INSTRUCTIONS FOR COMPLETING THE FIRST PERIOD INTERIM FINANCIAL REPORT

Required Documentation

The Interim Financial Report documentation to be submitted and certified by the Governing Board and transmitted to Business Advisory Services consists of the following:

- **Form CI – District Certification of Interim Report** ***(must contain original signatures of the Board President and District Superintendent or designee)***. This form contains the Met/NOT Met and Yes/NO responses from the Criteria and Standards (C&S). This form needs to be signed by the Board President and District Superintendent ***AFTER*** the C&S data has been brought forward onto the Certification page.

- **Form AI – Average Daily Attendance Detail** (these are ADA figures and not dollars):

  - The first column (A) reflects your original Adopted Budget Funded ADA and will be ported into the SACS Web System.
  - The second column (B) will require you to input any updated ADA data used for any budget transfers made to the LCFF calculations since the Adopted Budget and posted in your current operating budget.
  - The third column (C) reflects your current projected P-2 ADA that you expect to report on this year's P-2 Attendance reports. This is not funded ADA. Input what you project to report on this year's P-2 Attendance report. This column should match your ADA input into the Districts Data Entry Tab in the district's LCFF calculator for 2023-24.
  - The fourth column (D) should reflect the ADA the district is using to compute the LCFF projections for the current year. For non-declining districts, this is the same ADA as in Column C. For declining ADA districts, this column (D) is where you will enter your funded ADA, as this is the ADA used in your LCFF projections. This column should match the funded ADA for 2023-24 on the Summary Entry Tab (less COE ADA) of the district's LCFF calculator.

  - **NOTE: Check with your advisor if unsure what ADA to use.**

- **Form O1I – General Fund Summary (Must be system generated using First period dates 7/1-10/31 and imported into the SACS Web application for processing) -** *DO NOT modify these dates to include budget transfers or journal entries posted after the cut-off date.*
  - Total Restricted/Unrestricted
  - Restricted Amounts
  - Unrestricted Amounts

  Include accruals -- Col. D should include income to be received and expenditures to be paid after June 30th that are applicable to the 2023-24 fiscal year.

- **Other Funds –** The software will automatically extract and bring into the SACS Web system all district funds, including detailed object codes. Submit the Other District Funds to us in the same manner as Fund 01I. Please review these other fund forms carefully to ensure that you still have a positive ending fund balance for all funds, especially after the UA rolls of actual ending balances from 2022-23. **Update your Cafeteria and CFD accounts/funds manually in the financial system with journal entries, so that updated budget and actual balances will roll into the fund forms and show year to date financial activity and budgetary updates.**

- **TRC – Technical Review Checklist (Original Budget, Board Approved Operating Budget, Projected Totals, and Actuals to Date only). Run a download prior to October 31 and run a TRC, as ALL fatal errors must be corrected prior to submission of the Interim Reports to BAS**. All warning errors

must have **full explanations** on why any errors are not being corrected at this time. Districts should make a concerted effort to correct warning errors listed on the Interim Report TRC in a timely manner, as this will save time at the end of the fiscal year when you are trying to close the books. CDE requires that all WARNING errors that can be corrected MUST be corrected. The typical warnings that cannot be corrected are the prior year accrual adjustments. **PLEASE NOTE: Abatements for lost/damaged textbooks, library books, or any other refunds should be recorded as local revenues. If the warning is due to an error corrected after the Interim Report cutoff dates (10/31 and 1/31), please indicate the date and journal entry number correcting the error in your explanation. If a FATAL error, please include a written note on the TRC document including the journal entry number and date corrected. Please try to run this report EARLY, prior to the Interim Report cutoff dates to ensure that all errors are corrected in a timely manner.**

- **Form CASH/Cash Flow Report Worksheet**. Districts may utilize the Cash Flow Report from Financial 2000 EduReports 3.0 to generate cash flow worksheets to submit for this requirement. Recommended parameters are as follows:
    - Report Type – Select Excel at the top of the initiator
    - Fund Summary box - checked
    - As of Activity Date - no earlier than 10/31 for First Interim and 1/31 for Second Interim
    - Revised Budget As of Date - the current date
    - Object Group by - SACS Format
    - Summarize – Fund
    - Page Break by Summarize - Yes
    - Fund - 01 and any other funds you are running
    - Projection Type - PY % ACT.

