YEAR-END CLOSING MANUAL

SONOMA COUNTY SCHOOL DISTRICTS & CHARTERS



June 4, 2026

Business Services Department

Information Technology Department

Sonoma County Office of Education

Hybrid: Redwood A & B & Zoom

YEAR-END CLOSING MANUAL
for Sonoma County School Districts & Charters
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July 2026 calendar (includes Independent Charter Payroll dates)	**Attachment 2**
August 2026 calendar (includes Independent Charter Payroll dates)	**Attachment 3**
Signature Authorization Form for FY 2026-2027	**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.

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Year-End Closing Timelines

This year's manual has been prepared to assist the District Business Office in completing those tasks in a step-by-step sequence. We hope this manual keeps you on target and helps you complete 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	6/05/2026
Budget	Fiscal Year Start-Up Form – 2026-27 ***to IT*** Authorizes IT to perform roll of LEA budgets to "Tentative" budget status in ESCAPE.	Thursday	6/18/2026
YE	Vendor Warrant Cancellations	Friday	6/12/2026
Budget	After LEA Board adopts 2026-27 budget, LEA opens "Tentative" Model in Frontline ERP and select "*Approve this Model,*" which generates "Board Approved" budget status.		thru 6/30/2026
YE	**Final AP Run for 2025-26** (see IMPORTANT NOTES on next page)		
	AP cutoff ~ Noon	Wednesday	6/17/2026
	Warrant production will be run	Thursday	6/18/2026
YE	Final Cash Transfers	Monday	6/22/2026
YE	Final Cash Deposits	Monday	6/15/2026
YE	Signature Authorization Form	Tuesday	6/30/2026
Budget	Submit the Board approved Adopted Budget and ***earlier of***: *Local Control and Accountability Plan*	**5 days after the adoption OR**	**6/30/2026**

HOLIDAYS ~

Juneteenth	**Celebrated Friday, June 19, 2026**
HAPPY 4TH OF JULY!	**Celebrated Friday, July 3, 2026**



YE	SCOE will have all internal entries prepared by	Tuesday	7/28/2026
YE	**Districts eFile Use Tax and mail payment by 7/31/2026**	**Friday**	**7/31/2026**
YE	Unaudited Actuals Workshop	Thursday	7/30/2026
YE	Final Frontline ERP journal entries	Wednesday	8/05/2026
YE	Final signed Report of A/P & A/R setups	Friday	8/07/2026
YE	Year-End Close checklist with attachments	Friday	8/07/2026

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

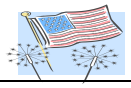
See IMPORTANT NOTES on page 2

SCOE CUTOFF DATES

Budget	SCOE will review LEAs Adopted Budget	July thru 9/15/2026
YE	SCOE will have all internal entries prepared by	Tuesday, July 28, 2026
YE	SCOE receives Year-End Close checklist w/attachments	Friday, August 7, 2026
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 09/15/2026
YE	Preliminary Cash Roll	Wednesday, July 1, 2026
2026-27	**First AP run of 2026-27** AP cutoff ~ Noon Warrant production will be run	 Tuesday, July 7, 2026 Wednesday, July 8, 2026

HOLIDAYS ~

Juneteenth	**Celebrated Friday, June 19, 2026**
HAPPY 4TH OF JULY!	**Celebrated Friday, July 3, 2026**



Asset and Liability Roll This will also re-roll cash balances.	August – September
SCOE receives Board approved Unaudited Actuals	By September 15, 2026

IMPORTANT NOTES:

1. **All backup for the final 2025-26 AP warrant run is due to SCOE by NOON on Wednesday, June 17, 2026.**
2. **DO NOT CREATE any NEW 2025-26 AP batches between June 17th (afternoon) and June 30th.**
3. **The last deposit for June is due to SCOE by 4:30 p.m. on June 15, 2026.**
4. **DO NOT CREATE any NEW 2025-26 AR batches between June 16 (after 4:30 p.m.) and June 30th.**
5. **All 2026-27 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 07, 2026**

***PRE*- Closing Steps**

IT 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 2025-2026 have been entered
- ☐ Clear All Pending Status Fixed Assets

AN 2 **Prior year receivables** (July 1, 2025 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, 2025 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

IT 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 2025-2026
- ☐ a. District & Charter In Lieu of Property Tax - July 2026 entries made (Packet #1)
- ☐ b. Special Education Entries have been made (Packet #2). Reverse in 2026-27
- ☐ c. Other Entries and Information PLUS 2025-26 Deferrals (Packet #3)
- ☐ d. GASB 31: Fair Market Value Calculation (Packet #4)

CT 6 Education Protection Account (EPA)
- ☐ Move expense to resource, Post 2025-2026 EPA report on the website (what funds were received & how they were spent).
- ☐ 2026-2027 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, 2026*

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 22, 2026
- ☐ b. Use Tax for 2025-26 filed and paid by July 31, 2026

JL 9a ☐ Commercial warrant cancellations sent to Sarah Graves by end of day June 12, 2026

JL 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

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

IT 10 Establish all 2025-2026 accounts receivables in Frontline ERP.
- ☐ Please provide a signed Ledger02 -Receivables/Liabilities Activity report to your advisor. This report must equal object 9229 in FY25

IT 11 Establish all 2025-2026 accounts payable in Frontline ERP.
- ☐ Please provide a signed Ledger02 -Receivables/Liabilities Activity report to your advisor. This report must equal object 9529 in FY25
- ☐ 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

LB 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. 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.

LB 18 Special Education Maintenance of Effort (MOE)
- ☐ MOE has been reviewed for (1) 2025-2026 actual vs last PY actual the MOE was Met (2) 2026-2027 budget vs last PY actual the MOE was Met
- ☐ SYT Form
- ☐ 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

CG 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.

MP 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, 2026
- ☐ All funds show positive **cash** balance at June 30, 2026
- ☐ 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 6-30-25 audit report ending balances

27c ☐ 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 2025-2026 audit guide as deemed applicable

29 After all of the above steps are completed, re-run Fiscal 15 (see step 10-11 page 10 for instructions) to assure no open or pending transactions exist.

☐ This is a double check measure!

30 ☐ Review Ledger 02-Receivable/Liabilities Activity report in steps #10 and #11 for reasonableness.

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

32 ☐ 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 2026-2027. Send to Jing Liu or Christy Arend in Business Services.

3 SACS TRC check ran in step #31. Send to SCOE Advisor.

4 This checklist! Please sign and date that you have completed the above 32 steps. Send to SCOE Advisor.

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



CBO/Business Manager Date

Step 1– Fiscal Year End Close in Frontline ERP

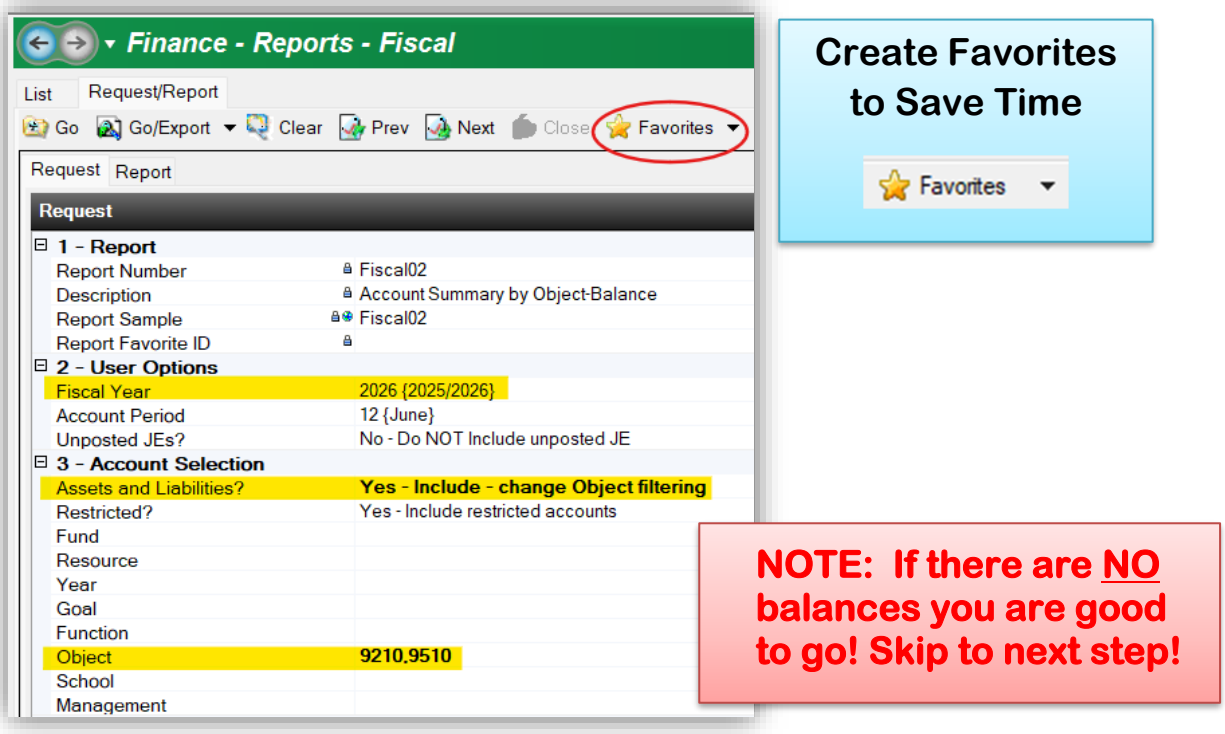
Prior Year Payables and Receivables should have been cleared by now, be sure to double check before the start of closing current fiscal year to have a clean slate for items that rolled from prior fiscal year 9529 and 9229 object codes that roll beginning balances to 9510 and 9210 object codes.

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

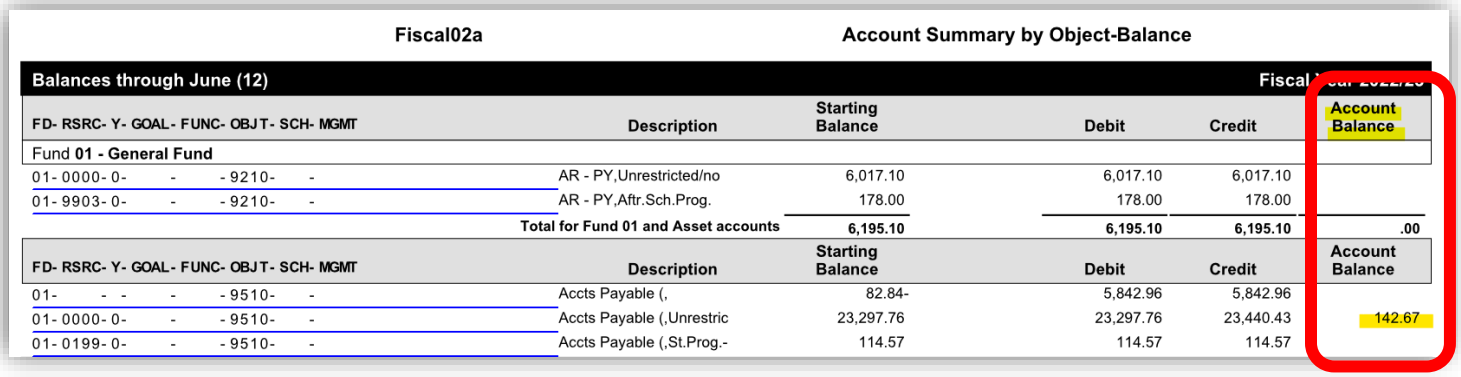
Run the Fiscal02 Account Summary by Object-Balance Report or Fiscal03 Account Transaction Detail by Object-Balance.

Go to Finance – Reports – Fiscal – Fiscal02 or Fiscal03

- **Fiscal Year: 2026 {2025/26}**
- **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**

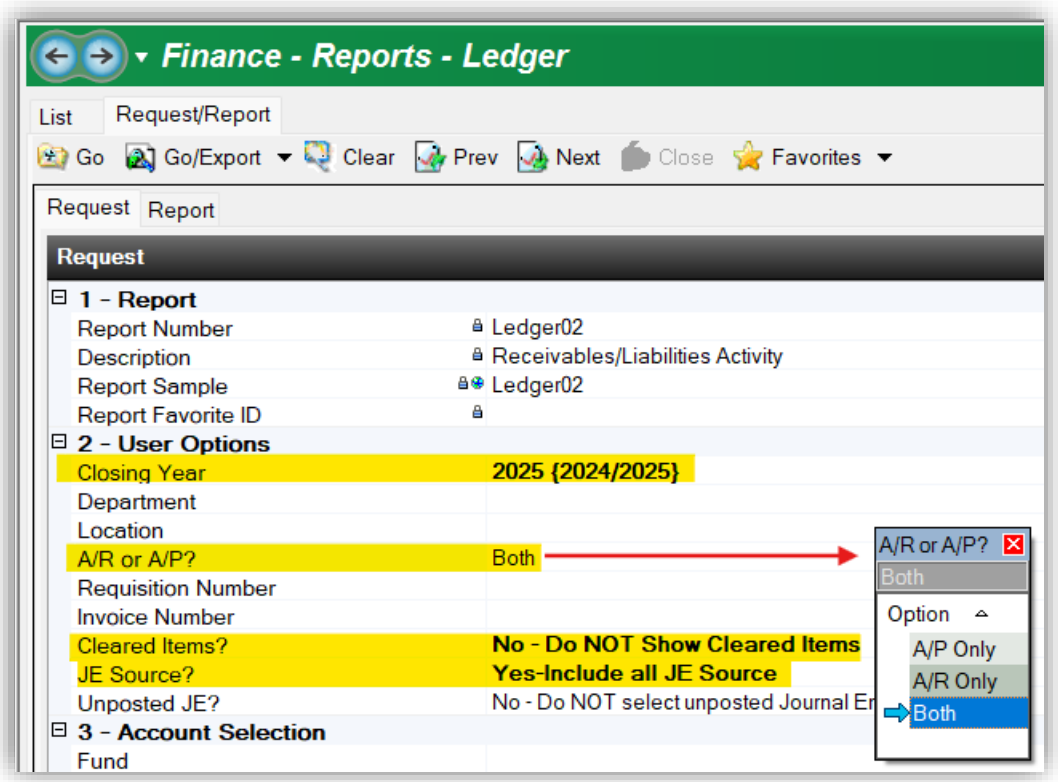
FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT	Description	Starting Balance	Debit	Credit	Account Balance
01- - - - - 9510- -	Accts Payable (,	82.84-	5,842.96	5,842.96	
01- 0000- 0- - - 9510- -	Accts Payable (,Unrestric	23,297.76	23,297.76	23,440.43	142.67
01- 0199- 0- - - 9510- -	Accts Payable (,St.Prog.-	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: 2025** {2024/2025}
- **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

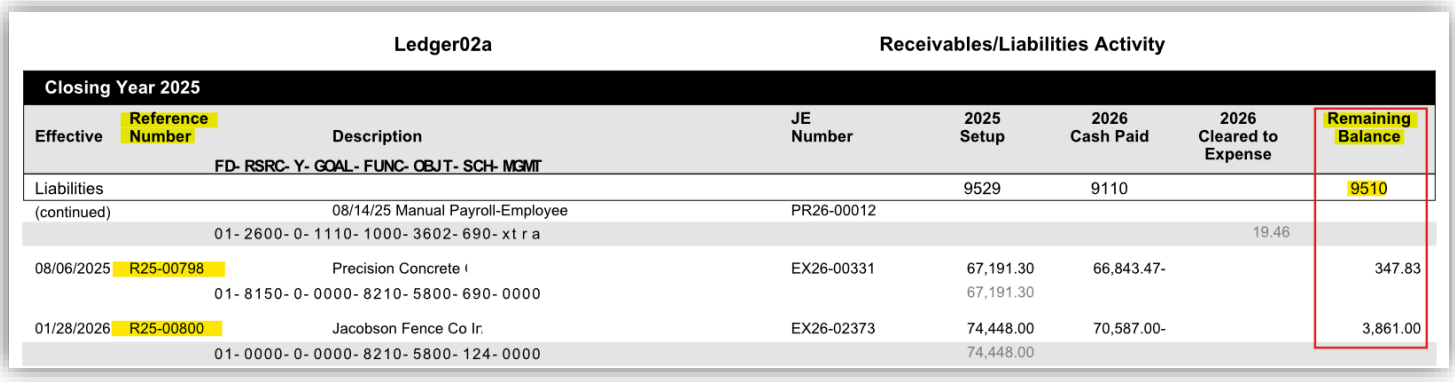


This will create a list of pending items that need to be reviewed and determined if need to be cleared or reprocessed through Year End Processing.

- 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

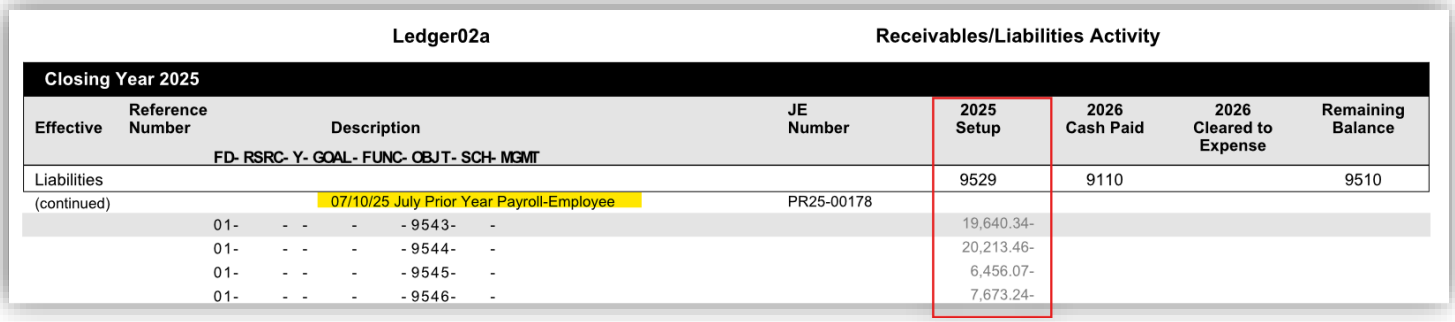
Example 1: Ledger02 Closing Year 2025 Remaining Balance:

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 2025								
Effective	**Reference Number**	**Description**		**JE Number**	**2025 Setup**	**2026 Cash Paid**	**2026 Cleared to Expense**	**Remaining Balance**
		FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT						
Liabilities					9529	9110		9510
(continued)		08/14/25 Manual Payroll-Employee		PR26-00012				
		01- 2600- 0- 1110- 1000- 3602- 690- xt r a					19.46	
08/06/2025	R25-00798	Precision Concrete (		EX26-00331	67,191.30	66,843.47-		347.83
		01- 8150- 0- 0000- 8210- 5800- 690- 0000			67,191.30			
01/28/2026	R25-00800	Jacobson Fence Co Ir.		EX26-02373	74,448.00	70,587.00-		3,861.00
		01- 0000- 0- 0000- 8210- 5800- 124- 0000			74,448.00			

Example 2: Ledger02 Closing Year 2025; July 10 PY Payroll Setup Total for Liabilities:



Ledger02a				Receivables/Liabilities Activity				
Closing Year 2025								
Effective	**Reference Number**	**Description**		**JE Number**	**2025 Setup**	**2026 Cash Paid**	**2026 Cleared to Expense**	**Remaining Balance**
		FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT						
Liabilities					9529	9110		9510
(continued)		07/10/25 July Prior Year Payroll-Employee		PR25-00178				
		01- - - - - 9543- -			19,640.34-			
		01- - - - - 9544- -			20,213.46-			
		01- - - - - 9545- -			6,456.07-			
		01- - - - - 9546- -			7,673.24-			

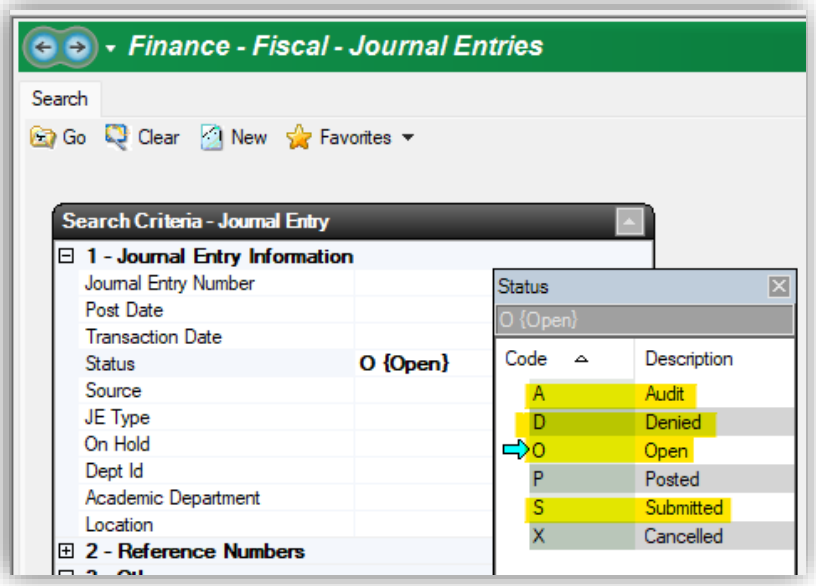
- **Prior Year Liability Payroll 07/10/2025 transactions will display on the Ledger02 report**
  - **NO further action is needed for prior year payroll items**
- **Prior Year Liability Payroll 07/10/2024 transactions cleared in the GL which is reflected in the Fiscal02 Account Balances**

Review Outstanding Journal Entries

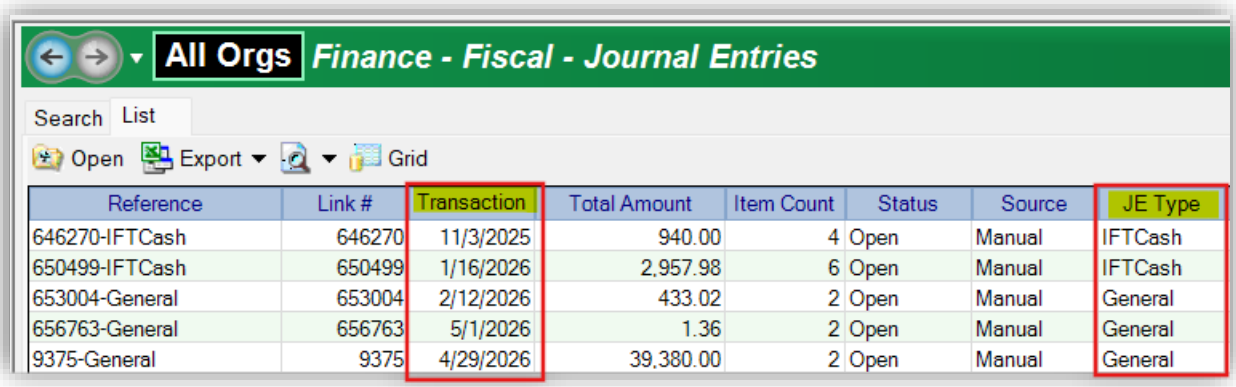
The Fiscal Year cannot be closed with outstanding Journal Entries. They must be addressed by posting or deleting, need to research. Be mindful of Cash and IFT JE Types, they can not be posted in closed periods.

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:



Reference	Link #	Transaction	Total Amount	Item Count	Status	Source	JE Type
646270-IFTCash	646270	11/3/2025	940.00	4	Open	Manual	IFTCash
650499-IFTCash	650499	1/16/2026	2,957.98	6	Open	Manual	IFTCash
653004-General	653004	2/12/2026	433.02	2	Open	Manual	General
656763-General	656763	5/1/2026	1.36	2	Open	Manual	General
9375-General	9375	4/29/2026	39,380.00	2	Open	Manual	General

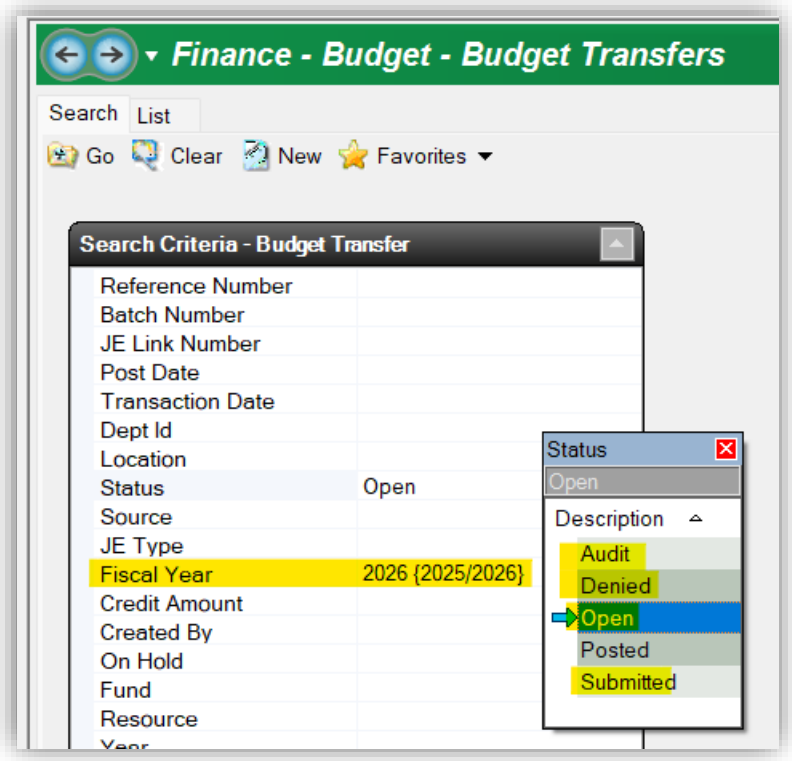
Be mindful of Cash and IFT JE Types, they cannot be posted in "Closed" periods! If the JE is still valid, the Transaction Date must be changed to open period. After 6/22/2026 Cash Deadline, Interfund transfers must be set up as Due to/Due From, cash cannot be affected between Funds!

Review Outstanding Budget Transfers

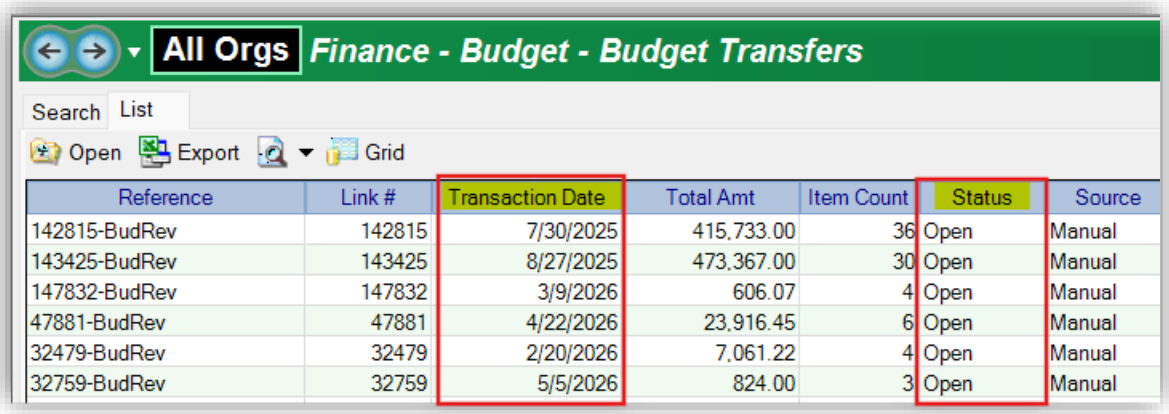
The Fiscal Year cannot be closed with outstanding Budget Transfers. They must be addressed by posting or deleting.

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
142815-BudRev	142815	7/30/2025	415,733.00	36	Open	Manual
143425-BudRev	143425	8/27/2025	473,367.00	30	Open	Manual
147832-BudRev	147832	3/9/2026	606.07	4	Open	Manual
47881-BudRev	47881	4/22/2026	23,916.45	6	Open	Manual
32479-BudRev	32479	2/20/2026	7,061.22	4	Open	Manual
32759-BudRev	32759	5/5/2026	824.00	3	Open	Manual

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

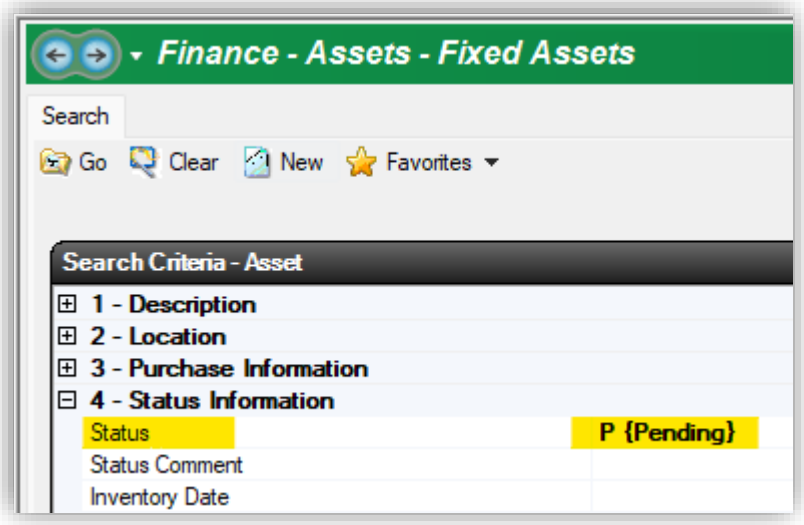
Fixed Assets

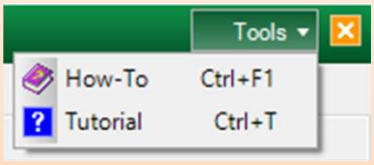
Review Fixed Asset records in pending status prior to close. FA status changes to Pending when items are received in Frontline ERP when using the Requisition Order Type “PO with Receiving”. Update FA records with the Tag # and Serial # if applicable.

