SCOE Biz
Business Services
Bulletin No. 24-07

Sonoma County Office of Education
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October 19, 2023

To: District and Charter School Business Services
From: Sarah Lampenfeld, Director, External Fiscal Services
Subject: October 2023 Edition

AB 141, Clean-Up Language: Expanded Learning Opportunities Program (ELOP)

AB 141 added language to address emergency closure situations for the Expanded Learning Opportunities Program since this is the first year LEAs will be audited for compliance with the hour and day requirement. LEAs with a qualifying emergency, tying back to closure reasons in the J-13A statute, **will need to adopt a board resolution stating the facts substantiating the need for the emergency closure and provide supporting documentation for audit.** There will not be a CDE approval process or similar J-13A requirement for ELOP emergency closures. The board resolution is needed for any closures on schooldays that are part of the instructional time calendar intended to meet the annual day requirements, which includes 180 days for districts and 175 for charter schools (*EC* Section 46120(b)(1)(A)); and for closures that occur during the 30 nonschool day offering (*EC* Section 46120(b)(1)(B)).

Education Code Section 46120 subdivision (b), paragraph (9):
(9) For a local educational agency that is temporarily prevented from operating its expanded learning opportunity program because of a school or program site closure due to emergency conditions listed in Section 41422 or subdivision (d) of Section 8482.8, and is not able to meet all of the requirements pursuant to paragraph (1), which is in fact shown by a resolution adopted by the governing board or body of the local educational agency shall not be documentation substantiating the need for closure, the local educational agency shall not be subject to the penalty required pursuant to paragraphs (1) to (3), inclusive, of subdivision (c) as a result of the emergency.

RESIG Cyber Security Excess Premium

Recently RESIG received a credit on their cyber security excess premium. On September 21st, the RESIG board voted to return the credit to its members. Therefore, districts and charter schools can see a credit in object 9538 for the refund. If you have already cleared the property and liability (P&L) expense from object 9538 to object 5450 then you will have an additional entry to complete for the cyber security credit.

Equity Multiplier Resource Code for SACS

The CDE has announced the resource and object code for the Equity Multiplier. The resources code is 7399 and the revenue object code is 8590.

SACS Web System Updates

The CDE announced issues with the Unaudited Actuals SACS system. An update to the system was not possible since the issue was discovered so late in the process. The issues and solutions are:

- Form ESMOE – the line extract for Function 9100/Object 7699 was not working. Historically this combination has been used by only a handful of LEAs. Fix: CDE will notify those LEAs affected during the formal MOE calculation process in late winter/early spring.

- Form GANN – Line D10 does not allow a negative amount. May affect up to 10% of LEAs. Fix: CDE will query the data and follow up with LEAs as necessary.

- Form GANN – reminder regarding prior issue requiring Form GANN to be opened and resaved so the correct amount is extracted into Form CA, that if LEAs were unable to open and save Form GANN then CDE will identify those and follow up as necessary.

Federal Cash Management Data Collection (CMDC)

The data collection window for the Federal Cash Management Data Collection (CMDC) System is open. You may report your data at any time during this period. **LEAs must submit cash balance data by October 31st** for the following programs in order to receive 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. CMDC 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 (due October 31st)

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 2.695%** can be found here. 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 3216, 3217, 3218, and 3219 only), and ESSER II and III would need to be included, but you may have other non-reimbursable programs.**

FAQ for taxpayers – Bonds

Each fall, the Sonoma County Tax Collector's Office asks Districts with School Bonds on the tax rolls to provide a contact telephone number that is printed on property tax bills. Taxpayers with questions about school Bonds or parcel taxes need to have easy access to Districts for questions. To better help you answer those questions we have prepared a frequently asked question sheet (attached). Please share this information with the contact who answers the phone number printed on the tax bills.

Revised Allocations for 2022-23 Block Grants

In September, CDE posted the revised allocation for the Learning Recovery Emergency Block Grant and the Art, Music, Instructional Materials Discretionary Block Grant. The final amounts varied slightly from the known estimates provided by School Services of California for the year-end closing entries. The difference will be recognized as current-year revenue.

