YEAR-END CLOSING MANUAL

SONOMA COUNTY SCHOOL DISTRICTS & CHARTERS



June 4, 2025

Business Services Department

Information Technology Department

Sonoma County Office of Education

Hybrid: Redwood C & Zoom

YEAR-END CLOSING MANUAL
for Sonoma County School Districts & Charters
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Signature Authorization Form for FY 2025-26	**Attachment 4**

Note:

The manual includes the Closing Check-Off List and uses it similar to a table of contents.
For example, Step #1 on the Closing Check-Off List correlates to the pages labeled Step 1 in the manual.
If two pages were needed to explain one step, that step's instruction pages were sequentially numbered on the bottom middle of each page.
The Closing Check-Off List (pages 3 - 5) is presented in a sequence that compliments the year-end close process.

Year-End Closing Timelines

This year's manual has been prepared to assist the District Business Office in completing those tasks in a step-order sequence. We hope that this manual keeps you on target and proves beneficial in completing all the responsibilities for closing your books and preparing for a clean audit!

Charter Schools ~ Unless otherwise directed by your sponsoring district, these timelines are applicable for year-end close and Unaudited Actual reporting.

All documents listed below are due to SCOE's Business Service department (unless otherwise stated) no later than 4:30 p.m.

DISTRICT CUTOFF DATES - See June and July Calendars

YE	Review all open P.O.'s, A/P, A/R, & Payroll for closed / closing resources	Friday	6/06/2025
Budget	Fiscal Year Start-Up Form – 2025-26 ***to IT*** Authorizes IT to perform roll of LEA budgets to "Tentative" budget status in ESCAPE.	Friday	6/20/2025
YE	Vendor Warrant Cancellations	Friday	6/13/2025
Budget	After LEA Board adopts 2025-26 budget, LEA opens "Tentative" Model in Frontline ERP and select "*Approve this Model,*" which generates "Board Approved" budget status.		thru 6/30/2025
YE	**Final AP Run for 2024-25** (see IMPORTANT NOTES on next page)		
	AP cutoff ~ Noon	Tuesday	6/17/2025
	Warrant production will be run	Wednesday	6/18/2025
YE	Final Cash Transfers	Monday	6/23/2025
YE	Final Cash Deposits	Monday	6/16/2025
YE	Signature Authorization Form	Monday	6/30/2025
Budget	Submit the Board approved Adopted Budget and ***earlier of***: *Local Control and Accountability Plan*	**5 days after the adoption OR**	**6/30/2025**

HOLIDAYS ~

Juneteenth **Celebrated Thursday, June 19, 2025**

HAPPY 4TH OF JULY! **Celebrated Friday, July 4, 2025**



YE	SCOE will have all internal entries prepared by	Tuesday	7/29/2025
YE	**Districts eFile Use Tax and mail payment by 7/31/2024**	**Thursday**	**7/31/2025**
YE	Unaudited Actuals Workshop	Thursday	7/31/2025
YE	Final Frontline ERP journal entries	Wednesday	8/06/2025
YE	Final signed Report of A/P & A/R setups	Friday	8/08/2025
YE	Year-End Close checklist with attachments	Friday	8/08/2025

NOTE: ***Districts may run final financial statements for their auditors after SCOE notification by e-mail that all closing entries have been posted.***

See IMPORTANT NOTES on page 2

SCOE CUTOFF DATES

Budget	SCOE will review LEAs Adopted Budget	July thru 9/15/2025
YE	SCOE will have all internal entries prepared by	Tuesday, July 29, 2025
YE	SCOE receives Year-End Close checklist w/attachments	Friday, August 8, 2025
YE	SCOE reviews the district's final balances SCOE will e-mail each LEA when the review is complete. The District can perform the final SACS extract for Unaudited Actuals.	August thru 09/15/2025
YE	Preliminary Cash Roll	Tuesday, July 1, 2025
2025-26	**First AP run of 2025-26** AP cutoff ~ Noon Warrant production will be run	 Wednesday, July 2, 2025 Thursday, July 3, 2025

HOLIDAYS ~

Juneteenth **Celebrated Thursday, June 19, 2025**

HAPPY 4TH OF JULY! Celebrated Friday, July 4, 2025



Asset and Liability Roll This will also re-roll cash balances.	August – September
SCOE receives Board approved Unaudited Actuals	By September 15, 2025

IMPORTANT NOTES:

1. **All backup for the final 2024-25 AP warrant run is due to SCOE by NOON on Tuesday, June 17, 2025.**
2. **DO NOT CREATE any NEW 2024-25 AP batches between June 17th (afternoon) and June 30th.**
3. **The last June deposit is June 16, 2025: due to SCOE by 4:30 p.m.**
4. **DO NOT CREATE any NEW 2024-25 AR batches between June 16 (after 4:30 p.m.) and June 30th.**
5. **All 2025-26 AP & AR batches must have a July 1st or later date.**

CAUTION: ***Frontline ERP does allow you to create batches after the last June AP and the last June Deposits through June 30. There are a multitude of complex components if you were to create a batch during the select time at the end of June, therefore, it is recommended not to create any new batches until after the July 1 cash roll.***

SONOMA COUNTY SCHOOLS
CLOSING CHECK-OFF LIST-- District/Charter Responsibilities

District/Charter name _____ **DUE August 08, 2025**

***PRE*- Closing Steps**

TL 1 Fiscal Year-End in Frontline ERP
- ☐ Clear all Prior Year Payables and Receivables (9510/9210)
- ☐ Clear Outstanding Journal Entries
- ☐ Verify all Assets Acquired in 2024-2025 have been entered
- ☐ Clear All Pending Status Fixed Assets

AN 2 **Prior year receivables** (July 1, 2024 balances) in ALL funds have been **cleared, adjusted or determined valid.**
- ☐ 9211/9212 - Accts receivable
- ☐ 9218/9219 - Due from Charter/District
- ☐ 9290/9299 - A/R from other Govt (prior yr.)
- ☐ 9310- Due from Other Funds (set up in prior year)

AN 3 **Prior year payables** (July 1, 2024 balances) in ALL funds have been **cleared, adjusted or determined valid.**
- ☐ 9518/9519- Due to Charter/District
- ☐ 9590/9599 - A/P to other Govt (prior yr.)
- ☐ 9610- Due to Other Funds (set up in prior year)
- ☐ 9650- Unearned Revenue

YEAR-END CLOSE PROCEDURES

TL 4 Blank Resource-Payroll Cleanup
- ☐ Journal miscellaneous blank resource payroll related balances

CG 5 *The LEA* has completed the emailed **county-wide accrual entries** in 2024-2025
- ☐ a. District & Charter In Lieu of Property Tax - July 2025 entries made (Packet #1)
- ☐ b. Special Education Entries have been made (Packet #2). Reverse in 2025-26
- ☐ c. Other Entries and Information PLUS 2024-45 Deferrals (Packet #3)
- ☐ d. GASB 31: Fair Market Value Calculation (Packet #4)

CT 6 Education Protection Account (EPA)
- ☐ Move expense to resource, Post 2024-2025 EPA report on the website (what funds were received & how they were spent).
- ☐ 2025-2026 spending determinations approved by the Board

FA 7 Federal and State Resources Closing
- ☐ Clear any outstanding balances in closed or closing resources, re-run Fiscal13 to verify *Complete by*
- ☐ In Frontline ERP Setup/Chart of Accounts: expire account strings and close resource codes *June 30, 2025*

JL 8 Use Tax Filing and Payment
- ☐ a. 9580 - If transferring Use Tax liabilities from special funds to general fund, must be completed by June 23, 2025
- ☐ b. Use Tax for 2024-25 filed and paid by July 31, 2025

CA 9a ☐ Commercial warrant cancellations sent to Sarah Graves by end of day June 13, 2025

CA 9b **Adjust to actual** the following balance sheet accounts (9xxx objects) in ALL funds.
- ☐ 9213 - Accounts Receivable - payroll
- ☐ 9515- Stale Dated Warrants, unless it will be cleared in next fiscal year
- ☐ 9530- Payroll Clearing
- ☐ 9531- Vendor Clearing
- ☐ 9538- Property Insurance liability
- ☐ 9540-9511 - Voluntary Deductions
- ☐ 9557- SDI withholding (if applicable)
- ☐ 955x- Payroll liability accounts
- ☐ 957x- Health Benefits liability accounts

DB 9c ☐ 9530 - Classified School Employee Summer Assistance Program (CSESAP), liability entries (if participating)

AD 10 Establish all 2024-2025 accounts receivables in Frontline ERP.
- ☐ Please provide a signed Ledger02 -Receivables/Liabilities Activity report to your advisor. This report must equal object 9229 in FY24.

AD 11 Establish all 2024-2025 accounts payable in Frontline ERP.
- ☐ Please provide a signed Ledger02 -Receivables/Liabilities Activity report to your advisor. This report must equal object 9529 in FY24.
- ☐ Clear Fiscal Year-End Checklist Report, Fiscal 15

FA 12 Due To/From and Loans (Inter Fund and TRANS)
- ☐ Temporary Loans (9315=9615) have been set-up, paid or restated, as necessary.
- ☐ All Due To's and Due From's (9310=9610) have been set-up, paid or restated, as necessary.
- ☐ Temporary Loans and Due To/Due From's are re-evaluated to determine if they are permanent and thus, should be restated as transfers.
- ☐ TRANS adjusting entry has been done to object 9641 (must be zero by 6/30, other than cross-year TRANs).

FA 13 Revolving Cash and Stores Inventory (Asset = Reserve)
- ☐ Verify accuracy of balance in asset accounts 9130 and 9320.
- ☐ Set-up or adjust corresponding reserve balance in 9711 and 9712.
- ☐ Revolving Cash: object 9130 = object 9711
- ☐ Stores: object 9320 = object 9712

DM 14 Special Education: IDEA Federal Revenue
- [ ] Update budget to reflect the current amount and expend money prior to year end as no carryover is allowed.

CG 15 Federal Time Accounting - *Optional* Substitute System for employees with *multiple costs objectives* on *predetermined* schedules. Approval of the Predetermined Schedule Substitute System
- [ ] Administered through the Consolidated Application and Reporting System beginning in 2014-15. Certified yearly

CT 16 [ ] Record interest income in applicable resources or funds (federal programs and applicable state programs).

CT 17 Sub-agreements and Multi-District Service Agreements have been reviewed and coded appropriately.
NOTE: Distinction in coding relates to whether the service is for YOUR students or another districts' students.
- [ ] Review objects 5100 & 5800 for sub-agreements.
  Up to $25,000 per contract agreement (not individual student) can be coded to object 5800 - the balance to object 5100
- [ ] Determine if you are a 'Participating School District' or a 'Local Operating Agency'.
- [ ] Post service transactions accordingly.

DM 18a Special Education Maintenance of Effort (MOE)
- [ ] MOE has been reviewed for (1) 2024-2025 actual vs last PY actual the MOE was Met (2) 2025-2026 budget vs last PY actual the MOE was Met
- [ ] SYT Form

DM 18b [ ] Excess Cost Calculation

SL 19a [ ] GASB 68: Record STRS on-behalf revenue and expenditures in Resources 7690, GASB 74, 75 Pensions
SL 19b [ ] Review Resource 8150 Restricted Maintenance and Fund 14 Deferred Maintenance

MP 20 Review of coding ~ Form CEA
- [ ] Form CEA has been reviewed for passing required percentages.

CG 21 Record Direct Costs
- [ ] 5710-5749- net to zero by object within fund
- [ ] 5750-5799- net to zero by object between funds.

CG 22 Record Indirect Costs to applicable categorical programs & Review Function Coding.
- [ ] 7310-7349- net to zero by object & function within a fund.
- [ ] 7350-7399- net to zero by object & function between funds.
- [ ] Check Function coding for "Common Issues" before closing your books.
- [ ] Check Indirect Cost Rate in SACS for TRC Errors & Reasonability of 2024-2025 Rate

MP 23 Contributions between programs (8980-8990) have been booked.
- [ ] Each of these accounts must net to zero at the fund level.

CT 24
- [ ] For all resources, determine if the ending balance should be Unearned Revenue or Fund Balance.
- [ ] FASB - For all resources, determine if the ending balance should be Unearned Revenue or Fund Balance (CHARTERS ONLY)
- [ ] Optional - complete Form CAT (Tool to determine year-end accruals for Restricted Categorical Programs).

MP 25 Review ALL resources and funds to determine:
- [ ] No resources have negative ending fund balance
- [ ] Any resource with a positive ending fund balance is allowable
- [ ] All funds show positive fund balance at June 30, 2025
- [ ] All funds show positive **cash** balance at June 30, 2025
- [ ] Balance Prop 28 funds by year code

AN 26 [ ] Expense budget by major object has been reviewed and updated as necessary

SL 27 GASBs ~ Fixed Assets & Pension Accounting
- 27a [ ] GASB 31: Fair Market Value
- 27b [ ] GASB 34: Beginning balances of Fixed Asset Report agrees with 6-30-24 audit report ending balances
- 27c [ ] GASB 87: Leases (effective 2021-2022)
- 27d [ ] GASB 96: Subscription-Based Information Technology (effective 2022-2023)
- 27e [ ] GASB 104: Disclosure of Certain Capital Assets (effective 2025-2026)

FA 28 Account Coding and Audit Reminders
- [ ] Supplemental & Concentration funding ~ Coding reminders
- [ ] E-Rate Reimbursement coding is reported at gross.
- [ ] Donated Food Commodities are recorded at fair market value
- [ ] Review 2023-2024 audit guide as deemed applicable

29 After all of the above steps are completed, re-run Fiscal 15 to assure no open or pending transactions exist.
☐ This is a double check measure!

30 ☐ Run TRC in SACS. Correct fatal errors. Submit w/this checklist. (no detail is provided in this workbook)

31 ☐ Run ICR report (in SACS) to review indirect cost rate. (no detail is provided in this workbook)

PROVIDE the following Year End Close documents to SCOE staff as indicated

1 Signature Authorization Form has been completed for FY 2025-2026. Send to Christy Arend or Jing Liu in Business Services.

2 Signed Ledger 02-Receivable/Liabilities Activity report in step #10 and #11. Send to SCOE Advisor.

3 SACS TRC check ran in step #30. Send to SCOE Advisor.

4 Signed Fiscal 03a for object codes 9530 and 9531. Send to Christy Arend or Jing Liu in Business Services.

5 This checklist! Please sign and date that you have completed the above 31 steps. Send to SCOE Advisor.

6 Please specify the date your Unaudited Actuals will be presented to the Board
Date of Unaudited Actual presentation _____



CBO/Business Manager Date

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Sub-agreements	Step 17
Supplemental & Concentration Funding (coding reminders)	Step 28
Time Accounting (Federal)	Step 15
Use Tax	Step 8
Warrant Cancellations	Step 9a

Step 1– Fiscal Year End Close in Frontline ERP

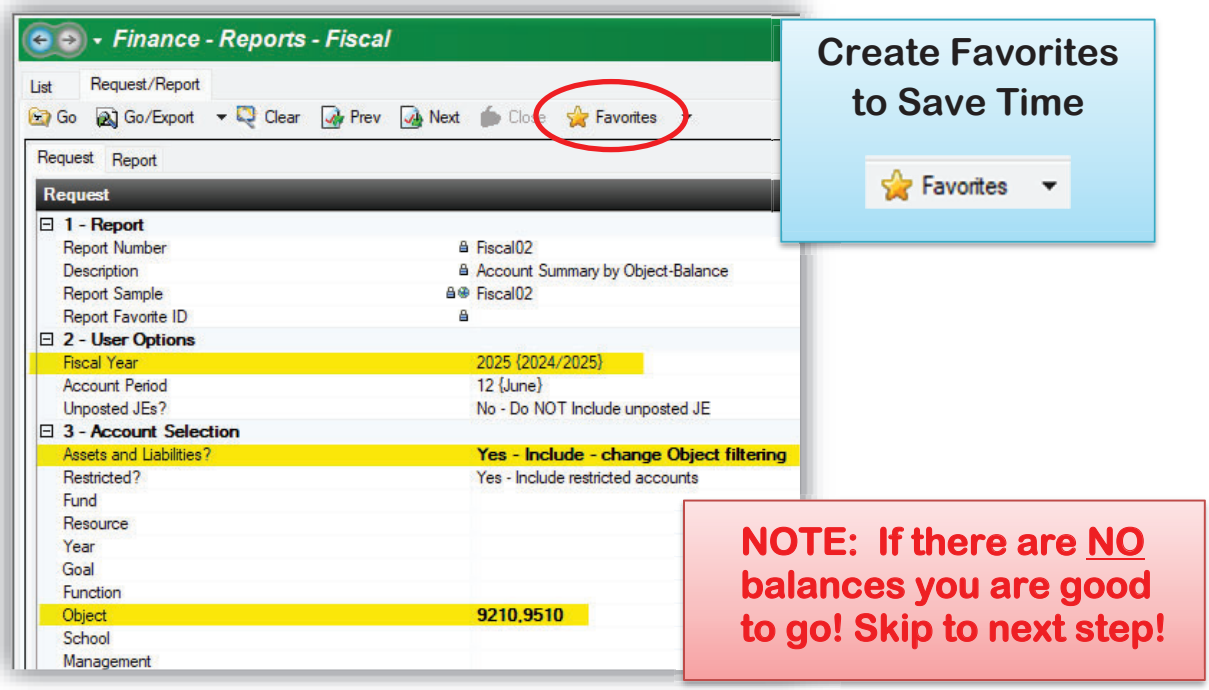
Prior Year Payables and Receivables should have been cleared by now, be sure to double check before the start of closing current fiscal year to have a clean slate for items that rolled from prior fiscal year 9529 and 9229 object codes that roll beginning balances to 9510 and 9210 object codes.

Clear All Prior Year Payables (9510) and Receivables (9210)

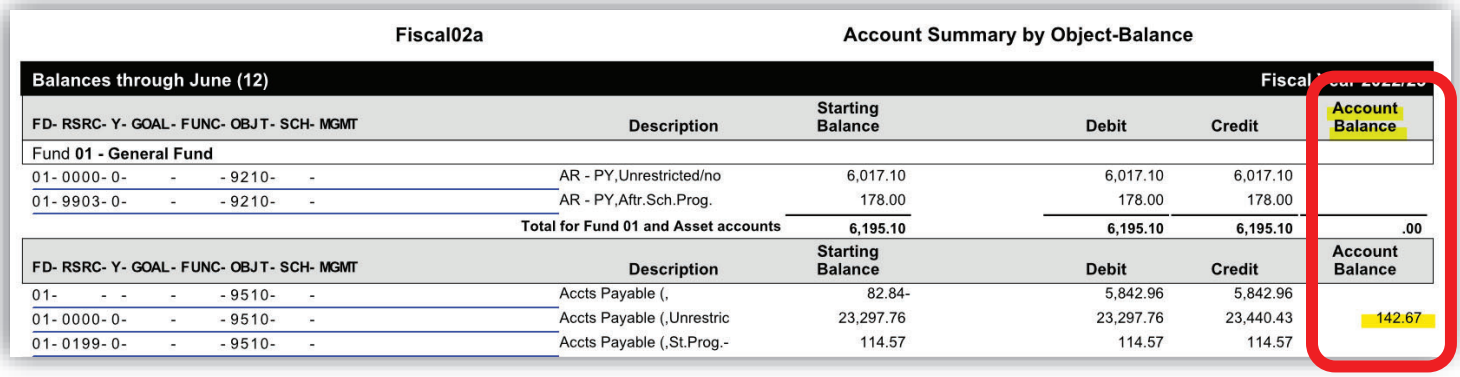
Run the Fiscal02 Account Summary by Object-Balance Report or Fiscal03 Account Transaction Detail by Object-Balance.

Go to Finance – Reports – Fiscal – Fiscal02 or Fiscal03

- **Fiscal Year: 2025** {2024/25}
- **Assets and Liabilities:** Yes – Include – change Object filtering
- **Object:** 9210,9510 (use comma no space)
- Click **Go** to generate the report



If there are Account Balances, research to determine if items should be cleared or moved to the next fiscal year. Review the Ledger02 Receivable/Liabilities on next page.



Fiscal02a — Account Summary by Object-Balance

Balances through June (12)

FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT	Description	Starting Balance	Debit	Credit	Account Balance
Fund **01 - General Fund**					
01- 0000- 0- - - 9210- -	AR - PY,Unrestricted/no	6,017.10	6,017.10	6,017.10	
01- 9903- 0- - - 9210- -	AR - PY,Aftr.Sch.Prog.	178.00	178.00	178.00	
	Total for Fund 01 and Asset accounts	**6,195.10**	**6,195.10**	**6,195.10**	**.00**

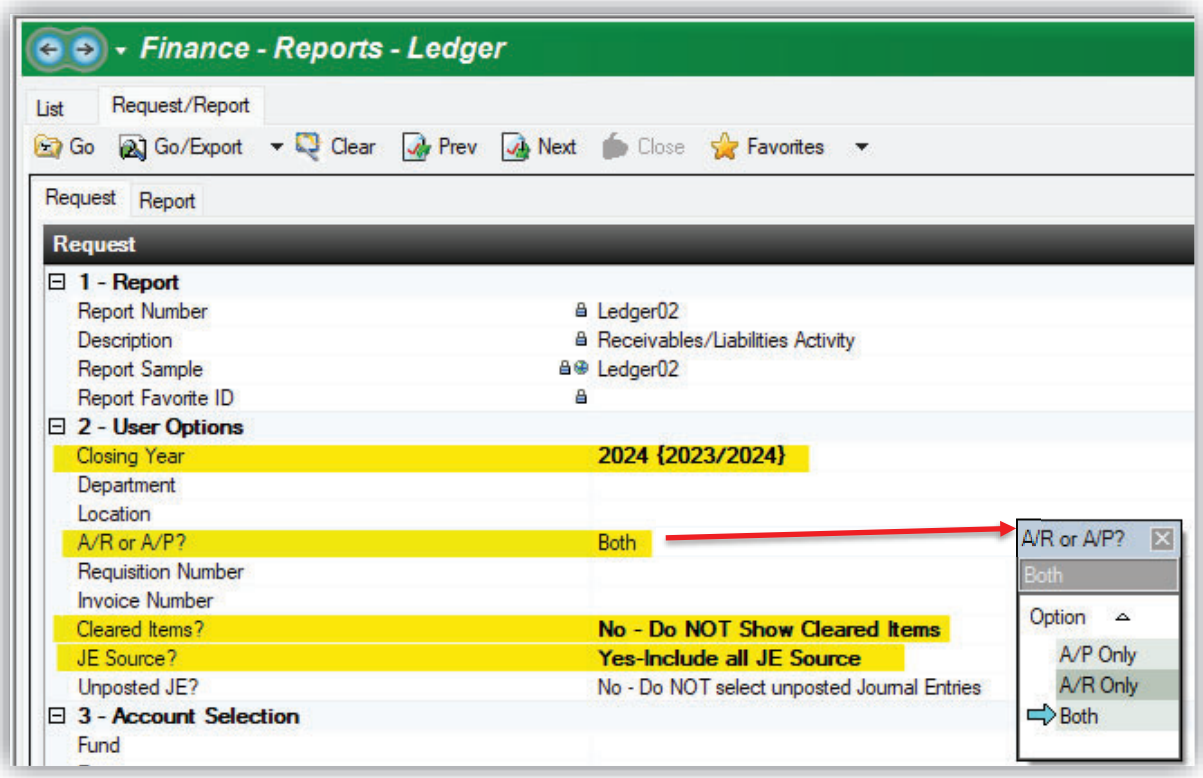
FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT	Description	Starting Balance	Debit	Credit	Account Balance
01- - - - - 9510- -	Accts Payable (,	82.84-	5,842.96	5,842.96	
01- 0000- 0- - - 9510- -	Accts Payable (,Unrestric	23,297.76	23,297.76	23,440.43	142.67
01- 0199- 0- - - 9510- -	Accts Payable (,St.Prog.-	114.57	114.57	114.57	

Review Prior Year Payables/Receivable for More Detail

If there are balances remaining on the Fiscal02 for 9210 or 9510, then run the Ledger02 Receivables/Liabilities Activity for more detail on prior year pending items. This report shows journal entry activity by requisition number, account receivable invoice number, or journal entry number as it relates to account receivable and/or liability setup and clearing.

Go to Finance – Reports – Ledger – Ledger02

- **Closing Year: 2024** {2023/2024}
- **A/R or A/P?:** Both is default or change to A/R or A/P if desired
- **Cleared Items?:** No – Do NOT Show Cleared Items
- **JE Source?:** Yes – Include all JE Sources
- **Unposted JE?:** Yes – select unposted Journal Entries
- Click **Go** to generate the report

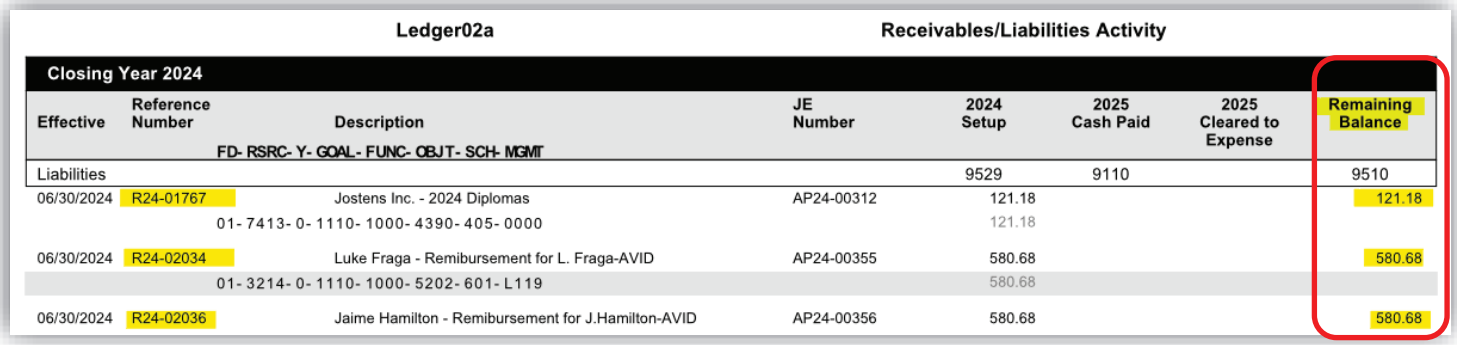


This will create a list of pending items that need to be reviewed and determined if need to be cleared or reprocessed through Year End Processing.

- To clear a Requisition or Invoice, manually complete with in the Requisition or Invoice
- To reprocess ***see Steps 10 and 11*** for more detail
- See next page for Ledger02 Examples

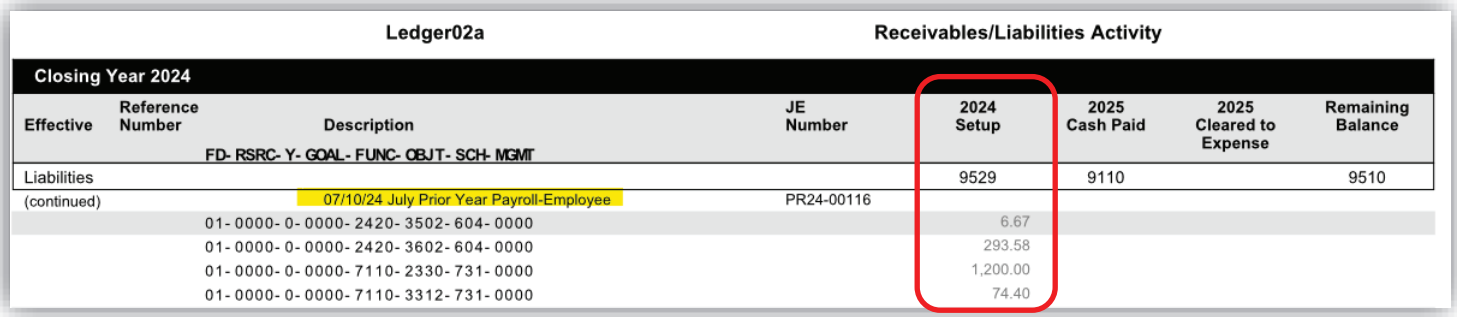
Example 1: Ledger02 Closing Year 2024 Remaining Balance:

- Review Vendor Requistions and Invoices that have Remainining Balances, these items need to be manually completed or reprocessed through Year End Closing



Ledger02a				Receivables/Liabilities Activity			
Closing Year 2024							
Effective	**Reference Number**	**Description**	**JE Number**	**2024 Setup**	**2025 Cash Paid**	**2025 Cleared to Expense**	**Remaining Balance**
		FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT					
Liabilities				9529	9110		9510
06/30/2024	R24-01767	Jostens Inc. - 2024 Diplomas	AP24-00312	121.18			121.18
		01- 7413- 0- 1110- 1000- 4390- 405- 0000		121.18			
06/30/2024	R24-02034	Luke Fraga - Remibursement for L. Fraga-AVID	AP24-00355	580.68			580.68
		01- 3214- 0- 1110- 1000- 5202- 601- L119		580.68			
06/30/2024	R24-02036	Jaime Hamilton - Remibursement for J.Hamilton-AVID	AP24-00356	580.68			580.68

Example 2: Ledger02 Closing Year 2023; Setup Total for Liabilities:



Ledger02a				Receivables/Liabilities Activity			
Closing Year 2024							
Effective	**Reference Number**	**Description**	**JE Number**	**2024 Setup**	**2025 Cash Paid**	**2025 Cleared to Expense**	**Remaining Balance**
		FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT					
Liabilities				9529	9110		9510
(continued)		07/10/24 July Prior Year Payroll-Employee	PR24-00116				
		01- 0000- 0- 0000- 2420- 3502- 604- 0000		6.67			
		01- 0000- 0- 0000- 2420- 3602- 604- 0000		293.58			
		01- 0000- 0- 0000- 7110- 2330- 731- 0000		1,200.00			
		01- 0000- 0- 0000- 7110- 3312- 731- 0000		74.40			



- **Prior Year Liability Payroll 07/10/2024 transactions will display on the Ledger02 report**
  - **NO further action is needed for prior year payroll items**

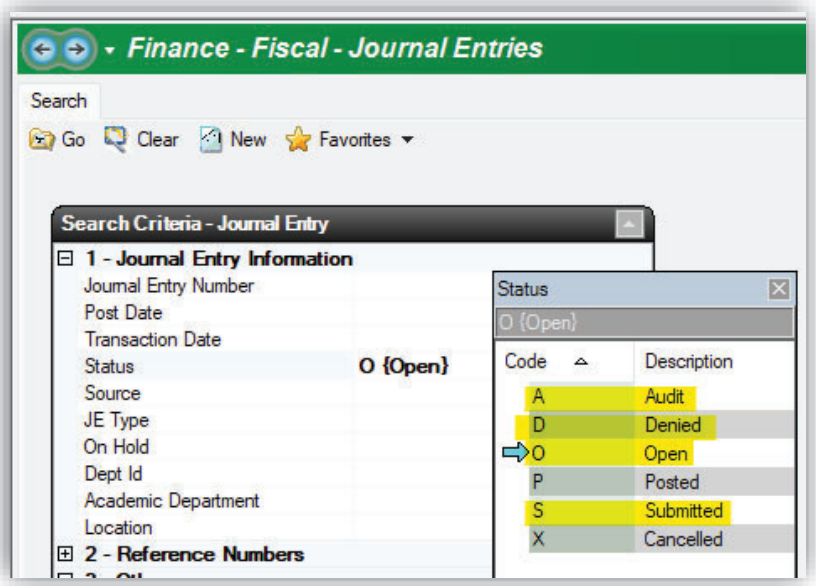
- **Prior Year Liability Payroll 07/10/2024 transactions cleared in the GL which is reflected in the Fiscal02**

Clear Outstanding Journal Entries

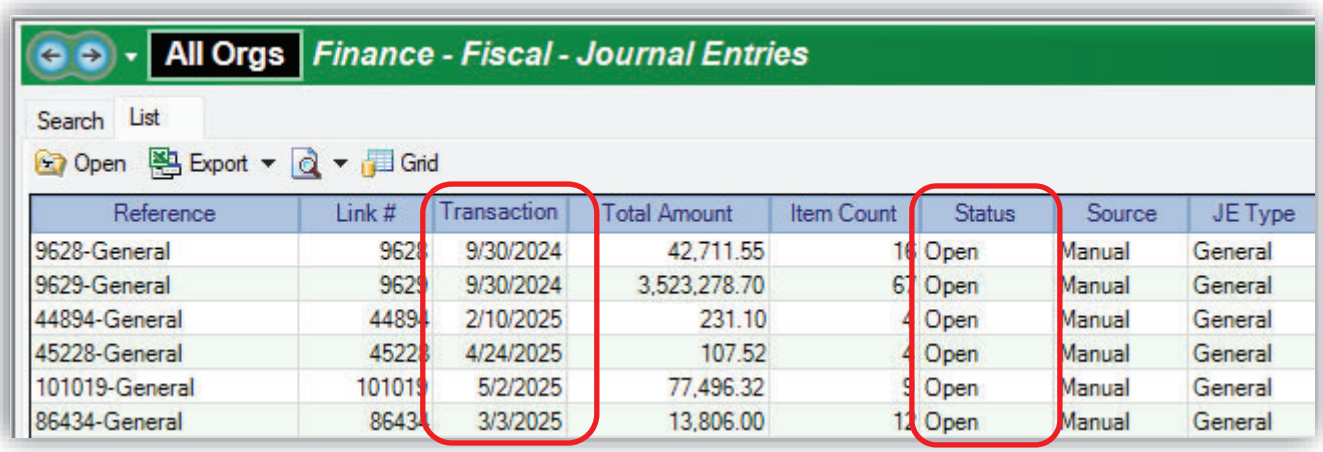
The Fiscal Year cannot be closed with outstanding Journal Entries. They must be addressed by posting or deleting, need to research.

Go to Finance-Fiscal-Journal Entries

- Search by Status: Open
- Search by Status: Submitted
- Search by Status: Denied
- Search by Status: Audit
    - Post or delete all Journal Entries that have not been completed



Example List of Journal Entries in Open Status for review:



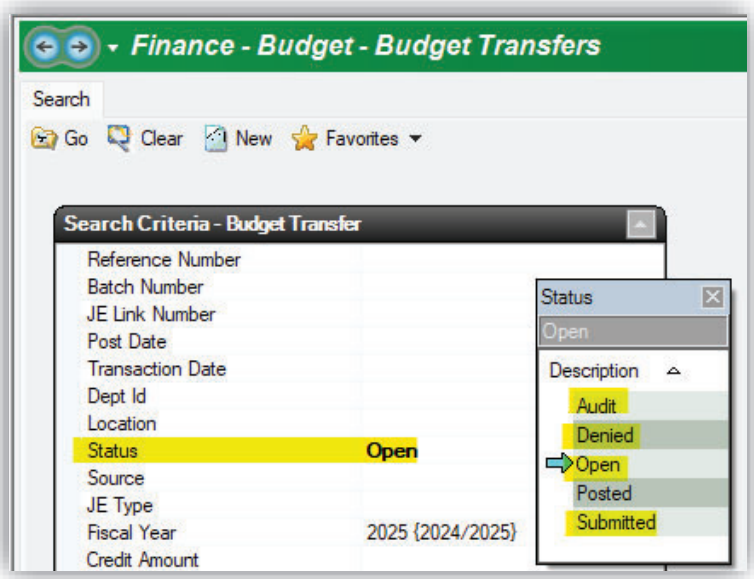
Be mindful of Cash and IFT JE Types, they cannot be posted in "Closed" periods! If the JE is still valid, the Transaction Date must be changed to open period. After 6/17/2025 Cash Deadline, Interfund transfers must be set up as Due to/Due From, cash cannot be affected between Funds!

Clear Outstanding Budget Transfers

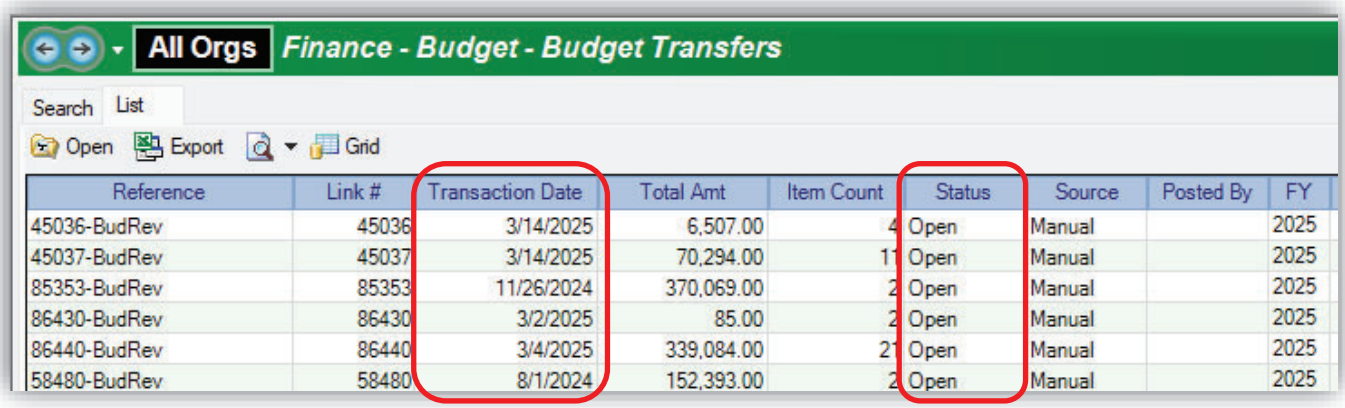
The Fiscal Year cannot be closed with outstanding Budget Transfers. They must be addressed by posting or deleting.

Go to Finance-Budget-Budget Transfers

- Search by Status: Open
- Search by Status: Submitted
- Search by Status: Denied
- Search by Status: Audit
  - Post or delete all Budget Transfers that have not been completed



Example List of Budget Transfers in Open Status for review:



Reference	Link #	Transaction Date	Total Amt	Item Count	Status	Source	Posted By	FY
45036-BudRev	45036	3/14/2025	6,507.00	4	Open	Manual		2025
45037-BudRev	45037	3/14/2025	70,294.00	11	Open	Manual		2025
85353-BudRev	85353	11/26/2024	370,069.00	2	Open	Manual		2025
86430-BudRev	86430	3/2/2025	85.00	2	Open	Manual		2025
86440-BudRev	86440	3/4/2025	339,084.00	21	Open	Manual		2025
58480-BudRev	58480	8/1/2024	152,393.00	2	Open	Manual		2025

Review if Budget Transfers are still valid, must be posted or deleted. It's recommended to change the Transaction Date.

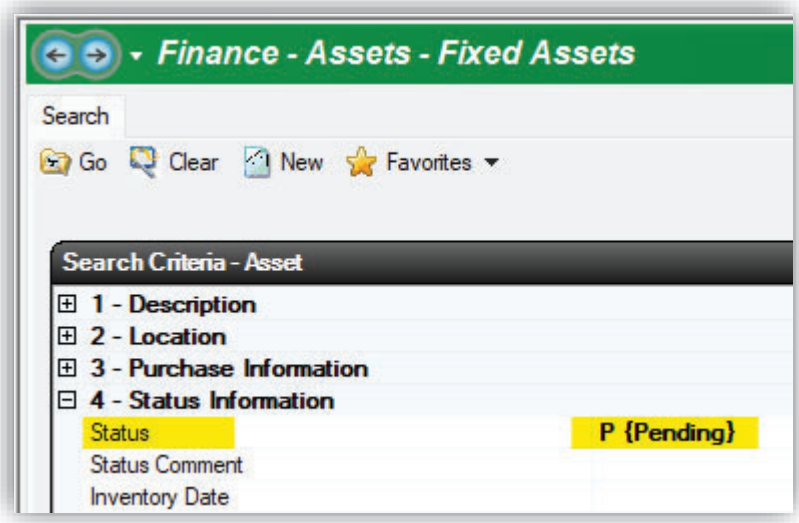
Fixed Assets

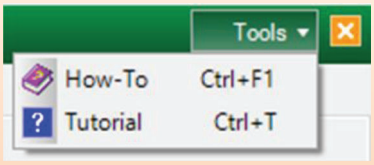
Review Fixed Asset records in pending status prior to close. FA status changes to Pending when items are received in Frontline ERP when using the Requisition Order Type “PO with Receiving”. Update FA records with the Tag # and Serial # if applicable.

Go to Finance – Assets – Fixed Assets

Search Criteria

- **Status:** P {Pending}
- Click Go to create the list





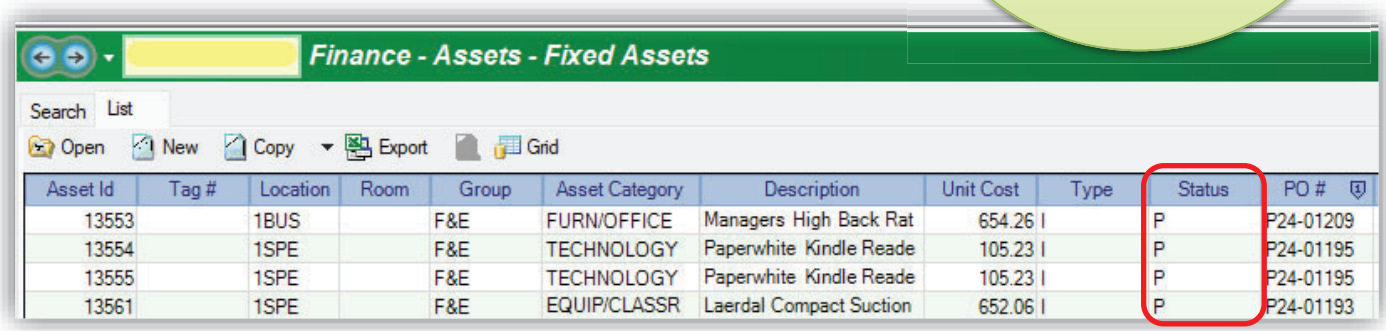
Tools available in each activity in top right corner

Click “How-To” to get to web documentation and search by key words

Click “Tutorial” to view short video demonstration

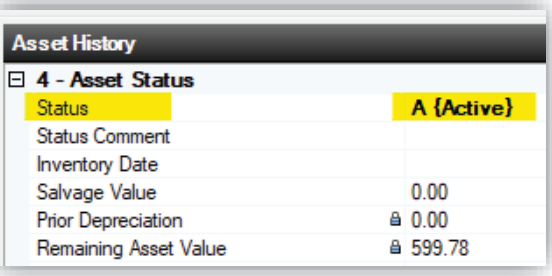
If your District is not using Fixed Assets in ERP, now is **not** the time to implement, wait until after fiscal year is closed!

Example List of Fixed Assets in Pending Status for review:



Asset Id	Tag #	Location	Room	Group	Asset Category	Description	Unit Cost	Type	Status	PO #
13553		1BUS		F&E	FURN/OFFICE	Managers High Back Rat	654.26	I	P	P24-01209
13554		1SPE		F&E	TECHNOLOGY	Paperwhite Kindle Reade	105.23	I	P	P24-01195
13555		1SPE		F&E	TECHNOLOGY	Paperwhite Kindle Reade	105.23	I	P	P24-01195
13561		1SPE		F&E	EQUIP/CLASSR	Laerdal Compact Suction	652.06	I	P	P24-01193

- Open the FA records
- **Status:** A {Active}
- Save/Close



Step 2 – Review Prior Year Receivables

A pre-closing step should be performed to determine the status of prior year receivables, other than object 9210. These are receivables set up in the prior year, as of June 30, 2024. The balances came over to the 2024-25 fiscal year as a starting balance, as of July 1, 2024. It is necessary to review the receivables to ascertain if a prior year balance remains. This should be done for ALL funds and resources.

To assist with this review run a Fiscal02 (summary) or Fiscal03 (detail) report. Using the report, review the account balances for object codes 9211, 9212, 9218, 9219, 9290, 9299, and 9310. If a balance remains from the prior year, analyze to determine if it is still a valid receivable or if the balance should be cleared or adjusted.

Note: ***A district may have receivables in object codes particular to that district, not listed above. Refer to Steps 1, 10 & 11 for review and analysis of Object 9210/9229. Refer to Step 9 for payroll receivables.***

Examples of Possible Entries

☐ **9211/9212 – Accounts Receivable**

1) If it is determined that the receivable is no longer valid, it should be cleared to zero via a Journal Entry (GJ). Sample Entry:

	Debit	Credit
01-XXXX-0- - -9211- -		1,000.00
01-XXXX-0-0000-0000-8XXX-000-0000	1,000.00	

2) If it is determined that the receivable is valid, leave the account balance as is.

☐ **9218/9219 – Due from Charter/District**

1) If it is determined that the receivable can be paid before the year ends, an Inter Fund Cash JE (IFC) will need to be done **no later than June 23.** Sample Entry**:**

	Debit	Credit
01-XXXX-0- - -9218- -		20,000.00
03-XXXX-0- - -9518- -	20,000.00	

2) If the cash transfer deadline of June 23 is missed, but there was intent to pay, leave the account balance as is, and do the above entry in July. If it's determined that the receivable cannot be paid at this time, leave the account balance as is.

Examples of Possible Entries (continued)

☐ 9290/9299 – A/R Due from Other Gov't. (Prior Year)

Fiscal02a **Account Summary by Object-Balance**

Balances through June (12)						Fiscal Year 2024/25
FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT	Description	Starting Balance	Debit	Credit	Account Balance	
Fund **01 - General Fund**						
01- 1100- 0- - - 9290- -	AR - Fed/State,State Lott	259.60	259.60	259.60		
01- 3219- 0- - - 9290- -	AR - Fed/State,ELO ESSER	1,963.44	1,963.44	1,963.44		
01- 3310- 0- - - 9290- -	AR - Fed/State,Sp Ed-idea	54,179.00	54,179.00	54,179.00		
01- 4035- 0- - - 9290- -	AR - Fed/State,Nclb:title	2,273.00	2,273.00	952.00	1,321.00	
01- 5810- 0- - - 9290- -	AR - Fed/State,Reap Grant	21,208.00	21,208.00	21,208.00		
01- 6300- 0- - - 9290- -	AR - Fed/State,Lottery-in	247.66	247.66	247.66		
01- 7810- 0- - - 9290- -	AR - Fed/State,Other Stat	18,833.25	18,833.25	18,833.25		
	Total for Object 9290	**98,963.95**	**98,963.95**	**97,642.95**	**1,321.00**	

1) If it is determined that the receivable is **no longer valid**, it should be cleared to zero via a Journal Entry (GJ). Sample Entry:

	Debit	Credit
01-XXXX-0- - -9290- -		1,321.00
01-XXXX-0-0000-0000-8XXX-000-0000	1,321.00	

2) If it is determined that the receivable **is valid**, leave the account balance as is.

☐ 9310 – Due from Other Funds (Set up in prior year)

1) If it is determined that the receivable can be paid before the year ends, an Inter Fund Cash JE (IFC) will need to be done **no later than June 23.** Sample Entry:

	Debit	Credit
01-XXXX-0- - -9310- -		15,000.00
13-XXXX-0- - -9610- -	15,000.00	

2) If the cash transfer deadline of June 23 is missed, but there was intent to pay, leave the account balance as is, and do the above entry in July. If it's determined that the receivable cannot be paid at this time, see **Step 12**



If your SCOE Advisor set up the original entry, leave it "as is" and SCOE will adjust the account.

Step 3 – Review Prior Year Payables

A pre-closing step should be performed to determine the status of prior year payables and liabilities, other than object 9510. These are payables set up in the prior year, as of June 30, 2024. The balances came over to the 2024-25 fiscal year as a starting balance, as of July 1, 2024. It is necessary to review the payables and liabilities to ascertain if a prior year balance remains. This should be done for ALL funds and resources.

To assist with this review run a Fiscal02 (summary) or Fiscal03 (detail) report. Using the report, review the account balances for object codes 9518, 9519, 9590, 9599, 9610, and 9650. If a balance remains from the prior year, analyze to determine if it is still a valid payable/liability or if the balance should be cleared or adjusted.

Note: ***A district may have payables in object codes particular to that district, not listed above. Refer to Steps 1, 10 & 11 for review and analysis of Object 9510/9529. Refer to Step 9 for payroll liabilities.***

Examples of Possible Entries

☐ **9518/9519 – Due to Charter/District**

1) If it is determined that the payable can be paid before the year ends, an Inter Fund Cash JE (IFC) will need to be done **no later than June 23.** Sample Entry**:**

	Debit	Credit
01-XXXX-0- - -9218- -		20,000.00
03-XXXX-0- - -9518- -	20,000.00	

2) If the cash transfer deadline of June 23 is missed, but there was intent to pay, leave the account balance as is, and do the above entry in July. If it's determined that the payable cannot be paid at this time, leave the account balance as is.

☐ **9590/9599 – A/P Due to Other Gov't. (Prior Year)**

1) If it is determined that the payable is no longer valid, it should be cleared to zero via a Journal Entry (GJ). Sample Entry:

	Debit	Credit
01-XXXX-0- - -9590- -	$12,200.00	
01-XXXX-0-0000-0000-8XXX-000-0000		12,200.00

2) If it is determined that the payable is valid, leave the account balance as is. See example on next page.

EXAMPLE:

In this example, the LEA had set up a payable of $94,954.67 in 23/24 to pay unused ELOP funds back to the State. The balance rolled into 24/25 and is seen as a starting balance credit Obj 9590.

Detail for Dates 07/01/2024 through 06/30/2025 — **Fiscal Year 2024/25**

Ref#	Pay To Name	Journal #	Description	Trans Date		Debit	Credit	Account Balance
Fund **01 - General Fund**								
01-2600-0- - -9590- - A/p Due To Othe,ELO Progr								
		BB25-00008	Starting Balance	07/01/24			94,954.67	94,954.67
		GJ25-00040	clear March & April ELOP take ba	04/25/25	A	24,400.00		70,554.67
	CA Department Of Educ	EX25-00519	2021-22/2022-23 Unspent ELOP F	05/02/25	B	58,355.00		12,199.67
			Account Total	06/30/25		82,755.00	94,954.67	
			Total for Liability Accounts and Object 9590			**82,755.00**	**94,954.67**	C **12,199.67**

Ref#	Pay To Name	Journal #	Description	Trans Date	Adopted Budget	Revised Budget		Revenue	Account Balance
01-2600-0-0000-0000-8590-000-0000 All Other State,ELO Progr									
		BA25-00001	Approve Budget,OB25-07,Fund 0	07/01/24	61,187.00	61,187.00			61,187.00
		CT25-00139	July 2024 Expanded Learning Opp	07/30/24				8,840.00	52,347.00
		CT25-00267	August 2024 Expanded Learning (	08/28/24				8,840.00	43,507.00
		CT25-00419	September 2024 Expanded Learni	09/27/24				8,840.00	34,667.00
		CT25-00631	October 2024 Expanded Learning	10/30/24				8,840.00	25,827.00
		CT25-01194	January 2025 Expanded Learning	01/30/25				3,536.00	22,291.00
		CT25-01364	February 2025 Expanded Learning	02/28/25				4,011.00	18,280.00
		CT25-01529	March 2025 Recover of Unspent E	03/27/25			A	12,200.00-	30,480.00
		CT25-01537	March 2025 Expanded Learning C	03/27/25				4,011.00	26,469.00
		GJ25-00040	clear March & April ELOP take ba	04/25/25			A	24,400.00	2,069.00
		CT25-01751	April 2025 Expanded Learning Op	04/29/25				4,011.00	1,942.00-
		CT25-01762	April 2025 Recover of Unspent EL	04/29/25			A	12,200.00-	10,258.00

A-The State recovered $12,200.00 on 3/27/25 and another $12,200.00 on 4/29/25. The LEA has cleared the two recovery payments with GJ25-00040 by:

	Debit	Credit
01-XXXX-0- - -9590- -	$24,400.00	
01-XXXX-0-0000-0000-8XXX-000-0000		24,400.00

B- The LEA has also made a direct payment back to the State- $58,355.

