

SCOE BIZ

Business Services

Bulletin No. 23-02



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July 28, 2022

To: District and Charter Business Officials
From: Sarah Lampenfeld, Director, External Fiscal Services
Subject: 2021-22 Unaudited Actuals

Year- End Close/ Unaudited Actuals Sequence and Due Dates to SCOE

Please perform the year-end close and unaudited actual process in the following sequence:

- Complete Closing Check-Off List **by August 10, 2022**
- Send Closing Check-Off List to your SCOE Fiscal Management Advisor. They will review and discuss with you any necessary adjustments. Forms may be worked on during this process, such as: Form A, Form Asset, Form Debt, PCRAF (allocation factors), Form 51, and any other form that is not affected by accounting transactions.
- **Your SCOE Fiscal Management Advisor will notify you via e-mail that all checks have been made and your district is ready for final extract.**
- Perform the final extract into SACS2022ALL.
- Complete all applicable Unaudited Actuals reports and forms listed below.
- Have the LEA's governing board approve the 2021-22 Unaudited Actual statements as presented on the State Standardized Account Code Structure (SACS) software by September 15, 2022.
- The board approved Unaudited Actuals must be **submitted to SCOE (hard copy and dat file –"Official" export) no later than September 15, 2022.**

The Unaudited Actual reports and forms to be submitted to your SCOE Fiscal Management Advisor are as follows:

- Unaudited Actuals Certification (CA) - Data Summary tab
- Unaudited Actuals Certification (CA) – Certification tab
- Two-page summary for each fund operated
- Average Daily Attendance (A)
- Current Expense formula (CEA)
- GANN Appropriations Limit (GANN)
- Indirect Cost Rate Worksheet (ICR)
- Lottery Report (L)
- Every Student Succeeds Act Maintenance of Effort (ESMOE)
- Program Cost Report (PCR)
- Program Cost Report- Schedule of Allocation Factors (PCRAF)
- Schedule of Capital Assets (ASSET)
- Schedule of Long-Term Liabilities (DEBT)

- Bond Interest and Redemption Fund (Fund 51)
- Technical Review Checklist Unaudited Actuals (TRC) – **OFFICIAL EXPORT**
- Checklist and signature of forms completed in the software (SCOELIST) – **Form attached**

The following highlights some Unaudited Actual forms and reporting issues:

GASB 68 ~ Accounting and Financial Reporting for Pensions

State STRS On-Behalf Contributions (Resource 7690) ~ Governmental LEAs must record in their governmental funds the State’s contribution to CalSTRS on behalf of LEA employees. As part of your fiscal year end close a journal entry is required to recognize the state’s on-behalf pension contribution to CalSTRS. To accomplish this entry: 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 equal the credits to revenue, the effect to fund balance is zero. See Step 19a in the 2021-22 Year End Close Manual for detailed instructions on making this entry. This entry affects both the district’s fund statements and government-wide financials statements. Please discuss entry with your auditors.

STRS and PERS Net Pension Liability ~ If the present value of all employees participating in the CalSTRS or CalPERS pension plan (the plan’s total pension liability) exceeds the resources accumulated by the pension plan to pay benefits (producing a net pension liability), LEAs must now report in their government-wide financial statements their proportionate share of the plan’s net pension liability. At present, both CalSTRS and CalPERS have a net pension liability. Please discuss this entry with your auditors.

GASB 74 and GASB 75 ~ Postemployment Benefits Plans other than Pensions (OPEB)

GASB 74 was effective fiscal year 2016–17. It requires that the notes to financial statements include all defined benefit OPEB plans that are administered through trusts that meet the specified criteria and discloses information about OPEB plan investments, including the OPEB plan’s investment policies, concentrations of investments with individual organizations, and 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 75 purpose: to align postemployment benefits (OPEB) accounting to be consistent with pension reporting in order to compare the different liabilities. This additional disclosure drives more useful information and 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 be used to produce the OPEB liability and more frequent actuarial valuations will be required. It is recommended that you contact you auditor to verify that your LEA has the correct information available in your current actuarial study to properly record OPEB benefits in your 2021-22 Unaudited Actuals documents and for your auditor to include in your 2021-22 Audit. A new or updated actuarial study may be required.