  After selecting parameters, click the "Go" button to generate the report. Once the report is generated, you will have the ability to manipulate your projected months if necessary. The report will contain the correct July 1 cash balance, correct month end balances for all actual months, and the correct beginning balances for Balance Sheet accounts, plus it will calculate projections at the object level for all remaining months, including Accruals and Adjustments. These Excel files can be submitted electronically and will be accepted in place of the Form CASH. At this time, districts will need to input a few simple formulas to ensure accuracy of the reports. Additionally, districts will want to update revenue projections based on the available payment schedules for principal apportionment, EPA, and others.

- **State Criteria and Standards Form 01CSI.** Be sure to read the instructions for each standard and criterion carefully, because some only refer to unrestricted data for revenues/expenditures and deficit spending. Make sure your explanations pertain only to this data. For most sections, the data are extracted from the Supplemental forms and the 2023-24 Approved Adopted Budget Dataset and the 2022-23 Unaudited Actual dataset. Each section compares the data to historical trends or state variance levels and determines a "Met" or "Not Met" status or a "Yes" or "No" status. For each "Not Met" or "No" status, the district must provide a written explanation of why it is not meeting that particular standard or variance level. Please be complete and succinct in your explanations. The TRC will indicate a warning error if you have not completed each section requiring an explanation of a "Not Met" or "No" status. Keep in mind that this data will be imported to your board certification page, so the district's board may ask you for more detailed explanations. Some areas where data were extracted in the past are now unlocked for manual entry due to changes made necessary by the LCFF.

The last sections of the C&S require manual input by the district for changes in multiyear debt commitments, post-retirement and self-insured benefit disclosures, and collective bargaining agreement status updates. Completing these sections does not take the place of providing the AB2197 debt disclosures or the AB1200/2756 collective bargaining disclosures. These public disclosures are in addition to this information in the C&S. **Please complete these manual input sections in full.**

Completing the Form O1I Summary Revenues, Expenditures, and Changes in Fund Balance

Column A Must reflect the Final Budget adopted by the Board and submitted to BAS:
July 1 – Single Budget Adoption

Column B Must reflect the "latest" Board-approved operating budget and the Unaudited Actuals adjustment to the 2023-24 Adopted Beginning Balance in Object 9791 and any required Audit Adjustments in Object 9793 or restatements in Object 9795. Generally, audit adjustments will not be known until the Second Interim Reporting Period. Budget transfers processed prior to October 31 will reflect in this column. **Budget transfers posted after October 31, will be reflected in Column D. DO NOT change the cutoff reporting date to pick up transfers made after 10/31. We are required to validate the data presented as of state defined reporting periods.**
***NOTE:* Column B must agree with the revised budget shown on reports generated from the system as of the closing date of the reporting period.**

Column C Must reflect actual revenues received and expenditures paid as of the end of the reporting period, 7/1 - 10/31.
***NOTE:* Column C must agree with the data on reports generated from the system as of the closing date of the reporting period, October 31.**

Column D District-projected "Totals" for the fiscal year.
***NOTE:* Column D represents projections of all anticipated revenues and expenditures applicable to 2023-24.** Amounts reflected in Column D represent the effect on the district's operating budget for budget transfers posted **after** the interim report cutoff date of October or January 31.

Column E Difference between Column B and Column D-will calculate automatically and should reconcile to budget transfers posted after 10/31 through the time of report extraction.

Column F Percentage Difference (Column E divided by Column B)-will calculate automatically.

Required Documentation for Multiyear Financial Projections

- **Form MYPI – Multi-Year Projections.** Covering 2023-24 through 2025-26 and indicating percent and amount of unrestricted reserves available in the ending fund balance for state reserve requirement. Please ensure that the Restricted tab has either a positive or zero ending fund balance and that all restricted reserves, such as Revolving Cash and Stores, are adjusted out of the available unrestricted ending balance prior to determining whether your district has met its state minimum reserve requirements. Also, check the accuracy and availability of Fund 17 balances used to meet the reserve requirement.