C- The LEA is anticipating another direct recovery of unspent funds in May, and so therefore the $12,199.67 balance remains in Obj 9590 to be cleared once the recovery is complete.



For additional guidance on clearing prior year payables and receivables, visit SCOE's website to access January 25, 2024 General Ledger Mid-Year Cleanup Basics workshop materials.

Examples of Possible Entries (continued)

☐ **9610 – Due to Other Funds (Set up in prior year)**

1) If it is determined that the payable can be paid before the year ends, an Inter Fund Cash JE (IFC) will need to be done **no later than June 23.** Sample Entry**:**

	Debit	Credit
01-XXXX-0- - -9310- -		15,000.00
13-XXXX-0- - -9610- -	15,000.00	

2) If the cash transfer deadline of June 23 is missed, but there was intent to pay, leave the account balance as is, and do the above entry in July. If it's determined that the payable cannot be paid at this time, see **Step 12**.

☐ **9650 – Unearned Revenue**

1) All starting balances (July 1, 2024) that still remain as an account balance in 2024/25 should be cleared to zero via a Journal Entry (GJ). Sample Entry:

	Debit	Credit
01-XXXX-0- - -9650- -	4,000.00	
01-XXXX-0-0000-0000-8XXX-000-0000		4,000.00



If your SCOE Advisor set up the original entry, leave it "as is" and SCOE will adjust the account

Step 4 – Payroll Related 9XXX Account 'String' Cleanup

"Blank" Resource transactions are generated from Payroll activity; however, Accounts Payable or Manual Journal Entries can be created in error with the corresponding 0000 Resource or 0000 Components. **Cash must balance by Fund, Resource and Year**.

Example of Account Structure:

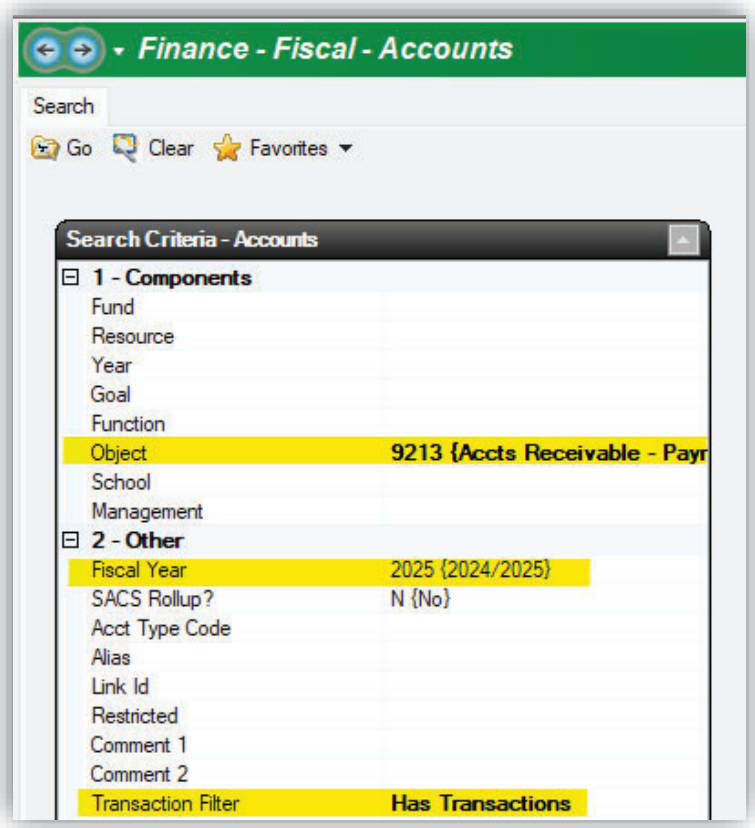
Description	FD-RSRC-Y-GOAL-FUNC-OBJT-SCH-MGMT
Payroll Generated	XX - - - - -9XXX- -
Accounts Payable or Manual Journal Entry Generated	XX – 0000 -0- - -9XXX- -
Accounts Payable or Manual Journal Entry Generated	XX – 0000 -0- 0000 - 0000-9XXX- 000- 0000

Review any balances in Resource 0000, for all funds for **Objects 9213, 9511, 954-957** filter.

Go to Finance – Fiscal – Accounts

Search Criteria:

- **Object:** 9213,- (Comma then – to get Blank Components)
  - Filter object codes for smaller list
- **Fiscal Year:** 2025 {2024/2025}
- **Transaction Filter:** Has Transactions
- Click **Go** to generate the list of accounts to review for balances



Save a Favorite Search to review on a regular basis

Example list: 9213 Object Code that have balances in 0000 Resource and Blank Resource

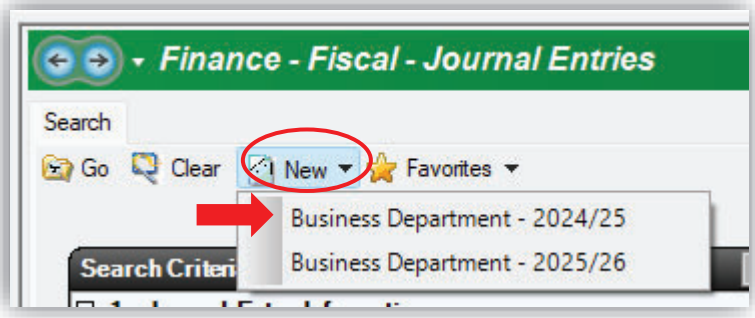
The balances in 01-0000 Resource will need to be transferred to Blank Resource by a manual Journal Entry to balance cash by Fund, Resource and Year.

FD-RSRC-Y-GOAL-FUNC-OBJT-SCH-MGM	Rest	Description	Account Balance	Actual DR	Actual CR
01- - - -9213- -	No	Accts Receivabl,	$49.24	$5,880.48	$5,831.24
01-0000-0- - -9213- -	No	Accts Receivabl,Unrestric	$2,731.85	$2,731.85	$0.00
03-0000-0- - -9213- -	No	Accts Receivabl,Unrestric	$0.00	$0.00	$0.00

Manual Journal Entry to Move Balance to Blank Resource Accounts

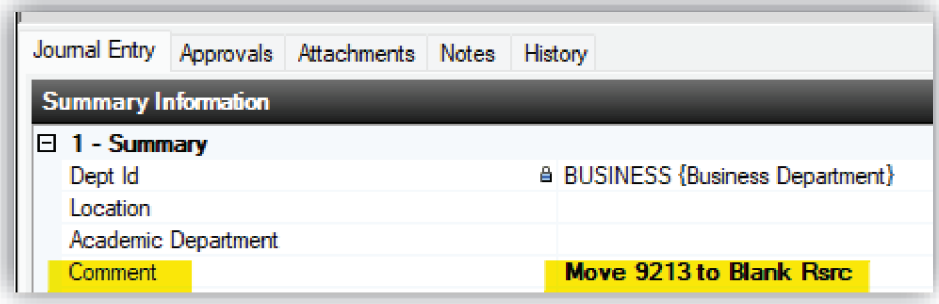
Go to Finance – Fiscal – Journal Entries

- Click New to start the Journal Entry
- **Fiscal Year:** Select 2024/25 for Closing Year



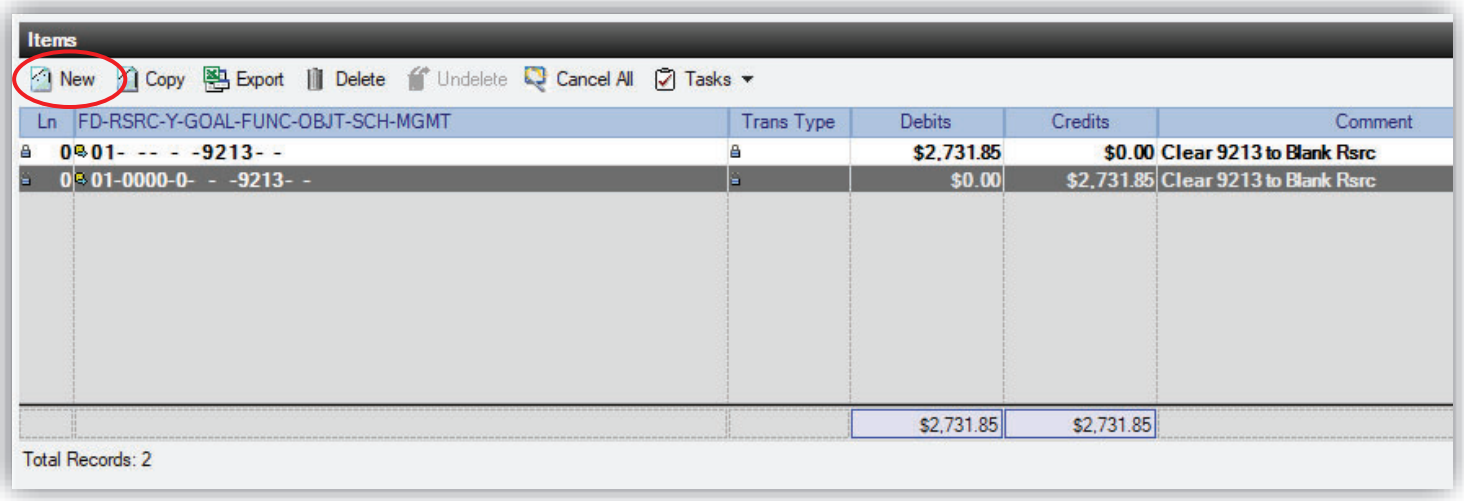
Example Journal Entry:

- Must enter a Comment
- Comment is “searchable”, use what is logical to you
- Click New in Items to enter account strings



For Blank Account Components you can use ***periods*** for the number of components or ***space bar*** for the number of characters required in the component.

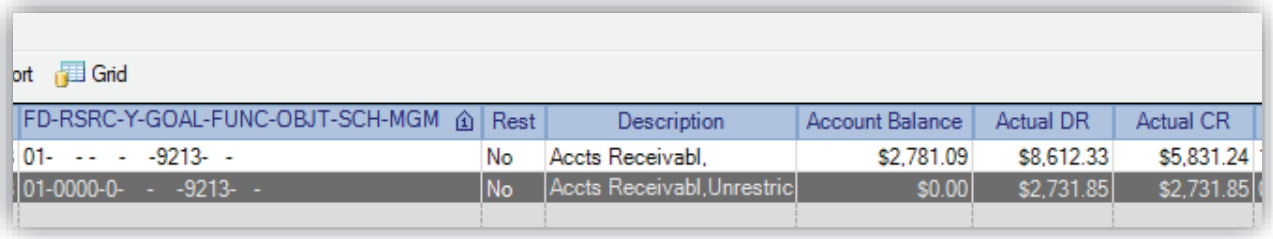
- Enter Account String: 01….-9213, press Enter to populate blank components
- Click New to enter another account string: 01-0000-0-..9213-..



- Save/Close or Use Task to Submit or Approval Override if you have permissions

Return to Fiscal Accounts to do new search and review that the JE posted as expected and cleared 9213 object code in 0000 Resource.

Example Accounts: 9213 Object Code in 0000 Resource Account Balance is now $0.00.



Follow the same steps for Object Codes 9511, 954-957

Step 5 - YEAR-END CLOSING ENTRIES in 2024-25

DISTRICT/CHARTER ENTRIES

☐ **Sponsoring Districts and Charters 2nd Principal Apportionment Entries** ***(Packet #1)***

A. "Amount Charter Overpaid" from the P-2 Apportionment summary. This is a payable back to the state. **(applicable charters)**

B. In-Lieu of Property Tax between sponsoring districts & charters – final monthly entry July 2025 **(all sponsoring districts & charters)**

C. Year-end adjustment of in-lieu for annual property taxes **(all sponsoring districts & charters)**

☐ **Special Education Entries** ***(Packet #2 from SELPA)***

☐ **Other Entries and Information PLUS June Deferrals** ***(Packet #3)***
Districts and Charters will receive additional information, if necessary. For example, information regarding lottery, worker's comp adjustments, property tax and RDA information, etc., if applicable

☐ **GASB 31 – Fair Market Value Calculation** ***(Packet #4)***

SCOE ENTRIES

1) SCOE Advisors will calculate and set up a Due To/From Governments (Object 9299 / 9599) in 2024-25 for the true up of LCFF (object 8011) based on annual property taxes. **(applicable districts)**

Option: If you would prefer to make this entry yourself as part of the closing process, please contact your SCOE Advisor.

2) SCOE Advisors will reverse the prior year's Due To/From Governments (Object 9299 / 9599) entries in 2025-26 for the true up of LCFF based on annual property taxes (object 8019). This is the above entry, which was made in the prior year. (**applicable districts)**

SCOE/DISTRICT ENTRIES (Basic Aid Supplemental funded districts only)

1) **SCOE Advisors** will only calculate the true up of Basic Aid Supplemental based on annual property taxes. This will be an estimate, as there are other unknown factors that can affect this funding, such as ADA corrections and districts falling in-to or out-of basic aid status.

Option: For a better understanding of how this funding is calculated, the district should complete the calculation as part of their closing process, and have their SCOE Advisor review.

2) **Districts must review and concur with the above calculation**, and SCOE recommends that the district obtain their auditor's concurrence. ***It is up to the district to complete the entry in Frontline ERP*** *(General ledger objects 9299 or 9599 and revenue* ***object 8011****). The entry will need to be cleared in the next year (General ledger objects 9299 or 9599 and revenue* ***object 8019).***

NOTE: This list is not all-inclusive. Districts/Charters should review & set up all other applicable A/R's. This list is subject to change as we receive more information from the CDE. Remember, you will receive e-mailed instructions with needed details.

Step 6 – Education Protection Account RS 1400

School districts and charter schools (LEAs) receive funds from the Education Protection Account (EPA) based on their proportionate share of the statewide adjusted revenue limit amount and general-purpose block grant funding. EPA is a component of the LCFF, and as such, a corresponding reduction is made to an LEA's LCFF-state aid equal to the amount of their EPA entitlement. There is a minimum funding of $200 per ADA and LEAs receive their EPA entitlements quarterly.

All district and charter school boards are required to make spending determinations in an open session of a public meeting and to post on their web sites an accounting of how much money was received from the EPA and how that money was spent. The law does not specify that the open public meeting has to be a separately held meeting. **This requirement may be satisfied at a regularly scheduled meeting, which could be the annual budget adoption meeting.**

Source of Revenue: The Education Protection Account was created by Proposition 30, The Schools and Local Public Safety Protection Act of 2012, and implemented starting in 2013. The EPA is governed by Section 36 of Article XIII of the CA Constitution, which was amended by Proposition 55 in 2016. Proposition 55, authorized the extension of the temporary income taxes on higher wage earners through 2030, and directed that the amount collected from the income tax increment be deposited in the EPA. Of those funds, 89 percent is provided to K-12 and 11 percent to community colleges.

For more information on the entitlement, SACS coding, and frequently asked questions go to the EPA web site: http://www.cde.ca.gov/fg/aa/pa/epa.asp

Before closing your books:

- ☐ Approve spending determination in open session of a public meeting of the governing board. This should be a separate item on board agenda.

  _____ *Date board adopted the spending determination*

- ☐ Determine final amount of revenue (*refer to the 2nd Principal Apportionment calculation in mid- June*) and ensure that expenditures are in accordance with the board-adopted plan for 2024-25.

- ☐ Annually publish on LEA website, an accounting of how much money was received from the EPA and how that money was spent.

  _____ *Date the 2024-25 accounting was posted on website*

Education Protection Account	*Resource 1400, carryover/ending fund balance is allowed*
Revenue	➢ *Object 8012* — *Current year revenue* ➢ *Object 8019* — *Prior year revenue*
Expense	➢ *Use actual object of expenditure, not lump-sum direct cost transfer with Object 5710.* ➢ *No expenditures are allowed for administrative costs. Administrative cost includes general, school, and instructional administration and are defined by Functions 21xx, 2200, 2700, and 7xxx.* ➢ *No indirect costs are allowed because indirects are primarily administrative costs.* ➢ *No contributions can be made to this resource because that would distort EPA expenditures and reporting.* *For a detailed list of allowable uses, go to https://www.cde.ca.gov/fg/ac/ac/sacsfaq.asp*

To verify that expenditures are made correctly, run this Frontline ERP report by function code:

Finance / Reports / Fiscal / **Fiscal01**

Fiscal year = 2025
Assets and Liabilities =Yes
Resource =1400
Object =1-8,9791
Sort/Group2 =Function

Fiscal01a — **Account Object Summary-Balance**

Balances through June — Fiscal Year 20xx/xx

Object	Description	Adopted Budget	Revised Budget	Revenue	Account Balance
Fund **01 - General Fund**, Function **0000 - Revenue & Bal S**					
8012	Educ Protect Acct State Aid	5,430,599.00	7,961,409.00	7,961,409.00	.00
8019	LCFF State Aid-Prior Yrs		26,739.00	26,739.00	.00
	Total for Function 0000 and Revenue accounts	**5,430,599.00**	**7,988,148.00**	**7,988,148.00**	**.00**

Object	Description	Adopted Budget	Revised Budget	Encumbered	Expenditure	Account Balance
Fund **01 - General Fund**, Function **1000 - Instruction**						
1100	Cert. Teachers' Sal. - Regular	3,648,382.00	5,441,057.00		5,416,803.82	24,253.18
1144	Teacher Sub - Sick Leave	51,520.00	82,921.00		103,285.49	20,364.49-
1154	Teacher Sal Class Size Overage		17,739.00		21,628.00	3,889.00-
3101	Benefits - STRS/Certificated	350,172.00	488,242.00		488,241.45	.55
3311	Benefits - OASDI/ Certificated	1,597.00	1,624.00		1,489.20	134.80
3331	Benefits - Medicare / Cert.	50,774.00	95,161.00		95,161.09	.09-
3401	H & W Benefits - Certificated	1,033,874.00	1,453,657.00		1,453,656.73	.27
3431	Dental Benefits - Certificated	121,263.00	166,546.00		166,546.30	.30-
3441	Vision Benefits - Certificated	17,662.00	25,334.00		25,333.91	.09
3451	H&W Benefits-Cert Life Ins	4,388.00	6,169.00		6,168.89	.11
3501	Benefits - SUI/ Certificated	1,751.00	2,626.00		2,625.40	.60
3601	Benefits - Wk Comp/ Cert	138,007.00	207,072.00		207,207.72	135.72-
	Total for Function 1000 and Expense accounts	**5,419,390.00**	**7,988,148.00**	**.00**	**7,988,148.00**	**.00**

In addition to Frontline reports, SACS has a report that will help you prepare the final annual 2024-25 accounting report for your website. Information in this report auto-populates based on the Frontline Fiscal 51 SACS extract report parameters.

In SACS Unaudited Actuals (available in late June/early July), select REPORTS / PROGRAMS BY RESOURCE / Resource 1400. When the report has run, select the Function Detail tab and print. This will show you 2024-25 actual revenue received and expense by function.

Unaudited Actuals

Sonoma County | Unaudited Actuals | 49 70672 0000000

Program by Resource Report | Report PGM

Expenditures by Function - Detail

Expenditures through: _____

For Fund(s), Resource(s), and Project Year(s):

01 1400 0 Education Protection Account

Description		Amount
AMOUNT AVAILABLE FOR THIS FISCAL YEAR	**Object Codes**	
Adjusted Beginning Fund Balance	9791-9795	0.00
LCFF Sources	8010-8099	628,624.00
Federal Revenue	8100-8299	0.00
Other State Revenue	8300-8599	0.00
Other Local Revenue	8600-8799	0.00
All Other Financing Sources and Contributions	8900-8999	0.00
Unearned Revenue	9650	0.00
TOTAL AVAILABLE		628,624.00
EXPENDITURES AND OTHER FINANCING USES (Objects 1000-7999)	**Function Codes**	
Instruction	1000-1999	628,624.00
Instruction-Related Services		
Instructional Supervision and Administration	2100-2150	0.00
AU of a Multidistrict SELPA	2200	0.00
Instructional Library, Media, and Technology	2420	0.00
Other Instructional Resources	2490-2495	0.00
School Administration	2700	0.00
Pupil Services		
Guidance and Counseling Services	3110	0.00
Psychological Services	3120	0.00
Attendance and Social Work Services	3130	0.00
Health Services	3140	0.00
Speech Pathology and Audiology Services	3150	0.00
Pupil Testing Services	3160	0.00
Pupil Transportation	3600	0.00
Food Services	3700	0.00
Other Pupil Services	3900	0.00
Ancillary Services	4000-4999	0.00
Community Services	5000-5999	0.00
Enterprise	6000-6999	0.00
General Administration	7000-7999	0.00
Plant Services	8000-8999	0.00
Other Outgo	9000-9999	0.00
TOTAL EXPENDITURES AND OTHER FINANCING USES		628,624.00
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		0.00
INDIRECT COSTS AS A PERCENTAGE OF ELIGIBLE EXPENDITURES		
Eligible Expenditures (Objects 1000-5999 except objects 5100-5199)		628,624.00
Indirect Costs (Objects 7310 and 7350)		0.00
Indirect Costs divided by Eligible Expenditures		0.00%

Step 7 – Federal and State Resources Closing

For each resource with a SACS matrix end-date of 7-1-25

☐ All balance sheet accounts and the ending resource balances associated with resources with a matrix end date of 7/1/2025 must be zero <u>before</u> June 30, 2025.

- Run Fiscal13 [sort option=by resource, statement option=balance sheet only]
- Expend any remaining actual resource ending balance
- Clear any outstanding AR's & AP's. <u>No AR or AP setup</u> will be allowed at 6/30/25
- Re-run Fiscal 13 to verify that all balances (assets, liabilities, actual ending resource balance) are zero
- Expire all account strings that include these resources
  [Finance-Setup-Chart of Accounts-Accounts]
- Ask your SCOE Fiscal Advisor if the Resource account component needs to be closed
  [Finance-Setup-Chart of Accounts-Account Components}

Fiscal13b **Financial Statement by Resource**

Fund 01 -

Object	Description	Beginning Balance	Year to Date Activity	Ending Balance
Resource Reconciliation				
Assets				
0-9110	Cash In County Treasury	817.58	817.58-	
Liabilities				
0-9510	Accts Payable (prior Year)	817.58	817.58-	
	Calculated Fund Balance	**.00**	**.00**	**.00**
Beginning Fund Balance				
0-9791	Beginning Balance			
	Beginning Fund Balance Proof	**.00**	**.00**	**.00**
	Resource Change in Fund Balance - Excess Rev		**.00**	

Description	Adopted Budget	Revised Budget	Encumbrance	Actual	Budget Balance
Revenues, Expenditures, and Changes in Fund Balance for Fund 01					
A. Revenues					
B. Expenditures					
C. Subtotal (Revenue LESS Expense)					
D. Other Financing Sources and Uses					
Sources					
LESS Uses					
E. Net Change in Fund Balance				.00	
F. Fund Balance:					
Beginning Balance (9791)					
Audit Adjustments (9793)					
Other Restatements (9795)					
Adjusted Beginning Balance	.00	.00		.00	
G. Ending Balance	.00	.00		.00	

Assets Ending Balance = ZERO
Liabilities Ending Balance = ZERO

Ending Balance = ZERO

Closed or Closing Resource Codes

Expiring Resource Codes

Prepared by California Department of Education

Notes: List modified by SCOE

U/F: indicates whether resource is subject to ending fund balance (F) or unearned revenue (U)

Inactive Date: the first day of the fiscal year in which the resource is no longer funded.

Matrix End Date: the first day of the fiscal year in which the resource is no longer valid in the combination tables (typically 3 years after the inactive date

11/15/2024

Resource	U/F	Resource Description	Date Added	FY Effectiv	Inactive Date	Matrix End Da
3180	U	NCLB: Title I, School Improvement Grant	6/2/2008	08-09	7/1/2024	7/1/2025
4128	U	ESSA: Title IV, Part A, Student Support and Academic Enrichment Grant	11/8/2018	18-19	7/1/2024	7/1/2025
6011	U	After School Kids Code Grant Pilot Program	11/8/2018	18-19	7/1/2023	7/1/2025
6108	U	Early Education: SB 89 COVID-19 Early Learning and Care (ELC) Response	5/11/2020	19-20	7/1/2024	7/1/2025
6126	U	Early Education: CA Transitional Kindergarten Stipend (CTKS) Incentive	2/4/2015	14-15	7/1/2024	7/1/2025
6378	U	California Health Science Capacity Building Project (23-24)	4/12/2007	06-07	7/1/2024	7/1/2025
6512	F	Special Ed: Mental Health Services (19-20)	8/26/2011	11-12	7/1/2023	7/1/2025
7121	F	Distance Learning California Advanced Services Fund	7/15/2020	19-20	7/1/2023	7/1/2025
7338	F	College Readiness Block Grant	8/2/2016	16-17	7/1/2024	7/1/2025
7422	U	In-Person Instruction (IPI) Grant	4/5/2021	20-21	7/1/2022	7/1/2025
7425	F	Expanded Learning Opportunities (ELO) Grant	4/5/2021	20-21	7/1/2022	7/1/2025
7426	F	Expanded Learning Opportunities (ELO) Grant: Paraprofessional Staff	4/5/2021	20-21	7/1/2022	7/1/2025
7428	F	County Safe Schools for All	6/9/2021	20-21	7/1/2024	7/1/2025
7510	F	Low-Performing Students Block Grant	11/8/2018	18-19	7/1/2022	7/1/2025
5032	U	Early Education: Early Learning and Care Workforce Development Grant	3/18/2020	19-20	7/1/2024	7/1/2026

Fund 25 – Developer Fee Fund Reminders **Important Closing Reminder:** Fund 25, Resource 0000 should have zero Budget and Actual activity.

Developer fees must be deposited in Fund 25, Capital Facilities Fund. Expenditures reported in Fund 25 are restricted to the purposes specified in Government Code sections 65970-65981 or GOV section 65995 et seq. Therefore, developer fees deposited in Fund 25 meet the definition of restricted fund balance, and LEAs should use resource 9010, Other Restricted Local, or a locally-defined resource that rolls up to Resource 9010.

To be consistent with GASB 54 standards, effective 2019-20, the CDE closed Resource 0000 to Object 8681. LEAs should make sure that all budgets and expenditures from Fund 25, Resource 0000 are moved to a restricted 9xxx resource. To ensure all revenue, including interest earned (Object 8660), was posted to your newly established 9xxx resource:

- Run a Fiscal 13 for Fund 25, Resource 0000.
- Resource 0000 should have zero Revised Budget Calculated Ending Fund Balance, and zero Actual Calculated Ending Fund Balance.
- If interest has been posted in Resource 0000 since moving all revenue and expenses to a local 9010 Resource, prepare journal entry to move interest to the local 9010 Resource.

Example Journal Entry to move $84.26 from Resource 0000 to Resource 9010:

Journal Entry Link # 29390

Journal Entry # **(Link) 29390** Status **Open** Type **General** Fiscal Year X Transaction Date

Created Posted Originating Org

Requisition # Purchase Order # Department BUSINESS Batch #

Comment Move Interest to 9010 Resource

Account #	Comments	Line Seq (Tran Type)	Debits	Credits
25-0000-0-0000-0000-8660-000-0000	Move Interest to 9010 Resource	1 (R)	84.26	
25-9010-0-0000-0000-8660-000-0000	Move Interest to 9010 Resource	2 (R)		84.26
25-0000-0- - -9110- -	Move Interest to 9010 Resource	3 ( )		84.26
25-9010-0- - -9110- -	Move Interest to 9010 Resource	4 ( )	84.26	
		JE # Totals	**168.52**	**168.52**

Final check: Run a Fiscal 13, Fund 25, by resource, Balance sheet only. The first page should have zero cash and zero asset and liability ending balances. The last page of the report for Resource 0000 should have zero Revised Budget Calculated Ending Fund Balance, and zero Actual Calculated Ending Fund Balance. See example on page 1.

This is only a guide, and steps or results may vary. Be sure to contact your Fiscal Advisor with any questions.

Step 8 - USE TAX LIABILITY FOR 2024-25

What Is Use Tax?

- Use tax is when taxable items are purchased either in the state of California or outside the state, and the vendor either does not charge sales tax or has charged sales tax using an incorrect sales tax rate. **Sales Tax Rates are based on the delivery location.** The difference between the sales tax rate the vendor charges (and the district/charter pays) and the sales tax rate in effect for that delivery location is the Use Tax. The district/charter is liable to the State for the balance.

  A chart showing the sales tax rates effective during FY 2024-25 is provided below:

SONOMA COUNTY 9.00%
City of Cotati 10.00%
City of Healdsburg 9.50%
City of Petaluma 10.00%
City of Rohnert Park 9.50%
City of Santa Rosa 9.75%
City of Sebastopol 9.75%
City of Sonoma 9.50%

Effective October 1, 2024

SONOMA COUNTY 9.25%
City of Cloverdale 10.00%
City of Cotati 10.25%
City of Healdsburg 9.75%
City of Petaluma 10.25%
City of Rohnert Park 9.75%
City of Santa Rosa 10.00%
City of Sebastopol 10.25%
City of Sonoma 10.25%

Effective April1, 2025



Example: if the district purchased a taxable item on 4/15/2025, was charged 7.25% sales tax, and the delivery address is within **Santa Rosa City limits (**Sales tax rate of **10.00%)**, the district is liable to pay the CDTFA (California Department of Tax and Fee Administration) the balance of 2.75%.

When vendor Overcharges Sales Tax

If a vendor **overcharges** sales tax:

- Correct the invoice by **reducing the sales tax** and **adjusting the total amount due**
- Include a **printout from the CDTFA** website showing the correct sales tax rate for the delivery address when submitting payment.

  How To: Go to: https://maps.cdtfa.ca.gov/ to double-check your use tax rate. If you are outside of the city limits, the rate changes. You can enter the delivery address in this link for the correct tax rate.

What Items Are Taxable?

Generally, **Tangible Personal Property (TPP)** is taxable unless specifically exempt.

- **TPP** includes items that can be seen, weighed, measured, felt, touched, or otherwise perceived by the senses.
- **Non-taxable items:**
  - Downloaded software (not considered tangible).
- **Taxable items:**
  - Software delivered on a **CD or other physical media**.
  - Software **included with hardware purchases** (e.g., computers).
- **Shipping charges:**
  - **Taxable** when shipping and handling are **combined** on the invoice.
  - **Non-taxable** when shipping is **separately listed**.
- **Third-party freight** and **UPS charges** are **not subject** to sales tax.

Sales Of Adult Lunches and Surplus Equipment:

- Sales tax must be included in the total amount charged a buyer for
  - Adult lunches
  - Surplus equipment (sales of used/surplus equipment are not abatements)
- Accounting:
  - Deposit the sales tax amount to Object code 9580
  - Deposit the sales revenue to Object code 8634 for adult lunches and object code 8631 for surplus equipment

- **How to Calculate the Sales Tax from a Total Sales Amount:**
  - **Taxable Amount =** Total Sale / (1 + Applicable Tax Rate)
  - **Tax** = Total Sale – Taxable Amount
    - **Example:** Sale of piano for $500 (tax rate 9.75%)
      - Taxable amount = $500 / 1.0975 = $455.80
      - Sales Tax = $500 – $455.80 = $44.20

Internet Purchase:

- ❖ Internet purchases are *not* exempt from sales tax.
  - When making Internet purchases, verify that sales tax has been included.
  - Audit district/charter credit card purchases and employee reimbursements to identify any sales tax.
  - When making payment to either the credit card vendor or employee, utilize Frontline ERP's "Tax Rate Owed" and "Tax Rate Collected or Unpaid Tax Amount" features for Use Tax.

Online Use Tax Filing Requirement:

- ❖ At the end of the fiscal year, each district and charter school are required to file a Use Tax Report online and make payment to the California Department of Tax and Fee Administration (CDTFA). This report should include both Use Tax incurred and Sales Tax on district/charter sales of surplus equipment and **sales of adult meals**.
- ❖ Refer to CDTFA Publications #71, #100, #105, and #110 for detailed information on these processes. These publications can be found on the CDTFA's website **www.cdtfa.ca.gov**.

Online Filing for Districts with *Only One* Tax Rate

I. Required Information:
- Total Purchases Subject to Use Tax
- Applicable tax rate
- Use Tax Amount Due
- Total Gross Sales Amount (if any)

II. After the Final Accounts Payable (AP) Run (scheduled for June 17), run the following Frontline ERP reports:
- Fiscal01 report for the fiscal year filtered by object 9580; include Assets and Liabilities **(sample report attached)**

- Fiscal03 for the fiscal year filtered by object 9580; include Assets and Liabilities **(sample report attached)**

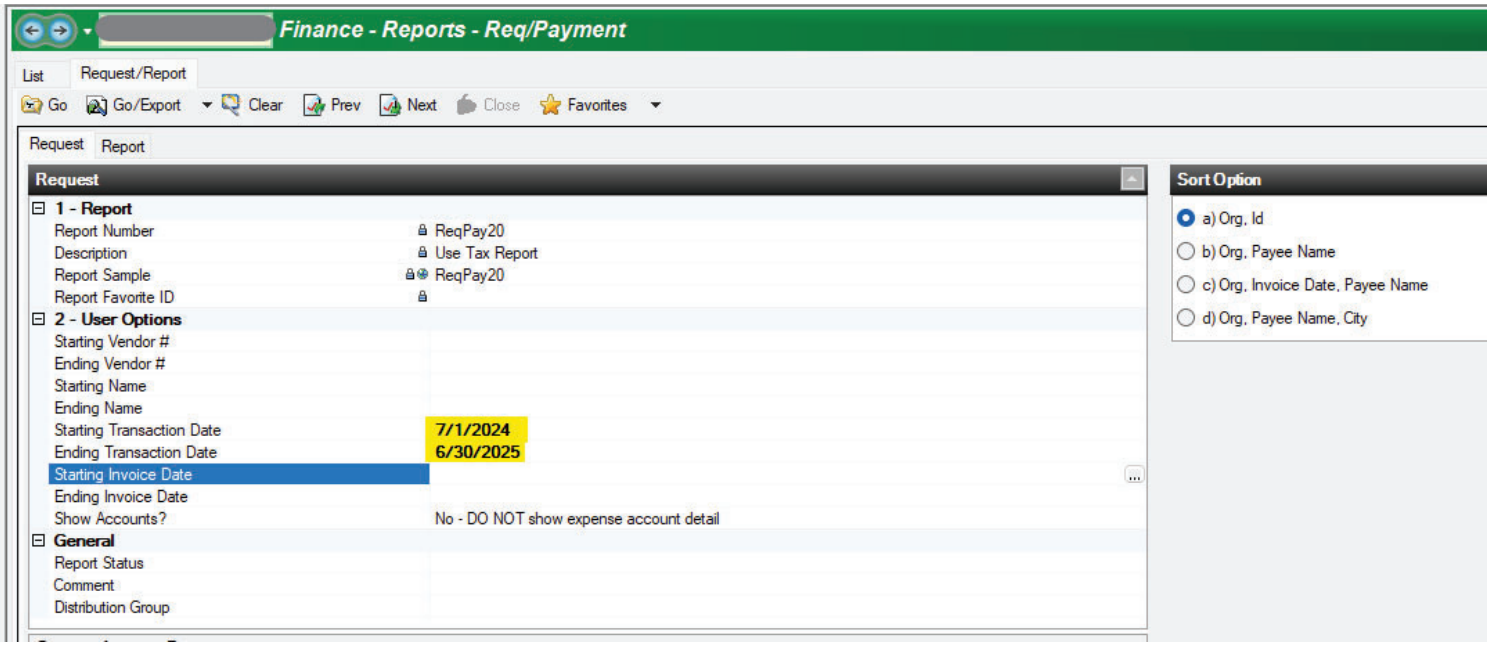
Fiscal03a — **Account Transaction Detail by Object-Balance**

Detail for Dates 07/01/2024 through 06/30/2025 — **Fiscal Year 2024/25**

Ref#	Pay To Name	Journal #	Description	Trans Date	Debit	Credit	Account Balance
Fund **01 - General Fund**							
01-0000-0- - -9580- - Use Tax Liab.,Unrestricte							
		BB25-00002	Starting Balance	07/01/24		11,217.59	11,217.59
	CDTFA	EX25-01154	2024 Use Tax Fund	08/28/24	4,738.36		6,479.23
P25-00053	Music Theatre Internatio	EX25-02961	Unpaid Tax	10/16/24		53.10	6,532.33
P25-00112	The Pencil Grip, Inc.	EX25-02968	Unpaid Tax	10/16/24		2.22	6,534.55
P25-00094	The Pencil Grip, Inc.	EX25-02969	Unpaid Tax	10/16/24		1.07	6,535.62
P25-00852	Sara L. Smith	EX25-05658	Unpaid Tax	01/22/25		11.40	6,547.02
P25-00892	Myhouse Sports Gear	EX25-05713	Unpaid Tax	01/22/25		779.75	7,326.77
P25-00934	Scholastic Inc.	EX25-06040	Unpaid Tax	01/29/25		31.32	7,358.09
P25-01018	Communakit, Inc.	EX25-06412	Unpaid Tax	02/14/25		37.91	7,396.00
P25-01183	Liberty Flag	EX25-07376	Unpaid Tax	03/12/25		7.92	7,403.92
P25-01220	Northern Speech Servic	EX25-07474	Unpaid Tax	03/14/25		20.49	7,424.41
P25-01247	Liberty Flag	EX25-08075	Unpaid Tax	04/04/25		21.04	7,445.45
P25-01243	Southeast Lock Supply I	EX25-08145	Unpaid Tax	04/04/25		548.86	7,994.31
R25-02444	K12 ParkingPermits.con	EX25-08721	Unpaid Tax	05/02/25		26.72	8,021.03
P25-01498	Science Take-Out, LLC	EX25-08741	Unpaid Tax	05/02/25		22.71	8,043.74
			Account Total	06/30/25	4,738.36	12,782.10	
			Total for Org 082 and Fund General Fund		**4,738.36**	**12,782.10**	**8,043.74**

$8,043.74 divided by 9% (0.09) = $89,374.88 Purchase Subject

- ReqPay20 Use Tax Report **(sample report attached):**
  i. Starting Transaction Date: 7/1/2024
  ii. Ending Transaction Date: 6/30/2025
  iii. Select Go
  iv. Review report for accurate use of Use Tax.



III. Filing online with the California Department of Tax and Fee Administration (CDTFA).

Once all reports have been reconciled, you are ready to file your Use Tax return online with CDTFA.

- Watch the 7-minute Video Tutorial for Returns/Sales and Use Tax:
  i. Go to: **CDTFA Services**
  ii. Select the last tab labeled "Tutorials"
  iii. Under Video Tutorials, click on "Returns"
  iv. Select "Sales and Use Tax"
  v. Select "How to File a Sales and Use Tax Return with One Selling Location"

IV. Processing the payment to CDTFA

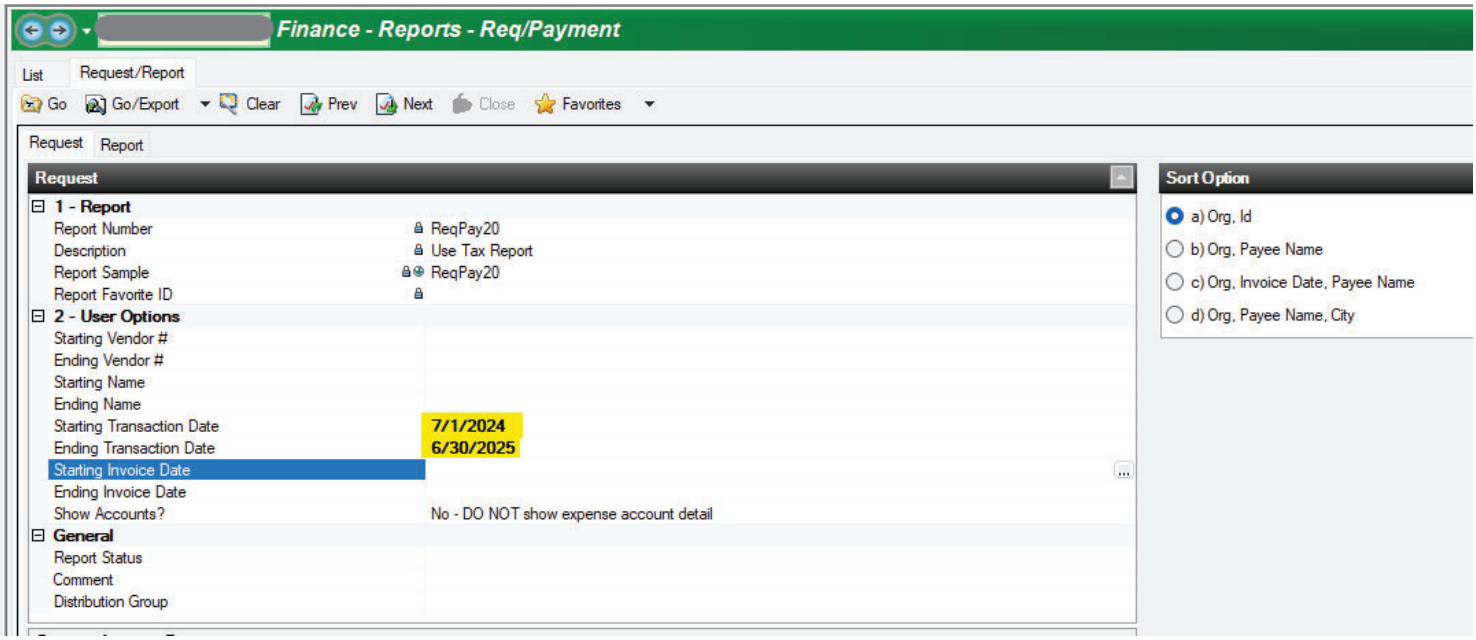
- If you transferred the 9580 Liabilities from Special Funds to the General Fund/Resource 0000, code the payment to the General Fund, Resource 0000, Object 9580. This will clear the 9580 liabilities
- If no transfer was made, ensure the expenditure is coded to the appropriate funds where the liability was originally recorded.

Online Filing - Use Tax for LEAs with *Multiple* Tax Rates

I. Required Information for LEAs with Multiple Tax Rates
- Total Purchases subject to Use Tax
- Applicable tax rate(s)
- Use Tax amount due
- Total gross sales amount (if any)

II. Recommended Journal Transfer
To simply the payment process, it is recommended that LEAs with multiple tax rates transfer Object Code 9580 Liabilities from Special Funds to the General Fund/Resource 0000 via journal by *June 23, 2025*.

III. Reports to Run After Final AP Processing, scheduled June 17, 2025, run the following Frontline ERP reports:
i. Fiscal02 report for the fiscal year filtered by object 9580; include Assets and Liabilities **(sample report attached)**
ii. Fiscal03 for the fiscal year filtered by object 9580; include Assets and Liabilities **(sample report attached)**
iii. ReqPay20 Use Tax Report **(sample report attached):**
- Starting Transaction Date: 7/1/2024
- Ending Transaction Date: 6/30/2025
- Select 'Go' to generate the report
- Review report for accurate use of Use Tax.



Grid Payments:

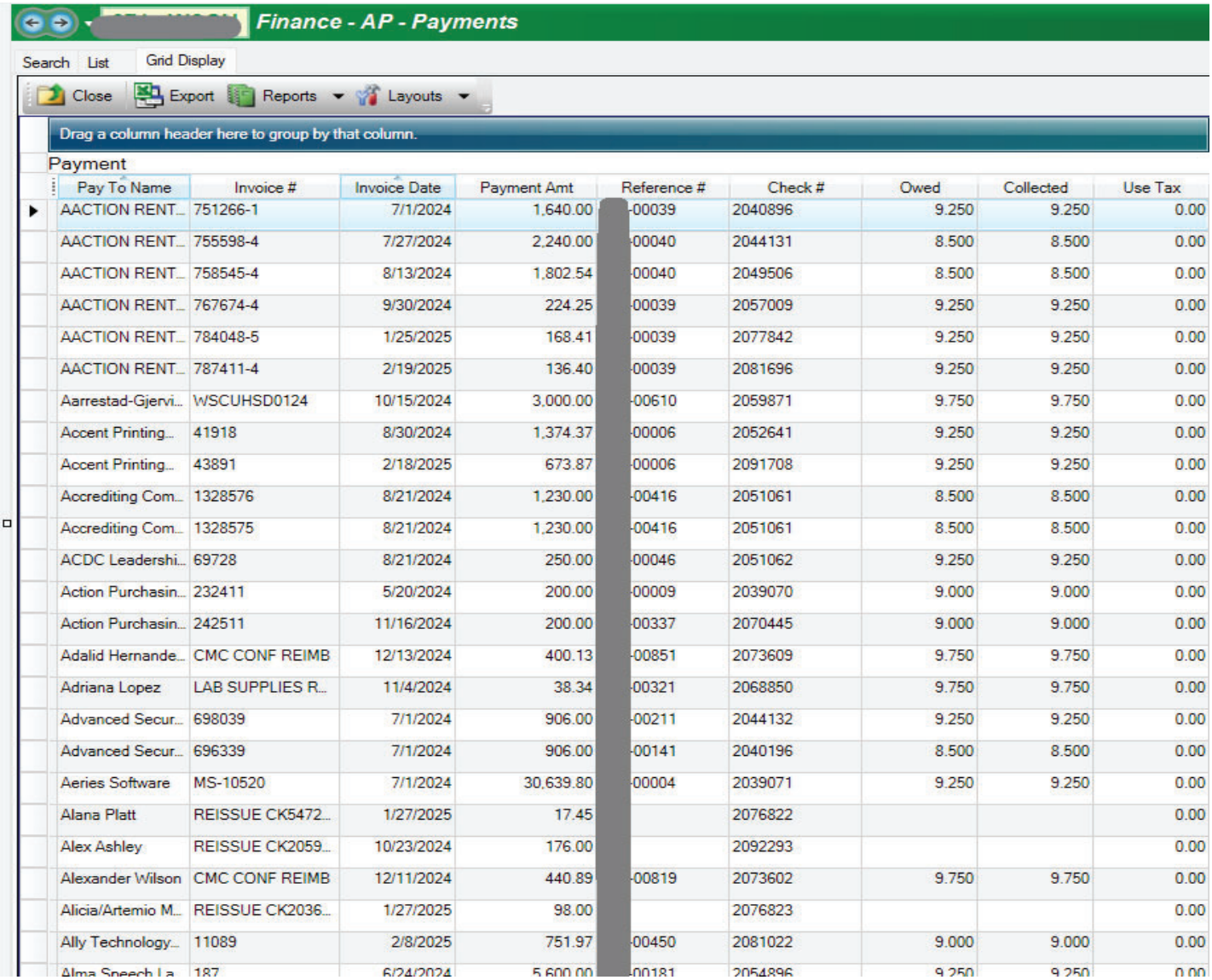
iv. Go to Finance-AP-Payments

v. Use the following Search criteria:
   - Status = Paid
   - Scheduled Pay Date Start = 7/1/2024
   - Scheduled Pay Date End = 6/30/2025
   - click Go

vi. From the List, click the Grid

vii. From the Grid, Deselect the following columns (to deselect, right- click on the column headers):
   - Pymt Type
   - Garn
   - Status
   - On Hold
   - Batch
   - Scheduled
   - Amt Undistrib.
   - AP ACH?
   - vCard?
   - Check Status
   - Credit Card Id
   - Open Attachments
   - Variance Message
   - Street, City, State
   - Combine Pymts
   - Final Payment
   - Comment

viii. Export Grid to Excel



Pay To Name	Invoice #	Invoice Date	Payment Amt	Reference #	Check #	Owed	Collected	Use Tax
AACTION RENT...	751266-1	7/1/2024	1,640.00	-00039	2040896	9.250	9.250	0.00
AACTION RENT...	755598-4	7/27/2024	2,240.00	-00040	2044131	8.500	8.500	0.00
AACTION RENT...	758545-4	8/13/2024	1,802.54	-00040	2049506	8.500	8.500	0.00
AACTION RENT...	767674-4	9/30/2024	224.25	-00039	2057009	9.250	9.250	0.00
AACTION RENT...	784048-5	1/25/2025	168.41	-00039	2077842	9.250	9.250	0.00
AACTION RENT...	787411-4	2/19/2025	136.40	-00039	2081696	9.250	9.250	0.00
Aarrestad-Gjervi...	WSCUHSD0124	10/15/2024	3,000.00	-00610	2059871	9.750	9.750	0.00
Accent Printing...	41918	8/30/2024	1,374.37	-00006	2052641	9.250	9.250	0.00
Accent Printing...	43891	2/18/2025	673.87	-00006	2091708	9.250	9.250	0.00
Accrediting Com...	1328576	8/21/2024	1,230.00	-00416	2051061	8.500	8.500	0.00
Accrediting Com...	1328575	8/21/2024	1,230.00	-00416	2051061	8.500	8.500	0.00
ACDC Leadershi...	69728	8/21/2024	250.00	-00046	2051062	9.250	9.250	0.00
Action Purchasin...	232411	5/20/2024	200.00	-00009	2039070	9.000	9.000	0.00
Action Purchasin...	242511	11/16/2024	200.00	-00337	2070445	9.000	9.000	0.00
Adalid Hernande...	CMC CONF REIMB	12/13/2024	400.13	-00851	2073609	9.750	9.750	0.00
Adriana Lopez	LAB SUPPLIES R...	11/4/2024	38.34	-00321	2068850	9.750	9.750	0.00
Advanced Secur...	698039	7/1/2024	906.00	-00211	2044132	9.250	9.250	0.00
Advanced Secur...	696339	7/1/2024	906.00	-00141	2040196	8.500	8.500	0.00
Aeries Software	MS-10520	7/1/2024	30,639.80	-00004	2039071	9.250	9.250	0.00
Alana Platt	REISSUE CK5472...	1/27/2025	17.45		2076822			0.00
Alex Ashley	REISSUE CK2059...	10/23/2024	176.00		2092293			0.00
Alexander Wilson	CMC CONF REIMB	12/11/2024	440.89	-00819	2073602	9.750	9.750	0.00
Alicia/Artemio M...	REISSUE CK2036...	1/27/2025	98.00		2076823			0.00
Ally Technology...	11089	2/8/2025	751.97	-00450	2081022	9.000	9.000	0.00
Alma Speech La...	187	6/24/2024	5,600.00	-00181	2054896	9.250	9.250	0.00

IV. Excel Spreadsheet

ix. Sort Use Tax Column Largest to Smallest

x. Delete lines with zero amount in Use Tax column

xi. Sort the Owed column from Smallest to Largest

xii. Insert rows to separate the different tax rates

xiii. In the Owed column cell for first tax rate, add a formula to convert the percentage cell to decimal. It should look something like:

- =9.25/100
- Copy down the column for the first tax rate

xiv. Repeat the process in "xiii." above for next tax rate

xv. Insert a column for <u>Purchases Subject to Use Tax</u> between Collected column and Use Tax column

- Add a formula to divide Use Tax column by the Owed tax column. It should look something like: =J2/G2
- If necessary, reduce decimals to only 2 places
- Copy down the entire inserted column

xvi. Use AutoSum Purchases Subj. to Use Tax and Use Tax columns for each tax rate

- Clean up Sort

V. Add journal items from the Fiscal03 that are not included in the ReqPay20 Use Tax Report or in the Payment Grid to your spreadsheet

VI. When applicable, identify Total Gross Sales Amount separately for Adult Lunches and/or Sales of Surplus Equipment

<u>Completed Spreadsheet Example:</u>

Pay To Name	Invoice #	Invoice Date	Paymer	Reference #	Check #	Owed	Collected	Subject to Use Tax	Use Tax
The Pencil Grip, Inc.	120248	8/28/2024 0:00	65.33			0.09	7.25	11.89	1.07
The Pencil Grip, Inc.	120247	8/28/2024 0:00	136.14			0.09	7.25	24.67	2.22
Music Theatre International	01154476	7/22/2024 0:00	590			0.09	0	590.00	53.1
								626.56	**56.39**
Liberty Flag	5686	2/7/2025 0:00	83.39			0.095	0	83.37	7.92
Sara L. Smith	23892	11/7/2024 0:00	120			0.095	0	120.00	11.4
Northern Speech Services	1404564	2/25/2025 0:00	215.64			0.095	0	215.68	20.49
Liberty Flag	5732	3/13/2025 0:00	221.46			0.095	0	221.47	21.04
Scholastic Inc.	M75794032	1/17/2025 0:00	329.67			0.095	0	329.68	31.32
Language Dynamics Group	52524	4/22/2025 0:00	369.02			0.095	0	369.05	35.06
Communakit, Inc.	02067	12/18/2024 0:00	399			0.095	0	399.05	37.91
Southeast Lock Supply LLC	7409	3/31/2025 0:00	5777.5			0.095	0	5777.47	548.86
Myhouse Sports Gear	10312024	10/31/2024 0:00	8207.85			0.095	0	8207.89	779.75
								15723.68	**1493.75**
Science Take-Out, LLC	17560	4/10/2025 0:00	232.9			0.0975	0	232.92	22.71
K12 ParkingPermits.com	22006	4/14/2025 0:00	274			0.0975	0	274.05	26.72
								506.97	**49.43**

1st group of purchases is subject to **9%** sales tax rate

2nd group of purchases is subject to **9.5%** sales tax rate

3rd group of purchases is subject to **9.75%** sales tax rate

Total tax due: $56.39+$1,493.75+$49.43= **$1,599.57**

VII. Reconcile completed spreadsheet to ReqPay20 and Fiscal03

VIII. Once the spreadsheet has been reconciled with all reports, input the figures into the designated template. The template is available under **SCOE's Resources > Forms > Accounts Payable > Template for Multiple Tax Rates – Updated May 2025**.

