on our schools and force difficult choices that erode trust in the communities we serve. In these complex financial times, it is important to demonstrate to the community that your school's finances are managed by knowledgeable and ethical administrators.

As ASBO International examined the certification requirements for school business officials across the United States and Canada, it discovered a great diversity. Some states/provinces have no minimum requirements and some states/provinces require a master's degree and state/province licensure. The discovery of this discrepancy led to the development of the Certified Administrator of School Finance and Operations (SFO) program.

SFO certification is the professional credential that addresses these concerns. Developed by school business management professionals, SFO certification adheres to the ASBO International Certification Code of Conduct and validates the essential skills and knowledge all qualified school business management professionals should have to meet their responsibilities.

Obtaining SFO certification is a straight-forward process. A candidate must first meet the eligibility requirements, take and pass a two-part exam that covers Accounting and School Business Management, and adhere to the ASBO International Certification Code of Conduct.

The following materials were developed to help candidates prepare for the SFO examination. The documents address self-study versus study groups and how to start and run an effective study group. Exam content areas and format are presented. There is a discussion of existing resources to help candidates study for the exam, including some practice questions and answers. Exam day preparation tips are also offered.

The test was designed to be a comprehensive exam that demonstrates preparedness and professional commitment. Congratulations on your decision to pursue the SFO certification. Good luck.

Visit www.asbointl.org/certification for detailed information addressing the eligibility criteria and application process for the program.

How to Prepare for the SFO Certification Exam

Learn what will be covered in the test.

ASBO has identified the competencies and major content areas covered by the exam along with the percentage of questions relating to each area. Review the listing to hone in on the areas with which you feel comfortable and those areas about which you believe you know the least. Use this review to prioritize your study time. The exam content areas are listed on pages 9-10 of this document.

Assess how well you know the content.

It is easy to think you are more prepared for the exam than you really are. Think carefully about how well you know each of the areas. After becoming familiar with the competencies and content areas, review the sample questions. Review the correct responses to the sample questions to help identify areas that need further study. Use the review to focus the majority of your study time on the areas with which you feel least familiar. However, all areas tested demand serious review; leave time to review all content areas.

Collect the materials you need to study.

This document discusses existing resources available to support you as you study. For example, did you take a course in which the area was covered and do you still have the textbook or your notes? Does a local library—public or college—have materials you might borrow? Do you know a teacher or professor who can help organize the study? Is there someone in your state/province who previously earned the certification that you could approach for assistance? Would a study group work best with your learning style and help maintain your momentum?

Plan and organize your time.

Be honest with yourself about when you will actually devote time to study. It's probably not feasible to plan to study at night after working all day. Set a realistic schedule that will help you be successful. A variety of testing dates are available, so when selecting your test date(s) be sure to allow sufficient time to study before the exam.

Take additional courses.

Talk with a local professor, your state/province ASBO affiliate organization, or other school business officials to help you determine if there are specific courses you can take that cover the content areas you have not yet studied.

Form or join a study group.

A study group can be an effective way to review content. Group study may be most effective after you have identified the areas in which you need the most review. A group that focuses on that particular area may be most beneficial. See below for guidance in starting a study group.

How to Start a Study Group

Candidates who pool their resources and study together may be more confident in their knowledge and more likely to be successful in passing the exam. The group might even consider scheduling their tests at the same time and perhaps traveling together to the exam site.

A convenient way to form a study group is to work through your state/province ASBO affiliate organization. The affiliates usually have a communication mechanism in place through which you can quickly contact others who are preparing for the exam. If you have identified content areas that need more attention, include that information in your study group request. Your state/province ASBO affiliate organization may also be able to recommend someone within your state who has expertise in your area of need and who might serve as an advisor or mentor to your study group.

If you are comfortable with utilizing technology to study with individuals beyond your immediate geographical area, consider using ASBO ConnectEd, a social networking website, to locate exam candidates who want to study a specific content area. Consider communicating via technology to study together virtually.

How to Run an Effective Study Group

- Keep your group small. Roughly three to six members is a good size to allow for good interaction but not so large that it adds confusion to discussions.
- Establish regular meeting times and places that work for everybody.
- Agree that everyone comes to the meetings prepared to participate.
- Bring a written test question to each meeting to quiz other group members.
- Take turns acting as a group moderator to keep the conversation on topic.
- Hold a discussion about the prepared quiz questions.
- Predict test questions and quiz each other.
- Create a code word to recognize good ideas and use it to congratulate group members.
- Share a friendly word with members who are slacking off to encourage them to get back on track.
- Reconvene and celebrate after the exam(s) is completed.