Annual Accounting for School Developer Fees ~ Fund 25, Object 8681

Developer fees are required to be deposited in a separate capital facilities account/fund so that their collection and use is accounted for separately, away from the rest of the district's activities. Interest earned must be credited to the same fund and must be used for the same purpose as the fees. Government Code section 66006 requires that within 180 days of the end of the fiscal year, each district that levies developer fees should make the accounting available to the public (**by December 28, 2023). The governing board must review the information at its next regularly scheduled meeting held *no earlier* than 15 days *after* the information becomes available to the public.**

Additionally, Government Code section 66001 requires each district that collects developer fees to **make further findings every five years** about any fund in which those fees remained unexpended at the end of the fiscal year. It is recommended that the five-year accounting be made in conjunction with the annual accounting for each fund or account. Failing to comply with the statute, may result in a refund of the fees in question.

For more detailed information, please see School & College Legal Services of California's Legal Update *Annual Development Fee Accounting:* 2023 update once available.

It's important to note a school district should also consider updating its study when circumstances change, such as when student enrollment decreases or classroom capacity increases.

Fiscal Reports by School Services of California

School Services does an excellent job of providing explanations to current topics. If you are a member of School Services of California you can also see these reports by logging in to view their web page or subscribe to their email services. Attached for your convenience are:

- Inflation Rates Hold Steady
- New Employee Leave Signed into Law

Reminders

SAMS.gov renewal

Please remember, that renewal with the System for Award Management (*SAM*) is free. Often LEAs will receive solicitation to register with the system for a fee. Please be aware, LEAs can register on their own via SAM.gov for FREE.

Professional Development – Supported by SCOE

Attached is a flier for professional development opportunities this fiscal year.

SCOE is hosting several workshops presented by CASBO. SCOE will reimburse for the cost of one registration by a district employee for one of the eligible workshops listed on the flier.

Sonoma County School Property Tax Informational Meeting

SCOE is hosting an informational meeting on property taxes.

Sonoma County School Property Tax Informational Meeting will be on November 8th, 8:30 -10:00 a.m. This session intends to provide in-depth property tax information to Sonoma County leaders. The property tax information will be presented by Erick Roeser, Auditor-Controller-Treasurer-Tax Collector, Brooke Koop, Assistant, Auditor-Controller-Treasurer-Tax Collector, and Lindsay VanMidde, Property Tax Manager.

This informational meeting is offered to Superintendents and CBOs in Sonoma County. Please RSVP here.

Questions need to be provided in advance. Please send questions to Sarah Lampenfeld, slampenfeld@scoe.org, by November 1st.

Mini-Training Sessions/Working Sessions

Understanding YOUR Budget: November 16th immediately following DBUG
Audit Review UPDATED DATE: December 5th, 9:00 – 10:30 a.m. (in-person only)
The Basic (Difference between Budget and Actuals) plus General Ledger Mid-Year Cleanup: January 25, 2024, 9:00 – 11:00 a.m. (working session)
CARS and Unearned Revenue Understanding: February 1, 2024, 9:00 – 11:00 a.m. (working session)
LCAP Training UPDATE DATE and TIME: (annual update, what's new, and staying on track): March 28th, 9:30 – 11:30 a.m.

Dates to Remember:

10/25/2023 Calpads Open Lab 10:00 a.m. – 12:00 p.m. (hybrid: in-person or Zoom)
11/10/2023 SCOE Closed for Veterans Day Observation
11/16/2023 DBUG (hybrid: in-person and Zoom)
11/16/2023 Immediately following DBUG **in-person only** mini-training: **Understanding YOUR Budget**
11/17/2023 Escape Open Lab 1:00 p.m. – 4:00 p.m. RVSP here
11/26/2023 Scheduled Maintenance Day 7:00 a.m. - 12:00 p.m.
11/29/2023 Calpads Open Lab 10:00 a.m. – 12:00 p.m. (hybrid: in-person or Zoom)
12/01/2023 Escape - 2023 1099 Reporting Click here to register
12/05/2023 Audit Review training 9:00 – 10:30 a.m. (in-person only) **RSVP w/Advisor**
12/07/2023 Escape W2 Reporting Click here to register
12/10/2023 Scheduled Maintenance Day 7:00 a.m. -12:00 p.m.
12/15/2023 1st Interim Report due to SCOE
12/15/2023 Escape ACA Reporting Click here to register
12/16/2023 Fall 1 Certification Deadline
NO DBUG in December

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 are 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.

