

Management’s Discussion and Analysis (MD&A) – Simplified Structure

Overview of the Financial Statements

The financial statements of [Agency Name] present the financial position and results of operations of the agency for the fiscal year ended Aug. 31, [Year], in accordance with generally accepted accounting principles for state and local governments.

The financial statements include government-wide financial statements, fund financial statements and notes to the financial statements. These statements provide information about the agency’s financial position and changes in financial position for the fiscal year.

Financial Summary

Financial Summary	FY [Current]	FY [Prior]
Total Assets and Deferred Outflows	\$	\$
Total Liabilities and Deferred Inflows		
Net Position		
Total Revenues		
Total Expenses		
Change in Net Position	\$	\$

Significant Financial Highlights

- Net position increased/decreased by \$___ primarily due to _____.
- Revenues increased/decreased by \$___ primarily due to _____.
- Expenses increased/decreased by \$___ primarily due to _____.

Significant Financial Changes

The most significant changes in financial activity during the fiscal year include:

- [Example: Increase in federal funding for program activities.]
- [Example: Reduction in operating expenditures.]

- [Example: New programs or changes in service levels.]

Only material changes should be discussed.

Capital Assets and Long-Term Debt Activity

Capital Assets

- Major capital asset additions or disposals.
- Significant construction or improvement projects.

Long-Term Liabilities

- New debt issuances or repayments.
- Significant changes in lease or subscription obligations.
- Other changes in long-term liabilities.

Currently Known Facts, Decisions or Conditions

Currently known facts, decisions or conditions expected to affect the agency's financial position include:

- Changes in funding or legislative appropriations.
- Major program changes or new initiatives.
- Planned capital projects or financing activities.