Using the Available Study Materials

Several resources are available to help you prepare for the examination. These resources provide an overview of all areas covered on the examination.

The suggested materials cover a wide range of processes in school operations, human resources, maintenance and operations, purchasing, and financial and managerial accounting to name a few. Allow yourself plenty of time to read the materials.

Consider the application of the processes in your experience, and develop an approach to understanding a written version of the processes. For example, you may be to a point in your career where you just naturally record capital assets, but now you may be tested on the process, so make sure you can fully interpret it in question form.

Develop flash cards of certain processes to help promote recall and memorization.

Work within a study group of other aspiring SFO professionals.

Contact current SFO professionals for tips and assistance in preparation.

Answer the sample questions, more than once – up to a point of getting 100% correct responses.

The following study resources are available on ASBO International's website, www.asbointl.org/certification.

- Exam Content Areas (appendix A)
- Test Question Format (appendix B)
- Authoritative References List (appendix C)
- Practice Questions (appendix D)
- Current listing of test preparation courses offered by ASBO International and ASBO affiliate organizations

Exam Day Preparation

If you scheduled your test under a nickname or variation of your legal name, and your identification doesn't match exactly (i.e., Debbie instead of Debra) check ahead of time for acceptability.

If you scheduled an early morning test time, plan to wake up at least an hour and a half before you have to leave for the test site.

Eat a good breakfast so hunger doesn't distract you during the examination. If you have later test times or issues with blood sugar fluctuations, plan accordingly. If taken together, both sections of the test can require up to four hours to complete.

Make sure you have your identification and your test schedule confirmation with you when you leave to go to the test site. Do not take unnecessary personal items as you will not be able to take anything with you into the testing room.

Take about an hour to review sample questions and subject areas. Reading the questions and correct answers in to a recording device and playing it back is sometimes helpful.

As you are driving and/or travelling to the test site, play back your recording or ask yourself the questions aloud so that you can hear your answers.

When you arrive, present your identification and test confirmation to the testing center representative. You will be asked to leave any other personal belongings (purse, cell phone, etc.) in a lockable locker during the test.

You will be given online instructions for the examination.

Take a deep breath!

Read each question carefully, there is plenty of time to answer the questions.

Good luck!

Test Day Procedures for Pearson VUE Testing Centers

You are encouraged to report to the test center one-half hour before your scheduled exam time. Two forms of ID are required. You must present a valid government-issued photo ID with a signature and a second form of ID with a signature (see information below on acceptable forms of ID). The name on the IDs must match the name on the exam confirmation email.

Identification (ID)

- Bear the candidate's name exactly as provided during the exam registration process (as it appears on the exam appointment confirmation letter).
- Have a permanently affixed photo of the candidate's face.
- Be current — expired IDs will not be accepted.
- Be an original document — no photocopies will be accepted.

Acceptable forms of photo with signature identification

- Government-issued driver's license.
- Passport.
- Military ID (except those with chips).
- Permanent resident visa.
- Other government-issued ID.

Acceptable forms of signature identification

- Any on the above photo ID list.
- Social Security cards.
- Credit/bank ATM card (signature required).

Unacceptable forms of identification

- Employee identification or work badge.
- University/college identification.

If you do not have a valid photo ID or signature ID, or arrive more than 15 minutes after the scheduled exam time, you will NOT be permitted to enter the test center and your examination fees will be forfeited.

The total computer-based testing time is two hours for Part 1: Accounting, and two and one-half hours for Part 2: School Business Management. Included in these testing times is five minutes for review and agreement of the non-disclosure statement, five minutes for a tutorial, and five minutes for a follow-up survey.

Appendix A - Exam Content Areas

Context of the SFO Exam Part 1: Accounting

The Part 1: Accounting exam of the SFO Certification is written from the perspective of the professional who may or may not have any years of experience in school business management. The knowledge and skills covered in this exam represent what this professional should know at the time he or she is first hired for a position in school business management.