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

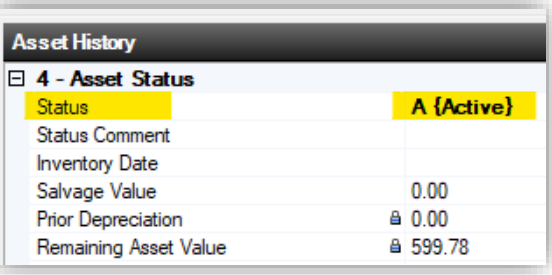
If your District is not using Fixed Assets in ERP, now is **not** the time to implement, wait until after fiscal year is closed!

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, 2025. The balances came over to the 2025-26 fiscal year as a starting balance, as of July 1, 2025. 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. You may need to run prior year reports to see what the current year balance is made up of.

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 22**. This is the cash transfer deadline for 25/26!

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 22 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 2025/26

FD- RSRC- Y- GOAL- FUNC- OBJT- SCH- MGMT	Description	Starting Balance	Debit	Credit	Account Balance
05- 4035- 0- - - 9290- -	A/r Due From Ot,Nclb;titl	2,432.00	3,310.00	3,310.00	
05- 4201- 0- - - 9290- -	A/r Due From Ot,Title III	412.00	412.00	412.00	
05- 4203- 0- - - 9290- -	A/r Due From Ot,Title Iii	5,141.00	5,141.00	5,141.00	
05- 6300- 0- - - 9290- -	A/r Due From Ot,Lottery-i	29,710.18	55,080.34	50,740.32	4,340.02
	Total for Fund 05, Asset accounts and Object 9290	74,232.14	120,255.26	115,915.24	4,340.02

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
05-6300-0- - -9290- -		4,340.02
05-6300-0-0000-0000-8560-000-0000	4,340.02	

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 22.**

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 22 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**

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, 2025. The balances came over to the 2025-26 fiscal year as a starting balance, as of July 1, 2025. 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. You may need to run prior year reports to see what the current year balance is made up of.

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 22.**

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 22 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 $100k in 24/25 to pay back to the State 23/24 and 24/25 unspent ELOP funds. The $100k balance rolled into 25/26 and is seen as a starting balance credit Obj 9590.

Detail for Dates 07/01/2025 through 06/30/2026 — **Fiscal Year 2025/26**

Ref#	Pay To Name	Journal #	Description	Trans Date	Debit	Credit	Account Balance
Fund **01 - General Fund**							
01-2600-0- - -9590- - AP - Fed/State,ELOP							
		BB26-00002	Starting Balance	07/01/25		100,000.00	100,000.00
		GJ26-00047	AP to State for 23/24 ELOP per Ar	03/05/26	B 50,000.00		50,000.00
			Account Total	06/30/26	50,000.00	100,000.00	
			Total for Org 015 and Fund General Fund		**50,000.00**	**100,000.00**	C **50,000.00**

Detail for Dates 07/01/2025 through 06/30/2026 — **Fiscal Year 2025/26**

Ref#	Pay To Name	Journal #	Description	Trans Date	Adopted Budget	Revised Budget	Revenue	Account Balance
Fund **01 - General Fund**								
01-2600-0-0000-0000-8590-000-0000 All Other State,ELOP								
		BA26-00001	Approve Budget,OB26-05,Fund 0	07/01/25	50,000.00	50,000.00		50,000.00
		CT26-00127	June 2025 Expanded Learning Op	07/22/25			4,500.00	45,500.00
		CT26-00152	July 2025 Expanded Learning Opp	07/30/25			5,000.00	40,500.00
		GJ26-00009	ELOP Grant 24/25 June Cash Def	08/01/25			4,500.00-	45,000.00
		CT26-00298	August 2025 Expanded Learning (	08/28/25			5,000.00	40,000.00
		CT26-00484	September 2025 Expanded Learn	09/29/25			9,000.00	31,000.00
		CT26-00656	October 2025 Expanded Learning	10/30/25			9,000.00	22,000.00
		BR26-00028	Updating ELOP Revenue	11/10/25		50,000.00		72,000.00
		CT26-00840	November 2025 Expanded Learni	11/25/25			9,000.00	63,000.00
		CT26-01082	December 2025 Expanded Learni	12/30/25			9,000.00	54,000.00
		CT26-01282	January 2026 Expanded Learning	01/29/26			9,000.00	45,000.00
		CT26-01437	February 2026 Expanded Learnin	02/26/26			9,000.00	36,000.00
		CT26-01465	February 2026 Adj & PY Recomp	03/01/26			A 10,000.00-	46,000.00
		GJ26-00047	AP to State for 23/24 ELOP per Ar	03/05/26			B 50,000.00	4,000.00-
		CT26-01618	March 2026 Expanded Learning C	03/27/26			9,000.00	13,000.00-
		CT26-01627	Expanded Learning Opportunities	03/27/26			A 10,000.00-	3,000.00-
		CT26-01829	April 2026 Expanded Learning Op	04/29/26			9,000.00	12,000.00-
		CT26-01838	Expanded Learning Opportunities	04/29/26			A 10,000.00-	2,000.00-

A- The State recovered $10,000 on 3/1/26, 3/27/26 and 4/29/26 for a total of $30,000 and is planning 2 more $10k recovery payments (for a total of $50k for the 23/24 amount recovered).

B- The LEA has cleared the 23/24 expected recovery amount through GJ26-00047:

	Debit	Credit
01-2600-0- - -9590- -	$50,000	
01-2600-0-0000-0000-8590-000-0000		$50,000

C- The LEA is anticipating another recovery of unspent funds for 24/25 ELOP and this receivable will remain "on the books" until more information is given about the 24/25 recovery.



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 22.**
Sample Entry:

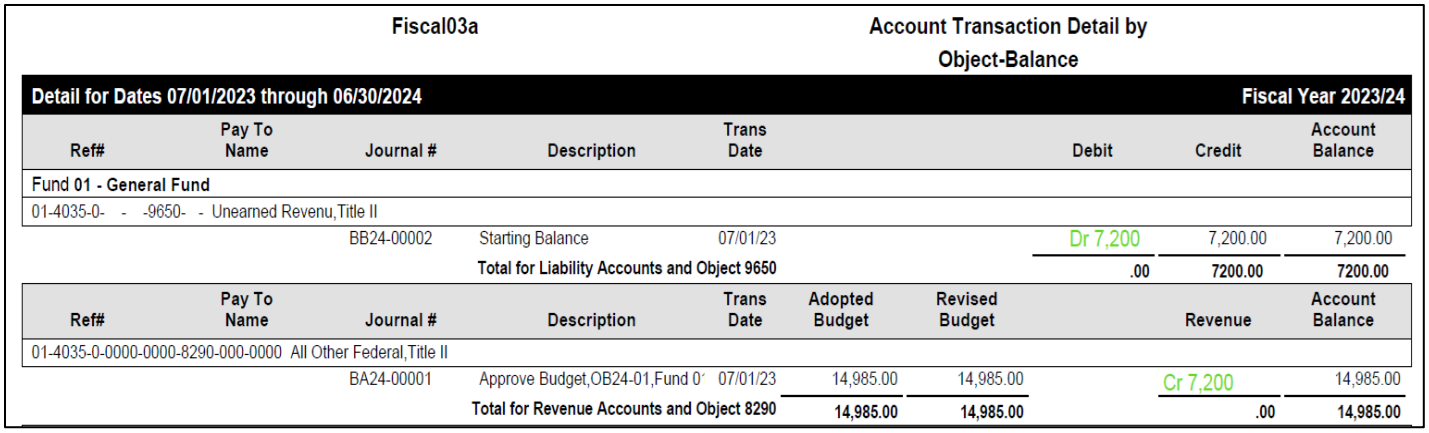
	Debit	Credit
01-XXXX-0- - -9310- -		15,000.00
13-XXXX-0- - -9610- -	15,000.00	

2) If the cash transfer deadline of June 22 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, 2025) that still remain as an account balance in 2025/26 should be cleared to zero via a Journal Entry (GJ). This will "push forward" the prior year revenue into the current year and make it available to expend.
Sample Entry:

	Debit	Credit
01-4035-0- - -9650- -	7,200	
01-4035-0-0000-0000-8290-000-0000		7,200



Fiscal03a — Account Transaction Detail by Object-Balance

Detail for Dates 07/01/2023 through 06/30/2024 — **Fiscal Year 2023/24**

Ref#	Pay To Name	Journal #	Description	Trans Date	Debit	Credit	Account Balance
Fund 01 - General Fund							
01-4035-0- - -9650- - Unearned Revenu,Title II							
		BB24-00002	Starting Balance	07/01/23	Dr 7,200	7,200.00	7,200.00
			Total for Liability Accounts and Object 9650		**.00**	**7200.00**	**7200.00**

Ref#	Pay To Name	Journal #	Description	Trans Date	Adopted Budget	Revised Budget	Revenue	Account Balance
01-4035-0-0000-0000-8290-000-0000 All Other Federal,Title II								
		BA24-00001	Approve Budget,OB24-01,Fund 0'	07/01/23	14,985.00	14,985.00	Cr 7,200	14,985.00
			Total for Revenue Accounts and Object 8290		**14,985.00**	**14,985.00**	**.00**	**14,985.00**

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

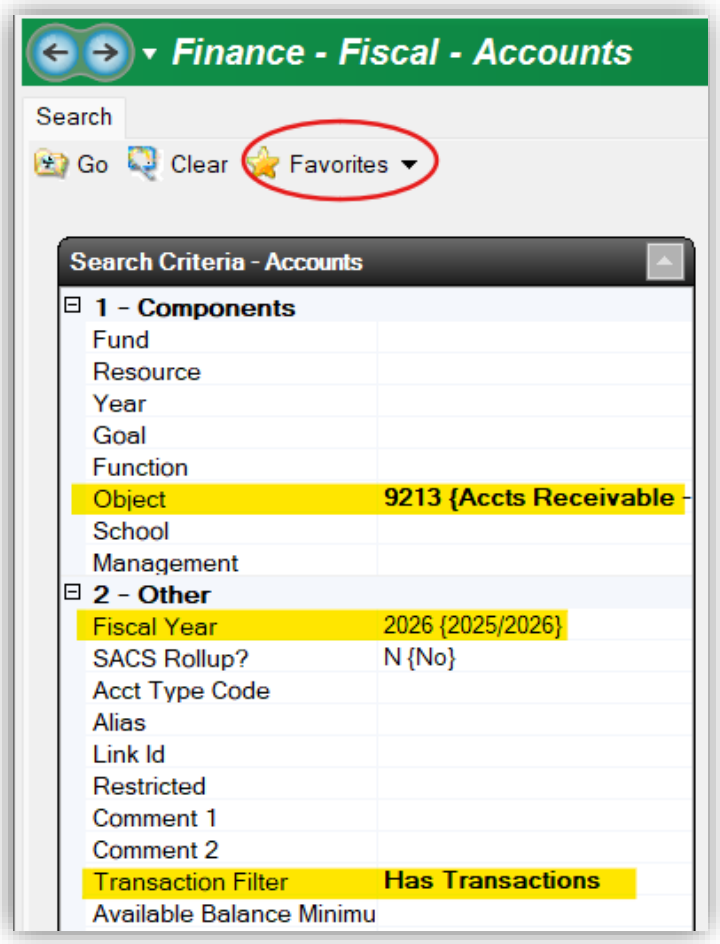
Review any balances in Resource 0000, for all funds for **Objects 9213, 9511, 954-957** filter.

Go to Finance – Fiscal – Accounts

Search Criteria:

- **Object:** 9213,- (Comma then – to get Blank Components)
  - Filter object codes for smaller list
- **Fiscal Year:** 2026 {2025/2026}
- **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

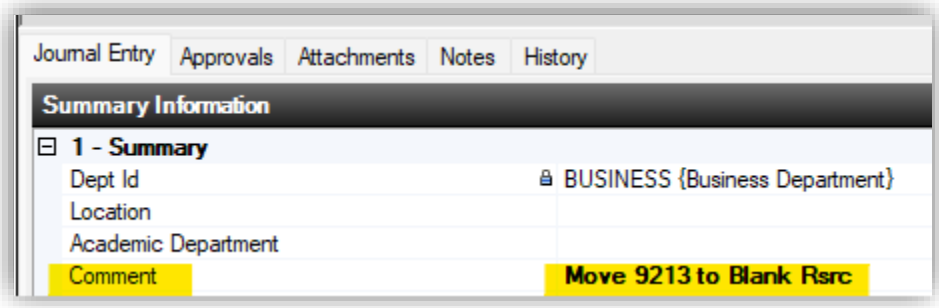
Go to Finance – Fiscal – Journal Entries

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



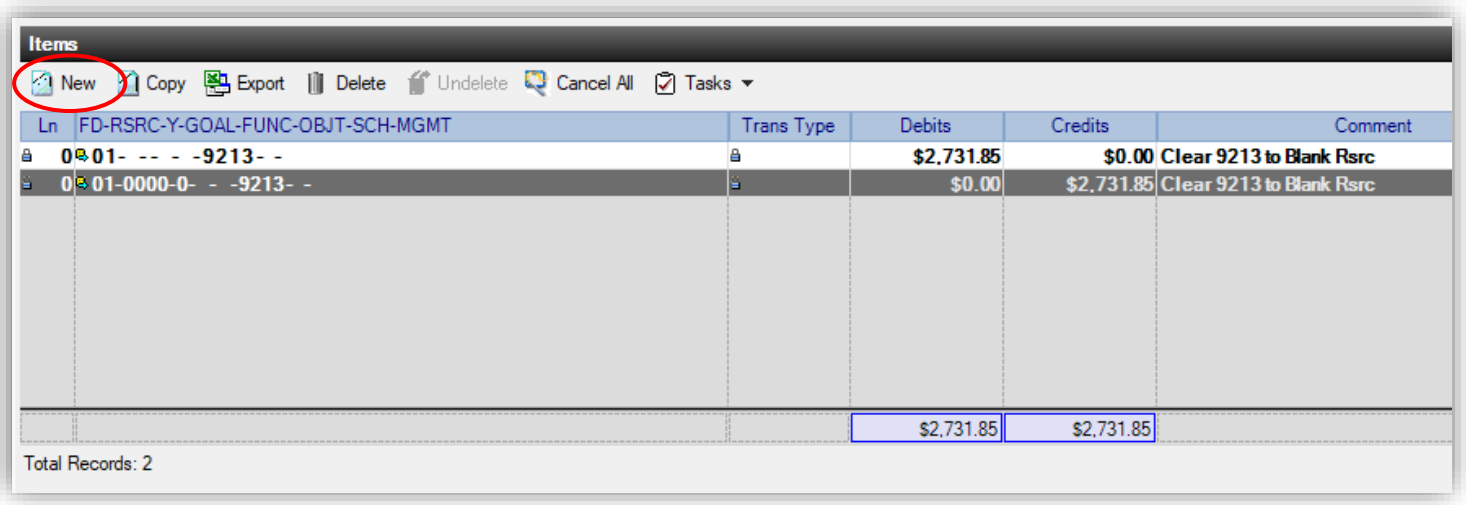
Example Journal Entry:

- 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.

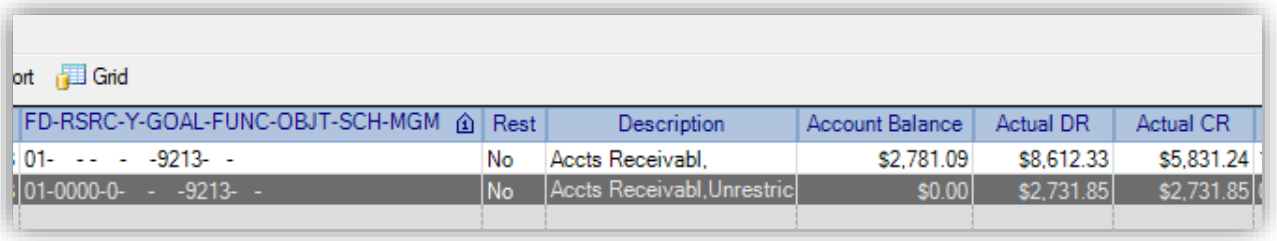
- Enter Account String: 01….-9213, press Enter to populate blank components
- Click New to enter another account string: 01-0000-0-..9213-..



- 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 2025-26

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 2026 **(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)***
For more details about the fair market calculation, see Step #27.

SCOE ENTRIES

1) SCOE Advisors will calculate and set up a Due To/From Governments (Object 9299 / 9599) in 2025-26 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 2026-27 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 (EPA) – Resource 1400

School districts and charter schools (LEAs) receive funding from the Education Protection Account (EPA) based on their proportionate share of statewide adjusted revenue limit and general-purpose block grant funding. EPA funding is a component of the Local Control Funding Formula (LCFF); therefore, a corresponding reduction is made to an LEA's LCFF State aid by the amount of its EPA entitlement.

LEAs are guaranteed a minimum of $200 per ADA, and EPA funding is distributed quarterly.

All district and charter school governing boards are required to:

- **Approve EPA spending determinations during an open public meeting**
- **Post on the LEA's website an accounting of the amount of EPA funds received and how those funds were spent.**

The spending determination *does not require a separate board meeting* and may be approved during a regularly scheduled meeting, including the annual budget adoption meeting.

The spending determination requirement can be satisfied at the annual budget adoption meeting.

Source of Revenue: EPA was established under Proposition 30 (2012) and amended by Proposition 55 (2016). **Proposition 55 extended the temporary taxes through 2030**. Funds are deposited into the EPA from income tax revenues on higher wage earners.

Of the funds collected:

- 89% is allocated to K–12 education
- 11% is allocated to community colleges

For additional information regarding EPA entitlements, SACS coding, and FAQs, visit the EPA page on the CDE website: http://www.cde.ca.gov/fg/aa/pa/epa.asp

Before closing your books:

☐ **Board Approval:** EPA spending determinations must be approved in an open session of a public governing board meeting. ***This should appear as a separate item on the board agenda.***

Date board adopted spending determination: _____

☐ **Final Revenue Confirmation**:
- Determine the final revenue amount (refer to the Second Principal Apportionment calculation released in mid-June)
- verify that expenditures align with the board-adopted spending plan for 2025-26.

☐ **Public Website Posting:** Annually post on the LEA website an accounting of:
- The amount of EPA funds received, and
- How EPA funds were spent.

Date 2025-26 accounting was posted on website: _____



Education Protection Account (EPA) – Resource 1400	
Revenue Objects	**Object 8012** – Current year revenue
	Object 8019 – Prior year revenue
Expenditure Requirements	Use the actual object code of expenditure. *Do not use lump-sum direct cost transfers with object 5710.*
Administrative Costs *Not allowable*	Administrative costs are not allowed. This includes functions 21xx, 2200, 2700, and 7xxx for general, school, and instructional administration.
Indirect Costs *Not allowable*	Indirect costs are not allowed because they are primarily administrative costs. This includes objects 73xx.
Contributions *Not allowable*	Contributions to this resource are not allowed, as they would distort EPA expenditure reporting. This includes objects 898x-899x
Carryover Allowed	Yes – ending fund balance/carryover is allowed
Additional Guidance	For a detailed list of allowable uses, visit the CDE SACS FAQ webpage.

Verify that 2025-26 EPA expenditures are allowable.

Run Fiscal01 Frontline report by function to review all expenditures.

Finance / Reports / Fiscal / Fiscal01:

Fiscal year = 2026
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**
Fund **01 - General Fund**, Function **1000 - Instruction**					
Object	**Description**	**Adopted Budget**	**Revised Budget**	**Encumbered** / **Expenditure**	**Account Balance**
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 2025-26 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 2025-26 actual revenue received and expenses by function.

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	**Function Codes**	
(Objects 1000-7999)		
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 7-1-26

☐ All balance sheet accounts and the ending resource balances associated with resources with a matrix end date of 7/1/2026 must be zero before June 30, 2026.

- 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. No AR or AP setup will be allowed at 6/30/26
- 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

Master List of Resources - 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)

4/23/2026

Resource	U/F	Resource Description	Date Added	FY Effectiv	Inactive Date	Matrix End Date
3218	U	Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve	8/4/2021	20-21	7/1/2025	7/1/2027
3219	U	Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve	8/4/2021	20-21	7/1/2025	7/1/2027
3216	U	Expanded Learning Opportunities (ELO) Grant: ESSER II State Reserve	8/4/2021	20-21	7/1/2025	7/1/2026
3217	U	Expanded Learning Opportunities (ELO) Grant: GEER II	8/4/2021	20-21	7/1/2025	7/1/2026
5032	U	Early Education: Early Learning and Care Workforce Development Grant	3/18/2020	19-20	7/1/2024	7/1/2026
6121	U	Early Education: Early Learning and Care Workforce Development Grant	7/18/2020	19-20	7/1/2024	7/1/2026
6230	F	California Clean Energy Jobs Act (23-24)	8/28/2013	13-14	7/1/2024	7/1/2026
6266	F	Educator Effectiveness, FY 2021–22	10/28/2021	21-22	7/1/2026	7/1/2026
7412	F	A–G Completion Grant: A–G Access/Success Grant	10/26/2021	21-22	7/1/2024	7/1/2026
7413	F	A–G Completion Grant: A–G Learning Loss Mitigation Grant	10/26/2021	21-22	7/1/2024	7/1/2026
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)	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

IMPORTANT: Resources 6266 Educator Effectiveness and 6230 California Clean Energy Jobs Acts require special attention this year as the Matrix End Date is 7/1/2026 and will not allow any balances to remain. Make sure all accounts (cash, AR, AP, Revenue, Expenditures) are $0 at 6/30/2026.

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 2025-26

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 2025-26 is provided below:

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 10.50%
City of Sonoma 10.25%

Effective April1, 2026



Example: if the district purchased a taxable item on 4/15/2026, 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:

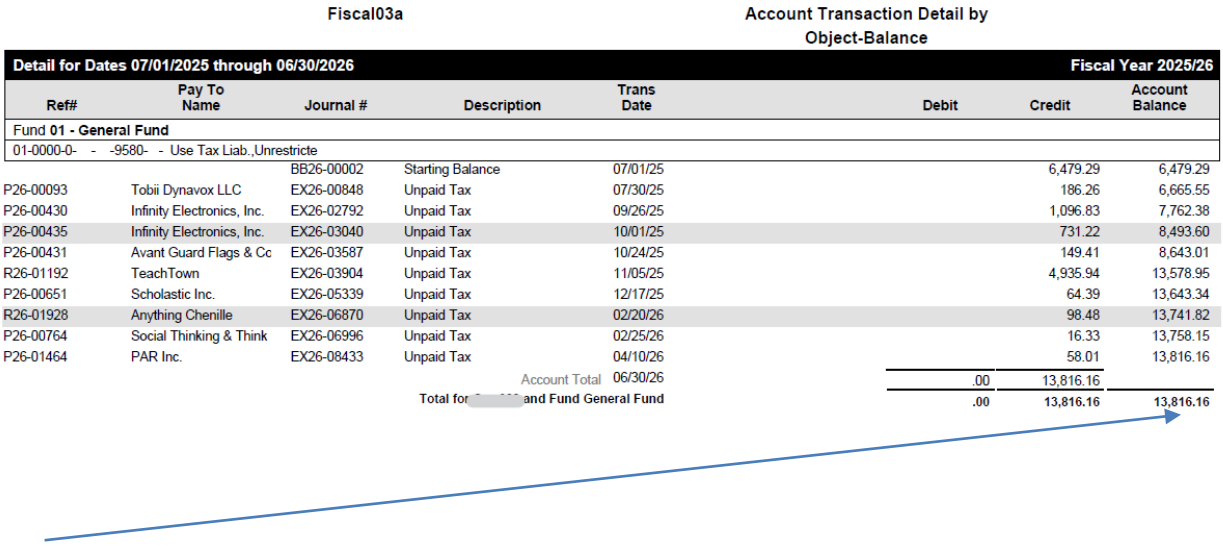
- ❖ At the end of the fiscal year, each district and charter school are required to file a Use Tax Report online and make payment to the California Department of Tax and Fee Administration (CDTFA). This report should include both Use Tax incurred and Sales Tax on district/charter sales of surplus equipment 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)**



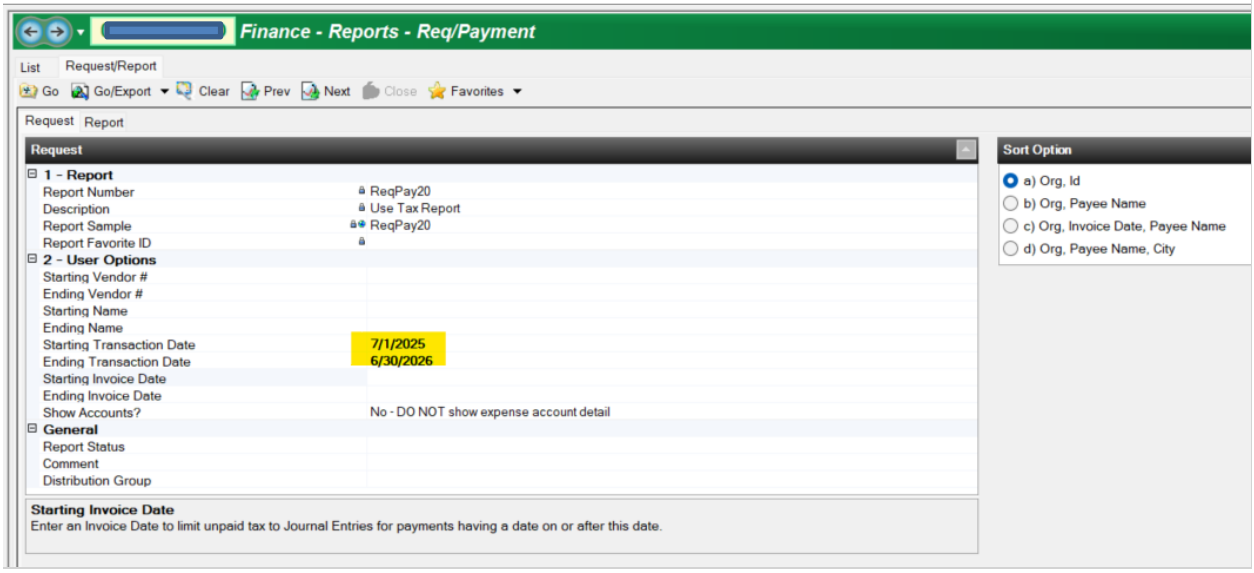
Fiscal03a — Account Transaction Detail by Object-Balance

Detail for Dates 07/01/2025 through 06/30/2026 — **Fiscal Year 2025/26**

Ref#	Pay To Name	Journal #	Description	Trans Date	Debit	Credit	Account Balance
Fund **01 - General Fund**							
01-0000-0- - -9580- - Use Tax Liab.,Unrestricte							
		BB26-00002	Starting Balance	07/01/25		6,479.29	6,479.29
P26-00093	Tobii Dynavox LLC	EX26-00848	Unpaid Tax	07/30/25		186.26	6,665.55
P26-00430	Infinity Electronics, Inc.	EX26-02792	Unpaid Tax	09/26/25		1,096.83	7,762.38
P26-00435	Infinity Electronics, Inc.	EX26-03040	Unpaid Tax	10/01/25		731.22	8,493.60
P26-00431	Avant Guard Flags & Cc	EX26-03587	Unpaid Tax	10/24/25		149.41	8,643.01
R26-01192	TeachTown	EX26-03904	Unpaid Tax	11/05/25		4,935.94	13,578.95
P26-00651	Scholastic Inc.	EX26-05339	Unpaid Tax	12/17/25		64.39	13,643.34
R26-01928	Anything Chenille	EX26-06870	Unpaid Tax	02/20/26		98.48	13,741.82
P26-00764	Social Thinking & Think	EX26-06996	Unpaid Tax	02/25/26		16.33	13,758.15
P26-01464	PAR Inc.	EX26-08433	Unpaid Tax	04/10/26		58.01	13,816.16
			Account Total	06/30/26	.00	13,816.16	
			Total for [redacted] and Fund General Fund		**.00**	**13,816.16**	**13,816.16**

$13,816.16 divided by 9.75% (0.0975) = $141,704.21 Purchase Subject

- ReqPay20 Use Tax Report **(sample report attached):**
  i. Starting Transaction Date: 7/1/2025
  ii. Ending Transaction Date: 6/30/2026
  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

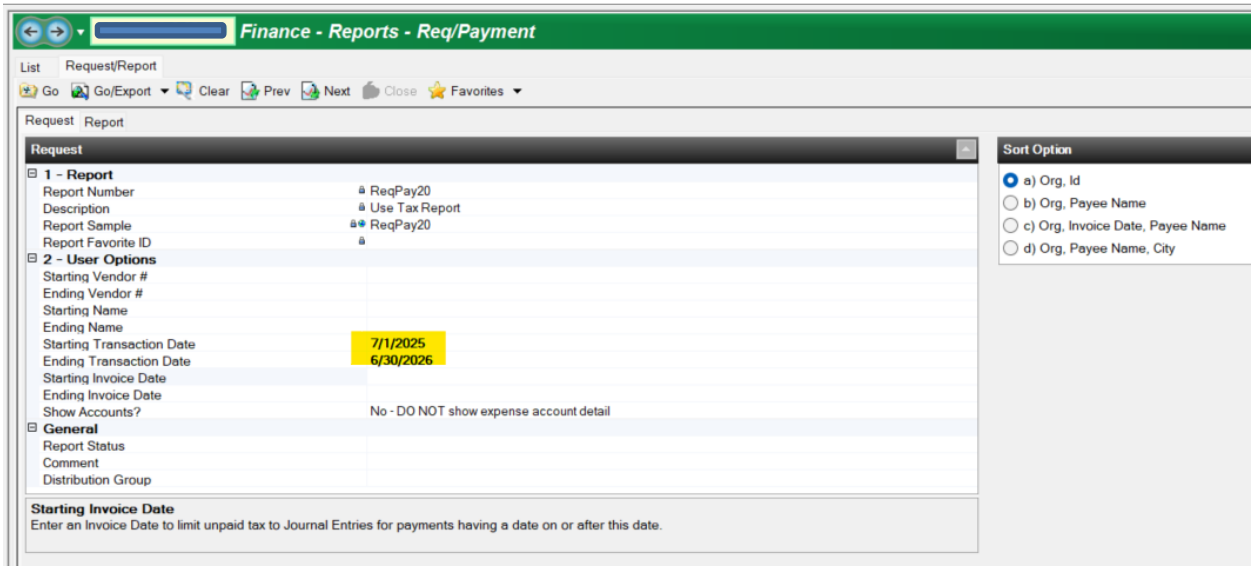
- If you transferred the 9580 Liabilities from Special Funds to the General Fund/Resource 0000, code the payment to the General Fund, Resource 0000, Object 9580. This will clear the 9580 liabilities
- If no transfer was made, ensure the expenditure is coded to the appropriate funds where the liability 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 22, 2026*.