GASB 84 and 87 ~ Fiduciary Activities

GASB 84, regarding Fiduciary Activities was effective fiscal year 2020-21. GASB 84 established criteria for identifying fiduciary activities in all state and local governments, which as a result could affect retiree benefits funds, warrant pass-thru funds, and Associated Student Body (ASB) funds. *Please see 2021-22 Year-End Close Manual for further guidance on ASB reporting. Please contact your auditors directly for confirmation about their view and reporting requirements.*

GASB 87, Leases, was effective fiscal year 2021-22. GASB 87 was issued in June 2017 and supersedes previous leases guidance. Under previous guidance, leases could be presented as either capital leases or operating leases. Under GASB 87, there is only one single model for lease accounting because the new statement is built upon the foundational principle that all leases are financings of the right to use an underlying asset. Please see 2021-22 Year-End Close Manual for further guidance on GASB 87. Please discuss this with your auditor.

SPECIAL EDUCATION ~ end of year reporting

1. Subsequent Year Tracking (SYT) worksheet

LEAs should complete the SYT worksheet prior to their preparation of the SEMA and SEMB forms. Deborah Malone –Larson will be e-mailing the SYT worksheet directly to LEAs with additional information.

2. SACS2022ALL ~ Unaudited Actuals ~ Special Education MOE (SEMOE) – Found under ‘Reports’

The SACS2022ALL software includes two reports:

- Report SEMA – Special Education MOE- Actual VS. Actual – The “LEA MOE Calc” tab addresses the Federal Subsequent Year Rule. To ensure the LEA is comparing 2021-22 expenditures to the appropriate comparison year, the LEA is required to complete the SYT worksheet with their LEA Maintenance of Effort Calculation (LMC-A) worksheet of the SEMA.
- Report SEMB – Special Education MOE- Budget VS. Actual – The “LEA MOE Calc” tab addresses the Federal Subsequent Year Rule. To ensure the LEA is comparing 2021-22 budgeted expenditures to the appropriate comparison year, the LEA is required to complete the SYT worksheet with their LEA Maintenance of Effort Calculation (LMC-B) worksheet of the SEMB.

NOTE: It is advisable to complete the SEMA and SEMB reports before submitting the SACS unaudited actual data to the CDE. Although these reports are not required reports for Unaudited Actual electronic submission, they must be submitted separately, in PDF. Effective this year only, electronic reports are accepted; hard copy reports are no longer accepted for reports due to CDE. **SEMA and SEMB Reports are due to SELPA no later than September 15, 2022 (Remember: EARLIER DUE DATE THAN PRIOR YEARS!)**

3. Excess Cost Calculation and the SYT worksheet

The Excess Cost Calculation and information will be e-mailed to LEAs by Debra Malone-Larson in August. The 2021-22 Excess Cost Calculation and Number of Full-Time Special Education Student Equivalents Calculation is **due by September 15, 2022**.

CHARTER SCHOOL REPORTING ~ Education Code Section 42100 requires each charter school to prepare an annual statement of all receipts and expenditures for the preceding fiscal year which are due to the authorizing agency on or before September 15 each year. Charter schools may choose to submit their financial data either in the SACS format or in the Alternative Form prescribed in the regulations. See **attached checklist** for required forms relating to charter schools. Please work with your sponsoring district in meeting all requirements for this financial reporting.

Reporting WITH the Authorizing Agency

Charter school SACS financial data can be reported with the data from their authorizing agency in the authorizing agency's General Fund County School Service Fund (Fund 01), Charter Schools Special Revenue Fund (Fund 09), or Charter Schools Enterprise Fund (Fund 62 which allows accrual accounting for not-for-profit charter schools).

Reporting SEPARATELY from the Authorizing Agency

SACS format: Charter schools should report their year-end data using one of the following as their main operating fund: General Fund (Fund 01) or Charter Schools Enterprise Fund (Fund 62) which allows accrual accounting for not-for-profit charter schools.