- Enter the total purchased subject to use tax in the first column, labeled **Combined State, County & Local Tax.**
- Complete the remaining columns based on your spreadsheet data, using the transaction dates and applicable city information.

USE TAX	Taxable	tax at	Taxable	addt'l	Taxable	addt'l	Taxable	addt'l	
	Amount	7.25	Amount	1.75%	Amount	2.25%	Amount	2.50%	
Dist District Name		Combined State,County & Local Tax		Effect. 4/1/2024 Effect. 10/1/2024 UnincorporatedCo.		Effect. 4/1/2024 Effect. 10/1/2024 Rohnert Park City of Sonoma Healdsburg		Effect. 10/1/2024 Effect. 4/1/2025 Healdsburg Rohnert Park	Total Use Tax
5 Bellevue		0.00		0.00		0.00		0.00	0.00
6 Bennett Valley		0.00		0.00		0.00		0.00	0.00
18 Ft. Ross		0.00		0.00		0.00		0.00	0.00
19 Roseland Charter		0.00		0.00		0.00		0.00	0.00
21 Twin Hills Charter		0.00		0.00		0.00		0.00	0.00
32 Woodland Star		0.00		0.00		0.00		0.00	0.00
53 Twin Hills		0.00		0.00		0.00		0.00	0.00
62 Wilmar		0.00		0.00		0.00		0.00	0.00
63 Windsor		0.00		0.00		0.00		0.00	0.00
71 WSCUHSD		0.00		0.00		0.00		0.00	0.00
	16,857.21	1,222.15	626.56	10.96	15,723.68	353.78	506.97	12.67	1,599.57
88 Sonoma Valley		0.00		0.00		0.00		0.00	0.00
97 SCOE		0.00		0.00		0.00		0.00	0.00
TOTALS	16,857.21	1,222.15	626.56	10.96	15,723.68	353.78	506.97	12.67	1,599.57

Grand Total Purchases Subject to Use Tax $16,857.21

Total Purchases Subject to **9%** Use Tax Rate: $626.56

Total Purchases Subject to 9.5**%** Use Tax Rate: $15,723.68

Total purchases subject to **9.75%** sales tax rate: $506.97

Total Tax Due: $1,599.57

- Please note that during the 2024–2025 fiscal years, three tax changes implemented

- Ensure that the taxable amounts are entered in the appropriate columns based on the applicable date and tax rates

- Use of this template is optional: it is provided as a tool to help calculate total use tax when multiple rates apply

IX. You are now ready to file your return online with the California Department of Tax and Fee Administration (CDTFA).

Watch the 9- minute Video Tutorial for Returns/Sales and Use Tax

- Go to: https://www.cdtfa.ca.gov/services/
- Select the last tab labeled "Tutorials"
- Under Video Tutorials, click on "Returns"
- Select "Sales and Use Tax"
- Select "How to File a Sales and Use Tax Return with Multiple Locations"

X. Process your payment payable **to California Department of Tax and Fee Administration.**

If you transferred the 9580 Liabilities from Special Funds to the General Fund/Resource 0000, code payment to the General Fund, Resource 0000, Object 9580 to clear 9580

- If you did not make a transfer, be certain the expenditure is coded to the appropriate funds

Note: Payment due date is July 31, 2025

Next Page

REPORT SAMPLES

Fiscal02a — **Account Summary by Object-Balance**

Balances through June (12) — **Fiscal Year 2024/25**

FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT	Description	Starting Balance	Debit	Credit	Account Balance
Fund **01 - General Fund**					
01- 0000- 0- - - 9580- -	AP Use Tax,Unrestricted/n		1,111.16	1,238.35	127.19
	Total for Fund 01, Liability accounts and Object 9000	**.00**	**1,111.16**	**1,238.35**	**127.19**
Fund **06 - Special Ed Cons**					
FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT	**Description**	**Starting Balance**	**Debit**	**Credit**	**Account Balance**
06- 0000- 0- - - 9580- -	AP Use Tax,Unrestricted/n		262.03	289.51	27.48
	Total for Fund 06, Liability accounts and Object 9000	**.00**	**262.03**	**289.51**	**27.48**
Fund **13 - Cafeteria Fund**					
13- 0000- 0- - - 9580- -	AP Use Tax,Unrestricted/n		32.15	204.96	172.81
	Total for Fund 13, Liability accounts and Object 9000	**.00**	**32.15**	**204.96**	**172.81**
Total for		**.00**	**1,405.34**	**1,732.82**	**327.48**

Fiscal03a — **Account Transaction Detail by Object-Balance**

Detail for Dates 07/01/2024 through 06/30/2025 — **Fiscal Year 2024/25**

Ref#	Pay To Name	Journal #	Description	Trans Date	Debit	Credit	Account Balance
Fund **01 - General Fund (continued)**							
01-0000-0- - -9580- - AP Use Tax,Unrestricted/n (continued)							
		GJ25-00173	f.01 clr use tax Q3	04/09/25		.21	225.03-
		IFC25-00019	o.9580 Q4 correction	04/09/25		262.03	37.00
				04/11/25	37.00		.00
B25-00262	Creative Ceramics & Gl	EX25-03925	Unpaid Tax	04/16/25		1.64	1.64
B25-00261	Blick Art Materials Inc	EX25-04004	Unpaid Tax	04/18/25		.03	1.67
P25-00389	Byrd Tool Experts	EX25-04006	Unpaid Tax	04/18/25		94.58	96.25
R25-01289	Emily Lokka	EX25-04011	Unpaid Tax	04/18/25		15.11	111.36
P25-00582	Riddell/	EX25-04393	Unpaid Tax	05/02/25	1.01		110.35
			Unpaid Tax	05/02/25		1.35	111.70
R25-01337	Waxie's Enterprises, LL	EX25-04411	Unpaid Tax	05/02/25		5.01	116.71
B25-00022	Blick Art Materials Inc	EX25-04517	Unpaid Tax	05/21/25		1.58	118.29
P25-00434	Care Express Products,	EX25-04528	Unpaid Tax	05/21/25		7.84	126.13
P25-00664	Ron Blair Signs	EX25-04643	Unpaid Tax	05/21/25		1.06	127.19
			Account Total	06/30/25	1,111.16	1,238.35	
			Total for and Fund General Fund		**1,111.16**	**1,238.35**	**127.19**

REPORT SAMPLES

ReqPay20a **Use Tax Report**

Sorted by Payee Id

JE #	Check # / Req #	Paid / PO #	Invoice Number	Invoice Date	Tax Rate Owed	Tax Rate Collected	Invoice Amount	Fund	UT Object	Use Tax	Expensed Amount
667082 DK Embroidery, Inc. {DK Embroidery}											
EX25-01285	2059886 R25-00477	10/23/2024 B25-00211	4620	10/15/2024	9.25 %	9.25 %	227.69	01	9580	2.62	230.31
EX25-01286	2059886 R25-00477	10/23/2024 B25-00211	4556	09/25/2024	9.25 %	9.25 %	257.15	01	9580	1.77	258.92
EX25-01445	2062635 R25-00496	11/06/2024 P25-00168	4613	10/09/2024	9.25 %	9.25 %	1,606.89	01	9580	18.51	1,625.40
EX25-01780	2065365 R25-00477	11/20/2024 B25-00211	4697	11/13/2024	9.25 %	9.25 %	143.51	01	9580	1.48	144.99
			Total Payee 667082 DK Embroidery, Inc. {DK Embroidery}				**2,235.24**			**24.38**	**2,259.62**
667209 Hardware Tech, Inc {Hardware Tech}											
EX25-01790	2065371 R25-00692	11/20/2024	80872	11/07/2024	9.75 %	9.75 %	762.00	01	9580	1.18	763.18
667233											
EX25-03131	2081053 R25-00882	02/21/2025 P25-00380	950783	01/09/2025	9.75 %	9.75 %	712.95	01	9580	.70	713.65
667364 Musson Theatrical											
EX25-01799	2065380 R25-00656	11/20/2024 P25-00260	00476683	11/12/2024	9.75 %	9.75 %	4,492.17	01	9580	19.73	4,511.90
667598 US Cutter, Inc {US Cutter}											
EX25-03139	2081057 R25-00737	02/21/2025 B25-00256	100508012	02/03/2024	9.75 %	9.75 %	219.40	01	9580	.06	219.46
667599											
EX25-01411	2062624 R25-00629	11/06/2024	REDBUB-STAPLES-WASCS	10/02/2024	9.75 %	9.75 %	211.09	01	9580	10.16	221.25
EX25-01098	2057046 R25-00525	10/09/2024		09/14/2024	9.25 %	9.25 %	43.76	01	9580	.50	44.26

Step 9a ~ WARRANT CANCELLATIONS

Review and clear prior year warrant cancellations posted to General Fund/8699/ZERR.

All commercial warrant cancellations must be submitted to **Sarah Graves (sgraves@scoe.org) by end of day Friday, June 13th**. Be sure to attach one of the following to your cancellation request form:

- The original warrant with **VOID** written across it
- A Frontline ERP snapshot of the check, if the original has been lost

After **June 13**, continue sending prior year (FY 2024–25) warrant cancellation forms to Sarah with all necessary supporting documentation. SCOE will process the **stop payment at the bank** and the **cancellation at the County Treasury**. However, **Frontline will not process the cancellation** until your LEA's prior year is closed. For this reason, **you may want to track any FY 2024–25 cancellations** sent after June 13 separately.

Common Reasons for Warrant Cancellations

While typically immaterial, each warrant cancellation scenario is unique. Common reasons include:

- Duplicate payment
- Incorrect vendor
- Incorrect amount
- Check should not have been issued
- Check never received

If you determine the cancellation is **material**, consult your **Fiscal Advisor** to determine the appropriate course of action.

Frontline Logic for PY Warrant Cancellations

Per CSAM, **receipts that cancel prior year expenditures must be recorded as revenue in the current year**. In Frontline, this requires a **Prior Year Cancel Check Account Link Number.**

Each LEA has a designated prior year cancel check account, structured as follows: XX-0000-0-0000-0000-8699-000-ZERR*

Where: XX* = your district's fund code

- Fund 01 for districts (including district-reported charters)
- Fund 09 for #21 SunRidge Charter School
- Fund 62 for nonprofit/independent charters

LEAs should already be reviewing and clearing ZERR accounts regularly. This will be an additional ZERR account to monitor and clear.

Possible Journal Entries for Automatic Posting in Frontline

Each commercial warrant cancellation is unique. When determining the correct journal entry, consider:

- Whether the check was reissued in the current year
- Whether the dollar amount is material

At a minimum, if the check should not have been issued, create a journal entry to move the amount out of the ZERR account and into another appropriate revenue account. All ZERR accounts must be cleared in Frontline. Contact your Fiscal Advisor if you need help determining the correct journal(s).

SCOE Notification

Sarah Graves will place a **snapshot of the canceled check** in your SCOE mail slot. For **prior year cancellations**, she will **highlight the fiscal year (e.g., 2025)**. This is your reminder that the transaction was posted to **General Fund/8699/ZERR** and needs to be **reviewed and cleared**.

Step 9b ~ HOLDING/CLEARING ACCOUNTS

LEA RESPONSIBILITIES

Adjust to actual the following 9XXX objects in ALL FUNDS.

When transferring balances from Other Funds to the General Fund, begin with the Other Funds and conclude with the General Fund. This order helps prevent duplicating the General Fund clearing process.

Journal entries between funds must be completed by June 23rd end of day as cash transactions will be closed after this date. For entries processed after June 23rd, set up **Due To/Due From** journals (see Step 12 for further guidance).

Payroll Accounts Receivable (REPAY) — Object Code: 9213

- **Occurrence 1: Employee Overpayment**
  - When an employee has been overpaid, a receivable is established in the General Fund (Object 9213) using the "REPAY" deduction for the **net amount owed** by the employee.
  - Each LEA should have a written policy in place detailing the recovery procedure for overpayments
  - Assembly Bill 185, via Education Code Section 44042.5 allows school employers to recover up to 25% of an employee's net disposable income without the employee's consent, provided the employee is notified in writing of the overpayment.
  - If a payment arrangement extends into the next fiscal year, the balance will automatically carry over. It is recommended to collect the full amount by June 30 of the current fiscal year or within 12 months from the date the overpayment was discovered
  - When the employee reimburses the district, deposit the cash receipt to General Fund/Object 9213
  - If the employee separates from employment before full repayment, the remaining amount may be deducted from the final paycheck. If the paycheck does not cover the total balance, issue an invoice to the former employee for the outstanding amount.

NOTE: FINAL PAY = TAKE TOTAL AMOUNT DUE

Occurrence 2 - Prior Year Payroll Tax Error (OASDI/Medicare)

- If an employee's **prior calendar year payroll taxes** (e.g., OASDI or Medicare) were incorrectly set up in Frontline, the over/underpayment can be **refunded to or collected from** the employee using the "REPAY" deduction.
  - This ensures that adjustments do not affect current-year payroll taxes or W-2 reporting
- **SCOE's External Payroll and Finance Team** will create a journal in Frontline to charge or refund the district for the appropriate payroll tax adjustment.
  - **Refund journals** will only be created after the IRS issues a refund check
  - **All IRS/Treasury checks** must be sent directly to SCOE's External Payroll and Finance team for reconciliation.
- LEAs need to clear both the REPAY balance in 9213 and the SCOE created journal balances in the appropriate OASDI or Medicare accounts

Examples of Possible Entries

1) The **REPAY deduction** was used to recover **Medicare tax** from an employee that was **not withheld** from their pay in the **prior calendar year**. In addition, **SCOE created a cash journal** to charge the district for the **employee and employer portions** of the Medicare tax that were not originally withheld.

   Resulting in the following account balances:

		Debit	Credit
01….9213	(REPAY)		75.00
01….9548	(EE Medicare)	75.00	
01….9558	(ER Medicare)	75.00	

- **Need to Clear 9213/9548/9558**

First Entry to be done:		Debit	Credit
01….9548	(EE Medicare)		75.00
01….9213	(REPAY)	75.00	
Second Entry to be done:			
01….9558	(ER Medicare)		75.00
Expense account using Medicare liability account (object 3331 or 3332)		75.00	

2) The **REPAY deduction** was used to recover **OASDI tax** from an employee that was **not withheld** from their pay in the **prior calendar year**. In addition, **SCOE created a cash journal** to charge the district for the **employee and employer portions** of the OASDI tax that were not originally withheld.

Resulting in the following account balances:

		Debit	Credit
01….9213	(REPAY)		50.00
01….9546	(EE OASDI)	50.00	
01….9553	(ER OASDI)	50.00	

▶ **Need to Clear 9213/9546/9553**

First Entry to be done:		Debit	Credit
01….9546	(EE OASDI)		50.00
01….9213	(REPAY)	50.00	
Second Entry to be done:			
01….9553	(ER OASDI)		50.00
Expense account using OASDI liability account (object 3311 or 3312)		50.00	

3) The **REPAY deduction** was used to refund **Medicare tax** to an employee that was **incorrectly withheld** from their pay in the **prior calendar year. SCOE created a cash journal** to refund the district for the **employee and employer portions** of Medicare that were improperly withheld. (NOTE: Medicare refunds are issued to the LEA only after funds are received from the IRS)

Resulting in the following account balances:

		Debit	Credit
01….9213	(REPAY)	25.00	
01….9548	(EE Medicare)		25.00
01….9558	(ER Medicare)		25.00

▶ **Need to Clear 9213/9548/9558**

First Entry to be done:		Debit	Credit
01….9548	(EE Medicare)	25.00	
01….9213	(REPAY)		25.00
Second Entry to be done:			
01….9558	(ER Medicare)	25.00	
Expense account using Medicare liability account (object 3331, 3332)			25.00

4) The **REPAY deduction** was used to refund **OASDI tax** to an employee that was **incorrectly withheld** from their pay in the **prior calendar year. SCOE created a cash journal** to refund the district for the **employee and employer portions** of Medicare that were improperly withheld. (NOTE: OASDI refunds are issued to the LEA only after funds are received from the IRS)

Resulting in the following account balances:

		Debit	Credit
01….9213	(REPAY)	50.00	
01….9546	(EE OASDI)		50.00
01….9553	(ER OASDI)		50.00

- **Need to Clear 9213/9546/9553**

First Entry to be done:		Debit	Credit
01….9546	(EE OASDI)	50.00	
01….9213	(REPAY)		50.00
Second Entry to be done:			
01….9553	(ER OASDI)	50.00	
Expense account using OASDI liability account object 3311 or 3312)			50.00

Stale Dated Warrants

Object Code: 9515

Account 9515 for stale dated warrants should be reviewed and reconciled. Run a Fiscal03a report, with the "**Y**" in the assets and liabilities filter, to assist with the review and analysis of any balances. Balance should be zero after all checks have been either reissued or funds journaled to the original account or revenue account.

These funds should not be written off as they belong to either an employee or vendor. In the event that there are multiple attempts of reissue with no success, please follow the below steps.

Government agencies are exempt from California's Unclaimed Property Law and Regulations

- Government agencies fall under **Government Code 50050-50057**
- This code states that a LEA may deposit and keep the stale dated funds in their General Fund if they do the following steps:
  1. Send a notice to the owner of the funds and explain how the owner can request the funds
  2. Wait 3 years

3. Post a weekly notice in the local newspaper for 2 weeks
4. Wait another 45 days
5. If they don't hear from the owner after all of this, then the district becomes owner of the fund and the previous owner no longer has rights to the funds

This can be a tedious task. It is recommended to continue to reissue if your LEA does not have the capability to complete the above steps.

If the funds were never supposed to be issued to begin with, then a journal entry can be made to move these funds back to the general fund. Please reach out if you have questions about this process.

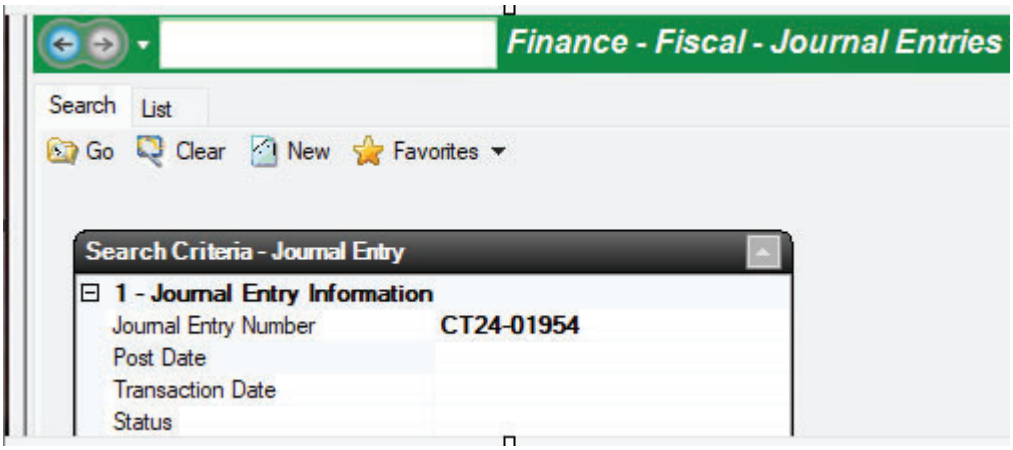
FISCAL03 example below:

Fiscal99a **Liability Account Snapshot**

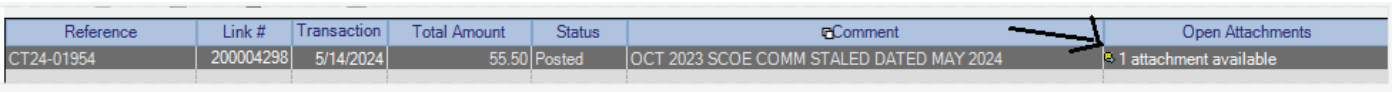
LIABILITY						Fiscal Year 2023/24
Trans Date	Description	Journal #	Reference #	Debit	Credit	Account Balance
01-0000-0- - -9515- - {Accts Payable -,Unrestricted/no} Unrestricted (continued)						
March, 2024 (continued)						
03/11/24	AUG 2023 SCOE COMM STALED DATED MARCH 2024	CT24-01550			16.70	6,615.08
03/11/24	AUG 2023 SCOE COMM STALED DATED MARCH 2024	CT24-01550			20.00	6,635.08
03/11/24	AUG 2023 SCOE COMM STALED DATED MARCH 2024	CT24-01550			.59	6,635.67
03/11/24	AUG 2023 SCOE COMM STALED DATED MARCH 2024	CT24-01550			189.41	6,825.08
03/11/24	AUG 2023 SCOE COMM STALED DATED MARCH 2024	CT24-01550			.83	6,825.91
03/11/24	AUG 2023 SCOE COMM STALED DATED MARCH 2024	CT24-01550			53.70	6,879.61
03/11/24	AUG 2023 SCOE COMM STALED DATED MARCH 2024	CT24-01550			54.85	6,934.46
May, 2024						
05/14/24	OCT 2023 SCOE COMM STALED DATED MAY 2024	CT24-01954			55.50	6,989.96
05/14/24	OCT 2023 SCOE PR STALED DATED MAY 2024	CT24-01955			7.46	6,997.42
			Totals	27,450.61	34,448.03	6,997.42

Make a note of the CT number that posted the transaction. In the example above, the last entry is CT24-01954.

Go to Finance/Fiscal/Journal Entries and the enter the CT number in the search field and press GO



From the List, if you look all the way to the right it will list the "Open Attachments." If you click on the little yellow button next to the attachment available it will open up the attachment for this journal. See Below:



The other way to open attachments is to click into the journal entry and go to the attachments tab. You need to click into the attachment and then go to the View Attachment line and go all the way to the right where there is a downward arrow to view the backup.





Once you pull up the attachment, find your LEA number and fund number in the SCOE District/Fund column

The report will be in excel format like below:

Sonoma County Treasury Department
Bank Reconciliation Report
Issued Checks
Report Date 5/7/2024

Org	Check Number	Issue Dat	Amount Issued	Payee Name	Bank Cleared Date	Amount Paid	Cancel Date	Cancel Statu	Other Da	Other Statu	Other Amount	Status Change Rea
	1987401	10/4/2023	1,150.40				5/7/2024	STOP				STALE DATED
	1987476	10/4/2023	173.46				5/7/2024	STOP				STALE DATED
	1988726	10/6/2023	9,083.45				5/7/2024	STOP				STALE DATED
	1988727	10/6/2023	698.50				5/7/2024	STOP				STALE DATED
	1992961	10/27/2023	444.00				5/7/2024	STOP				STALE DATED
	1987555	10/4/2023	45.72				5/7/2024	STOP				STALE DATED
	1989355	10/11/2023	30.00				5/7/2024	STOP				STALE DATED
	1987600	10/4/2023	64.45				5/7/2024	STOP				STALE DATED
	1990846	10/18/2023	38.98				5/7/2024	STOP				STALE DATED
	1990939	10/18/2023	191.95				5/7/2024	STOP				STALE DATED
	1987758	10/4/2023	1,011.46				5/7/2024	STOP				STALE DATED
	1987830	10/4/2023	3.00				5/7/2024	STOP				STALE DATED
	1989560	10/11/2023	950.00				5/7/2024	STOP				STALE DATED
	1990976	10/18/2023	7.54				5/7/2024	STOP				STALE DATED
	1990980	10/18/2023	79.00				5/7/2024	STOP				STALE DATED
	1992395	10/25/2023	11.66				5/7/2024	STOP				STALE DATED
	1987911	10/4/2023	216.00				5/7/2024	STOP				STALE DATED
	1987915	10/4/2023	1,229.06				5/7/2024	STOP				STALE DATED
	1991067	10/18/2023	4,557.00				5/7/2024	STOP				STALE DATED
	1993208	10/27/2023	7.95				5/7/2024	STOP				STALE DATED
	1989649	10/11/2023	42.33				5/7/2024	STOP				STALE DATED
	1988048	10/4/2023	534.23				5/7/2024	STOP				STALE DATED
	1993237	10/27/2023	50.00				5/7/2024	STOP				STALE DATED
	1988932	10/6/2023	121.83				5/7/2024	STOP				STALE DATED
	1990399	10/13/2023	100.00				5/7/2024	STOP				STALE DATED
	1990433	10/13/2023	300.00				5/7/2024	STOP				STALE DATED
	1991906	10/20/2023	85.78				5/7/2024	STOP				STALE DATED
	1993274	10/27/2023	373.85				5/7/2024	STOP				STALE DATED
	1991283	10/18/2023	55.50				5/7/2024	STOP				STALE DATED

If you are reissuing a payment to either a vendor or employee, process payment through accounts payable, by the June 17th noon cutoff, using account code 01-0000-0..9515 to clear. Repeat the above process for each staledated check. If you had a beginning balance at the start of the fiscal year, this means you did not clear staledated checks from prior year. You will need to repeat the entire process by choosing the prior year when running the Fiscal03.

If the warrant is to be reissued in the next fiscal year, leave the amount in 9515 and process payment through accounts payable, using account code 01-0000-0..9515 in the next fiscal year.

If you will not be reissuing the original warrant to either the employee or vendor, create a journal to clear the activity to the account from which the original payment was made, unless prior year, then revenue account.

Payroll Clearing

Object codes: 9530, 9531

Amounts transferred from SCOE in 9530 and 9531 are **always** adjustments to **employee-paid benefits**. Amounts in object 9530 should be refunded to the appropriate employee and amounts in 9531 should be refunded directly to the appropriate vendor, or taken as a credit against amounts due the vendor.

Run a Fiscal03a report, with the "**Y**" in the assets and liabilities filter, for object codes **9530** and **9531**. Reconcile this report and send it to Christy Arend and Jing Liu at SCOE.

In no case should amounts in 9530 or 9531 be credited back to district expenditure codes, as these are EMPLOYEE-PAID benefits held in trust.

P&L Insurance Clearing

Object Code: 9538

These amounts are normally charges for Property and Liability insurance premiums and deductibles transferred from RESIG. These amounts should be cleared to object 5450 by means of a Journal Entry.

Per CSAM, revenue for insurance claims and deductibles should be cleared to object 8699 by means of a Journal Entry.

Voluntary Deductions

Object codes: 9540, 9511

Employee voluntary deductions are set up in Frontline to credit liability object codes 9540 and 9511. Typically, these object codes would have a zero balance at the end of the year. However, these object codes need to be reviewed. Run a Fiscal03a report, with the "**Y**" in the assets and liabilities filter, to determine the validity of any outstanding balance. Identify the differences, determining the payrolls that have the outstanding balances. Please note that these amounts were monies taken from employees, and should be returned to the employees if the liabilities were not paid out by the district. It is the district's responsibility to verify these monies were paid and to the correct vendor.

Payroll Withholding Liabilities

It may be necessary to adjust balances in the following accounts to their actual liability by means of a journal entry.

	Object Codes	Expenditure Objects
STRS	9551	3101, 3102
PERS	9552	3201, 3202
FICA (OASDI)	9553	3311, 3312
Medicare	9558	3331, 3332
State Unemployment Ins. (SUI)	9555	3501, 3502
Worker's Comp.	9556	3601, 3602

Run a Fiscal03a report, with the "**Y**" in the assets and liabilities filter, to assist with the review and analysis of any balances:

STRS, PERS should have a zero June 30 account balance. Debit or Credit any balance out of the 955X account and move it to the corresponding 3XXX account.

OASDI and Medicare might have carry over into the next fiscal year if your LEA is waiting on a refund from the IRS. These are ok to carry over and will clear once the funds come.

Worker's Comp will have a balance to carry over to FY25-26 beginning balance. Reconcile the balance to ensure object code 9556 is zero after payment is made in July.

SUI will have a balance to carry over to FY25-26 beginning balance. Even though the 7/10 payroll hits the books 6/30, it is actually included in 3rd quarter reporting for SUI.

To assist with reconciling, **run the Pay05 for Ending Pay Date 7/10/2025**. The SUI total ending account balance should include both the 2nd quarter tax amount (April – June) and the July 10th tax amount for 3rd quarter found on the Pay05 (see sample report on the next page).

DO NOT setup the SUI payment for 2nd quarter (April - June) as a liability because it is already established as a liability in the new fiscal year in object 9555.

Next Page

Pay05a — Monthly Tax Summary

Reporting Period	01/01/25 – 07/10/25							
	Gross	SIT	SUI	SDI	OASDI	Medicare	FIT	Additional Medicare
January	2,870,759.64	2,383,886.02 76,432.96	2,714,871.25 1,357.41	321,132.08 3,853.58	619,712.09 38,422.17	2,716,618.13 39,391.13	2,383,886.02 216,583.38	
February	2,853,461.49	2,366,455.22 75,856.49	2,696,942.54 1,348.44	322,686.66 3,872.23	651,201.21 40,374.48	2,702,967.28 39,193.20	2,367,115.22 215,029.16	
March	2,948,485.01	2,450,776.56 81,533.64	2,783,997.02 1,391.97	320,904.52 3,850.83	633,054.51 39,249.38	2,798,735.23 40,581.91	2,452,094.96 226,076.27	
1st Qtr Gross Tax	8,672,706.14	7,201,117.80 233,823.09	8,195,810.81 4,097.82	964,723.26 11,576.64	1,903,967.81 118,046.03	8,218,320.64 119,166.24	7,203,096.20 657,688.81	
April	3,864,941.64	3,275,194.08 148,879.15	3,705,645.61 1,852.70	321,587.43 3,859.07	675,273.33 41,866.98	3,715,741.25 53,878.56	3,276,512.48 359,514.27	
May	3,475,413.66	2,935,717.82 115,225.11	3,310,370.53 1,655.24	415,209.13 4,982.53	933,739.33 57,891.84	3,326,050.20 48,227.91	2,937,900.66 301,229.14	
June	3,235,709.24	2,742,477.23 109,396.18	3,096,098.83 1,548.44	172,947.49 2,075.37	604,767.74 37,495.70	3,121,016.55 45,255.19	2,744,660.07 279,771.98	
2nd Qtr Gross Tax	10,576,064.54	8,953,389.13 373,500.44	10,112,114.97 5,056.38	909,744.05 10,916.97	2,213,780.40 137,254.52	10,162,808.00 147,361.66	8,959,073.21 940,515.39	
July	557,974.63	542,810.59 17,814.93	535,514.78 2,677.62	308,198.42 3,698.35	395,783.15 24,538.56	557,940.94 8,090.20	542,810.59 53,259.14	
3rd Qtr Gross Tax	557,974.63	542,810.59 17,814.93	535,514.78 2,677.62	308,198.42 3,698.35	395,783.15 24,538.56	557,940.94 8,090.20	542,810.59 53,259.14	
2021 Gross Tax	19,806,745.31	16,697,317.52 625,138.46	18,843,440.56 11,831.82	2,182,665.73 26,191.96	4,513,531.36 279,839.11	18,939,069.58 274,618.10	16,704,980.00 1,651,463.34	

2nd quarter SUI liability

7/10 payroll included in 3rd quarter SUI liability

	Object Codes	Expenditure Objects
Health/Welfare Benefits	957X	34x1, 34x2

Determine if the balance is accurate. Reconcile the balance in the 957X accounts to supporting documentation. If there is a balance remaining in 957X accounts (debit balance or credit balance) and it's determined the balance is incorrect or should be zero, adjust the account accordingly to the expenditure code by means of a Journal Entry. Run a Fiscal03a report, with the "**Y**" in the assets and liabilities filter, to assist with the review and analysis of the balances.

Remember -- Health & Welfare Benefit Clearing accounts in Liability object 957x show in the General Ledger in the General Fund with blank resource.

SDI -State Disability Insurance (if applicable)

Object code: 9557

SDI will have a balance to carry over to FY25-26 beginning balance. Even though the 7/10 payroll hits the books 6/30, it is actually included in 3rd quarter reporting for SDI. To assist with reconciling, **run the Pay05 for Ending Pay Date 7/10/2025**. The SDI total ending account balance should include both the 2nd quarter tax amount (April – June) and the July 10th tax amount for 3rd quarter found on the Pay05 (see sample report below).

DO NOT setup the SDI payment for 2nd quarter (April - June) as a PCL because it is already established as a liability in the new fiscal year in object 9557.

State Disability is an Employee paid benefit. Adjusting the SDI amount in 9557, may result in the need to either refund or collect from the employee.

Pay05a **Monthly Tax Summary**

Reporting Period 01/01/25 – 07/10/25

	Gross	SIT	SUI	SDI	OASDI	Medicare	FIT	Additional Medicare
January	2,870,759.64	2,383,886.02	2,714,871.25	321,132.08	619,712.09	2,716,618.13	2,383,886.02	
		76,432.96	1,357.41	3,853.58	38,422.17	39,391.13	216,583.38	
February	2,853,461.49	2,366,455.22	2,696,942.54	322,686.66	651,201.21	2,702,967.28	2,367,115.22	
		75,856.49	1,348.44	3,872.23	40,374.48	39,193.20	215,029.16	
March	2,948,485.01	2,450,776.56	2,783,997.02	320,904.52	633,054.51	2,798,735.23	2,452,094.96	
		81,533.64	1,391.97	3,850.83	39,249.38	40,581.91	226,076.27	
1st Qtr Gross	**8,672,706.14**	**7,201,117.80**	**8,195,810.81**	**964,723.26**	**1,903,967.81**	**8,218,320.64**	**7,203,096.20**	
Tax		**233,823.09**	**4,097.82**	**11,576.64**	**118,046.03**	**119,166.24**	**657,688.81**	
April	3,864,941.64	3,275,194.08	3,705,645.61	321,587.43	675,273.33	3,715,741.25	3,276,512.48	
		148,879.15	1,852.70	3,859.07	41,866.98	53,878.56	359,514.27	
May	3,475,413.66	2,935,717.82	3,310,370.53	415,209.13	933,739.33	3,326,050.20	2,937,900.66	
		115,225.11	1,655.24	4,982.53	57,891.84	48,227.91	301,229.14	
June	3,235,709.24	2,742,477.23	3,096,098.83	172,947.49	604,767.74	3,121,016.55	2,744,660.07	
		109,396.18	1,548.44	2,075.37	37,495.70	45,255.19	279,771.98	
2nd Qtr Gross	**10,576,064.54**	**8,953,389.13**	**10,112,114.97**	**909,744.05**	**2,213,780.40**	**10,162,808.00**	**8,959,073.21**	
Tax		**373,500.44**	**5,056.38**	**10,916.97**	**137,254.52**	**147,361.66**	**940,515.39**	
July	557,974.63	542,810.59	535,514.78	308,198.42	395,783.15	557,940.94	542,810.59	
		17,814.93	2,677.62	3,698.35	24,538.56	8,090.20	53,259.14	
3rd Qtr Gross	**557,974.63**	**542,810.59**	**535,514.78**	**308,198.42**	**395,783.15**	**557,940.94**	**542,810.59**	
Tax		**17,814.93**	**2,677.62**	**3,698.35**	**24,538.56**	**8,090.20**	**53,259.14**	
2021 Gross	**19,806,745.31**	**16,697,317.52**	**18,843,440.56**	**2,182,665.73**	**4,513,531.36**	**18,939,069.58**	**16,704,980.00**	
Tax		**625,138.46**	**11,831.82**	**26,191.96**	**279,839.11**	**274,618.10**	**1,651,463.34**	

2nd quarter SDI liability

7/10 payroll included in 3rd quarter SDI liability

Step 9c – Classified Summer Assistance Program

This step is for Districts participating in the Classified School Employee Summer Assistance Program. There are two parts, first review the **9530 Object Code** to verify the balance is 0.00, second set up the Accounts Receivable in **7415 Resource**.

It is recommended to refund deductions and matching payout on 6/30/2025 Payroll and 7/10/2025 Liability Payroll if elected two installments. The matching payout would use Resource 0000 or 7415 depending on the District set up.

Please review the *Classified School Summer Assistance Program* document found in SCOE Resources for the steps in refunding and paying out the matching funds.

SCOE Resources – Forms – IT Checklists & Guides – Classified Schools Summer Assistance Program

Funding and Key Dates from the CDE https://www.cde.ca.gov/fg/aa/ca/csesap.asp

The following is a summary of key dates and requirements that LEAs need to be aware of during the 2024–25 school year.

Key Dates	Fiscal Year 2023–24 (2024–25 School Year)	Fiscal Year 2024–25 (2025–26 School Year)
Participating local education agencies (LEAs) shall notify classified employees that the LEA has elected to participate in the program for the specified school year. Once an LEA elects to participate in the program and notifies classified employees, the LEA is prohibited from reversing the decision.	**By January 1, 2024**	**By January 1, 2025**
Classified employees that elect to participate in the program shall notify the LEA in writing, on the CSESAP Employee Election Form. To participate, the classified employee must: ▪ Meet program eligibility criteria, ▪ Specify amounts to be withheld, up to 10 percent, from their monthly paychecks for the specified school year, and ▪ Choose whether to receive one or two payments during the summer recess period.	**By March 1, 2024**	**By March 1, 2025**
Each participating LEA shall notify the California Department of Education (CDE) that it elected to participate in the program and provide the following information: ▪ The number of classified employees that have elected to participate, and ▪ An estimate of the total amount to be withheld from participating classified employee paychecks for the specified school year.	**By April 2, 2024***	**By April 1, 2025***
Participating LEAs shall notify their participating classified employees of the estimated amount of state match funding the employee can receive as a result of participating in the program.	**By June 1, 2024**	**By June 1, 2025**
Participating LEAs shall request payment from the CDE on a form developed by the CDE for the amount of classified employee pay withheld. If the total amount requested by LEAs exceeds the appropriated amount available for the CSESAP, the CDE will apply a proration accordingly.	**By July 31, 2025** (Request for Payment form will be available June 2025)	**By July 31, 2026** (Request for Payment form will be available June 2026)

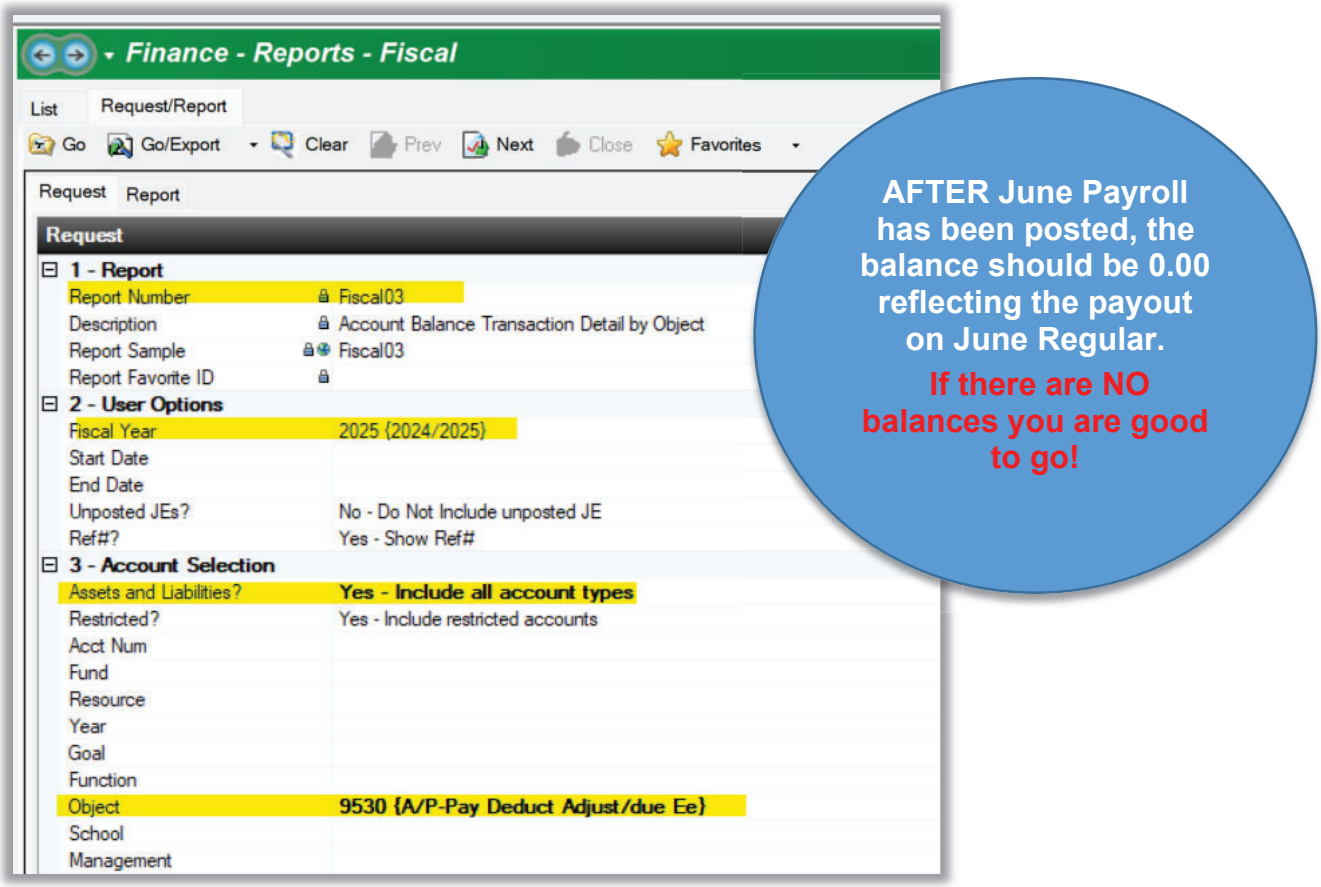
The estimated state match funding for the 2024-2025 school year is currently sixty-four cents ($0.64) for each one dollar ($1) that the classified employee elects to have withheld from their monthly paycheck for the 2024–25 school year. Keep an eye on the Classified School Employee Summer Assistance page on the CDE to view the most up to date information for Funding & Key Dates! The matching funds have fluctuated from year to year. **The schedule of allocations will be available in September 2025.**

9530 Object Code Account Review

After June Payrolls have been processed run the Fiscal02 Account Summary by Object-Balance Report or Fiscal03 Account Transaction Detail by Object-Balance.

Go to Finance – Reports – Fiscal – Fiscal02 or Fiscal03

- **Fiscal Year:** 2025 {2024/2025} Default
- **Assets and Liabilities**: Yes – Include all account types
- **Object:** 9530
- Click **Go** to generate the report

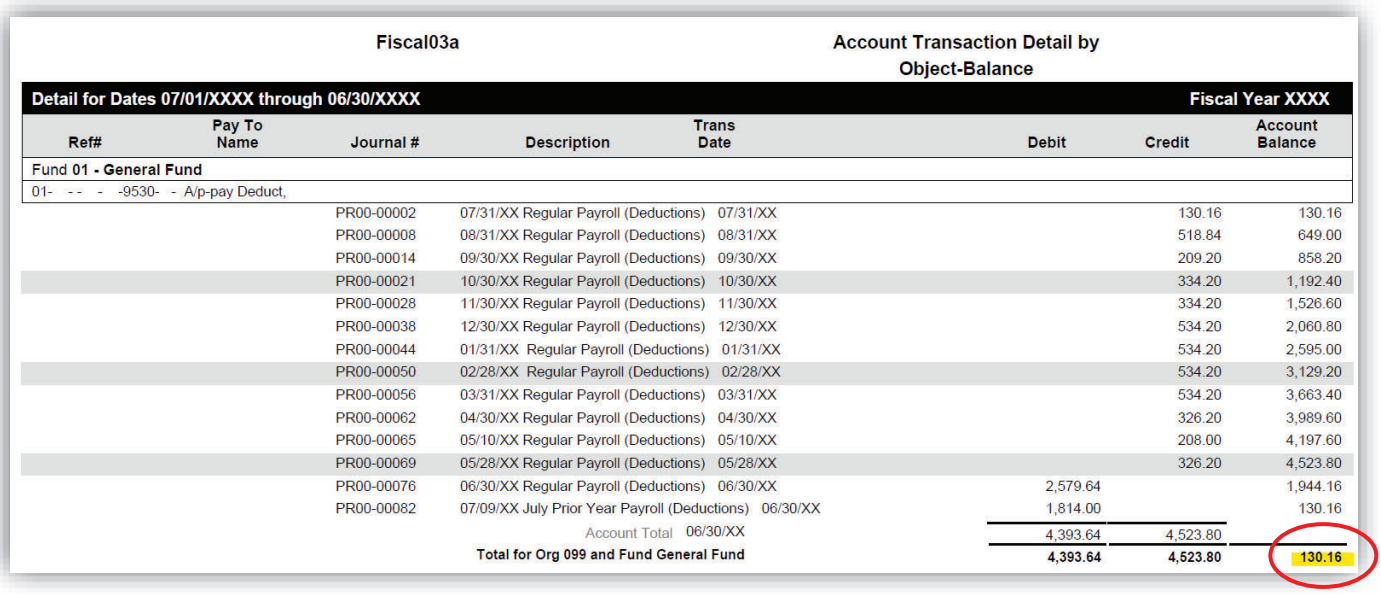


If there are balances remaining in 9530 Object, research to determine why deductions were not refunded. Any employee with a balance will need to be refunded.

NOTE: Per Ed Code 45500 (i) Employees that have resigned prior to June Payroll and immediately request a refund of the deduction must be refunded the deduction, but are not entitled to the matching funds that are paid out in June and July (if you have elected 2 installments).

Example Fiscal03 Account Transaction Detail by Object-Balance:

This example there is a balance of $130.16 this should be 0.00.



Fiscal03a — Account Transaction Detail by Object-Balance

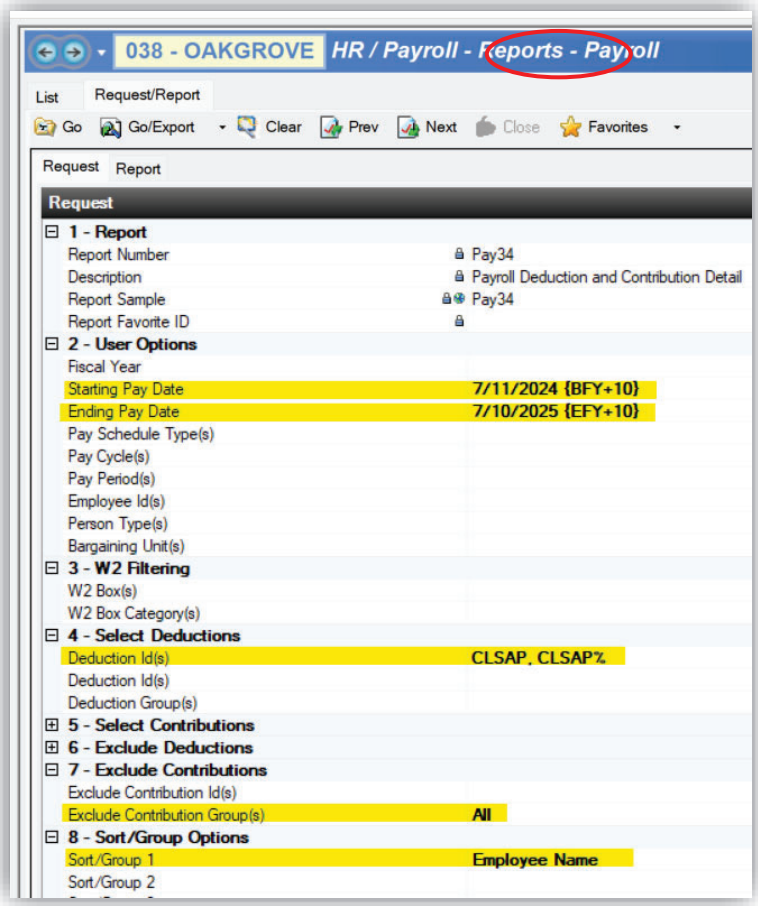
Detail for Dates 07/01/XXXX through 06/30/XXXX — **Fiscal Year XXXX**

Ref#	Pay To Name	Journal #	Description	Trans Date	Debit	Credit	Account Balance
Fund **01 - General Fund**							
01- - - -9530- - A/p-pay Deduct,							
		PR00-00002	07/31/XX Regular Payroll (Deductions)	07/31/XX		130.16	130.16
		PR00-00008	08/31/XX Regular Payroll (Deductions)	08/31/XX		518.84	649.00
		PR00-00014	09/30/XX Regular Payroll (Deductions)	09/30/XX		209.20	858.20
		PR00-00021	10/30/XX Regular Payroll (Deductions)	10/30/XX		334.20	1,192.40
		PR00-00028	11/30/XX Regular Payroll (Deductions)	11/30/XX		334.20	1,526.60
		PR00-00038	12/30/XX Regular Payroll (Deductions)	12/30/XX		534.20	2,060.80
		PR00-00044	01/31/XX Regular Payroll (Deductions)	01/31/XX		534.20	2,595.00
		PR00-00050	02/28/XX Regular Payroll (Deductions)	02/28/XX		534.20	3,129.20
		PR00-00056	03/31/XX Regular Payroll (Deductions)	03/31/XX		534.20	3,663.40
		PR00-00062	04/30/XX Regular Payroll (Deductions)	04/30/XX		326.20	3,989.60
		PR00-00065	05/10/XX Regular Payroll (Deductions)	05/10/XX		208.00	4,197.60
		PR00-00069	05/28/XX Regular Payroll (Deductions)	05/28/XX		326.20	4,523.80
		PR00-00076	06/30/XX Regular Payroll (Deductions)	06/30/XX	2,579.64		1,944.16
		PR00-00082	07/09/XX July Prior Year Payroll (Deductions)	06/30/XX	1,814.00		130.16
			Account Total	06/30/XX	4,393.64	4,523.80	
			Total for Org 099 and Fund General Fund		**4,393.64**	**4,523.80**	**130.16**

Run the Pay34 Payroll Deduction and Contributions Detail Report to review and verify the employee deductions and refunds detail.

