

SCOE BIZ

Business Services Bulletin No. 24-18



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April 18, 2024

To: District and Charter Business Services
From: Sarah Lampenfeld, Director, External Fiscal Services
Subject: April 2024 Edition

Prop 28: Arts and Music in Schools Funding

CDE Curriculum Frameworks and Instructional Resources Division has created a web portal where LEAs can submit waivers, reports, and certifications associated with Proposition 28. The AMS web portal at <https://www8.cde.ca.gov/ams> went live on April 11, 2024. On Monday, April 15th, LEAs were emailed a unique password for the AMS portal.

The timeline of when content will be available for the current allocation year (2023–24) is listed below:

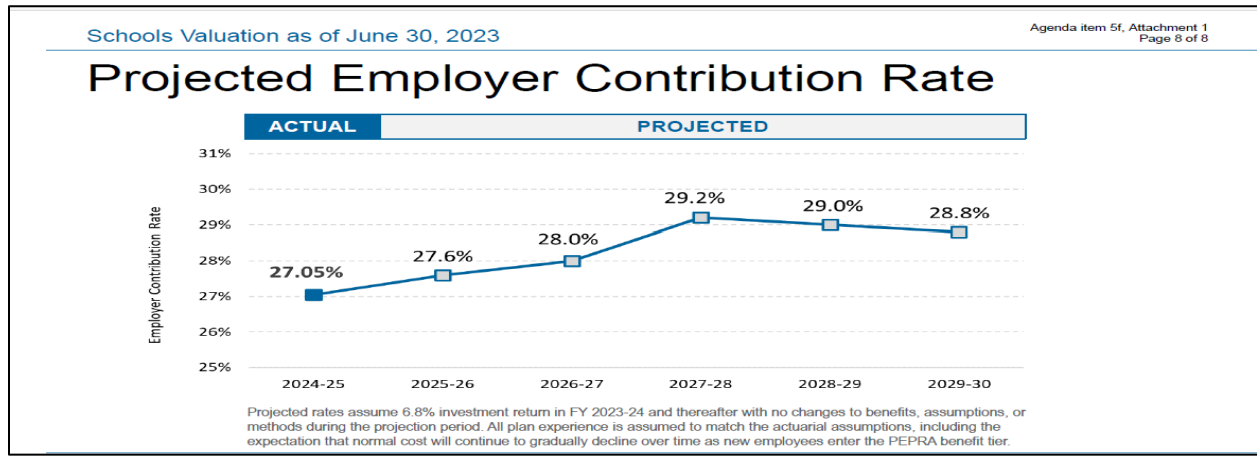
- Annual Report—Available to submit beginning on Wednesday, May 1, 2024, and will remain open for submission until the close of the fiscal year on Monday, July 1, 2024. Requirements of the Annual Report are detailed in California Education Code Chapter 5.1, Section 8820, Subsection (g)(4) and found [here](#) on the CDE website.
- Waiver Request—Available now for submissions and will remain open for the current allocation year (2023–24) through the three-year expenditure period. LEAs should submit a waiver if seeking exemption from Education Code Chapter 5.1, Section 8820, Subsection (g)(1) for good cause.
- Annual Certification—Please refer to the CDE Principal Apportionment Data Collection web page at <https://www.cde.ca.gov/fg/sf/pa/> for 2023–24 certification. Certification will not be available on the AMS portal for the 2023–24 fiscal year.
- Final Expenditure Report—Unavailable for submission until the three-year expenditure period ends on June 30, 2026. The portal will open on July 1, 2026, and remain open for submission until October 1, 2026.

UPK Expenditure Report #4 and Technical Assistance Session

The next UPK Expenditure Report is coming due next month. Report #4 will be due on or before May 31, 2024. In preparation from the reporting, the Early Education Division is hosting a technical assistance session on Thursday, April 25th from 4:00 – 4:45 p.m. Link to register: https://uso2web.zoom.us/meeting/register/tZEdu-pqjwoGtOZM4gkhJZ6h7W_xe5ozIHQ

CalPERS Rate for Fiscal Year 2024-25

This week the CalPERS Board approved the employer contribution rate for fiscal year 2024-25, which is lower than the Second Interim's estimates of 27.8% but higher than current year's 26.68%. The approved rate came in lower at 27.05%.



Sports Equity

Education Code section 221.9 requires each public elementary and secondary school, including each charter school, that offers competitive athletics to publish on its website separately *for each individual school*:

1. Total school enrollment, classified by gender.
2. Total number of students who participate in athletics, classified by gender.
3. Total number of school athletic teams, classified by gender, sport, and competition level.

