


Form CEA & Ed Code 41372

SB County Board of Education Meeting
February 8, 2024



CEA REQUIREMENT

The calculation of the Current Expense of Education Actuals (CEA) is a legal requirement (EC § 41372) and used to determine the percentage of expenditures for the direct classroom cost of teaching students.

Required Percentages:
 Elementary school districts—60%
 Unified school districts—55%
 High school districts—50%

PART II: MINIMUM CLASSROOM COMPENSATION (Instruction, Functions 1000-1999)		Object	EDP No.	
1.	Teacher Salaries as Per EC 41011	1100	17,905,211.05	375
2.	Salaries of Instructional Aides Per EC 41011	2100	1,227,876.11	380
3.	STRS	3101 & 3102	1,573,993.12	382
4.	PERS	3201 & 3202	186,316.38	383
5.	OASDI - Regular, Medicare and Alternative	3301 & 3302	399,639.50	384
6.	Health & Welfare Benefits (EC 41372) (Include Health, Dental, Vision, Pharmaceutical, and Annuity Plans)			
7.	Unemployment Insurance	3401 & 3402	1,155,199.96	385
8.	Workers' Compensation Insurance	3501 & 3502	9,651.83	390
9.	OPEB, Active Employees (EC 41372)	3601 & 3602	391,374.52	392
9.	OPEB, Active Employees (EC 41372)	3751 & 3752	0.00	
10.	Other Benefits (EC 22310)	3901 & 3902	257,466.67	393
11.	SUBTOTAL Salaries and Benefits (Sum Lines 1 - 10)		23,106,529.14	395
12.	Less: Teacher and Instructional Aide Salaries and Benefits deducted in Column 2		214,584.17	
13a.	Less: Teacher and Instructional Aide Salaries and Benefits (other than Lottery) deducted in Column 4a (Extracted)		0.00	396
b.	Less: Teacher and Instructional Aide Salaries and Benefits (other than Lottery) deducted in Column 4b (Overrides)*			396
14.	TOTAL SALARIES AND BENEFITS		22,891,944.97	397
15.	Percent of Current Cost of Education Expended for Classroom Compensation (EDP 397 divided by EDP 369) Line 15 must equal or exceed 60% for elementary, 55% for unified and 50% for high school districts to avoid penalty under provisions of EC 41372		54.50%	
16.	District is exempt from EC 41372 because it meets the provisions of EC 41374. (If exempt, enter 'X')			

PART III: DEFICIENCY AMOUNT		
A deficiency amount (Line 5) is only applicable to districts not meeting the minimum classroom compensation percentage required under EC 41372 and not exempt under the provisions of EC 41374.		
1.	Minimum percentage required (60% elementary, 55% unified, 50% high)	55.00%
2.	Percentage spent by this district (Part II, Line 15)	54.50%
3.	Percentage below the minimum (Part III, Line 1 minus Line 2)	0.50%
4.	District's Current Expense of Education after reductions in columns 4a or 4b (Part I, EDP 369)	42,001,071.56
5.	Deficiency Amount (Part III, Line 3 times Line 4)	210,005.35

