

# SCOE BIZ

## Business Services Bulletin No. 23-11



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November 17, 2022

To: District and Charter Business Services  
From: Sarah Lampenfeld, Director, External Fiscal Services  
Subject: November 2022 Edition

### **LCAP Training Sessions offered**

Annually, the CDE offers a series of trainings on the LCAP template. The training webinars are approximately one hour and offered on Tuesdays and Thursdays. This year's series kicks off December 6<sup>th</sup> with an introduction to LCFF, which is geared toward newcomers to the LCAP process. Each training focuses on a different component of the LCAP template. Participants can attend one session or all of the series. Registration for the training sessions can be found [here](#).

Additionally, SCOE hosted training sessions are coming soon! Please see the [attached](#) flier for more information.

### **2021-22 Charter School ADA funding (outside of LCFF funding)**

As outlined in AB 181 section 123, charter schools received COVID relief via an ADA adjustment for fiscal year 2021-22. LCFF funded charters received the greater of current year or the 2021-22 proxy; however, if the prior year was higher than the proxy or the current year (2021-22) then the difference would be paid via a categorical (outside the LCFF). The calculation for the prior year was the following:

- A. 2020–21 First Recertification "R-1" ADA
- B. 2021–22 Funded Second Principal Apportionment ("P-2"), AFTER COVID–19 Relief Adjustment
- C. If "A" is greater than "B", compute the difference.
- D. Per-ADA Rate: Divide 2021–22 LCFF Base, Supplemental, Concentration Grants by 2021–22 "P-2".
- E. Multiply "D. Per-ADA Rate" by "C. ADA Difference" for the one-time declining enrollment entitlement

These funds will be calculated with the First Principal Apportionment and will be coded to Resource 0000 object 8590.

### **Apportionment of P-EBT Local Administrative Grant**

In March of 2022, School Districts received a P-EBT Local Administrative Cost Grant to assist local educational agencies (LEA) with administrative costs related to the administration of P-EBT 2.0 for School Year (SY) 2020–2021. LEAs should have applied funds to SY 2020–21 P-EBT costs by [July 29, 2022](#) or [return the funds by July 1, 2022](#). Many LEAs still have balances associated to this grant, and since the funds were intended for SY 2020-21 costs and that fiscal year is now closed, the CDE recommends that the funds be added to the impacted account as a contribution in SY 2022-23.

Allowable costs for P-EBT must have occurred in SY 2020–21, and include, but are not limited to, the following activities:

- Reporting to the California Longitudinal Pupil Achievement Data System (CALPADS) student level information to support eligibility and card mailings, such as free and reduced-price eligibility and mailing address updates
- Reporting of learning models to monthly state issued surveys
- Reporting of participating site eligibility to state issued survey
- Collecting application solely for P-EBT purposes
- Communicating to households about P-EBT
- Establishing processes to ensure homeless students receive P-EBT cards

Examples of coding: CDE recommends LEAs either use Contributions or Interfund Transfers. If the 2020-21 P-EBT expenditures were from the same fund (example, fund 13), then an LEA would use Object 8990, Contributions from Restricted Revenues from Resource 5810, Pandemic EBT Local Administrative Grant to the resource code that was used to record the P-EBT expenditures in 2020-21. Or if a different fund was used to record the 2020-21 P-EBT expenditures (example, fund 01), then an LEA would use Object 7619, Interfund Transfers Out for Resource 5810, and Object 8919 Interfund Transfers In, under the resource code and fund that was used to record the 2020-21 P-EBT expenditures.

Additionally, for audit purposes and transparency, appropriate documentation should be maintained to demonstrate that the contribution or interfund transfer is made from Resource 5810 to the resource code that was used to compensate for the P-EBT expenditures in 2020-21.

### **ESSA Per-Pupil Expenditure Reporting**

The Elementary and Secondary Education Act of 1965 (ESEA), as reauthorized by Every Student Succeeds Act (ESSA), requires state educational agencies and their local educational agencies (LEAs) to prepare and publish annual report cards that contain specified data elements, including LEA and school-level per-pupil expenditures (PPE).

For this requirement, the California Department of Education (CDE) developed the ESSA Per-Pupil Expenditure Application. This web-based application will allow LEA's and direct-funded charter schools the ability to submit their required PPE information.

**The reporting window is expected to open at the end of November. Emails containing the LEA's unique access codes will be sent to Superintendents, Charter School Administrators, and CBOs this month.** The deadline for each LEA to submit their PPE information to the CDE will be announced once the window opens. Note; last year's the deadline was March 1<sup>st</sup>. The CDE will be hosting three webinars in January and February. More information on the webinars will be coming.

