

# Year-End Closing Manual

*A guide to the final steps of the school accounting cycle.*



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# FCSS YEAR-END CLOSING MANUAL

## INTRODUCTION

The purpose of the Year-End Closing Manual is to assist Fresno County school districts and charter schools with closing the books, recording liabilities and receivables, and preparing the financial statement forms prescribed by the state.

This manual purposefully begins with the Year-End Checklist to give the districts and charter schools a summary of the general idea of when the larger tasks should be completed, followed by the Year-End Pacing Calendar, which will help guide the district or charter with meeting the deadlines for completion and submission of the Unaudited Actuals.

A detailed definition of the Standardized Account Code Structure, SACS, as it pertains to the FCSS Everest Financial System has been provided along with a glossary and acronyms.

We hope that your district or charter school finds that this manual proves to be a useful addition to the reference materials available for that process. Please feel free to contact your District Financial Services (DFS) Accounting team with any helpful hints related to procedures you have used or if you notice any areas needing correction.

With our regards,

The FCSS District Financial Services Department

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# FCSS YEAR-END CLOSING MANUAL

## YEAR-END CHECKLIST

Pre-Closing

Target Date: **June**

- Prior year items reconciled/cleared/posted*
  - **912000**– Cash in Banks (i.e. ASB accounts, etc.)
  - **913000** – Revolving Cash Account
  - **913500** – Cash Held with Fiscal Agent
  - **920000** – Accounts Receivable
  - **950000** – Accounts Payable (Current Liabilities)
  - **932000** – Stores Account (Central Warehousing)
  - **933000** – Prepaid Expenditures
  - **931000** – Due From Other Funds
  - **961000** – Due to Other Funds
  - **965000** – Unearned Revenues
  - **979300** – Audit Adjustments
  - **XXXX00** – Add digits are locally defined by the FCSS DFS Team
  
- Review current year items
  - Review prior ending balances and make sure they match current beginning balances
  - Review all revenues to ensure that they were classified correctly and are in line with budgeted revenues
  - Review all expenditures to ensure they do not exceed current and anticipated revenues. Also, make sure all expenditures comply with the program rules
  - Make sure that all **object 6XXXXX with function 8500** is capital outlay expenditures
  - Clean up coding errors, such as but not limited to, incorrect object, function.
  - Review resources ensuring to close out all obsolete resources and replace them with current resources, *where applicable*
  - Complete inventory by adding and removing assets
  - Complete a physical inventory and adjust object **932000** - Stores to match physical inventory, i.e. Cafeteria Supplies, Warehouse Supplies, etc.
  
- Gather information that will be needed for close
  - Classroom Units (CUs)
  - Full-time Equivalent (FTEs)
  
- Gather and review current year data for CALPADS End of Year Certification

# FCSS YEAR-END CLOSING MANUAL

## YEAR-END CHECKLIST – continued

### Inter-Fund Transfers Target Date: **June**

- Inter-Fund Transfers (between funds i.e. Deferred Maintenance, Cafeteria, etc.)

### Inter-Fund Transfers Target Date: **June**

- Inter-Fund Transfer Out – object(s) **761100-761900**
- Inter-Fund Transfer In – object(s) **891100 - 891900**

### Deposits

- Enter into Everest **ALL** May and June cash receipts
- To Fresno County Treasurer – end of June, date to be determined, before noon

### Payroll Pre-list

- Regular Payroll – Check with COE District Payroll Office for Date
- Supplemental Payroll – Check with COE District Payroll Office for Date

### Accounts Payable Target Date: **June/July**

- Final Accounts Payable Run Prelist – Check Accounts Payable Processing Calendar
- Reconcile and replenish Petty Cash, Revolving Cash, etc. – July
- Clear **ALL** encumbrances in **ALL** funds, i.e. roll-over Purchase Orders, etc., *if applicable*
- Use Taxes – July

