San Bernardino County Superintendent of Schools
Transforming lives through education

Ted Alejandre
County Superintendent

January 31, 2023 Bulletin No. 23-028

TO: Chief Business Officials and Directors of Fiscal Services
Charter School Authorizing School Districts & Charters

Subject: **CHARTER SCHOOLS 2022-23 SECOND INTERIM FINANCIAL REPORT**
Due to Authorizing District and SBCSS on or before March 17th

Education Code Sections 42100 and 47604.33 require charter schools to provide budget, interims, annual financial statements, and audit reports to their authorizing district and the County Superintendent of Schools Office. Statute requires that all **charter schools' Second Interim Financial Reports be submitted to their chartering authority and the county superintendent of schools on or before March 17th.** District review of charter Second Interim Reports are requested by Business Advisory Services on or before March 24, 2023. Districts may modify the date charter reports are due to them, to allow sufficient time for their review by the deadline. Charters are encouraged to coordinate with their authorizing district to ensure accurate and timely reporting submission.

Required reporting templates are available on the San Bernardino County Schools Charter School Financial Information webpage at: http://www.sbcss.k12.ca.us/index.php/business-services/business-advisory-services/charter-schools-financial. The Excel workbook consists of worksheets for 2022-23 Budget, First Interim, and Second Interim Financial Reports.

A power point presentation for Charter School Reporting is posted on the webpage noted above. You are encouraged to download the presentations for guidance and reference.

At a minimum, charters must submit the following Second Interim Reports **to the authorizing district**. Districts may require additional reports and/or supporting documentation:

- Budget/Interim Worksheet (Excel version only – No PDFs) – Complete all sheets for the given reporting period.
- LCFF calculator (using the most recent FCMAT release) (Excel version)
- Signed Interim Certification (PDF or hard copy with wet or digital signatures)

The worksheets have been designed to populate other worksheets of the workbook wherever possible. Some of the features are:

- Inputting the Charter Name and Number on Certification page will populate all other schedules.
- Budget worksheet information will populate the Adopted Budget columns of the Second Interim Financial Report's worksheet.
- Data Entry cells are highlighted in a blue/green color (depending on your monitor).
- Cells with formulas are locked.

As you complete these worksheets, please be conscious of the unrestricted or restricted regulations associated with the revenue the charter has received. Refer to the California School Accounting Manual for in-depth explanations of various codes and accounting treatments.

The first column of the report refers to the charter's adopted budget. Amounts reflected in this column **must** be those adopted on or before July 1st and submitted to your authorizing district.

If you have a final 2022-23 audit report, include any audit adjustments with your Second Interim Report. These adjustments will be reported as "Adjustments for Audit" on line 52 of the Unrestricted and/or Restricted tab.

Districts will review budgets for reasonableness and solvency. Charters must provide evidence of their ability to maintain sufficient fund and cash balances for the current and two subsequent fiscal years. If the charter is unable to meet their reserve requirements in the 2022-23 or two subsequent fiscal years as established in their memorandum of understanding with their authorizing district, the charter may be required to submit a board-approved fiscal action plan detailing the anticipated reductions or revenue enhancements that the charter will make to ensure reserve requirements are met in all years. The charter should work with their authorizing district to determine the specific requirements to show solvency.

The district review worksheet can be found at http://www.sbcss.k12.ca.us/index.php/business-services/business-advisory-services/charter-schools-financial. Upon review of the charter's report, districts are encouraged to send a letter to the charter summarizing their findings and documenting any requests for additional information or action.

Districts must forward the following to Business Advisory Services, on or before March 24, 2023:

Electronic files **- e-mail to: BAS@sbcss.net**

- Charter 2022-23 Budget and Interim Reporting worksheet (all Budget tabs completed)
- Charter LCFF Calculator
- 2022–23 District Review – Charter Budget and Interim Reporting worksheet

Electronic or Hard Copy – Hard copies to **Raedaun Villarreal, Business Advisory Services,**
Electronic e-mail to: **BAS@sbcss.net.**

- Charter's Budget - Certification ***Signed***
- 2022–23 District Review – Charter Budget and Interim Reporting - Summary ***Signed***
- District response letter to charter itemizing items found in Detailed Review

Questions regarding the charter school's Second Interim Financial Report should be directed to the individual authorizing district's business liaison. Questions regarding the reporting template may be directed to Annette Baker (909) 388-5741.

Sincerely,

Ted Alejandre
County Superintendent of Schools

Thomas G. Cassida, Jr.
Director, Business Advisory Services

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