**LEAs will be required to use fall enrollment data for ESSA PPE Reporting. NOT ADA!**

To submit your LEA's data, please access the website below, and enter the LEA's unique access code.

Application website: <https://www3.cde.ca.gov/essars>

The resources listed below provide additional information and tools related to the ESSA per-pupil expenditure reporting requirement:

- CDE's August 1, 2018 letter, "The Every Student Succeeds Act Per-Pupil Expenditure Reporting Requirement" <https://www.cde.ca.gov/fg/ac/co/essappeltr.asp>
- U.S. Department of Education's Non-Regulatory Guidance <https://www2.ed.gov/policy/elsec/leg/essa/report-card-guidance-final.pdf>
- CDE's Local Educational Agency Accountability Report Card <https://www.cde.ca.gov/ta/ac/le/>

If you have any questions, please contact the Office of Financial Accountability and Information Services by email at [essappe@cde.ca.gov](mailto:essappe@cde.ca.gov).

### **SACS Forum**

On November 8<sup>th</sup>, the CDE hosted the SACS Forum. **Attached** is the presentation for the webinar. The meeting agenda included: 1) Home to School Transportation funding, ESSA PPE, School Level Financial Survey (proposed new annual reporting), GASB 96, and CalSHAPE.

<b>REMINDERS:</b>
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### **Requisition account code restrictions for object 9110**

LEAs should never use object code 9110 on a requisition or payment. Proper accounting practices dictate that all entries are two-sided. The code on the requisition or payment should be the proper expenditure code for the expense, and cash (object 9110) will hit automatically. Did you know that you can restrict your requisitions or payments to specific object code ranges, and exclude specific ranges to prevent errors? Depending on your LEA system set ups in ESCAPE, you may be able to change these settings at the fiscal level. If you need assistance, you can send a help desk ticket to [helpdesk@scoe.org](mailto:helpdesk@scoe.org).

### **Audit extension requests**

If an extension is necessary for the 2021-22 annual audit, a written request for the audit report filing extension is required and due to SCOE before November 30<sup>th</sup>.

**Districts:** Please include the reason for the extension request and the expected date of audit submission on District letterhead and send via email or AV mail. Subsequently, SCOE will submit the extension request to the State Controller's Office (SCO) by December 15, 2022. The SCO and CDE will review the request *and accompanying justification* and provide notification as to whether the extension will be granted. SCOE will notify you when approved. The guidelines state that extensions will be granted only under extraordinary circumstances.

**Independent Charters:** There is no provision in the law for an extension of a charter school audit (E.C. 47605(m)). For extraordinary circumstances, please notify your Sponsoring District and SCOE of a potential delay. Please include the reason for the extension request and the expected date of audit submission on Charter letterhead and send to Sponsoring District and SCOE via email or AV mail.

Please see SCOE Biz Bulletin 23-10 for full details for the 2021-22 Audit submission process.

### **Developer Fee reporting reminder**

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

Developer fees are required to be deposited in a separate capital facilities account/fund so that their collection and use is accounted for separately, away from the rest of the district's activities. Interest earned must be credited to the same fund and must be used for the same purpose as the fees. Government Code section 66006 requires that within 180 days of the end of the fiscal year, each district that levies developer fees should make the accounting available to the public (**by December 27, 2022**). **The governing board must review the information at its next regularly**

scheduled meeting held *no earlier* than 15 days after the information becomes available to the public.

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

For more detailed information, please see School & College Legal Services of California's Legal Update *Annual Development Fee Accounting: 2022 update* once available.

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

### **Fiscal Reports by School Services of California**

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

- ✚ Minimum Wage Increases Effective January 1, 2023
- ✚ Inflation Persists
- ✚ Exclusions to RRMA
- ✚ LAO Issues Forecast for Economy and Education Funding
- ✚ Kitchen Infrastructure Opt-In Form Due November 30

### **Dates to Remember:**

12/01/2022	Escape - 2022 1099 Reporting <a href="#">Click here to register</a>
12/09/2022	Escape W2 Reporting <a href="#">Click here to register</a>
12/15/2022	1 <sup>st</sup> Interim Report due to SCOE
12/16/2022	Escape ACA Reporting <a href="#">Click here to register</a>
12/16/2022	Fall 1 Certification Deadline
01/18/2023	SSC's Governor's Budget Workshop in Sacramento (not hosted by SCOE)
01/19/2023	LCAP training 10:00 – 11:30 am
01/20/2023	General Ledger Mid-Year Clean-up 9:00 – 11:00 am working session in-person
01/26/2023	DBUG

**\*\*NO DBUG in December\*\***

### **NOTE:**

- Want to add something to a DBUG Agenda? Want a topic added to SCOE Biz? Contact DBUG Chair Christina Menicucci
- Documents presented at [DBUG](#) 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.