Go to HR/Payroll – Reports – Payroll – Pay34

Enter the Request Criteria:



- **Starting Pay Date**: {BFY+10}
- **Ending Pay Date**: {EFY+10}
- **Deduction Ids**: CLSAP,CLSAP%
- **Exclude Contributions Group(s)**: All
- **Sort/Group1**: Employee Name
- Click **Go** to Generate

Example Pay34 Payroll Deduction and Contribution Detail:

Need to review the detail to determine why there is a balance.

Pay34a **Payroll Deduction and Contribution Detail**

Fiscal Year

Employee	(ID) SSN	Pay Cycle/ Period	Pay Date	Deduction ID	Deduction Description	Deduction Group Code	Deduction Group Description	Deduction Gross Amt	Deduction Amount
Employee Name **Mouse, Minnie**									
Mouse, Minnie	(000328)	CL2J/1	07/31/20	CLSAP	Summer Assist Progr	M		0.00	130.16
	(000328)	CL2J/2	08/31/20	CLSAP	Summer Assist Progr	M		0.00	130.16
	(000328)	CL2J/6	12/30/20	CLSAP	Summer Assist Progr	M		0.00	200.00
	(000328)	CL2J/7	01/29/20	CLSAP	Summer Assist Progr	M		0.00	200.00
	(000328)	CL2J/8	02/26/20	CLSAP	Summer Assist Progr	M		0.00	200.00
	(000328)	CL2J/9	03/31/20	CLSAP	Summer Assist Progr	M		0.00	200.00
	(000328)	CL2J/10	04/30/20	CLSAP	Summer Assist Progr	M		0.00	200.00
	(000328)	CL2J/11	05/28/20	CLSAP	Summer Assist Progr	M		0.00	200.00
	(000328)	CL2J/12	06/30/20	CLSAP	Summer Assist Progr	M		0.00	200.00
	(000328)	CL2J/12	06/30/20	CLSAP	Refund CLSAP	M		0.00	1,530.16-
Employee Count for Employee Name-Mouse, Minnie >>> 1									**130.16**
Employee Name **Mouse, Mickey**									
Mouse, Mickey	(000352)	CL1A/1	08/31/202	CLSAP	Summer Assist Pgrm	M		0.00	125.00
	(000352)	CL1A/2	09/30/202	CLSAP	Summer Assist Pgrm	M		0.00	125.00-
Employee Count for Employee Name-Mouse, Mickey >>> 1									**0.00**
Employee Count for 099 - ABC School District >>> 12									**130.16**

7415 Resource Accounts Receivable

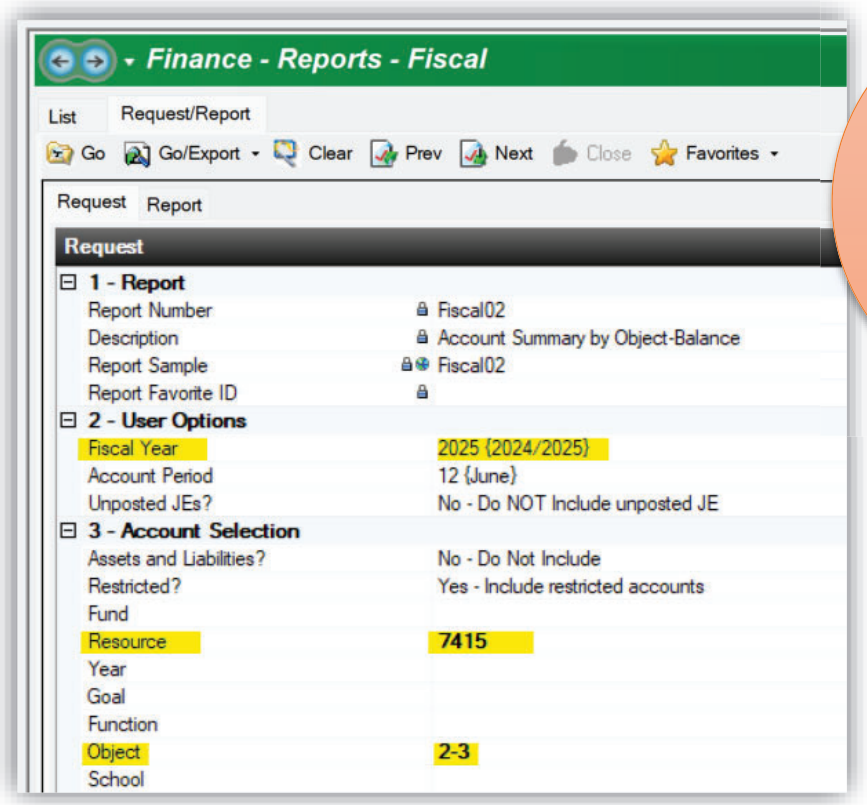
Depending on the account code used for the initial payroll expenses, the District will need to determine the AR amount for the salary expense only.

After June 30 and July 10 Payroll have been processed and employees are paid the summer withholding and matching funds, all associated statutory benefits will need to be moved to Resource 0000 via a general journal entry, leaving only the salary match in the 7415 Resource.

An alternate way would be to pay out the matching funds from General Fund Resource 0000 and manually move the salary only to Resource 7415. Setup the AR in the same manner as above.

An Accounts Receivable will need to be set up in Resource 7415 Revenue object 8590 for 2024-2025 for the exact amount of the salary expense.

Go to Finance – Reports – Fiscal – Fiscal02 or Fiscal03



DO NOT Include 3000 expenses in the request for reimbursement!

Example when paid from by 7415 Resource

- **Fiscal Year:** 2025
- **Resource:** 7415
- **Object:** 2-3
- Click **Go** to generate the report

The salary expense is the amount of the Account Receivable in 7415 Resource, 2000-2999 Object Codes to **request funds from CDE by July 31, 2025.**

DO NOT Include 3000 expenses in the request for reimbursement!

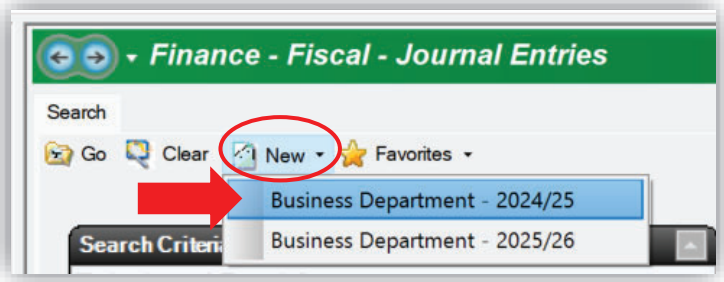
NOTE: If there is an expenditure balance in 3000 Object Code, these will need to be transferred out of the 7415 Resource to the General Fund 0000 Resource.

7415 Resource Accounts Receivable

Create manual Journal Entry to establish the accounts receivable, credit Resource 7415, object 8590 and debit Resource 7415, object 9290 using the salary amount only.

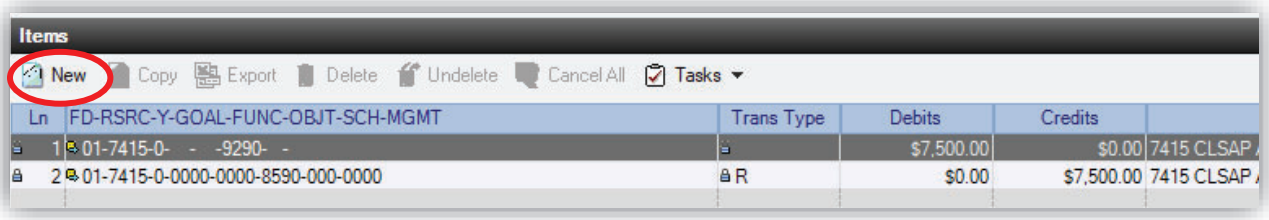
Go to Finance –Fiscal – Journal Entries

- Click New to create the JE
- Select 2024/25



Items:

- Click New to add accounts





Do NOT include statutory benefits in 7415 Resource!

Request funds from CDE by July 31, 2025!

Steps 10 and 11 – Establish ARs and APs for FY25

Accounts Payable (AP) and Accounts Receivable (AR) transactions need to be established in the closing year for expenses and revenues that have occurred prior to June 30. Once these have been setup through Year End Closing Activity or Manual Journal Entries, then a final Ledger02 Receivables/Liabilities Activity and Fiscal15 Year End Checklist must be submitted to your Fiscal Advisor with an authorized signature.

Detailed procedures and processes necessary to establish AR and AP in Frontline ERP at year-end will be provided at the following SCOE workshops:

June 13, 2025	**Payables Workshop**	**9:00 am – 10:30 am**	**Hybrid**
June 13, 2025	**Receivables Workshop**	**11:00 am – 12:30 pm**	**Hybrid**

******Manual Accruals of Due To/From Government Entities******

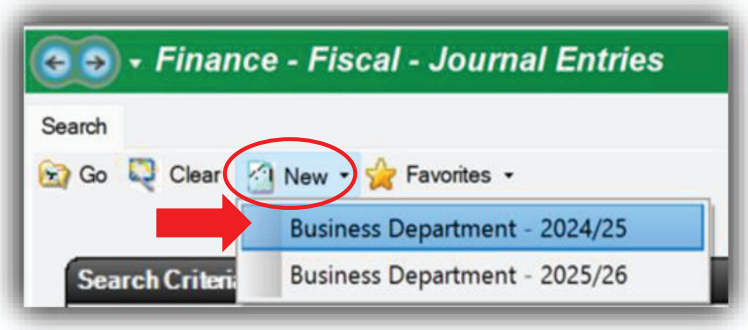
- Accruals related to state or federal programs (e.g., Restricted Lottery Revenue) must use object codes 9290/9590
- Manual journal entries are required, as the Year-End Processing activity only supports object codes 9210/9510
- Journal entries using 9290/9590 will retain their balances during the Asset/Liability roll and will need to be manually reversed in the new fiscal year

Create Manual Journal Entries to Setup Manual AR or AP in Current FY

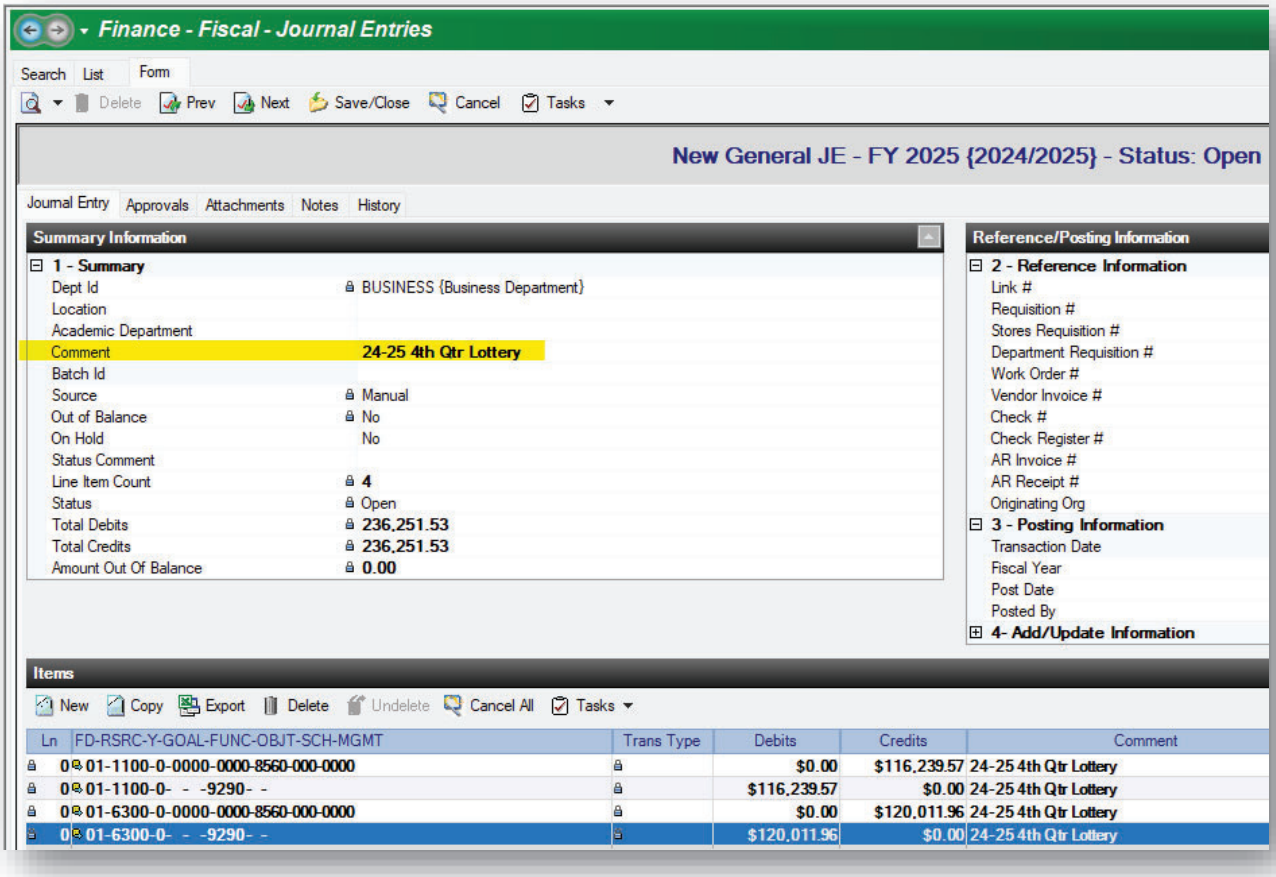
Example: Manual JE to setup Receivable 9290 Object Code for Estimated Lottery Revenue

Go to Finance – Fiscal – Journal Entries

- Click to New
- Select 2024/25



Hint: Be sure ***Department Record*** Section 7 has Next Year Start Month populated with date earlier than creation of JE's



- Section 1 – Summary
    - Enter Comment – For Example ***24-25 4th Qtr. Lottery***
- Click New in Items to add account strings
- Save/Close or go to Tasks to Submit as usual

❖ **See next page to Reverse the AR JE in the next fiscal year**

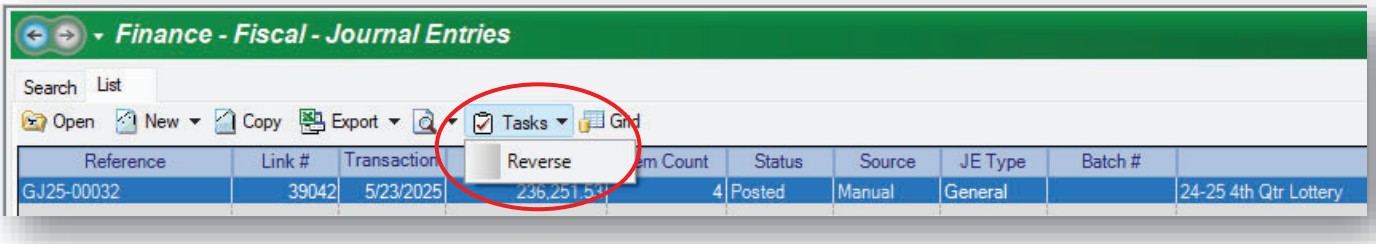
Reverse Journal Entry in Next Fiscal Year

Manual JEs for accruals, will need to be manually reversed in the next fiscal year.

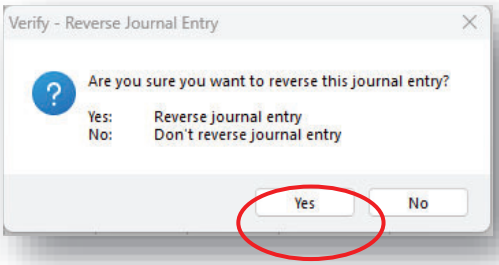
Example: Reverse Manual JE that was setup to Receivable 9290 Object Code for Estimated Lottery Revenue.

Go to Finance – Fiscal – Journal Entries

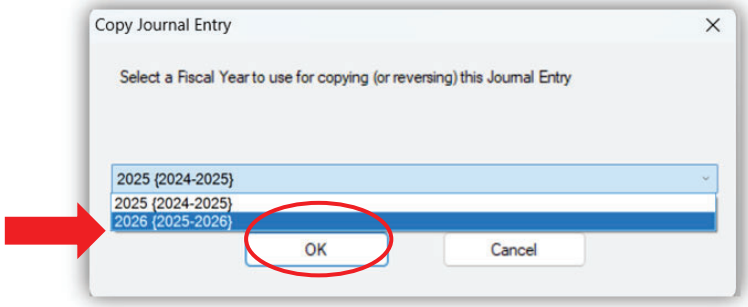
- Enter GJ Reference number from FY25
- From List Tab Use Tasks to Reverse (Do not open the JE)



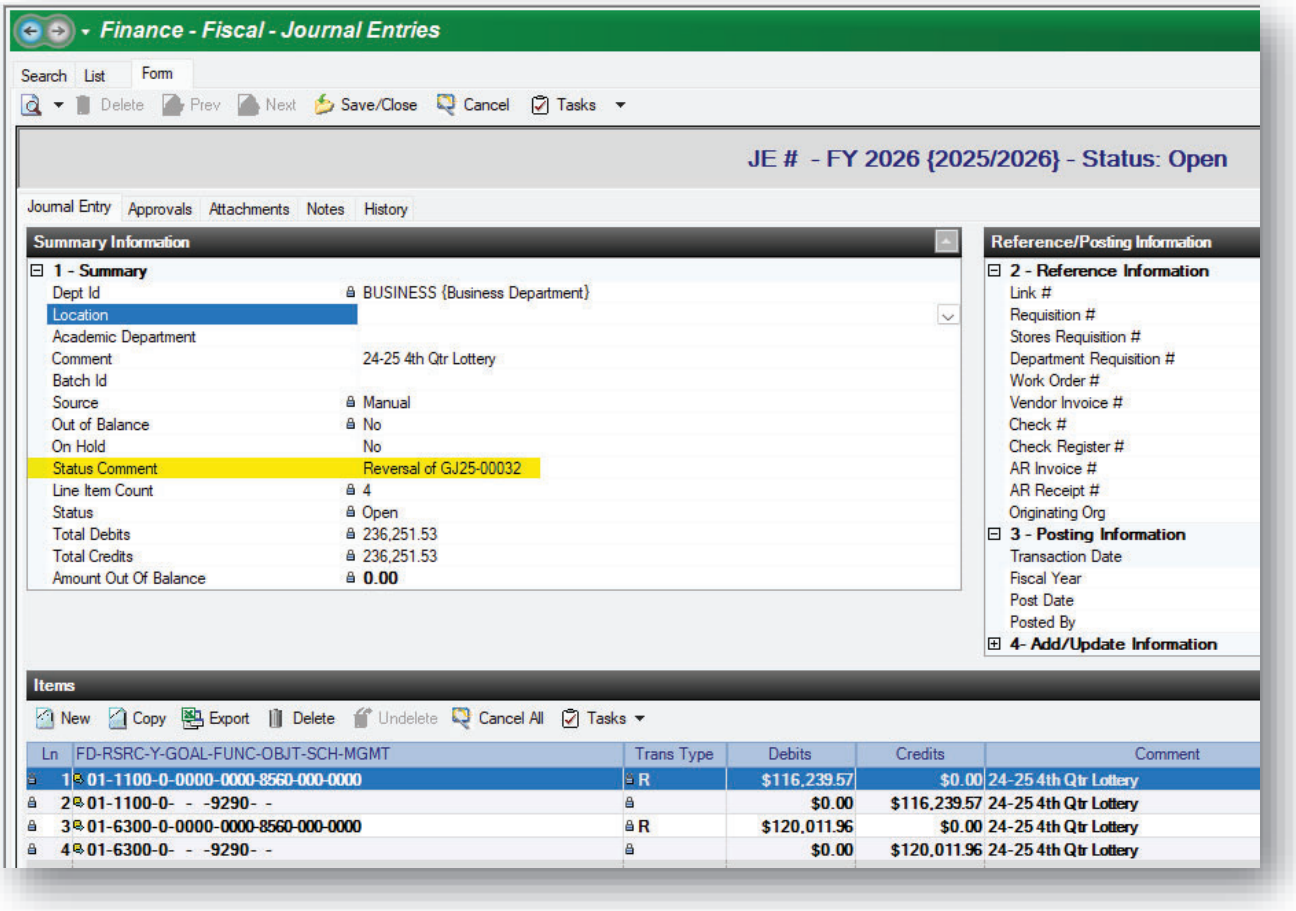
- Click Yes to Reverse



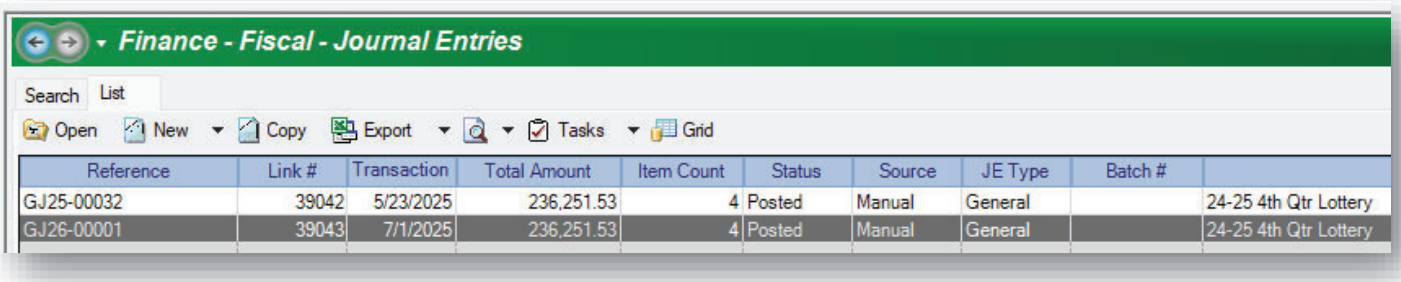
- In dialog box choose 2026 {2025-2026} then click OK



- System will auto populate “Reversal of GJ25-00032”
- Save/Close
- Go to Tasks to “Submit”



Example Reversal of 4th Qtr. Lottery shows in closing year and next fiscal year.



Fiscal15 – Review All Unresolved Transactions

Run a ***Fiscal15 - Fiscal Year End Checklist*** Report. This report lists all outstanding requisitions, direct payments, employee payments, journal entry encumbrances, invoices and receipts that must be addressed in order to close the fiscal year.

Go to Finance – Reports – Fiscal – Fiscal15

- Fiscal Year: 2026 {2025/2026}
- Reqs?: Yes – Include Requisitions having zero encumbrance balance
- Payments?: Yes – Include Payments
- Click Go to generate the report



Fiscal 15 MUST BE CLEAR by year end close

Fiscal15a **Fiscal Year End Checklist**

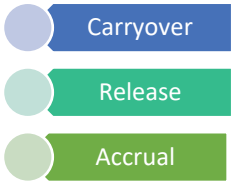
Fiscal Year 2025/26

Requisition/ Invoice #	Comment	Vendor or Customer	Status	Accrual	Outstanding
Vendor Requisitions					
PO without Receiving					
R26-00001	Classroom Supplies and Paper	Office Depot	Ready for Payment		10,000.00
R26-00002	Office Supplies		Ready for Payment		3,000.00
R26-00003	Reading Wonders 3 year contract	McGraw-Hill LLC	Ready for Payment		8,325.37
R26-00004	My Math 2 year bundle/subscription		Ready for Payment		7,040.35

Understanding the Year End Closing Process

- **Carryover** - A requisition can be carried over from the current year (base year) to next fiscal year without creating a liability, typically used for construction projects for our county. When you post a carryover amount, the system will:

    - change the fiscal year of the requisition
    - add accounts for next year
    - reverse outstanding encumbrances in the closing year
    - encumber amounts in the new fiscal year
    - write the appropriate history records



- **Release** - Sometimes it is just better to close out the requisition (e.g., requisitions in the Open status or submitted blanket requisitions). When you change the accrual and carryover amounts to zero, it will calculate the release amount. The system will change the requisition status to completed, reverse outstanding encumbrances, and write a history record
- **Accrual** - This is used when you have received the goods or services before July 1st and will pay for the goods and services next year. When you post an accrual amount, the system will create a journal entry in the closing fiscal year to set up liability, add liability accounts in next year, and a write history record
- The release column is calculated by subtracting the accrual and carryover amounts from the outstanding amount, and will be flagged as an error if the result is negative
- The AP Year End Process will create the appropriate journal entries in both fiscal years
- **You cannot accrue or carryover requisitions/invoices that are in the Open status**

  The Requisition Year End processing list skips any documents in the Open status. You must submit or cancel the requisition. There is a quick link on the Year End Process screen that will take you directly to the appropriate activity and allow you to close or delete the items in Open status
- **Documents with errors will not post.** You must resolve the error first. Use the quick link on the Year End Process screen to resolve the error
- **You cannot process transactions with negative outstanding accrual or carryover amounts.** The negative conditions must be resolved in the requisition or invoice not on the list. Use the quick link on the Year End Process screen to manually complete
- **The accrual and carryover columns on the list can be edited, but may not be set to a negative value**
- **If all fields are $0 the requisition will roll to the next fiscal year with a zero dollar amount.** You can manually complete the requisition from the quick link on the Year End Process screen if you do not want the requisition to roll to FY26

Reminder: The Asset/Liability roll, which takes place after 2024-2025 is closed, moves the entries from object 9229/9529 to object 9210/9510. Until the Asset/Liability roll is performed, there will not be a balance in the FY26 9210/9510 object to offset the payments being made to in FY26.

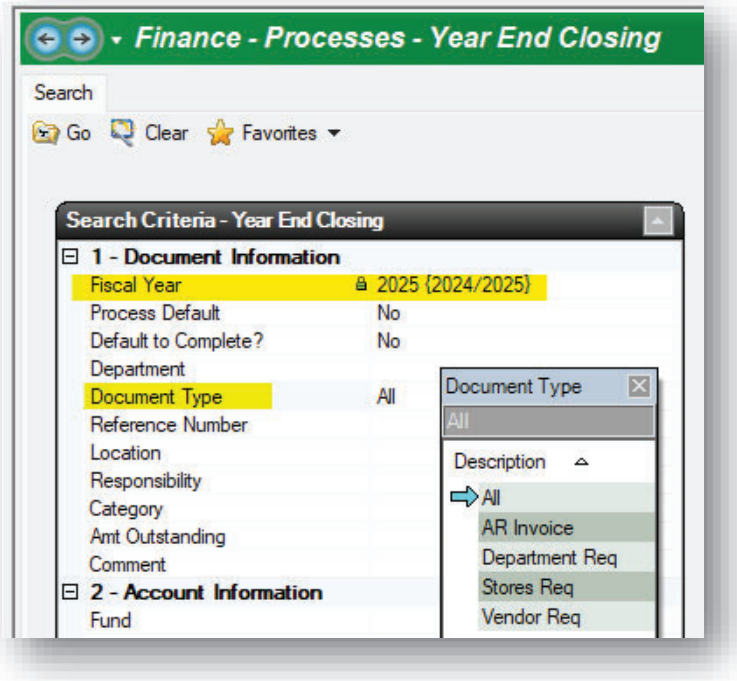
Working the AR and AP Year End Closing List

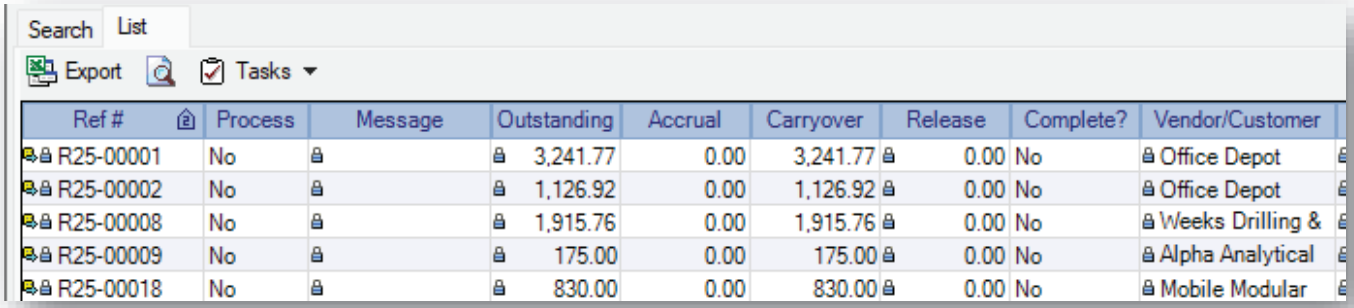
Go to Finance – Processes –Year End Closing

The Year End Closing activity provides a list specific to Accounts Receivables and Accounts Payable records that do not have a status of Complete, Canceled or Denied.

Enter search criteria:

- Fiscal Year: 2025 {2024/2025}
- Process Default: NO (Sets the flag for ALL Documents on the list)
  If changed to YES, ***ALL*** documents on the list default to be processed
- Department: Sort by Dept if desired
- Document Type: Default is All, or choose AR invoice, Dept, Stores/Vendor Req
- Reference Number: Can be AR or R
- Accounts: Specify by Accounts if desired





Ref #	Process	Message	Outstanding	Accrual	Carryover	Release	Complete?	Vendor/Customer
R25-00001	No		3,241.77	0.00	3,241.77	0.00	No	Office Depot
R25-00002	No		1,126.92	0.00	1,126.92	0.00	No	Office Depot
R25-00008	No		1,915.76	0.00	1,915.76	0.00	No	Weeks Drilling &
R25-00009	No		175.00	0.00	175.00	0.00	No	Alpha Analytical
R25-00018	No		830.00	0.00	830.00	0.00	No	Mobile Modular



Negative transactions need to be corrected in Requisitions or Invoice, cannot be processed in Year End Closing activity

Review Year End Closing List

Review the list and take appropriate action to Accrue, Carryover or Release. ***Detailed steps will be provided at the AP/AR Accruals Year End Setup workshops June 13, 2025.***

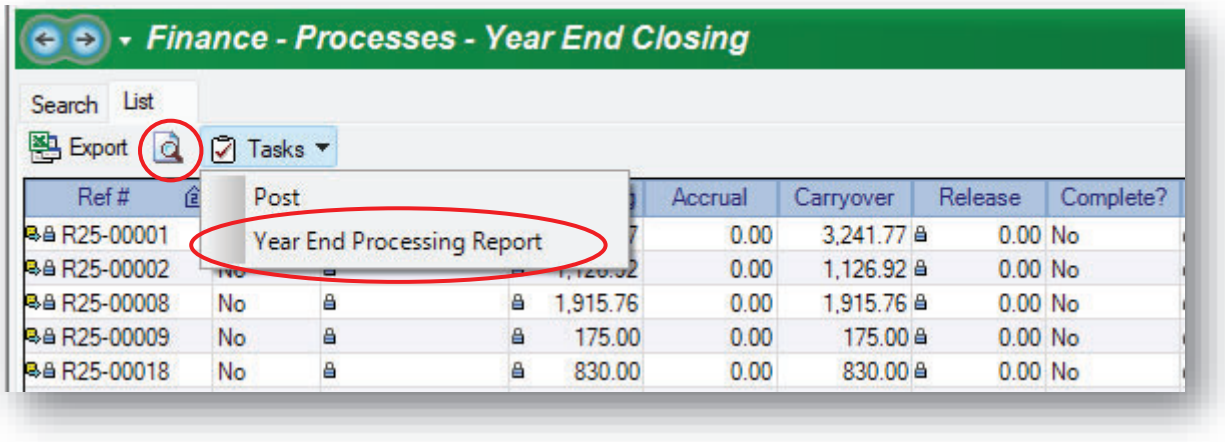
- Requisitions default to Carryover
- Invoices default to Accrual
- Cannot process negative amounts
- Cannot process documents in Open Status
- Cannot accrue or carryover Store Requisitions
- **NO** entries can remain on the Year End Closing List

  in order to close the fiscal year

Report options for review

Option 1: From Tasks select Year End Processing Report

- Reports reflects all detail for remaining options on the Process List



Option 2: Highlight record on list

a. From the tool bar select the “Magnifying Glass”  icon

- Report reflects all the detail for the highlighted entry on the Process List

Review of Additional Accounts Payables Information

There are two methods to review Payables setup, activity and journal information:

1. ***Go to Finance – Fiscal – Journal Entry***
   - Enter the R25-XXXXXX that you are interested in
   - Zero out the Fiscal Year field so you will get a list of all journals
   - Select Go
   - All journals associated with that Payable will be listed in order of entry
   - Open and review the adjustment entry

2. ***Go to Finance – Requisitions – Vendor Requisitions***
   - Blank out the Fiscal Year
   - Enter and open the R25-XXXXXX you are interested in
   - Select the History Tab
   - All activity will display in order of entry
   - Open and review the adjustment entry



Until the Asset/Liability Roll is done for your district later in August/September, you will be viewing 9529 in FY25 and 9510 in FY26 for all Payables.

Review of Additional Accounts Receivable Information

Two methods to review Receivable (AR) setup, activity and journal information:

1. ***Go to Finance – Fiscal – Journal Entry***
   - Enter the AR25-XXXXXX that you are interested in
   - Zero out the Fiscal Year field so you will get a list of all journals to the AR
   - Select Go
   - All journals associated with that AR will be listed in order of entry
   - Open and review the adjustment entry

2. ***Go Finance – AR – Invoice***
   - Blank out the Fiscal Year
   - Enter and open the AR25-XXXXXX you are interested in
   - Select the History Tab
   - All activity will display in order of entry
   - Open and review the adjustment entry



Until the Asset/Liability Roll is done for your district later in August/September, you will be viewing 9229 in FY25 and 9210 in FY26 for all AR's.

Final Reports for Submission

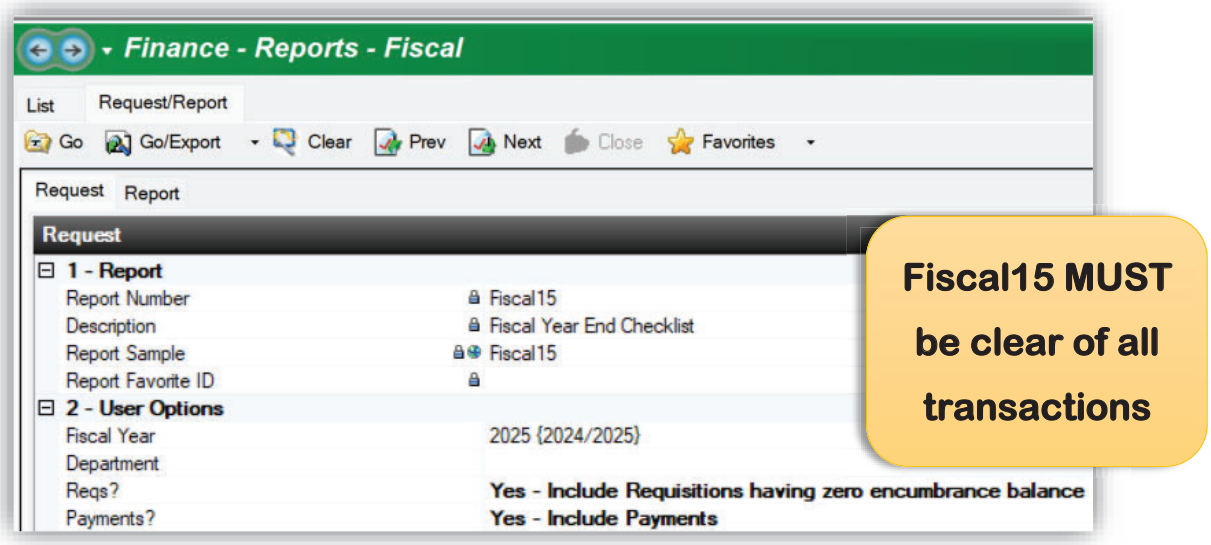
Final Fiscal15



Fiscal15 - Fiscal Year End Checklist must be clear (No entries) and signed by LEA Authorized Signature and submitted with closing documents to the District's SCOE Fiscal Advisor.

Go to Finance – Reports – Fiscal – Fiscal15 Fiscal Year End Checklist

- Fiscal Year: 2025 {2024/2025}
- Click Go to generate report
- **Must be signed by LEA Authorized Signature**

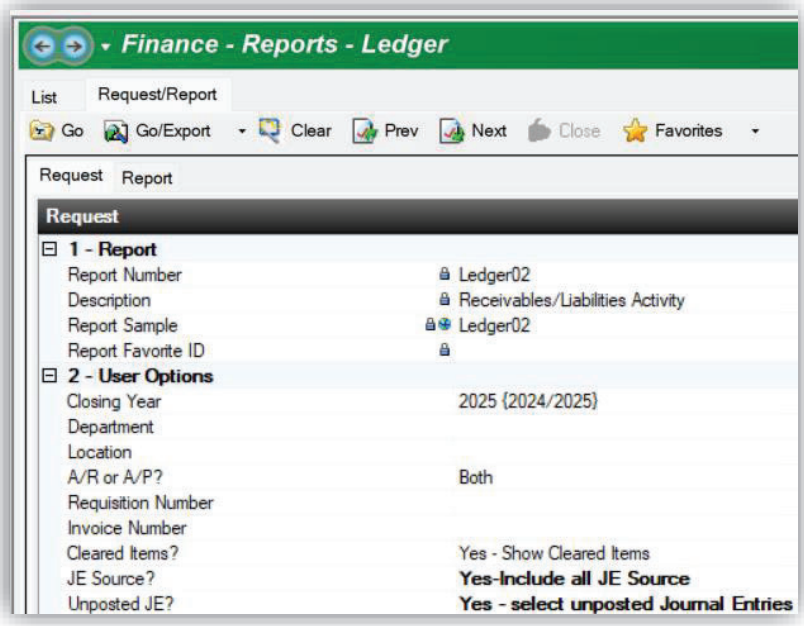


Go to Finance – Reports – Ledger – Ledger02 Receivables/Liabilities Activity

Final Ledger02

Fiscal Year: 2025 {2024/2025}

- A/R or A/P?: Both
- Cleared Items: Yes
- JE Source?: Yes
- Unposted JE?: Yes
- Click Go to generate
- Review final
- **Must be signed by LEA Authorized Signature**



Step 12 – DUE TO/FROM and LOANS (INTER FUND AND TRANS)

Temporary Loans between funds (Object 9315/9615) and Due From/Due To between funds (Object 9310/9610) need to be reviewed for proper classification and repayment terms. Entries to set up transactions between these objects are presented in this section.

Temporary Loans typically occur when one fund is short of cash and needs to borrow money from another fund. Due From/Due To typically occurs when one fund pays an expense or liability on behalf of another fund. No matter which type of transaction occurs, the rule is the same: No more than 75% of money held in any fund may be transferred and the amount shall be repaid in the same year or the following year if borrowing takes place within 120 days of the current fiscal year end. In other words, if a transfer takes place between March 1 and June 30 of the current year, repayment of the funds must occur by June 30 of the next year. If the transfer took place before March 1, the funds must be repaid by June 30 of the current year.

Review the above account balances and history behind them in order to determine if an account balance needs to be repaid within the parameters mentioned above. To assist with this review, run a Fiscal02 (summary) or Fiscal03 (detail) report.

TRANS is Tax Revenue Anticipation Notes (Object 9641). TRANS loans (other than cross year TRANS) must be repaid in full by May 1st of each year. Review the account balance (Object 9641) to determine if a balance remains after May 1. Use same reports mentioned above. If a balance remains, an adjustment will be necessary (see examples below). For more detailed information pertaining to TRANS, please refer to CSAM Procedure 715.

Temporary Loans (Object 9315/9615) and Possible Entries

☐ **9315/9615 – Temporary Loan Due From/Due To Other Funds**

Note: 9315 (asset) is Temporary Loan Due From Other Funds and is a receivable. 9615 (liability) is Temporary Loan Due To Other Funds and is a payable. The total of 9315 in all funds must equal the total of 9615 in all funds.

1) **Original Set-Up**: If the cafeteria fund is short of cash and needs to borrow from the general fund, an Inter Fund Cash JE (IFC) will need to be done (**Note**: if this occurs in June, it must be done **no later than June 23**.) Sample Entry**:**

	Debit	Credit
01-XXXX-0- - -9315- -	15,000.00	
13-XXXX-0- - -9615- -		15,000.00

Temporary Loans (9315/9615) and Possible Entries (con't)

2) If it is determined that the loan was set-up prior to March 1 of the current year, and funds are available to pay the loan before the year ends, an Inter Fund Cash JE (IFC) will need to be done **no later than June 23.** Sample Entry**:**

	Debit	Credit
01-XXXX-0- - -9315- -		15,000.00
13-XXXX-0- - -9615- -	15,000.00	

3) If there was intent to pay the loan but the cash transfer deadline of June 23 is missed, do the above entry in July. If it's determined that the loan cannot be paid at this time, re-evaluate the circumstances and consider if the original cash transfer should be permanent in nature. If this conclusion is drawn, restate the loan as Transfer In/Out (891X/761X) via a Journal Entry (GJ) (may need Board approval). Sample Entries:

First Entry to be done:	Debit	Credit
01-XXXX-0- - -9315- -		15,000.00
01-XXXX-0-0000-9300-7616-000-0000	15,000.00	
Second Entry to be done:		
13-XXXX-0- - -9615- -	15,000.00	
13-XXXX-0-0000-0000-8916-000-0000		15,000.00

4) If it is determined that the loan was set-up between March 1 and June 30 of the current year, leave the account balance as is. (Then, in the next fiscal year either #2 or #3 above will be performed.) Alternatively, if the district chooses to pay the loan before June 30 of the current year, follow #2 above.

Due From/Due To (Object 9310/9610) and Possible Entries

☐ **9310/9610 – Due From/Due To Other Funds**

Note: 9310 (asset) is Due From Other Funds and is a receivable. 9610 (liability) is Due To Other Funds and is a payable. The total of 9310 in all funds must equal the total of 9610 in all funds.

1) If the general fund bought supplies (expense) on behalf of the child development fund, and fund 12 can pay it back immediately, an Inter Fund Cash JE (IFC) can be done (**Note**: if this occurs in June, it must be done **no later than June 23**.) Sample Entry**:**

	Debit	Credit
01-XXXX-0-0000-0000-4XXX-000-0000		3,000.00
12-XXXX-0-0000-0000-4XXX-000-0000	3,000.00	

2) **Original Set-Up**: If the general fund bought supplies (expense) on behalf of the child development fund and Fund 12 cannot pay it back immediately, or this event occurs June 24-30, a Journal Entry (GJ) is necessary to set-up the Due From/Due To. Sample Entries**:**

First Entry to be done:	Debit	Credit
01-XXXX-0- - -9310- -	3,000.00	
01-XXXX-0-0000-0000-4XXX-000-0000		3,000.00
Second Entry to be done:		
12-XXXX-0- - -9610- -		3,000.00
12-XXXX-0-0000-0000-4XXX-000-0000	3,000.00	

3) If it is determined that the amount due was set-up prior to March 1 of the current year, and funds are available to pay the amount before the year ends, an Inter Fund Cash JE (IFC) will need to be done **no later than June 23.** Sample Entry**:**

	Debit	Credit
01-XXXX-0- - -9310- -		3,000.00
12-XXXX-0- - -9610- -	3,000.00	

4) If there was intent to pay the amount but the cash transfer deadline of June 23 is missed, do the above entry in July. If it's determined that the amount cannot be paid at this time, re-evaluate the circumstances and consider if the original transaction should be permanent in nature. If this conclusion is drawn, restate the amount as Transfer In/Out (891X/761X) via Journal Entry (GJ) (may need Board approval). Sample Entries:

First Entry to be done:	Debit	Credit
01-XXXX-0- - -9310- -		3,000.00
01-XXXX-0-0000-9300-7611-000-0000	3,000.00	
Second Entry to be done:		
12-XXXX-0- - -9610- -	3,000.00	
12-XXXX-0-0000-0000-8911-000-0000		3,000.00

5) If it is determined that the amount was set-up between March 1 and June 30 of the current year, leave the account balance as is. (Then, in the next fiscal year either #3 or #4 above will be performed.) Alternatively, if the district chooses to pay the amount before June 30 of the current year, follow #3 above.

TRANS (Object 9641) and Possible Entries

☐ **9641 – TRANS (CSAM Procedure 715)**

1) Ascertain that TRANS has been paid in full by June 30 (this does not apply to a cross year TRANS). If an amount remains in the account balance determine if a payment was miscoded. If not miscoded, pay the amount due.

2) If it is determined that TRANS has been paid in full but a debit amount appears in the account balance, it should be cleared to zero via a Journal Entry (GJ). Sample Entry:

	Debit	Credit
01-XXXX-0-0000-9100-5880-000-0000	6,732.58	
01-XXXX-0- - -9641- -		6,732.58

Step 13 – Revolving Cash and Stores Inventory

Revolving Cash Reserve (object 9711) must equal its corresponding asset, Revolving Cash (object 9130). Stores Reserve (object 9712) must equal its corresponding asset, Stores - Inventory (object 9320). Review the account balance for all four accounts (if applicable). If the reserve account balance is zero, or an amount different from the asset account balance, an adjustment is necessary to the reserve account so that it's properly reported in SACS. This can be done by a budget transfer in Frontline ERP or by direct entry into SACS.

Note: This section does not apply to Charters with fund 62.

- Do a Budget Transfer. The amount in 9711 and 9712 will download into SACS. For unaudited actuals period only, the system will check the related asset amounts (in 9130 and 9320) and automatically change 9711 and 9712 to equal the respective asset amount. Therefore, during the closing process be sure to verify that the amount in 9130 and 9320 is accurate. See Sample Entries below for set up and adjustment.

☐ **9711 – Revolving Cash Reserve**

The revolving cash account (9130) has a $5,000 balance. But the reserve (9711) account balance is zero. Do a **Budget Transfer** to set up the reserve amount:

	Increase	Decrease
01-XXXX-0- - -9711- -	5,000.00	
01-XXXX-0- - -9790- -		5,000.00

☐ **9712 – Stores Reserve**

The stores-inventory account (9320) has a $7,000 balance. But the reserve (9712) account balance is $3,000. Do a **Budget Transfer** to adjust the reserve amount:

	Increase	Decrease
01-XXXX-0- - -9712- -	4,000.00	
01-XXXX-0- - -9790- -		4,000.00

OR: Do an entry in SACS. See next page.

Revolving Cash and Stores Inventory (continued)

- Do an entry in SACS. For budget and interim reporting periods, manually enter the reserve amount in *Components of Ending Fund Balance* under the Forms tab. See below for Sample Form. **For unaudited actuals period, a manual entry is not allowed.** The system will check the related asset amounts (in 9130 and 9320) and automatically change 9711 and 9712 to equal the asset amount. Therefore, during the closing process be sure to verify that the amount in 9130 and 9320 is accurate.

☐ **Enter the total reserve balance directly into SACS. Sample Form:**

Fund: 01 General Fund
Resource: 0000 Unrestricted

Description	Object	2024-25 Estimated Actuals
Ending Fund Balance	979Z	3,870,938.73
Components of Ending Fund Balance		
Nonspendable		
Revolving Cash	9711	1,500.00
Stores	9712	5,000.00
Prepaid Expenditures	9713	0.00
All Others	9719	0.00
Restricted	9740	0.00
Committed		
Stabilization Arrangements	9750	0.00
Other Commitments	9760	0.00
Assigned		
Other Assignments	9780	0.00
Unassigned/Unappropriated		
Reserve for Economic Uncertainties	9789	0.00
Unassigned/Unappropriated	9790	3,864,438.73

Enter directly

Step 14 - Special Education:
IDEA Federal Revenue

All Federal Special Education Revenues must be expended by June 30th each year. No carryover is permitted in these resources.

The 2024-25 Federal Revenues & Resources are as follows:

Resource #3310- Local Assistance Entitlement

Resource #3315- Federal Preschool Grant

Please review and update your budget to reflect the amount of your entitlements. The expenses should equal the entitlement amount. Do not make a contribution to a Federal Grant Award, as this will impact your Maintenance of Effort (MOE). *You may need to move expenses into or out of a Federal Resource to meet this requirement.*

Example: Move classified salary expense from RS 6500 to RS 3310

	Fund	Resource	Project Year	Goal	Function	Object	School
Dr	01	3310	0	5730	1135	2100	000
Dr	01	3310	0	5770	1135	2100	000
Cr	01	6500	0	5770	1135	2100	000

Note: Resource #3327- Mental Health Average Daily Attendance (ADA) Allocation
The Federal Mental Health Average Daily Attendance (ADA) Grant, Resource #3327, is direct funded to the LEAs beginning with the 2023-24 Fiscal Year. Your LEA should follow the same process for these funds in the same manner as in the past.

Step 15 – Time Accounting for Federal Programs (see CSAM Procedure 905)

Time Accounting is applicable for all Federal funds, including one-time Federal Funds

General Rule: For each employee whose salary and wages are supported with Federal funds, time accounting is required.

- Employees who work on a **single cost** objective must do at least a semi-annual certification
- Employees who work on **multiple cost** objectives must do a monthly Personnel Activity Report (PAR), or use a substitute system.

Approved Substitute System based on Sampling Method:

- Uses sampling methods that meet statistical sampling standards (see CSAM Procedure 905)
- Designed to simplify recordkeeping for LEAs
- Use is optional. LEAs do not need CDE approval to implement
- 1st year on system – PARS are required every 4th month (3 times a year)
- 2nd year and forward – PARS are prepared twice a year
- If you choose to use the substitute system, all multi-funded employees must be included

Newer Approved Substitute System based on Employee's Predetermined Schedule:

- For employees who work in multiple cost objectives on a predetermined schedule. Instead of a monthly PAR, employee could do semi-annual certification using predetermined written schedule as support (see pages 6-13 for samples).
- Signed by employee and supervisor.
- Written schedule must indicate specific activity or cost objective for each segment of the schedule; account for total hours employee is paid.
- If there are significant deviations from established schedule then employee should use PAR for that period.
- **Must have CDE approval. To get authorization to use the new substitute system:**
    - **CARS (Consolidated Application Reporting System) has the management certification. <u>Yearly certification is required. The CARS submission deadline is currently June 30, 2025, and the forms will close on August 15, 2025.</u>**

The CDE has published a guidance letter for the new substitute time accounting system that was issued by the United States Department of Education in September 2012 (see pages 2-5). A few questions have been raised since the release of this guidance for which the CDE provides the following clarification:

- The new substitute system does not apply to employees working on a single cost objective.
- The new substitute system may only be used by employees with a set schedule.
- <u>Only one substitute system may be used.</u> An LEA may not choose to use the new system for employees working a set schedule and the existing system for all other employees who are only eligible to use the existing system.

CALIFORNIA
DEPARTMENT OF
EDUCATION

TOM TORLAKSON
STATE SUPERINTENDENT OF PUBLIC INSTRUCTION

April 9, 2013

Dear County and District Chief Business Officials, Categorical Program Directors, and Charter School Administrators:

Approved Substitute System for Time Accounting for Federal Programs

We are pleased to announce that the United States Department of Education (USDE) has approved a new substitute system for time accounting for federal programs for use by all local educational agencies (LEAs). This new substitute system is in addition to the substitute system previously approved for California LEAs in 1998.

Substitute systems are intended to simplify recordkeeping for LEAs that must substantiate salary and wage charges to federal programs through the use of personnel activity reports (PARs) or equivalent documentation. Unless the LEA uses an approved substitute system, PARs must be prepared at least monthly for employees who work on multiple activities or cost objectives of which at least one is federal.

This new substitute system was approved by the USDE on September 7, 2012. It can be used by all LEAs, at their option and subject to approval, retroactive to July 1, 2012. Under this new substitute system, an LEA may use alternative documentation—such as a teacher's course schedule—instead of PARs to document the time and effort of an individual who works on multiple activities or cost objectives but on a predetermined, or fixed, schedule. An individual documenting time and effort under this new substitute system is permitted to certify time and effort on a periodic basis (at least semiannually) rather than monthly.