ANSWERS for Frequently Asked BOND Questions

1. Voter approval authorizes the sale of General Obligation bonds. Usually the school districts sell blocks of bonds (issue) instead of the total authorized amount. That is why each issue is numbered, also because each issue has a different maturity date and debt service schedule.

2. No one is excluded or waived from paying GOB taxes, including senior citizens. Debt service is a rate x value and does not take into account the owner. If a senior citizen states they are waived from other taxes; they are referring to Direct Charges / Parcel taxes. These taxes are different from General Obligation bonds. Seniors are exempt for those direct charges only if that clause was part of the creation of the resolution for ballot. Each district must respond to those questions if their direct charges allow for a senior exemption.

3. If a senior citizen states they did not pay school taxes in Marin, they are referring to direct charges. Marin County has confirmed that for GO bonds their county treats it the same as Sonoma County; no one is waived from paying these taxes.

4. CCPI: California Consumer Price Index – determined by the State

5. Questions on how the money is spent should be answered by the School district.

6. The Auditor's Office sets the tax rates, creates the bills, and apportions to the debt service fund to pay the principal and interest on the bond. The school receives the bond money at the time of sale. They are the ones who allocate the funds for school improvements or new construction. The taxpayers pay the principal and interest to the bondholders through BNY as paying agent by paying their debt service property taxes. The rate is determined by the value of the district, the principal and interest owed for 18 months, and how much reserves are in the fund. Debt service amounts on the tax bills are calculated by the value of property times the rate. All taxpayers within that district have the same rate. Any questions related to tax rate calculations or tax bill errors should be forwarded to the Auditor's office at 565-2635.

7. Questions on School vs. County boundaries refer to the Office of Education at 524-2631 Greg Medici, Deputy Superintendent's office. Tax boundaries are sometimes different from school boundaries. Some taxpayers will pay taxes for one school but their children attend another school. You may receive questions on what school should a child attend based on the parcel number. Refer to the Office of Education. The school district determines which school a parcel belongs in. They are the ones to initiate any changes to the state chart.

8. Do not answer any questions about direct charges or other districts; refer to phone numbers on tax bills.

9. Questions regarding Assessment Appeals should be referred to the County Assessor's Office.

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Inflation Rates Hold Steady

BY PATTI F. HERRERA, EDD

BY WENDI MCCASKILL

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posted October 13, 2023

The U.S. Bureau of Labor Statistics reported on October 12, 2023, that the Consumer Price Index (CPI)—the U.S. measure of inflation—grew at a similar year-over-year pace in September as in August, with September headline inflation matching August at 3.7%. While we are experiencing improvement in some areas that drive inflation like used cars and apparel, other areas like higher gas prices and shelter are boosting inflation. Shelter costs accounted for more than 50% of the increase.

Core inflation, which excludes the costs for food and energy, increased 4.1% year over year. This represents a slight decrease from the 4.3% core inflation reported for August.

Shelter, motor vehicle insurance, education, recreation, personal care, and new vehicle indexes all showed an increase, while used cars and trucks, medical care, and apparel indexes decreased.

The Federal Reserve (Fed) has indicated that its restrictive policy towards interest rates will continue until inflation further abates. The Fed will also be looking at the inflationary indexes in determining whether or not to continue the pause on interest rate increases at its next meeting October 31, 2023, through November 1, 2023. We will continue to monitor the CPI as well and the Fed's actions with regard to interest rates. Inflation influences the annual cost-of-living adjustment (COLA), although COLA is specifically determined by a federal price deflator for government entities.

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

New Sick Leave Law

BY LEILANI AGUINALDO
BY DANYEL CONOLLEY

Copyright 2023 School Services of California, Inc. posted October 10, 2023

Ask SSC . . . Does the new law which provides five days of paid sick leave apply to local educational agencies (LEAs)?