III. Reports to Run After Final AP Processing, scheduled June 17, 2026, 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: 7/1/2025
- Ending Transaction Date: 6/30/2026
- Select 'Go' to generate the report
- Review report for accurate use of Use Tax.



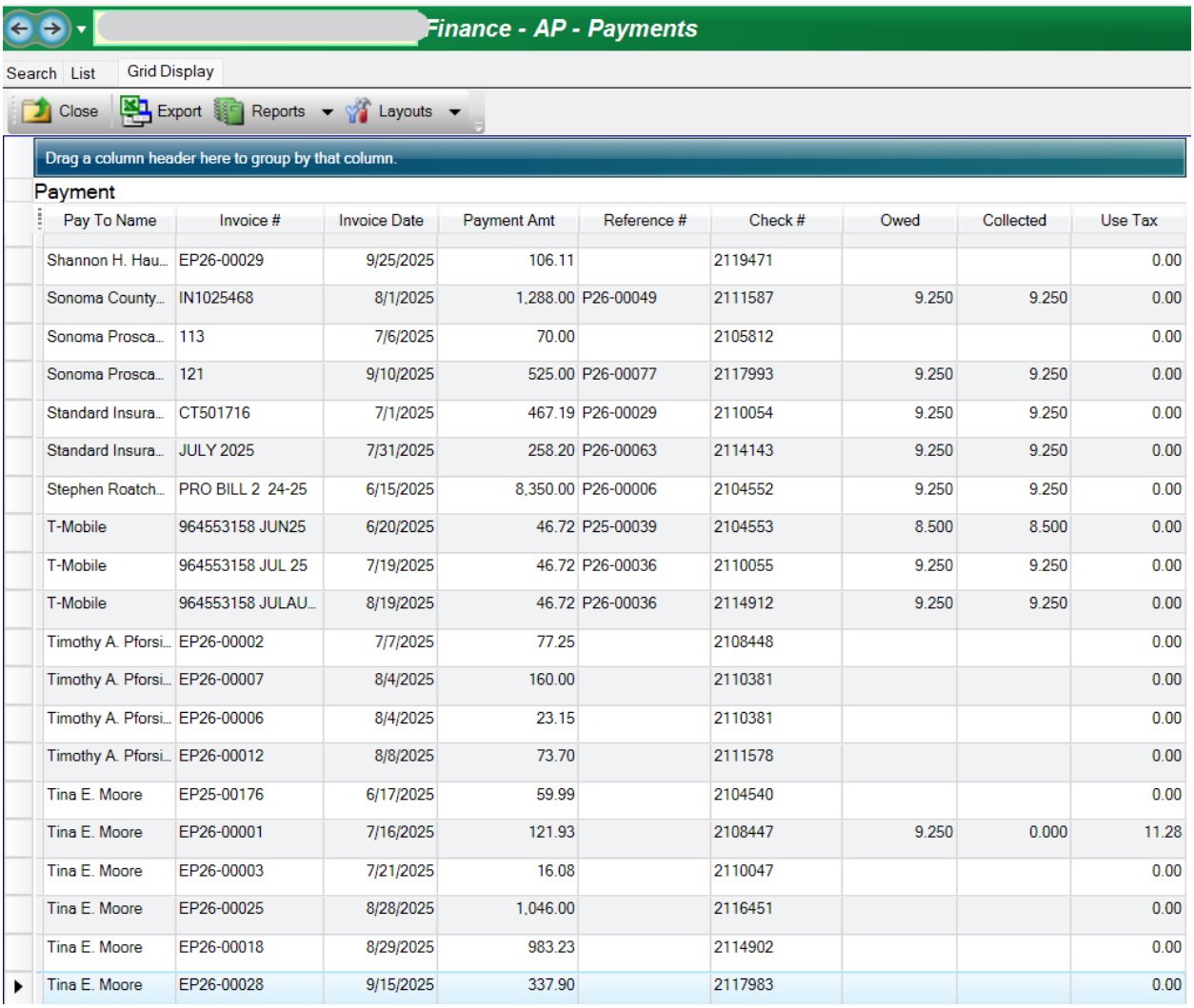
Grid Payments:
iv. Go to Finance-AP-Payments

v. Use the following Search criteria:
   - Status = Paid
   - Scheduled Pay Date Start = 7/1/2025
   - Scheduled Pay Date End = 6/30/2026
   - 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
Shannon H. Hau...	EP26-00029	9/25/2025	106.11		2119471			0.00
Sonoma County...	IN1025468	8/1/2025	1,288.00	P26-00049	2111587	9.250	9.250	0.00
Sonoma Prosca...	113	7/6/2025	70.00		2105812			0.00
Sonoma Prosca...	121	9/10/2025	525.00	P26-00077	2117993	9.250	9.250	0.00
Standard Insura...	CT501716	7/1/2025	467.19	P26-00029	2110054	9.250	9.250	0.00
Standard Insura...	JULY 2025	7/31/2025	258.20	P26-00063	2114143	9.250	9.250	0.00
Stephen Roatch...	PRO BILL 2 24-25	6/15/2025	8,350.00	P26-00006	2104552	9.250	9.250	0.00
T-Mobile	964553158 JUN25	6/20/2025	46.72	P25-00039	2104553	8.500	8.500	0.00
T-Mobile	964553158 JUL 25	7/19/2025	46.72	P26-00036	2110055	9.250	9.250	0.00
T-Mobile	964553158 JULAU...	8/19/2025	46.72	P26-00036	2114912	9.250	9.250	0.00
Timothy A. Pforsi...	EP26-00002	7/7/2025	77.25		2108448			0.00
Timothy A. Pforsi...	EP26-00007	8/4/2025	160.00		2110381			0.00
Timothy A. Pforsi...	EP26-00006	8/4/2025	23.15		2110381			0.00
Timothy A. Pforsi...	EP26-00012	8/8/2025	73.70		2111578			0.00
Tina E. Moore	EP25-00176	6/17/2025	59.99		2104540			0.00
Tina E. Moore	EP26-00001	7/16/2025	121.93		2108447	9.250	0.000	11.28
Tina E. Moore	EP26-00003	7/21/2025	16.08		2110047			0.00
Tina E. Moore	EP26-00025	8/28/2025	1,046.00		2116451			0.00
Tina E. Moore	EP26-00018	8/29/2025	983.23		2114902			0.00
Tina E. Moore	EP26-00028	9/15/2025	337.90		2117983			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

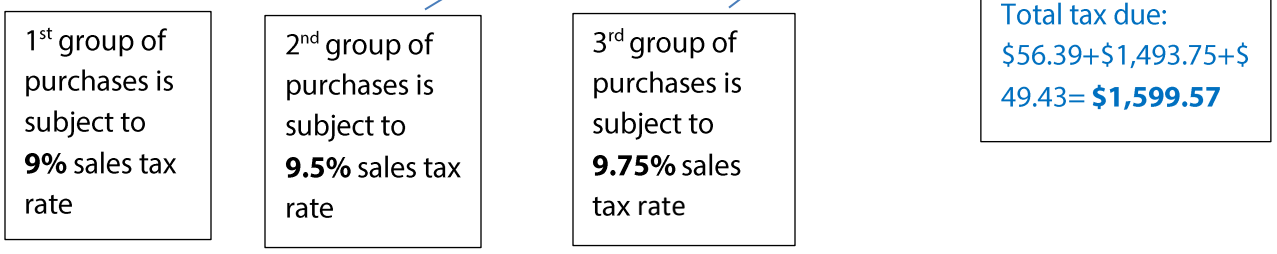
- Clean up Sort

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

Completed Spreadsheet Example:

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**



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 Amount	tax at 7.25	Taxable Amount	addt'l 1.75%	Taxable Amount	addt'l 2.25%	Taxable Amount	addt'l 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

- 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, 2026



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 07/01/2025 through 06/30/2026 — **Fiscal Year 2025/26**

Ref#	Pay To Name	Journal #	Description	Trans Date	Debit	Credit	Account Balance
Fund **01 - General Fund**							
01-0000-0- - -9580- - AP Use Tax,Unrestricted/n							
		BB26-00002	Starting Balance	07/01/25		.25	.25
B26-00094	STEVE WEISS MUSIC	EX26-01709	Unpaid Tax	11/05/25		1.19	1.44
B26-00198	Blick Art Materials Inc	EX26-01767	Unpaid Tax	11/14/25		1.81	3.25
R26-00826	B.W.S Distributors	EX26-01768	Unpaid Tax	11/14/25		.67	3.92
R26-00801	B.W.S Distributors	EX26-01769	Unpaid Tax	11/14/25		.08	4.00
B26-00021	Roberts Mechan. & Elec	EX26-01788	Unpaid Tax	11/14/25		5.49	9.49
B26-00022	Roberts Mechan. & Elec	EX26-01795	Unpaid Tax	11/14/25		.11	9.60
R26-00870	Sebastopol Bearing Inc	EX26-01844	Unpaid Tax	11/14/25		2.03	11.63
P26-00249	SHI	EX26-01850	Unpaid Tax	11/14/25		14.36	25.99
P26-00199	Amazon Capital Service	EX26-01881	Unpaid Tax	11/14/25		.03	26.02
P26-00198	Amazon Capital Service	EX26-01882	Unpaid Tax	11/14/25		.13	26.15
P26-00198	Amazon Capital Service	EX26-01883	Unpaid Tax	11/14/25		.15	26.30
P26-00196	Amazon Capital Service	EX26-01885	Unpaid Tax	11/14/25		.11	26.41
P26-00196	Amazon Capital Service	EX26-01886	Unpaid Tax	11/14/25		.02	26.43
B26-00147	Blick Art Materials Inc	EX26-02016	Unpaid Tax	12/03/25		.36	26.79
B26-00021	Roberts Mechan. & Elec	EX26-02089	Unpaid Tax	12/03/25		.31	27.10
P26-00272	Wayside Publishing	EX26-02096	Unpaid Tax	12/03/25		1.98	29.08
		GJ26-00100	Clr 2025 4QTR Use Tax	01/07/26	1.08		28.00
B26-00244	Harmony Farm Supply	EX26-04798	Unpaid Tax	05/13/26		.85	28.85
			Account Total	06/30/26	1.08	29.93	
			Total for ( ) and Fund General Fund		**1.08**	**29.93**	**28.85**

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
000278 Blick Art Materials Inc											
EX26-01767	2129234 R26-00604	11/14/2025 B26-00198	6482414	10/15/2025	10.50 %	10.00 %	398.90	01	9580	1.81	400.71
EX26-02016	2131925 R26-00424	12/03/2025 B26-00147	6261074	09/16/2025	10.50 %	10.25 %	157.24	01	9580	.36	157.60
				Total Payee 000278 Blick Art Materials Inc			**556.14**			**2.17**	**558.31**
000983 Sebastopol Bearing Inc											
EX26-01844	2129282 R26-00870	11/14/2025	IS8979	08/20/2025	10.50 %	9.25 %	177.75	01	9580	2.03	179.78
002626 Wayside Publishing											
EX26-02096	2131963 R26-00866	12/03/2025 P26-00272	IN210261	11/04/2025	10.50 %	10.00 %	384.77	01	9580	1.98	386.75
111126 Harmony Farm Supply LLC											
EX26-04798	2160024 R26-00778	05/13/2026 B26-00244	342732	05/06/2026	10.50 %	9.25 %	74.24	01	9580	.85	75.09
667061 Amazon.Com Corporate Account {Amazon}											
EX26-01881	2129294 R26-00665	11/14/2025 P26-00199	174X-QRVM-1XJH	10/20/2025	10.25 %	10.25 %	11.00	01	9580	.03	11.03
EX26-01882	2129294 R26-00664	11/14/2025 P26-00198	11XV-9MN9-GXFJ	10/06/2025	10.25 %	10.25 %	150.82	01	9580	.13	150.95
EX26-01883	2129294 R26-00664	11/14/2025 P26-00198	11YG-MQLX-GFQ7	10/13/2025	10.25 %	10.25 %	116.76	01	9580	.15	116.91
EX26-01885	2129294 R26-00661	11/14/2025 P26-00196	1K6K-FPJF-GY4D	10/13/2025	10.50 %	10.25 %	232.18	01	9580	.11	232.29
EX26-01886	2129294 R26-00661	11/14/2025 P26-00196	1L9V-CMLP-1JMP	10/20/2025	10.50 %	10.25 %	10.94	01	9580	.02	10.96
				Total Payee 667061 Amazon.Com Corporate Account {Amazon}			**521.70**			**.44**	**522.14**

Step 9a ~ WARRANT CANCELLATIONS

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

All commercial warrant cancellations must be submitted to **Sarah Graves (sgraves@scoe.org) by end of day Friday, June 12**. 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 12**, continue sending prior year (FY 2025-26) 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 2025-26 cancellations** sent after June 12 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 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., 2026)**. 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 22nd end of day as cash transactions will be closed after this date. For entries processed after June 22nd, 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:

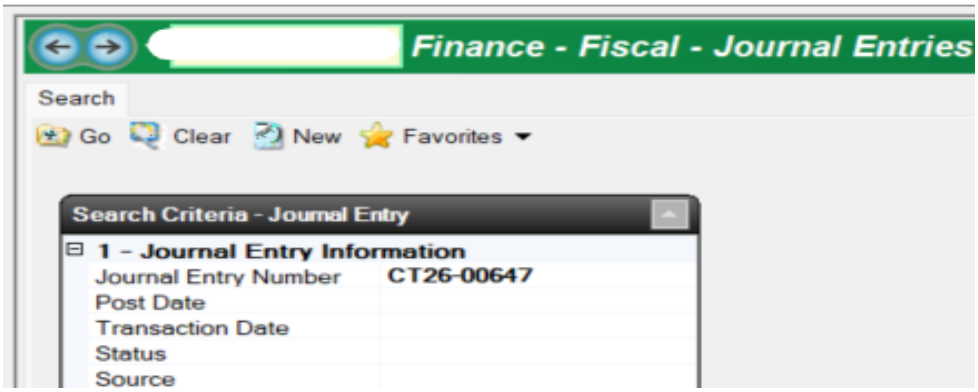
Fiscal03a — **Account Transaction Detail by Object-Balance**

Detail for Dates 07/01/2025 through 06/30/2026 — **Fiscal Year 2025/26**

Ref#	Pay To Name	Journal #	Description	Trans Date	Debit	Credit	Account Balance
Fund **01 - General Fund**							
01-0000-0- - -9515- - Accts Payable -,Unrestric							
		CT26-00060	DECEMBER 2024 SCOE PR STA	07/15/25		221.74	221.74
		CT26-00060	DECEMBER 2024 SCOE PR STA	07/15/25		176.00	397.74
		CT26-00061	DECEMBER 2024 SCOE COMM	07/15/25		40.00	437.74
		CT26-00326	JANUARY 2025 SCOE COMM ST	08/29/25		23.49	461.23
		CT26-00326	JANUARY 2025 SCOE COMM ST	08/29/25		33.10	494.33
		CT26-00326	JANUARY 2025 SCOE COMM ST	08/29/25		1,599.06	2,093.39
		CT26-00326	JANUARY 2025 SCOE COMM ST	08/29/25		223.82	2,317.21
		CT26-00326	JANUARY 2025 SCOE COMM ST	08/29/25		294.00	2,611.21
		CT26-00326	JANUARY 2025 SCOE COMM ST	08/29/25		18.00	2,629.21
		CT26-00326	JANUARY 2025 SCOE COMM ST	08/29/25		9.50	2,638.71
		CT26-00326	JANUARY 2025 SCOE COMM ST	08/29/25		24.00	2,662.71
		CT26-00327	JANUARY 2025 SCOE PR STALE	08/29/25		66.75	2,729.46
		CT26-00458	FEBRUARY 2025 SCOE COMM S	09/25/25		34.44	2,763.90
		CT26-00458	FEBRUARY 2025 SCOE COMM S	09/25/25		61.59	2,825.49
		CT26-00646	MARCH 2025 SCOE PR STALED	10/29/25		3,399.89	6,225.38
		CT26-00647	MARCH 2025 SCOE COMM STAI	10/29/25		54.66	6,280.04
		CT26-00647	MARCH 2025 SCOE COMM STAI	10/29/25		157.11	6,437.15

Make a note of the CT number that posted the transaction. In the example above, the last entry is CT26-00647.

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



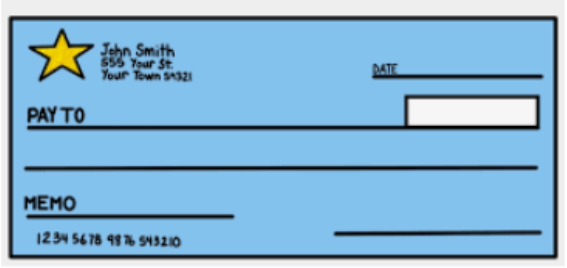
From the List, if you look all the way to the right it will list the "Open Attachments." If you click on the little yellow button next to the attachment available it will open up the attachment for this journal. See Below:



Reference	Link #	Transaction	Total Amount	Item Count	Status	Source	JE Type	Batch #	Comment	On Hold	Status Comment	Attachments	Open Attachments
CT26-00647	200004635	10/29/2025	211.77	3	Posted	County	County		MARCH 2025 SCOE COMM STALED DATED OCTOBER 2025	No		1 -	1 attachment available

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:

Check Number	Issue Date	Amount Issued	Payee Name	Cancel Date	Cancel Status	Status Change Reason
2083445	3/7/2025	52.49		10/9/2025	STOP	STALE DATED
2083447	3/7/2025	170.62		10/9/2025	STOP	STALE DATED
2083449	3/7/2025	26.12		10/9/2025	STOP	STALE DATED
2083450	3/7/2025	95.44		10/9/2025	STOP	STALE DATED
2086318	3/21/2025	745.50		10/9/2025	STOP	STALE DATED
2084983	3/14/2025	518.00		10/9/2025	STOP	STALE DATED
2084990	3/14/2025	42.68		10/9/2025	STOP	STALE DATED
2087474	3/28/2025	293.27		10/9/2025	STOP	STALE DATED
2085003	3/14/2025	258.93		10/9/2025	STOP	STALE DATED
2085039	3/14/2025	27.46		10/9/2025	STOP	STALE DATED
2083532	3/7/2025	25.00		10/9/2025	STOP	STALE DATED
2086812	3/26/2025	72.38		10/9/2025	STOP	STALE DATED
2084180	3/12/2025	122.50		10/9/2025	STOP	STALE DATED
2082393	3/5/2025	7.26		10/9/2025	STOP	STALE DATED
2087547	3/28/2025	3,560.00		10/9/2025	STOP	STALE DATED
2082447	3/5/2025	1,210.96		10/9/2025	STOP	STALE DATED
2085815	3/19/2025	32.85		10/9/2025	STOP	STALE DATED
2082534	3/5/2025	40.82		10/9/2025	STOP	STALE DATED
2084303	3/12/2025	34.30		10/9/2025	STOP	STALE DATED
2086901	3/26/2025	117.90		10/9/2025	STOP	STALE DATED
2084409	3/12/2025	230.87		10/9/2025	STOP	STALE DATED
2083682	3/7/2025	19.73		10/9/2025	STOP	STALE DATED
2083705	3/7/2025	25.00		10/9/2025	STOP	STALE DATED
2083713	3/7/2025	88.34		10/9/2025	STOP	STALE DATED
2086504	3/21/2025	30.00		10/9/2025	STOP	STALE DATED
2082826	3/5/2025	101.91		10/9/2025	STOP	STALE DATED
2082854	3/5/2025	4.06		10/9/2025	STOP	STALE DATED
2083782	3/7/2025	6.09		10/9/2025	STOP	STALE DATED
2083783	3/7/2025	2.83		10/9/2025	STOP	STALE DATED
2084584	3/12/2025	54.66		10/9/2025	STOP	STALE DATED
2086030	3/19/2025	157.11		10/9/2025	STOP	STALE DATED
2083796	3/7/2025	34.59		10/9/2025	STOP	STALE DATED
2082945	3/5/2025	25.00		10/9/2025	STOP	STALE DATED
2083869	3/7/2025	29.89		10/9/2025	STOP	STALE DATED
2083876	3/7/2025	38.39		10/9/2025	STOP	STALE DATED
2084617	3/12/2025	22.40		10/9/2025	STOP	STALE DATED
2086108	3/19/2025	36.70		10/9/2025	STOP	STALE DATED
2083922	3/7/2025	11.76		10/9/2025	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.

SUI will have a balance to carry over to FY26-27 beginning balance. Even though the 7/10 payroll hits the books 6/30, it is actually included in 3rd quarter reporting for SUI.

Worker's Comp will have a balance to carry over to FY26-27 beginning balance. Reconcile the balance to ensure object code 9556 is zero after payment is made in July.

To assist with reconciling, **run the Pay05 for Ending Pay Date 7/10/2026**. 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	01/01/26 – 07/10/26							
	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 FY26-27 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 7/10/2026**. 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 01/01/26 – 07/10/26

	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 School Employee Summer Assistance Program (CSESAP)

This step applies to districts participating in the Classified School Employee Summer Assistance Program. The purpose of this process is to:

1. Verify all employee summer withholding balances in **Object 9530** have been refunded
2. Ensure the state matching salary expense is correctly recorded in **Resource 7415**
3. Establish the Accounts Receivable for reimbursement from CDE

Important:

Before beginning the 2025–26 closing process, review the 2024–25 CSESAP activity.

The 2024–25 state matching percentage increased from **0.64 to 0.819**.

- The additional state match has been paid to employees
- The related salary expense has been recorded in **Resource 7415**
- The additional prior-year match is **not included** in the 2025–26 Accounts Receivable calculation

Key CDE Requirements and Deadlines

- Request reimbursement funds from CDE by **July 31, 2026**
- The reimbursement request should equal the **total employee withholdings only**
- Do not include statutory benefits in the reimbursement request

Estimated 2025–26 State Match

The estimated state match for the 2025–26 school year is currently:

$0.56 for every $1.00 withheld from participating employees

The matching rate may change. Monitor the CDE CSESAP webpage for updated funding information and allocation schedules.

References

- SCOE CSESAP Procedures Document https://resources.finalsite.net/images/v1778600895/scoeorg/r1nmj5vl8oph6nfth4j4/ClassifiedSchoolEmployeeSummerAssistanceProgramRevised4-2026.pdf
- California Department of Education – CSESAP https://www.cde.ca.gov/fg/aa/ca/csesap.asp

CSESAP Deduction Refund and Matching Payout

It is recommended that districts process:

- Employee deduction refunds on the **6/30/2026 payroll**
- Matching fund payouts on the **7/10/2026 liability payroll** if paying in two installments

Districts may choose one of the following methods for paying the state match:

Option 1 – Pay Match from General Fund

- Pay employee matching funds from the General Fund (Resource 0000)
- Manually transfer the salary expense to Resource 7415

Option 2 – Pay Match from Resource 7415

- Pay employee matching funds directly from Resource 7415
- Transfer statutory benefits back to Resource 0000 through a journal entry

In either option, only the salary expense should remain in Resource 7415.

Employee Separation Reminder:

Per California Education Code Section 45500(i), employees who separate from employment during the school year are still eligible to receive state matching funds if:

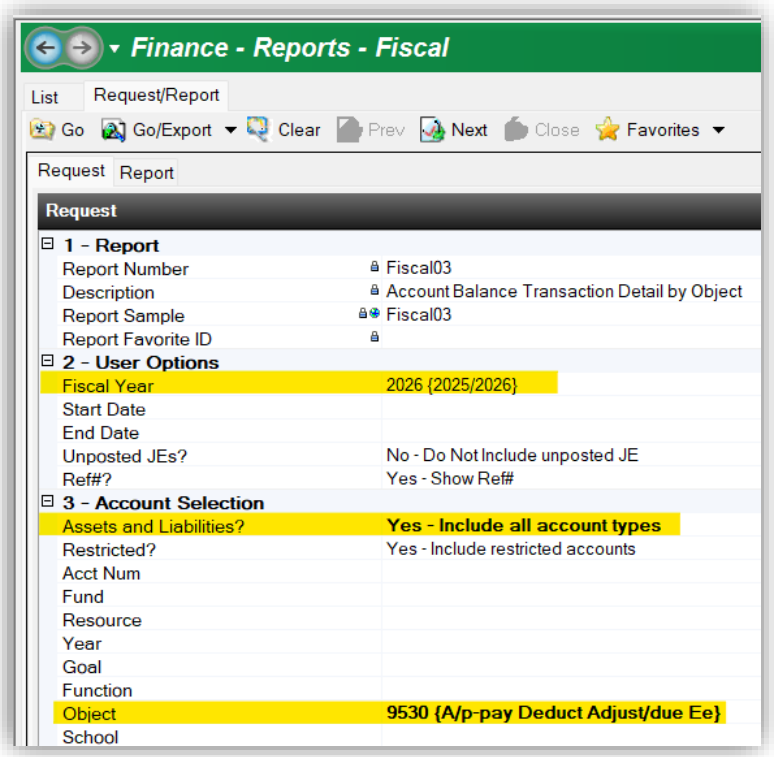
- Their withheld earnings remain in the program, and
- They do not request an early payout during the school year.

Review Object 9530 Balances

After June payroll processing is complete, review Object 9530 to verify all employee withholding balances have been cleared. Run the Fiscal 02 or Fiscal 03 Account Balance report.

Go to Finance – Reports – Fiscal – Fiscal02 or Fiscal03

- **Fiscal Year:** 2026 {2025/2026}
- **Assets and Liabilities**: Yes – Include all account types
- **Object:** 9530
- Select **Go** to generate the report



Review Remaining Balances

If there are balances remaining in 9530 Object, research to determine if the balance needs to be refunded to the employee.

If balances remain in Object 9530:

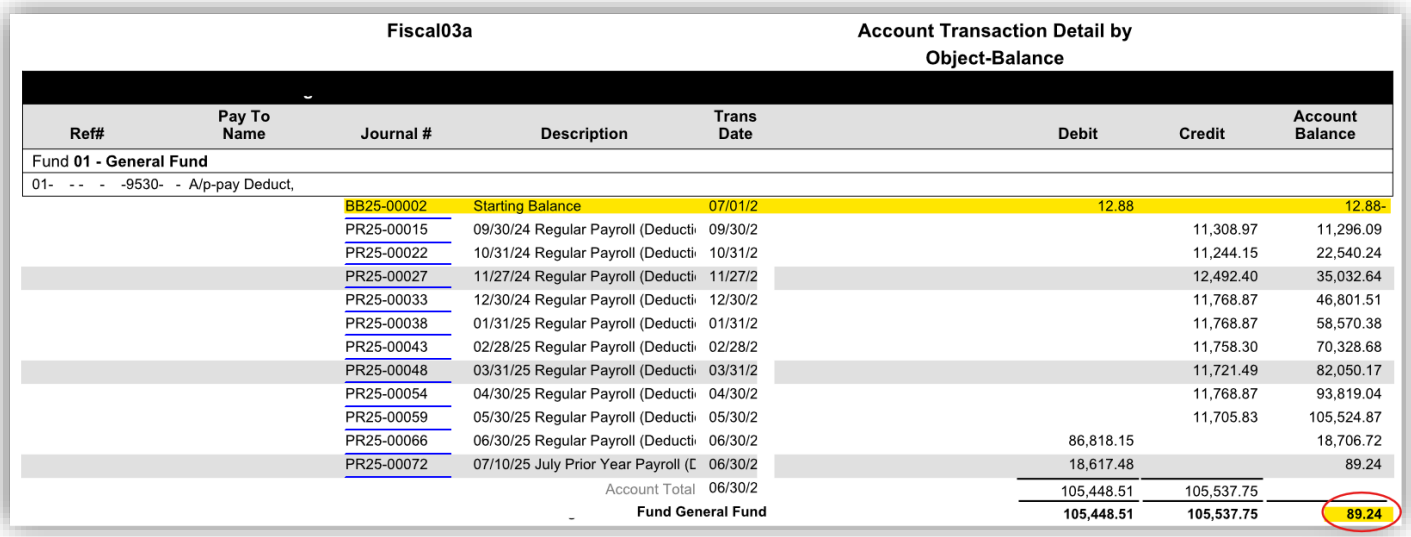
- Research the employee activity in the Pay24 Payroll Deduction and Contribution Detail
- Determine whether additional refunds are required
- Review both current-year and beginning balances

A remaining balance may indicate:

- An unpaid employee refund
- Prior-year carryover activity
- Incomplete payroll processing

Example Fiscal03 Account Transaction Detail by Object-Balance:

This example shows a balance of 89.24 that will need to be researched. Notice that there was a Starting Balance that also needs to be reviewed.