The California Department of Education (CDE) is authorized to approve California LEAs to use this substitute system for time-and-effort reporting in accordance with the following guidelines. In permitting an LEA to use this substitute system, the CDE must obtain from the LEA a management certification that only eligible employees will participate in this substitute system and that the system used to document employee work schedules includes sufficient controls to ensure that the schedules are accurate. Additionally, the certification must include a full disclosure of any known deficiencies with the substitute system or known challenges with implementing the system. This certification may be used by auditors and by CDE oversight personnel when conducting audits and sub-recipient monitoring of the substitute time-and-effort system.

To be eligible to document time and effort under this substitute system, employees must:

- Work on a schedule that includes multiple activities or cost objectives that must otherwise be supported by monthly PARs.
- Work on specific activities or cost objectives based on a predetermined schedule.

- Not work on multiple activities or cost objectives at the exact same time on their schedule.

Under this new predetermined schedule substitute system, in lieu of PARs, eligible employees may support a distribution of their salaries and wages through documentation of an established work schedule that meets the standards described below. An acceptable work schedule may be in a style and format already used by an LEA.

Employee schedules must:

- Indicate the specific activity or cost objective that the employee works on for each segment of the employee's schedule.
- Account for the total hours for which the employee is compensated during the period reflected on the employee's schedule.
- Be certified at least semiannually and signed by the employee and by a supervisory official having firsthand knowledge of the work performed by the employee.

A sample periodic certification is provided in Attachment A. A sample employee schedule is provided in Attachment B.

Revisions to an employee's established schedule that will continue for a prolonged period, such as revisions at the start of a new semester or trimester, must be documented and certified in accordance with the requirements described above. A periodic certification might therefore be supported by more than one written schedule. The effective dates of revisions to the schedule must be clearly indicated.

Significant deviations from an employee's established schedule that would require the employee to work on multiple activities or cost objectives at the exact same time, including but not limited to lengthy, unanticipated schedule changes, must be documented by the employee using a PAR that covers the pay period during which the deviation occurred. A deviation from an established schedule that would warrant the individual reverting to a PAR would include any deviation from a scheduled activity that represents more than an incidental benefit to the unscheduled activity. To avoid classification as a significant deviation, the time spent on the unscheduled activity must meet each of the following three criteria:

- The time spent on the other activity must not take away from the benefit of the intended beneficiaries of the scheduled activity.
- The time spent on the other activity must not be planned or foreseen at the beginning of the period covered by the schedule.
- The time spent on the other activity must be immaterial. For this purpose, **materiality is defined as five percent of the employee's schedule for the day on which the deviation occurs.**

The five percent threshold applies daily. When an employee deviates from his predetermined schedule by five percent or more on any day, he has deviated by five percent for that period and must revert to a PAR for that period.

Unplanned, unforeseen, and infrequent deviations of less than five percent of the predetermined schedule are generally not considered significant. However, even small deviations, if planned or

foreseeable at the outset, are considered significant regardless of their size and would warrant a reversion to a PAR for the pay period.

A PAR is required only for the period in which the deviation from the predetermined schedule occurs. For example, if a deviation from an employee's predetermined schedule occurs during the third month of a six-month period, the employee could still prepare a periodic certification for months one and two but would prepare a PAR for month three. He could then prepare a periodic certification for months four through six, and another periodic certification for months seven through twelve. Alternatively, he could prepare a periodic certification for months one and two and a PAR for month three, a periodic certification for months four through nine (a six-month period), and a periodic certification for months ten through twelve (the remaining two months of the fiscal year). The guiding principles are that a periodic certification must be prepared at least semi-annually but could be prepared more frequently, and that a PAR must be prepared at least monthly and must coincide with a pay period. For some employees, a pay period might be less than monthly, every two weeks for example.

Approval and Implementation of the Predetermined Schedule Substitute System: LEAs implementing the new predetermined schedule substitute system require approval from CDE. Approval is automatically granted once the LEA provides the required management certification. The certification and approval process will be administered through the Consolidated Application and Reporting System beginning in 2013–14. Because USDE's approval of the new system is retroactive to 2012–13, the Consolidated Application and Reporting System for 2013–14 will also provide for retroactive approval for 2012–13.

Note that because the substitute system previously approved in 1998 relies on sampling methods and requires that all eligible employees must participate, the existing sampling method substitute system and the new predetermined schedule substitute system cannot be implemented in conjunction with one another.

As with all time documentation methods, written policies and procedures are essential to implementing an effective substitute system for time accounting. LEAs should develop forms and provide employee training before implementing a substitute system. It is suggested that a trial run be done before beginning the actual substitute system process.

The following elements should be addressed as an LEA implements a substitute system for time accounting:

1. Proper completion of PARs or periodic certifications, including how frequently data must be recorded and what constitutes adequate documentation.
2. Required review and approval cycle.
3. Handling of completed forms.
4. Internal review process to ensure compliance.

Generally, this information should provide enough detail to permit an understanding of how the substitute system will operate from the point labor is expended to the point it is recorded in the accounting records and charged to federal awards.

The decision to use any substitute system for allocating salaries and wages to federal programs is totally at the option of each LEA. After examining this substitute system, LEAs may wish to continue their current methods of substantiating salary and wage charges to federal programs

rather than use the predetermined schedule substitute system. Information on the requirements for documenting salary and wages can be found in the *California School Accounting Manual* Procedure 905.

For questions about the predetermined schedule substitute system, the sampling method substitute system, or the requirements for documenting employees' salaries and wages charged to federal programs, please contact the Office of Financial Accountability and Information Services by phone at 916-322-1770 or by e-mail at sacsinfo@cde.ca.gov.

A copy of this letter may be found on the Web site at http://www.cde.ca.gov/fg/ac/co/.

Sincerely,

Peter Foggiato, Director
School Fiscal Services Division

Sample Periodic Certification for an Employee Working on Multiple Cost Objectives on a Predetermined Schedule

Periodic Certification[1]

Period Covered[1]: _____ Fiscal Year: _____

Employee Name: _____

School/Division/Department: _____

Type of Schedule: Daily_____ Weekly_____ Biweekly_____ Monthly_____ Other_____

Cost Objective/ Program Title	Account/ Resource Code	Distribution of Time
Project A	1111	48.7%
Project B	2222	11.5%
Project C	3333	39.8%
Time[2]		100.0%

By signing below, I certify that I performed work consistent with the attached schedule(s) and as distributed in the above percentages during the certification period.

Employee: _____ Date: _____

By signing below, I hereby certify that this report is an after-the-fact determination of actual effort expended for the period indicated and that I have full knowledge of 100 percent of these activities.

Supervisory Official[3] Signature: _____ Date: _____

Supervisory Official Printed Name: _____ Title: _____

1. This certification must be prepared at least semiannually and cover the entire period of the certification (e.g., six months for a semiannual certification).
2. This report must account for the total activity for which each employee is compensated.
3. This certification must be signed by the employee and by a supervisory official having firsthand knowledge of the work performed by the employee. Both signatures are required.

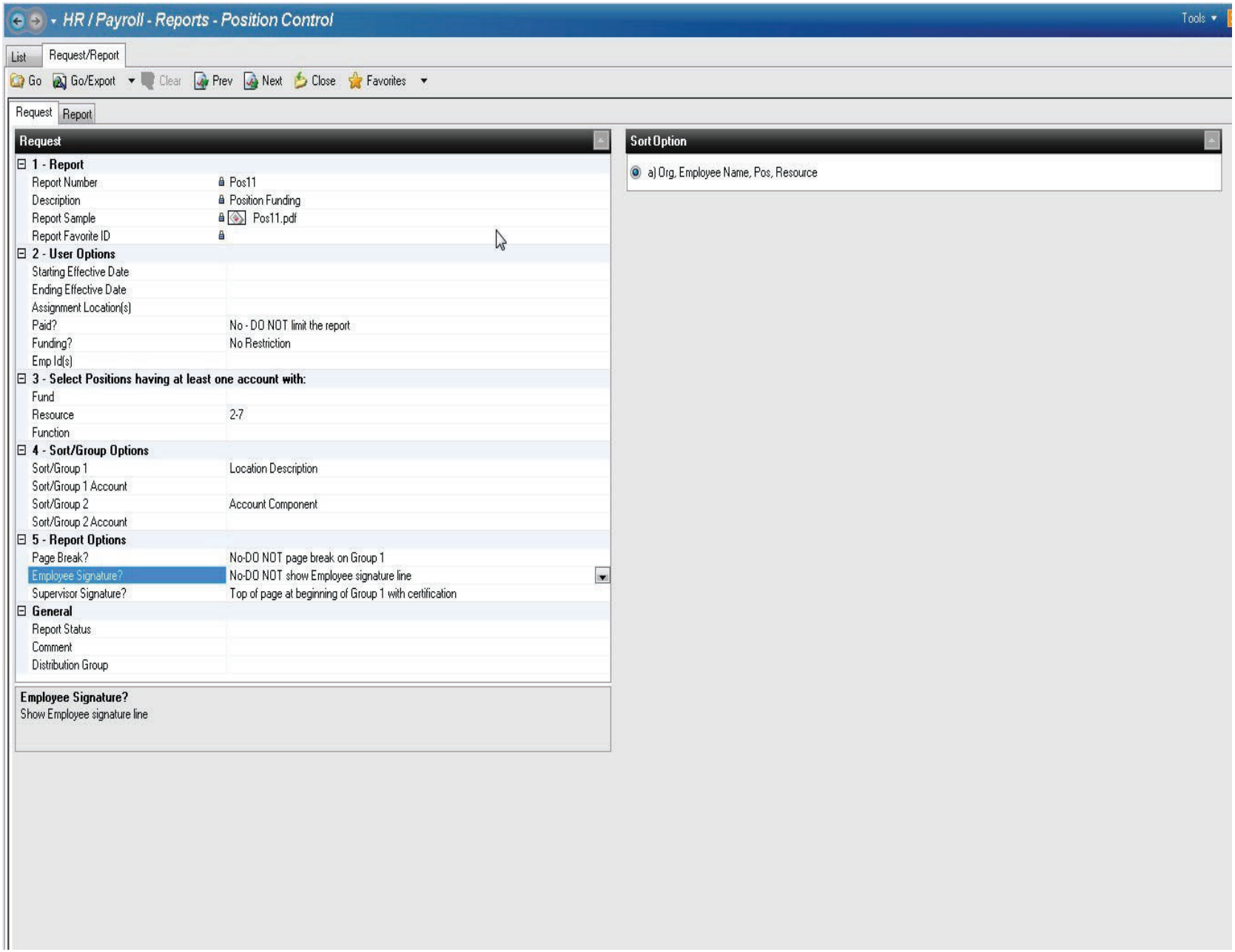
Procedure 905 Documenting Salaries and Wages

Sample Predetermined Schedule

Employee Name: _____ Period Covered: _____

Position: _____ School/Division/Department: _____

Monday	Tuesday	Wednesday	Thursday	Friday
8:00–8:30 Consult with staff regarding Title I students/curriculum	8:00–8:30 Consult with staff regarding Title I students/curriculum	8:00–8:30 Consult with staff regarding Title I students/curriculum	8:00–8:30 Consult with staff regarding Title I students/curriculum	8:00–8:30 Consult with staff regarding Title I students/curriculum
8:30–8:45 Break	8:30–8:45 Break	8:30–8:45 Break	8:30–8:45 Break	8:30–8:45 Break
8:45–9:15 Special ed. support	8:45–9:15 Special ed. support	8:45–9:15 Special ed. support	8:45–9:15 Special ed. support	8:45–9:15 Special ed. support
9:15–10:00 Small-group reading	9:15–10:00 Small-group reading	9:15–10:00 Small-group reading	9:15–10:00 Small-group reading	9:15–10:00 Small-group reading
10:00–10:30 Small-group math	10:00–10:30 Second grade Title I reading	10:00–10:30 Small-group math	10:00–10:30 Second grade Title I reading	10:00–10:30 Small-group math
10:30 11:00 Second-grade Title I reading/math	10:30 11:00 Second grade Title I math	10:30 11:00 Second-grade Title I reading/math	10:30 11:00 Second-grade Title I math	10:30 11:00 Second-grade Title I reading/math
11:00–11:30 Lunch break	11:00–11:30 Lunch break	11:00–11:30 Lunch break	11:00–11:30 Lunch break	11:00–11:30 Lunch break
11:30–11:45 Individual special ed. student catch-up	11:30–11:45 Individual special ed. student catch-up	11:30–11:45 Individual special ed. student catch-up	11:30–11:45 Individual special ed. student catch-up	11:30–11:45 Individual special ed. student catch-up
11:45–12:35 Small-group math	11:45–12:35 Small-group math	11:45–12:35 Small-group math	11:45–12:35 Small-group math	11:45–12:35 Small-group math
12:35–1:05 Small-group writing	12:35–1:05 Small-group writing	12:35–1:05 Small-group writing	12:35–1:05 Small-group writing	12:35–1:05 Small-group writing
1:05–1:20 Break	1:05–1:20 Break	1:05–1:20 Break	1:05–1:20 Break	1:05–1:20 Break
1:20–1:40 Title I prep	1:20–1:40 Title I prep	1:20–1:40 Title I prep	1:20–1:40 Title I prep	1:20–1:40 Title I prep
1:40–2:30 First grade Title I reading/math	1:40–2:30 First grade Title I reading/math	1:40–2:30 First grade Title I reading/math	1:40–2:30 First grade Title I reading/math	1:40–2:30 First grade Title I reading/math
2:30–3:00 Title I lesson planning	2:30–3:00 Title I lesson planning	2:30–3:00 Title I lesson planning	2:30–3:00 Title I lesson planning	2:30–3:00 Title I lesson planning
3:00–3:30 Title I student learning plan follow-up	3:00–3:30 Bus duty	3:00–3:30 Title I student learning plan follow-up	3:00–3:30 Bus duty	3:00–3:30 Title I student learning plan follow-up


HR / Payroll - Reports - Position Control
Tools
List
Request/Report
Go
Go/Export
Clear
Prev
Next
Close
Favorites
Request
Report
Request
1 - Report
Report Number
Pos11
Description
Position Funding
Report Sample
Pos11.pdf
Report Favorite ID
2 - User Options
Starting Effective Date
Ending Effective Date
Assignment Location(s)
Paid?
No - DO NOT limit the report
Funding?
No Restriction
Emp Id(s)
3 - Select Positions having at least one account with:
Fund
Resource
2-7
Function
4 - Sort/Group Options
Sort/Group 1
Location Description
Sort/Group 1 Account
Sort/Group 2
Account Component
Sort/Group 2 Account
5 - Report Options
Page Break?
No-DO NOT page break on Group 1
Employee Signature?
No-DO NOT show Employee signature line
Supervisor Signature?
Top of page at beginning of Group 1 with certification
General
Report Status
Comment
Distribution Group
Employee Signature?
Show Employee signature line
Sort Option
a) Org, Employee Name, Pos, Resource

Step 15

Pos11 – Position Funding

About the Report

This report helps districts fulfill the Federal requirement of Semi-Annual Certifications for indirect cost and allocation. Districts are required to comply with OMB Circular A-87 to receive reimbursement for indirect costs.

Report allows users to filter by account components and effective dates. The output includes a detailed line for each employee and assignment that matches the selection criteria.

Purpose

Use this report for the purpose of time verification for employees funded by federal programs, defaulting to all positions with a resource that begins with 2-7.

Who Should Use

Personnel tasked with fulfilling this reporting requirement.

Where to Find

This report is available in the HR/Payroll-Reports-Position Control activity.

Report Options

User Options

- Starting/Ending Effective Date – Enter a date or a range of dates to select assignments and accounts effective during that time frame. The Starting Effective Date defaults to TODAY. The Ending Effective Date defaults to the Effective date. So if you don't enter any dates, you will only get a list of assignments and accounts effective as of TODAY.
- Assignment Location(s) – Use the lookup to select one or more locations to limit the report data to positions with assignments for that location within the date range. Once a position is selected, all assignments and accounts for that position will be included in the report. (Remember, you must specify an organization to select multiple locations.)
- Paid – Use the lookup to exclude unpaid positions (assignments without pay detail).
    - YES to limit the report to only those positions with assignments that have pay detail.
    - NO to not limit the report. (Default)
- Funding – Use the lookup to control what type of funding will be shown on the report.
    - Multiple Resources - Show ONLY Positions having multiple resources
    - Single Resource - Show ONLY Positions having a single resource
    - No Restriction (default)
- Emp ID(s) – Use the lookup to select one or more employees, or enter a list of employee IDs separated by commas. This will limit the selection of positions to only those for which an employee specified has an assignment. Defaults to all employees. (Remember, you need to enter at least two characters to produce a lookup of employees.)

Select Positions

- Fund - Use the lookup to select a fund to select all assignments for positions with at least one account with this fund.

- Resource – Enter a mask for account resource components to select all assignments for positions with at least one account with these resources. (Defaults to 2-7.)
- Function - Use the lookup to select a function to select all assignments for positions with at least one account with this function.

Sort/Group Options

- Sort/group 1-2 – Use the lookup to select the first and second sort/groups. Defaults to location description. If you select None, the report will be grouped by organization, then sorted by employee last name.
- Sort/Group 1-2 Acct - Use the lookup to select the account component for which Resource is grouped. Defaults to Function.

Report Options

- Page break – Page break when one of the defined sort/groups above changes. Defaults to no page breaks, except if supervisor signature is selected.
- Employee signature – Use the lookup to select the option for displaying the employee signature line on the report:
    - No - do not show an employee signature line. (default)
    - Show Employee signature line with certification text, forcing a page break between employees and positions.
    - Yes - show an employee signature line for each position without certification text.
- Supervisor signature – Use the lookup to select the option for displaying the supervisor signature line on the report:
    - End - Supervisor signature line with certification text at the bottom of the page, at the end of Sort/Group 1, forcing a page break when Group 1 changes. When this option is chosen in conjunction with employee signature option SHOW, the supervisor signature with certification text is included below each employee signature.
        - No - do not show a supervisor signature line.
        - Split - Supervisor signature line without certification text at the top of the page, forcing a page break when Group 1 changes with certification text at the bottom of the page at the end of Sort/Group 1.
        - Top - Supervisor signature line with certification text at the top of the page, forcing a page break when Group 1 changes. (default)

Sort Options:

- Grouped by organization, sort/group defined, and then sorted employee last name.

Special Considerations

This report filters by organization based on permissions defined in your user record.

The report includes positions that have at least one account meeting the report criteria. Once a position has been selected for inclusion, all accounts and assignments for that position are included on the report.

If an employee has multiple assignments on the report, those assignments will be summarized by resource. If the assignments have different locations or job category/class, the assignment will be split.

If a position has multiple accounts on the report, the assignments will be summarized by effective dates of the accounts.

This report does not prorate on FTE. A position is fully funded regardless of the number of hours worked. (Note that "percent effort" is OMB terminology and is not related to FTE, which is school business terminology.)

The requested certification text for the report is: I certify that this report represents a true recording of effort expended for the period indicated and that I have full knowledge of those activities.

The reporting agencies require so many different variations for particular signatures, we suggest you set up three report favorites:

Supervisor

- Funding: Single
- Employee Signature: No
- Supervisor Signature: Top
- Sort/Group: None or Location

Employee

- Funding: Multiple
- Employee Signature: Show
- Supervisor Signature: No
- Sort/Group: None

Employee Multisite

- Funding: Multiple
- Employee Signature: Show
- Supervisor Signature: No
- Sort/Group: Location

Report Source

The Crystal Reports source file is Pos11a. The XML view is Pos11. The data source is stored procedure spRptPos11a.

Pos11a

Position Funding

09/18/2014

Employee	Function	Pos #	Title	Resource	Percent of Effort
Jordan, Manuela M	District Office South 2100	2965	Coordinator, EL Pr	1500 SupplementalInstructionSupport	70.00 %
	District Office South 2100			3010 IASA-Title I Basic Grants-Low	10.00 %
	District Office South 2100			4035 NCLB-Title II Part A Teacher Q	20.00 %

Employee's Signature Date

I certify that this report represents a true recording of effort for the period indicated and that I have full knowledge of those activities.

Selection Grouped by Org, Sort/Group - Sorted by Employee Name, (Org = 618, Paid? = N, Funding? = M, Resource = 2-7)

Page 17 of 35

618 - Rome Unified School District Generated for Henrietta Manager (HRMGR), Sep 18 2014 2:58PM

Pos11a

Position Funding

Location Santa Maria Elementary 09/18/2014

Employee	Function	Pos #	Title	Resource	Percent of Effort

Supervisor's Signature Date

I certify that this report represents a true recording of effort for the period indicated and that I have full knowledge of those activities.

Borcena, Theresa S	1110	64	MM Teacher	3315 Spec Ed-IDEA Preschl Entitle P	100.00 %
Brasted, Virginia F	1110	1753	Preschool Teacher	3315 Spec Ed-IDEA Preschl Entitle P	100.00 %
DeLaRosa, Amanda B	1110	1510	Preschool Teacher	3320 Spec Ed-IDEA Preschl Local Ent	100.00 %
Harrion, Heather	1110	1685	MM Teacher	3315 Spec Ed-IDEA Preschl Entitle P	100.00 %
Jassenoff, Erin P	1110	1193	Preschool Teacher	3320 Spec Ed-IDEA Preschl Local Ent	100.00 %
Luko, Roxanne	1190	1575	Preschool Teacher	6500 Special Education	100.00 %
Ramuno, Richard G	5000	2861	Custodian	9010 Other Local	13.00 %
	6000			0000 Unrestricted Resources	54.00 %
	8200			6500 Special Education	33.00 %
True, Bernadette A	1110	1969	DGS Infant Teacher	6500 Special Education	100.00 %

Selection Grouped by Org, Sort/Group - Sorted by Employee Name, (Org = 618, Paid? = N, Funding? = , Resource = 2-7)

Page 40 of 50

618 - Rome Unified School District Generated for Henrietta Manager (HRMGR), Sep 18 2014 2:36PM

Pos11a

Position Funding

Location Augusto High 09/18/2014

Employee	Function	Pos #	Title	Resource	Percent of Effort

Supervisor's Signature Date

I certify that this report represents a true recording of effort for the period indicated and that I have full knowledge of those activities.

Aguilar, Darrell J	1110	1429	MM Teacher	6500 Special Education	100.00 %
Bellavance, Gary A	1110	395	MM Teacher	6500 Special Education	100.00 %
Farrell, Kathrin M	1110	2444	MM Teacher	6500 Special Education	100.00 %
Golojuch, Nicole J	1110	2475	MM Teacher	6500 Special Education	100.00 %
Loughman, Jessenia S	1110	242	MM Teacher	6500 Special Education	100.00 %
Parcher, Jenna	1110	161	MM Teacher	6500 Special Education	100.00 %
Sharda, Kristina L	3700	1102	Child Nutrition Manager	5310 Child Nutrition - School Progr	100.00 %
Shepherd Ii, Lindsey K	1110	674	MS Teacher	6500 Special Education	100.00 %
Valencia, Victor J	1110	2032	MM Teacher	6500 Special Education	100.00 %
Voss, Oscar A	1110	220	MM Teacher	6500 Special Education	100.00 %
WHITEFORD, Myra K	1110	3023	MM Teacher	6500 Special Education	100.00 %

Selection Grouped by Org, Sort/Group - Sorted by Employee Name, (Org = 618, Paid? = N, Funding? = S, Resource = 2-7)

Step 16 – Interest Calculation

Specific resources or capital projects may require interest income to be posted.

Calculation of interest income should be done based upon:

- **daily cash balances for federal programs**
- **quarterly average cash balances may be used for *non*-federal resources and capital projects**

Sonoma County Treasury Quarterly Rates

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Sept	1.197	1.771	2.213	1.141	0.514	0.978	2.695	3.816
Dec	1.26	1.973	2.06	0.761	0.0491	1.446	3.114	3.934
March	1.438	2.223	2.023	0.664	0.522	1.861	3.271	3.821
June	1.625	2.247	1.668	0.521	0.756	2.415	3.44	

If you need to calculate interest before the 4th quarter is available, add the rates of the 3 quarters known and divide by 3 to get an average.

Example of general journal entry to post interest income to a restricted resource:

Transfer of interest income from unrestricted to restricted program for the 1st quarter of 2024-25		
xx-0000-0-0000-0000-8660-000-0000	debit	
xx-xxxx-0-0000-0000-8660-000-0000		credit

Federal Programs ~ Reporting and Remitting:

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. LEAs should remit to the CDE only the interest earned on federal program advances administered by the CDE (interest earned on non-CDE administered program advances should be calculated separately and remitted to the Federal Treasury via the appropriate state or federal agency).

The CDE requires LEAs to calculate and report interest on a quarterly basis (regardless if the balance due is zero) by email to cashmanagement@cde.ca.gov. The information must specify the amount of interest due or that no interest is due and include the following:

1. Documentation of the County Treasurer's interest rates utilized in the interest calculations.
   - Interest report can be found here and the rate can be found on the last page.
2. The LEA's interest calculations. The calculations should be provided in Excel **(new requirement as of 2023-24)** and must include the specific resource codes used in the calculation.
   - Note the Fiscal 24 Report can be run in Excel.
3. The County-District-School code and the time period(s) of the interest calculation (e.g., October 1, 2024 through December 31, 2024).

4. **For the fourth quarter interest calculation only,** include a copy of the check(s) submitted to the CDE's Cashier's Office as remittance of interest earned for the fiscal year. The CDE recommends LEAs wait until their last quarterly report of the fiscal year to remit interest.

Interest payments for the July 1, 2024 – June 30, 2025 period are due to the CDE by **September 30, 2025**. The CDE is responsible for ensuring that LEAs comply with federal administrative requirements. **Therefore, if the LEA does not properly calculate and timely report and remit interest earned on federal funds, the CDE will be obligated to consider further action, which may include a monitoring review, audit, and/or the withholding of federal program funds.**

Remittances must be sent to the following address:

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

The account coding on warrants sent to the CDE for remittance of interest earned on federal program cash advances should be: xx-0000-0-0000-0000-8660-000-0000.

Calculating Interest

Interest on federal advances must be **calculated on a daily cash balance** by combining federal programs cash balances, both positive and negative. However, if the combined federal program cash balance is negative for any given day during the period, average cash balance should be considered zero for that day. **For greater detail, go to: http://www.cde.ca.gov/fg/ac/co/intfedfunds-calculating.asp LEAs will be entitled to keep up to $500 *per fiscal year* on federal interest earned. LEAs should only calculate interest on the cash balances of federal program advances** (the cash balances of federal reimbursement programs should be omitted in calculating federal interest due to the Federal Treasury). 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, and IV would need to be included, but you may have other non-reimbursable programs. Please remember to add this to your specific list of resources to include in your calculation.**

The Comprehensive Support and Improvement (CSI) funding is Federal and is not a reimbursable program.

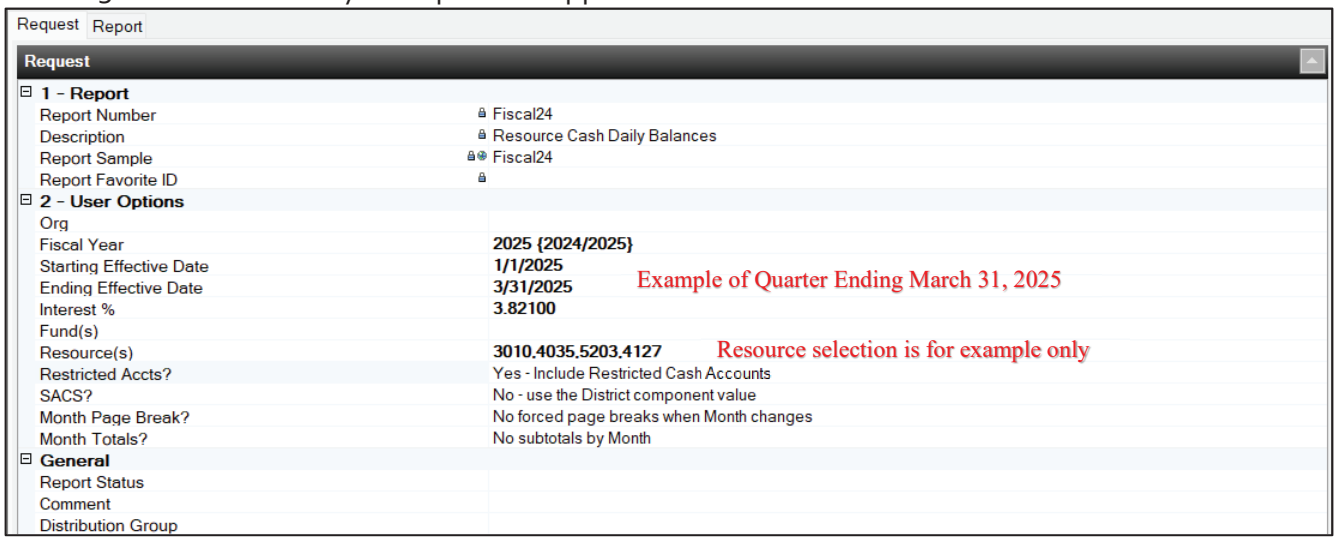
Cash balances of school food service funds should be omitted in calculating federal interest due. Interest earned on cafeteria fund accounts is considered allowable revenue and must accrue to the nonprofit food service account. For further detail, refer to the Nutrition Services Division Management Bulletin "Interest Earned on the Cafeteria Account/Fund"

www.cde.ca.gov/ls/nu/sn/mbusdasnp162009.asp

Interest calculation ~ Daily Cash Basis:

To calculate interest on a daily basis run Frontline ERP Resource Cash Daily Balances Fiscal24 report

1. Under Finance/Reports/Fiscal select Fiscal 24
2. Complete the following fields:
   ~ Fiscal Year
   ~ Starting Effective Date
   ~ Ending Effective Date
   ~ Interest rate *(use applicable rate that encompasses the period chosen)*
   ~ Resource Codes
3. Click "Go" and your report will appear



Interest calculation using Excel worksheet

To calculate interest on a daily basis using Federal Interest Calculation Worksheet

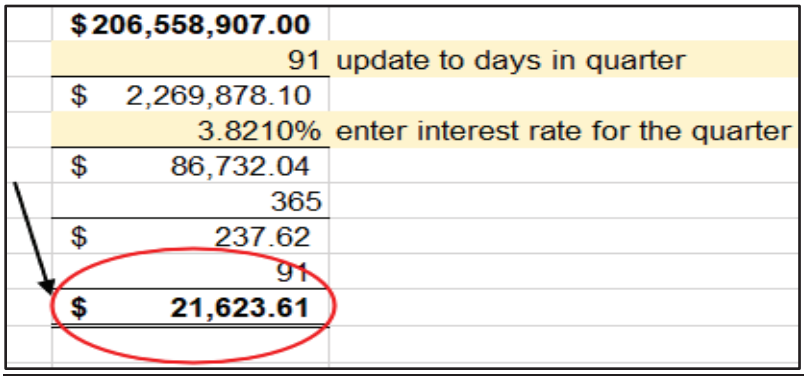
Tip: If you are a Combined School District – Please use a project year in SACS accounting code to separate revenues, expenditures, and cash by LEA.

1. Use Federal Interest Calculation Worksheet (found here)
2. Update dates (e.g., January 1, 2025 through March 31, 2025)
3. Run Frontline ERP Report Fiscal 03 with the following criteria (See example on page 4):
   a. Fiscal Year
   b. Starting Effective Date
   c. Ending Effective Date
   d. "Yes – Include all account types" for Assets and Liabilities?
   e. Resource Codes
   f. Object: 9110
4. Click "Go Excel"
5. Add Daily Cash Balance to the Federal Interest Calculation Worksheet
   a. (See example on page 4)
6. Update the Days in the Worksheet to the number of days in the quarter
   a. (See example on page 4)
7. Enter Interest Rate for the Quarter Ending (See page 2 for where to find the Interest Rate)

Example of Fiscal 03 Criteria:

Request		
1 - Report		
Report Number	Fiscal03	
Description	Account Balance Transaction Detail by Object	
Report Sample	Fiscal03	
Report Favorite ID		
2 - User Options		
Org		
Online/Offline	Online	
Fiscal Year	2025 {2024/2025}	
Start Date	**1/1/2025**	
End Date	**3/31/2025**	
Unposted JEs?	No - Do Not Include unposted JE	
Ref#?	Yes - Show Ref#	
3 - Account Selection		
Assets and Liabilities?	**Yes - Include all account types**	
Restricted?	Yes - Include restricted accounts	
Acct Num		
Fund		
Resource	**3010 {ESEA--title I Basic Grants}**	Resource selection is for example only
Year		
Goal		
Function		
Object	**9110 {Cash}**	
School		
Management		
4 - Account Sort/Group Options		
Fund	Fund	
Sort/Group 2		
Sort/Group 3		
Sort/Group 4		
Sort/Group 5		
Object	Object	
Object Digits	4 {Subtotal when the object changes}	
Page Break Lvl	{No Forced Page Breaks}	
General		
Report Status		
Comment		
Distribution Group		

Example of How to Update the Days and Interest Rate in the Federal Interest Calculation Worksheet:



Step 17 Sub-Agreements & Multi-District Agreements

Accurate reporting of Sub-Agreements and Multi-District Agreements is Important.



The CSAM accounting guidelines for sub-agreements for services, emphasizes the recording of the expenses under the particular program only once.

This is important from a statewide perspective, as the expenditures for program delivery should not be double-counted. In programs such as Special Education, it is also important not to double-count expenditures at the SELPA level due to the federal Maintenance of Effort compliance requirements that must be met each year.

Through the fiscal reporting processes of the SACS software, the State of California monitors interagency revenues for service contracts that are established by mutual agreement among LEA's. The most frequently occurring cooperative projects, or multi-district service agreements, are those formed for special education. Typically, one school district or county office serves as the lead and operates the project for the other participants. Transportation and food services are other programs for which multi-district service agreements are established and maintained among districts.

The California Department of Education (CDE) has outlined guidelines for accounting for these agreements under the "sub-agreement for services" model. The guidelines are in **CSAM Procedure 750.** Similar guidelines applicable specifically to special education contracts for services are in **CSAM Procedure 755.** The CSAM accounting guidelines for sub-agreements for services emphasize the recording of the expenses under the particular categorical program **only once.**

Sub-Agreements for Services Reporting

Sub-agreements for services may be formal or informal, written or verbal, and are indicated when a part or all of an instructional or support activity for which the LEA is responsible is conducted by a third party rather than the LEA. Examples of sub-agreements for services include:

- Contracts with other agencies to provide **home-to-school transportation** for the LEA's students
- Contracts with **non-public schools** for services to the LEA's special education students
- Contracts **between charter schools and management companies** to provide instruction to the charter school's students

Expenditures for sub-agreements should initially be charged to object 5100 (See CSAM Procedure 330 Object 5100). "Object 5100 costs are excluded from the calculation of the indirect cost rate and from eligible program expenditures on which indirect costs are charged. However, in recognition that some general administration is necessary to process a sub-agreement, indirect cost guidelines allow that up to

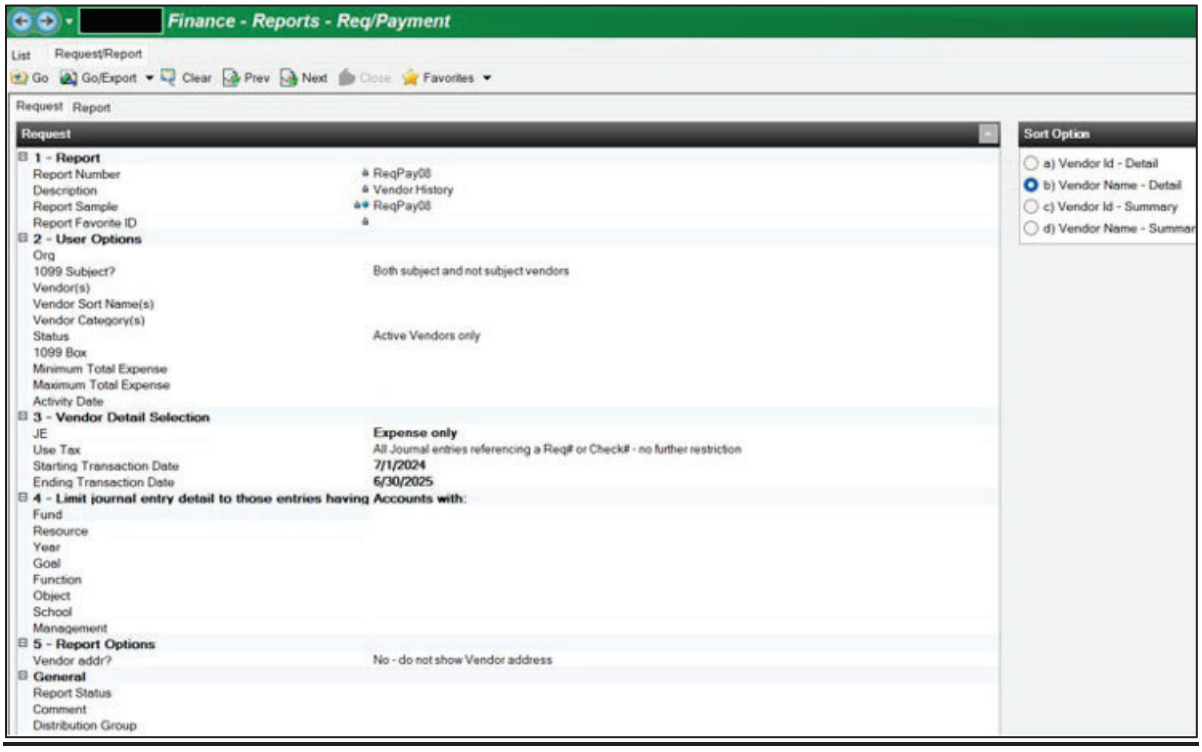
$25,000 of each individual sub-agreement may be coded to object 5800." **This is accomplished by charging up to $25,000 per sub-agreement to object 5800 via a journal entry at year-end. The balance (as applicable) is charged to object 5100 and is not subject to indirect costs**." If the expenditures were not initially charged to object 5100, reclassify the expenditures.

Review payments made to vendors that exceed $25,000 annually

- ☐ Run a ReqPay08 (Vendor History) report in Frontline to review the entries you have made to include $25,000 of each sub-agreement in the indirect cost calculation.
- ☐ Alternatively, run a Fiscal 03 for objects 51xx and 58xx using the excel format option. In excel, sort by Purchase order or Requisition and add subtotals for total cost.
- ☐ Verify contracts for Sub-Agreements are coded to object 5800 for the first $25,000 of each contract and to object 5100 for the expense over $25,000.

******Update: An increase in threshold from $25,000 to $50,0000 was codified in October 2024 and changes are expected to go into effect after June 30, 2025 for the 2025-26 fiscal year******

- ☐ Prepare general journal entries to reclassify between 5100 and 5800 as needed.



Clarification of a sub-agreement from CDE

Federal cost principles require that sub-agreements be excluded from the indirect cost rate calculation and from eligible program costs on which indirect are charged. See CSAM Procedure 330, Object Classification and CSAM Procedure 915, Indirect Cost Rate for additional information.

Consortium: *The $25,000 exception would be applied **per the contract between the LEA and the consortium, and not each separate child.***

NPS: *The services provided according to the IEPs for each enrolled student would all be covered **under the one agreement/contract between the LEA and the NPS**.*

Example: $100,000 Sub-Agreement

- **Record expenditures initially in Object 5100**
- **At year-end, reclassify $25,000 to Object 5800 (remaining $75,000 will stay in Object 5100)**

Multi-District Agreements

The most frequently occurring cooperative projects, or multi-district service agreements, are those formed for **special education, transportation, and food services**. Typically, one school district or county office serves as the lead and operates the project for the other participants. **Shared staff such as PE teachers, Nurses, Psychologists, or Speech Therapists** hired and employed by one LEA but assignment split between two or more LEA's and billed out is another example.

- Assuming that one district is purchasing special education services from another district, accounting entries are as illustrated below:

Participating School District (Purchases special education instructional services from the Local Operating Agency)	**Local Operating Agency** (Delivers the service, receives revenues from Participating School Districts, and pays expenditures on behalf of those school districts from the interagency revenues)
Receives AB 602 Revenue: 01-6500-0-5001-0000-8792-000-0000	Receives AB 602 Revenue: 01-6500-0-5001-0000-8792-000-0000
Pays for instructional services provided by the Local Operating Agency: 01-6500-0-5760-1110-51xx-xxx-xxxx (Up to $25,000 per sub-agreement may be reclassified to 58XX) 01-6500-0-5760-1110-58xx-xxx-xxxx	Receives revenues from the Participating School Districts for instructional services provided: 01-**9010**-0-0000-0000-**8677**-000-0000 or 01-**9010**-0-*7110*-0000-**8677**-000-0000 (Use of the *Non-agency goal* is optional, and may facilitate the matching of revenues and expenditures)
	Pays certificated staff for services performed for the students of the Participating School District. ALL EXPENSES ON BEHALF OF THE PARTICIPATING LEAs MUST BE CODED TO THE NONAGENCY GOAL (Goal 7110) 01-**9010**-0-**7110**-11xx-1xxx-xxx-xxxx

In summary: Both the Participating School Districts and the Local Operating Agency account for the receipt of their district's revenue and services for their own students in the same way. Additionally…

- **Local Operating Agency** must always separate out its interagency service activities in a local restricted resource (resource 9010 has been used in the illustration.)
- **Local Operating Agency** records revenue received from another LEA for contract services provided for the other LEA (except federal dollars) to Object 8677, Interagency Services Between LEAs. Record federal revenues to Object 8285, Interagency Contracts Between LEAs.
- **Local Operating Agency** records expenditures made to fulfill contracts on behalf of another LEA to Goal 7110, Non-agency—Educational.

CDE is monitoring these multi-district service agreements through the SACS reporting process. It is important that any district acting as a Local Operating Agency classify its revenues and expenditures appropriately. Your SCOE Advisor will assist in creating the local resource and advising on other coding issues for the contract for services.

- **Participating School Districts** use the SACS restricted categorical resource (in the example on the previous page, special education resource 6500) to record the original revenues received from the state or the federal government, and the expenditures incurred to pay the Local Operating Agency.

Step 18 - Special Education by Goal- Maintenance of Effort Preparation

Getting ready for Special Education Maintenance of Effort (MOE) means reviewing account activity prior to submission of the Unaudited Actuals to SCOE. The perfect opportunity for such a review is during the year-end closing process because corrections can be made now. By the time Unaudited Actuals are submitted it's too late.

In order to assist with this review, the Special Education MOE forms in the Unaudited Actual software (SACS) web base can be run during the close (to run: Reports – Special Education MOE-SEMA 2024-25 actual vs Comparison Year or SEMB 2025-26 Budget vs Comparison Year).

If the (SACS) web base is not available before you close, you can get an indication of your district's MOE status by reviewing the 2024-25 2nd Interim SEMAI report from SACS2022ALL.

- To see SEMAI using the 2025-26 budget from the 2nd Interim: no new import is necessary, open SACS web base select Reports / Special Education MOE, enter the October 2, 2024, CALPADS count (LEA Projected tab) and the Comparison Year either the October CALPADS or December 1st, depending on the appropriate count for the Comparison Year (LEA Actual tab) and review the report (LEA MOE Cale tab).
- To see SEMAI using the most recent 2023-24 budget as a projection of your unaudited actuals: run a SACS extract in Escape (fiscal51, #4 Interim budget, reporting period=l2), import into (SACS) web base, select Reports / Special Education MOE, enter unduplicated counts, and review the report.

These reports test whether or not total special education expenditures from state and local funds are at least the same as or greater than the most recent year in which the LEA met the MOE Compliance. In preparation for completing these reports, make notes on the chart on page 2 for the following expense reductions.

Section #1 - Allowable Exemptions:

- Voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel
- Decrease in the enrollment of students with disabilities
- Termination of the obligation of the agency to provide a program of special education to a particular child with a disability that is an exceptionally costly program, because the child:
  - Has left the jurisdiction of the Agency
  - Has reached the age at which the obligation of the agency to provide FAPE to the child has terminated;
  - No longer needs the program of special education
- Termination of costly expenditures for long-term purchases such as equipment acquisition or school facilities construction

Section #2 - Reduction to MOE Requirement under IDEA:

- Up to 50% of the increase in federal funds in the current year comparted with the prior year may be used to reduce the required level of state and local expenditures. This option can only be used or will use the freed-up funds for activities authorized under the Elementary and Secondary Education Act (ESEA). If using this reduction, the LEA must indicate how the freed-up funds were used
- LEAs that have a "meets requirement" compliance determination from COE and are not found significantly disproportionate for the current and prior years can use this reduction.

Please review your expenses reported in a Federal Resource equals your entitlements. Do not make a contribution to a Federal Grant Award, as this will impact your Maintenance of Effort (MOE). You may need to move expenses into or out of a Federal Resource to meet this requirement.

Subsequent Years Tracking Worksheet:

To ensure the LEA is comparing the 2024-25 actual expenditures to the appropriate comparison year and the 2025-26 budgeted expenditures to the appropriate comparison year, the LEA is required to complete the Subsequent Years Tracking (SYT) Worksheet. The SYT Worksheet tracks the results for each of the four methods back to 2011-12, which is the baseline year. **The SYT Worksheet will be emailed out to LEAs when available.**

For assistance with the MOE - SEMB & SEMA Reports and the Subsequent Year Tracking Worksheet, please call Deborah Malone-Larson at 524-2755.

Resource:
Special Education Maintenance of Effort (MOE), Presentation from July 9, 2024

Subsequent Year Tracking Worksheet

LOCAL EDUCATIONAL AGENCY (LEA):

SELPA Code and SELPA Name:

Sonoma County SELPA

Fiscal Year: 2023-2024

School Year		A State and Local Total Amount	B State and Local Total MOE Result	C State and Local Per Capita Amount	D State and Local Per Capita MOE Result	E Local Only Total Amount	F Local Only Total MOE Result	G Local Only Per Capita Amount	H Local Only Per Capita MOE Result	I Enrollment
2011-2012	Expenditures (Compliance) SEMA - SACS2012ALL									
2012-2013	Expenditures (Compliance) SEMA - SACS2013ALL									
2013-2014	Expenditures (Compliance) SEMA - SACS2014ALL									
2014-2015	Expenditures (Compliance) SEMA - SACS2015ALL									
2015-2016	Expenditures (Compliance) SEMA - SACS2016ALL									
2016-2017	Expenditures (Compliance) SEMA - SACS2017ALL									
2017-2018	Expenditures (Compliance) SEMA - SACS2018ALL									
2018-2019	Expenditures (Compliance) SEMA - SACS2019ALL									
2019-2020	Expenditures (Compliance) SEMA - SACS2020ALL									
2020-2021	Expenditures (Compliance) SEMA - SACS2021ALL									

2021-2022	Expenditures (Compliance) SEMA - SACS2022ALL									
2022-2023	Expenditures (Compliance) SEMA - SACS Web 2022/23									
2023-2024	Expenditures (Compliance) SEMA - SACS Web 2023/24									
	Expenditures (Eligibility No PCRA) SEMB - SACS Web 2023/24 (Expenditures less PCRA for Comparison Year)	$ -	Comparison Year		Comparison Year		Comparison Year			
2024-2025	Budget (Eligibility) SEMB - SACS Web 2023/24									

The signature of authorized agent conveys agreement with and accuracy of the information provided.

Signature of Authorized Agent	**Date Signed**
Printed Name and Title of Authorized Agent	**Contact Person's Name, E-Mail, and Telephone Number**

Instructions:

For Compliance - Report SEMA

Column A (State and Local Amount) - For fiscal years (FY)s 2011-12 through FY 2014-15, refers to the amount of expenditures reported for Section 3(A3.). Column A on the LMC-A worksheet (Report SEMA). For FY 2015-16 and future years, enter the amount of expenditures reported for Section 3(A1c.), Column A on the LMC-A worksheet (Report SEMA).

Column C (State and Local Per Capita Amount) - For FYs 2011-12 through FY 2014-15, enter the amount of expenditures reported for Section 3(A5.), Column A on the LMC-A worksheet (Report SEMA). For FY 2016-17 and future years, enter the amount of expenditures for Section 3(A2e.) Column A on the LMC-A worksheet (Report SEMA).

Column E (Local Only Amount) - Enter the amount of expenditures reported for Section 3(B1a.), Column A on the LMC-A worksheet (Report SEMA).

Column G (Local Only Per Capita Amount) - For FY 2016-17 and future years, enter the amount of expenditures reported for Section 3(B2c.). Column A on the LMC-A worksheet (Report SEMA).

Column I - (Enrollment) - For FYs 2011-12 through 2014-15, enter the number of students reported for Section 3(A4.), Column A on the LMC-A worksheet (Report SEMA). For FY 2016-17 and future years, enter the number of students reported for Section 3(A2d.) Column A on the LMC-A worksheet (Report SEMA).

Columns B, D, F, and H - (MOE Result) - For each method and year, use the drop down box and select an MOE compliance result: "Met," "Met with Exceptions or Adjustments," or "Did Not Meet." If you select "Met with Exceptions or Adjustments," enter the amount of the exceptions or adjustments. If you select "Met." or "Did Not Meet." then do not enter an amount.

For Eligibility - Report SEMB

Column A (State and Local Amount) - For FY 2016-17 and future years, enter the amount of expenditures reported for Section 3(A1c.), Column A on the LMC-B worksheet (Report SEMB).

Column B (State and Local Total MOE Result) - As the LMC-B report does not include the Program Cost Report Allocations (PCRA) amount that was included in the comparison year LMC-A reports, the PCRA comparison year line item has been added to the worksheet. Enter the PCRA amount that the LEA used the last time it met state and local total, and this PCRA amount is considered a deduction for the budget state and local total amount.

Column C (State and Local Per Capita Amount) - For FY 2016-17 and future years, enter the amount of expenditures for Section 3(A2e.) Column A on the LMC-B worksheet (Report SEMB).

Column D (State and Local Per Capital MOE Result) - As the LMC-B report does not include the PCRA amount that was included in the comparison year LMC-A reports. the PCRA comparison year line item has been added to the worksheet. Enter the PCRA amount divided by the comparison year's Enrollment that the LEA used the last time ii met state and local total per capita, and this PCRA amount per capita is considered a deduction for the budget state and local total amount per capita.

Column E (Local Only Amount) - Enter the amount of expenditures reported for Section 3(B1a.), Column A on the LMC-B worksheet (Report SEMB).

Column G (Local Only Per Capita Amount) - For FY 2016-17 and future years, enter the amount of expenditures reported for Section 3(B2c.), Column A on the LMC-B worksheet (Report SEMB).

Column I - (Enrollment) - For FY 2016-17 and future years, enter the number of students reported for Section 3(A2d.) Column A on the LMC-B worksheet (Report SEMB).

Columns B, D, F, and H - (MOE Result) - For each method and year, use the drop down box and select an MOE compliance result: "Met." "Met with Exceptions or Adjustments," or "Did Not Meet." If you select "Met with Exceptions or Adjustments," enter the amount of the exceptions or adjustments. If you select "Met," or "Did Not Meet," then do not enter an amount.

Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 (Goal 5760)	Adjustments*	Total
	UNDUPLICATED PUPIL COUNT								
TOTAL EXPENDITURES (Funds 01, 09, & 62; resources 0000-9999)									
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00		0.00
PCRA	Program Cost Report Allocations	0.00							0.00
	Total Indirect Costs and PCR Allocations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL COSTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FEDERAL EXPENDITURES (Funds 01, 09, and 62; resources 3000-5999, except 3385)									
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8980	Less: Contributions from Unrestricted Revenues to Federal Resources (Resources 3310-3400, except 3385, all goals; resources 3000-3178 & 3410-5810, goals 5000-5999)								0.00
	TOTAL COSTS								0.00

Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 (Goal 5760)	Adjustments*	Total
STATE AND LOCAL EXPENDITURES (Funds 01, 09, & 62; resources 0000-2999, 3385, & 6000-9999)									
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00		0.00
PCRA	Program Cost Report Allocations	0.00							0.00
	Total Indirect Costs and PCR Allocations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources (from Federal Expenditures section)								0.00
	TOTAL COSTS								0.00
LOCAL EXPENDITURES (Funds 01, 09, & 62; resources 0000-1999 & 8000-9999)									
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources (from Federal Expenditures section)								0.00

Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 (Goal 5760)	Adjustments*	Total
8980	Contributions from Unrestricted Revenues to State Resources (Resources 3385, 6500, 6510, & 7240, all goals; resources 2000-2999 & 6010-7810, except 6500, 6510, & 7240, goals 5000-5999)								0.00
	TOTAL COSTS								0.00

* Attach an additional sheet with explanations of any amounts in the Adjustments column.

2022-23 Expenditures	A. State and Local	B. Local Only
1. Enter Total Costs amounts from the 2022-23 Report SEMA, 2022-23 Expenditures by LEA (LE-CY) worksheet, Total Column, for the State and Local Expenditures section and the Local Expenditures section		
2. Enter audit adjustments of 2022-23 special education expenditures from SACS2024ALL data, not included in Line 1 (explain below) (Funds 01, 09, and 62; resources 0000-2999 & 6000-9999; Object 9793)		
3. Enter restatements of 2023-24 special education beginning fund balances from SACS2024ALL data, not included in Line 1 (explain below) (Funds 01, 09, and 62; resources 0000 - 2999 & 6000 - 9999; Object 9795)		
4. Enter any other adjustments, not included in Line 1 (explain below)		
5. 2022-23 Expenditures, Adjusted for 2023-24 MOE Calculation (Sum lines 1 through 4)	0.00	0.00

C. Unduplicated Pupil Count	
1. Enter the unduplicated pupil count reported in 2022-23 Report SEMA, 2022-23 Expenditures by LEA (LE-CY) worksheet	
2. Enter any adjustments not included in Line C1 (explain below)	
3. 2022-23 Unduplicated Pupil Count, Adjusted for 2023-24 MOE Calculation (Line C1 plus Line C2)	0.00

SELPA: (??)

This form is used to check maintenance of effort (MOE) for an LEA, whether the LEA is a member of a SELPA or is a single-LEA SELPA. If a member of a SELPA, submit this form together with the 2023-24 Expenditures by LEA (LE-CY) and the 2022-23 Expenditures by LEA (LE-PY) to the SELPA AU. If a single-LEA SELPA, submit the forms to the CDE.

Per the federal Subsequent Years Rule, in order to determine the required level of effort, the LEA must look back to the last fiscal year in which the LEA maintained effort using the same method by which it is currently establishing the compliance standard. To meet the requirement of the Subsequent Years Rule, the LMC-A worksheet has been revised to make changes to sections 3.A.1, 3.A.2, 3.B.1, and 3.B.2. The revised sections allow the LEA to compare the 2023-24 expenditures to the most recent fiscal year the LEA met MOE using that method, which is the comparison year. To ensure the LEA is comparing 2023-24 expenditures to the appropriate comparison year, the LEA is required to complete the Subsequent Years Tracking (SYT) worksheet with their LMC-A worksheet. The SYT worksheet tracks the result for each of the four methods back to FY 2011-12, which is the baseline year for LEA MOE calculations established by the Office of Special Education Programs. The SYT worksheet is available at:http://www.cde.ca.gov/sp/se/as/documents/subseqyrtrckwrksht.xls.

There are four methods that the LEA can use to demonstrate the compliance standard. They are (1) combined state and local expenditures; (2) combined state and local expenditures on a per capita basis; (3) local expenditures only; and (4) local expenditures only on a per capita basis.

The LEA is only required to pass one of the tests to meet the MOE requirement. However, the LEA is required to show results for all four methods. These results are necessary both for historical purposes and for the possibility that the LEA may want, or need, to switch methods in future years.

SECTION 1 — Exempt Reduction Under 34 CFR Section 300.204

If your LEA determines that a reduction in expenditures occurred as a result of one or more of the following conditions, you may calculate a reduction to the required MOE standard. Reductions may apply to combined state and local MOE standard, local only MOE standard, or both. If the LEA meets one of the conditions below, the LEA must complete and include the IDEA MOE Exemption Worksheet available at: http://www.cde.ca.gov/sp/se/as/documents/leamoeexempwrksht.xls

1. Voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel.

2. A decrease in the enrollment of children with disabilities.

3. The termination of the obligation of the agency to provide a program of special education to a particular child with a disability that is an exceptionally costly program, as determined by the SEA, because the child:

a. Has left the jurisdiction of the agency;

b. Has reached the age at which the obligation of the agency to provide free appropriate public education (FAPE) to the child has terminated; or

c. No longer needs the program of special education.

4. The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities.

5. The assumption of cost by the high cost fund operated by the SEA under 34 CFR Sec. 300.704(c).

Provide the condition number, if any, to be used in the calculation below:	State and Local	Local Only
Total exempt reductions	0.00	0.00

SECTION 2 — Reduction to MOE Requirement Under IDEA, Section 613 (a)(2)(C) (34 CFR Sec. 300.205)

IMPORTANT NOTE: Only LEAs that have a "meets requirement" compliance determination and that are not found significantly disproportionate for the current year are eligible to use this option to reduce their MOE requirement.

SELPA: **(??)**

Up to 50% of the increase in IDEA Part B Section 611 funding in current year compared with prior year may be used to reduce the required level of state and local expenditures. This option is available only if the LEA used or will use the freed up funds for activities authorized under the Elementary and Secondary Education Act (ESEA) of 1965. Also, the amount of Part B funds used for early intervening services (34 CFR 300.226(a)) will count toward the maximum amount by which the LEA may reduce its MOE requirement under this exception [P.L. 108-446].

		State and Local	Local Only
Current year funding (IDEA Section 611 Local Assistance Grant Award - Resource 3310)			
Less: Prior year's funding (IDEA Section 611 Local Assistance Grant Awards - Resource 3310)			
Increase in funding (if difference is positive)	0.00		
Maximum available for MOE reduction (50% of increase in funding)	0.00 (a)		
Current year funding (IDEA Section 619 - Resource 3315)			
Maximum available for early intervening services (EIS) (15% of current year funding - Resources 3310 and 3315)	0.00 (b)		

If (b) is greater than (a).

Enter portion to set aside for EIS (cannot exceed line (b), Maximum available for EIS)	(c)		
Available for MOE reduction. (line (a) minus line (c), zero if negative)	0.00 (d)		
Enter portion used to reduce MOE requirement (cannot exceed line (d), Available for MOE reduction).			

If (b) is less than (a).

Enter portion used to reduce MOE requirement (first column cannot exceed line (a), Maximum available for MOE reduction, second and third columns cannot exceed (e), Portion used to reduce MOE requirement).	(e)		
Available to set aside for EIS (line (b) minus line (e), zero if negative)	0.00 (f)		

Note: If your LEA exercises the authority under 34 CFR 300.205(a) to reduce the MOE requirement, the LEA must list the activities (which are authorized under the ESEA) paid with the freed up funds:

SELPA: (??)

SECTION 3

A. COMBINED STATE AND LOCAL EXPENDITURES METHOD

	Column A	Column B	Column C
		FY must be entered	
	Actual Expenditures (LE-CY Worksheet) FY 2023-24	Actual Expenditures Comparison Year	Difference (A - B)
1. Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on state and local expenditures.			
a. Total special education expenditures	0.00		
b. Less: Expenditures paid from federal sources	0.00		
c. Expenditures paid from state and local sources	0.00		
Add/Less: Adjustments required for MOE calculation			
Comparison year's expenditures, adjusted for MOE calculation		0.00	
Less: Exempt reduction(s) for SECTION1		0.00	
Less: 50% reduction from SECTION 2		0.00	
Net expenditures paid from state and local sources	0.00	0.00	0.00

If the difference in Column C for the Section 3.A.1 is positive or zero, the MOE compliance requirement is met based on the combination of state and local expenditures.

		FY must be entered	
	Actual FY 2023-24	Comparison Year	Difference
2. Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on the per capita state and local expenditures.			
a. Total special education expenditures	0.00		
b. Less: Expenditures paid from federal sources	0.00		
c. Expenditures paid from state and local sources	0.00		
Add/Less: Adjustments required for MOE calculation			
Comparison year's expenditures, adjusted for MOE calculation		0.00	
Less: Exempt reduction(s) from SECTION 1		0.00	
Less: 50% reduction from SECTION 2		0.00	
Net expenditures paid from state and local sources	0.00	0.00	

SELPA: **(??)**

d. Special education unduplicated pupil count			
e. Per capita state and local expenditures (A2c/A2d)	0.00	0.00	0.00

If the difference in Column C for the Section 3.A.2 is positive or zero, the MOE compliance requirement is met based on the per capita state and local expenditures.

B. LOCAL EXPENDITURES ONLY METHOD

		Actual FY 2023-24	FY must be entered Comparison Year	Difference
1.	Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on local expenditures only.			
	a. Expenditures paid from local sources	0.00		
	Add/Less: Adjustments required for MOE calculation			
	Comparison year's expenditures, adjusted for MOE calculation		0.00	
	Less: Exempt reduction(s) from SECTION 1		0.00	
	Less: 50% reduction from SECTION 2		0.00	
	Net expenditures paid from local sources	0.00	0.00	0.00

If the difference in Column C for the Section 3.B.1 is positive or zero, the MOE compliance requirement is met based on the local expenditures only.

		Actual FY 2023-24	FY must be entered Comparison Year	Difference
2.	Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on the per capita local expenditures only.			
	a. Expenditures paid from local sources	0.00		
	Add/Less: Adjustments required for MOE calculation			
	Comparison year's expenditures, adjusted for MOE		0.00	
	Less: Exempt reduction(s) from SECTION 1		0.00	
	Less: 50% reduction from SECTION 2		0.00	
	Net expenditures paid from local sources	0.00	0.00	
	b. Special education unduplicated pupil count			
	c. Per capita local expenditures(B2a/ B2b)	0.00	0.00	0.00

If the difference in Column C for the Section 3.B.2 is positive or zero, the MOE compliance requirement is met based on the per capita local expenditures only.

Amounts must be entered in Column B for both sections 3.A and 3.B; if no costs, enter 0.

SELPA: **(??)**

Contact Name

Telephone Number

Title

Email Address

SELPA: **(??)**

Object Code	Description	Adjustments*	Total
TOTAL EXPENDITURES - All Sources			
1000-1999	Certificated Salaries		0.00
2000-2999	Classified Salaries		0.00
3000-3999	Employee Benefits		0.00
4000-4999	Books and Supplies		0.00
5000-5999	Services and Other Operating Expenditures		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)		0.00
7130	State Special Schools		0.00
7430-7439	Debt Service		0.00
	Total Direct Costs	0.00	0.00
7310	Transfers of Indirect Costs		0.00
7350	Transfers of Indirect Costs - Interfund		0.00
PCRA	Program Cost Report Allocations		0.00
	Total Indirect Costs and PCR Allocations	0.00	0.00
	TOTAL COSTS	0.00	0.00
EXPENDITURES - Paid from State and Local Sources			
1000-1999	Certificated Salaries		0.00
2000-2999	Classified Salaries		0.00
3000-3999	Employee Benefits		0.00
4000-4999	Books and Supplies		0.00
5000-5999	Services and Other Operating Expenditures		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)		0.00
7130	State Special Schools		0.00
7430-7439	Debt Service		0.00
	Total Direct Costs	0.00	0.00
7310	Transfers of Indirect Costs		0.00
7350	Transfers of Indirect Costs - Interfund		0.00
PCRA	Program Cost Report Allocations		0.00
	Total Indirect Costs and PCR Allocations	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources		0.00
	TOTAL COSTS	0.00	0.00

SELPA: **(??)**

Object Code	Description	Adjustments*	Total
EXPENDITURES - Paid from Local Sources			
1000-1999	Certificated Salaries		0.00
2000-2999	Classified Salaries		0.00
3000-3999	Employee Benefits		0.00
4000-4999	Books and Supplies		0.00
5000-5999	Services and Other Operating Expenditures		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)		0.00
7130	State Special Schools		0.00
7430-7439	Debt Service		0.00
	Total Direct Costs	0.00	0.00
7310	Transfers of Indirect Costs		0.00
7350	Transfers of Indirect Costs - Interfund		0.00
	Total Indirect Costs	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources (from EXPENDITURES - Paid from State and Local Sources section)	0.00	0.00
8980	Contributions from Unrestricted Revenues to State Resources		0.00
	TOTAL COSTS	0.00	0.00
UNDUPLICATED PUPIL COUNT			0.00

* Attach an additional sheet with explanations of any amounts in the Adjustments column.

Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 (Goal 5760)	Adjustments*	Total
	UNDUPLICATED PUPIL COUNT								
TOTAL BUDGET (Funds 01, 09, & 62; resources 0000-9999)									
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL COSTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
STATE AND LOCAL BUDGET (Funds 01, 09, & 62; resources 0000-2999, 3385, & 6000-9999)									
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources (Resources 3310-3400, except 3385, all goals; resources 3000-3178 & 3410-5810, goals 5000-5999)								0.00
	TOTAL COSTS								0.00
LOCAL BUDGET (Funds 01, 09, & 62; resources 0000-1999 & 8000-9999)									

Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 (Goal 5760)	Adjustments*	Total
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources (from State and Local Budget section)								0.00
8980	Contributions from Unrestricted Revenues to State Resources (Resources 3385, 6500-6540, & 7240, all goals; resources 2000-2999 & 6010-7810, except 6500-6540, & 7240, goals 5000-5999)								0.00
	TOTAL COSTS								0.00

* Attach an additional sheet with explanations of any amounts in the Adjustments column.

Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 (Goal 5760)	Spec. Education, Ages 5-22 Nonseverely Disabled (Goal 5770)	Adjustments*	Total
	UNDUPLICATED PUPIL COUNT									
TOTAL EXPENDITURES (Funds 01, 09, & 62; resources 0000-9999)										
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
PCRA	Program Cost Report Allocations (non-add)	0.00								0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL COSTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FEDERAL EXPENDITURES (Funds 01, 09, and 62; resources 3000-5999, except 3385)										
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8980	Less: Contributions from Unrestricted Revenues to Federal Resources (Resources 3310-3400, except 3385, all goals; resources 3000-3178 & 3410-5810, goals 5000-5999)									0.00
	TOTAL COSTS									0.00

Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 (Goal 5760)	Spec. Education, Ages 5-22 Nonseverely Disabled (Goal 5770)	Adjustments*	Total
STATE AND LOCAL EXPENDITURES (Funds 01, 09, & 62; resources 0000-2999, 3385, & 6000-9999)										
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
PCRA	Program Cost Report Allocations (non-add)	0.00								0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources (from Federal Expenditures section)									0.00
	TOTAL COSTS									0.00
LOCAL EXPENDITURES (Funds 01, 09, & 62; resources 0000-1999 & 8000-9999)										
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 (Goal 5760)	Spec. Education, Ages 5-22 Nonseverely Disabled (Goal 5770)	Adjustments*	Total
8980	Contributions from Unrestricted Revenues to Federal Resources (from Federal Expenditures section)									0.00
8980	Contributions from Unrestricted Revenues to State Resources (Resources 3385, 6500, 6510, & 7240, all goals; resources 2000-2999 & 6010-7810, except 6500, 6510, & 7240, goals 5000-5999)									0.00
	TOTAL COSTS									0.00

* Attach an additional sheet with explanations of any amounts in the Adjustments column.

SELPA: (??)

This form is used to check maintenance of effort (MOE) for an LEA, whether the LEA is a member of a SELPA or is a single-LEA SELPA. If a member of a SELPA, submit this form together with the 2024-25 Budget by LEA (LB-B) and the 2023-24 Expenditures by LEA (LE-B) to the SELPA AU. If a single-LEA SELPA, submit the forms to the CDE.

Per the federal Subsequent Years Rule, in order to determine the required level of effort, the LEA must look back to the last fiscal year in which the LEA maintained effort using the same method by which it is currently establishing the eligibility standard. To meet the requirement of the Subsequent Years Rule, the LMC-B worksheet has been revised to make changes to sections 3.A.1, 3.A.2, 3.B.1, and 3.B.2. The revised sections allow the LEA to compare the 2024-25 budgeted expenditures to the most recent fiscal year the LEA met MOE using that method, which is the comparison year. To ensure the LEA is comparing 2024-25 budgeted expenditures to the appropriate comparison year, the LEA is required to complete the Subsequent Years Tracking (SYT) worksheet with their LMC-B worksheet. The SYT worksheet tracks the result for each of the four methods back to FY 2011-12, which is the baseline year for LEA MOE calculations established by the Office of Special Education Programs. The SYT worksheet is available at: http://www.cde.ca.gov/sp/se/as/documents/subseqyrtrckwrksht.xls.

There are four methods that the LEA can use to demonstrate the eligibility standard. They are (1) combined state and local expenditures; (2) combined state and local expenditures on a per capita basis; (3) local expenditures only; and (4) local expenditures only on a per capita basis.

The LEA is only required to pass one of the tests to meet the MOE requirement. However, the LEA is required to show results for all four methods. These results are necessary both for historical purposes and for the possibility that the LEA may want, or need, to switch methods in future years.

SECTION 1 — Exempt Reduction Under 34 CFR Section 300.204

If your LEA determines that a reduction in expenditures occurred as a result of one or more of the following conditions, you may calculate a reduction to the required MOE standard. Reductions may apply to combined state and local MOE standard, local only MOE standard, or both. If the LEA meets one of the conditions below, the LEA must complete and include the IDEA MOE Exemption Worksheet available at: http://www.cde.ca.gov/sp/se/as/documents/leamoeexempwrksht.xls.

1. Voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel.

2. A decrease in the enrollment of children with disabilities.

3. The termination of the obligation of the agency to provide a program of special education to a particular child with a disability that is an exceptionally costly program, as determined by the SEA, because the child:

a. Has left the jurisdiction of the agency;

b. Has reached the age at which the obligation of the agency to provide free appropriate public education (FAPE) to the child has terminated; or

c. No longer needs the program of special education.

4. The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities.

5. The assumption of cost by the high cost fund operated by the SEA under 34 CFR Sec. 300.704(c).

Provide the condition number, if any, to be used in the calculation below:	State and Local	Local Only
Total exempt reductions	0.00	0.00

SECTION 2 — Reduction to MOE Requirement Under IDEA, Section 613 (a)(2)(C) (34 CFR Sec. 300.205)

IMPORTANT NOTE: Only LEAs that have a "meets requirement" compliance determination and that are not found significantly disproportionate for the current year are eligible to use this option to reduce their MOE requirement.

SELPA: **(??)**

Up to 50% of the increase in IDEA Part B Section 611 funding in current year compared with prior year may be used to reduce the required level of state and local expenditures. This option is available only if the LEA used or will use the freed up funds for activities authorized under the Elementary and Secondary Education Act (ESEA) of 1965. Also, the amount of Part B funds used for early intervening services (34 CFR 300.226(a)) will count toward the maximum amount by which the LEA may reduce its MOE requirement under this exception [P.L. 108-446].

			State and Local	Local Only
Current year funding (IDEA Section 611 Local Assistance Grant Award - Resource 3310)				
Less: Prior year's funding (IDEA Section 611 Local Assistance Grant Award - Resource 3310)				
Increase in funding (if difference is positive)	0.00			
Maximum available for MOE reduction (50% of increase in funding)	0.00	(a)		
Current year funding (IDEA Section 619 - Resource 3315)				
Maximum available for early intervening services (EIS) (15% of current year funding - Resources 3310 and 3315)	0.00	(b)		

If (b) is greater than (a).

Enter portion to set aside for EIS (cannot exceed line (b), Maximum available for EIS)		(c)		
Available for MOE reduction. (line (a) minus line (c), zero if negative)	0.00	(d)		
Enter portion used to reduce MOE requirement (cannot exceed line (d), Available for MOE reduction).				

If (b) is less than (a).

Enter portion used to reduce MOE requirement (first column cannot exceed line (a), Maximum available for MOE reduction, second and third columns cannot exceed (e), Portion used to reduce MOE requirement).		(e)		
Available to set aside for EIS (line (b) minus line (e), zero if negative)	0.00	(f)		

Note: If your LEA exercises the authority under 34 CFR 300.205(a) to reduce the MOE requirement, the LEA must list the activities (which are authorized under the ESEA) paid with the freed up funds:

SELPA: (??)

SECTION 3

A. COMBINED STATE AND LOCAL EXPENDITURES METHOD

		Column A Budgeted Amounts (LB-B Worksheet) FY 2024-25	Column B FY must be entered Actual Expenditures Comparison Year	Column C Difference (A - B)
1.	Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on state and local expenditures.			
	a. Total special education expenditures	0.00		
	b. Less: Expenditures paid from federal sources	0.00		
	c. Expenditures paid from state and local sources	0.00		
	Add/Less: Adjustments and/or PCRA required for MOE calculation			
	Comparison year's expenditures, adjusted for MOE calculation		0.00	
	Less: Exempt reduction(s) from SECTION 1		0.00	
	Less: 50% reduction from SECTION 2		0.00	
	Net expenditures paid from state and local sources	0.00	0.00	0.00
	If the difference in Column C for the Section 3.A.1 is positive or zero, the MOE Eligibility requirement is met based on the combination of state and local expenditures.			

		Budgeted Amounts FY 2024-25	FY must be entered Comparison Year	Difference
2.	Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on the per capita state and local expenditures.			
	a. Total special education expenditures	0.00		
	b. Less: Expenditures paid from federal sources	0.00		
	c. Expenditures paid from state and local sources	0.00		
	Add/Less: Adjustments and/or PCRA required for MOE calculation			
	Comparison year's expenditures, adjusted for MOE calculation		0.00	
	Less: Exempt reduction(s) from SECTION 1		0.00	
	Less: 50% reduction from SECTION 2		0.00	
	Net expenditures paid from state and local sources	0.00	0.00	
	d. Special education unduplicated pupil count			
	e. Per capita state and local expenditures (A2c/A2d)	0.00	0.00	0.00

SELPA: (??)

If the difference in Column C for the Section 3.A.2 is positive or zero, the MOE eligibility requirement is met based on the per capita state and local expenditures.

B. LOCAL EXPENDITURES ONLY METHOD

		Budget FY 2024-25	FY must be entered Comparison Year	Difference
1.	Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on local expenditures only.			
	a. Expenditures paid from local sources	0.00		
	Add/Less: Adjustments required for MOE calculation			
	Comparison year's expenditures, adjusted for MOE calculation		0.00	
	Less: Exempt reduction(s) from SECTION 1		0.00	
	Less: 50% reduction from SECTION 2		0.00	
	Net expenditures paid from local sources	0.00	0.00	0.00

If the difference in Column C for the Section 3.B.1 is positive or zero, the MOE eligibility requirement is met based on the local expenditures only.

		Budget FY 2024-25	FY must be entered Comparison Year	Difference
2.	Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on per capita local expenditures			
	a. Expenditures paid from local sources	0.00		
	Add/Less: Adjustments required for MOE calculation			
	Comparison year's expenditures, adjusted for MOE calculation		0.00	
	Less: Exempt reduction(s) from SECTION 1		0.00	
	Less: 50% reduction from SECTION 2		0.00	
	Net expenditures paid from local sources	0.00	0.00	
	b. Special education unduplicated pupil count			
	c. Per capita local expenditures (B2a/B2b)	0.00	0.00	0.00

If the difference in Column C for the Section 3.B.2 is positive or zero, the MOE eligibility requirement is met based on the per capita local expenditures only.

Amounts must be entered in Column B for both sections 3.A and 3.B; if no costs, enter 0.

Contact Name

Telephone Number

SELPA: **(??)**

Title

Email Address

SELPA: (??)

Object Code	Description	Adjustments*	Total
TOTAL BUDGET - All Sources			
1000-1999	Certificated Salaries		0.00
2000-2999	Classified Salaries		0.00
3000-3999	Employee Benefits		0.00
4000-4999	Books and Supplies		0.00
5000-5999	Services and Other Operating Expenditures		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)		0.00
7130	State Special Schools		0.00
7430-7439	Debt Service		0.00
	Total Direct Costs	0.00	0.00
7310	Transfers of Indirect Costs		0.00
7350	Transfers of Indirect Costs - Interfund		0.00
	Total Indirect Costs	0.00	0.00
	TOTAL COSTS	0.00	0.00
BUDGET - State and Local Sources			
1000-1999	Certificated Salaries		0.00
2000-2999	Classified Salaries		0.00
3000-3999	Employee Benefits		0.00
4000-4999	Books and Supplies		0.00
5000-5999	Services and Other Operating Expenditures		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)		0.00
7130	State Special Schools		0.00
7430-7439	Debt Service		0.00
	Total Direct Costs	0.00	0.00
7310	Transfers of Indirect Costs		0.00
7350	Transfers of Indirect Costs - Interfund		0.00
	Total Indirect Costs	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources		0.00
	TOTAL COSTS	0.00	0.00
BUDGET - Local Sources			
1000-1999	Certificated Salaries		0.00

SELPA: **(??)**

Object Code	Description	Adjustments*	Total
2000-2999	Classified Salaries		0.00
3000-3999	Employee Benefits		0.00
4000-4999	Books and Supplies		0.00
5000-5999	Services and Other Operating Expenditures		0.00
6000-6999	Capital Outlay (except objects 6600, 6700, 6910 & 6920)		0.00
7130	State Special Schools		0.00
7430-7439	Debt Service		0.00
	Total Direct Costs	0.00	0.00
7310	Transfers of Indirect Costs		0.00
7350	Transfers of Indirect Costs - Interfund		0.00
	Total Indirect Costs	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources (from BUDGET - State and Local Sources section)		0.00
8980	Contributions from Unrestricted Revenues to State Resources		0.00
	TOTAL COSTS	0.00	0.00
UNDUPLICATED PUPIL COUNT			0.00

* Attach an additional sheet with explanations of any amounts in the Adjustments column.

Step 19a – STRS On-behalf and other Accounting and Financial Reporting for Pensions

GASB Statement 68 ~Accounting and Financial Reporting for Pensions

This reporting requirement applies to the generally accepted accounting principles (GAAP) based financial statements of employers and became effective for fiscal years beginning after June 15, 2014. These changes do not affect the amount of contributions sent to CalPERS; GASB 68 is an accounting change only and not related to funding. GASB 68 affects our financials in the following ways:

CalPERS ~ Government-wide Reporting only

School employers are not required to order GASB 68 Accounting Valuation Reports as they will be available on the CalPERS website. The GASB 68 Accounting Valuation Report fee is $350 per district. Each LEA should work with their auditor for the Government-wide reporting entries.

CalSTRS ~ Government-wide Reporting only

Each LEA should work with their auditor for the Government wide reporting entries.

CalSTRS on Behalf ~ Resource 7690 ~ Record in Frontline

Governmental LEAs must record in their governmental funds the State's contribution to CalSTRS on behalf of LEA employees. The journal entry to recognize the state's on-behalf pension contribution to CalSTRS is to debit pension contribution expenditures by fund, goal, and function in proportion to the LEA's own pension contributions to CalSTRS by fund, goal, and function, with a corresponding credit to state revenue using Resource 7690. As the debit to expenditures equals the credit to revenue, the effect on the **fund balance is zero**.

See pages 2-7 following for detailed instructions on the calculation of STRS on-Behalf and how to enter in Frontline

Charter Schools

The CDE's take: Charter schools *that use governmental fund accounting* and reporting should apply GASB 68. GASB 68 is not applicable to Charter Schools that use Fund 62 and are 501(c)3 Not-For-Profits.
Recommended: Verify with the charter school's auditor.

GASB Statement 74 ~ Financial Reporting for Postemployment Benefits Plans Other than Pension Plans

GASB 74 was effective in fiscal year 2016–17. It requires that the notes to financial statements of all defined benefit OPEB plans that are administered through trusts that meet the specified criteria and disclose information about OPEB plan investments, including the OPEB plan's investment policies, concentrations of investments with individual organizations, the annual money-weighted rate of return on OPEB plan investments and much more. This applies to single-employer and cost-sharing OPEB plans that are administered through trusts. **Please discuss this with your auditor.**

GASB Statement 75 ~ Postemployment Benefits Plans Other Than Pensions (OPEB)

GASB 75 purposes: to align post-employment benefits (OPEB) accounting to be consistent with a pension in order to compare the different liabilities. This additional disclosure drives more helpful information and a high level of transparency. GASB 75 will mirror GASB 68. Net or Total OPEB Liability will be recorded on the financial

statements. A strictly prescribed actuarial methodology and discounting will produce the OPEB liability, and more frequent actuarial valuations are required. It is recommended that you contact your auditor to verify that your LEA has the correct information available in your current actuarial study to properly record OPEB benefits in your 2024-25 Unaudited Actuals documents and for your auditor to include in your 2024-25 Audit. A new or updated actuarial study may be required.

Recording STRS on Behalf

Two on-behalf contribution amounts are required:

- Under GASB 68 – GOVERNMENT-WIDE FINANCIAL STATEMENTS
    - Entries completed in the conversion entries in the SACS software and included in audit
    - LEAs should work with their auditor to complete these conversion entries
- Under GASB 85 – FUND FINANCIAL STATEMENTS FOR GOVERNMENTAL FUNDS
    - Entries LEAs calculate and post into Frontline

The BASC/ESSCO subcommittees have provided the following calculation for every entity statewide (see the following Excel spreadsheet of Sonoma County on page 3). This calculation is based on the GASB 85 methodology propagated by CalSTRS. The amount listed by LEA in the gray column labeled as "On-Behalf Contribution to Book" is the proportionate share. This amount is calculated by taking the percentage in the column labeled "Employer Proportionate Share of CalSTRS calculated Employer Contribution" times the 2024-25 Estimate of State Contribution listed at the bottom of the sheet.

If your auditor requires more information about the pertinent data used in the calculation, please contact Sarah Lampenfeld, Assistant Superintendent, Business Services, at slampenfeld@scoe.org.

FAQ: https://www.calstrs.com/general-information/gasb-67-68-frequently-asked-questions

LEAs can take the amount calculated and plug it into the CDE on-behalf tool to get the specific entries for actuals to enter into the fund financial statements (see pages 4 -7).

The CDE has developed the attached spreadsheet application tool to assist LEAs in recognizing the state's on-behalf contribution to CalSTRS in their funds by calculating and creating the necessary journal entry by fund, goal, and function. The CDE can be accessed on the CDE Accounting Correspondence Web page at http://www.cde.ca.gov/fg/ac/co/.

Attachment 02-Jul-2015: STRS On-Behalf Analysis Spreadsheet Application (EXE; 124MB; Revised 09-Feb-2017) Spreadsheet application to calculate and create the journal entry necessary for local educational agencies to recognize the state's on-behalf contribution to CalSTRS in their funds. Use of this application is optional. Download Instructions: Using the preceding link, a self-extracting zipped file named "strsonbehalf.exe" must be downloaded and saved to your "C:" drive. Once done, using your Windows Explorer, double-click on the "strsonbehalf.exe" file on your "C:" drive. The file will unzip and put the state teacher retirement system (STRS) on-behalf analysis spreadsheet application in Excel format (XLSM) into a default folder named C:\GASB68STRSOnBehalf.

STRS On-Behalf Analysis Spreadsheet Application

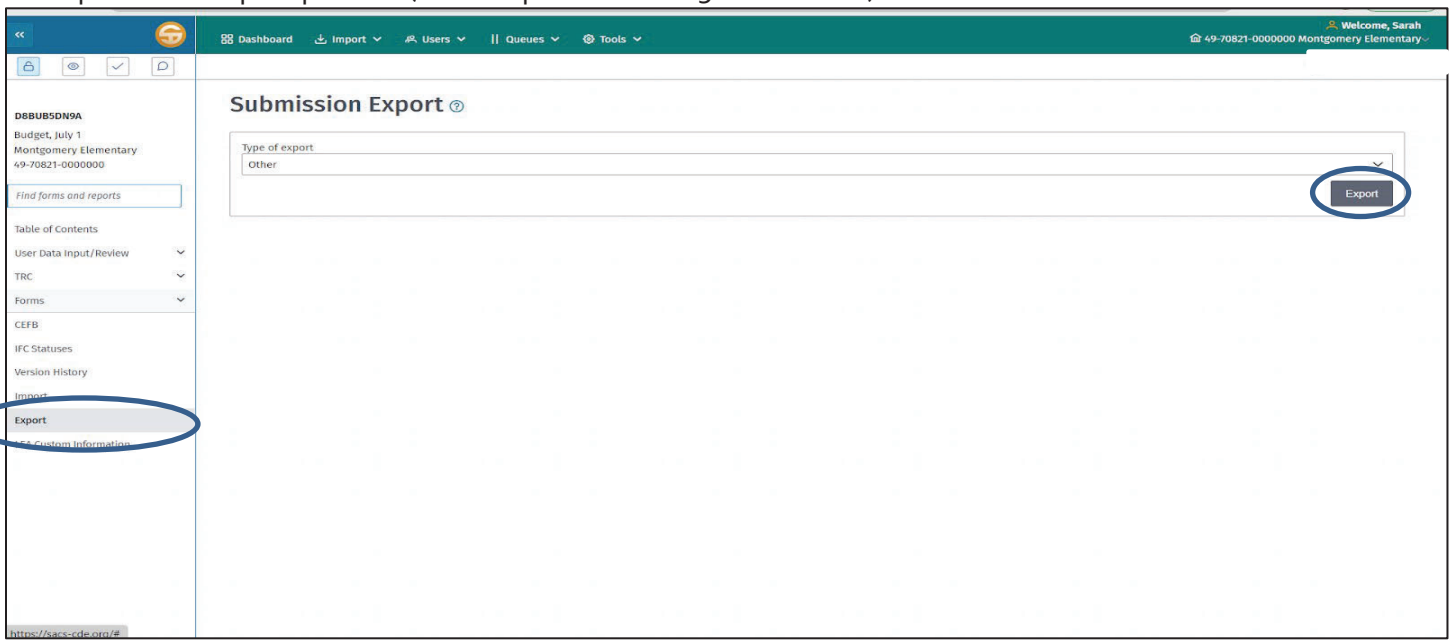
Proportionate Share Calculations for Total CalSTRS and On-Behalf Contributions

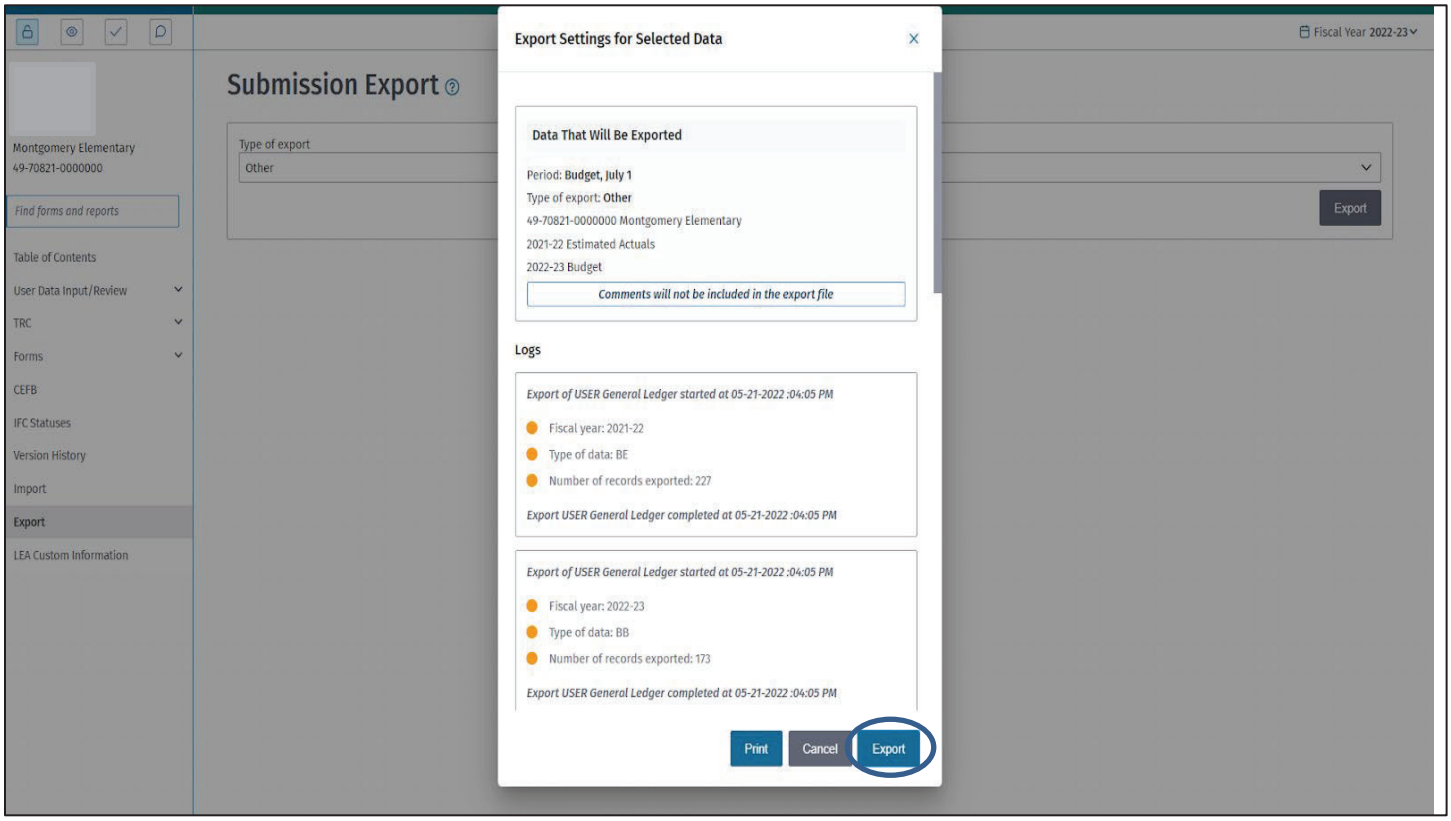
Employer Reporting Number	Employer Name	2023-24 CalSTRS Calculated Employer Contribution	2023-24 Employer Proportionate Share of Total CalSTRS–Calculated Employer Contribution	2023-24 Employer Proportionate Share of State on-Behalf Contribution	**2024-25 On-Behalf Contribution to Book**	**2025-26 On-Behalf Amount to Budget**
49001	Alexander Valley Union Elementary	207,164	0.002%	0.0024090%	$ 102,749	**$108,137**
49002	Sebastopol Independent Charter	301,354	0.002%	0.0035040%	$ 149,453	**$157,304**
49005	Bellevue Union Elementary	2,145,083	0.017%	0.0249410%	$ 1,063,789	**$1,119,711**
49006	Bennett Valley Union Elementary	1,014,741	0.008%	0.0117990%	$ 503,253	**$529,684**
49007	Kid Street Learning Center Charter	135,201	0.001%	0.0015720%	$ 67,049	**$70,574**
49011	Cinnabar Elementary	215,677	0.002%	0.0025080%	$ 106,972	**$112,581**
49012	Live Oak Charter	198,308	0.002%	0.0023060%	$ 98,356	**$103,515**
49015	Dunham Elementary	159,595	0.001%	0.0018560%	$ 79,163	**$83,307**
49017	Forestville Union Elementary	376,829	0.003%	0.0043810%	$ 186,859	**$196,701**
49018	Fort Ross Elementary	52,886	0.000%	0.0006150%	$ 26,231	**$27,606**
49020	Gravenstein Union Elementary	1,055,812	0.008%	0.0122760%	$ 523,599	**$551,123**
49021	Sunridge Charter	217,909	0.002%	0.0025340%	$ 108,081	**$113,746**
49022	Guerneville Elementary	265,224	0.002%	0.0030840%	$ 131,539	**$138,444**
49023	Pathways Charter	338,391	0.003%	0.0039350%	$ 167,836	**$176,637**
49024	Harmony Union Elementary	418,722	0.003%	0.0048690%	$ 207,674	**$218,569**
49026	Horicon Elementary	115,686	0.001%	0.0013450%	$ 57,367	**$60,387**
49029	Kenwood Elementary	250,514	0.002%	0.0029130%	$ 124,246	**$130,766**
49031	Liberty Elementary	245,748	0.002%	0.0028570%	$ 121,857	**$128,278**
49032	Woodland Star Charter	141,531	0.001%	0.0016460%	$ 70,206	**$73,878**
49033	California Virtual Academy at Sonoma	634,057	0.005%	0.0073720%	$ 314,432	**$330,971**
49034	Mark West Union Elementary	1,903,410	0.015%	0.0221310%	$ 943,936	**$993,560**
49035	Monte Rio Union Elementary	131,207	0.001%	0.0015260%	$ 65,087	**$68,489**
49036	Montgomery Elementary	26,177	0.000%	0.0003040%	$ 12,966	**$13,650**
49038	Oak Grove Union Elementary	883,066	0.007%	0.0102680%	$ 437,953	**$460,951**
49039	Old Adobe Union Elementary	2,282,599	0.018%	0.0265400%	$ 1,131,990	**$1,191,493**
49040	River Montessori Charter	158,144	0.001%	0.0018390%	$ 78,437	**$82,550**
49041	Pivot Charter School North Bay	492,366	0.004%	0.0057250%	$ 244,184	**$257,010**
49043	Piner-Olivet Union Elementary	1,453,062	0.012%	0.0168950%	$ 720,609	**$758,483**
49046	Kashia Elementary	17,292	0.000%	0.0002010%	$ 8,573	**$9,026**
49047	Rincon Valley Union Elementary	4,745,265	0.038%	0.0551740%	$ 2,353,293	**$2,476,979**
49048	Roseland Elementary	3,883,577	0.031%	0.0451550%	$ 1,925,961	**$2,027,187**
49051	Sebastopol Union Elementary	596,603	0.005%	0.0069370%	$ 295,878	**$311,421**
49052	Credo High	567,694	0.005%	0.0066010%	$ 281,547	**$296,330**
49053	Twin Hills Union Elementary	942,599	0.008%	0.0109600%	$ 467,468	**$492,027**
49054	Two Rock Union School District	124,498	0.001%	0.0014480%	$ 61,760	**$64,987**
49060	Waugh Elementary	866,151	0.007%	0.0100710%	$ 429,550	**$452,122**
49061	West Side Union Elementary	160,751	0.001%	0.0018690%	$ 79,717	**$83,910**
49062	Wilmar Union Elementary	253,955	0.002%	0.0029530%	$ 125,952	**$132,562**
49063	Windsor Unified School District	5,480,166	0.044%	0.0637190%	$ 2,717,756	**$2,860,589**
49064	Wright Elementary	1,448,689	0.012%	0.0168440%	$ 718,434	**$756,200**
49065	Village Charter	45,667	0.000%	0.0005310%	$ 22,648	**$23,838**
49069	California Pacific Charter School-Sonoma	188,978	0.002%	0.0021970%	$ 93,707	**$98,645**
49070	Sonoma Charter	139,084	0.001%	0.0016170%	$ 68,969	**$72,600**
49071	West Sonoma County Union High	2,034,667	0.016%	0.0236570%	$ 1,009,023	**$1,062,075**
49081	Cloverdale Unified School District	1,670,073	0.013%	0.0194180%	$ 828,221	**$871,761**
49082	Cotati-Rohnert Park Unified School District	6,339,423	0.051%	0.0737090%	$ 3,143,852	**$3,309,112**
49084	Geyserville Unified School District	355,362	0.003%	0.0041320%	$ 176,239	**$185,495**
49085	Petaluma City Schools District	$9,839,232	0.078%	0.1144020%	$ 4,879,498	**$5,135,976**
49086	Santa Rosa City Schools District	19,708,893	0.157%	0.2291580%	$ 9,774,096	**$10,287,836**
49087	Healdsburg Unified School District	2,030,496	0.016%	0.0236090%	$ 1,006,976	**$1,059,898**
49088	Sonoma Valley Unified School District	4,520,155	0.036%	0.0525560%	$ 2,241,630	**$2,359,474**
49091	Sonoma County Junior College District	9,827,935	0.078%	0.1142710%	$ 4,873,911	**$5,130,079**
49097	Sonoma County Office of Education	3,622,903	0.029%	0.0421240%	$ 1,796,682	**$1,891,117**

Total	Total CalSTRS-calculated employer contributions	$8,600,576,193	68.549%
24-25	Total State Contributions for 24-25	$4,265,221,216	31.451%
23-24	State of California contributions (nonemployer contributing entity)	$3,945,973,951	
	2024-25 STRS Rate	19.10%	

Start by creating an export file of estimated actuals. This can be done by importing the estimated numbers into SACS from Frontline (use the Fiscal 51 Report process). You'll create an export file once you have imported estimated actuals into SACS. Move the export file from the download to the chosen location (example: desktop). You will use this export file for the On-Behalf Spreadsheet Application.

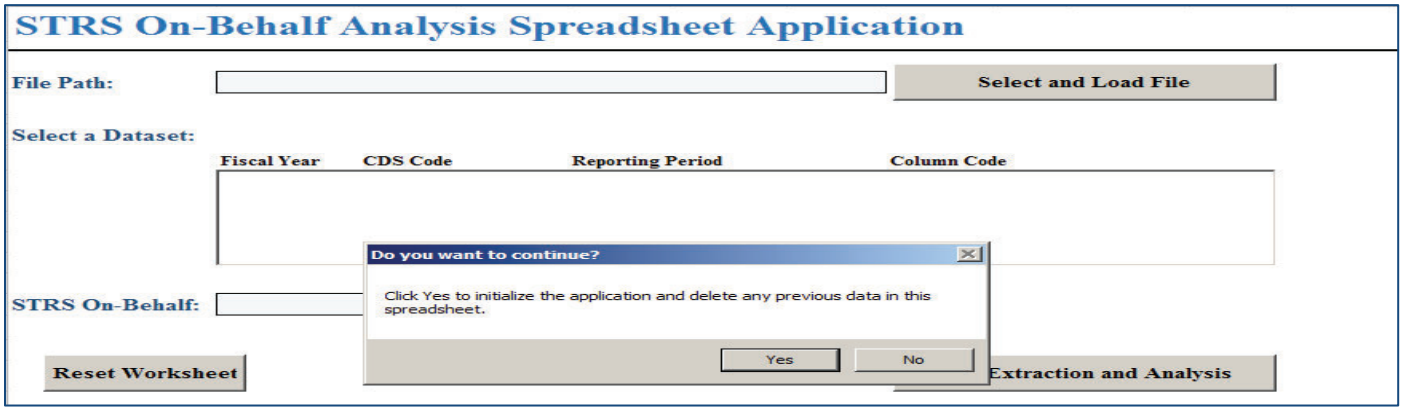
Example of the export process (after import of Fiscal 51 into SACS):





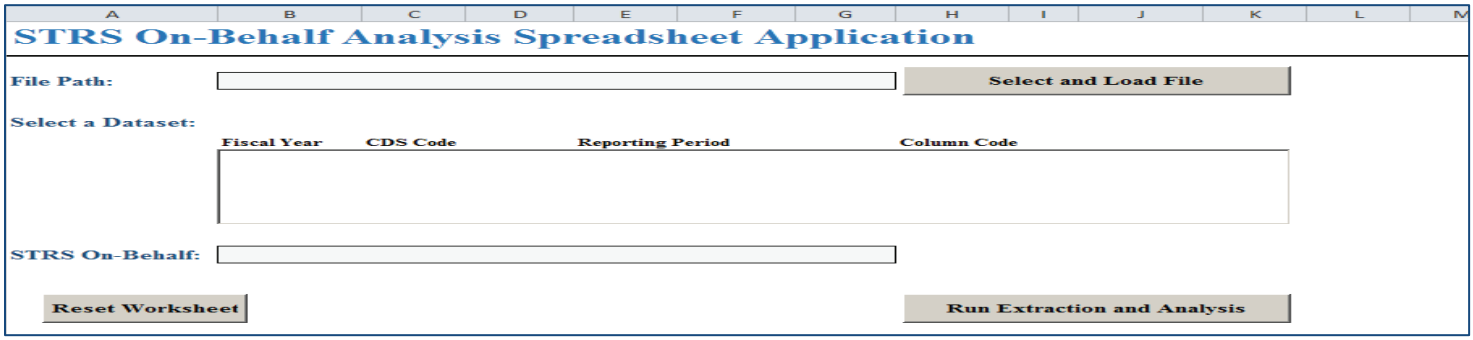
STRS On-Behalf Analysis Spreadsheet Application

Instructions tab: Provides a processing overview and detailed procedures for using the spreadsheet.



Click the **Yes** button at the prompt to open a file browser, or the **No** button to cancel the process.

Import Selection tab:

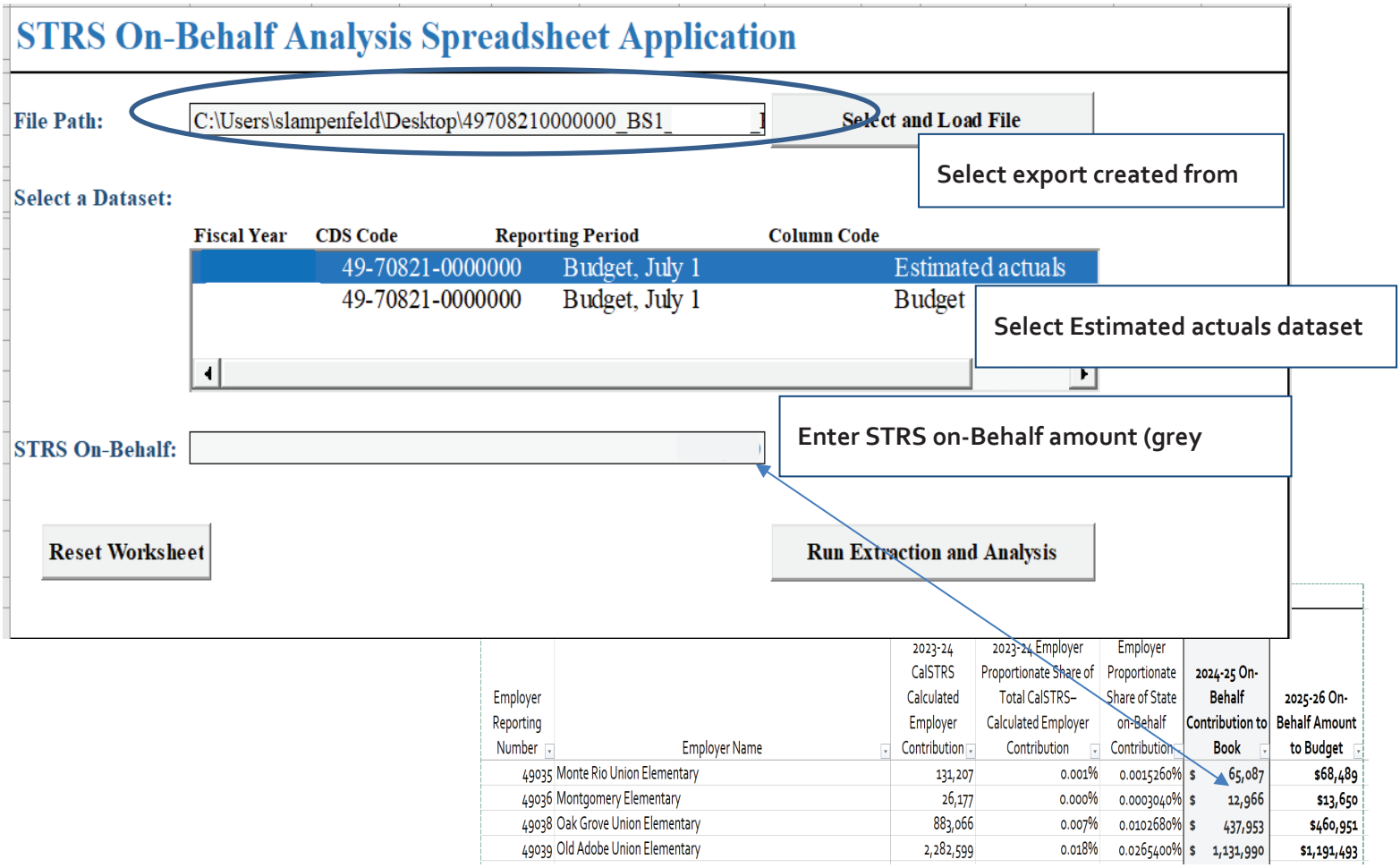


Click the **Select and Load File** button. Load the export file you created on the previous page.