The domains and content areas covered on this exam are as follows (percentage of the exam is provided in parentheses):

Content Areas and Tasks Part 1

70 items total

Manage Accounting Systems (28% to 33%)

- Maintain Accounting Software
- Maintain Chart of Accounts
- Reconcile General Ledger Accounts
- Track Fixed Assets

Manage Accounting Functions (67% to 72%)

- Manage Payroll Functions
- Manage Accounts Receivable
- Manage Accounts Payable Process
- Manage Purchasing Procedures
- Manage Annual Budgets
- Prepare Financial Reports
- Manage Cash Flow

Context of SFO Exam Part 2: School Business Management

The Part 2: School Business Management exam of the SFO Certification is written from the perspective of the professional who has at least three years of experience in school business management. The knowledge and skills covered in this exam represent what this professional would learn over the course of at least three years on the job.

The domains and content areas covered on this exam are as follows (percentage of the exam is provided in parentheses):

Content Areas and Tasks Part 2

100 items total

Conduct Financial Planning and Analysis (27% to 32%)

- Serve as a School Leader
- Review Financial Impact of Strategic Planning Goals
- Develop Financial Goals
- Evaluate Funding Options for Debt Management
- Develop Outside Funding Sources
- Analyze Economic Data
- Analyze Demographic Data

Develop Multi-Year Forecast
Estimate Real Estate Property Tax Revenues

Conduct Budgeting and Reporting Activities (15% to 20%)

Project Student Enrollment
Evaluate Instructional Program(s) Costs
Develop Annual Budgets
Manage Grant Activities
Prepare for Annual Audit

Conduct Risk Management Activities (10% to 15%)

Evaluate Existing Risks
Address Results of Risk Audit
Conduct Annual Evaluation of Insurance Plans
Manage Insurance Plans

Manage School Facilities (7% to 12%)

Update Facility Master Plan
Oversee the Operation and Maintenance of School Campuses
Oversee New Construction and Renovations

Manage Information Systems (4% to 6%)

Assist in Developing a Technology Plan
Maintain Technology Systems/Oversee Telecommunication Systems

Manage Human Resource Functions (15% to 20%)

Manage Hiring of New Employees
Develop Compensation Structure
Manage Staff Development and Training Programs
Manage Evaluation Process
Manage Personnel Administration
Manage Employee Benefit Programs

Manage Ancillary Services (7% to 12%)

Manage Transportation Services
Manage Food Service Programs
Manage Purchasing Process
Manage Other Service Programs

Appendix B - Test Question Format

Sample question for the SFO Exam Part 1: Accounting

Q: What does the "Function" describe in the Chart of Accounts?

- A. The item for which an expenditure is made
- B. The activity being performed for which a service or material object is acquired
- C. A way of classifying expenditures by physical location, budget, or cost center
- D. A plan of activities and procedures designed to accomplish a predetermined objective

A: The answer is B.

Rationale: Hartman, William T., *School District Budgeting, 2nd ed.*, Lanham, MD: ScarecrowEd, 2003.

Sample question for the SFO Exam Part 2: School Business Management

Q: What is the primary purpose of a physical risk inspection?

- A. To identify potential maintenance issues
- B. To identify potential future building needs
- C. To identify potential entry points for intruders
- D. To identify potential threats to the safety of students, staff, and the public

A: The answer is D.

Rationale: As a part of the risk management process, school business officials conduct physical inspections. These inspections attempt to identify any physical deficiency or procedural issue that might affect the safety of all persons using the building.

Appendix C - SFO® Certification Authoritative References List

ASBO International's Certification Commission provides a general guide for the references and publications to use as a study aid in preparation for the Certified Administrator of School Finance and Operations (SFO) exam. The list is not an endorsement of the specific references, nor are the test questions necessarily taken from the sources listed. The Certification Commission will review and update the list on an on-going basis.

Association of School Business Officials International, *Standards of Excellence in Budget Presentation*, Reston, VA: Association of School Business Officials International, 2000.

Everett, Ph.D., Ronald E.; Lows, Dr. Raymond L.; and Johnson, Ed.D., Donald. *Financial and Managerial Accounting for School Administrators: Superintendents, School Business Administrators, and Principals, 4th ed.*, Reston, VA: Association of School Business Officials International, 2003.

Earthman, Glen I. *Planning Educational Facilities: What Educators Need to Know, 3rd ed.*, Lanham, MD: Rowman and Littlefield, 2009.

Hartman, William T. *School District Budgeting, 2nd ed.*, Lanham, MD: ScarecrowEd, 2003.

Hartman, William T. and Stefkovich, Jacqueline A. *Ethics for School Business Officials*, Lanham, MD: Rowman and Littlefield, 2005.