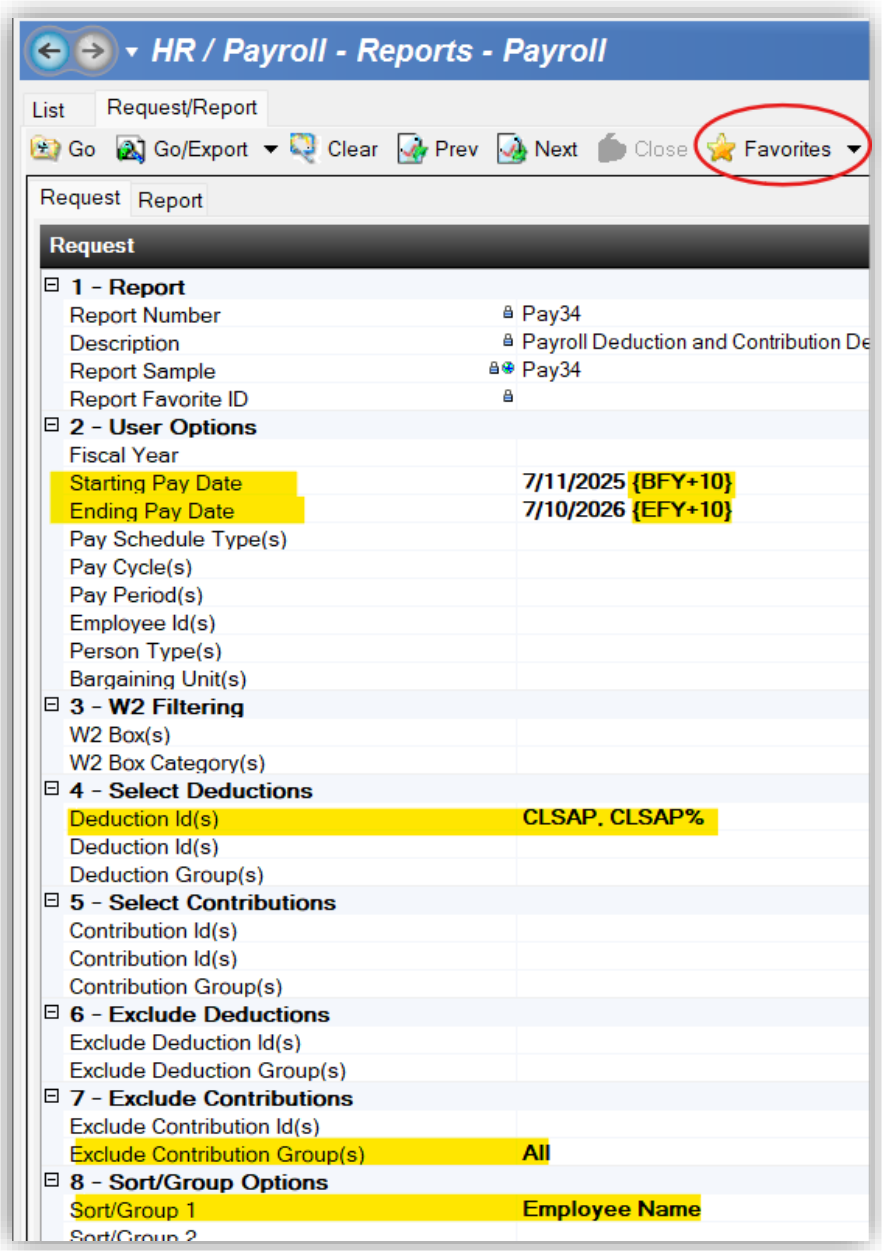
Fiscal03a — **Account Transaction Detail by Object-Balance**

Ref#	Pay To Name	Journal #	Description	Trans Date	Debit	Credit	Account Balance
Fund **01 - General Fund**							
01- - - -9530- - A/p-pay Deduct,							
		BB25-00002	Starting Balance	07/01/2	12.88		12.88-
		PR25-00015	09/30/24 Regular Payroll (Deducti	09/30/2		11,308.97	11,296.09
		PR25-00022	10/31/24 Regular Payroll (Deducti	10/31/2		11,244.15	22,540.24
		PR25-00027	11/27/24 Regular Payroll (Deducti	11/27/2		12,492.40	35,032.64
		PR25-00033	12/30/24 Regular Payroll (Deducti	12/30/2		11,768.87	46,801.51
		PR25-00038	01/31/25 Regular Payroll (Deducti	01/31/2		11,768.87	58,570.38
		PR25-00043	02/28/25 Regular Payroll (Deducti	02/28/2		11,758.30	70,328.68
		PR25-00048	03/31/25 Regular Payroll (Deducti	03/31/2		11,721.49	82,050.17
		PR25-00054	04/30/25 Regular Payroll (Deducti	04/30/2		11,768.87	93,819.04
		PR25-00059	05/30/25 Regular Payroll (Deducti	05/30/2		11,705.83	105,524.87
		PR25-00066	06/30/25 Regular Payroll (Deducti	06/30/2	86,818.15		18,706.72
		PR25-00072	07/10/25 July Prior Year Payroll (D	06/30/2	18,617.48		89.24
			Account Total	06/30/2	105,448.51	105,537.75	
			Fund General Fund		**105,448.51**	**105,537.75**	**89.24**

- Run the Pay34 Payroll Deduction and Contributions Detail Report to review the employee CLSAP deductions and refunds detail

CLSAP Pay34 Payroll Deduction and Contribution 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 (type the word All)
- **Sort/Group1**: Employee Name
- Click **Go** to Generate

Example Pay34 Payroll Deduction and Contribution Detail:

- The balance is 102.12 plus the starting balance of -12.88 for a total of 89.24

Pay34a **Payroll Deduction and Contribution Detail**

Employee	(ID)	Pay Cycle/ Period	Pay Date	Deduction ID	Deduction Description	Deduction Group Code	Deduction Group Description	Deduction Gross Amt	Deduction Amount
Employee Name									
	2687	CL1A/2	09/30/202	CLSAP%	Summer Asst Program	M		2,820.85	282.09
	2687	CL1A/3	10/31/202	CLSAP%	Summer Asst Program	M		2,172.70	217.27
	2687	CL1A/4	11/27/202	CLSAP%	Summer Asst Program	M		4,664.93	466.49
	2687	CL1A/5	12/30/202	CLSAP%	Summer Asst Program	M		4,556.31	455.63
	2687	CL1A/6	01/31/202	CLSAP%	Summer Asst Program	M		4,556.31	455.63
	2687	CL1A/7	02/28/202	CLSAP%	Summer Asst Program	M		4,556.31	455.63
	2687	CL1A/8	03/31/202	CLSAP%	Summer Asst Program	M		4,556.31	455.63
	2687	CL1A/9	04/30/202	CLSAP%	Summer Asst Program	M		4,556.31	455.63
	2687	CL1A/10	05/30/202	CLSAP%	Summer Asst Program	M		4,172.55	417.26
	2687	CL1A/11	06/30/202	CLSAP%	Summer Asst Program	M		1,130.62	113.06
	2687	CL1A/11	06/30/202	CLSAPRFD	Refund CLSAP #1	M		0.00	1,881.97-
	2687	CLS/12	07/10/202	CLSAPRFD	Refund CLSAP #2	M		0.00	1,881.96-
Employee Count for Employee Name									**10.39**
Employee Name									
	2166	CL1A/2	09/ /202	CLSAP%	Summer Asst Program	M		5,107.97	510.80
	2166	CL1A/3	10/31/202	CLSAP%	Summer Asst Program	M		5,107.97	510.80
	2166	CL1A/4	11/27/202	CLSAP%	Summer Asst Program	M		6,599.04	659.90
	2166	CL1A/5	12/30/202	CLSAP%	Summer Asst Program	M		5,542.41	554.24
	2166	CL1A/6	01/31/202	CLSAP%	Summer Asst Program	M		5,542.41	554.24
	2166	CL1A/7	02/28/202	CLSAP%	Summer Asst Program	M		5,542.41	554.24
	2166	CL1A/8	03/31/202	CLSAP%	Summer Asst Program	M		5,542.41	554.24
	2166	CL1A/9	04/30/202	CLSAP%	Summer Asst Program	M		5,542.41	554.24
	2166	CL1A/10	05/30/202	CLSAP%	Summer Asst Program	M		5,542.41	554.24
	2166	CL1A/11	06/30/202	CLSAP%	Summer Asst Program	M		917.29	91.73
	2166	CL1A/11	06/30/202	CLSAPRFD	Refund CLSAP	M		0.00	5,006.94-
Employee Count for Employee Name									**91.73**
									102.12

Review Employee Balances

- Current year deduction activity
- Refund activity
- Beginning balances

Ensure all employee withholding balances reconcile to zero unless valid carryover activity exists.

Always review the next fiscal year before issuing additional refunds.

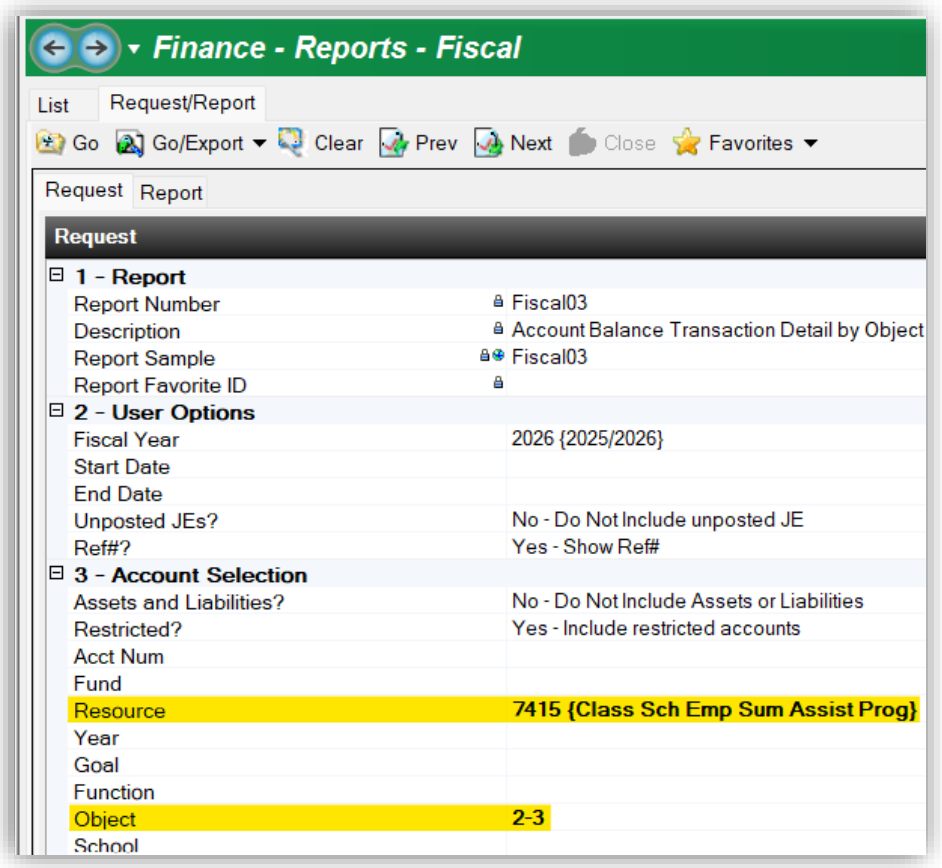
Review Resource 7415 Salary Expenses

After all June 30 and July 10 payrolls are processed, verify that only salary expenses remain in Resource 7415. Run the Fiscal02 or Fiscal03 report.

- Statutory benefits (3000 object codes) must not remain in Resource 7415
- If benefits were charged to Resource 7415, transfer them to Resource 0000 through a general journal entry

Go to Finance – Reports – Fiscal – Fiscal02 or Fiscal03

Example when matching funds are paid from by 7415 Resource:



- **Fiscal Year:** 2026
- **Resource:** 7415
- **Object:** 2-3
- Click **Go** to generate the report

Example Fiscal03 when paid from by 7415 Resource:

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

Ref#	Pay To Name	Journal #	Description	Trans Date	Adopted Budget	Revised Budget	Encumbered	Expenditure	Account Balance
Fund **01 - General Fund**									
01-7415-0-1110-1000-2100-000-0000	Instructional A,Instructi								
		PR26-00013	09/10/25 Regular Payroll (Earning:	09/10/25				42,143.17	42,143.17-
		BR26-00038	Revise budget to pull from Carryov	09/12/25		42,143.00			.17-
			Account Total	09/30/25	.00	42,143.00	.00	42,143.17	
01-7415-0-1110-1000-3312-000-0000	Benefits - Fica,Instructi								
		PR26-00013	09/10/25 Regular Payroll (Contribu	09/10/25				2,588.54	2,588.54-
		BR26-00038	Revise budget to pull from Carryov	09/12/25		2,589.00			.46
			Account Total	09/30/25	.00	2,589.00	.00	2,588.54	
01-7415-0-1110-1000-3332-000-0000	Benefits - Medi,Instructi								
		PR26-00013	09/10/25 Regular Payroll (Contribu	09/10/25				611.05	611.05-
		BR26-00038	Revise budget to pull from Carryov	09/12/25		611.00			.05-
			Account Total	09/30/25	.00	611.00	.00	611.05	
01-7415-0-1110-1000-3502-000-0000	Benefits - Sui,Instructio								
		PR26-00013	09/10/25 Regular Payroll (Contribu	09/10/25				21.18	21.18-
		BR26-00038	Revise budget to pull from Carryov	09/12/25		21.00			.18-
			Account Total	09/30/25	.00	21.00	.00	21.18	
01-7415-0-1110-1000-3602-000-0000	Benefits - Wcom,Instructi								
		PR26-00013	09/10/25 Regular Payroll (Contribu	09/10/25				809.13	809.13-
		BR26-00038	Revise budget to pull from Carryov	09/12/25		809.00			.13-
			Account Total	09/30/25	.00	809.00	.00	809.13	
			Total for Org and Fund General Fund		**.00**	**46,173.00**	**.00**	**46,173.07**	**.07-**

- All benefits accounts (3000 objects) must be transferred to General Fund.

Establish Accounts Receivable

Once salary expenses are finalized, establish the year-end Accounts Receivable for reimbursement from CDE.

Journal Entry

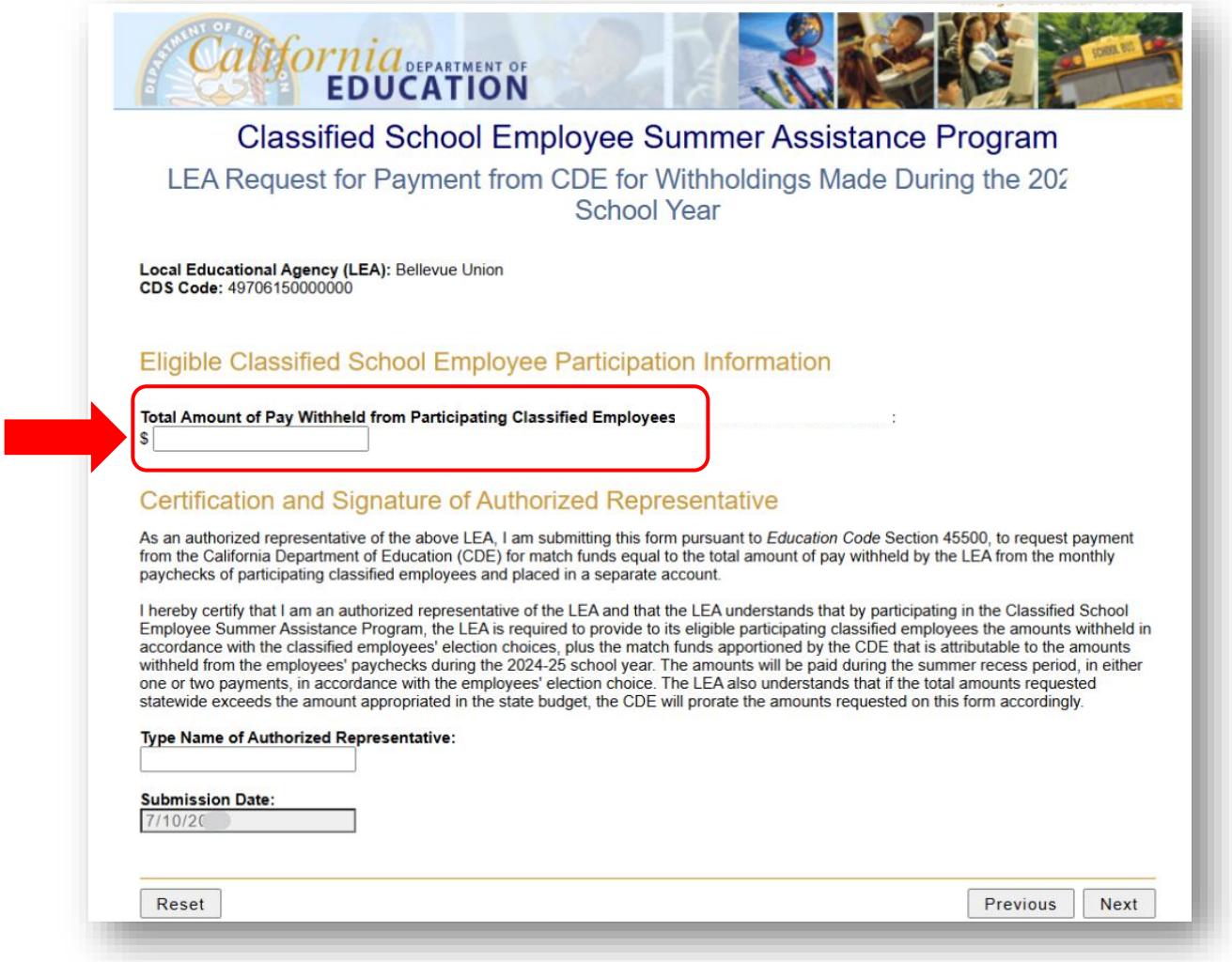
Debit: 7415 Resource, 9290 Object with the salary amount only

Credit: 7415 Resource, 8590 Object with the salary amount only



Do NOT include statutory benefits in 7415 Resource!

Request funds from CDE by July 31, 2026, the amount should be the total withheld from employees!



Steps 10 and 11 – Establish ARs and APs Accruals

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 Fiscal15 Year End Checklist must be submitted to your SCOE 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 IT workshops:

June 12, 2026	**Payables Workshop**	**9:00 am – 10:30 am**	**Hybrid**
June 12, 2026	**Receivables Workshop**	**11:00 am – 12:30 pm**	**Hybrid**

******Manual Accruals To or From Government Funding******

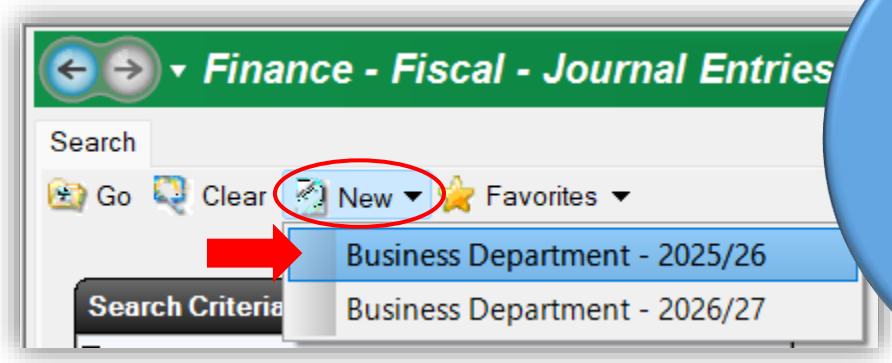
- Resource Codes 1000-7999 must not be processed through the Year End Closing activity. Use **9290/9590** objects for any accruals associated with state or federal programs
- Manual Journal Entries will need to be done, since the Year End Closing activity only allows one object code for receivables (9210) and payables (9510)
- Manual Journal Entries created with 9290/9590, balances will remain in these object codes 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

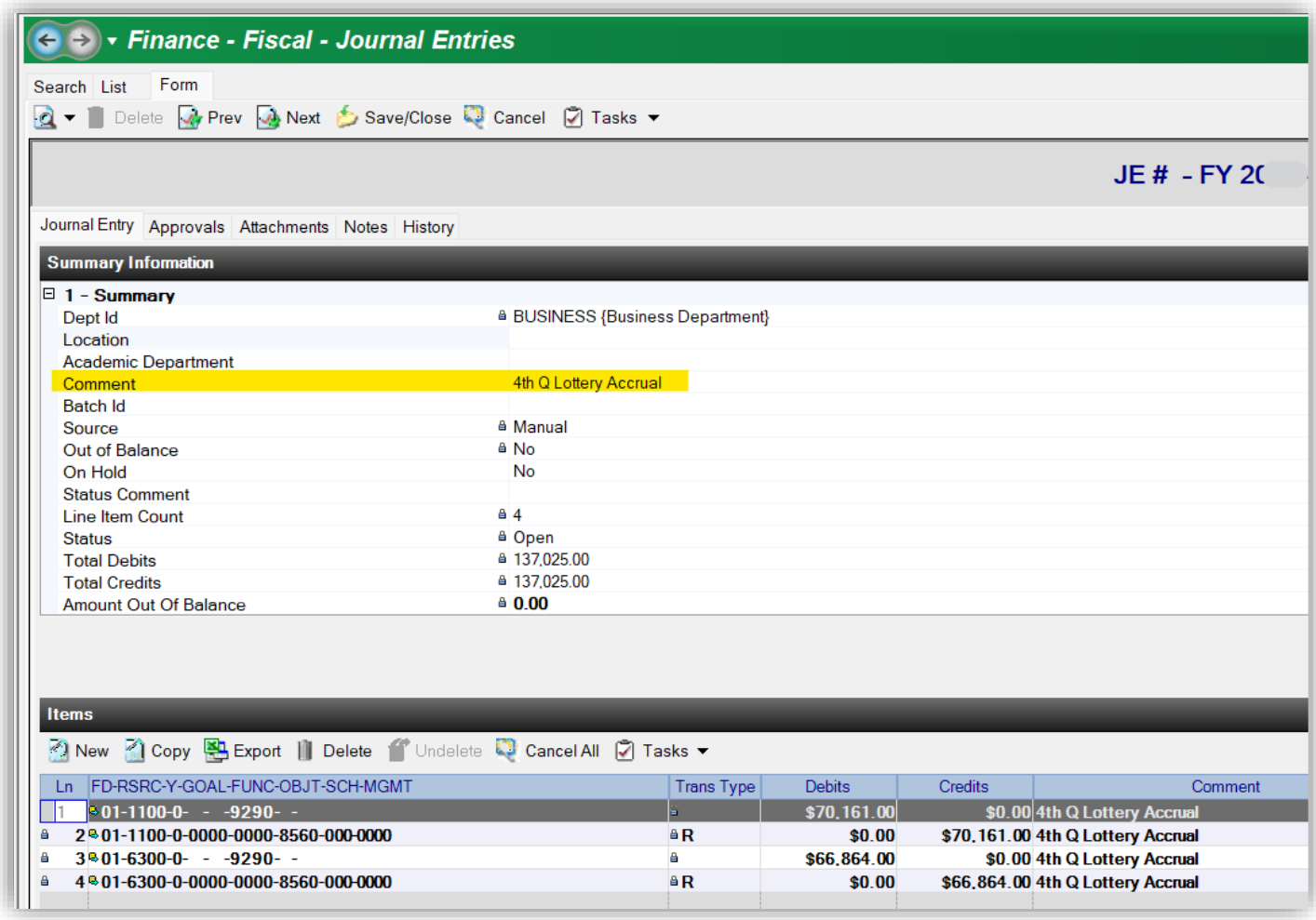
Go to Finance – Fiscal – Journal Entries

- Click to New
- Select 2025/26



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

Example: Receivable JE for 4th Quarter Lottery



- Enter Comment –Example **4th Qtr Lottery**
- Click New in Items to add account strings
    - Debit 9229
    - Credit 8560
- Save/Close or go to Tasks to Submit as usual

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

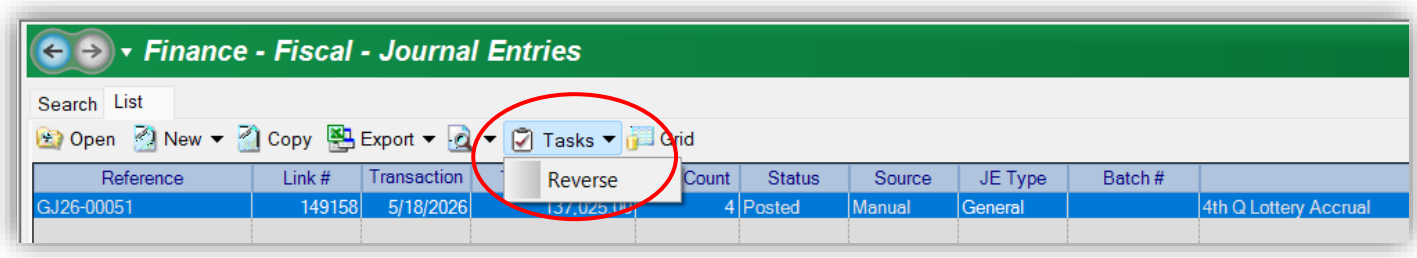
Reverse Journal Entry in Next Fiscal Year

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

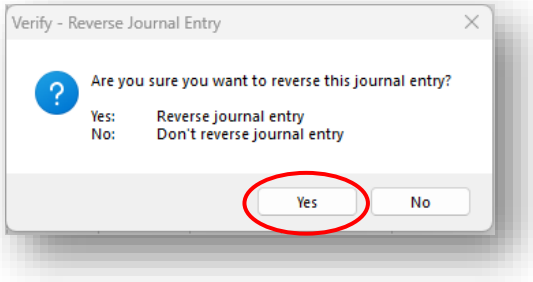
Example: Reverse Manual JE that was setup as Receivable in 9290 Object Code for Estimated Lottery Revenue.