Select the dataset to process from the **Select a Dataset** list box. For 2024-25, select the dataset containing the Unaudited Actuals reporting period (i.e., Estimated actuals and Budget).

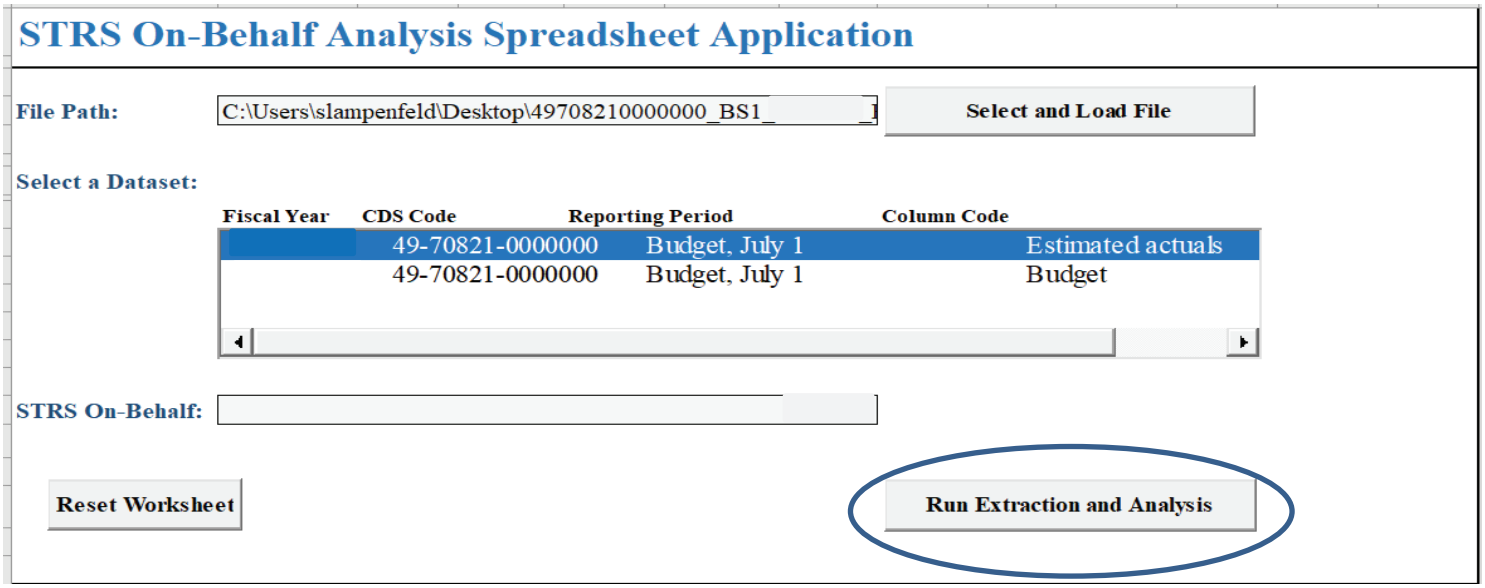
Enter the STRS On-Behalf amount calculated by LEA on page 3 – see the shaded column.

Examples of these steps above are on the next page.



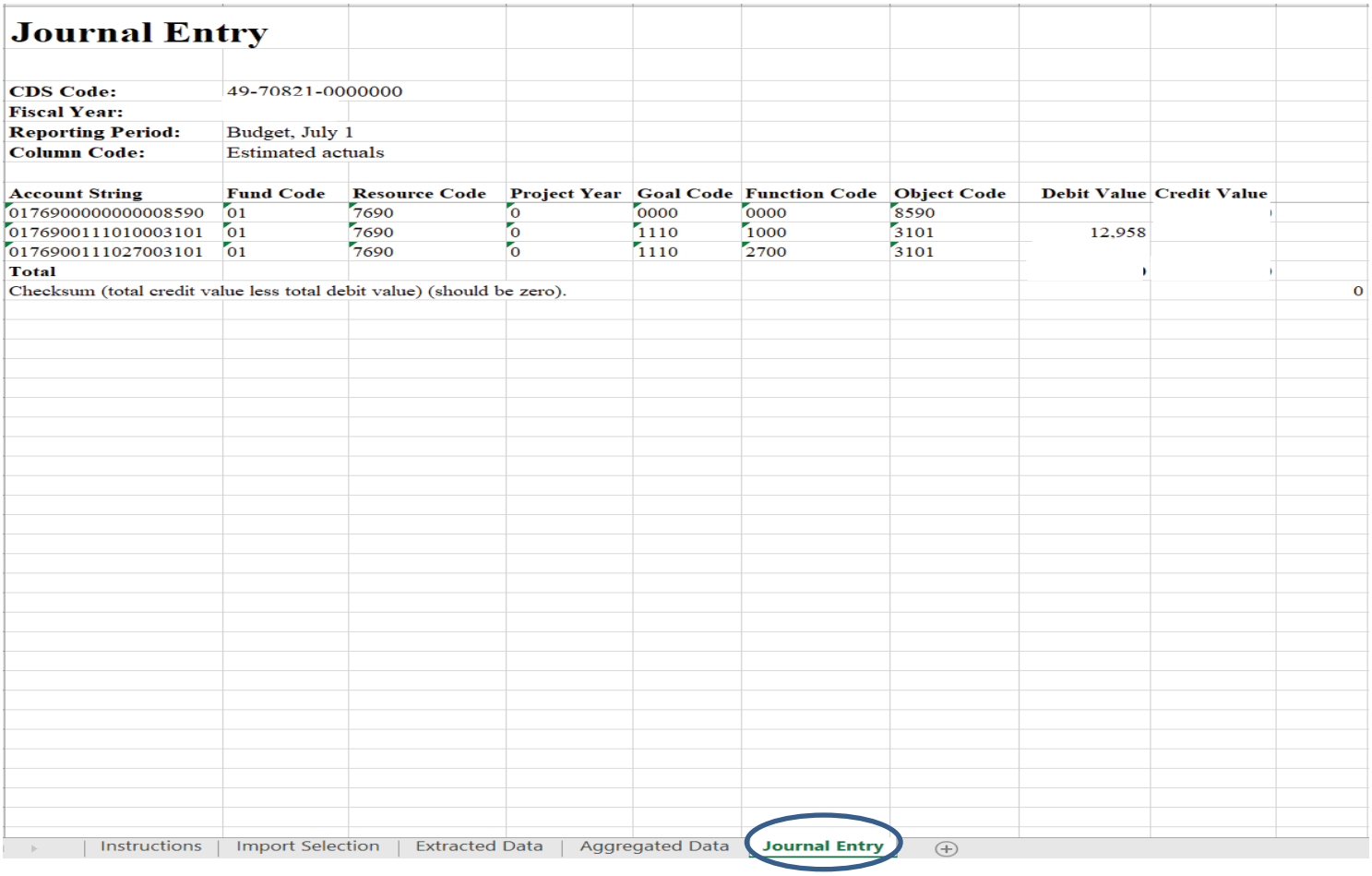
Employer Reporting Number	Employer Name	2023-24 CalSTRS Calculated Employer Contribution	2023-24 Employer Proportionate Share of Total CalSTRS–Calculated Employer Contribution	Employer Proportionate Share of State on-Behalf Contribution	2024-25 On-Behalf Contribution to Book	2025-26 On-Behalf Amount to Budget
49035	Monte Rio Union Elementary	131,207	0.001%	0.0015260%	$ 65,087	$68,489
49036	Montgomery Elementary	26,177	0.000%	0.0003040%	$ 12,966	$13,650
49038	Oak Grove Union Elementary	883,066	0.007%	0.0102680%	$ 437,953	$460,951
49039	Old Adobe Union Elementary	2,282,599	0.018%	0.0265400%	$ 1,131,990	$1,191,493

Click the Extraction and Analysis button. Click Run Extraction and Analysis. A process will be executed that populates the Extracted, Aggregated, and Journal Entry sheets.



Journal Entry tab: Displays the journal entry that debits expenditures accounts and credits revenue accounts. To enter Frontline ERP, set up these accounts (with zero school and management codes) and enter and post your 2024-25 journal entry.

Example only below:



Journal Entry

CDS Code:	49-70821-0000000
Fiscal Year:	
Reporting Period:	Budget, July 1
Column Code:	Estimated actuals

Account String	Fund Code	Resource Code	Project Year	Goal Code	Function Code	Object Code	Debit Value	Credit Value	
01769000000000008590	01	7690	0	0000	0000	8590			
01769001110100003101	01	7690	0	1110	1000	3101	12,958		
01769001110270003101	01	7690	0	1110	2700	3101			
Total									
Checksum (total credit value less total debit value) (should be zero).									0

Instructions | Import Selection | Extracted Data | Aggregated Data | Journal Entry

Step 19b – Restricted Maintenance and Deferred Maintenance

Restricted Maintenance, Resource 8150

All LEA's are required by law to maintain their facilities in good repair. The Williams Act, the School Accountability Report Card (SARC) and the State Priority 1 of the Local Control and Accountability Plan (LCAP) all state this requirement.

> *Good repair means the facility is maintained in a manner that assures that it is clean, safe, and functional as determined by the Office of Public School Construction (OPSC) Facility Inspection Tool. (EC 17002(d)(1))*

Those LEAs that receive state funding for facilities construction and modernization projects are further required to contribute specified amounts to a restricted maintenance account to ensure that state-funded facility projects are kept in good repair.

Districts are required to deposit into the account a minimum amount equal to or greater than 3% of the total general fund expenditures and other financing uses for that fiscal year. Recent legislation has amended the definition of total general fund expenditures for the purpose of calculating RRMA contribution by excluding the following:

- Expenses coded to Resource 7690, On-Behalf Payments
- Expenses of one-time pandemic funding sources in Res. 3212, 3213, 3214, 3216, 3218, 3219, 3225, 3226, 3227, 3228, 5316, 5632, 5633, 5634, and 7027

The law requires that the final deposit be made based on actual expenditures not budgeted expenditures as part of closing the books.

The minimum contribution does not apply to districts that are exempt due to small size:

- elementary district less than 901 ADA
- high school district less than 301 ADA
- unified district less than 1,201 ADA

(EC 17070.75)

Before closing your books, review the budget and expenditures in this area.

☐ Transfer applicable maintenance expenditures to Resource 8150.

☐ Make a contribution to Resource 8150 of at least the required minimum (unless the District is exempt from this set-aside requirement)

Deferred Maintenance, Fund 14

Fund 14 is used to account separately for revenues that are restricted or committed for deferred maintenance purposes (EC 17582). Districts should continue to use Fund 14 only if a substantial portion of the fund's inflows are committed and only if those inflows are expected to continue. If a continuing source of revenue is not intended to be committed to the purposes of Fund 14, the remaining balance, excluding any unspent RDA funds, should be spent down.

JOURNAL TO COMPLETE BEFORE **THE 6/23 CASH CUTOFF**.

If a portion of LCFF funding is committed to the purpose of deferred maintenance it should be reported directly in Fund 14.

	Debit	Credit
01-0000-0-0000-0000-8091-000-0000	xxxx	
14-0000-0-0000-0000-8091-000-0000		xxxx

If the district assigns funding for the purpose of deferred maintenance in addition to the committed LCFF funding it should be reported using the inter-fund transfer-in and inter-fund transfer-out objects.

	Debit	Credit
01-0000-0-0000-9300-7619-000-0000	xxxx	
14-0000-0-0000-0000-8919-000-0000		xxxx

Journals entered after the cash cutoff will have to be set up as Due To / Due From (see Step 12).

☐ Be prepared to discuss with your auditor the components of ending fund balance for 2024-25 Fund 14 as approved by your District Board.

Step 20 – Review of Coding for Form CEA

Current Expense Formula/Minimum Classroom Compensation

Ed Code Section 41372 requires that school districts expend a minimum percentage of their current cost of education for classroom teacher and aide salaries, plus associated benefits. Under LCFF, much of the restricted categorical funding that was excluded from the minimum classroom calculation is now unrestricted and not excludable. An unintended consequence is that some LEAs are having more difficulty meeting the minimum classroom compensation requirements.

Therefore, you must import your budget into SACS and review the Form CEA before the books are closed. If the Percent of Current Cost of Education for Classroom (line 15 of the CEA Form) does not meet the required percentage, the district should look for potential coding errors and other issues that would affect the CEA formula and **make the appropriate adjustments prior to closing your books**.

Type of School District	Minimum Classroom Compensation Requirement
Elementary	**60%**
Unified	**55%**
High School	**50%**

Who is excluded from the CEA requirement?

- Districts with less than 101 units of ADA in the previous year
- Charter Schools
- Districts that maintain all "individual class sessions" with equal to or less than the following number of pupils in attendance:
    - An elementary school district – 28 pupils
    - A high school district – 25 pupils
    - A unified school district:
        - Grades K-8 – 28 pupils
        - Grades 9-12 – 25 pupils
        - Grades 7-9 of a junior high school shall be deemed to be high school grades for the purposes of this section

  (The number of ***pupils in attendance*** in each "individual class session" must not exceed the limit for a district to be exempt from the calculation. Ed code is not clear how the class size is calculated for this purpose. Some auditors check the daily count, others check average class size by month. ***Check with your auditor before claiming the exemption.***)

Do NOT rely on an exemption. The circumstances under which the County Superintendent may grant an exemption from the requirements are defined very precisely (and narrowly) in the Ed Code:

- The application of EC Section 41372 would result in a serious hardship to the district.
- The application of EC Section 41372 would result in the district paying its classroom teachers salaries that exceed those of other districts of comparable type and functioning under comparable conditions.

Form CEA calculates the total classroom compensation percentage (Objects 1000-3999 and Functions 1000-1999) of the total actual expenditures in the general fund.

Classroom Compensation % =	Classroom Compensation (Form CEA, **Part II**) Total Expenses (Form CEA, **Part I**)

The goal is to accurately reflect classroom compensation included in the formula (Part II – Minimum Classroom Compensation) and appropriately reduce or eliminate other costs from the total expenditures section (Part I – Current Expense Formula). ***Decreasing Total General Fund Expenditures (Part I), other than classroom salary and benefits, will increase the Classroom Compensation % and help to meet the minimum requirement.***

Coding tips:

1. Classroom teachers and other classroom staff should be coded to Function 1XXX, e.g. classroom aides, tutors, or other staff providing direct educational services.

2. Whenever possible, classroom teachers and direct instructional support staff costs should **not** be coded to any resource **excluded** from the CEA calculation. Direct instructional support staff costs in **Lottery RS 1100 are included in Part II**.

3. **Expenditures coded to Lottery – RS 1100, are excluded in Part I.** Review the possibility of reclassifying additional expenditures to this resource as appropriate. **An increase in lottery expenditures will lower the total expenses in Part I**.

4. Review expenditures coded to Functions 2100, 2130, 2140 to make sure that staff salaries or staff development costs, including substitutes, are not recorded here. These expenditures should be recorded as Function 1000.

   The California School Accounting Manual (CSAM) states the following under Function 2140:

   > A fee paid for an employee to attend a conference, or a salary stipend for attending a staff development conference, should follow the function of the employee. For example, the cost of a classroom teacher improving his or her ability to teach is an instructional cost, an "activity dealing directly with the interaction between teachers and students," and should be charged to Function 1000.

5. Look for costs that should be coded to the goals and functions deducted in Part I (e.g. non-agency, community services, food services) but that currently are not. For example, for expenditures for shared staff and services among agencies, the contracted portion could be coded as non-agency (Goal 7100-7199). Also, if the district operates a child care program, that could possibly be a community services goal (8100). **Coding to excluded goals or function codes reduces the total expenses in Part 1.**

6. Review cost sharing between the district's general fund and other funds or dependent charters. Is the District using Object 5750 to transfer program support costs or recording a fund transfer as payment for support costs? **Using Object 5750 will decrease costs in the general fund, thereby reducing total expenditures in Part 1.**

7. Charter schools are not subject to the minimum classroom compensation requirements of EC 41372. Charter Schools that are included in the authorizing LEA's General Fund may provide an explanation for the resulting Technical Review Checklist exception if inclusion of the Charter School is what causes the LEA to fail the requirement.

8. Review expenditures coded to restricted "other" resources that are not included in the SACS software's exemption list. *Should they be in the formula?* A general rule of thumb regarding whether expenditures can be excluded is that the expenditures should not be excluded merely because teacher salary expenditures were not incurred, ***but rather because a qualified use of funds would not be teacher salaries,*** e.g., funds specifically intended for purchase of equipment or materials, or for professional development. If so, manually removing them in column 4b would reduce overall expenses in Part I.

The CDE clarified when it is appropriate to use Column 4b of Form CEA to override the extractions automatically calculated in Column 4a. A school district may receive a grant directly from the federal government, or from another state or local agency, where no part of the grant can be used for teacher salaries. Since the CDE typically does not establish unique resource codes for non-CDE administered programs, the associated grant expenditures will not extract into Column 4a because there is no unique resource code to identify the amounts to be extracted even though it would be appropriate to exclude those amounts. Therefore, the school district uses Column 4b to manually enter these amounts. **It is recommended to receive auditor concurrence for any overrides.**

The recommendation of School Services is school districts can avail themselves of this manual exclusion, by utilizing Column 4b on the Form CEA, for one-time pandemic funding on a resource-by-resource basis so long as none of the funds were spent on classroom salary expenditures.

- *For example, if a school district spent some of RS 3213 ESSER on teacher salaries within the year, then none of the expenditures in RS 3213 are excludable in Column 4b.*
- *However, if a school district did not spend any funds apportioned in RS 3213 on classroom salaries, the entirety of those expenditures in the current year can be excluded.*
- ***Must receive auditor concurrence on all manual overrides. Individual auditors could have differing interpretations of allowable overrides.***

The amount entered in Column 4b must include both the amount originally extracted in Column 4a **plus the additional reductions identified, as Column 4a is overridden once an amount is entered into Column 4b.

Please review the SACS Software User Guide for additional guidance.

Step 21 - Transfers of DIRECT COSTS

Costs for certain services (IT expenses, photocopying, field trips, etc.) are often pooled in a resource (commonly unrestricted) with an undistributed goal or accumulated in a function. These costs are distributed at a later time on the basis of a work order (ex. District grounds worker's salary costs), a per-unit amount, or a fee structure. These Direct Cost Transfers are recorded using Object 5710, Transfers of Direct Costs, or Object 5750, Transfers of Direct Costs – Interfund. **See CSAM Procedure 615**

An example of direct costs transferred would be costs of field trip transportation initially recorded in Resource 0000 Function 3600, Pupil Transportation, transferred to Function 1000, Instructional Costs.

Example: Transportation Costs for Field Trip Are Transferred Out of Home-To-School Program and into Instruction

	Fund	Resource	Project Year	Goal	Function	Object	School
Cr	01	0000	0	0000	3600	5710	000
Dr	01	0000	0	1110	1000	5710	000

Administrative costs other than those charged through the indirect cost process are also recorded in this manner.

An example of administrative costs are those incurred by the general fund to calculate and collect developer fees. The general fund can recapture those costs from the capital facilities fund.

Example: Administrative Costs Are Transferred Out of the Unrestricted General Fund

	Fund	Resource	Project Year	Goal	Function	Object	School
Cr	01	0000	0	0000	7200	5750	000
Dr	25	9010	0	0000	7200	5750	000

This type of transfer shifts costs between funds, resources and goals, but the nature of the activity (administration) remains the same, so the function does not change.

Step 22 - INDIRECT COSTS and FUNCTION CODING

What are Indirect Costs?

Indirect costs are those costs of General Management that are agency-wide, such as accounting, budgeting, purchasing, grounds and building maintenance, certain plant service costs, human resources, and centralized data processing. The purpose of indirect costs is to reflect the increased level of effort that is required of the agency to service a particular program, services without which the program could not run. The standardized method for charging programs with their portion of the operating costs of the LEA is the indirect cost rate.

Why do you charge Indirect Costs?

Charging indirect costs to your restricted programs means the program takes on their fair share of costs and shows true program cost. Indirect costs also increases the amount of unrestricted fund balance which can be used to support other unrestricted costs or relieve pressures on the unrestricted ending fund balance.

Generally, indirect costs can be charged against only those expenditures in funds and objects which are part of the indirect cost calculation. Calculation of the Indirect Cost Rate is function driven. SACS uses the function code in combination with the object code and specific goals in determining which category of costs (Pool or Base) each expenditure belongs.

Some programs have a capped indirect cost rate or are limited to a cost recovery not to exceed a statewide average rate. (See http://www.cde.ca.gov/fg/ac/ic/icrfsae.asp for average rates.) Some programs do not allow any indirect costs or have a cap that limits indirect costs in combination with direct program administration costs. SACS resource query system on the CDE website provides guidelines for each resource code for claiming indirect costs. http://www2.cde.ca.gov/sacsquery/querybyresource.asp

Budgeting Indirect Costs – Example:

Specific guidelines for charging indirect costs may vary by program. The following are general guidelines for using the indirect cost rate.

To Budget: *(Example assumes no exclusions and 100% spent)*
An estimate of indirect costs may be used for budgeting purposes.
Revenue for program = $10,000
Allowable Indirect Cost Rate for District = 5.45% *(varies by LEA & program)*

$10,000 divided by 1.0545 = $9,483.16
$10,000 minus $9,483.16 = $516.84
$516.84 is the amount to budget for indirect costs
This leaves $9,483.16 for expense budgets for the program.

REVENUE = EXPENSE plus INDIRECT COST

Use the following codes **to budget** your indirect costs:
01-xxxx-0-0000-7210-7310-xxx-0000 $516
01-0000-0-0000-7210-7310-000-0000 -$516

Objects 7310 must net to zero by object and function for both budget and actual expenditures. (Use object 7350 for Interfund Transfers of Indirect Costs.)

To RECORD ACTUAL Indirect Costs at Year End:

All expenditures must be recorded prior to recording actual indirect costs - all payables should already be recorded. Indirect costs must be done based on actual program expenditures rather than budget estimates.

Allowable Indirect Cost Rate for District = 5.45% *(varies by LEA & program)*
Total Expenditures *(Less exclusions – see list below)* = $8,562.15
(the budget was not fully expended from example above) $8,562.15 multiplied by 5.45% = $466.63

Do a **Journal Entry** to record:
Debit account 01-xxxx-0-0000-7210-7310-xxx-0000 $466.63
Credit account 01-0000-0-0000-7210-7310-000-0000 $466.63

Objects 7310 must net to zero by object and function for both budget and actual expenditures. (Use object 7350 for Interfund Transfers of Indirect Costs.)

How is the District specific Indirect Rate calculated? (See CSAM Procedure 915)
The Indirect Cost Rate is calculated on the Indirect Cost Rate Worksheet, Form ICR in the SACS Unaudited Actuals. The majority of data needed to calculate the indirect cost rate are automatically pulled from general ledger data. The data extracted into parts I, III, and IV cannot be manually adjusted. Adjustments must be made to Frontline ERP and reimported into SACS.

The following cost categories are either excluded from the Indirect Cost Rate calculation, require special function coding, or require adjustments. Paying close attention to these areas will reduce the probability of TRC errors in the Unaudited Actuals Report.

*List of categories of costs **excluded from the indirect cost calculation** are:*

- *Subagreements for Services (Object code 5100). Federal guidelines provide that up to $25,000 of each subagreement (contract between the LEA & the consortium, not each child) may be charged to Object 5800. The balance is charged to Object 5100. See Step 17 for a detailed overview of Subagreements for Services.*
- *Capital Outlay (Object codes 6000-6999). These costs are associated with construction or purchase of buildings, purchase of land, capitalized equipment, and start up supplies for new schools or expansions.*
- *Other Outgo (Object codes 7000-7499) and Other Financing Uses (Objects 7600-7699). Tuition, excess costs, pass-through revenues, debt service and transfers.*
- *Other Funds including deferred maintenance, capital facilities, fiduciary and proprietary (other than cafeteria) funds.*
- *Food (Object code 4700). Beginning with the 2019-20 Unaudited Actuals, the ICR calculation will exclude food expenses. The exclusion should increase the ICR; however, the application of the ICR can no longer be applied against food expenses. Because most of the Cafeteria Fund expenses are related to food, the amount of indirect costs that can be claimed will be decreased. While this change will not have an impact on LEAs that make a General Fund contribution, LEAs that operate a self-sufficient program will see a decrease in the administrative charges that can be recouped from the Cafeteria Fund.*
- *There were several ICR changes to the Uniform Guidance (2 C.F.R. Part 200) that were approved as of October 1, 2024 but do not become effective until 2025-26 such as:*
  - *Increase the threshold from $5,000 to $10,000 in determining items that are considered equipment. Currently, property costing up to $5,000 can be changed to Federal grants as supplies rather than equipment.*
  - *Increase the exclusion threshold of Subagreements from $25,000 to $50,000.*

IMPORTANT CHECK BEFORE CLOSING YOUR BOOKS: *Incorrect function coding can give you an incorrect indirect cost rate. Categories requiring **special function coding (not inclusive):***

- *Legal costs:*
  - *Costs for legal counsel working on agency wide policies, or specifically representing the Board or Superintendent are charged to **function 7100.***

- *Costs for legal counsel related to specific business office, purchasing or personnel matters are charged to **function 7200***
- *Certain other legal costs are charged to the **function that necessitates or benefits from the legal activity.** Example: 01-6500-5001**-2100-**58XX for legal matters specific to special education.*

➢ *External Financial Audit:*
- *Costs for audits for LEAs exceeding expenditures of $750,000 in federal funds. Use **function 7190.***
- *Costs for audits for LEAs expending less than $750,000 in federal funds. Use **function 7191.***
- *Effective for 2025-26, the threshold increases from $750,000 to $1,000,000.This change does not apply to the 2024-25 fiscal year because the fiscal year began before the effective date of October 1, 2024.*

➢ *Staff Relations and Negotiations:*
- *Incremental costs of activities concerned with staff relations system wide and the responsibilities for contractual negotiations with both instructional and non-instructional personnel can generally be charged indirectly to Federal programs. Use **function 7120.** Using this function increases the indirect cost pool which increases the indirect cost rate.*

Categories requiring an adjustment: (See CSAM Procedure 655)

➢ *Employment Separation Costs:*
- *Normal Separation Costs (i.e. payment for accumulated unused leave or routine severance pay) cannot be charged directly to a federal program. An unrestricted resource must be used. The LEA during the indirect cost rate calculation (Form ICR, Part II A) may manually include the costs in the indirect cost pool (optional).*
- *Abnormal or Mass Separation Costs (i.e. incentives to influence employees to terminate employment early) cannot be charged directly or indirectly to a federal program. An unrestricted resource must be used (required adjustment).*

To check for possible errors, complete the REQUIRED INDIRECT COST RATE CHECK as part of your closing process:

The LEA's rate to be used in 2026-27 will be calculated in the 2024-25 Unaudited Actuals Form ICR. The CDE is focusing on those districts with rates over 9%, or those that have a significant increase/decrease in their Indirect Cost Rate from the prior-year. In past years, some of our districts have been required by CDE to make changes in their function coding well into the current year.

☐ Review your indirect cost rate and function coding as part of the closing process.

1) At the end of the closing process, make your first extract and download into SACS Unaudited Actuals to check the TRC for errors.
   - Go to Form ICR of the **Supplemental Forms** section.
   - Enter adjustments for Employment Separation Costs in Part II of the form
   - Save and Print
2) Review Form ICR line by line compared to PY Form ICR. Check the "Indirect Cost Rate". Is it reasonable as compared to last year? **Review the tab Exhibit A in Form ICR.** This exhibit lists all resources to which indirect costs have been charged and the rate used. It also evaluates eligible expenditures.

TIP!

☐ Before closing the district's books, **carefully review the coding to Function 7200**. For a detailed list of appropriate charges to Function 7200, see CSAM Procedure 325, Function 7200. Function 7200 (Other General Administration) costs make up the numerator in the calculation of the indirect cost rate. The higher the General Administration costs, the higher the rate. Other functions are combined to make up the denominator in the calculation of the indirect cost rate. The higher these base costs, the lower the indirect cost rate. In order to calculate an accurate indirect cost rate, **some district administration costs should <u>not</u> be coded to function 7200.** If you conclude the use of function 7200 is appropriate, particularly if it is combined with a restricted resource, be sure your conclusion is well-documented and supported. The explanation on the TRC must be detailed, thorough and supported.

For assistance, please call your SCOE Fiscal Advisor. **Also, see the CDE Frequently Asked Questions about indirects:** https://www.cde.ca.gov/fg/ac/ic/icrfaq.asp

2025–26 Restricted Indirect Cost Rates for K–12 Local Educational Agencies (LEAs) – Five Year Listing

California Department of Education (CDE) - School Fiscal Services Division
Rates approved based on standardized account code structure expenditure data
As of April 4, 2025
C: County
CA: Common Administration
D: District
J: Joint Powers Agency
Non Op : Closed or LEA not yet operational
ROC/P: Regional Occupational Centers and Programs
ROP: Regional Occupational Program
SELPA: Special Education Local Plan Area

Approved Rates. For use with state and federal programs, as allowable in:

County Code	LEA Cod	Typ	LEA Name	2021–22 (based on 2019–20 expenditure data)	2022–23 (based on 2020–21 expenditure data)	2023–24 (based on 2021–22 expenditure data)	2024–25 (based on 2022–23 expenditure data)	2025–26 (based on 2023–24 expenditure data)
49	10496	C	Sonoma County Superintendent	11.92%	12.40%	14.37%	12.74%	11.04%
49	40246	CA	Petaluma City Joint Union Elem/High	4.04%	5.22%	5.57%	5.81%	6.01%
49	40253	CA	Santa Rosa City Elementary/High	6.03%	6.06%	5.47%	5.21%	5.40%
49	40311	J	West County Transportation JPA	0.00%	0.00%	0.00%	0.00%	0.00%
49	70599	D	Alexander Valley Union Elementary	7.35%	5.02%	5.49%	6.16%	9.47%
49	70607	D	West Sonoma County Union High	6.65%	6.49%	6.70%	7.07%	7.08%
49	70615	D	Bellevue Union Elementary	7.78%	8.73%	6.96%	3.77%	2.90%
49	70623	D	Bennett Valley Union Elementary	6.27%	6.17%	5.78%	6.86%	7.23%
49	70649	D	Cinnabar Elementary	2.51%	5.06%	7.89%	5.69%	2.42%
49	70656	D	Cloverdale Unified	7.45%	9.18%	9.56%	8.28%	7.61%
49	70672	D	Dunham Elementary	5.59%	6.85%	8.94%	7.04%	6.60%
49	70680	D	Forestville Union Elementary	4.70%	8.77%	9.26%	10.59%	5.47%
49	70698	D	Fort Ross Elementary	7.44%	11.84%	9.34%	9.68%	8.22%
49	70706	D	Geyserville Unified	9.45%	10.41%	8.96%	8.55%	7.42%
49	70714	D	Gravenstein Union Elementary	5.71%	5.76%	4.67%	7.41%	9.08%
49	70722	D	Guerneville Elementary	12.91%	12.62%	9.66%	8.93%	10.90%
49	70730	D	Harmony Union Elementary	6.03%	7.15%	6.62%	5.49%	5.79%
49	70763	D	Horicon Elementary	3.13%	3.26%	2.94%	3.59%	3.70%
49	70789	D	Kenwood Elementary	9.34%	9.94%	10.30%	12.46%	10.68%
49	70797	D	Liberty Elementary	6.26%	6.45%	5.25%	5.87%	6.66%
49	70805	D	Mark West Union Elementary	4.65%	5.07%	4.81%	4.02%	4.12%
49	70813	D	Monte Rio Union Elementary	9.62%	11.03%	10.43%	8.69%	9.14%
49	70821	D	Montgomery Elementary	3.24%	8.95%	6.60%	7.26%	7.44%
49	70839	D	Oak Grove Union Elementary	9.61%	12.42%	11.53%	10.56%	10.21%
49	70847	D	Old Adobe Union	3.11%	3.10%	2.94%	3.40%	3.55%
49	70854	D	Petaluma City Elementary	4.04%	5.22%	5.57%	5.81%	6.01%
49	70862	D	Petaluma City Joint Union High	4.04%	5.22%	5.57%	5.81%	6.01%
49	70870	D	Piner-Olivet Union Elementary	6.07%	7.83%	10.46%	6.87%	2.39%
49	70888	D	Kashia Elementary	2.61%	3.23%	3.06%	8.76%	7.60%
49	70896	D	Rincon Valley Union Elementary	4.10%	5.25%	5.14%	5.23%	5.50%
49	70904	D	Roseland Elementary	5.90%	5.37%	6.27%	7.33%	6.69%
49	70912	D	Santa Rosa Elementary	6.03%	6.06%	5.47%	5.21%	5.40%
49	70920	D	Santa Rosa High	6.03%	6.06%	5.47%	5.21%	5.40%
49	70938	D	Sebastopol Union Elementary	7.08%	11.45%	10.38%	4.13%	7.91%
49	70953	D	Sonoma Valley Unified	9.26%	8.08%	10.70%	7.15%	6.73%
49	70961	D	Twin Hills Union Elementary	8.25%	9.59%	8.85%	9.44%	8.74%
49	70979	D	Two Rock Union	20.61%	18.17%	10.65%	5.18%	0.28%
49	70995	D	Waugh Elementary	5.98%	9.15%	10.58%	9.52%	7.94%
49	71001	D	West Side Union Elementary	7.04%	11.54%	15.65%	7.41%	6.08%
49	71019	D	Wilmar Union Elementary	9.04%	10.20%	7.58%	7.32%	7.47%
49	71035	D	Wright Elementary	10.61%	13.27%	9.18%	10.21%	11.48%
49	73882	D	Cotati-Rohnert Park Unified	5.19%	6.42%	6.35%	5.98%	5.84%
49	75358	D	Windsor Unified	5.62%	3.23%	2.60%	6.04%	5.29%
49	75390	D	Healdsburg Unified	6.65%	8.12%	6.87%	6.78%	7.28%

2024–25 Indirect Cost Rates - Charter Schools

California Department of Education (CDE) - School Fiscal Services Division

Approved April 2024 by CDE based on 2022–23 standardized account code structure expenditure data

(New charter schools not yet on the list may use the 2024–25 statewide average rate of 5.94%)

As of April 19, 2024

County Code	District Code	School Code	Charter Number	Charter School Name (sorted by county-district-school code)	2024–25 Approved Rates (for use with state and federal programs, as allowable)
49	70649	6051635	1310	Cinnabar Charter	5.69%
49	70672	0122440	1194	Dunham Charter	7.04%
49	70680	0112987	0842	Forestville Academy	10.59%
49	70714	6051742	1445	Gravenstein Elementary	7.41%
49	70714	6051759	1444	Hillcrest Middle	7.41%
49	70722	0139048	2037	California Pacific Charter - Sonoma	9.88%
49	70722	6051767	1978	Guerneville Elementary (Charter)	8.93%
49	70730	6110639	0941	Salmon Creek School - A Charter	5.49%
49	70730	6120588	0492	Pathways Charter	5.94%
49	70797	0107284	0653	California Virtual Academy @ Sonoma	5.94%
49	70797	0139568	2071	Heartwood Charter	5.94%
49	70797	0140228	2102	Liberty Independent Study	5.87%
49	70797	6051833	1260	Liberty Elementary	5.87%
49	70805	0105890	0616	Mark West Charter	4.02%
49	70805	6051858	1417	San Miguel Elementary	4.02%
49	70805	6111066	1422	John B. Riebli Elementary	4.02%
49	70839	0138065	1985	Pivot Charter School - North Bay	5.94%
49	70839	6051890	0655	Oak Grove Elementary/Willowside Middle	10.56%
49	70847	0119750	1086	River Montessori Elementary Charter	5.94%
49	70847	0127555	1579	Loma Vista Immersion Academy	3.40%
49	70847	6051924	1423	Old Adobe Elementary Charter	3.40%
49	70847	6072136	1424	Miwok Valley Elementary Charter	3.40%
49	70847	6114755	1450	Sonoma Mountain Elementary	3.40%
49	70854	6051981	1512	Penngrove Elementary	5.81%
49	70854	6119036	0382	Live Oak Charter	5.22%
49	70862	0131961	1726	Petaluma Accelerated Charter	5.81%
49	70862	6051932	0480	Mary Collins Charter School at Cherry Valley	5.81%
49	70870	0106344	0526	Northwest Prep Charter	6.87%
49	70870	6066344	1440	Olivet Elementary Charter	6.87%
49	70870	6109144	1439	Morrice Schaefer Charter	6.87%
49	70870	6113492	0098	Piner-Olivet Charter	6.87%
49	70896	0102525	0525	Spring Lake Charter	5.23%
49	70896	6052039	1105	Manzanita Elementary Charter	5.23%
49	70896	6052047	1259	Whited Elementary Charter	5.23%
49	70896	6052070	1257	Village Elementary Charter	5.23%
49	70896	6085229	1258	Binkley Elementary Charter	5.23%
49	70904	0101923	0558	Roseland Charter	4.82%
49	70912	0113530	0845	Santa Rosa Charter School for the Arts	5.21%
49	70912	0125831	1397	Santa Rosa French-American Charter (SRFACS)	5.21%
49	70912	0128074	1523	Cesar Chavez Language Academy	5.21%
49	70912	6116958	0215	Kid Street Learning Center Charter	5.94%
49	70920	0102533	0522	Santa Rosa Accelerated Charter	5.21%
49	70938	0120121	1107	REACH	5.94%
49	70938	6113039	0078	Sebastopol Independent Charter	7.18%
49	70953	0105866	0613	Woodland Star Charter	7.45%
49	70953	6111678	0009	Sonoma Charter	5.94%
49	70961	4930319	0310	Orchard View	9.44%
49	70961	4930350	0481	Sunridge Charter	6.96%
49	70961	6052302	0904	Twin Hills Charter Middle	9.44%
49	71035	6052377	1087	Wright Charter	10.21%
49	73882	0123786	1281	Credo High	4.24%
49	75358	0114934	0912	Village Charter	3.85%
49	75358	6052369	0162	Cali Calmecac Language Academy	6.04%

2025–26 Indirect Cost Rates - Charter Schools

California Department of Education (CDE) - School Fiscal Services Division

Approved April 2025 by CDE based on 2023–24 standardized account code structure expenditure data

(New charter schools not yet on the list may use the 2025–26 statewide average rate of 6.20%)

As of April 4, 2025

County Code	District Code	School Code	Charter Number	Charter School Name (sorted by county-district-school code)	2025–26 Approved Rates (for use with state and federal programs, as allowable)
49	70649	6051635	1310	Cinnabar Charter	2.42%
49	70672	0122440	1194	Dunham Charter	6.60%
49	70680	0112987	0842	Forestville Academy	5.47%
49	70714	6051742	1445	Gravenstein Elementary	9.08%
49	70714	6051759	1444	Hillcrest Middle	9.08%
49	70722	0139048	2037	California Pacific Charter - Sonoma	6.20%
49	70722	6051767	1978	Guerneville Elementary (Charter)	10.90%
49	70730	6110639	0941	Salmon Creek School - A Charter	5.79%
49	70730	6120588	0492	Pathways Charter	6.20%
49	70797	0107284	0653	California Virtual Academy @ Sonoma	6.20%
49	70797	0139568	2071	Heartwood Charter	6.20%
49	70797	0140228	2102	Liberty Independent Study	6.66%
49	70797	6051833	1260	Liberty Elementary	6.66%
49	70805	0105890	0616	Mark West Charter	4.12%
49	70805	6051858	1417	San Miguel Elementary	4.12%
49	70805	6111066	1422	John B. Riebli Elementary	4.12%
49	70839	0138065	1985	Pivot Charter School - North Bay	6.20%
49	70839	6051890	0655	Oak Grove Elementary/Willowside Middle	10.21%
49	70847	0119750	1086	River Montessori Elementary Charter	6.20%
49	70847	0127555	1579	Loma Vista Immersion Academy	3.55%
49	70847	6051924	1423	Old Adobe Elementary Charter	3.55%
49	70847	6072136	1424	Miwok Valley Elementary Charter	3.55%
49	70847	6114755	1450	Sonoma Mountain Elementary	3.55%
49	70854	6051981	1512	Penngrove Elementary	6.01%
49	70854	6119036	0382	Live Oak Charter	5.34%
49	70862	0131961	1726	Petaluma Accelerated Charter	6.01%
49	70862	6051932	0480	Mary Collins Charter School at Cherry Valley	6.01%
49	70870	0106344	0526	Northwest Prep Charter	2.39%
49	70870	6066344	1440	Olivet Elementary Charter	2.39%
49	70870	6109144	1439	Morrice Schaefer Charter	2.39%
49	70870	6113492	0098	Piner-Olivet Charter	2.39%
49	70896	0102525	0525	Spring Lake Charter	5.50%
49	70896	6052039	1105	Manzanita Elementary Charter	5.50%
49	70896	6052047	1259	Whited Elementary Charter	5.50%
49	70896	6052070	1257	Village Elementary Charter	5.50%
49	70896	6085229	1258	Binkley Elementary Charter	5.50%
49	70904	0101923	0558	Roseland Charter	3.65%
49	70912	0113530	0845	Santa Rosa Charter School for the Arts	5.40%
49	70912	0125831	1397	Santa Rosa French-American Charter (SRFACS)	5.40%
49	70912	0128074	1523	Cesar Chavez Language Academy	5.40%
49	70912	6116958	0215	Kid Street Charter	6.20%
49	70920	0102533	0522	Santa Rosa Accelerated Charter	5.40%
49	70938	6113039	0078	Sebastopol Independent Charter	7.46%
49	70953	0105866	0613	Woodland Star Charter	6.40%
49	70953	6111678	0009	Sonoma Charter	6.20%
49	70961	4930319	0310	Orchard View	8.74%
49	70961	4930350	0481	Sunridge Charter	6.87%
49	70961	6052302	0904	Twin Hills Charter Middle	8.74%
49	71035	6052377	1087	Wright Charter	11.48%
49	73882	0123786	1281	Credo High	2.64%
49	75358	0114934	0912	Village Charter	3.22%
49	75358	6052369	0162	Cali Calmecac Language Academy	5.29%

Step 23 – Contributions Between Programs (object 8980-8990)

Contributions from Unrestricted Revenues, Object 8980:

This object code is used to record contributions from unrestricted resources in the general fund to a restricted resource or another unrestricted resource. Contributions are made when the expenditures incurred in a restricted resource exceed the amount available for expenditure (see example below).

Also record in this account the LEA's contribution of matching funds (the cash match) if required by a special project.

Example of contribution made from a General Fund's unrestricted account to the General Fund's Special Education Program:

GJ (General Journal)

01-0000-0-0000-0000-8980-000-0000 (DEBIT)

01-6500-0-0000-0000-8980-000-0000 (CREDIT)

Reminder: No contribution to resource 3310 (Federal IDEA)

Contributions from Restricted Revenues, Object 8990:

This account is used to record contributions from restricted resources to restricted or unrestricted resources, such as when an LEA transfers a portion of Title II, Part A funds to Title I, Part A. [For more information on federal transferability see the Consolidated Application Program Guidance, www.cde.ca.gov/fg/aa/co/]. See the next page of this manual for guidance from CDE on the reporting of contributions related to the Expanded Learning Opportunities Grant.

Example of a contribution made from General Fund, Title II to the General Fund, Title I:

GJ (General Journal)

01-4035-0-0000-0000-8990-000-0000 (DEBIT)

01-3010-0-0000-0000-8990-000-0000 (CREDIT)

Each of these objects must net to zero at the fund level.

See Step 25 for more information about reviewing resources for contributions.

Limited Use of Contributions for Expanded Learning Opportunities (ELO) Grants:

- Resource 7425, Expanded Learning Opportunities Grant (expenditure deadline 9/30/2024)
- Resource 7426, Expanded Learning Opportunities Grant: Paraprofessional Staff (expenditure deadline 9/30/2024)

Expenditures reported using Resource 7426 should be limited to paraprofessional staff salary and benefits. Should paraprofessional expenditures exceed the minimum ten percent required, all ELO paraprofessional staff expenditures should be reported using Resource 7426, instead of splitting staff's salary and benefit expenditure entries between Resources 7425 and 7426.

In instances like this, Resource 7426 may need a contribution from Resource 7425. LEAs should use Object 8990, Contributions from Restricted Revenues, for the excess of expenditures over the minimum required ten percent, i.e., amount reported in Object 8590. Please note that the contribution should be limited to the actual expenditures incurred. In addition, restricted contributions can only be made to Resource 7426 from Resource 7425.

Example of a contribution made from RS 7425 ELO to RS 7426 ELO Para Staff:

GJ (General Journal)

01-7425-0-0000-0000-8990-000-0000 (DEBIT)

01-7426-0-0000-0000-8990-000-0000 (CREDIT)

IMPORTANT: Contributions using Object 8980 and Object 8990 are not allowed for Resources 3218, 3219, 7422, and ESSER Resources 32xx.
(All with expenditure deadlines 9/30/2024)

Contributions Between General Funds

For school districts that have dependent charter schools that roll up to Fund 01 for SACS reporting purposes, transfers between funds should utilize the Object 8980 method. However, if a transfer is being made between fund sources (e.g. Fund 01 and Fund 09), then a 761x and 891x transfer would be appropriate. See CSAM Procedure 330 for more details.

Example: ABC School District has a dependent charter school reported in Fund 03 that rolls up to Fund 01 for SACS reporting purposes. Fund 01 is owed $250,000 from Fund 03. The contribution would debit 8980 in Fund 03 and credit 8980 in Fund 01.

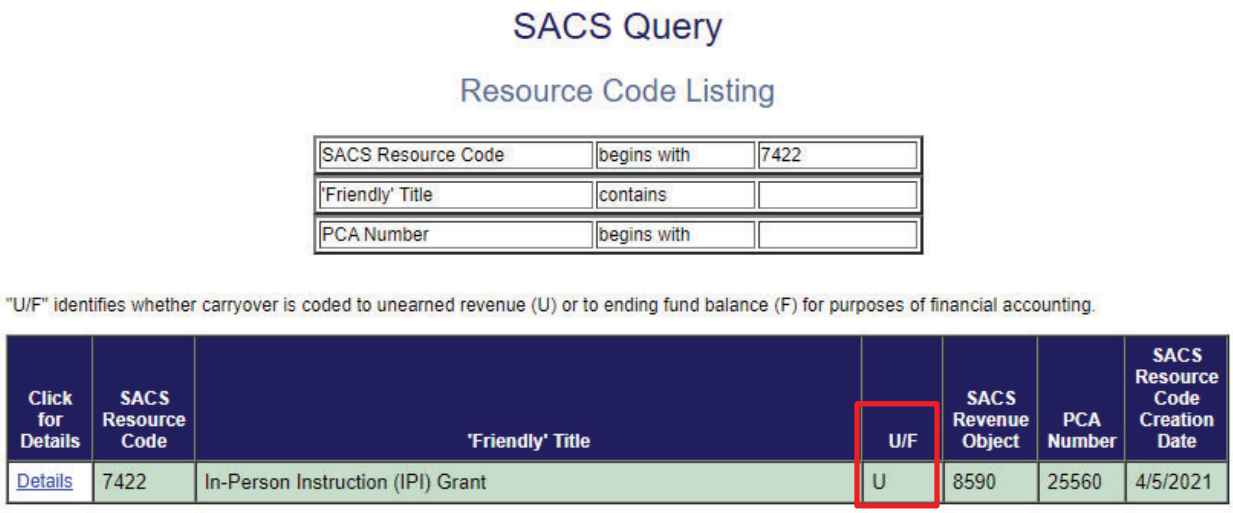
Note: The 8980's by Fund in Frontline will not net to zero. However, for SACS reporting purposes, the 8980's will net to zero.

Step 24 - Determining Fund Balance Versus Unearned Revenue

<u>Analyze each resource to determine if ending fund balance is allowable</u>: (i.e. subject to fund balance or unearned revenue)

Each resource should be analyzed to determine how the ending balance is characterized. To determine if the unspent revenue should be recognized as part of the ending fund balance or deferred for recognition in a subsequent fiscal year, see the SACS Query page at: https://www2.cde.ca.gov/sacsquery/querybyresource.asp (screenshot below).

Additionally, a non-exhaustive list of common resources subject to unearned revenue is provided at the end of this section.



SACS Query

Resource Code Listing

SACS Resource Code	begins with	7422
'Friendly' Title	contains	
PCA Number	begins with	

"U/F" identifies whether carryover is coded to unearned revenue (U) or to ending fund balance (F) for purposes of financial accounting.

Click for Details	SACS Resource Code	'Friendly' Title	U/F	SACS Revenue Object	PCA Number	SACS Resource Code Creation Date
Details	7422	In-Person Instruction (IPI) Grant	U	8590	25560	4/5/2021

U = Unearned Revenue, F = Ending Fund Balance

<u>Helpful Tips</u>:

- Most federal dollars are likely to be subject to unearned revenue.
- The words “grant” or “entitlement” are a good clue that the award will be subject to unearned revenue.
- Fund 62 501(c)3 Charters fall under FASB and <u>could be</u> subject to differing rules. (See more information on the next page.)

Fund Balance (F) **CSAM Procedure 510**

LEAs receive funds for which they have fulfilled specific eligibility requirements or have provided a particular service. Any unspent funds are carried to the next fiscal year to be expended for the same restricted purposes. Revenue is recognized in the period in which the eligibility requirements are met, and any carryover becomes a part of the LEA's ending fund balance. These resources are indicated with an F (ending fund balance).

Example: RS 2600 - Expanded Learning Opportunities Program (ELOP)

Current Year		
Allocation	$	50,000
Revenue Recognized	$	50,000
Expenditures Recognized	$	42,000
Ending Balance (carryover to next FY)	$	8,000

Subsequent Fiscal Year		
Beginning Balance	**$**	**8,000**
Allocation	$	50,000
Revenue Recognized	$	50,000
Expenditures Recognized	$	52,000
Ending Balance (carryover to Next Fiscal Year)	$	6,000

***Note**: Resources subject to fund balance may result in ending balances that will carry over to the beginning balance in the subsequent fiscal year. Examples of common resources that will fall to fund balance include: Resources 0000 Unrestricted, 1100 Unrestricted Lottery, 6300 Restricted Lottery, 8100 RRRMF, and 8150 RMA.*

An exception to this rule is for Fund 62 501(c)3 Charters who fall under FASB guidelines.

- Certain categorical funding may not be subject to Fund Balance (F) and may instead need to be treated as Unearned Revenue (U).
- This may be the case if the funding has expenditure deadlines that when not met, funds are to be returned.
- Fund 62 501(c)3 Charters should discuss with their auditors if this is applicable prior to closing the fiscal year.
- A charter school closing the fiscal year with an ending balance in a traditionally Fund Balance (F) resource not allowable under FASB rules could result in audit adjustments.
- Please be aware that some Fund Balance (F) resources do not allow object 9650 Unearned Revenue and therefore, work with your Auditor and Fiscal Advisor for a workaround in SACS.