  - Please ensure that the ADA reported on Line F.2 (Combined) reflects the P-2 ADA the district projects to report on the attendance reports in each fiscal year, which does NOT funded ADA. This should match the Actual ADA for 2023-24 on the District MYP Tab of the district's LCFF calculator (less COE ADA).

If your district uses another MYP spreadsheet to develop the data for Form MYPI, please submit that information to your designated business services advisor electronically with other required documents. This may help answer questions that may arise during our review process and avoid unnecessary phone calls to your office. Also, please include any spreadsheets used to determine your LCFF calculations in the Form MYPI.

- **Interim Review Questions**. Please answer all questions, even if the question is addressed in the Criteria and Standards. This includes anticipated changes to ADA, enrollment, step/column adjustments, growth/loss in positions, etc. (see Attachment D for details). Please review all ADA projections for each fiscal year carefully to ensure they match the district's LCFF Calculator. The Summary Tab will show both funded and actual projected ADA that should be used throughout the Supplemental Forms.

Other Funds

- **Forms 011I through 73I** (as applicable, **including Accounts**) must be extracted to reflect cash activity to date and current operating and projected district budgets. The software will automatically pull in and summarize the detail for all district funds. Please review this data carefully, as some fund balances may have been reduced significantly based on your 2022-23 actual ending balances. We require districts to complete all applicable funds and accounts for the First Interim Report Period to ensure all funds are balanced after the Asset and Liability roll is performed. This includes the Cafeteria (Fund 93) and CFD Accounts (Funds 48, 49, 52, 91, etc.), so data must be updated to reflect current operations and actuals to date for this period. This will require your staff to update these accounts using journal entries to reflect current actuals to date.

- **Form MYPO – Multiyear projections for Other District Funds**. This is an optional form, **UNLESS** we have requested that the district provide it, or the district is reporting Charter School financial information with this report. This form is critical in ensuring that multiyear debt obligations are included in the multiyear financial projections for all district funds tied to the debt obligations. If your Adopted Budget response letter indicated debt obligations were in excess of 25% of General Fund expenses, please provide a Form MYP-O for all funds obligated for debt repayment showing additional reserves are board-designated for future years.

Miscellaneous Tips

- Enter financial data in whole dollars
- Check ADA reported in the Form MYPI on Line F.2 (Combined) for all years. This ADA is the P-2 ADA reported on the attendance reports for each fiscal year and DOES NOT include County ADA. DO NOT USE PRIOR YEAR ADA in this section.
- Only amounts representing a "negative value" should be bracketed.
- Carry all percentages to one decimal place (unless otherwise indicated on review form).
- Budget transfers reflecting the projected 2023-24 budget data in Column D of the Form 01I should be processed by the District prior to obtaining a final download to the SACS Web System. Budget Transfers posted after the cut-off date will still be picked up in column D.
- Districts should not report any negative ending fund balances on the Restricted tab of the MYP. If a negative ending fund balance is calculated in any subsequent fiscal year, the district will need to increase contributions from the unrestricted general fund. Be sure to change the contributions on both the

unrestricted form (as a negative) and the restricted form (as a positive). The total combined contributions should net to zero.

- Complete Attachment E Interim Report Submission Checklist and include copy with required forms, attachments, certifications, and documentation submitted to the County office.
- Ensure forms that are sent to BAS no later than the submission date* and the Board meeting is held prior to 45 days after the end of the period date**. **Districts are encouraged to submit all documents once district staff has completed their work on the reports.** Signed certification pages can be submitted immediately after the board meeting date and district can notify the county of any changes to previously submitted documents. This will allow county office staff sufficient review time to meet our deadline to notify all districts of our review of the submitted documentation (75 days after the end of period date**).

*Submission dates are: December 7th for First Interim and March 7th for Second Interim
**End of period dates are: October 31st for First Interim and January 31st for Second Interim