Go to Finance – Fiscal – Journal Entries

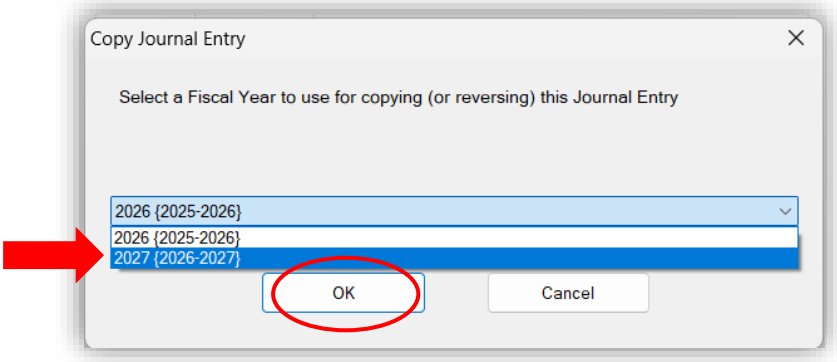
- Enter GJ Reference number from FY26
- From List Tab Use Tasks to Reverse (Do not open the JE)



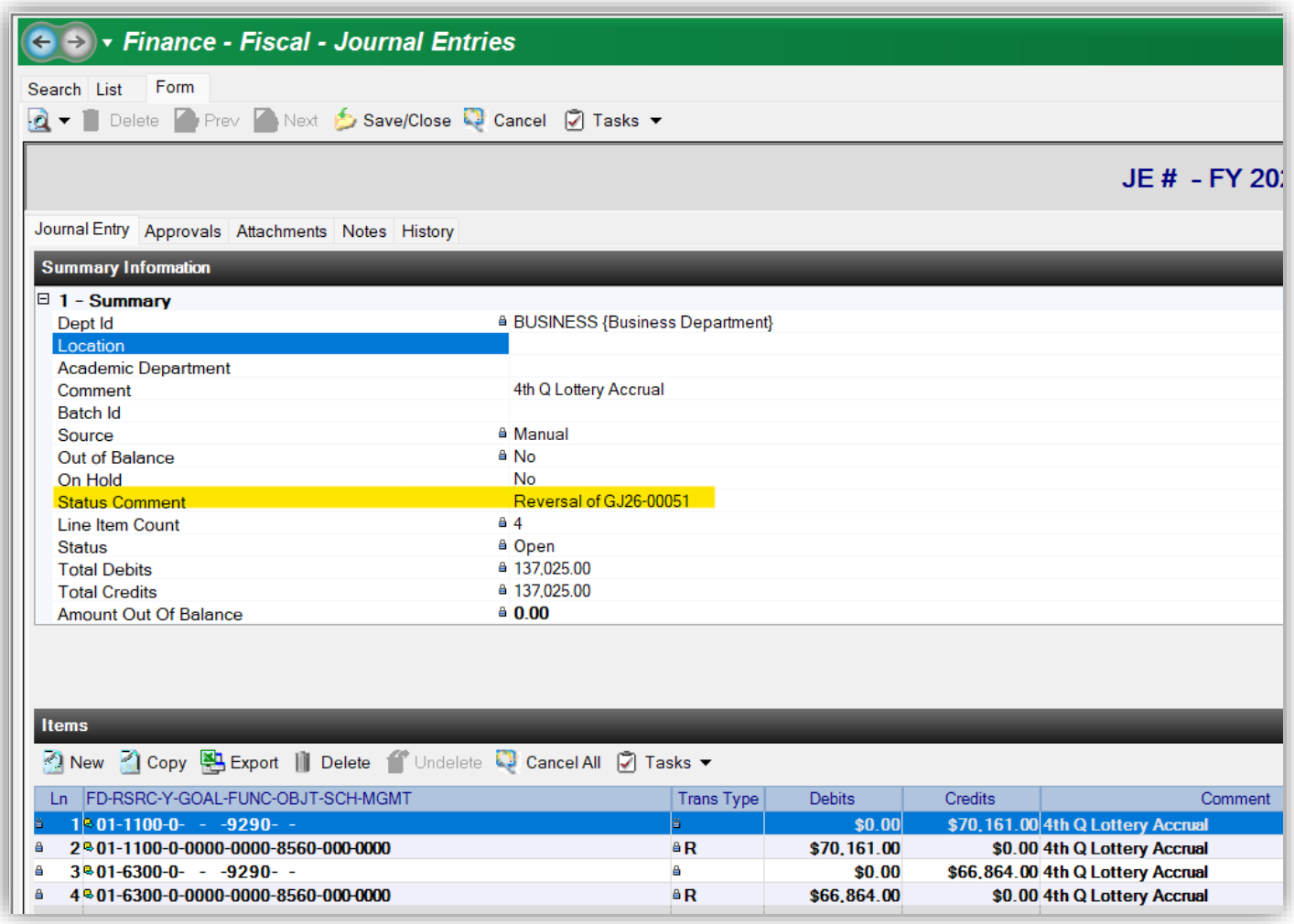
- Click Yes to Reverse



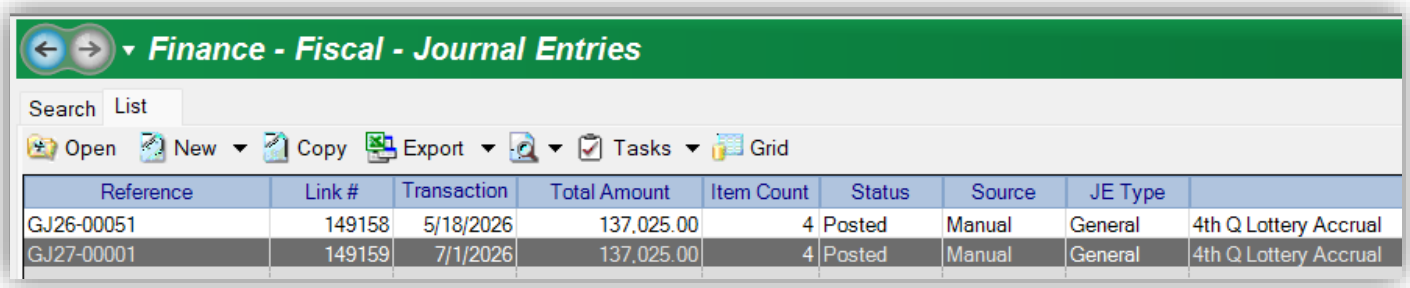
- In dialog box choose 2027 {2026-2027}
- Click OK



- System will auto populate “Reversal of GJ51-00051”
- Review Accounts have been reversed
- Save/Close
- Go to Tasks to “Submit”



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

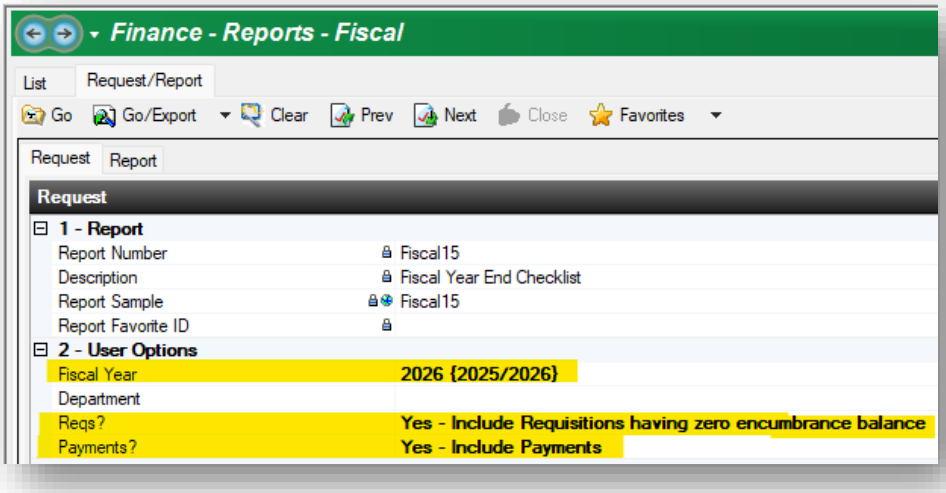


Fiscal15 – Review All Unresolved Transactions

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 (No Entries) by year end close

Fiscal15a **Fiscal Year End Checklist**

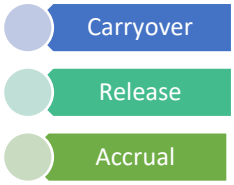
Fiscal Year 2025/26

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 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 the next fiscal year.

Reminder: The Asset/Liability roll, which takes place after 2025-2026 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 current fiscal year 9210/9510 object to offset the payments being made in next fiscal year.

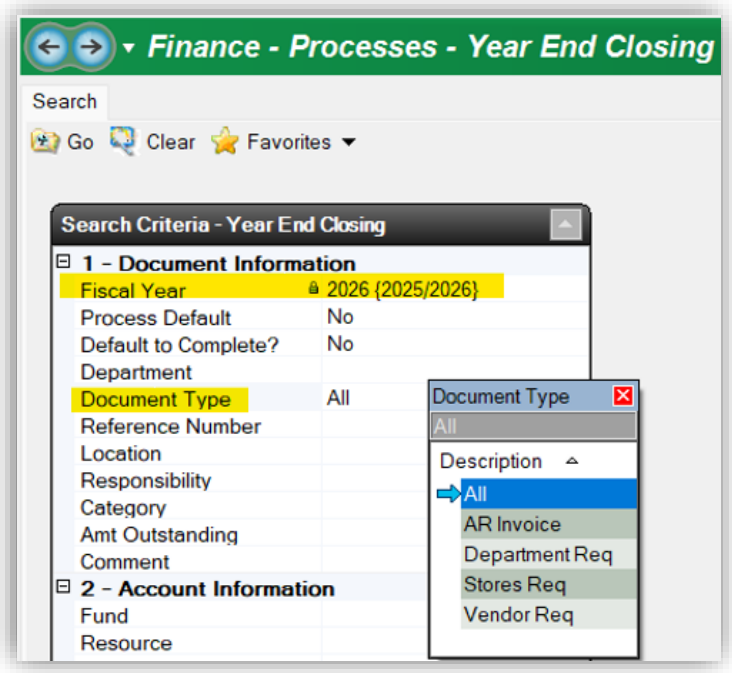
Working the AR and AP Year End Closing List

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.

Go to Finance – Processes –Year End Closing

Enter search criteria:

- Fiscal Year: 2026 {2025/2026}
- 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/Custom
R26-00142	No		347.53	0.00	347.53	0.00	No	Aaction Rents
R26-00287	No		0.00	0.00	0.00	0.00	No	ActivityHero
R26-00089	No		3,320.00	0.00	3,320.00	0.00	No	Advanced Integra
R26-00061	No		5,000.00	0.00	5,000.00	0.00	No	Advanced Repro
R26-00092	No		(4,359.56)	0.00	(4,359.56)	0.00	No	Advanced Securit
R26-00255	No		3,386.75	0.00	3,386.75	0.00	No	AED SuperStore



Negative <u>cannot</u> be processed in Year End Closing activity, they must be manually completed or changed in the requisition activity.

Review Year End Closing List

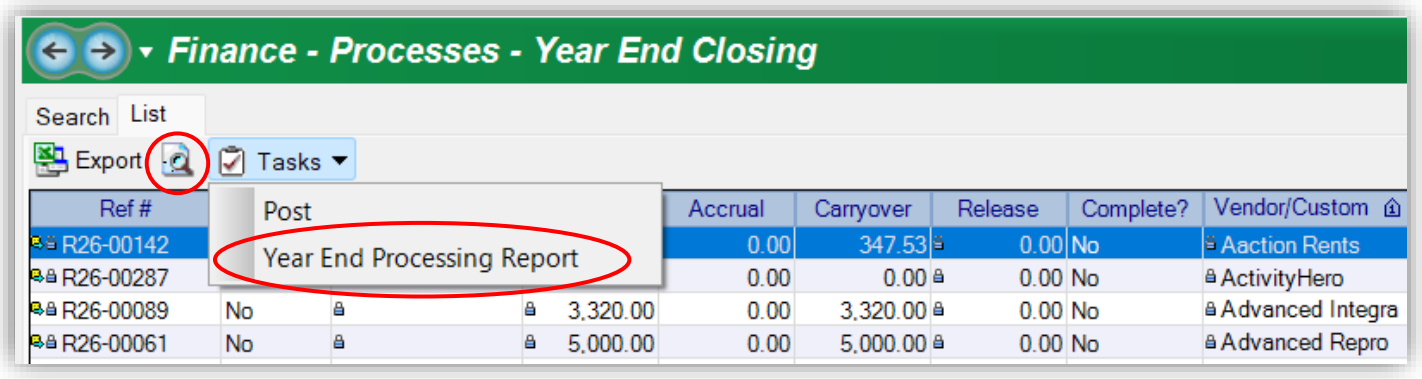
Review the list and take appropriate action to Accrue, Carryover or Release. ***Detailed steps will be provided at the AP/AR Accruals Year End Setup workshops June 12, 2026.***

- 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 R26-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 R26-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 current fiscal year and 9510 in next fiscal year for all Payables that were processed through Year End Closing activity.

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 AR26-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 AR26-XXXXXX you are interested in
   - Select the History Tab
   - All activity will display in order of entry
   - Open and review the adjustment entry



l the Asset/Liability Roll is done for your district later in August/September, you will be viewing 9229 in 9229 in current fiscal year and 9210 in next fiscal year for Receivables that were processed through Year End Closing activity.

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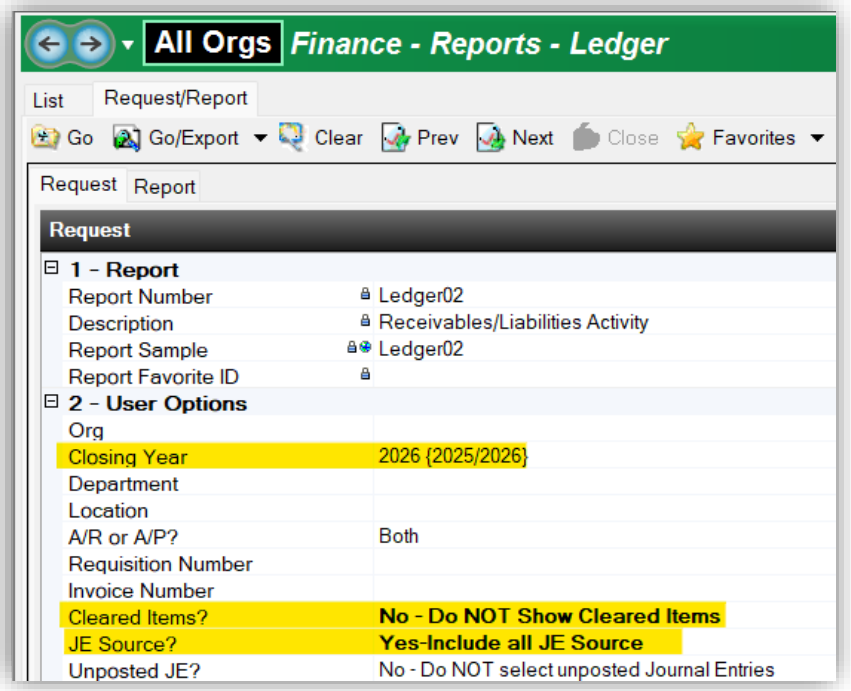
Review Ledger02

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 Receivables/Liabilities Activity

Fiscal Year: 2026 {2025/2026}

- A/R or A/P?: Both
- Cleared Items: No
- JE Source?: Yes
- Unposted JE?: No
- Click Go to generate
- Review transactions

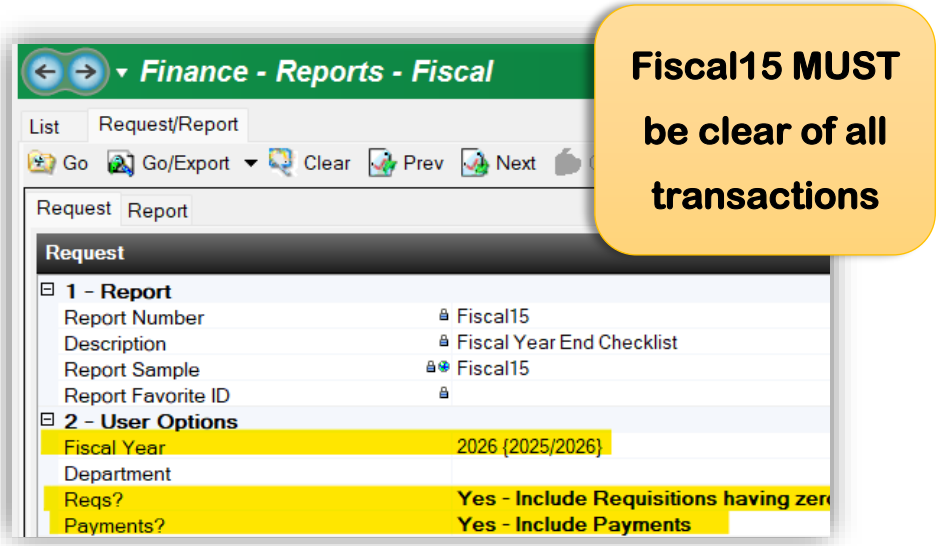


Final Fiscal 15 Report for Submission

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: 2026 {2025/2026}
- Click Go to generate report
- **Must be signed by LEA Authorized Signature**



Fiscal15 MUST be clear of all transactions

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 22**.) 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 22.** 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 22 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 22**.) 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	

Due From/Due To (9310/9610) and Possible Entries (con't)

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 23-30, 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 22.** 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 22 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	2025-26 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

Ensure expenses are coded to the correct 2025–26 federal resources:

Resource	Name	Purpose / Description
#3310	Local Assistance	Federal funding for students ages 3–21.
#3312	SigDis (K-12)	15% set-aside for Comprehensive Coordinated Early Intervening Service (CCEIS) *only if identified for significant disproportionality.
#3315	Preschool Grant	Federal funding specifically for students ages 3–5.
#3318	SigDis (Preschool)	15% set-aside for Preschool Comprehensive Coordinated Early Intervening Service (CCEIS) *only if identified for significant disproportionality.

Note: Resources #3311 and #3317 for Private School Proportionate share are managed at the SELPA

Please review your budget and make sure your planned spending matches your grant amount. You have 27 months to spend these funds. These are unearned revenue sources so we only receive the cash after we show that we've spent it on approved costs. Be sure to spend it all. Do not make a contribution to a Federal Grant Award. Doing this will impact your Maintenance of Effort (MOE), which could force the district to spend more than necessary in future years.

Checklist

☐ Total Expenses = Total Entitlement (No remaining balance).

☐ No General Fund Contribution to any above listed resources.

☐ All 15% SigDis requirements (if applicable) have been met in #3312/#3318.

Step 15: Time Accounting for Federal Programs

Reference: CSAM Procedure 905

The General Rule

Time accounting is **mandatory** for every employee whose salary and wages are supported with Federal funds, including one-time Federal Funds.

Documentation requirements depend on the employee's "cost objectives":

- Single Cost Objective: Requires at least a semi-annual certification.
- Multiple Cost Objectives: Requires a monthly Personnel Activity Report (PAR), or use a substitute system.

Option A: Substitute System (Sampling Method)

This optional system simplifies recordkeeping for LEAs and does not require CDE approval to implement.

- Eligibility: If you choose to use the substitute system, all multi-funded employees must be included.
- Standards: Uses sampling methods that meet statistical sampling standards (see CSAM Procedure 905).
- 1st Year: PARs are required every 4th month (3 times a year).
- 2nd Year+: PARs are prepared twice a year.

Option B: New Substitute System (Predetermined Schedule)

For employees who work in multiple cost objectives on a predetermined schedule.

- Documentation: Instead of a monthly PAR, employee could do semi-annual certification using predetermined written schedule as support.
- Requirements: Written schedule must indicate specific activity or cost objective for each segment and account for total hours paid.
- Signatures: Must be signed by both the employee and supervisor.
- Deviations: If there are significant deviations from the established schedule, use a PAR for that period.

Administrative Requirements

CDE Approval: Yearly certification is required via CARS (Consolidated Application Reporting System).

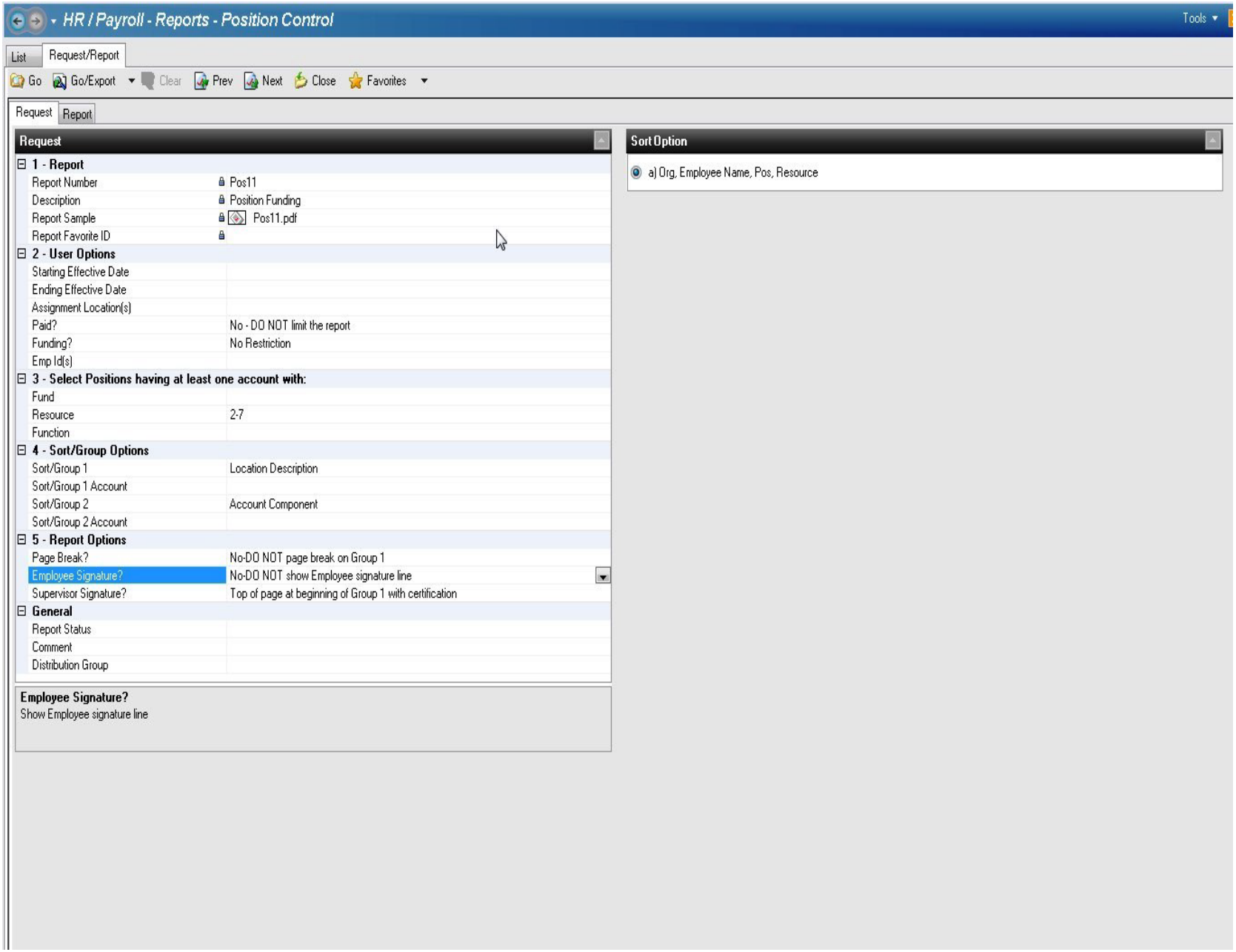
Deadlines: The CARS submission deadline is June 30, 2026 (Forms open until August 15,2026 for changes only).

Exclusivity: Only one substitute system may be used. LEAs may not "mix and match" systems for different employee groups.

Clarification: The new substitute system does not apply to employees working on a single cost objective and may only be used by employees with a set schedule.

References

- Review CSAM Procedure 905 for more information and for sample templates for predetermined schedules.
- See attached pages 3-8 for example Frontline ERP report information.


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

3

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.

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 %

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:

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Sept	1.771	2.213	1.141	0.514	0.978	2.695	3.816	4.048
Dec	1.973	2.06	0.761	0.0491	1.446	3.114	3.934	4.106
March	2.223	2.023	0.664	0.522	1.861	3.271	3.821	4.087
June	2.247	1.668	0.521	0.756	2.415	3.44	3.925	*

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 2025-26

xx-0000-0-0000-0000-8660-000-0000	debit	
xx-xxxx-0-0000-0000-8660-000-0000		credit

Federal Programs - Reporting and Remitting Interest

- CDE federal program grantees are required to report interest to the CDE **at least quarterly**.
  - LEAs must report ***regardless if the balance due is zero***
  - Report by emailing cashmanagement@cde.ca.gov
- LEAs are allowed to keep interest amounts up to $500 per year for administrative purposes.
  - ***$500 is in total for all federal programs***, not for each federal program.
- LEAs should remit 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

Submissions must include:

1. **Documentation of the County Treasurer's interest rates utilized in the interest calculations.**
   - Interest reports can be found here - the rate can be found on the last page.
2. **The LEA's interest calculations in Excel format.**
   - The calculations should be provided in Excel (new requirement as of 2023-24) and must include the specific resource codes used in the calculation.
   - ***Quick Tip:*** Run **Fiscal 24x** report and Export Data to Excel

3. **The County-District-School code and the time period(s) of the interest calculation**
    - Example: October 1, 2025 through December 31, 2025
4. **Include a copy of the check(s) submitted – *applies to 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, 2025 – June 30, 2026 period are due to the CDE by September 30, 2026.

The CDE is responsible for ensuring that LEAs comply with federal administrative requirements. **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.

- **Step 1: Calculate the Average Daily Cash Balance (see options A & B - pages 4-5):**
    - Combine daily federal cash balances (by resource code)
    - Negative balances are incorporated into daily balances; however, negative daily balances must be accounted for as zero (no negative daily balances)
    - Divide by number of days in reporting period
- **Step 2: Calculate the Annual Interest Amount:**
    - Multiply the Average Daily Balance by County Treasurer Interest Rate.
- **Step 3: Calculate the Daily Interest Amount:**
    - Divide interest amount by number of days in year.
- **Step 4: Calculate the Total Federal Interest Due**
    - Multiply the Daily Interest Amount by number of days in reporting period.

For further 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.

Title I, II, III, and IV would need to be included, but you may have other non-reimbursable programs. Please remember to add to your specific list of resources to include in your calculation.

Note: The Comprehensive Support and Improvement (CSI) funding is Federal and is not-reimbursable program – therefore, must be included in interest calculation.

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" on the CDE website:

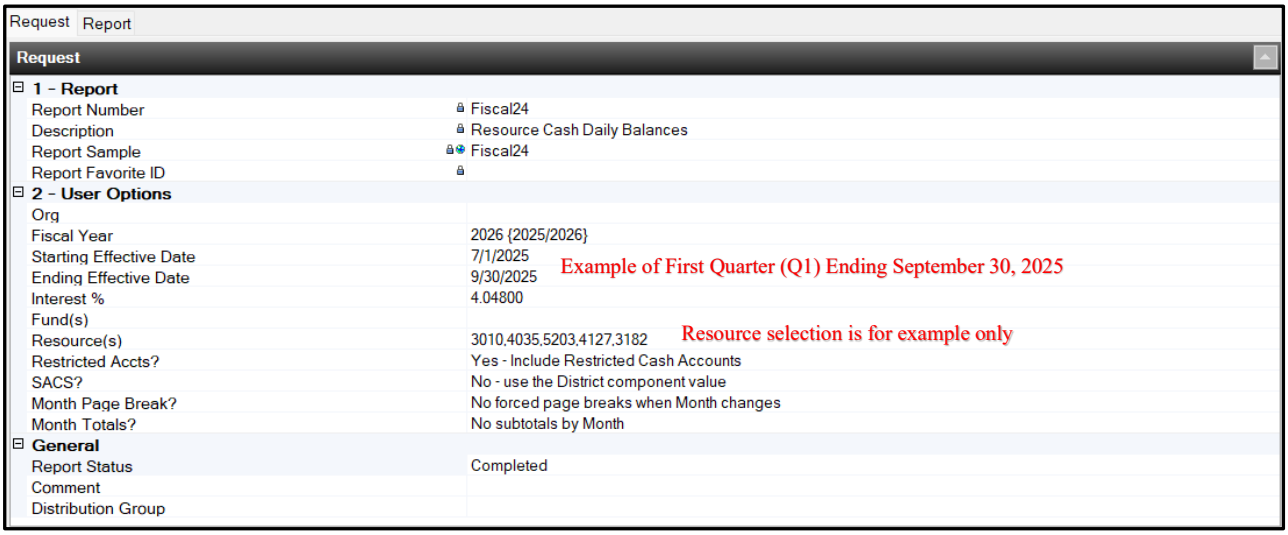
www.cde.ca.gov/ls/nu/sn/mbusdasnp162009.asp

Methods for Calculating Interest

A. *Fiscal24 Daily Cash - Interest calculation*:

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

1. Under Finance/Reports/Fiscal select Fiscal 24
2. Complete the following fields:
   - Fiscal Year: 2026
   - Starting Effective Date: *(beginning of quarter)*
   - Ending Effective Date: *(end of quarter)*
   - Interest rate: *(enter interest rate for the applicable quarter)*
   - Resource Codes *(specific federal resources you would like to include in the calculation)*
3. Click "Go" and your report will appear



B. ***Interest calculation using Excel worksheet:***

To calculate interest on a daily basis using Federal Interest Calculation Worksheet (found here).

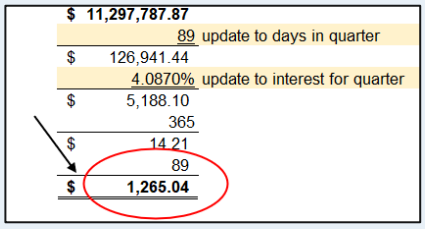
Tip: If you are a Combined School District – Please use a project year in SACS accounting code to separate revenues, expenditures, and cash by LEA.

1. Export Frontline Report Fiscal 03 with the following criteria (see example below):
   - Fiscal Year: 2026
   - Starting Effective Date: *(beginning of quarter)*
   - Ending Effective Date: *(end of quarter)*
   - Assets and Liabilities? = "Yes – Include all account types"
   - Resource Codes: *(specific federal resources you would like to include in the calculation)*
   - Object: 9110
   - Click "Go Excel Data"
2. Federal Interest Calculation Worksheet:
   - Enter dates of quarter (e.g., January 1, 2026 through March 31, 2026)
   - Add Daily Cash Balance by resource
   - Update the Days in the Worksheet to the number of days in the quarter (see below)
   - Enter Interest Rate for the Quarter Ending (see page 1 for where to find the Interest Rate & see below for where to input it on worksheet)

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	2026 {2025/2026}
Start Date	1/1/2026
End Date	3/31/2026 Example of Third Quarter (Q3) Ending March 31, 2026
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	3010,4035,5203,4127,3182 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	InProgress
Comment	
Distribution Group	

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.

It is important to review Sub-Agreements and Multi-District Agreements to ensure revenues and expenditures are being accurately reported and not duplicated. The California Department of Education (CDE) monitors these transactions through the SACS reporting process.

The most frequently occurring cooperative projects, or multi-district service agreements involve:

- Special education services
- Transportation services
- Food services
- Shared staff arrangements (e.g., Nurses, Psychologists, Speech Therapists, PE Teachers)

Typically, one school district or county office serves as the lead and operates the project for the other participants.

The CDE has outlined guidelines for accounting for these agreements under the "sub-agreement for services" model.



The CSAM accounting guidelines for sub-agreements for services, emphasize 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.