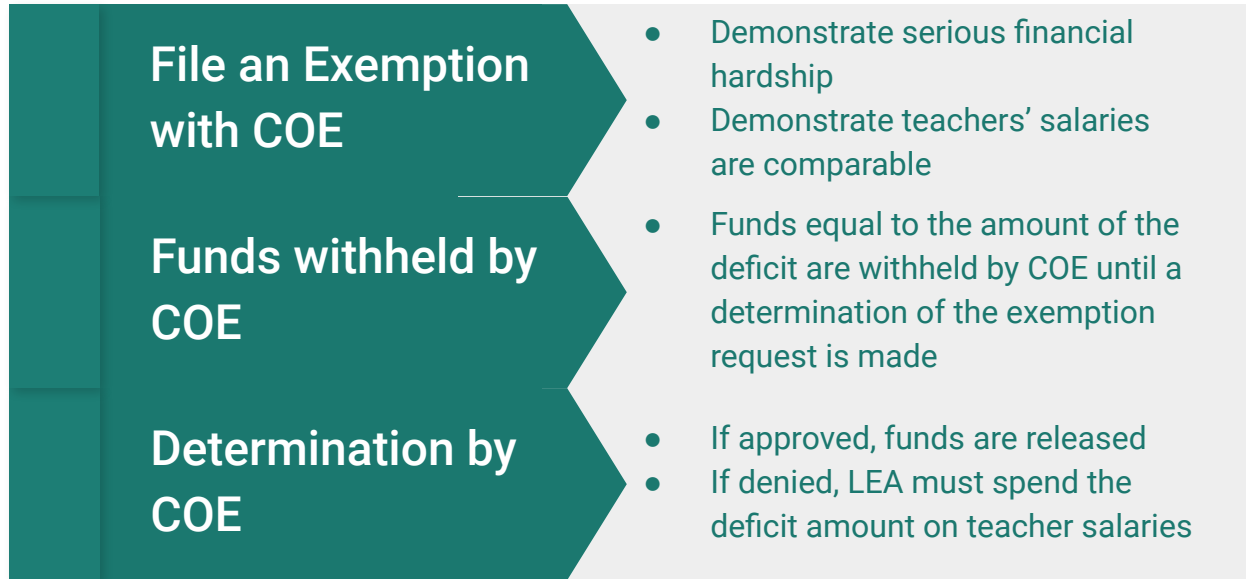
CEA CALCULATION

The Standardized Account Code Structure (SACS) Form CEA includes salaries and benefits (within the General Fund) of teachers and paraprofessionals measured against the total General Fund expenditures of the district.

Certain costs are automatically excluded from the calculation including expenditures for food services, community services, non-agency activities, fringe benefits for retired persons, and acquisition and construction of facilities

ACCOUNT CODE	DESCRIPTION
1000	Certificated Salaries
2000	Classified Salaries
3000	Employee Benefits
4000	Books and Supplies
6500	Equipment Replacement
5000 & 7300	Services and Indirect Costs

WHEN A DISTRICT FAILS TO MEET THE CEA



Additional exemptions apply if:

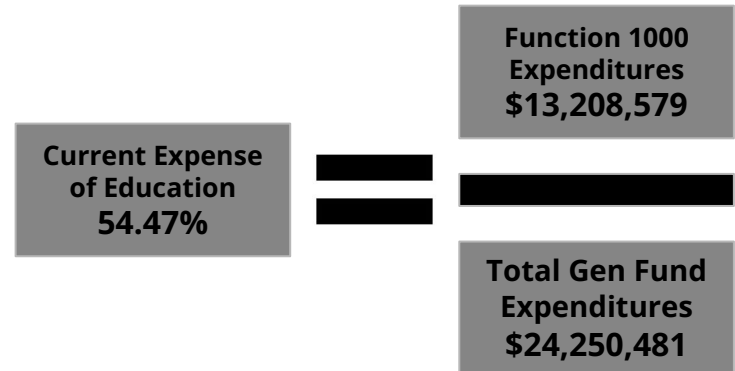
*The deficit is less than \$1,000

*The district maintains class sizes below 28 pupils for K-8 and 25 pupils for 9-12

OTHER FACTORS IMPACTING THE CEA

One-time COVID-relief funding could not be allocated toward ongoing classroom teacher pay. This one-time funding added to overall district budgets, thus skewing the spending ratios.

***District spends \$500,000 in COVID relief funds**



SUPPORT FOR DISTRICTS

District Financial Advisors work with districts that may not meet the required CEA percentage to address the following:

- ❑ Review budget structure and calculation of CEA
- ❑ Identify budget coding errors
- ❑ Evaluate districts for possible exemptions
- ❑ Consider scheduled payments to teachers in the current year
- ❑ Monitor districts' collaboration with their auditors

Presentations will be provided for all CBOs on the CEA calculation and budget structure/coding practices.

QUESTIONS?