The law first became effective for the 2015-16 school year. Annual postings are required by June 30th. The numbers reported should reflect the total number of players on a team roster "on the official first day of competition".

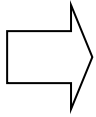
Reserve TRANSPARENCY disclosure at the Public Hearing (all Districts and general fund charters)

EC 42127 (a)(2)(B) requires a district's public hearing for the Adopted Budget must provide all the following for public review and discussion:

- 1) The minimum recommended reserve for economic uncertainties (REU) for each fiscal year identified in the budget.
- 2) The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended reserve for economic uncertainties for each fiscal year identified in the budget. The fund balances include the General Fund and Fund 17, Special Reserve Fund for Other than Capital Outlay.
- 3) A statement of reasons that substantiate the need for assigned and unassigned fund balance in excess of the minimum recommended reserve for economic uncertainties for each fiscal year identified in the budget.

EC 42127 (d) states the County cannot approve a District's budget unless the reserve transparency disclosures have been made.

To ensure each district has performed the Reserve Transparency disclosure at the *Public Hearing*, please:



- Note the *Reserve Transparency disclosure* as a *line item* on the Agenda of the *Public Hearing*.
- In the minutes of the meeting, report that reserves were reviewed and discussed in accordance with EC Section 42127 (a)(2)(B).

What should be done between NOW and your PUBLIC HEARING....

- 1) Add the Reserve Transparency disclosure to the Agenda of the public hearing.
- 2) Determine the applicable District ADA.
- 3) Calculate minimum REU as determined by the State board.
- 4) Commit reserves as you deem applicable, and discuss with auditors if you have concerns.
- 5) Identify the assigned and unassigned (including REU) fund balance amounts.
- 6) Determine/create a statement of the reason for the amount of assigned and unassigned fund balances in excess of the State minimum REU, which is supported by your governing board.
- 7) An Excel spreadsheet titled Statement of Reason for Excess Reserves is posted on the SCOE website under financial forms <http://www.scoe.org/pub/htdocs/fiscal-forms.html>
- 8) Be able to articulate why the reasons are relevant and necessary.
- 9) Be ready to present at your public hearing date, which is earlier than your budget adoption date.
- 10) Make sure the minutes of the public hearing note that reserves were reviewed and discussed in accordance with EC42127 (a)(2)(B).

Local Indicators Report Reminder!

Please remember LEAs must present their DTS template or self-reflection tools Word document (AKA) Local Indicators Report to the local governing board as an informational item at the same meeting the budget and 2024-25 LCAP are adopted by the local governing board.

Federal Cash Management Data Collection (CMD C)

The data collection window for the Federal Cash Management Data Collection (CMD C) System opened on April 10th and will close on April 30th. You may report your data at any time during this period. **LEAs must submit cash balance data by April 30th**, for the following programs to funds in the next apportionment for those programs (if you are a Title III Consortium LEA, your cash apportionments flow based on the total combined reporting for all Consortium LEAs):

- ✚ Title I, Part A
- ✚ Title I, Part D
- ✚ Title II, Part A
- ✚ Title III, Immigrant
- ✚ Title III, LEP
- ✚ Title IV

Note: The cash balance is to be reported regardless of the fiscal year from which the funds originated. CMD C information, including instructions, future reporting dates, FAQs, and Login can be found at the CDE Web site <http://www.cde.ca.gov/fg/aa/cm/>.

Federal Quarterly Interest Reporting

CDE federal program grantees are required to report and remit interest to the CDE at least quarterly. Although grantees are allowed to keep interest amounts up to \$500 per year for administrative purposes, the \$500 is in total for all federal programs, not for each federal program. When reporting and remitting federal interest to the CDE, grantees should specify the time period of interest-earning and the federal program resource codes. Interest on federal cash balances should be sent to the CDE at the following address:

California Department of Education
P.O. Box 515006
Sacramento, CA 95851
Attention: Cashier's Office




If no\$ to Remit: Email
cashmanagement@cde.ca.gov

The CDE requests LEAs submit documentation regarding the calculations and the interest rate used. Documentation (once available) for the **current quarter's rate of 3.271%** can be found at <https://sonomacounty.ca.gov/administrative-support-and-fiscal-services/auditor-controller-treasurer-tax-collector/divisions/treasury/publications/interest-apportionment>.