Guidelines for these agreements are outlined in:

- CSAM Procedure 750 – Sub-Agreements for Services
- CSAM Procedure 755 – Special Education Contracts for Services

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

Review payments made to vendors that exceed $50,000 annually

- ☐ Run a ReqPay08 (see example below) report in Frontline to review the entries you have made to include $50,000* of each sub-agreement in the indirect cost calculation.
- ☐ Alternatively, run a Fiscal03 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 $50,000 of each contract and to object 5100 for the expense over $50,000*
- ☐ Prepare general journal entries to reclassify between 5100 and 5800 as needed.

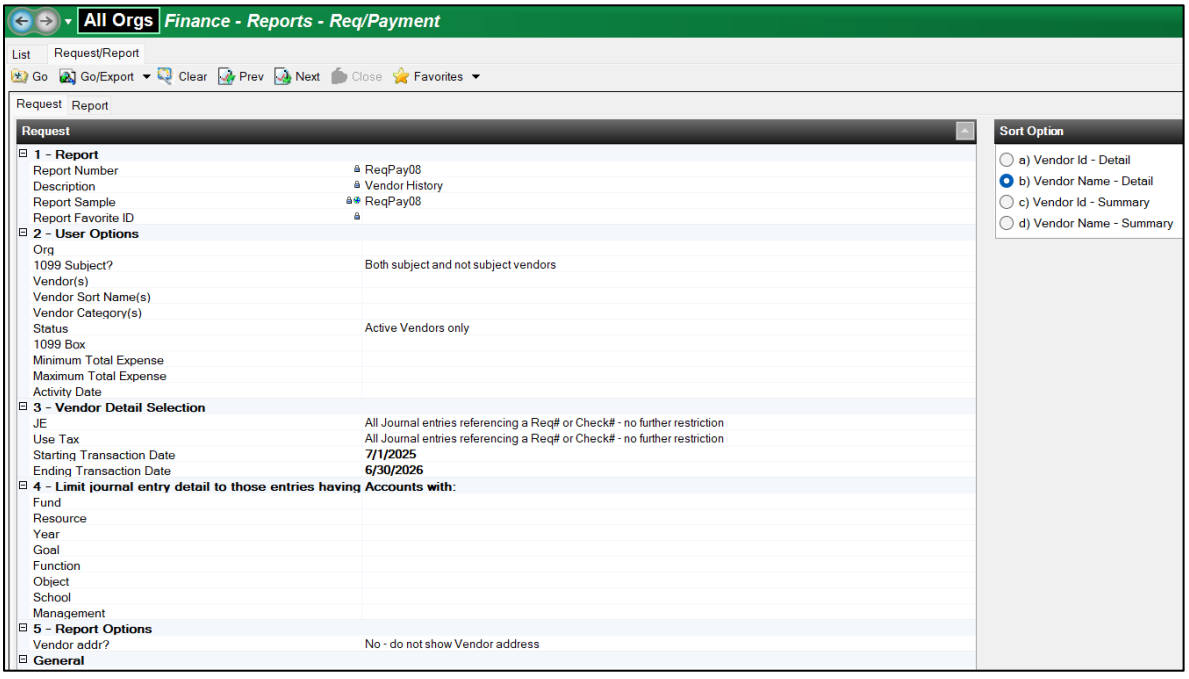
Expenditures for sub-agreements should initially be charged to object 5100.

WHY?

"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 $50,000* of each individual sub-agreement may be coded to object 5800." *See CSAM Procedure 330 Object 5100.*

This is accomplished by charging up to $50,000* 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.

The increase in threshold from $25,000 to $50,000 went into effect June 30, 2025 for the 2025-26 fiscal year.



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 $50,000 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: $125,000 Sub-Agreement

- ☐ **Record expenditures initially in Object 5100**
- ☐ **At year-end, reclassify $50,000 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. See example on next page.

Example: A district is purchasing special education services from another district. Accounting entries are as illustrated in table below.		
	Participating School District	**Local Operating Agency**
Role	Purchases special education instructional services from the 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 AB602 Revenue	01-6500-0-5001-0000-8792-000-0000	01-6500-0-5001-0000-8792-000-0000
Payment for services	Pays Local Operating Agency for services: 01-6500-0-5760-1110-51xx/58xx-xxx-xxxx*	Receives revenue from Participating School District for services provided: 01-9010-0-0000/**7110****-0000-**8677**-000-0000
Payment of certificated teachers on behalf of the Participating LEA	N/A	01-9010-0-**7110****-11xx-1xxx-xxx-xxxx

*Up to $50,000 per sub-agreement may be reclassified to 58XX

Use of the Non-agency goal is optional on revenue received but **MUST be used for expenditures. *Facilitating the matching of revenues and expenditures is recommended*

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.

Local Operating Agency must:

- separate out its interagency service activities in a **local restricted resource** (resource 9010 has been used in the example). Your SCOE Advisor will assist in creating the local resource and advising on other coding issues for the contract for services.
- 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.
- records expenditures made to fulfill contracts on behalf of another LEA to **Goal 7110**, Non-agency—Educational.

Participating School Districts must:

- use the SACS restricted categorical resource (in the example, 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.

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**.

Step 18 - Special Education: Maintenance of Effort (MOE) Preparation

Reviewing account activity for MOE compliance is essential prior to submitting Unaudited Actuals to the Sonoma County Office of Education (SCOE) **The year-end closing process is the ideal time for this review, as corrections can still be made.** If the Unaudited Actuals are unavailable, please use interim reporting to test year-end compliance. Once Unaudited Actuals are submitted, the fiscal window for adjustments is closed.

Assistance & Support

For assistance with MOE or the Subsequent Year Tracking Worksheet, please contact:
Lisa Breining, Special Education Fiscal Analyst
Phone: 707-524-2755
Email: lbreining@sonomaselpa.org

Type te

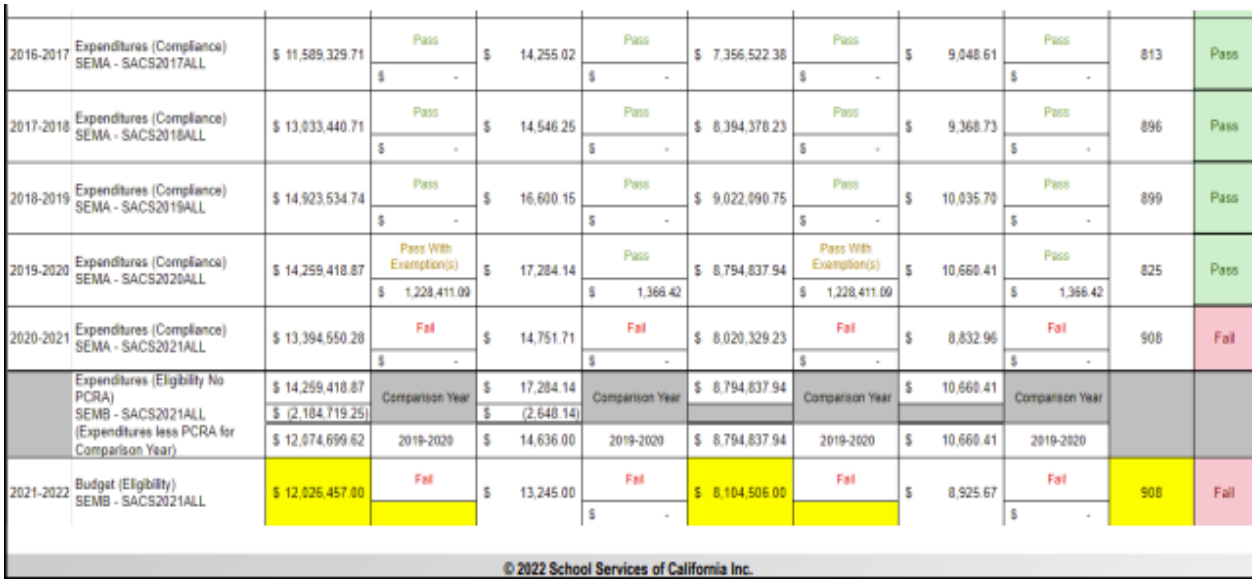
How to Run MOE Reports in SACS

To verify your status, run the following reports in the SACS Web-based software:

- SEMA 2025–26: Actuals vs. Comparison Year.
- SEMB 2026–27: Budget vs. Comparison Year.

Subsequent Years Tracking (SYT) Worksheet

- To ensure the LEA is comparing 2025-26 actuals and 2026-27 budgeted expenditures to the correct comparison years, you must use the most recent Subsequent Years Tracking (SYT) Worksheet.
- This worksheet tracks results across all four MOE test methods back to the 2011–12 baseline year. The SYT Worksheet will be emailed to LEAs as soon as it is available and closer to the release of the Unaudited Actuals Reporting in SACS.



2016-2017	Expenditures (Compliance) SEMA - SACS2017ALL	$ 11,589,329.71	Pass $ -	$ 14,255.02	Pass $ -	$ 7,356,522.38	Pass $ -	$ 9,048.61	Pass $ -	813	Pass
2017-2018	Expenditures (Compliance) SEMA - SACS2018ALL	$ 13,033,440.71	Pass $ -	$ 14,546.25	Pass $ -	$ 8,394,378.23	Pass $ -	$ 9,368.73	Pass $ -	896	Pass
2018-2019	Expenditures (Compliance) SEMA - SACS2019ALL	$ 14,923,534.74	Pass $ -	$ 16,600.15	Pass $ -	$ 9,022,090.75	Pass $ -	$ 10,035.70	Pass $ -	899	Pass
2019-2020	Expenditures (Compliance) SEMA - SACS2020ALL	$ 14,259,418.87	Pass With Exemption(s) $ 1,228,411.09	$ 17,284.14	Pass $ 1,366.42	$ 8,794,837.94	Pass With Exemption(s) $ 1,228,411.09	$ 10,660.41	Pass $ 1,366.42	825	Pass
2020-2021	Expenditures (Compliance) SEMA - SACS2021ALL	$ 13,394,550.28	Fail $ -	$ 14,751.71	Fail $ -	$ 8,020,329.23	Fail $ -	$ 8,832.96	Fail $ -	908	Fail
	Expenditures (Eligibility No PCRA) SEMB - SACS2021ALL (Expenditures less PCRA for Comparison Year)	$ 14,259,418.87 $ (2,184,719.25) $ 12,074,699.62	Comparison Year 2019-2020	$ 17,284.14 $ (2,648.14) $ 14,636.00	Comparison Year 2019-2020	$ 8,794,837.94 $ 8,794,837.94	Comparison Year 2019-2020	$ 10,660.41 $ 10,660.41	Comparison Year 2019-2020		
2021-2022	Budget (Eligibility) SEMB - SACS2021ALL	$ 12,026,457.00	Fail	$ 13,245.00	Fail $ -	$ 8,104,506.00	Fail	$ 8,925.67	Fail $ -	908	Fail

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The Tests for Compliance

The Special Education MOE report includes four separate calculations:

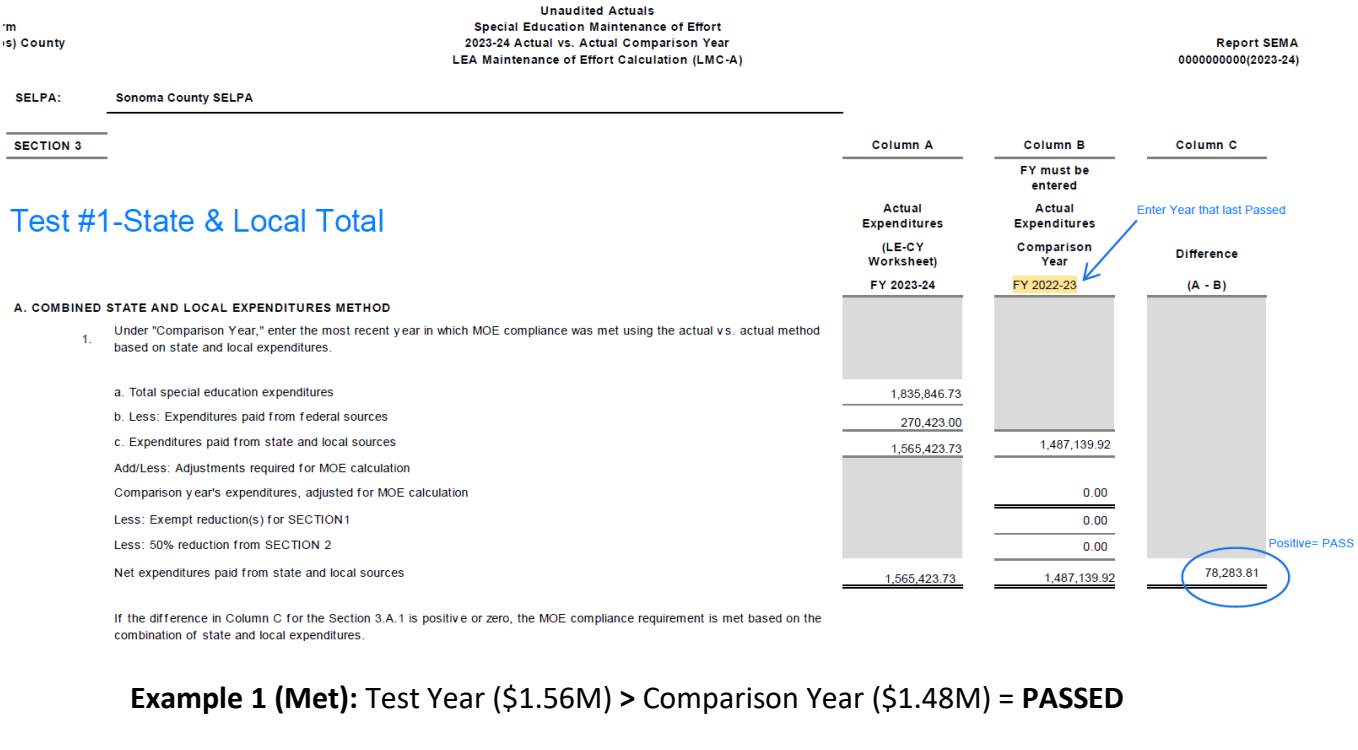
- State and Local Total
- State and Local Per Capita*
- Local Only Total
- Local Only Per Capita*

*The "Per Capita" is the total expenditure amount divided by the Special Education pupil count. For example, if the total expenditure was $100,000; and the pupil count was 8, then the Per Capita amount would be $12,500 ($100,000 divided by 8).

An LEA is required to meet the MOE in at least one of the four available calculations.

For both SEMA and SEMB, Column A is compared to Column B, which shows the last year the "method" was met. You will need the Subsequent Year Tracking Worksheet (SYT) to determine the correct comparison year. Column C is the difference between column A and column B. For the SEMB Report only, LEAs will need the PCRA amount. This calculation is completed at Unaudited Actuals only.

Examples of Test Methods



rm
s) County

Unaudited Actuals
Special Education Maintenance of Effort
2023-24 Actual vs. Actual Comparison Year
LEA Maintenance of Effort Calculation (LMC-A)

Report SEMA
000000000(2023-24)

SELPA: Sonoma County SELPA

SECTION 3

Test #1-State & Local Total

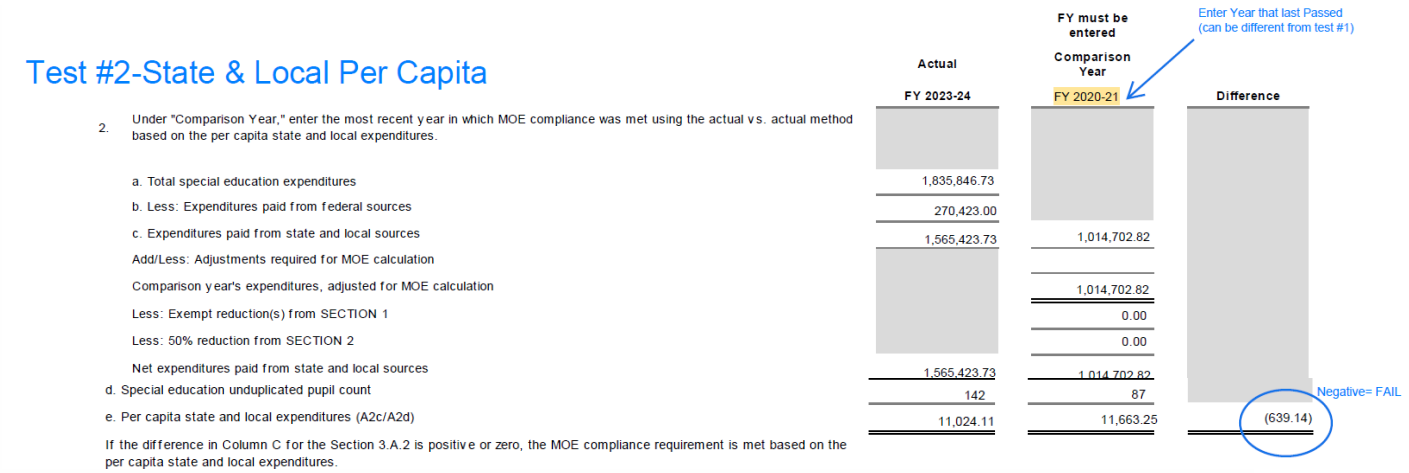
	Column A	Column B	Column C
		FY must be entered	
	Actual Expenditures (LE-CY Worksheet) FY 2023-24	Actual Expenditures Comparison Year FY 2022-23	Difference (A - B)
A. COMBINED STATE AND LOCAL EXPENDITURES METHOD			
1. Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on state and local expenditures.			
a. Total special education expenditures	1,835,846.73		
b. Less: Expenditures paid from federal sources	270,423.00		
c. Expenditures paid from state and local sources	1,565,423.73	1,487,139.92	
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	1,565,423.73	1,487,139.92	78,283.81

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.

Enter Year that last Passed

Positive= PASS

Example 1 (Met): Test Year ($1.56M) **>** Comparison Year ($1.48M) = **PASSED**



Example 2 (Not Met): Test Year ($11.0k) **<** Comparison Year ($11.6k) = **FAILED**

**Tests 3 & 4 repeat steps from 1 & 2 but with local only expenditures*

Failure to meet MOE requirements results in significant financial penalties:

- **SEMA Test Failure (Compliance):** The California Department of Education (CDE) may bill the LEA for the amount not met. This must be paid using **non-federal, local funds**.
- **SEMB Test Failure (Eligibility):** The LEA may be prohibited from submitting IDEA reimbursement claims for applicable expenditures, leading to a loss of federal funding.

If not met, the LEA must seek allowable exemptions.

Section #1: Allowable Exemptions

These reports verify that state and local expenditures remain at or above the level of the most recent year the LEA met MOE. You may reduce your MOE requirement for the following reasons:

1. The voluntary departure, by retirement or otherwise, or departure for just cause, of certificated and/or classified special education or related services personnel (does not include contract non-renewal or staff lay-off due to budget shortfall).
2. A decrease in the enrollment of students with disabilities.
3. The termination of the obligation to provide a program of special education to a particular child with a disability that is an exceptionally costly program because:
    A. Child has left the jurisdiction of the agency; OR
    B. Child 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. Capital Outlay: Termination of costly long-term expenditures (e.g., equipment acquisition or facility construction).

Example of Exemption Form that Must be Submitted with Reports

EXEMPT REDUCTIONS TO MAINTENANCE OF EFFORT

IDEA Regulations 34 *Code of Federal Regulations* § 300.204

Local Education Agency (LEA) Name	Special Education Local Plan Area (SELPA)	ATTENTION:
	Sonoma County SELPA	**Complete only rows 4, 6, and 7 on this sheet**
Name of Person Completing Report	Telephone & Fax Numbers	**Complete *detail reduction* tabs 1, 2, 3, and 4--totals transfer automatically to this page**

Maintenance of Effort (MOE) Shortfall from LEA MOE Calculation (LMC-A or LMC-B) Worksheet	**$0.00**	**FY 2023/2024**

The LEA may reduce the level of expenditures below the level of the preceding fiscal year if the reduction is attributable to any of the following reasons. Provide specific details and dollar amounts. If the total justifications equal/exceed the MOE shortfall, fiscal effort has been maintained for the reporting year.

1. The voluntary departure, by retirement or otherwise, or departure for just cause, of certificated and/or classified special education or related services personnel (does not include contract non-renewal or staff lay-off due to budget shortfall). ENTER INFORMATION on the *detail reduction 1* tab; totals will carry forward to this section	**$46,000.00**
2. A decrease in enrollment of children with disabilities. ENTER INFORMATION on the *detail reduction 2* tab; totals will carry forward to this section	**$0.00**
3. The termination of the obligation to provide a program of special education to a particular child with a disability that is an exceptionally costly program because: **A. *Child has left the jurisdiction of the agency; OR*** **B. *Child has reached the age at which the obligation of the agency to provide free appropriate public education (FAPE) to the*** **C. *No longer needs the program of special education*** ENTER INFORMATION on the *detail reduction 3* tab; totals will carry forward to this section	**$0.00**
4. The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities (must have per unit cost of $5,000 or more). ENTER INFORMATION on the *detail reduction 4* tab; totals will carry forward to this section	**$0.00**
TOTAL ALLOWABLE EXEMPTIONS TO MOE (must equal amount of total exemption reductions entered in Section 1 of the LMC-A or LMC-B)	**$46,000.00**

CDE Use Only

California Department of Education, Special Education Division, July 2022

Section #2: IDEA MOE Reduction (50% Rule)

LEAs may reduce their local MOE requirement by up to 50% of the increase in federal funding compared to the prior year. Freed-up funds must be used for activities authorized under the Elementary and Secondary Education Act (ESEA).

Only LEAs with a Meets Requirement determination from SCOE and no findings of Significant Disproportionality may use this option.

Additional Resources

Special Education MOE slides from July 9, 2024

SACS System User Manual- Special Education Maintenance of Effort Reports 2026-27

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 its auditor for the Government-wide reporting entries.

CalSTRS ~ Government-wide Reporting only

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

CalSTRS on Behalf ~ Resource 7690 ~ Record in Frontline ERP

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 2-8 following for detailed instructions on the calculation of STRS on behalf and how to enter in Frontline ERP/Escape

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 2025-26 Unaudited Actuals documents and for your auditor to include in your 2025-26 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 the 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 4). 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 2025-26 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

Several LEAs in the state have moved away from allocating the entry proportionally across all salary-related GOAL/FUNCTION combinations and are instead recording the full amount to a single combination:

- **GOAL 1110 / FUNCTION 1000**



Key considerations discussed included:

- Recording the full STRS On-Behalf amount to 1110-1000 may help some districts meet the Classroom Expenditure Average (CEA) requirement because the expenditures are concentrated in areas that count toward compliance.
- When STRS On-Behalf is allocated to a 5xxx GOAL, the expenditures are included in the district's Maintenance of Effort (MOE) calculation.
- Districts considering a change in methodology should evaluate the potential impact on MOE. Moving expenditures out of a 5xxx GOAL could reduce MOE expenditures and negatively affect compliance.
- Booking the entire entry to one GOAL/FUNCTION combination simplifies the accounting process. Because the STRS On-Behalf entry is net-zero, the change does not affect the budget's overall bottom line.

For LEAs that want to continue distributing the STRS on behalf of contributions among all applicable goals/functions, they 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's financial statements (see pages 5 -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.

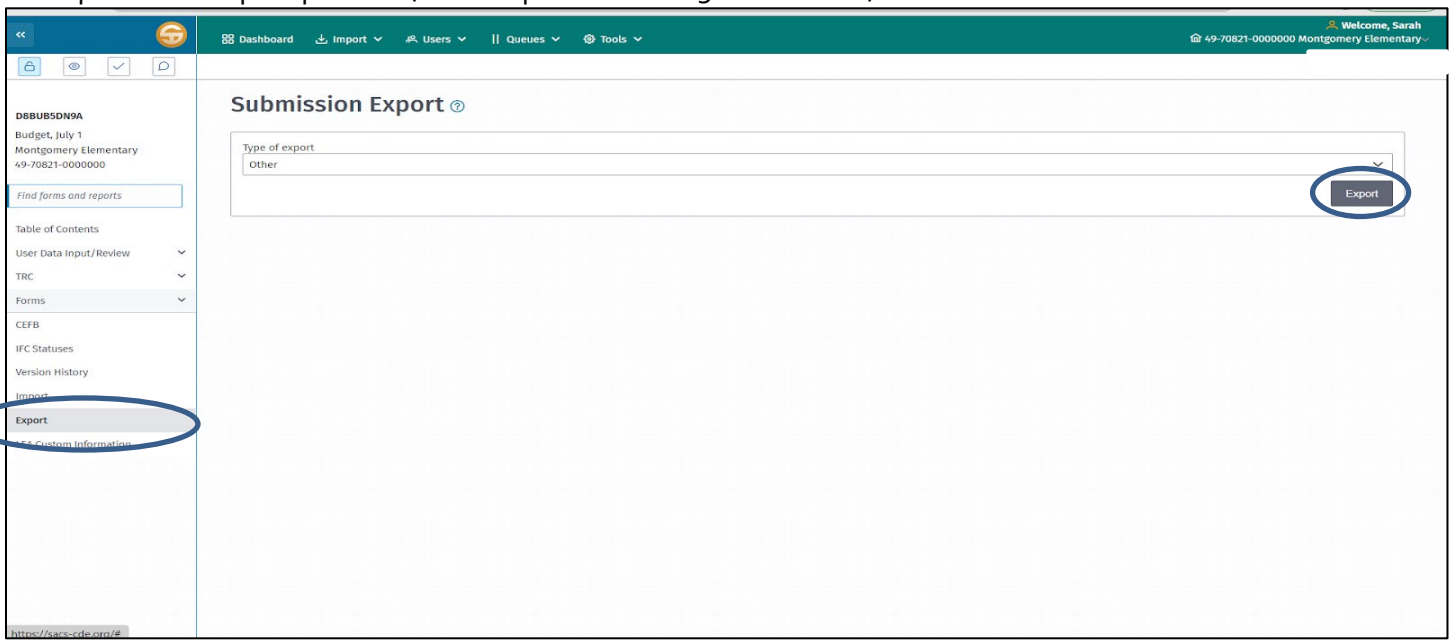
STRS On-Behalf Analysis Spreadsheet Application