### Annual Attendance Reports Target Date: **July**

- Electronic attendance file
- Signed certification pages

### Sales and Use Taxes

- Sales and Use Tax Return/payment sent to Board of Equalization

### Closing Entries Target Date: **August**

- Clear object **991000** – Suspense Holding Account, in **ALL** funds
- Reconcile objects **951100 through 951800**, and **955000** – Payroll Holding Accounts for **ALL** funds

# FCSS YEAR-END CLOSING MANUAL

## YEAR-END CHECKLIST – continued

- Ensure all excess charges, refunds, or other adjustments to payroll holding accounts are cleared.
- Prepare journal entries in **ALL** payroll funds to set up object Due to Other Funds and Due from Other Funds, i.e. from Cafeteria Fund, Child Development Fund, etc. to the General Fund – 0100, *if applicable*
- Prepare transfers to move cash from payroll holding accounts in **ALL** payroll funds, i.e. from Cafeteria Fund, Child Development Fund, etc. to the General Fund – 0100, *if applicable*
- Record object – **933000**, Prepaid Expenditures, *if applicable*
- Book Accounts Receivables, object **920000**, *preferably booked on the Everest AR Screen*
- Book Current Liabilities, object **950000**, *preferably booked on the Everest CL Screen*
- Book Unearned Revenues, object **965000**

### Generate Journal Entries and Transfers, if applicable

- Allocate **3701XX /3702XX** OPEB, Allocated costs
- Direct cost – inter-program and inter-fund
  - Field trips, copying, postage, ESSA Admin Costs, etc.
  - Check object **571000** – Direct Cost Intra-fund, most net to zero within the fund
  - Check object **575000** – Direct Cost Inter-fund, most net to zero between funds
- Direct support costs allocations – Special Education
  - Export from Everest, Import into SACS
  - Use PCRAF, PCR, User Data Input/Review to help calculate amounts
  - Book Special Education allocated direct support costs in Everest
- Indirect costs
  - Reconcile object **731000** – Transfer of Indirect Cost, must net to zero within the fund
  - Reconcile object **735000** – Transfer of Indirect Cost, Interfund, must net to zero between funds
- STRS On-Behalf Cost Pension Contribution – GASB 68
  - Obtain the STRS On-Behalf spreadsheet from DFS Supervisor. Generate and process journal entry for **Resource 769000** – STRS On-Behalf Pension Contribution

# FCSS YEAR-END CLOSING MANUAL

## YEAR-END CHECKLIST – continued

### Categorical Programs

- Book Accounts Receivables for revenues – **Resources 11000 & 63000** – Lottery, etc.
- Balance Budget Reports by ***Funds and Resources*** and review applicable General Ledger Reports for any anomalies
  - Prepare Form CAT – Schedule of Categoricals
    - Book Accounts Receivables, **object 920000**, *preferably using Everest AR screen*
    - Book Unearned Revenues, **object 965000**
    - Book Current Liabilities, **object 950000**, *preferably using Everest CL screen*
    - Complete Journal Entry for Federal Transferability – object 899000, *if applicable* (Contribution from Restricted Revenues)
- Complete Journal Entries
  - Set up new object **961000** – Due To Other Funds/object **931000** –Due From Other Funds
  - Contributions to the funds, such as but not limited to, fund 1300 – Cafeteria, etc.
  - The balance between ALL funds must net to ZERO
    - Objects **761100 – 761900** Inter-fund Transfer Out
    - Objects **891100 – 891900** Inter-fund Transfer In
  - Set up the transfer of in-lieu of property taxes
- Recalculate the LCFF Spreadsheet
  - **IMPORTANT: Check to ensure the latest LCFF calculator from the FCMAT website is used for year-end closing entries**
    - Form A – Attendance Report
    - Annual Tax Report. Contact County mid-August for the report.
    - Certified Free and Reduce Meals, English Learners, and Foster Youth Count from CalPADs report 1.17, certified June of each fiscal year
    - CDE P2 Exhibit – School District Unduplicated Percentage
  - Once LCFF Spreadsheet is re-calculated, compare to General Ledgers Actual Receipts for object **801100** – Current Year State Aid and object **801200** – Current Year Education Protection Account (EPA)
    - Generate an Accounts Receivable, object **920000**, if additional funds are due to the district, *preferably booked on the Everest AR Screen*
    - Generate a Current Liability, object **950000**, if overpayment of funds is due to COE, *preferably booked on the Everest CL Screen*