U.S. Department of Education, National Center for Education Statistics, National Forum on Education Statistics. *Planning Guide for Maintaining School Facilities*, NCES 2003-347, prepared by T. Szuba, R. Young, and the School Facilities Maintenance Task Force, Washington, DC: 2003.

Appendix D - Practice Questions

Practice Questions for Preparation for the SFO Certification Exam Part 1: Accounting

The questions presented are practice questions for the Part 1: Accounting exam of the Certified Administrator of School Finance and Operations (SFO) certification program. They do not represent the exam content to its exact percentages of the domains presented in the exam content outline. These were created as a more extensive set of questions to help candidates prepare for the exam. Answers to these practice questions can be found on page 18.

1. What information is required to process an accounts payable invoice for payment?

- A. Verified budget authority for item, accuracy of price, items received, and correct account code
- B. Accuracy with purchase order price, amount ordered, and correct account code
- C. Verified receipt of goods, price charged, and correct account code
- D. Authorization to pay, goods received, accurate pricing, and correct account code

2. What strong internal control assures that only authorized employees are paid on a payroll?

- A. Review of the payroll register by the supervisor of the payroll processing clerk
- B. Written documentation from an authorized person other than the person processing the payroll
- C. Approval of the payroll register after comparing it to the established staff list
- D. Review of the payroll register by the school board chair

3. What is the purpose of a requisition system?

- A. To acquire goods and services by purchase order and verify budget authority
- B. To purchase goods and services through a formal bid [tendering] process and follow legal compliance regulations

C. To manage the compliance of purchasing goods and services for the different departments within the school district

D. To verify all purchases are completed within the parameters of the budget and meet the bid [tender] process laws

4. What primary factor should be considered when disposing of fixed assets?

A. The item is of no further use in its current location

B. There is an updated version of the item from the current vendor

C. The item has exceeded its useful life and is of no further use to the school district

D. A similar version of the item is available from another vendor

5. What factors should be considered in managing the budget for the year?

A. Compare current year's revenues and expenditures to a 10-year average for consistency

B. Compare estimated revenues and expenditures to projected actual revenue and expenditures for the year

C. Compare current year's revenues and expenditures to last year's to determine if the budget is on track

D. Compare current year's budget to other school district budgets in the state [province] to check for consistency

6. What is an example of a "proprietary fund"?

A. A trust fund

B. A general fund

C. A capital projects fund

D. An enterprise fund

7. What information should be provided in a financial report so the governing body can determine the local education agency's [authority's] financial position?

- A. A comparison of budget to actual revenues and expenditures and fund balance
- B. A comparison of current year budget to prior year budget
- C. A comparison of expenditures that have been approved by the school board
- D. A comprehensive comparison of revenues and expenditures for the current year

8. What procedure should be in place for collection of unpaid accounts?

- A. Prepare an aging list by customer and send letters, email, or call regarding collection on past due accounts
- B. Immediately refuse any future services until the bill is paid
- C. Prepare an aging list by customer and publish it in the local newspaper
- D. Keep the invoices on the books and wait for payment

9. What represents the strongest control for processing payments?

- A. An accounting employee pays from original invoices only, not from copies of invoices
- B. Transactions are handled by the same employee from initiation to authorization
- C. An accounting employee maintains a list of sequential check numbers to ensure all checks are accounted for
- D. The employee who authorizes the transaction is not the same employee who initiated the transaction

10. What is an important consideration when developing a data recovery backup plan?

- A. The backup information will be securely stored on a separate server in the same location with the capability to run the software
- B. The backup information will be securely stored in an offsite location with the capability to run the software at an alternate location
- C. The backup information will be securely stored and accessible only to individuals who have the technical knowledge to run the software
- D. The backup information will be securely stored and accessible to a third-party vendor who has the technical knowledge to run the software

11. What activities affect cash flow?

- A. Investing and timing of receipts
- B. Budgeting and timing of receipts
- C. Depreciation of assets and investing
- D. Financing and depreciation of assets

12. To assure proper internal controls when processing timesheets for payment, what information is needed in addition to time worked and rate of pay?

- A. Budget authority, amount approved, and employee signature
- B. Account code, description of work completed, and employee signature
- C. Supervisor approval, employee signature, and account code
- D. Budget authority, source of funds, and account code

13. Request for Proposals (RFP) must include which of the following items?

- A. Payment terms
- B. Project budget
- C. Proposal due date
- D. Manufacturer and brand

14. What is necessary to ensure that a public bid [tendering] process is successful and provides the desired goods or services?