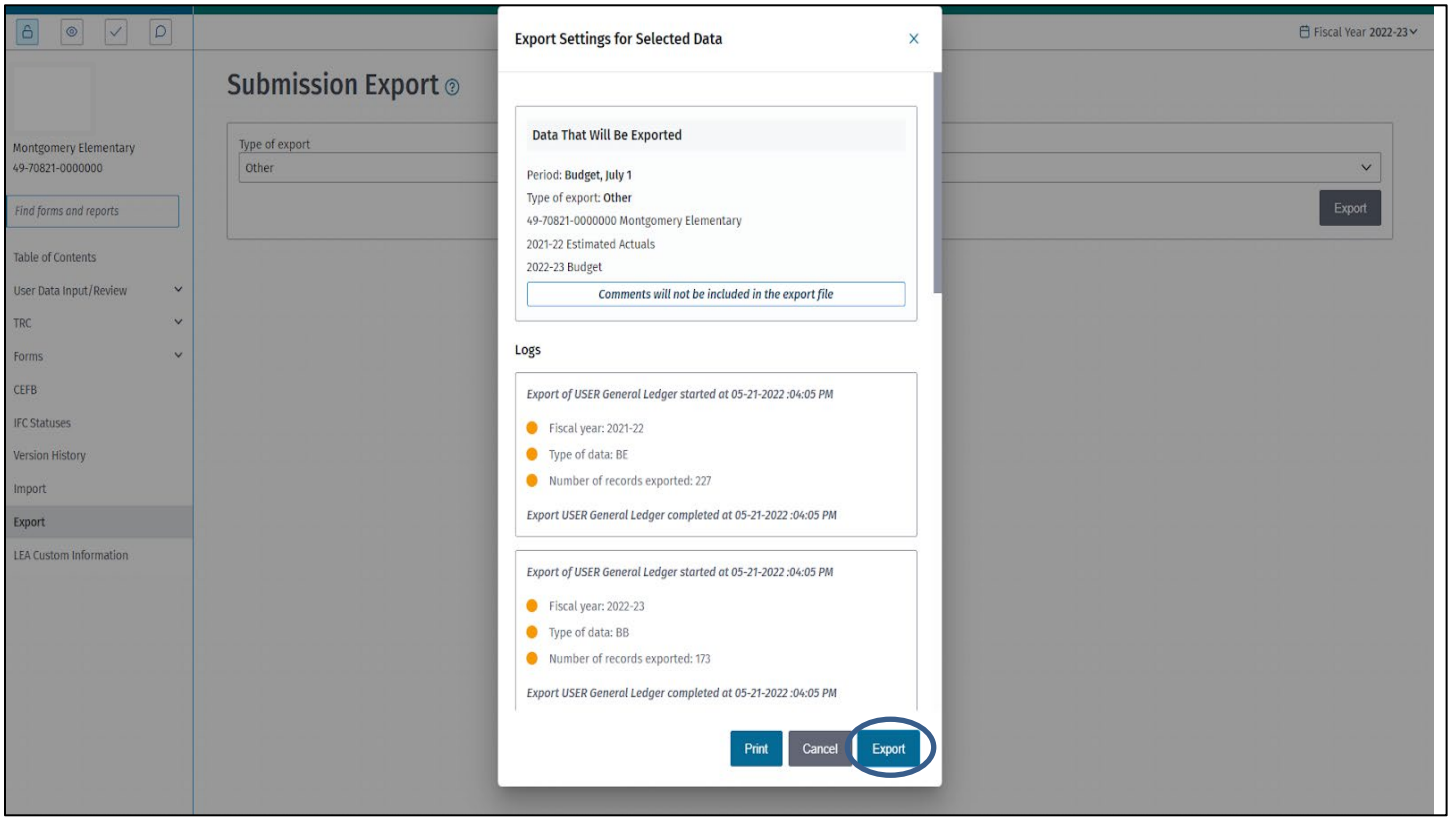
Proportionate Share Calculations for Total CalSTRS and On-Behalf Contributions						
Employer Reporting Number	Employer Name	2024-25 CalSTRS Calculated Employer Contribution	2024-25 Employer Proportionate Share of Total CalSTRS–Calculated Employer Contribution	2024-25 Employer Proportionate Share of State on-Behalf Contribution	2025-26 On-Behalf Contribution to Book	2026-27 On-Behalf Amount to Budget
49001	Alexander Valley Union Elementary	217,876	0.002%	0.0024830%	$ 115,188	$120,915
49002	Sebastopol Independent Charter	306,556	0.002%	0.0034940%	$ 162,089	$170,131
49005	Bellevue Union Elementary	2,181,576	0.017%	0.0248670%	$ 1,153,595	$1,210,718
49006	Bennett Valley Union Elementary	981,828	0.008%	0.0111910%	$ 519,157	$544,889
49007	Kid Street Learning Center Charter	135,597	0.001%	0.0015460%	$ 71,720	$75,253
49011	Cinnabar Elementary	220,422	0.002%	0.0025120%	$ 116,533	$122,328
49012	Live Oak Charter	217,733	0.002%	0.0024820%	$ 115,141	$120,836
49015	Dunham Elementary	172,665	0.001%	0.0019680%	$ 91,297	$95,825
49017	Forestville Union Elementary	374,476	0.003%	0.0042680%	$ 197,995	$207,824
49018	Fort Ross Elementary	60,278	0.000%	0.0006870%	$ 31,870	$33,453
49020	Gravenstein Union Elementary	1,098,650	0.008%	0.0125230%	$ 580,950	$609,722
49021	Sunridge Charter	216,633	0.002%	0.0024690%	$ 114,538	$120,226
49022	Guerneville Elementary	304,992	0.002%	0.0034760%	$ 161,254	$169,263
49023	Pathways Charter	378,454	0.003%	0.0043140%	$ 200,129	$210,032
49024	Harmony Union Elementary	460,498	0.004%	0.0052490%	$ 243,504	$255,564
49026	Horicon Elementary	107,688	0.001%	0.0012270%	$ 56,921	$59,764
49029	Kenwood Elementary	233,465	0.002%	0.0026610%	$ 123,445	$129,567
49031	Liberty Elementary	292,903	0.002%	0.0033390%	$ 154,898	$162,554
49032	Woodland Star Charter	160,367	0.001%	0.0018280%	$ 84,802	$89,000
49033	California Virtual Academy at Sonoma	710,024	0.005%	0.0080930%	$ 375,439	$394,045
49034	Mark West Union Elementary	2,024,895	0.016%	0.0230810%	$ 1,070,741	$1,123,764
49035	Monte Rio Union Elementary	149,422	0.001%	0.0017030%	$ 79,003	$82,925
49036	Montgomery Elementary	57,173	0.000%	0.0006520%	$ 30,247	$31,730
49038	Oak Grove Union Elementary	971,473	0.007%	0.0110730%	$ 513,683	$539,142
49039	Old Adobe Union Elementary	2,356,324	0.018%	0.0268580%	$ 1,245,959	$1,307,698
49040	River Montessori Charter	156,027	0.001%	0.0017780%	$ 82,482	$86,591
49041	Pivot Charter School North Bay	513,172	0.004%	0.0058490%	$ 271,339	$284,797
49043	Piner-Olivet Union Elementary	1,480,606	0.011%	0.0168770%	$ 782,934	$821,698
49046	Kashia Elementary	22,865	0.000%	0.0002610%	$ 12,108	$12,701
49047	Rincon Valley Union Elementary	5,149,390	0.039%	0.0586950%	$ 2,722,896	$2,857,777
49048	Roseland Elementary	4,065,716	0.031%	0.0463430%	$ 2,149,880	$2,256,366
49051	Sebastopol Union Elementary	629,215	0.005%	0.0071720%	$ 332,713	$349,198
49052	Credo High	583,241	0.004%	0.0066480%	$ 308,405	$323,684
49053	Twin Hills Union Elementary	932,774	0.007%	0.0106320%	$ 493,225	$517,665
49054	Two Rock Union School District	129,229	0.001%	0.0014730%	$ 68,333	$71,719
49060	Waugh Elementary	897,112	0.007%	0.0102260%	$ 474,390	$497,874
49061	West Side Union Elementary	182,690	0.001%	0.0020820%	$ 96,585	$101,388
49062	Wilmar Union Elementary	283,085	0.002%	0.0032270%	$ 149,702	$157,105
49063	Windsor Unified School District	5,718,015	0.044%	0.0651760%	$ 3,023,554	$3,173,349
49064	Wright Elementary	1,608,149	0.012%	0.0183300%	$ 850,340	$892,481
49065	Village Charter	32,604	0.000%	0.0003720%	$ 17,257	$18,111
49069	California Pacific Charter School-Sonoma	228,543	0.002%	0.0026050%	$ 120,848	$126,835
49070	Sonoma Charter	147,687	0.001%	0.0016830%	$ 78,075	$81,962
49071	West Sonoma County Union High	2,229,681	0.017%	0.0254150%	$ 1,179,017	$1,237,415
49081	Cloverdale Unified School District	1,532,926	0.012%	0.0174730%	$ 810,583	$850,734
49082	Cotati-Rohnert Park Unified School District	7,125,540	0.055%	0.0812200%	$ 3,767,845	$3,954,488
49084	Geyserville Unified School District	315,275	0.002%	0.0035940%	$ 166,728	$174,969
49085	Petaluma City Schools District	10,077,281	0.077%	0.1148650%	$ 5,328,656	$5,592,627
49086	Santa Rosa City Schools District	$20,047,682	0.154%	0.2285120%	$ 10,600,809	$11,125,939
49087	Healdsburg Unified School District	2,348,450	0.018%	0.0267690%	$ 1,241,830	$1,303,328
49088	Sonoma Valley Unified School District	4,577,216	0.035%	0.0521730%	$ 2,420,337	$2,540,235
49091	Sonoma County Junior College District	10,174,851	0.078%	0.1159770%	$ 5,380,243	$5,646,776
49097	Sonoma County Office of Education	3,760,477	0.029%	0.0428630%	$ 1,988,440	$2,086,966

Total	Total CalSTRS-calculated employer contributions	$8,773,150,627	67.295%
25-26	Total State Contributions for 25-26	$4,639,060,179	32.705%
24-25	State of California contributions (nonemployer contributing ent	$4,263,762,398	
	2025-26 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 folder to the chosen location (e.g., the desktop). You will use this export file for the On-Behalf Spreadsheet Application.

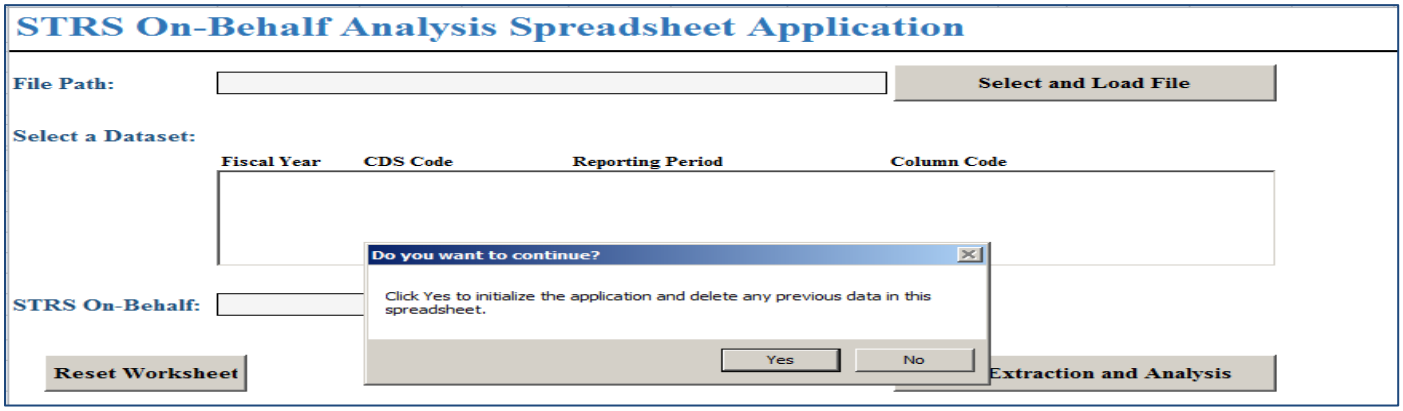
Example of the export process (after import of Fiscal 51 into SACS):





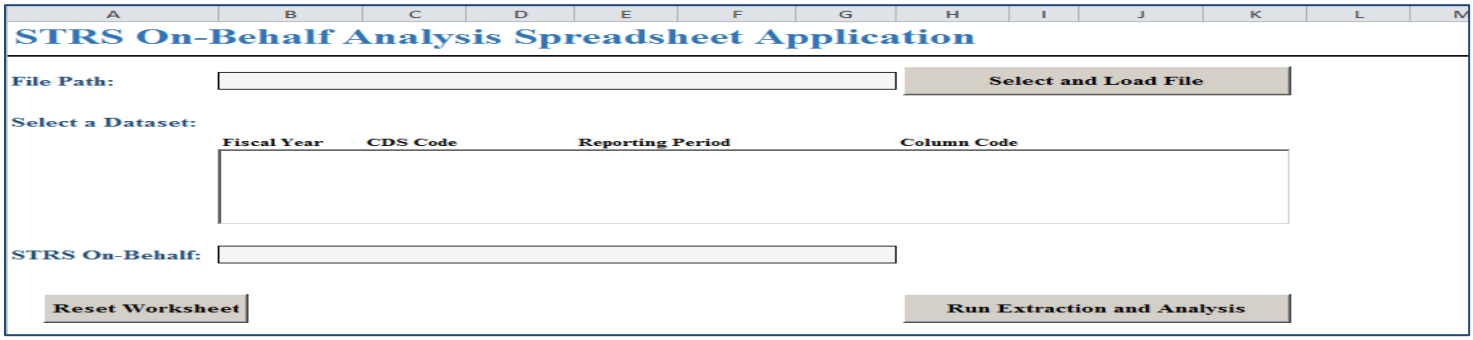
STRS On-Behalf Analysis Spreadsheet Application

Instructions tab: Provides an overview of processing 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:

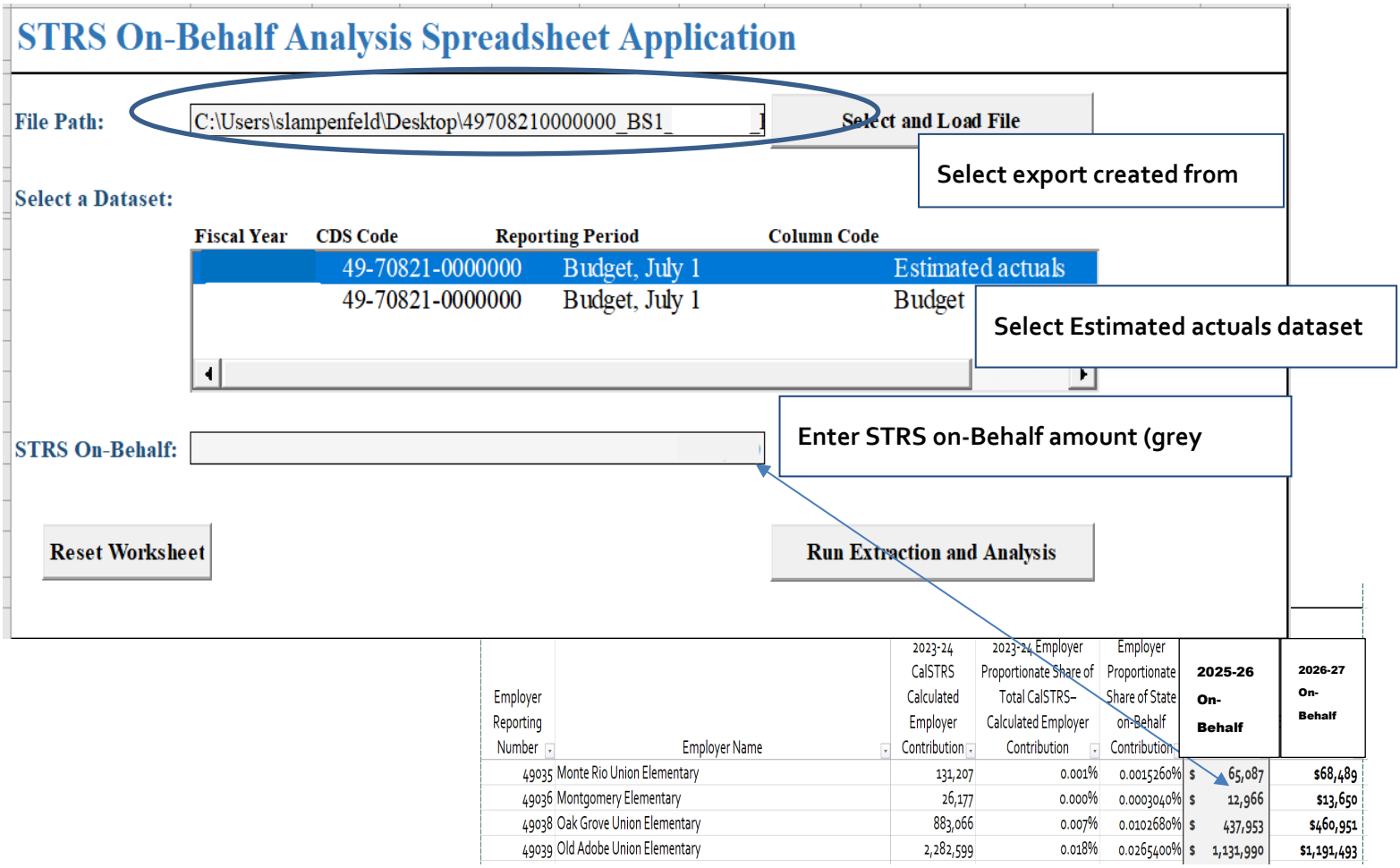


Click the **Select and Load File** button. Load the export file you created on the previous page.

Select the dataset to process from the **Select a Dataset** list box. For 2025-26, select the dataset containing the Unaudited Actuals reporting period (i.e., Estimated actuals and Budget).

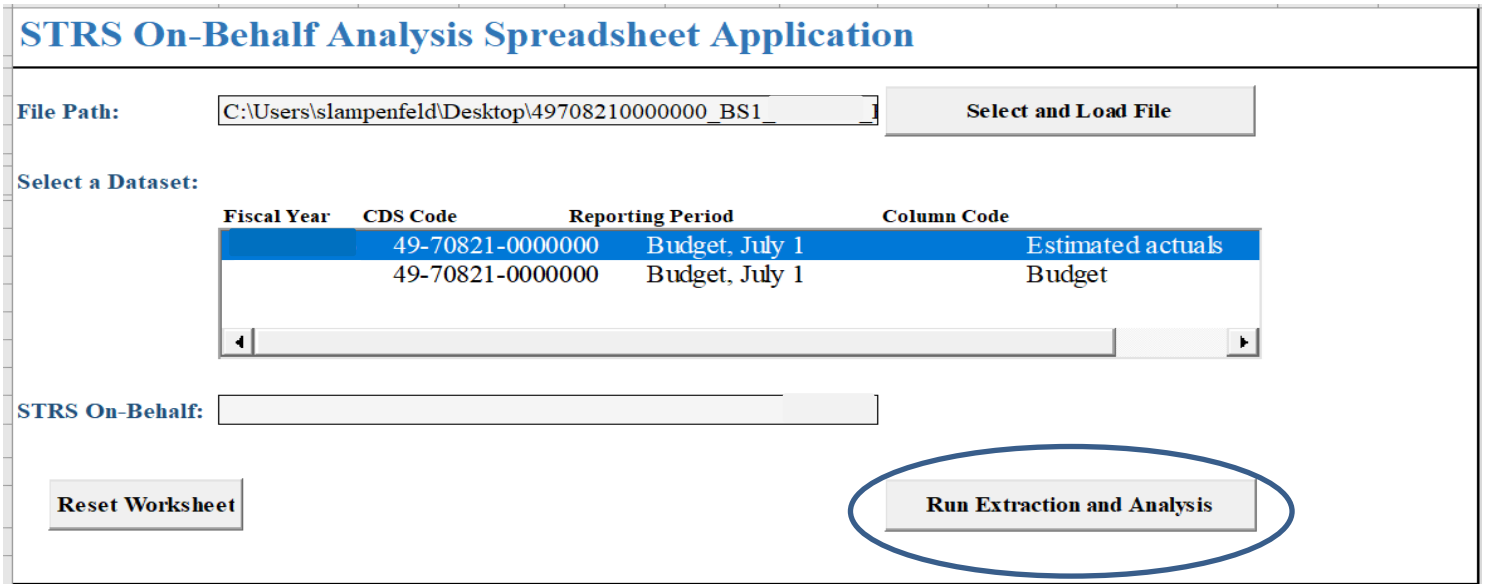
Enter the STRS On-Behalf amount calculated by LEA on page 3 – see the shaded column.

Examples of these steps above are on the next page.



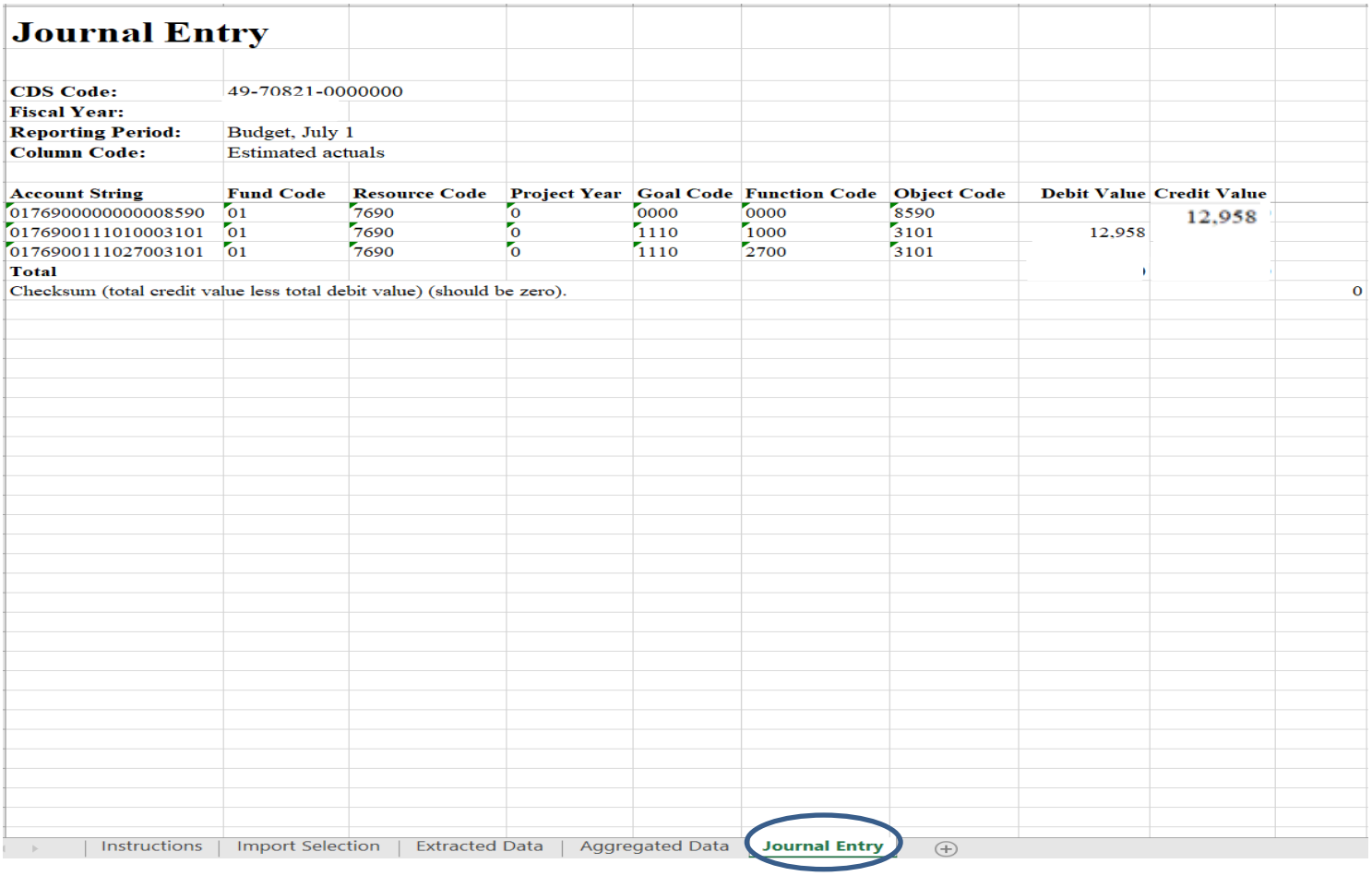
Employer Reporting Number	Employer Name	2023-24 CalSTRS Calculated Employer Contribution	2023-24 Employer Proportionate Share of Total CalSTRS–Calculated Employer Contribution	Employer Proportionate Share of State on-Behalf Contribution	2025-26 On-Behalf	2026-27 On-Behalf
49035	Monte Rio Union Elementary	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 populate the Extracted, Aggregated, and Journal Entry sheets.



Journal Entry tab: Displays the journal entry that debits expenditure accounts and credits revenue accounts. To enter Frontline ERP, set up these accounts (with zero school and management codes) and enter and post your 2025-26 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	
0176900000000008590	01	7690	0	0000	0000	8590		12,958	
0176900111010003101	01	7690	0	1110	1000	3101	12,958		
0176900111027003101	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 LEAs 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. Legislation amended the definition of total general fund expenditures for the purpose of calculating RRMA contributions 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 with less than 901 ADA
- high school district with 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 separately account for revenues 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 6/22 CASH CUTOFF**.

If a portion of LCFF funding is committed for 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 deferred maintenance in addition to the committed LCFF funding, it should be reported using the inter-fund transfer-in and 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 must be set up as Due To/Due From (see Step 12).

☐ Be prepared to discuss with your auditor the components of the ending fund balance for 2025-26 Fund 14 as approved by your District Board.

Step 20 – Review of Coding for Form CEA

Current Expense Formula/Minimum Classroom Compensation

Purpose of this Review Education Code Section 41372 requires school districts to expend a minimum percentage of current expense of education on classroom teacher and aide salaries and benefits. ***Reviewing Form CEA before year-end close helps districts identify coding issues, maximize the classroom compensation percentage, avoid audit findings, and accurately reflect instructional expenditures.***

What is Form CEA?

Form CEA is part of the Standardized Account Code Structure (SACS) reporting process and measures whether school districts are meeting minimum classroom compensation requirements.

Classroom Compensation % =

Classroom Compensation (Part II) ÷ Total Expenses (Part I)

The overall goal is to maximize the numerator (classroom compensation) while appropriately reducing the denominator (total expenditures) through accurate coding and allowable exclusions.

Minimum Classroom Compensation Requirements

District Type	Required Percentage
Elementary	60%
Unified	55%
High School	50%

Understanding the Calculation – Numerator (Part II)

- Includes personnel costs coded to Functions 1000–1999.
- Functions 1000–1999 represent direct instructional services provided to students.
- Includes classroom teachers, instructional aides, and direct instructional support staff.
- Generally excludes counselors, psychologists, and Teachers on Special Assignment (TOSAs) coded to Function 2XXX.

The numerator is intended to capture classroom compensation costs directly tied to student instruction. Coding instructional staff outside Function 1XXX can significantly reduce the district's classroom compensation percentage.

Understanding the Calculation – Denominator (Part I)

- Includes all General Fund expenditures in Objects 1000–5999 and indirect costs (Object 73XX).

- Column 1 is extracted directly from the district's SACS .dat file and cannot be manually adjusted.
- Columns 2, 4a, and 4b reduce the denominator through automatic or manual exclusions.

Automatic Reductions – Column 2

- Goal Codes 7100–7199 – Non-Agency
- Goal Codes 81XX – Community Services
- Function 37XX – Food Services
- Object Codes 3701–3702 – Retiree Benefits
- Function 8500 – Facilities Acquisition and Construction

Proper coding to these goals, functions, and objects can lower the denominator and improve the reported CEA percentage.

Automatic Reductions – Column 4a

Column 4a automatically excludes expenditures tied to certain resource codes that generally do not allow teacher salaries.

1100, 3316, 3326, 3327, 3372, 3386, 3515, 3724, 4123, 4124, 5035, 5314, 5316, 5370, 5460, 5465, 5652, 6010, 6030, 6126, 6140, 6230, 6300, 6355, 6385, 6386, 6392, 6512, 7010, 7027, 7028, 7085, 7121, 7124, 7126, 7236, 7388, 7410, and 8210.

Function 1180 (NPA/NPS) and Function 3600 (Transportation) are also automatically excluded.

Who is Exempt from the Requirement?

- ❖ Districts with less than 101 ADA in the previous fiscal year
- ❖ Charter schools
- ❖ Districts maintaining all "individual class sessions" below statutory class size limits:
  - 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.*

Important: Even if exempt, districts should still complete Form CEA accurately and document the exemption appropriately.

Coding Tips to Maximize the CEA Percentage - check coding now before your books are closed!

- **Use Function 1XXX –** Classroom teachers, instructional aides, tutors, and other direct instructional staff should generally be coded to Function 1XXX.
- **Whenever possible, classroom teachers and direct instructional support staff costs should not be coded to any resource excluded from the CEA calculation. Including instructional salaries in the calculation will increase your numerator and help increase your percentage.**
    - Review Lottery RS 1100.
    - Direct instructional support staff costs in Lottery RS 1100 are included in Part II.
    - However, expenditures coded to Lottery RS 1100 are excluded in Part I.
    - Spend unrestricted Lottery dollars and don't let them accumulate because these are backed out from the denominator only.
    - Review the possibility of reclassifying additional teacher salary expenditures to this resource as appropriate. An increase in lottery expenditures will lower the total expenses in Part I and help to increase the CEA percentage.
- **Review Functions 2100, 2130, and 2140 –** Review expenditures coded to Functions 2100, 2130, and 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.
- **Review Excluded Goals and Functions –** Coding expenditures to excluded goals/functions such as 71XX, 81XX, Function 3700, Function 1180, Function 3600, and Function 8500 can reduce the denominator.
- **Review NPA/NPS Coding –** Verify whether expenditures coded to Function 1190 could be justified in coding to Function 1180, instead.
- **Home-to-School Transportation –** Ensure transportation expenditures are coded to Function 3600 so they are properly excluded.
- **Review Cost Sharing –** Object 5750 may reduce General Fund expenditures when transferring support costs between funds or charters.
- **Use Fund 14 Strategically –** Allowable expenditures coded to Fund 14 are outside the General Fund and therefore outside the CEA calculation.

Per School Services, Education Code Section (EC §) 41372 allows for the exclusion of the amount expended from *state and federal* categorical resources if the entire resource is spent on something other than teacher salaries and benefits.

EC § 41011 defines "teacher" as an employee of the district in a position requiring certification and whose duties require them to teach pupils for at least one instructional period each day or an instructional aide whose duties must be performed under the supervision of a classroom teacher.

- **For State or Federal resources that are not already automatically excluded from the calculation, consider spending the allocation on expenses other than instructional salaries.**

- If instructional salaries are not included in the resource, the resource might become excludable.
    - When possible, code appropriate objects 4-5xxx to these resources instead of instructional salaries.
    - Code expenditures where the goal or function are not automatically excluded (such as charging special ed costs in function 1190 to resource 3310 while also not charging any teacher salaries).
    - Code non "teacher" salaries to these resources (such as a TOSA to an allowable State or Federal resource).

- **If a teacher is on special assignment (TOSA), check the function coding for accuracy.** Any TOSA partially in the classroom should be split funded. Coding their partial non-classroom salary to 2xxx function helps to potentially include a State or Federal resource as an override.
- **RS 1400 EPA:** Meets the definition of a State categorical. Consider charging expenses other than teacher salaries such as custodial, insurance, utilities, etc. and in that case, the resource could be included in the manual overrides.
- **RS 6019, 6762, and 7435:** Can be used as a manual override if no teacher salaries are incurred within the fiscal year. If carryover exists, this does not preclude the balance of the allocation being spent on teacher salaries in the subsequent year. In that case, the resource would not meet to requirement of an override in the next fiscal year.

What Happens if the District Fails the CEA?

- Review coding and manual override opportunities before closing books.
- If after the overrides the percentage is still below the requirement, file an exemption request with the County Office of Education.
- Provide evidence of serious hardship or salary comparability.
- Funds may be withheld pending approval of the exemption request.
- If denied, withheld funds generally must be spent on classroom salaries in the subsequent year.
- Do not rely on an exemption. Approval standards under EC Section 41372 are narrow and require significant supporting documentation.

Final Reminders

- Review Form CEA throughout the fiscal year, not just at year-end close.
- Many districts can improve the CEA percentage through coding corrections rather than spending changes.
- Review the SACS Software User Guide and CSAM.
- Obtain auditor concurrence for all manual overrides.
- For reference, see the Form CEA Mini Training Workshop from 4/27/26.

