San Bernardino County Superintendent of Schools
Transforming lives through education

Ted Alejandre
County Superintendent

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TO: Chief Business Officials & Directors of Fiscal Services
San Bernardino County School Districts (K-12) & Charters

SUBJECT: Charter School 2021-22 Adopted Budgets

Regulations and reporting formats pursuant to 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. The **charter school's 2021-22 Adopted Budget Report must be submitted to the authorizing school district on or before July 1, 2021.** The district must review the charter's Adopted Budget and submit a copy of the budget, their fiscal oversight review, and any feedback correspondence sent to the charter to Business Advisory Services (BAS) on or before **July 15, 2021**. Charters are encouraged to coordinate with their sponsoring district to ensure accurate and timely report submission.

Standardized report templates are available on the San Bernardino County Superintendent of Schools website: http://www.sbcss.k12.ca.us/index.php/business-services/business-advisory-services/charter-schools-financial. The Excel workbook contains worksheets for the 2021-22 Budget, First Interim, and Second Interim Financial Reports.

At a minimum, charters must submit the following Budget Reports to their authorizing District, on or before July 1, 2021. Districts may require additional reports and/or supporting documentation:

Electronic copies - Required

- Charter 2021-22 Budget and Interim Reporting worksheet (all Budget tabs completed)
  - Budget - Check List
  - Budget - Certification
  - Budget - ADA
  - Budget - Assumptions
  - Budget - Unrestricted MYP
  - Budget - Restricted MYP
  - Budget - Summary MYP
  - Budget - Debt (sheet has a field to report if No Debt)
  - Budget - Cash Flow Year 1
  - Budget - Cash Flow Year 2 (if required by the authorizer)
- LCFF calculator (using the most recent FCMAT release)
- LCAP

Hard copies – Required

- Budget Certification ***Signed***

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

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

There have been revisions to this year's reporting template that you should be aware of. Some noteworthy changes include:

Assumptions

- Unduplicated pupil % had been the current year % and was a calculated field. Now, it is the rolling % and must be entered.
- Fields were added to input Certificated Management FTE, Other Certificated FTE, Classified Non-Management FTE, Classified Management FTE.
- Previously, there was a row to enter Average Cost per FTE (salary and benefits). Now, it is asking for Ave Salary (not including benefits) for the various types of FTE.

Restricted MYP

- If there is an ending Restricted Fund Balance, there is a section to list the specific program(s) that have an ending fund balance and the amount(s).
- At the bottom of the worksheet, there is a section requesting detail about the Charter's special education program.

Summary MYP

- At the bottom of the worksheet, you will find a section on Fund Balance Reserve Standards. If you are not meeting standards for Fund Balance Reserves, you are asked to identify the Charter's fiscal recovery plan.
- You will also find a section on Deficit Spending Standards. If the district is deficit spending, you will be expected to explain what caused the deficit spending and if it is one-time or on-going.

Data

- There is a new Data worksheet. This worksheet is 100% formula driven and will be used by Authorizers to load data into the Review worksheet.

Any other changes are easily identified and self-explanatory. **Be careful to complete all applicable worksheets/fields.** The Charter Financial Reporting Template feeds the Authorizer Review Template and **incomplete reports may be an indicator of financial risk**.

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 (CSAM) for in depth explanations of various codes and accounting treatments.

Districts must 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 2021-22 or two subsequent fiscal years as established in their Memorandum of Understanding with their authorizing district, it 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.

Authorizing Districts must forward the following, to BAS, on or before July 15, 2021:

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

- Charter 2021-22 Budget and Interim Reporting worksheet (all Budget tabs completed)
- Charter LCFF Calculator
- 2021–22 District Review – Charter Budget and Interim Reporting worksheet

Hard copies **- send to Raedaun Villarreal, Business Advisory Services**

- Charter's Budget - Certification ***Signed***
- 2021–22 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 Adopted Budget should be directed to the authorizing district's liaison. Questions regarding the standardized reports may be directed to Annette Baker (909) 386-9675 or annette.baker@sbcss.net.

Sincerely,

Ted Alejandre
County Superintendent of Schools
Signed by
Thomas G. Cassida, Jr., MBA
Director, Business Advisory Services

TC:AB:bp

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