- A. Ensure that appropriate vendors receive notice of the bid [tender] request
- B. Require an independent legal review of the bid specification documents prior to the bid [tender] release
- C. Ensure that the bid [tender] opening is performed in public with all bidders present during the opening
- D. Develop a comprehensive bid [tender] specification and establish a fair rating system to evaluate bids received

15. How should a budget be monitored throughout the fiscal year?

- A. By ensuring that the balance sheet accounts are in balance
- B. By reviewing for variances in the revenue and expenditure accounts
- C. By comparing current year activity to prior year activity
- D. By accumulating the necessary data to prepare a trial balance

16. In an organization with no central purchasing function, who should be responsible for general ledger coding of purchase requisitions?

- A. The individual who is responsible for paying the invoice
- B. The individual who is responsible for receiving the merchandise
- C. The individual responsible for managing the specific budget being accessed
- D. The individual consuming the merchandise

17. What accounts appear on a balance sheet?

- A. Income, assets, and liabilities
- B. Assets, liabilities, and equity
- C. Income, expenses, and equity
- D. Assets, expenses, and equity

18. What information does the Management's Discussion and Analysis (MD&A) provide?

- A. A statement that compares current-year revenues received with expenditures for the same time period on a fund-by-fund basis
- B. A management report including all financial transactions on an accrual basis accounting
- C. A narrative introduction and overview to the annual financial statements prepared by school district personnel
- D. An opinion of the auditor as to the viability of the school district

19. What is an example of an accounts receivable for a school district using modified accrual basis accounting?

- A. Student activity receipts
- B. School fees for the next school year
- C. An unpaid invoice
- D. School fees for the current school year

Answers to the SFO Exam Part 1: Accounting Practice Questions:

1. D
2. B
3. A
4. C
5. B
6. D
7. A
8. A
9. D
10. B
11. A
12. C
13. C
14. D
15. B
16. C
17. B
18. C
19. D

**Practice Questions for Preparation of the SFO Certification Exam
Part 2: School Business Management**

The questions presented are practice questions for the Part 2: School Business Management exam of the Certified Administrator of School Finance and Operations (SFO) certification program. They do not represent the exam content to its exact percentages of the domains presented in the exam content outline. These were created as a more extensive set of questions to use in assisting candidates in the preparation of the exam. Answers to these practice questions can be found on page 26.

1. New construction, personal income, and retail sales are indicators in which kind of forecast?

- A. Economic
- B. Enrollment
- C. Educational programming
- D. Environmental impact

2. Preventive maintenance planning refers to which service area?

- A. Facilities
- B. Food services
- C. School administration
- D. Transportation system

3. How would a school business official know if a job description for the elementary building secretary needs to be revised?

- A. When the job description no longer resembles a neighboring school district's job description
- B. When it is different from the high school secretary job description
- C. When the secretary's annual evaluation is always reported as excellent
- D. When the job description is no longer relevant to the evaluation process

4. Which is a best practice for personnel management?

- A. Praise and discipline in public
- B. Praise in public and discipline in private
- C. Reward and reprimand in a private setting
- D. Praise and reprimand in writing

5. Which of the following should be covered by the personnel department during a new employee orientation?

- A. Instructional methods to be used
- B. History of the school district
- C. Enrollment trends of the school district
- D. Explanation of insurance benefits

6. Which element is a cornerstone in the development of a performance improvement plan?

- A. The narrative of the plan
- B. The timeline
- C. The method of monitoring
- D. The format of the plan

7. When managing a program, what information should be on the report that allows you to determine whether the program is within budget?

- A. Budget, expenditures, and encumbrances
- B. Prior year budget, current year budget, expenditures, and encumbrances
- C. Revenues, expenditures and encumbrances
- D. Current month revenues and expenditures and encumbrances

8. Which should be included in the building construction estimates for a replacement school building?

- A. The increased cost of building insurance
- B. The cost associated with the transportation of students to the interim building
- C. A contingency for the cost of unexpected site conditions
- D. The cost of moving furniture from the existing building

9. Which grant activity should be performed on at least a quarterly basis?

- A. Calculation of expenditures of budgeted funds
- B. The submittal of an application for additional funds
- C. A budget revision for all grants
- D. The preparation and submittal of reimbursement claims to date

10. How does the level of a deductible relate to managing risk for a local education agency [authority]?

- A. When the deductible is lower then the risk is lower
- B. When the deductible is higher then the risk is higher
- C. When the deductible is higher then the risk is lower
- D. When the deductible is lower then the risk is higher

11. At a minimum, how often should the fixed asset inventory for the local education agency [authority] be updated?

- A. On an annual basis
- B. On a semi-annual basis
- C. Once a month
- D. Every two years

12. What is the first thing a school business official should do when notified by the police of a significant school bus accident?