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

Districts are highly encouraged to consistently apply allowable indirect cost rates across all eligible programs, including Special Education, to more accurately reflect the full cost of program operations and support long-term fiscal transparency.

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 increase 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

To BUDGET 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 - Example:

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

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 $50,000 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.*
- **There were several ICR changes to the Uniform Guidance (2 C.F.R. Part 200) that were approved as of October 1, 2024 but did not become effective until 2025-26, including:**
  - 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 charged 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 $1,000,000 in federal funds. Use **function 7190.***
  - *Costs for audits for LEAs expending less than $1,000,000 in federal funds. Use **function 7191.***

- *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 2027-28 will be calculated in the 2025-26 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 upload 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.

☐ 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.

<u>For assistance, please call your SCOE Fiscal Advisor.</u> Also, see the CDE Frequently Asked Questions about indirects: https://www.cde.ca.gov/fg/ac/ic/icrfaq.asp

2026–27 Restricted Indirect Cost Rates for K–12 Local Educational Agencies (LEAs) – Five Year Listi

California Department of Education (CDE) - School Fiscal Services Division
Rates approved based on standardized account code structure expenditure data
As of April 6, 2026
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

Distribution Base: Modified Total Direct Costs (as defined in 2 CRF 200.1), which includes total direct costs less equipment purchases, alterations and renovations, the portion of individual subawards exceeding $50,000 and pass-through funds. The approved rate is the maximum rate that can be applied, although less than the maximum rate may be used.

Approved Rates. For use with state and federal programs, as allowable in:

County Code	LEA Cod	Typ	LEA Name	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)	2026–27 (based on 2024–25 expenditure data)
49	10496	C	Sonoma County Superintendent	12.40%	14.37%	12.74%	11.04%	11.87%
49	40246	CA	Petaluma City Joint Union Elem/High	5.22%	5.57%	5.81%	6.01%	4.80%
49	40253	CA	Santa Rosa City Elementary/High	6.06%	5.47%	5.21%	5.40%	6.23%
49	40311	J	West County Transportation JPA	0.00%	0.00%	0.00%	0.00%	0.00%
49	70599	D	Alexander Valley Union Elementary	5.02%	5.49%	6.16%	9.47%	10.02%
49	70607	D	West Sonoma County Union High	6.49%	6.70%	7.07%	7.08%	5.65%
49	70615	D	Bellevue Union Elementary	8.73%	6.96%	3.77%	2.90%	3.77%
49	70623	D	Bennett Valley Union Elementary	6.17%	5.78%	6.86%	7.23%	6.02%
49	70649	D	Cinnabar Elementary	5.06%	7.89%	5.69%	2.42%	2.15%
49	70656	D	Cloverdale Unified	9.18%	9.56%	8.28%	7.61%	8.29%
49	70672	D	Dunham Elementary	6.85%	8.94%	7.04%	6.60%	5.25%
49	70680	D	Forestville Union Elementary	8.77%	9.26%	10.59%	5.47%	5.00%
49	70698	D	Fort Ross Elementary	11.84%	9.34%	9.68%	8.22%	6.89%
49	70706	D	Geyserville Unified	10.41%	8.96%	8.55%	7.42%	9.90%
49	70714	D	Gravenstein Union Elementary	5.76%	4.67%	7.41%	9.08%	6.71%
49	70722	D	Guerneville Elementary	12.62%	9.66%	8.93%	10.90%	8.15%
49	70730	D	Harmony Union Elementary	7.15%	6.62%	5.49%	5.79%	5.51%
49	70763	D	Horicon Elementary	3.26%	2.94%	3.59%	3.70%	1.41%
49	70789	D	Kenwood Elementary	9.94%	10.30%	12.46%	10.68%	10.39%
49	70797	D	Liberty Elementary	6.45%	5.25%	5.87%	6.66%	6.44%
49	70805	D	Mark West Union Elementary	5.07%	4.81%	4.02%	4.12%	3.82%
49	70813	D	Monte Rio Union Elementary	11.03%	10.43%	8.69%	9.14%	8.68%
49	70821	D	Montgomery Elementary	8.95%	6.60%	7.26%	7.44%	6.76%
49	70839	D	Oak Grove Union Elementary	12.42%	11.53%	10.56%	10.21%	11.97%
49	70847	D	Old Adobe Union	3.10%	2.94%	3.40%	3.55%	3.85%
49	70854	D	Petaluma City Elementary	5.22%	5.57%	5.81%	6.01%	4.80%
49	70862	D	Petaluma City Joint Union High	5.22%	5.57%	5.81%	6.01%	4.80%
49	70870	D	Piner-Olivet Union Elementary	7.83%	10.46%	6.87%	2.39%	0.89%
49	70888	D	Kashia Elementary	3.23%	3.06%	8.76%	7.60%	5.54%
49	70896	D	Rincon Valley Union Elementary	5.25%	5.14%	5.23%	5.50%	3.91%
49	70904	D	Roseland Elementary	5.37%	6.27%	7.33%	6.69%	5.17%
49	70912	D	Santa Rosa Elementary	6.06%	5.47%	5.21%	5.40%	6.23%
49	70920	D	Santa Rosa High	6.06%	5.47%	5.21%	5.40%	6.23%
49	70938	D	Sebastopol Union Elementary	11.45%	10.38%	4.13%	7.91%	8.42%
49	70953	D	Sonoma Valley Unified	8.08%	10.70%	7.15%	6.73%	9.47%
49	70961	D	Twin Hills Union Elementary	9.59%	8.85%	9.44%	8.74%	8.51%
49	70979	D	Two Rock Union	18.17%	10.65%	5.18%	0.28%	7.62%
49	70995	D	Waugh Elementary	9.15%	10.58%	9.52%	7.94%	7.09%
49	71001	D	West Side Union Elementary	11.54%	15.65%	7.41%	6.08%	9.04%
49	71019	D	Wilmar Union Elementary	10.20%	7.58%	7.32%	7.47%	6.80%
49	71035	D	Wright Elementary	13.27%	9.18%	10.21%	11.48%	6.69%
49	73882	D	Cotati-Rohnert Park Unified	6.42%	6.35%	5.98%	5.84%	5.85%
49	75358	D	Windsor Unified	3.23%	2.60%	6.04%	5.29%	2.85%
49	75390	D	Healdsburg Unified	8.12%	6.87%	6.78%	7.28%	6.65%

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%

2026–27 Indirect Cost Rates - Charter Schools

California Department of Education (CDE) - School Fiscal Services Division

Approved April 2026 by CDE based on 2024–25 standardized account code structure expenditure data

(New charter schools not yet on the list may use the 2026–27 statewide average rate of 6.38%)

As of April 6, 2026

County Code	District Code	School Code	Charter Number	Charter School Name (sorted by county-district-school code)	2026–27 Approved Rates (for use with state and federal programs, as allowable)
49	70649	6051635	1310	Cinnabar Charter	2.15%
49	70672	0122440	1194	Dunham Charter	5.25%
49	70680	0112987	0842	Forestville Academy	5.00%
49	70714	6051742	1445	Gravenstein Elementary	6.71%
49	70714	6051759	1444	Hillcrest Middle	6.71%
49	70722	0139048	2037	California Pacific Charter - Sonoma	6.38%
49	70722	6051767	1978	Guerneville Elementary (Charter)	8.15%
49	70730	6110639	0941	Salmon Creek School - A Charter	5.51%
49	70730	6120588	0492	Pathways Charter	6.38%
49	70797	0107284	0653	California Virtual Academy @ Sonoma	6.38%
49	70797	0139568	2071	Heartwood Charter	6.38%
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49	70797	6051833	1260	Liberty Elementary	6.44%
49	70805	0105890	0616	Mark West Charter	3.82%
49	70805	6051858	1417	San Miguel Elementary	3.82%
49	70805	6111066	1422	John B. Riebli Elementary	3.82%
49	70839	0138065	1985	Pivot Charter School - North Bay	6.38%
49	70839	6051890	0655	Oak Grove Elementary/Willowside Middle	11.97%
49	70847	0119750	1086	River Montessori Elementary Charter	6.38%
49	70847	0127555	1579	Loma Vista Immersion Academy	3.85%
49	70847	6051924	1423	Old Adobe Elementary Charter	3.85%
49	70847	6072136	1424	Miwok Valley Elementary Charter	3.85%
49	70847	6114755	1450	Sonoma Mountain Elementary	3.85%
49	70854	6051981	1512	Penngrove Elementary	4.80%
49	70854	6119036	0382	Live Oak Charter	6.24%
49	70862	0131961	1726	Petaluma Accelerated Charter	4.80%
49	70862	0142554	2136	Dual Language Immersion Academy Charter	4.80%
49	70862	6051932	0480	Mary Collins Charter School at Cherry Valley	4.80%
49	70870	0106344	0526	Northwest Prep Charter	0.89%
49	70870	6066344	1440	Olivet Elementary Charter	0.89%
49	70870	6109144	1439	Morrice Schaefer Charter	0.89%
49	70870	6113492	0098	Piner-Olivet Charter	0.89%
49	70896	0102525	0525	Spring Lake Charter	3.91%
49	70896	6052039	1105	Manzanita Elementary Charter	3.91%
49	70896	6052047	1259	Whited Elementary Charter	3.91%
49	70896	6052070	1257	Village Elementary Charter	3.91%
49	70896	6085229	1258	Binkley Elementary Charter	3.91%
49	70904	0101923	0558	Roseland Charter	4.40%
49	70912	0113530	0845	Santa Rosa Charter School for the Arts	6.23%
49	70912	0125831	1397	Santa Rosa French-American Charter (SRFACS)	6.23%
49	70912	0128074	1523	Cesar Chavez Language Academy	6.23%
49	70912	6116958	0215	Kid Street Charter	6.38%
49	70920	0102533	0522	Santa Rosa Accelerated Charter	6.23%
49	70938	6113039	0078	Sebastopol Independent Charter	7.23%
49	70953	0105866	0613	Woodland Star Charter	4.73%
49	70953	6111678	0009	Sonoma Charter	6.38%
49	70961	4930319	0310	Orchard View	8.51%
49	70961	4930350	0481	Sunridge Charter	9.66%
49	70961	6052302	0904	Twin Hills Charter Middle	8.51%
49	71035	6052377	1087	Wright Charter	6.69%
49	73882	0123786	1281	Credo High	2.01%
49	75358	0114934	0912	Village Charter	3.77%
49	75358	6052369	0162	Cali Calmecac Language Academy	2.85%

Step 23 – Contributions Between Programs (Object 8980-8990)

Contribution 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); please see Step 14 for more information

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/].

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.

Contributions from Restricted Revenues, Object 8990:

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 vs 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).

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	6010
'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	6010	After School Education and Safety (ASES) (Proposition 49)	U	8590	23939	8/13/1999

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.*

Exception: 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 for 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 2025-26:

If you book an unearned revenue entry in 2025-26 during the year-end close, you will need to reverse the entry in 2026-27. 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 2026-27.

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 2026-27 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 (SACS)

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 and search CAT: https://docs.sacs-cde.org/2026-27/

COMMON UNEARNED REVENUE RESOURCES - 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)

4/23/2026

NOTE: NOT A COMPLETE LIST - SEE CDE WEBPAGE LINKED BELOW

Resour	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
3310	U	Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611
3315	U	Special Ed: IDEA Preschool Grants, Part B, Sec 619
3318	U	Special Ed: IDEA Part B, Sec 619, Preschool Grants Early Intervening Services
3327	U	Special Ed: IDEA Mental Health Allocation Plan, Part B, Sec 611
4035	U	ESSA: Title II, Part A, Supporting Effective Instruction
4127	U	ESSA: Title IV, Part A, Student Support and Academic Enrichment Grants
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
5035	U	Early Education: Quality Improvement Activities
6010	U	After School Education and Safety (ASES)
6053	U	Early Education: Universal Prekindergarten (UPK) Planning and Implementation Grant Program - Universal Prekindergarten Planning Grants
6105	U	Early Education: California State Preschool Program
6106	U	Early Education: Preschool Development Grant – Renewal FY 2021–23 (General Funds)
6388	U	K–12 Strong Workforce Program
7010	U	Agricultural Career Technical Education Incentive
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), or a Fiscal27 as of 6/30/2026 for Actuals**. 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 - Year-End Closing Entries** 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 – Contributions Between Programs**).

   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 - Year-End Closing Entries** 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 – Contributions Between Programs**).

☐ **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 22, 2026**).

2) If a **Fund** in total has a negative cash balance, refer to **Step 12** (Temporary Loans). This has to be remedied by **June 22, 2026**.

☐ **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- MJSI	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- MJSI	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".

If year code "7" is also fully expensed, the same methodology would apply and a journal entry would need to be completed to move any excess year code "7" expenses to year code "8".

If any year code "6" funding remains at close, an Accounts Payable will need to be set up in order to repay the state as the funding expires 6/30/2026.

Other Prop 28 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

☐ **Other Reminders:**

- Resources 6266, 6230 and 6762 need to balance to zero at year end close.
    - All allocated funds must be fully expensed and liquidated no later than June 30, 2026. Any funds not fully expended by June 30, 2026, must be returned to the CDE. Please note: these resources need to be fully expensed, not encumbered as of 6/30/2026; ARs and APs are not to be set up.

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=2026, object=1-7
or Fiscal 01, account selection: fiscal year=2026, 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.

Example: Budget Okay

Balances through June							Fiscal Year 2025/26
Object	Description		Adopted Budget	Revised Budget	Encumbered	Expenditure	Account Balance
Fund **01 - General Fund**							
1100	Teachers' Salaries - Regular		142,187.00	145,869.00	11,128.03	117,545.30	17,195.67
1200	Nurse		43,907.00	43,907.00	3,991.58	39,915.80	.38-
1300	Cert Suprvsrs' & Admins' Sal		178,000.00	181,500.00	15,125.00	166,375.00	.00
		Total for Object 1000	**364,094.00**	**371,276.00**	**30,244.61**	**323,836.10**	**17,195.29**
2100	Instructional Aides' Salaries		33,893.00	28,213.00	1,836.43	24,540.43	1,836.14
2400	Clerical & Office Salaries		154,664.00	156,841.00	5,361.62	141,322.46	10,156.92
2900	Other Classified Salaries		51,803.00	69,371.00	6,717.90	52,480.46	10,172.64
		Total for Object 2000	**240,360.00**	**254,425.00**	**13,915.95**	**218,343.35**	**22,165.70**

Example: Budget Transfer Needed

Fund **14 - Deferred Mainte**							
5600	Rentals And Leases			7,023.00		7,014.50	8.50
5800	Other Svcs & Oper Expenditures		8,716.00	2,893.00		1,885.00	1,008.00
		Total for Object 5000	**8,716.00**	**9,916.00**	**.00**	**8,899.50**	**1,016.50**
6200	Bldgs & Improvement Of Bldgs		11,600.00	10,147.00	12,900.00	6,150.00	8,903.00-
		Total for Expense accounts	**20,316.00**	**20,063.00**	**12,900.00**	**15,049.50**	**7,886.50-**
		Total for Org 015, Fund 14 and Expense accounts	**20,316.00**	**20,063.00**	**12,900.00**	**15,049.50**	**7,886.50-**

Step 27 – GASB 31 ~ Fair Market Value, GASB 34 ~ Fixed Assets, and GASB 104 ~ Disclosure of Certain Capital Assets

GASB 31: Accounting and Financial Reporting for Certain Investments and External Investment 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 the 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 the calculation and materiality with its 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 **dividing the Market Value on June 30th by the 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 the FMV Rate equals the 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 08/07/2026)
    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 calculation example below via snapshots.

SCOE will calculate the amount and send out calculations in early August once the FMV rate is available for LEAs to book in the closing. This will be packet 4.

*Quarterly Report/Sonoma County Quarterly Investment Report found here.

*Cash in County FMV Calculation template found here.

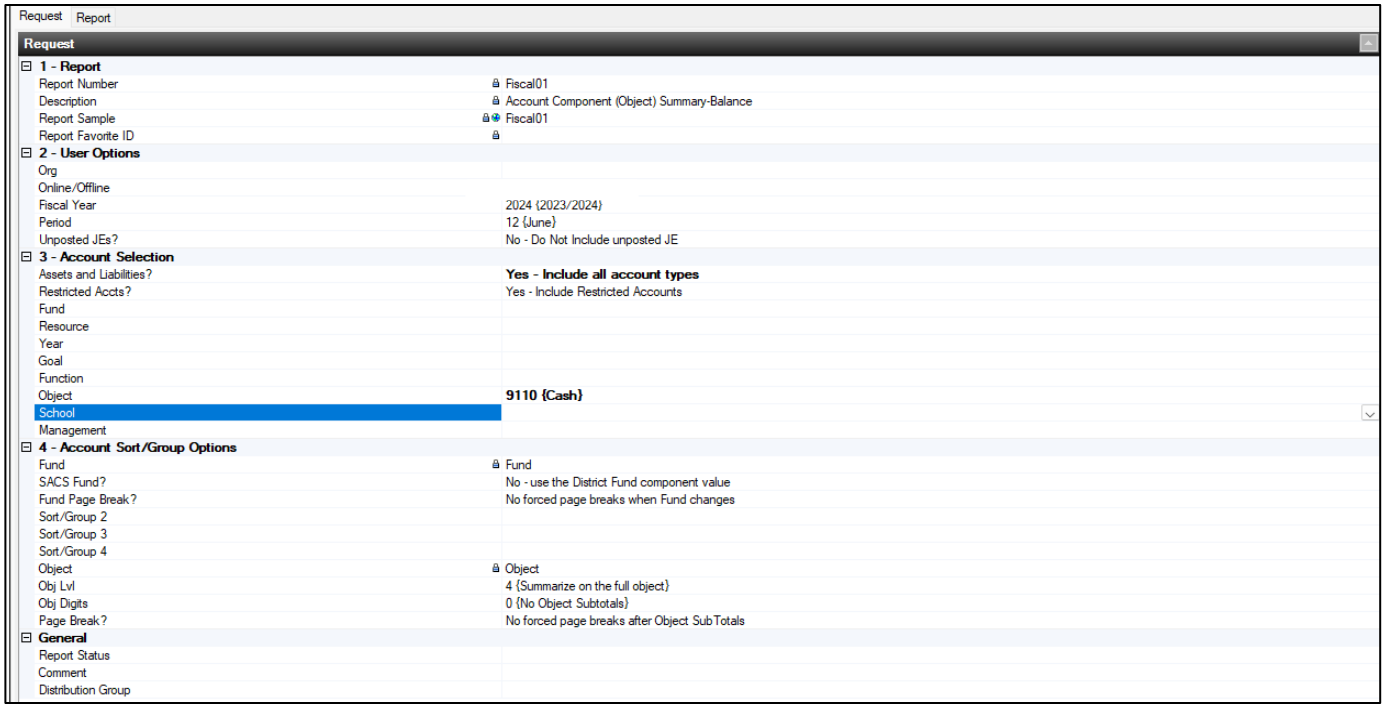
Example of calculation from prior year (current year's report will be available in early August):

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 2025-26:

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 the 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 with 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, 2026 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 with 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 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 2026-27 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 2024 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 2025-26 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/rates2526.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.*

2025-26 Audit Reminders

TRANSITIONAL KINDERGARTEN Audit Procedures

1. If the school district or charter school reported ADA for the audit year for transitional kindergarten, select a representative sample of schoolsites that had transitional kindergarten pupils.

    a. Verify the mathematical accuracy of each schoolsite's "average transitional kindergarten class enrollment" as defined in Education Code section 48000(g)(1).

    b. For the schoolsites selected, select a representative sample of classes with transitional kindergarten students, inclusive of combination classes, and verify the "active enrollment count" as defined in Education Code Section 48000(g)(1)(B) 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 pursuant to Education Code Section 48000.1(b)(1)(C)(ii).

3. For the schoolsites selected in procedure 1, verify the schoolsites maintained an adult to pupil ratio average for classes with transitional kindergarten students pursuant to Education Code section 48000(g)(3)(A).

    a. Verify the mathematical accuracy of each of the schoolsites' adult to pupil ratio calculation. b. For the sampled classes with transitional kindergarten students selected in procedure 1.

    b. 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.

    c. Verify that adult(s) being counted for the purpose of meeting the adult to pupil ratio is dedicated and available to all TK pupils for the entire schoolday based on locally determined documentation.

4. If the school district or charter did not meet the adult-to-pupil ratio requirements of Education Code Section 48000(g)(3)(A), report a finding and include the amount of the penalty and penalty calculation pursuant to Education Code Section 48000.1(b)(1)(A)(ii).

5. For the schoolsites selected in procedure 1, verify that any credentialed teacher assigned to a TK classroom meets the requirements of Education Code section 48000(g)(4).

6. If the school district or charter assigned a teacher to a TK classroom that does not meet the requirements of Education Code section 48000(g)(4), report a finding and include the amount of the penalty calculation pursuant to Education Code section 48000.1(b)(1)(B).

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

If the local educational agency (LEA) received Educator Effectiveness Block Grant funds pursuant to Education Code section 41480 perform the following:

1. Interview LEA staff to determine if employees were charged fees for services allowable under this section, including, but not limited to, beginning teacher induction program costs, during the grant period pursuant to this section. If LEA staff confirmed fees were charged, trace to supporting documentation.

2. If the LEA charged fees to employees in Procedure 1, report a finding for noncompliance and identify the Educator Effectiveness funding received by the LEA and recommend the LEA return the funds for Educator Effectiveness.

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.

5. For county offices of education and school districts only, verify the LEA:

    a. Presented the LCAP for the audit year to the parent advisory committee in accordance with Education Code section 52062(a)(1) or 52068(a)(1), as appropriate.

    b. If applicable, presented the LCAP for the audit year to the English learner parent advisory committee, in accordance with Education Code section 52062(a)(2) or 52068(a)(2), as appropriate.

c. Notified members of the public of the opportunity to submit comments regarding specific actions and expenditures proposed to be included in the LCAP for the audit year in accordance with Education Code section 52062(a)(3) or 52068(a)(3), as appropriate.

d. Provided an annual update report in accordance with Education Code section 52062(a)(6) or 52068(a)(6), as applicable.

6. If the county office or school district was not in compliance with any of the requirements listed in 5, so state in a finding.

7. For the county offices of education, school districts, and charter schools, verify the LEA:

   a. Held at least one public hearing in accordance with Education Code sections 52062(b)(1) or 52068(b)(1) for COEs and school districts, or 47606.5(f) for charter schools;

   b. Adopted the LCAP for the audit year in a public meeting in accordance with Education Code section 52062(b)(2) or 52068(b)(2) for COEs and school districts, or 47606.5(a) for charter schools;

   c. Verify that the LCAP was adopted on or before July 1 of the audit year

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).

ATTENDANCE RECOVERY Audit Procedures

If the LEA reported ADA generated through an Attendance Recovery (AR) program, perform the following procedures:

1. Select a representative sample of pupils for whom ADA generated through AR was claimed, and obtain reports of their absences and AR attendance. For each pupil sampled, perform the following procedures:

   a. If the LEA is a charter school, perform the following procedures:

      i. Verify that the pupil is enrolled in a classroom-based program, pursuant to Education Code section 47612.5(e).

      ii. Verify that the pupil is not enrolled in a school that serves pupils through a partnership pursuant to Education Code section 47612.1.

b. Verify that the pupil was not continually enrolled in an Independent Study agreement(s) for longer than 15 days on the dates of their participation in an AR program.

c. Examine the attendance accounting record to verify that the pupil's AR attendance was maintained on a separate register, or that the LEA had another mechanism in place to track ADA generated through AR separately from other ADA.

d. Verify that AR attendance is only claimed in whole days of ADA.

e. Verify that the pupil's total AR attendance for the school year is no greater than ten days, or the total number of absences the pupil accrued in that school year, whichever is fewer.

f. For each day of ADA claimed through AR, verify that the pupil's participation time met the applicable minimum daily minute requirement pursuant to Education Code section 46211(e)(2).

    i. If hourly accounting of participation time was used, trace to supporting documentation by the AR teacher.

    ii. If the student has an individualized educational plan (IEP) that lists an alternative minimum daily minute requirement, verify that the requirement in the IEP was used in the calculation of ADA.

g. For all participation times that contributed to generating a day of ADA through AR, perform the following procedures:

    i. Verify that the pupil was under the supervision of an employee of the LEA possessing a valid teaching certificate pursuant to Sections 46300 and 47612.5.

    ii. Verify that the classroom(s) where the pupil participated in AR maintained a pupil-to-certificated teacher ratio of no more than 10 to 1 when the classroom contained transitional kindergarten or kindergarten pupils, and maintained a pupil-to-certificated teacher ratio of no more than 20 to 1 for all other grades, pursuant to Education Code section 46211(f).

    iii. Determine that the LEA has documentation demonstrating that the pupil was provided with content aligned to grade level standards that is substantially equivalent to in-person instruction.

h. Verify that no pupil generated more than one day of attendance per calendar day of participation in AR. Then perform one of the following procedures:

    i. For school districts and COEs: Verify that the pupil did not generate more than 5 days of attendance per school week.

    ii. For charter schools: Verify that the pupil was not credited with more than a day of ADA per calendar day when school was actually taught, pursuant to Education Code section 47612 and Section 11960 of Title 5 of the California Code of Regulations.

2. Calculate any inappropriately reported units of ADA, by grade span, identified through the foregoing audit procedures. State in a finding the number(s) of units of ADA so identified and an estimate of their dollar value.

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 2025-26 Audit guide

SCOE IT/Business Calendar of Events; SCOE Semimonthly Payroll Calendar — Jun 2026 (Pacific Time - Los Angeles)

Sun	Mon	Tue	Wed	Thu	Fri	Sat
31	1	2 12pm - AP CUTOFF	3	4 9am - Year-End Close 12pm - AP CUTOFF	5 MAY ESCAPE CASH 12pm - IC PAY DUE 12pm - SUPP PAY DUE	6
7	8 12pm - RESIG / YWE PAY	9 12pm - AP CUTOFF	10 MAY SUPPLEMENTAL	11 12pm - AP CUTOFF	12 12am - Deadline to turn in check cancellations 9am - ERP - AP Year End 11am - ERP - AR Year En	13
14	15 CASH DEPOSITS DUE 4pm - MANUAL PAY DUE	16 12pm - AP CUTOFF	17	18	19 Juneteenth - SCOE Closed	20
21	22 NO PRODUCTION CASH TRANSFERS DUE INTERFUND POSITION 12pm - IC PAY DUE	23 12pm - REG PAY DUE	24	25 9am - DBUG (Redwood A	26	27
28	29	30 JUNE REGULAR PAYDAY	1 NO PRODUCTION 6am - ESCAPE -	2	3 Independence Day - SCOE	4

SCOE IT/Business Calendar of Events SCOE Semimonthly Payroll Calendar

Jul 2026 (Pacific Time - Los Angeles)

Sun	Mon	Tue	Wed	Thu	Fri	Sat
28	29	30 JUNE REGULAR PAYDAY	1 NO PRODUCTION 6am - ESCAPE -	2	3 Independence Day - SCOE	4
5	6	7 12pm - AP CUTOFF 12pm - IC PAY DUE 12pm - SUPP PAY DUE	8	9 12pm - AP CUTOFF 12pm - RESIG / YWE PAY	10 JUNE SUPPLEMENTAL 9am - ERP New User 1:30pm - ERP New User	11
12	13	14 12pm - AP CUTOFF 4pm - MANUAL PAY DUE	15	16 12pm - AP CUTOFF	17 CALPADS - EOY 1	18
19	20	21 12pm - IC PAY DUE 12pm - AP CUTOFF	22	23 12pm - AP CUTOFF	24 CASH DEPOSITS DUE CASH TRANSFERS DUE INTERFUND POSITION 12pm - REG PAY DUE	25
26	27	28 12pm - AP CUTOFF	29	30 9am - 2025-26 Unaudited	31 CALPADS - EOY 1 Final JULY REGULAR PAYDAY NO PRODUCTION	1

SCOE IT/Business Calendar of Events; SCOE Semimonthly Payroll Calendar

Aug 2026 (Pacific Time - Los Angeles)

Sun	Mon	Tue	Wed	Thu	Fri	Sat
26	27	28 12pm - AP CUTOFF	29	30 9am - 2025-26 Unaudited	31 CALPADS - EOY 1 Final JULY REGULAR PAYDAY NO PRODUCTION	1
2	3	4 12pm - AP CUTOFF	5 12pm - IC PAY DUE 12pm - SUPP PAY DUE	6 12pm - AP CUTOFF	7 JULY ESCAPE CASH 5pm - Year-End Closing	8
9	10 JULY SUPPLEMENTAL 12pm - RESIG / YWE PAY	11 12pm - AP CUTOFF	12	13 12pm - AP CUTOFF	14 9am - Frontline ERP - HFA 4pm - MANUAL PAY DUE	15
16	17 CALPADS - EOY 2	18 12pm - AP CUTOFF	19	20 12pm - IC PAY DUE 12pm - AP CUTOFF	21	22
23	24 CASH DEPOSITS DUE CASH TRANSFERS DUE INTERFUND POSITION 12pm - REG PAY DUE	25 12pm - AP CUTOFF	26	27 9am - DBUG (Redwood A 12pm - AP CUTOFF	28	29
30	31 AUGUST REGULAR NO PRODUCTION	1 12pm - AP CUTOFF	2	3 12pm - AP CUTOFF	4 12pm - IC PAY DUE 12pm - SUPP PAY DUE	5

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