

SCOE BIZ

Business Services

Bulletin No. 19-03

July 27, 2018

To: District and Charter Business Services
From: Shelley Stiles, Director External Fiscal Services
Subject: July 2018 Edition

State of the State

California received more tax revenue than expected during the month of June and for the 2017-18 fiscal year, which ended June 30. Total revenues of \$19.91 billion for June were greater than anticipated in the budget signed in June 2017 by \$2.30 billion or 13.1 percent. All of the “big three” revenue sources came in higher than projected.

Overall revenues for FY 2017-18 of \$135.29 billion were \$1.53 billion more than estimates in the May budget revision and \$6.82 billion higher than expected in the 2017-18 Budget Act. Total fiscal year revenues were \$13.38 billion higher than in FY 2016-17.

- ✦ *Personal income tax (PIT) receipts* for June of \$12.57 billion were \$691.8 million, or 5.8 percent, higher than estimated in the budget proposal released in May. For the fiscal year, PIT receipts of \$93.48 billion were \$4.34 billion, or 4.9 percent, more than projected in the 2017-18 Budget Act.
- ✦ *Corporation tax receipts* for June of \$3.23 billion were \$577.2 million, or 21.7 percent, above assumptions in the governor’s May budget proposal. For the fiscal year, total corporation tax receipts were 14.8 percent above assumptions in the enacted budget.
- ✦ *Retail sales and use tax receipts* for June of \$3.15 billion for June were \$759.0 million, or 31.8 percent, more than anticipated in the governor’s FY 2018-19 amended budget proposal. For the fiscal year, sales tax receipts were 2.0 percent higher than expectations in the 2017-18 Budget Act.

2017-18 P-2 Principal Apportionment

2017-18 P-2 Principal Apportionments are available as well as the Local Control Funding Formula Snapshot. Both can be accessed through links at <http://www.cde.ca.gov/fg/aa/pa/pa1718.asp>.

2018-19 Advance Apportionment is now available

The 2018-19 Advance Principal Apportionment (Advance) has been certified. The Advance is based primarily on prior year funding and establishes each LEA’s monthly state aid payment amount for July 2018 through January 2019. **Because this apportionment is merely a means to begin allocating funds in accordance with Education Code 41330, it should not be used by LEAs for budgeting.**

Detailed information regarding the 2018-19 Advance Principal Apportionment is available on the CDE’s Web site at <https://www.cde.ca.gov/fg/aa/pa/pa1819.asp>. The CDE monthly payment schedule by LEA is printed and attached for your convenience. The following 2018-19 Principal Apportionment resources are available on the CDE Web site, to assist in 2018-19 planning:

2018-19 Funding Rates and Information ~ <https://www.cde.ca.gov/fg/aa/pa/ratesandinfo.asp>

2018-19 Princ Apportmt At-A-Glance Calendar of Key Deadlines ~ <https://www.cde.ca.gov/re/ca/fc/>

Federal Cash Management Data Collection (CMDC) Schedule for 2018-19

Reporting Period	Reporting Start Date	Reporting Deadline
1	July 10	July 31
2	October 10	October 31
3	January 10	January 31
4	April 10	April 30

Note: Cash balance to be reported regardless of the fiscal year from which the funds originated.

Federal Cash Management Data Collection (CMDC) System is open July 10, 2018 to July 31, 2018. Submit cash balance data for the Title I, Part A; Title I, Part D; Title II, Part A; Title III, Immigrant; and Title III, EL programs in order to receive funds in the September apportionment. For more detailed information, see: <https://www.cde.ca.gov/fg/aa/cm/>

Should an LEA fail to submit the CMDC report for a reporting period, the CDE will not apportion funds to the LEA for that period. Also, if the LEA reports an atypical cash balance that appears to be an error, the CDE may contact the LEA for resolution and may not apportion funds to the LEA for that period. The CDE will release funding in the subsequent period if the LEA submits cash balance data that warrants the release.

Questions: Sheng Her | FederalCashManagement@cde.ca.gov | 916-324-4533

Mandate Block Grant

Watch for information about when the online application will be open. Annually each LEA makes a choice to receive funds through the grant or through the claim reimbursement process. Last year the letter announcing the application for funding came out at the end of July and application had to be submitted by 8-30-17.

The Mandate Block Grant is located at: <http://www.cde.ca.gov/fg/aa/ca/mandatebg.asp>

LCAP Federal Addendum

CDE announced the postponement of the Local Control and Accountability Plan Federal Addendum Submission Date in a memo to County, District, and Charter Superintendents/Administrators. This memo was emailed out to those on the LCFF listserve. A copy in PDF format is attached to this memo.

Collapse of Resource 3320 into 3310 for 2018-19

CDE states: Although resource codes 3320, 3332, and 3400 will remain open in the SACS validation tables for an additional three years, through 2020-21, CDE encourages LEAs to expend carryover balances as soon as possible. Note that LEAs should not record new revenue in these resource codes beginning 2018-19, other than revenue associated with carryover balances that were reported as unearned revenue in the prior year.

SCOE's suggestion to Districts for 2018-19 Budgets: Recommend using RS 3310 for both RS3310 and RS3320 revenue and expenditures. A Goal 5730 can be used to denote preschool portion that would previously have been budgeted in RS 3320. A locally defined management code may also be used.

School and College Legal Services of California (SCLS) Workshops for 2018-19

SCLS provides numerous workshops on current issues and useful topics for minimal fees. Please refer to <https://sclscal.org/workshops/> to find a listing of workshops scheduled. SCLS also posts their legal updates on a regular basis.

SCOE Biz E-Blast Recap – Please email Shelley Stiles @sstiles.scoe.org if you did not receive

E-Blast#19-01: Frontline/AESOP renewal notices for 2018-19 emailed 7/09/2018

E-Blast#19-02: 2018-19 45-Day Revision emailed 7/18/2018

Dates to Remember:

08/03/2018	Year End Close checklist due to SCOE
08/14/2018	ESCAPE Training – Accounts Payable
08/13/2018	45-Day Revie due for public review
08/14/2018	ESCAPE Open Lab
08/24/2018	DBUG
09/03/2018	Labor Day Holiday – SCOE Closed
09/12/2018	ESCAPE – HR/Payroll User Group
09/14/2018	ESCAPE Open Lab
09/15/2018	Unaudited Actuals Due to SCOE (statutory deadline)
09/21/2018	DBUG

NOTE:

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

SCOE Biz Bulletins for 2018-2019 will be presented at the monthly District Business Users Group (DBUG) meetings. All meetings are scheduled at SCOE from 12:30 pm to 2:30 PM.

The 2018-19 schedule:

<i>Friday</i>	<i>August 24, 2018</i>
<i>Friday</i>	<i>September 21, 2018</i>
<i>Thursday</i>	<i>October 25, 2018</i>
<i>Friday</i>	<i>November 16, 2018</i>
<i>Friday</i>	<i>January 25, 2019</i>
<i>Friday</i>	<i>February 22, 2019</i>
<i>Friday</i>	<i>March 22, 2019</i>
<i>Thursday</i>	<i>April 18, 2019</i>
<i>Thursday</i>	<i>May 23, 2019</i>