A complete list of federally reimbursable programs that should be EXCLUDED from your interest calculations can be found at <https://www.cde.ca.gov/fg/ac/co/reimbursableprograms.asp>. A good report to use for documenting your calculations is the Fiscal24 Resource Cash Daily Balances. You will need to enter the reporting period (quarter dates), interest rate for the quarter, and specific federal resources you would like to include in the calculation. **Title I, II, III, IV, ELOG (resources 3218 and 3219 only), GEER, and ESSER III would need to be included, but you may have other non-reimbursable programs.**

Fiscal Report by School Service of California

School Services provides excellent explanations of current topics. If you are a member of School Services of California you can also see their reports by logging in to view their web page or subscribe to their email service. Attached for your convenience are the following fiscal reports:

-  When Can We Spend Equity Multiplier Funds?
-  Ask SSC...Are the Retired CalPERS Annuitant Rules Changing?
-  Are You Providing 30 Minutes of Recess?

Reminders:

-  Please submit SCOE Biz 24-15: Public Hearing Notice as soon as possible (no later than 17 days prior to the public hearing).
-  In-Person Instruction Grant Final Expenditure Report **due by December 1, 2024**. The funds must be expended by September 30, 2024. LEAs can fulfill this requirement by filling out the In-Person Instruction Grants Final Expenditure Report and submitting it to InPersonGrants@cde.ca.gov by the due date.
 - The report can be downloaded here: [IPI Final Expenditure Report \(PDF\)](#)

Dates to Remember:

04/19/2024	P-2 Data Collection Due to SCOE
05/15/2024	Calpads User Group Meeting 9:00 a.m. to 11:00 a.m. <u>Zoom</u>
05/16/2024	Next Fiscal Year Workshop (hybrid: in-person – TLC 3 & 4 and online- <u>Zoom</u>)
05/16/2024	May DBUG (hybrid: in-person - Redwood C and online – <u>Zoom</u>)
05/21/2024	School Services of California May Revise webinar (must register with SSC)
05/22/2024	Capitol Advisors May Revise 9:00 a.m. -11:00 a.m. (must <u>register</u> w/Capitol Advisors)
05/26/2024	Frontline/SCOE IT Maintenance Day 7:00 a.m. – 12:00 p.m.
05/27/2024	SCOE Closed for Memorial Day
06/06/2024	Year-End Close Workshop (hybrid: in-person – Redwood C and online – <u>Zoom</u>)

NOTE:

- Want to add something to a DBUG Agenda? Want a topic added to SCOE Biz? Contact DBUG Chair, Christina Menicucci
- Documents presented at DBUG found posted at <http://www.scoe.org/pub/htdocs/fiscal-dbug.html>
- Workshop manuals and Fiscal Services/IT forms may be found at <http://www.scoe.org/escape> under the heading of Resources on the left side of the page.

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

When Can We Spend Equity Multiplier Funds?

 [BY LEILANI AGUINALDO](#)

 [BY BRIANNA GARCÍA](#)

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posted April 9, 2024

Ask SSC... Are the Equity Multiplier funds allowed to be expended in 2023-24, or must we wait until the 2024-25 LCAP has been adopted?

The short answer is it is the latter. In addition to a new Local Control and Accountability Plan (LCAP) template for the 2024-25 fiscal year, local educational agencies (LEAs) also have to implement a new source of funds for identified schools. Equity Multiplier funds are particularly tricky because of the multiple years involved. Ongoing Equity Multiplier funding was established as part of the 2023-24 Enacted Budget, and the California Department of Education published the list of 2023-24 Equity Multiplier schools as part of the certification of the 2023-24 First Principal Apportionment in March 2024 (see "[By the Way...2023-24 LCFF Equity Multiplier Details Available](#)" in the March 2024 Fiscal Report).

Per [Education Code Section \(EC §\) 42238.024\(b\)\(2\)](#), Equity Multiplier schools are identified using prior year data, and thus the list of schools for 2023-24 relies on data from the 2022-23 fiscal year. Planning for how LEAs will use the 2023-24 Equity Multiplier funds must be incorporated into the process for developing the 2024-25 LCAP. And, because [EC § 52064\(e\)\(7\)](#) requires the LCAP include focus goal(s) that address each Equity Multiplier school, the actual implementation and expenditure of 2023-24 Equity Multiplier funds will not take place until the 2024-25 fiscal year, after adoption of the 2024-25 LCAP.

In sum, 2022-23 data is used to determine 2023-24 Equity Multiplier schools and funds that must be spent in 2024-25, and this is the cadence for Equity Multiplier funds moving forward.

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Are the Retired CalPERS Annuitant Rules Changing?

 [BY MICHELLE MCKAY UNDERWOOD](#)

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posted April 16, 2024

Ask SSC . . . Can California Public Employees' Retirement System (CalPERS) retirees work in a substitute capacity for an employee out on a long-term leave or in a vacant classified position? Did this rule recently change?