On October 4, 2023, Governor Gavin Newsom signed Senate Bill (SB) 616 (Gonzalez, D-Long Beach), which guarantees five paid sick days per year, expanding workers' paid sick leave entitlements. When it comes to employee leave laws there is rarely a short answer, but in this case the answer is "yes," it does apply to LEAs.

SB 616 amends the Healthy Workplaces, Healthy Families Act established by Assembly Bill 1522 (Gonzalez, Statutes of 2014), or "substitute sick leave" entitlement, which for LEAs applies to part-time and temporary substitute employees. Current law provides up to 24 hours or three days of paid sick leave, and substitutes can earn one hour of paid leave for every 30 hours worked. Remember, employees covered by collective bargaining agreements are exempt from this law, and SB 616 does not change this provision.

We highlight the significant revisions to Labor Code 246 below for your reference:

- Employee is entitled to no less than 24 hours of accrued sick leave or paid time off by the 120th calendar day of employment or each calendar year, or in each 12-month period, *and no less than 40 hours of accrued sick leave or paid time off by the 200th calendar day of employment or each calendar year, or in each 12-month period.*

- An employer may satisfy the accrual requirements by providing not less than 24 hours or three days of paid sick leave that is available to the employee to use by the completion of the employee's 120th calendar day of employment, *and no less than 40 hours or five days of paid sick leave that is available to the employee to use by the completion of the employee's 200th calendar day of employment.*

- Employers may limit an employee's use of accrued paid sick days to *40 hours or five days in each year of employment, calendar year, or 12-month period.*

Aligned with the current law, the leave accrual requirements can be satisfied, and no accrual or carryover is required if the full amount of leave (five days or 40 hours of leave) is received at the beginning of each year of employment, calendar year, or 12-month period. SB 616 takes effect January 1, 2024. We recommend that human resources and the business office communicate about this important change and work to plan for the fiscal, instructional, and operational implications of this additional leave entitlement.

SCOE BUSINESS SERVICES REIMBURSABLE WORKSHOPS

As of September 2023

The Sonoma County Office of Education is offering reimbursement for various business-related workshops for district business office employees. School districts can receive reimbursement for these workshops with proof of payment and attendance.

Districts will need to pay for the workshop registration upfront. One person per district is eligible for the reimbursement unless approved by SCOE Deputy Superintendent, Business Services Greg Medici or Director, External Fiscal Services Sarah Lampenfeld.

Eligible Workshops

-Accounts Payable Rules and Best Practices
-Advanced Management & Supervision
-Budget Basics & Beyond
-CalSTRS/CalPERS: Best Practices for Employment Agreements, CBAs & Avoiding Adverse Audits
-CalSTRS/CalPERS: Retirement Concepts
-Legal Aspects & Hands-On Accounting for Student Body Organizations
-Payroll Compliance & Calendar Year-End Reporting
-Payroll Concepts
-Payroll Essentials
-Pupil Attendance Accounting for District Personnel
Standard Account Code Structure (Basic/ Advanced)
-1099 Reporting Concepts
-ERP-CA Benefits Management Course (register with Frontline)



Sonoma County Office of Education

Register directly with CASBO unless indicated otherwise. Proof of payment and attendance should be submitted to SCOE Administrative Operations Specialist Kristin Enbysk at kenbysk@scoe.org for reimbursement.

Property Tax Informational Session

Hosted by the Sonoma County Office of Education

Sonoma County's educational leaders are invited to learn in-depth property tax information from experts within the County of Sonoma's Auditor-Controller-Treasurer-Tax Collector's Office.

This session will help local educational agencies as they develop their own revenue projections.

Please RSVP and send questions in advance to Sarah Lampenfeld, Director, External Fiscal Services, by Wednesday, Nov. 1. Light refreshments and coffee will be provided.

Click here to RSVP!

Nov. 8, 2023

8:30 - 10 A.M.

SCOE
Redwood Rooms

Contact:

Sarah Lampenfeld,
slampenfeld@scoe.org

PRESENTERS



Erick Roeser
Auditor-Controller-Treasurer-Tax Collector

Brooke Koop
Assistant Auditor-Controller-Treasurer-Tax Collector

Lindsay VanMidde,
Property Tax Accounting Division Manager

Sonoma County Office of Education