Unearned Revenue (U) **CSAM Procedure 510**

LEA's receive restricted grant awards that are "reimbursement type" or "expenditure driven". The eligibility requirements of these awards have not been met until the LEA has made the required expenditures of the grant within the time period specified by the grantor. Revenue is recognized in the period in which the qualifying expenditures are made (i.e. **revenue should equal expenditures**). Cash received but unspent at year-end is booked as a liability and revenue is reduced to the amount that has been expended. These resources are indicated with a U (unearned revenue).

Example: Resource 3010 - Title I

Current Year			Subsequent Fiscal Year		
Allocation	$	50,000	Allocation	$	50,000
Revenue Recognized	$	42,000	Revenue Recognized (current year)	$	50,000
Expenditures Recognized	$	42,000	**Revenue Recognized (PY unearned revenue)**	**$**	**8,000**
Unearned Revenue	$	8,000	Expenditures Recognized	$	58,000

Note: *Resources subject to unearned revenue* ***should not have ending balances. Revenue should equal expenditures****. If the resource has a positive ending balance, the revenue should be reduced by the amount to balance the resource in the current year and the revenue and expenditures should be increased by that same amount in a subsequent fiscal year. If, there is a negative ending balance, determine if additional revenue should be recognized or if expenditures should be decreased. A non-exhaustive list of common resources subject to unearned revenue has been provided at the end of this section.*

Unearned Revenue (U) Scenarios:

Example A

A federal grant award of $10,000 has been awarded and received, and the cash deposited at the County Treasurer. The LEA expended $8,000 in the fiscal year.

In this example, the LEA would only recognize $8,000 in revenue at year-end close, with $2,000 booked in Object 9650 Unearned Revenue (revenues = expenditures). The $2,000 is considered a liability until the LEA meets the eligibility requirement. If the LEA cannot expend the $2,000 on qualified expenditures within the time period specified by the grantor, the LEA will have to return the unspent funds.

Date	Object Title	SACS Account String	Debit	Credit
6-30-xx	All Other Federal Revenue	01-3xxx-0-0000-0000-8290	$ 2,000.00	
6-30-xx	Unearned Revenue	01-3xxx-0- - -9650		$ 2,000.00

GJ journal entry to reduce the $10,000 by the amount not expended, and to set up unearned revenue for cash received but not expended.

Example B
A federal grant award of $10,000 has been awarded; however, only $5,000 in cash has been received in the current fiscal year. The LEA expended $8,000 in the fiscal year and is waiting for their next reimbursement to come through, which is expected to arrive sometime in July of the next fiscal year.

In this example, the LEA would recognize $8,000 in revenue at year-end close, with a $3,000 receivable set up to recognize the portion that has not yet been received in the current fiscal year. The receivable will increase recognized revenue from $5,000 to $8,000 to match the $8,000 in expenditures. The receivable is an asset as the LEA can reasonably expect to receive the $3,000 for meeting the eligibility requirements. No unearned revenue is set up in this example since the LEA only received $5,000 in actual cash.

Date	Object Title	SACS Account String	Debit	Credit
6-30-xx	All Other Federal Revenue	01-3xxx-0-0000-0000-8290		$ 3,000.00
6-30-xx	Current Year A/R	01-3xxx-0- - -92xx	$ 3,000.00	

GJ journal entry to setup a current year receivable to recognize $3,000 in award monies not yet received but expended.

Example C
A federal grant award of $10,000 has been awarded and received. The LEA expended the full $10,000 in the current fiscal year.

In this example, revenues = expenditures. No accruals are needed at year end close.

In the uncommon event that cash is received before the time requirement is met, but all eligibility requirements have been met (that is, funds are received in advance of the period in which allowable expenditures may be incurred), the advanced funds are reported as a deferred inflow of resources (Object 9690).

Reversing the Unearned Revenue Entry set up in 2024-25:

If you book an unearned revenue entry in 2024-25 during the year-end close, you will need to reverse the entry in 2025-26. This should be done prior to 1st Interim reporting. To help you identify the amount of revenue carried over from the prior year, you can code the credit to income using a management code (PY00) in 2025-26.

Date	Object Title	SACS Account String	Debit	Credit
7-1-xx	All Other Federal Revenue	01-3xxx-0-0000-0000-8290-000-PY00		$ 2,000.00
7-1-xx	Unearned Revenue	01-3xxx-0- - -9650- -	$ 2,000.00	

GJ journal entry in 2025-26 to reverse prior year unearned revenue entry.

It is the District's responsibility to set up and reverse unearned revenue, but please reach out to your Fiscal Advisor if you need assistance. The SACS Form CAT can be used to help you with the process of setting up your entries.

Form CAT: The purpose of Form CAT is to provide LEAs with a tool to determine year-end accruals for restricted categorical programs.

At year-end, you must determine accruals for revenue.

° Unearned Revenue ° Accounts Receivable ° Accounts Payable

The Form CAT is an optional supplemental form located in the SACS Web System. It is designed to assist in the determination of the correct amount of unused grant award (carryover), accounts payable, accounts receivable, unearned revenue, and/or restricted ending balance at the end of the fiscal year for all federal, state, and local categorical programs for which the LEA is responsible, regardless of the funding source.

There are six worksheets available in Form CAT:

1. Federal categorical programs subject to deferral of unearned revenues
2. State categorical programs subject to deferral of unearned revenues
3. Local categorical programs subject to deferral of unearned revenues
4. Federal categorical programs subject to restricted ending balances
5. State categorical programs subject to restricted ending balances
6. Local categorical programs subject to restricted ending balances

- You can use as many or as few worksheets as you wish
- There are no extractions, just data entry
- You can add a separate column for each resource (up to 7 on a page)

For more detailed instructions see the SACS System User Manual:
https://docs.sacs-cde.org/2024-25/

COMMON UNEARNED REVENUES- NO BEGINNING FUND BALANCES ALLOWED

Prepared by California Department of Education

U/F: indicates whether resource is subject to ending fund balance (F) or unearned revenue (U)

11/15/2024 — Not an Exhaustive List- Modified by SCOE

Resourc	U/F	Resource Description
3010	U	Every Student Succeeds Act (ESSA): Title I, Part A, Basic Grants Low Income and Neglected
3182	U	ESSA: School Improvement Funding for LEAs
3213	U	Elementary and Secondary School Emergency Relief III (ESSER III) Fund
3214	U	Elementary and Secondary School Emergency Relief III (ESSER III) Fund: Learning Loss
3216	U	Expanded Learning Opportunities (ELO) Grant: ESSER II State Reserve
3217	U	Expanded Learning Opportunities (ELO) Grant: GEER II
3218	U	Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve Emergency Needs
3219	U	Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve Learning Loss
3225	U	After School Education and Safety (ASES) Rate Increase: ESSER III State Reserve Summer Learning Programs
3227	U	21st Century Community Learning Centers (CCLC) Rate Increase: ESSER III State Reserve Afterschool Programs
3310	U	Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611
3315	U	Special Ed: IDEA Preschool Grants, Part B, Sec 619
4035	U	ESSA: Title II, Part A, Supporting Effective Instruction
4201	U	ESSA: Title III, Immigrant Student Program
4203	U	ESSA: Title III, English Learner Student Program
4204	U	ESSA: Title III, Technical Assistance
4510	U	Indian Education
5033	U	Early Education: Preschool Development Grant - Renewal FY 2020-23
6010	U	After School Education and Safety (ASES)
6053	U	Early Education: Universal Prekindergarten (UPK) Planning and Implementation Grant Program - Universal Prekindergarten Planning Grants
6128	U	Early Education: Inclusive Early Education Expansion Grant
7690	U	California State Teachers' Retirement System (STRS) On-Behalf Pension Contribution

Please make sure that there are no estimated beginning balances in resources categorized with "U" (unearned revenue). The list above is not exhaustive. For the full listing, please go to CDE webpage here and click on Master List of Resources.

Step 25 – REVIEW ALL RESOURCES and FUNDS

CDE requires that all resources have a positive or zero fund balance by June 30th. Therefore, it is necessary to review all resources to determine that none have a negative ending fund balance and that positive balances are allowed. This review should be done for ALL funds and resources.

To assist with this review, **run a Fiscal13b report (sorted by resource)**. Review the actual ending fund balance on this report for every resource in each fund. Analyze for the following scenarios:

1) The balance is negative.

2) The balance is not allowed (Unearned Revenue (**U**)).

3) The balance is allowable (Fund Balance (**F**)).

Helpful hints are below.

Review and Analyze Resources and Funds

☐ **Determine that no resource has a negative ending fund balance**

1) If a **Resource** has a negative balance, review to determine that all receivables, payables and allowable costs and transfers have been recorded. Also, be sure **Step 5** has been completed.

2) If a **Resource** still has a negative balance after the above review and if related adjustments were made, clear the negative balance. Some possible options to clear a negative balance are as follows, by means of a Journal Entry (GJ):

   a) Transfer expenditures to another allowable resource.

   b) Complete a contribution from another allowable resource (**Step 23**).

   c) If a negative balance exists because a local unrestricted resource (RS 0xxx) is used for supplemental and concentration grant expenditures a contribution **may** be done to balance the resource to zero **or** to a positive balance. The negative balance cannot be left.

Special note about TRC's: The Technical Review Check will search for negative ending fund balances (EFB-Positive). The warning will state something like "the following resource has a negative balance."

☐ **Determine that a positive ending fund balance in a resource is allowable**

See the SACS Query Page at: https://www2.cde.ca.gov/sacsquery/querybyresource.asp

1) If a **Resource** has a positive balance but is required to have a zero balance (i.e., federal resources), review to determine that all receivables, payables and allowable costs and transfers have been recorded. Also, be sure **Step 5** has been completed.

2) If a **Resource** still has an unallowable balance after the above review and related adjustments were made, consider the following, by means of a Journal Entry (GJ):

   a) Set up Unearned Revenue, if applicable (**Step 24 – Unearned Revenue (U)**).

   b) Transfer expenditures from another allowable resource.

   c) Complete a contribution to another allowable resource (**Step 23**).

☐ **Determine all funds have positive fund balance and cash balance at 6/30**

1) If a **Fund** in total has a negative ending fund balance, review to determine that all receivables, payables and allowable costs and transfers have been recorded. This review can be done by resource, much like the above procedures. Also review to ascertain that a fund hasn't overstated a transfer to another fund (this must be done by **June 23, 2025**).

2) If a **Fund** in total has a negative cash balance, refer to **Step 12** (Temporary Loans). This has to be remedied by **June 23, 2025**.

☐ **Balance Proposition 28 – Art and Music in Schools Resource 6770 by Year Code**

ACCOUNTING GUIDANCE

Due to the reporting requirements, LEAs must be tracking expenditures by allocation/fiscal year. Therefore, LEAs should be using the project year field to differentiate the fiscal year. The project year or reporting year is typically not used except for federal grants that correspond to the federal fiscal year of October 1 through September 30 versus the fiscal year of an LEA of July 1 through June 30. However, the project year field can also be used to track expenditures of a grant period of longer than one year and which a project expenditure report is required covering the entire multiyear period. If used, the project year field is required for both revenues and expenditures. Procedure 315 recommends the year code presents the year the project ends. Therefore, a three-year allocation starting in the fiscal year 2024-25 that ends June 30, 2027, would use a project year "7". *This will ensure that only fund balance remaining at year-end is tracked in year code "7".*

BALANCE RESOURCE BY YEAR CODE

LEAs should manage funds using a "first in, first out" approach, ensuring that expenditures are balanced according to year codes. The example on the following page illustrates this process: funds coded with year "6" are first matched to available resources, and any excess expenditures are then allocated to year code "7".

Year code "6":

FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT	Description	Adopted Budget	Revised Budget	Debit	Credit	Account Balance
01- 6770- 6- - - 9791- -	Beginning Balan,Arts & Mu		3,811.00		3,811.00	3,811.00
Total for Starting Balance Accounts and Object 9000		**.00**	**3,811.00**	**.00**	**3,811.00**	**3,811.00**

FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT	Description	Adopted Budget	Revised Budget	Encumbered	Expenditure	Account Balance
01- 6770- 6- 1510- 1000- 1130- 101- BAND	Teachers' Sals,Instructio		2,224.00	336.77	3,367.70	1,480.47-
Total for Object 1000		**.00**	**2,224.00**	**336.77**	**3,367.70**	**1,480.47-**
01- 6770- 6- 1510- 1000- 3201- 101- BAND	Benefits - Pers,Instructi		729.00	91.10	911.00	273.10-
01- 6770- 6- 1510- 1000- 3311- 101- BAND	Benefits - Oasd,Instructi		166.00	20.68	207.68	62.36-
01- 6770- 6- 1510- 1000- 3331- 101- BAND	Benefits - Medi,Instructi		39.00	4.84	48.56	14.40-
01- 6770- 6- 1510- 1000- 3401- 101- BAND	H & W Benefits,Instructio		620.00	105.43	660.72	146.15-
01- 6770- 6- 1510- 1000- 3501- 101- BAND	Benefits - Sui,Instructio		1.00	.17	1.70	.87-
01- 6770- 6- 1510- 1000- 3601- 101- BAND	Benefits - Wcom,Instructi		32.00	3.94	39.40	11.34-
Total for Object 3000		**.00**	**1,587.00**	**226.16**	**1,869.06**	**508.22-**
01- 6770- 6- 1510- 1000- 4310- 901- BAND	Instructional M,Instructi				53.76	53.76-
Total for Object 4000		**.00**	**.00**	**.00**	**53.76**	**53.76-**
Total for Expense Accounts		**.00**	**3,811.00**	**562.93**	**5,290.52**	**2,042.45-**

Total for Year 6-20*6 YR

	Starting Balance	+ Revenues	- Encumbrances	- Expenditures	= Calculated Ending Balance
Budgeted	3.811.00			3.811.00	

Year code "7":

FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT	Description	Adopted Budget	Revised Budget	Revenue	Account Balance
01- 6770- 7- 0000- 0000- 8590- 101- MUSI	All Other State,Arts & Mu	3,811.00	3,182.00	2,530.00	652.00
Total for Revenue Accounts and Object 8000		**3,811.00**	**3,182.00**	**2,530.00**	**652.00**

FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT	Description	Adopted Budget	Revised Budget	Encumbered	Expenditure	Account Balance
01- 6770- 7- 1510- 1000- 1100- 101- BAND	Teachers' Salar,Instructi	2,609.00				
01- 6770- 7- 1510- 1000- 1130- 101- BAND	Teachers' Sals,Instructio		1,481.00			1,481.00
Total for Object 1000		**2,609.00**	**1,481.00**	**.00**	**.00**	**1,481.00**
01- 6770- 7- 1510- 1000- 3101- 101- BAND	Benefits - Strs,Instructi	498.00				
01- 6770- 7- 1510- 1000- 3201- 101- BAND	Benefits - Pers,Instructi		273.00			273.00
01- 6770- 7- 1510- 1000- 3311- 101- BAND	Benefits - Oasd,Instructi		63.00			63.00
01- 6770- 7- 1510- 1000- 3331- 101- BAND	Benefits - Medi,Instructi	38.00	15.00			15.00
01- 6770- 7- 1510- 1000- 3401- 101- BAND	H & W Benefits,Instructio	634.00	146.00			146.00
01- 6770- 7- 1510- 1000- 3501- 101- BAND	Benefits - Sui,Instructio	1.00	1.00			1.00
01- 6770- 7- 1510- 1000- 3601- 101- BAND	Benefits - Wcom,Instructi	31.00	12.00			12.00
Total for Object 3000		**1,202.00**	**510.00**	**.00**	**.00**	**510.00**
01- 6770- 7- 1110- 1000- 5899- 101- MUSI	Undesignated,Instruction,		1,191.00			1,191.00
Total for Object 5000		**.00**	**1,191.00**	**.00**	**.00**	**1,191.00**
Total for Expense Accounts		**3,811.00**	**3,182.00**	**.00**	**.00**	**3,182.00**

Total for Year 7-20*7 YR

	Starting Balance	+ Revenues	- Encumbrances	- Expenditures	= Calculated Ending Balance
Budgeted		3,182.00		3,182.00	

In this example, a journal entry will need to be completed at year end close in order to ensure that any expenses in excess of year code "6" are moved to year code "7".

Other Resources

The following resources are provided to assist LEAs and their auditors in determining compliance with the use of funds requirements discussed above.

- Proposition 28 Arts and Music in Schools – Financial Reporting and Audit Resources
- Arts and Music in Schools Audit Compliance Worksheets (XLSX)
- Annual Audit Guide

Step 26 – Review Expense Budget by Major Object Code

The total amount budgeted in each major expenditure classification is the maximum amount that can be expended in the school year (reference Education Code 42600). During the fiscal year, budgets are monitored to ensure that appropriations are not overspent and any budget revisions to a major expenditure classification are subject to approval by the school district's governing board.

During the year-end close, a district business manager may need to make transfers between fund balance and any expenditure classification(s) or balance any expenditure classifications of the district budget for that school year to permit the payment of obligations of the district incurred during the school year. Review your district board policy to see if it provides for processing these budget transfers. Note: this year-end budget update is not intended to replace periodic budget updates and is not permitted for revenue updates.

The annual audit will include a report comparing the adopted budget, the final revised budget and actual expenditures by major object and disclose any excesses of expenditures over appropriations (found in the Required Supplementary Information Section of the Audit Report).

☐ After all checks are made and journals are posted, review the budget.
Finance – Reports – Fiscal
Fiscal 11, account selection: use SACS=yes, fiscal year=2025, object=1-7
or Fiscal 01, account selection: fiscal year=2025, object=1-7, obj lvl=2, obj digits=1

Determine if the expenditures exceed budget ***by major expense object***. Decide whether a budget transfer is necessary.

Fiscal01a **Account Object Summary-Balance**

Balances through June							Fiscal Year 2024/25
Object	Description	Adopted Budget	Revised Budget	Encumbered	Expenditure	Account Balance	
Fund **01 - General Fund**							
1100	Teachers' Salaries - Regular	116,700.00	120,656.83	10,081.53	105,115.30	5,460.00	
1200	Nurse	41,818.00	44,128.00	3,801.60	40,326.00	.40	
1300	Cert Suprvsrs' & Admins' Sal	141,553.00	178,001.00	14,833.34	163,166.74	.92	
	Total for Object 1000	**300,071.00**	**342,785.83**	**28,716.47**	**308,608.04**	**5,461.32**	⇦
2100	Instructional Aides' Salaries	52,280.00	55,824.22	4,811.08	47,187.88	3,825.26	
2400	Clerical & Office Salaries	140,127.00	140,127.00	12,206.57	126,828.70	1,091.73	
2900	Other Classified Salaries	43,706.00	62,639.00	828.85	50,663.79	11,146.36	
	Total for Object 2000	**236,113.00**	**258,590.22**	**17,846.50**	**224,680.37**	**16,063.35**	⇦

Step 27 – GASB 31 ~ Fair Market Value, GASB 34 ~ Fixed Assets, GASB 87 ~ Leases, GASB 96 ~ Subscription-Based Information Technology, GASB 87 ~ Leases, and GASB 104 ~ Disclosure of Certain Capital Assets

GASB 31: Accounting and Financial Reporting for Certain Investments and External Investments Pools

As required by Education Code 41001 school districts and county offices' cash is held in the County Treasurer's external investment pool. As such, an external investment pool commingles (pools) the monies of more than one entity and invests on the participants' behalf in an investment portfolio. While the external investment pools primary purpose is not for income profit, which is a provision of GASB 31, it does not exempt school districts and county offices from the GASB 31 statement.

Generally accepted accounting principles (GAAP) require school districts and county offices to report their investments at fair value on the balance sheet in accordance with GASB 31. Fair value is the price received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of investments in external pools (i.e., cash in county treasurer) is based on the fair value of the pool's underlying portfolio. Though required, unlike other GASB statements, the GASB 31 statement does not apply to immaterial items. Therefore, **only material** differences between the fair value and the reported cash balances must be noted on the balance sheet.

All school districts and charter schools whose funds are held in the county treasury must monitor the fair value of the pooled investments in the county treasury and book material (and/or immaterial differences), if the LEA chooses. **Additionally, each LEA should confirm calculation and materiality with their auditor.**

See CSAM's Procedure 425 for more information.

The calculation includes the following:

Difference between fair value and reported cash balance, per the County Treasurer's Investment Portfolio Report (Quarterly Report and Certification of the County Treasurer Report for Quarter Ending June 30th).

1. Determine the Fair Market Value (FMV) Rate by **Divide Market Value on June 30th by Cost Value**.
    a. Use June's investment pool statement
        i. Enter the Market Value as of 6/30 into the worksheet*
        ii. Enter the Cost Value as of 6/30 into the worksheet*
        iii. Double check FMV Rate equals investment report
    b. In Frontline ERP, run Fiscal 01 for object 9110
        i. Please make sure all SCOE entries are complete (per the timeline, SCOE entries will be completed by 08/06/2025)
    c. Enter Cash in County from Fiscal 01 into the worksheet (line Cash in County [9110] as of 6/30)

i. Include Fund 51 Bond interest and Redemption Cash using Bond worksheets

d. Double check **total** cash equals Frontline ERP's total plus Fund 51's total

e. Enter journal entries to adjust FMV of Cash in County as of 6/30

i. Fund 51 will be entered via the SACS data input process

See the example of the calculation below via snapshots.

SCOE will complete entries and send out calculations in early August once the FMV rate is available

*Quarterly Report/Sonoma County Quarterly Investment Report found here.

*Cash in County FMV Calculation template found here.

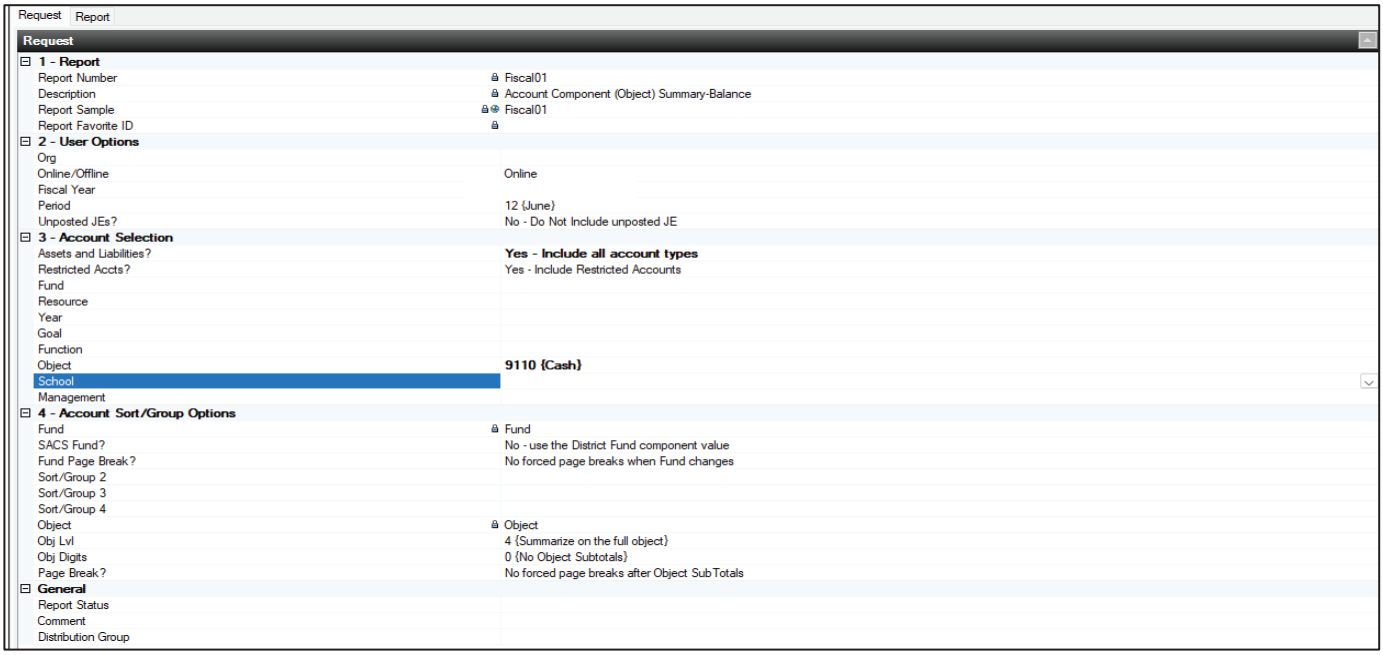
Example of calculation from June 30, 2024 (current year's report will be available in late July/early August):

Fair Market Value (MV) Rate = Market Value Divided by Cost Value (CV)

1. Enter MV and CV into the FMV Calculation worksheet:

Cash in County (9110) FMV Calculation as of 6/30		
Market Value as of 6/30	$	3,718,700,985
Cost Value as of 6/30	$	3,771,403,848
FMV Rate (Market Value Divided by Cost Value)		98.60%

2. Run Fiscal 01:



3. Enter Cash from Fiscal 01 into the worksheet (do not forget Fund 51 cash):

Fiscal01a		Account Object Summary-Balance		
Balances through June				**Fiscal Year**
Object	**Description**	**Debit**	**Credit**	**Account Balance**
Fund **01 - General Fund**				
9110	Cash In County Treasury	4,909,273.23	4,166,169.91	743,103.32
	Total for Fund 01 and Asset accounts	**4,909,273.23**	**4,166,169.91**	**743,103.32**

Note: Input your Cash in County (9110) balances as of June 30 for each applicable fund.

	01 General
Cash in County (9110) as of 6/30	743,103
Calculated FMV of Cash in County (using FMV rate shown above)	717,509
Variance	25,595
FMV Adjustment (9111) to be posted by District	(25,595)
Variance after FMV Adjustment posted by District	-

4. Complete entry in Frontline from Journal Entries to Adjust FMV of Cash in County as of 6/30:

Journal Entries to Adjust FMV of Cash in County as of 6/30					
Fund	Object	Object Description	DR	CR	Formula Check (Must be Zero)
01	9111	Fair Value Adjustment to Cash in County Treasury	-	25,595	
01	8662	Net Increase (Decrease) in the Fair Value of Investments	25,595	-	-

Reporting in 2024-25:

1. ***Reverse the prior year's fair market value (DO NOT reverse 9793, if you had an audit adjustment!):***

   Debit xx-xxxx-0- - -9111- -
   Credit xx-xxxx-0-0000-0000-8662-000-0000

2. Book the current year's fair market value (based on the calculation spreadsheet):

   Debit xx-xxxx-0-0000-0000-8662-000-0000
   Credit xx-xxxx-0- - -9111- -

GASB 34: Fixed Asset Reporting- Government-wide Financial Statements

1. To determine capital asset amounts, run detailed general ledger reports for objects 44XX and 6XXX. Review vendor invoices to determine if assets were purchased and properly coded.
2. In Frontline ERP, run Fixed Assets by Account report (Finance/Reports/Assets/FA08)

   a. Total debits (less any correcting journal entries for miss-postings) of the 6XXX accounts should agree to the cost column of the above report.

b. Will be utilized to prepare a capital asset and depreciation footnote in the year ended June 30, 2025 audited financial statements.

Objects 44XX - To be used for inventory items (those items you wish to keep track of but are less than the capitalization policy amount).

Objects 6XXX – To be used for capital assets (Board approved capitalization policy). Use function 8500.

Use function 8100, object 5600 for building improvements or repairs that should NOT be capitalized. These are improvement/repair expenditures that DO NOT:
Exceed capitalization policy OR
Extend the useful life of the asset OR
Increase the value of the asset

3. If the district uses a fixed asset reporting system outside Frontline ERP, be sure the total of the 6XXX accounts agrees to the current year additions amount in the report used.
4. Correct any miss-postings noted in the above steps before submitting your unaudited actuals to your SCOE Advisor.

As needed, use Journal entries to correct account coding. Remember that conversion entries should NOT be used to correct erroneous account postings.

GASB 87: Leases (effective 2021-22)

In June 2017, the GASB issued Statement No. 87, Leases, which increases the usefulness of governmental financial statements by requiring recognition of certain lease assets and liabilities for all leases, including those that previously were classified as operating leases and recognized as income by lessors and expenditures by lessees. GASB 87 replaces the previous lease accounting methodology and establishes a single model for lease accounting based on the foundational principle that leases are a financing of the right to use an underlying asset.

GASB 87 defines a lease as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. GASB 87 applies to all contracts meeting this definition of a lease, unless specifically excluded.

GASB 87 specifically excludes the following from lease accounting guidelines:

- Leases of intangible assets
- Leases of biological assets
- Leases of inventory
- Service concession arrangements (as specified in GASB Statement No. 60)
- Leases of assets financed with outstanding conduit debt
- Supply contracts
- Leases of assets that are investments
- Certain leases subject to external laws, regulations, or legal rulings

GASB 87 requires a different accounting treatment for each of the following three categories of contracts:

1. **Short-term Leases:** Defined as a lease that, at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. For a lease that is cancelable by either the lessee or the lessor, the maximum possible term is the amount of time either party is required

to notify the other party of the cancellation (notice period). Lessees and lessors should recognize short-term lease payments as outflows of resources or inflows of resources, respectively, based on the payment provisions of the lease contract.

2. **Contracts that transfer ownership:** Defined as a contract that transfers ownership of the underlying asset to the purchaser by the end of the contract and does not contain termination options. The contract may contain a fiscal funding or cancellation clause that is not reasonably certain of being exercised.

3. **Leases other than short-term leases and contracts that transfer ownership** (Right to Use leases): All other leases that do not meet the definition of short-term leases or contracts that transfer ownership.

GASB 87 was effective beginning for the year ending June 30, 2022. LEAs should continue to monitor contracts and consider the following:

- Determine which leases, contracts, or agreements meet the definition of a lease and which can be excluded.
- Don't assume the agreement or contract is not a lease because the word "lease" is not in the agreement or contract. Review the agreement or contract using the definition of a lease under GASB 87.
- Once you've identified the leases in accordance with GASB 87, determine the key elements – lease term, extensions, termination provisions, and payment provisions.

It's always a good idea to check with your auditor!

Summary of Proposed Coding Changes following GASB 87 Requirements
Expenditures – Capital Outlay (Objects 6000-6999)

The following new object codes are proposed to allow LEAs to account for lease-related spending separately from other capital outlay spending:

- Object 6600, Lease Assets
- Object 6910, Amortization Expense – Lease Assets (for proprietary and fiduciary funds only)

All Other Financing Sources (Object 8930-8979)

- Revised the title of Object 8972 from "Proceeds from Capital Leases" to "Proceeds from Leases" to reflect there is no longer a distinction between capital and operational leases.

Assets (Object 9100-9489)

The following new object codes are proposed to allow LEAs to account for assets associated with leases separately from other LEA assets.

- Object 9380, Leases Receivable
- Object 9460, Lease Assets (for proprietary and fiduciary funds only)
- Object 9465, Amortization – Lease Assets (for proprietary and fiduciary funds only)

Liabilities (Objects 9500-9689)

- Revised the title of Object 9667 from "Capital Leases Payable" to "Lease Liability"

GASB 96: Subscription-Based Information Technology (effective 2022-23)

This statement guides the accounting and financial reporting for **subscription-based information technology arrangements (SBITAs)**. This statement:

1. Defines a SBITA
2. Standardizes how governmental organizations keep track of SBITA
3. Establishes the existence of an intangible right-to-use **asset** and a matching subscription **liability**
4. Provides capitalization requirements
5. Defines the subscription term as the time the lessee has an irrevocable right to use the basic IT assets
6. Requires note disclosures regarding a SBITA

Definition: A contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction.

Under this Statement, an agency should recognize a right-to-use subscription asset – and intangible asset – and a corresponding liability.

- Term includes the period in which a government has a noncancelable right to use the underlying IT assets and options to extend/terminate if reasonably certain government or vendor will extend/will not terminate.
- Subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term, discounted using a rate charged by the vendor or an incremental borrowing rate.

In order to determine if the SBITA meets GASB 96 presentation requirements, LEAs should consider the following:

- Software as a Service (SaaS) – a software license that allows the user to access an application over the internet instead of downloading software or maintaining hardware to run the application.
- Platform as a Service (PaaS) – allows a customer to use an SBITA vendor's tools or coding language (software) to create applications that will run on the SBITA vendor's cloud infrastructure.
- Infrastructure as a Service (IaaS) – allows a customer to remotely access the SBITA vendor's network, server, and other fundamental computing tools to process, store, and operate the customer's data.

Please thoroughly review all SBITA agreements and ensure that any agreements entered individually by school sites and/or departments are included in the agreements. Common examples of SBITAs include cloud-based accounting, IT software (Adobe, Microsoft Office, curriculum-related**, Aeries), gaming, and Enterprise Resource Planning systems.**

What is NOT an SBIT?

- ✓ $1 SBITs – the agreement must be exchanged like transactions.
- ✓ Short-term – an agreement with a maximum possible term, including an option to extend 12 months or less.
    - If this is a year-to-year and does **NOT** contain renewal options, then it also does not meet the GASB 96 definition even if the intent is to renew for multiple years.

- Rolling month-to-month/year-to-year subscriptions.
- If there is an option to extend beyond 12 months that both parties must agree to, those periods are cancellable and would be excluded.
- Software that is purchased, therefore permanently owned, you can use the software after the expiration date, with no security patches or updates
- SBITS in perpetuity – the agreement must have an end date
    - Exclude licensing arrangements that provide a perpetual license, which are subject to GASB Statement No. 51. Accounting and Financial Reporting for Intangible Assets.

Implementation considerations:

- ✓ Apply to new SBITAs as we advance, but also retroactively to existing SBITAs
- ✓ Determine which departments need to be involved and establish an interdepartmental implementation team
- ✓ Create an inventory of existing SBITAs and other contracts and agreements for review
- ✓ Determine which contracts or agreements meet the definition of SBITAs and which can be excluded
- ✓ Separate contracts or agreements into subscription component and non-subscription component

- **Expenditures – Capital Outlay (Objects 6000 – 6999)**
    - Object 6700, Subscription Assets
    - Object 6920, Amortization Expense – Subscription Assets (for proprietary and fiduciary funds only)
- **All Other Financing Sources (Objects 8930-8979)**
    - Object 8974, Proceeds from SBITAs

<u>Accounting in Governmental Funds</u>

At the SBITA commencement date (7/1/2024 is the date when the SBITA vendor makes the underlying asset available for use by the government)

Subscription Assets (Object 6700)	**Debit**	$X	
Proceeds from SBITAs (Object 8974)	**Credit**		$X

Make the first subscription payment on 7/1/2024

Other Debt Service-Principal (Object 7439)	**Debit**	$X	
Cash (Object 9110)	**Credit**		$X

Decision Tree



Not sure if a subscription-based IT arrangement meets this definition?

Verify with your auditors!

GASB 104: Disclosure of Certain Capital Assets (effective 2025-26)

This accounting standard requires specific disclosures related to capital assets that are not already required to be reported in the financial statements of state and local governments.

TWO NEW REQUIRED DISCLOSURES

1. Separate Disclosure of Certain Capital Assets

Governments must **separately present** the following types of capital assets in the capital asset note disclosure**,** organized by major class**:**

- **Lease assets** under GASB 87
- **Right-to-use intangible assets** under GASB 94 (Public-Private Partnerships)
- **Subscription-based IT arrangements** (SBITAs) under GASB 96
- **Other intangible capital assets** (not included in the three types above)

2. Capital Assets Held for Sale

A capital asset must be disclosed as **held for sale** if:

- The government has **decided to sell** the asset, **and**
- It is **probable** the sale will occur within **one year** of the financial statement date

This assessment must be updated each reporting period.

📋 DISCLOSURE REQUIREMENTS FOR ASSETS HELD FOR SALE

For each major class of asset held for sale, disclose:

1. **Ending balance**, showing both:
    - Historical cost
    - Accumulated depreciation
2. **Carrying amount of any related debt** for which the asset is pledged as collateral

☑ KEY CONSIDERATIONS

- **Review existing assets** for GASB 87, 94, and 96 compliance
- Identify assets that meet the **held-for-sale** criteria annually
- Ensure financial systems and note disclosures are updated
- Coordinate with auditors to ensure timely implementation for **FY 2025–26**

Step 28 – Account Coding & Audit Reminders

Account Coding Reminders:

Supplemental & Concentration Coding

Some LEAs have created their own unrestricted resource code or management code to budget and track Supplemental and Concentration funding and expenditures. If you have used a locally defined unrestricted resource code, please note:

- A locally defined unrestricted resource code may generate ending resource balances and unspent balances would appear to be subject to carryover, which may not be the intent since the dollars are unrestricted.
    - The LCFF Carryover component to the 2025-26 LCAP is determined through the unmet percentage to increase or improve services and not a dollar amount.
- Object 8980 should be used to record a contribution from resource 0000 to another resource in the general fund, as noted in CSAM:

    Contributions from Unrestricted Revenues ~ Record the amount of money that must be contributed from unrestricted resources in the general fund when the expenditures incurred for a given restricted resource exceed the amount available for expenditure. **This account may also apply to contributions of unrestricted resources to other unrestricted resources…** A contribution is recorded by debiting Object 8980 in Resource 0000, Unrestricted, and by crediting Object 8980 in the resource receiving the contribution. This account must net to zero at the fund level.

E-Rate Reimbursements

The CDE advises LEAs to report the cost of telecommunications goods and services at gross, and to report the E-Rate subsidy as local revenue (not federal revenue) using Resource 0000, Unrestricted.

CDE noted that federal cost principles allow only the cost net of related discount be charged to the federal programs. In such cases, LEAs may charge the program only the discounted cost, then report the remaining subsidy amount, plus associated local revenue in Resource 0000.

> Example: A federal program incurs a $100 expenditure to which $90 E-Rate subsidy applies, making the net cost $10. A $10 expenditure is charged to the federal program resource code, and a $90 expenditure as well as $90 local revenue is reported in Resource 0000.

The 2019 CSAM Procedure 560 under "Receipts Not Allowable as Abatement of Expenditures" notes: "*E-Rate reimbursements, rebates, or discounts and similar subsidies. If the E-Rate discount or subsidy is received as a discount on a bill, the full amount of the bill before discount should be debited to the expenditure account and the E-Rate discount or subsidy should be credited to Other Local Revenue*."

Donated Food Commodities ~ Object 8221

Recoding the fair market value of commodities received from the federal government for use in the school meal programs was required beginning in 2016-17. Use the unique object code - 8221, Donated Food Commodities – open in resources 5310 and 5330.

The 2024-25 commodity value is **$0.45**. To calculate the fair market value to record in object 8221, multiply the total lunches served by the commodity value.

Debit 13-5310-0-0000-3700-4710-000-0000 Credit 13-5310-0-0000-0000-8221-000-0000

More information regarding commodity value can be found (halfway down the page listed under National School Lunch Program) at https://www.cde.ca.gov/ls/nu/rs/rates2425.asp

Negative Expenditures

Review accounts for negative expenditures before closing your books. On rare occasions, negative expenditures may occur but must be explainable and justifiable. Below are some examples of allowable and non-allowable negative expenditures.

Allowable	***Non-Allowable***
• *Direct transfers between funds (5750) or between resources or programs (5710)* • *Manually completing POs accrued at year-end for more than what the actual cost was.* • *Journaling expenditures from Resource 0000 to EPA Resource 1400 at year-end to align with actual EPA allocation.*	• *A journal entry moving expenditures from one account to another that moved more expenses than had occurred, resulting in negative expenses.* • *Abating an expenditure that did not occur in the same fiscal year.*

2024-25 Audit Reminders

EXPANDED LEARNING OPPORTUNITIES GRANT (ELO-G)

1. If the LEA received the ELO-G apportionment, perform the following procedures:

    a. Of the ELO-G funds restricted for paraprofessionals pursuant to Ed Code, select a representative sample of expenditures (Resource 7426) and verify the expenditures were for paraprofessional staff salaries and benefits.

    b. Select a representative sample of expenditures that the LEA identified as expenditures attributable to the minimum use requirement pursuant to Education Code section 43522(d)(1) and verify the expenditures were related to providing in-person services allowable pursuant to Education Code section 43522(b).

TRANSITIONAL KINDERGARTEN

1. If the school district or charter school reported ADA for TK, select a representative sample of schoolsites that had TK pupils and perform the following:

   a. Verify the mathematical accuracy of each schoolsite's "average TK class enrollment" as defined in Ed Code Section 1800.1 (b)(1)(c).

   b. For the schoolsites selected, select a representative sample of classes with TK students, inclusive of combination classes, and verify the "active enrollment count" and trace to supporting documentation.

2. If the testing in 1 resulted in any of the schoolsites' "average class enrollment" exceeding 24 pupils, report a finding and include the amount of the penalty and the penalty calculation.

3. For the schoolsites selected in Procedure 1, verify the schoolsites maintained an adult to pupil ratio average for classes with TK students.

   a. Verify the mathematical accuracy of each schoolsites adult to pupil ratio calculation.

   b. For the sampled classes with TK students selected in Procedure 1b, verify the number of adults assigned to each class and trace to supporting documentation, such as teacher's aide daily/weekly schedule, class rosters, teacher assignment matrices, or other locally determined documentation.

4. If the school district or charter did not meet the adult-to-pupil ratio requirements, report a finding and include the amount of the penalty and penalty calculation.

TRANSPORTATION MAINTENANCE OF EFFORT

1. **Determine** if the LEA had any transportation expenditures as specified in Education Code section 2575(k) or 42238.03(a)(6)(B) in the 2012-13 fiscal year.

2. If the LEA did have transportation expenditures in the 2012-13 fiscal year, determine if the LEA expended the lesser of the amount expended in 2012-13, or the amount of revenue received in 2012-13, as adjusted by Education Code section 42238.03(a)(6)(A)(iii), in the fiscal year being audited pursuant to the statutes cited in 1. The adjusted amount received is available by fiscal year on CDE's website: at http://www.cde.ca.gov/fg/aa/pa/index.asp#fiscalyear. Select the audit year. Under the heading titled Second Principal (P-2) Apportionment, select Funding Exhibits-Second Principal Apportionment. From the dropdown menus select:

   a. Period: P-2

   b. Entity: LEA type being audited

   c. Program: Select "School District LCFF Calculation" or "COE LCFF Calculation" as appropriate.

   d. Other LEA information, as applicable

e. Select Preview Report. For school district amounts add lines G-3, "EC Section 42238.02(h) Add-on (based on 2012-13 Home-to-School Transportation)," and G-4, "EC Section 42238.02(h) Add-on (based on 2012-13 Small School District Bus Replacement Program)." For county office of education amounts add Lines A-30, "EC Section 2574(e)(2) Add-on (based on 2012-13 Home-to-School Transportation)," and A-31, "EC Section 2574(e)(2) Add-on (based on 2012-13 Small School District Bus Replacement Program)."

f. If the LEA was not in compliance with the transportation expenditure requirements, report the noncompliance as a finding.

EDUCATOR EFFECTIVENESS Audit Procedures

1. *If the LEA received Educator Effectiveness Block Grant funds pursuant to Education Code* section 41480, perform the following:

    a. Verify the LEA developed and adopted a plan, on or before March 31, 2023, delineating how the Educator Effectiveness funds will be spent and whether the plan was presented in a public meeting of the governing board before its adoption in a subsequent public meeting.

LOCAL CONTROL AND ACCOUNTABILITY PLAN Audit Procedures

1. Obtain a copy of the LEA's approved local control and accountability plan for the audit year.
2. Select a sample of actions within one or more LCAP goals for the audit year for which expenditures have been included.
3. Within the annual update table, select a sample of actual expenditures for actions identified pursuant to 2 and examine supporting documentation to determine whether the expenditures associated with the actions selected in step 2 were made consistent with the relevant actions. Supporting documentation may include the Goal Analysis included in the LCAP developed for the year succeeding the audit year.
4. If the expenditures selected pursuant to 3 were not made consistent with the identified actions or services, so state in a finding.

RATIO OF ADMINISTRATIVE EMPLOYEES TO TEACHERS Audit Procedures

1. For school districts, verify that the school district is in compliance with the administrative employee-to-teacher ratio requirement for the year audited by determining that the employees were properly classified and the ratio was calculated consistent with the definitions in Education Code section 41401 and the procedures of Education Code section 41403.
2. If the number of administrative employees per hundred teachers exceeded the allowable ratio set forth in Education Code section 41402, state in a finding the number of excess administrative employees and the associated penalty, as set forth in Education Code section 41404.
3. If the school district cannot show that it was in compliance with the ratio during the year audited, include a finding that the ratio could not be confirmed.

The Employee Ratio Worksheet and Guidelines for Assessing the Ratio of Administrative Employees to Teachers is available on the CDE website at: https://www.cde.ca.gov/fg/aa/ca/atr.asp

PROPOSITION 28 ARTS AND MUSIC IN SCHOOLS Audit Procedures

1. Verify the LEA made a certification in compliance with Education Code section 8820(g)(1) or that it has a waiver of the requirement issued by the CDE pursuant to Education Code section 8820(h).
2. Verify the LEA made a certification in compliance with Education Code sections 8820(g)(2) and (3).
3. Verify that the LEA posted to its website a board- or governing body-adopted report for the audit year and that it submitted the report to the CDE for posting to its website pursuant to Education Code section 8820(g)(4).
4. Select a representative sample of expenditures (Resource 6770) for the audit year and verify the expenditures were for providing arts education programs as defined by Education Code section 8821(a).
5. Verify that Proposition 28 Arts and Music in Schools funds (Resource 6770) were used to supplement and not supplant existing funds available for arts education programs, as required by Education Code section 8820(g)(2)
6. In the audit year that an allocation has been fully expended or when the audit year is the third year of the allowable expenditure period, whichever comes first, if the LEA has an enrollment of 500 or more pupils used for the allocation year and does not have a waiver issued by the CDE pursuant to Education Code section 8820(h), verify that no more than 20 percent of the expenditures (Resource 6770) for the allocation year were used for allowable purposes other than certificated or classified salaries and benefits for arts education program instruction (instructional costs), as specified in Education Code section 8220(g)(1).

   Enrollment and allocation amounts are available by fiscal year on CDE's website at: http://www.cde.ca.gov/fg/aa/pa/index.asp#fiscalyear.
   - Select the audit year.
   - Under the heading titled Second Principal (P-2) Apportionment, select Funding Exhibits-Second Principal Apportionment.
   - From the dropdown menus select:
     - Period: P-2
     - Fiscal Year: Select the allocation year
     - Entity: LEA type being audited
     - Program: Select "Proposition 28: Arts and Music in Schools"
     - Other LEA information, as applicable
     - Select Preview Report.
7. In the audit year that an allocation has been fully expended or when the audit year is the third year of the allowable expenditure period, whichever comes first, verify that no more than 1 percent of the total funding received in the allocation year (Resource 6770) was used for administrative expenses, including indirect costs, pursuant to Education Code section 8820(g)(3).

Are You Ready for your Annual Audit?

- Keep smiling
- Plan ahead
  - Communicate with auditors regarding troublesome issues or transactions
  - Obtain checklist of items to prepare for the auditor and be ready
- Assess any changes in activities
  - Do you have any new grants or revenue sources?
  - Were there changes in internal control systems?
  - New hires in key positions?
- Learn from the past
  - Prior year audit adjustments
  - Prior year findings
  - General audit problems
  - Planning meeting with auditors – discuss things they and you can do to make the process go smoother
- Organize your data
- Ask questions – if you don't know what they are asking for don't be afraid to ask why
- Be available during their visits – try not to schedule too many meetings away
- Read the 2024-25 Audit guide

SCOE Semimonthly Payroll Calendar, SCOE IT/Business Calendar of Events

Jun 2025 (Pacific Time - Los Angeles)

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3 12pm - AP CUTOFF	4 9am - Year-End Close	5 12pm - AP CUTOFF 12pm - IC PAY DUE 12pm - SUPP PAY DUE	6 MAY ESCAPE CASH	7
8 7am - SCOE IT	9 12pm - RESIG / YWE PAY	10 MAY SUPPLEMENTAL 12pm - AP CUTOFF	11	12 10am - CALPADS/SELPA 12pm - AP CUTOFF 1pm - CALPADS Connect	13 9am - ERP - AP Accruals 11am - ERP - AR Accruals	14
15	16 CASH DEPOSITS DUE 4pm - MANUAL PAY DUE	17 12pm - AP CUTOFF	18	19 Juneteenth - SCOE	20 12pm - IC PAY DUE	21
22	23 NO PRODUCTION CASH TRANSFERS DUE INTERFUND POSITION 12pm - REG PAY DUE	24	25	26 9am - DBUG (Location:	27	28
29	30 JUNE REGULAR PAYDAY NO PRODUCTION	1	2	3	4	5

SCOE Semimonthly Payroll Calendar, SCOE IT/Business Calendar of Events

Jul 2025 (Pacific Time - Los Angeles)

Sun	Mon	Tue	Wed	Thu	Fri	Sat
29	30	1 6am - ESCAPE -	2 12pm - AP CUTOFF	3	4 Independence Day - SCOE	5
6	7 JUNE ESCAPE CASH 12pm - IC PAY DUE 12pm - SUPP PAY DUE	8 12pm - AP CUTOFF	9 12pm - RESIG / YWE PAY	10 12pm - AP CUTOFF	11 9am - ERP New User 1pm - ERP New User	12
13 7am - SCOE IT	14	15 12pm - AP CUTOFF 4pm - MANUAL PAY DUE	16	17 12pm - AP CUTOFF	18	19
20	21 12pm - IC PAY DUE	22 12pm - AP CUTOFF	23	24 12pm - REG PAY DUE 12pm - AP CUTOFF	25 CALPADS EOY Deadline CASH DEPOSITS DUE CASH TRANSFERS DUE INTERFUND POSITION	26
27	28	29 12pm - AP CUTOFF	30	31 12am - NO 9am - Unaudited Actuals 12pm - AP CUTOFF	1	2

SCOE Semimonthly Payroll Calendar, SCOE IT/Business Calendar of Events

Aug 2025 (Pacific Time - Los Angeles)

Sun	Mon	Tue	Wed	Thu	Fri	Sat
27	28	29	30	31	1	2
3	4	5 12pm - IC PAY DUE 12pm - SUPP PAY DUE 12pm - AP CUTOFF	6	7 12pm - AP CUTOFF	8 9am - ERP Web Show & 12pm - RESIG / YWE PAY	9
10	11	12 12pm - AP CUTOFF 4pm - MANUAL PAY DUE	13	14 12pm - AP CUTOFF	15	16
17 7am - SCOE IT	18	19 12pm - AP CUTOFF 12pm - IC PAY DUE	20	21 12pm - AP CUTOFF	22 CASH DEPOSITS DUE CASH TRANSFERS DUE INTERFUND POSITION 12pm - REG PAY DUE	23
24	25	26 12pm - AP CUTOFF	27	28 12pm - AP CUTOFF	29 NO PRODUCTION	30
31	1	2	3	4	5	6

SIGNATURE AUTHORIZATION FORM

TO: Sonoma County Office of Education

FROM: _____ # _____

(*School District or Charter School*)

FISCAL YEAR: _____/_____

Complete this section for annual listings of authorized signatures or to add employees to the list.

This is an: ___ Annual Listing ___ Addition

Indicate items the following persons are authorized to sign for:

A – Payroll Warrants **B** – AP Warrants

Name (Type or Print)	Signature	Circle Items Authorized
_____		A B
_____		A B
_____		A B
_____		A B
_____		A B
_____		A B
_____		A B
_____		A B

Permissible to send Payroll AV? ____YES ____NO

Note: Authorizations remain in effect for the entire fiscal year or until a request for change or deletion is filed with External Fiscal Services.

Complete this section to delete authorized signatures.

The following person(s) should be deleted from the signature authorization list:

Name _____

Name _____

Name _____

DISTRICT SUPERINTENDENT DATE

PLEASE SEND ORIGINAL FORM TO: SCOE BUSINESS SERVICES

ATTN: DIRECTOR EXTERNAL PAYROLL AND FINANCE

Revised 7/2/2018