Thank you for your question—the answer to your question of whether this rule recently changed is both yes and no. No, because the law governing these placements in local educational agencies (LEAs) has not been recently altered; and yes, because CalPERS has revised its interpretation of existing law in a way that affects LEAs.

There are two types of retired annuitant employment: “extra help” and interim/acting “vacant position” employment. “[A Guide to CalPERS Employment After Retirement](#)” explains the distinction between these appointments and the related rules. With respect to “vacant positions,” Government Code Section (GC §) 21221(h) permits a CalPERS contracting agency to appoint a retired annuitant to an interim vacant position during the recruitment for a permanent position. It is important to note that a vacant position appointment under GC §21221(h) is limited to a “contracting agency.” It is the interpretation of a “contracting agency” that has recently changed.

A “contracting agency” includes “any county office of education, school district, or community college district that has elected to have . . . its employees participate in a risk pool and that has contracted with the board for that purpose.” Most LEAs do not meet that criteria and are therefore not considered a “contracting agency” for purposes of the Public Employees' Retirement Law. Consequently, GC § 21221(h) does not generally apply to LEAs, and retirees would not be eligible to work after retirement in interim vacant positions.

For the past decade, CalPERS has been allowing LEAs to utilize the GC § 21221(h) process to appoint a retired annuitant to an interim vacant position during recruitment but has begun to deny LEAs the ability to use this process. Instead, LEAs will be advised by CalPERS to utilize GC §21224 to fill in for extra help positions. The concept is to fill a vacancy with an existing employee and utilize a retired annuitant as “extra help” to support that individual.

As of this writing, there are no legislative proposals to amend GC § 21221(h) to conform the last decade's practice with law. CalPERS is in the process of documenting this changed interpretation in an employer circular to be released in the next several months. Until then, CalPERS is not actively auditing for retired annuitant placements that erroneously utilized the GC §21221(h) process. However, if an LEA seeks CalPERS approval of such an interim placement, it will be denied and the LEA will receive counsel from CalPERS to fill the position in other ways.

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Are You Providing 30 Minutes of Recess?

 [BY BRIANNA GARCÍA](#)

 [BY WENDI MCCASKILL](#)

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posted April 17, 2024

[Senate Bill \(SB\) 291](#) (Newman, Statutes of 2023) added a new code of law, [Education Code Section \(EC §\) 4,9056](#), which requires that, if your local educational agency (LEA) offers recess, beginning with the 2024-25 school year, the recess should be at least 30 minutes on regular instructional days and at least 15 minutes on early release days. You may recall that in the October 2023 *Fiscal Report* article "[Recess Offering Requirements](#)," we reported on the change and the new requirements.

As a reminder, the requirement to provide recess applies to school districts, county offices of education, and charter schools. Recess can be provided in more than one period. For example, 30 minutes of recess could be provided in two 15-minute periods—one in the morning and another in the afternoon. Further, the bill states that recess cannot be denied to a student unless their participation poses an immediate threat to their physical safety or the physical safety of one or more of the student's peers. The recess time requirements do not apply on days when there is a field trip or other entire school-sponsored educational program.

EC § 49056 defines recess as a "a period of time during the schoolday, separate and distinct from physical education courses and meal times, but may follow or proceed physical education courses or meal times, when pupils are given supervised and unstructured time for" physical activity, play, organized games, and/or social engagement with peers.

The School Fiscal Services Division of the California Department of Education has prepared a "[Letter to the Field](#)" regarding SB 291, which can be found on its [Instructional Time and Attendance Accounting](#) web page. The letter provides information for LEAs to support implementation of SB 291 and includes recess offering requirements, exceptions, benefits, and a reminder that the addition of recess requirements was not accompanied by any changes to instructional time requirements.

All that said, the educational omnibus trailer bill released with the 2024-25 Governor's Budget proposes changes to statute added by SB 291. The revised language seeks to clarify that the schools at which recess should be offered are elementary schools and defines an elementary school as a school that "maintains kindergarten or any of grades 1 to 6. For a school that also maintains a grade higher than grade 6 the provisions of this section shall only apply to pupils in kindergarten and any grades 1 to 6, inclusive."

Remember, for the moment, this clarifying language is just a proposal and would not go into law until the bill is signed by the Governor. At which point, the revised requirement would be effective next school year. Therefore, we would recommend LEAs evaluate the schedules they have planned or are planning for next school year based on the law as currently written. Meaning, if your LEA plans to offer recess in any grade for the 2024-25 school year, the schedules you adopt should meet the minimum minute requirement regardless of grade. If the clarifying language is codified, and your schedules include recess for grades other than elementary grades, then adjustments could be made to the schedule for grades other than elementary grades, as necessary and as time permits.