Alternative format: For information about the Alternative Form please see "Charter School Alternative Form 2021-22" at: <http://www.cde.ca.gov/fg/sf/fr/csalternative.asp>

"OFFICIAL" SUBMISSION ~ The Unaudited Actual export must be done as an **"Official" submission**. Please call your SCOE Fiscal Advisor if you cannot do an "Official" export. **Please complete the SACS file BEFORE board approval to ensure the export is ready for submission.** The use of "Other" export must have prior approval from the State and/or County Office and a cover letter must accompany the "Other" export explaining why an "Official" export could not be done.

SCOELIST ~ Attached is the SCOELIST which should be used to confirm that the reports included in the software have been prepared to submit to SCOE. The reports listed in this letter must be submitted to SCOE (electronic version or in hard copy), along with an e-file that includes all SACS forms.

SONOMA COUNTY OFFICE OF EDUCATION
2021-22 Unaudited Actuals – SCOELIST For DISTRICTS

District Name _____

Check the appropriate reports completed by your district:

<u>Fund</u>	<u>Required</u>	<u>Description</u>
01/02/03/04/05/06	X	General Fund
09	X	Charter School Special Revenue
11	X	Adult Education
12	X	Child Development
13	X	Cafeteria
14	X	Deferred Maintenance
15	X	Pupil Transportation Equipment
17	X	Special Reserve for Other Than Capital Outlay
18	X	School Bus Emissions Reduction
19	X	Foundation Special Revenue
20	X	Special Reserve for Postemployment Benefits
21	X	Building
25	X	Capital Facilities
30	X	State School Building Lease-Purchase
35	X	County School Facilities
40	X	Special Reserve Fund for Capital Outlay Projects
49	X	Capital Project Fund for Blended Component Units
51	X	Bond Interest and Redemption
52	X	Debt Service Fund for Blended Component Units
53	X	Tax Override
56	X	Debt Service
57	X	Foundation Permanent
61	X	Cafeteria (Enterprise)
62	X	Charter Schools Enterprise
63	X	Other Enterprise
66	X	Warehouse Revolving
67	X	Self-Insurance
71	X	Retiree Benefit
73	X	Foundation Private-Purpose Trust
76	Optional	Warrant/Pass-Through Fund
95	Optional	Student Body
A	X	Average Daily Attendance
ASSET	X	Schedule of Capital Assets
CA	X	Unaudited Actuals Certification
CAT	Optional	Schedule for Categorical Programs
CEA	X	Current Exp. Formula/Minimum Classroom Compensation
DEBT	X	Schedule of Long-Term Liabilities
GANN	X	Gann Limit – Appropriations Limit Calculations
ICR	X	Indirect Cost Rate Worksheet
L	X	Lottery
ESMOE	X	Every Student Succeeds Act Maintenance of Effort
PCR	X	Program Cost Report
PCRAF	X	Program Cost Report—Allocation Factors
76A	X	Change in Assets/Liabilities (Warrant/Pass Through)
95A	X	Changes in Assets & Liabilities (Student Body)
TRC	X	Technical Review Checklist Unaudited Actuals

Signature _____

Date _____

SONOMA COUNTY OFFICE OF EDUCATION
2021-22 Unaudited Actuals – SCOELIST For EXTERNAL CHARTERS

Charter Name _____

For External charters – unaudited actuals are submitted to SCOE **separately** from the sponsoring district

Prepare year-end financial information using either the Alternative form or SACS

Alternative Form – Each form listed is **REQUIRED**

- Financial report financial data for revenues, expenses, assets & liabilities
- Certification with original signatures (charter school and district)
- Alternative Form excel file (use your 14 digit CDS code as the file name with the .xls extension)

SACS forms – Each form listed is **REQUIRED.**

- Form CA Unaudited Actual Certification with original signatures
- Form 01 or 62 Financial data
- Form ICR Indirect Cost Rate Worksheet
- Form L Lottery Report
- TRC Technical Review Checklist
- Form PCR Program Cost Report, required if applicable
- Form PCRAF PCR Schedule of Allocation Factors, required if applicable
- Form ASSET Schedule of Capital Assets, required if applicable
- Form DEBT Schedule of Long-Term Liabilities, required if applicable
- Form ESMOE Every Student Succeeds Act MOE, required if applicable
- Form A Average daily attendance, required if ESMOE is applicable
- Official export SACS Unaudited Actual data file

Signature _____ **Date** _____