- A. Call the students' parents
- B. Call the insurance carrier
- C. Call the school board president
- D. Call the superintendent

13. Which item may be asked for in a job application process?

- A. Gender
- B. Year of birth
- C. Education
- D. Age of dependents

14. A maintenance director discusses not interviewing an applicant for a custodial position because "everyone on the interview team agrees this person is too old for this job." How should a school business official react to this statement?

- A. Explain to the team that ability is what is important, not age
- B. Suggest that the committee interview the person and discuss the impact of his or her age on the job
- C. Remind the maintenance director that people are working longer these days
- D. Establish a maximum age limit for future custodial hiring

15. When is it allowable to ask if a person needs accommodation to perform the essential functions of the job?

- A. In the job advertisement
- B. In the letter of hire
- C. On the application
- D. During the interview

16. Which is the leading indicator of the financial health of a school district?

- A. Property tax levy
- B. Property tax valuations within the local district
- C. Undesignated fund balance
- D. Total assets

17. What conditions would trigger the liquidated damages clause in a contract?

- A. The vendor files for bankruptcy
- B. The vendor does not perform in the time required
- C. A bonding company takes over the project from the vendor
- D. The vendor files suit against the school district

18. Who is the most important person(s) to be involved in developing an employee safety program?

- A. Facility manager
- B. School board members
- C. Superintendent
- D. Employee group representatives

19. A computer technician who does repair and services to computers and reports to the director of technology is a non-exempt employee. What does this mean?

- A. This position must be paid based on an hourly rate and paid the overtime rate for over 40 hours in a week
- B. This position may be paid on a salary basis, avoiding the need to pay overtime
- C. Vacation and sick leave are required as part of federal law
- D. If the employee works on Sunday, double the hourly rate must be paid

20. What is the best way to find an advisor for financing a capital improvement program?

- A. Through a Request for Proposal (RFP) process
- B. Request that the architect recommend a financial advisor
- C. Through referrals from the school board
- D. Request that the local bank recommend a financial advisor

21. In addition to acquisition, maintenance, and operation costs, what is the most significant cost of a technology purchase?

- A. Software upgrades
- B. Replacement costs
- C. Insurance costs
- D. Shipping costs

22. How is per-student instructional program cost determined?

- A. Add specific program costs, including staff salary, books, and materials, and divide by the number of participants in the individual program
- B. Add all direct costs of the instructional program and divide by the number of participants in the individual program
- C. Add all direct and indirect costs of the instructional program and divide by the number of participants in the individual program
- D. Add specific program costs and fixed costs and divide by the number of participants in the individual program

23. A popular five-year business office clerical employee is consistently behind in work assignments and provides incorrect or incomplete results. This individual has been verbally warned and encouraged to improve. What should the school business official do?

- A. Prepare a written analysis of the problem and recommendations for improvement, then meet with the employee and discuss the necessary steps
- B. Do nothing because further action may result in staff morale problems
- C. Give the employee a written warning of the consequences that will ensue if his or her performance does not improve
- D. Allow the employee additional time in which to perform his or her work or divert some of the duties to someone else

24. Why are long-term forecasts generally less accurate than short-term forecasts?

- A. Because the assumptions used in the long-term projections do not average out over time
- B. Because long-term forecasts are less dependent on variables
- C. Because there are fewer assumptions in long-term forecasts
- D. Because there are more assumptions in long-term projections

25. How soon should work-related injuries be reported to the insurance entity?

- A. As soon as the school district officials are aware of the accident
- B. When it is determined to be severe enough
- C. As soon as it is determined that the employee needs medical attention
- D. After the medical service provider has examined the employee

Answers to the SFO Exam Part 2: School Business Management Practice Questions:

1. A
2. A
3. D
4. B
5. D
6. B
7. A
8. C
9. D
10. B
11. A
12. D
13. C
14. A
15. B
16. C
17. B
18. D
19. A
20. A
21. B
22. C
23. A
24. D
25. A