# FCSS YEAR-END CLOSING MANUAL

## YEAR-END CHECKLIST – continued

### Expenditure and MOE Reviews

- Re-export from Everest and import into SACS
- Review and Prepare Form PCRAF – Program Cost Report Schedule of Allocation Factors clearing the Special Education factors
- Prepare Form PCR – Program Cost Report. Open and save the form.
- Prepare Form SEAS – Special Education Revenue Allocations Setup, required for Form SEMOE – Special Education MOE. Select SELPA. Save and close.
- Review Form SEMOE – Special Education MOE
  - Complete any adjusting entries to general ledgers or forms as appropriate, then reimport and recheck the forms for accuracy
- Prepare Form SEMA – Special Education MOE: Actual vs. Actual Comparison, *Scan and send a copy to the SELPA Director, Eddie Davidson, [edavidson@fcoe.org](mailto:edavidson@fcoe.org)*
- Prepare Form SEMB – Special Education MOE: Budget vs. Actual Comparison, *Scan and send a copy to the SELPA Director, Eddie Davidson, [edavidson@fcoe.org](mailto:edavidson@fcoe.org)*
- Prepare Form ESMOE – Every Student Succeeds Act Maintenance of Effort. Open, review for compliance, and save.
- Review and prepare Form CEA – Current Expense Formula/Minimum Classroom Comparison Actuals
  - Complete any adjusting entries to general ledgers or forms as appropriate, then reimport and recheck the forms for accuracy

### Final Cash in County Review

- Check with the County Office to ensure June 30 cash is balanced before final SACS Export

### SACS Software – Other Forms

- Prepare Form GANN – Appropriations Limit Calculations. In the appropriate columns, enter actuals and budget for Medicare from General Fund Report, object **332XXX**, from **ALL Funds**
- Prepare Form Asset – Schedule of Capital Assets. Refer to the most recent audit report.

# FCSS YEAR-END CLOSING MANUAL

## YEAR-END CHECKLIST – continued

- Prepare Form Debt – Schedule of Long-Term Liabilities. Refer to the most recent audit report.
- Enter adjustments, as necessary.
- Prepare Form ICR – Indirect Cost Rate Worksheet. Make required entries. Review tab “Exhibit A – Highest Rate Used” for errors, make corrections as needed.
- Prepare Form Lottery – Lottery. Open and save the form.
- Prepare Form SIAA – Summary of Inter-fund Activities – Actuals. Open and save the form.
- Prepare Form CA – Unaudited Certification.

## SACS Software Sequence to Complete the Packaging of the Unaudited Actuals

- The files in the SACS Software must be opened, saved, and closed in the following sequence.
  - Form 01                      General Fund
  - Form CEA                    Current Expense Formula/Minimum Classroom Comp. Act.
  - Form ESMOE                Every Student Succeeds Act Maintenance of Effort
  - Form GANN                 Appropriations Limit Calculations
  - Form ICR                    Indirect Cost Rate Worksheet
  - Form L                        Lottery Report
  - Form PCRAF                Program Cost Report Schedule of Allocation Factors
  - Form PCR                    Program Cost Report
  - Form CA                     Unaudited Actuals Certification
  - Form SEMA                 Special Education MOE
  - Form SEMB                 Special Education MOE



# FCSS YEAR-END CLOSING MANUAL

## YEAR-END PACING CALENDAR

### PRE-CLOSING

- Early June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
  1. Determine that the opening balances in the financial system agree with the final balances on the SACS Fund Forms
  
- Mid-May Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
  2. Reconcile the prior year's accounts receivable and record adjustments as necessary
  
- Mid-May Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
  3. Reconcile the prior year's accounts payable and record adjustments as necessary
  
- April - June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
  4. Review a detailed revenue history report from the financial system (the revenue subsidiary ledger) and determine: 1) that all revenue is properly classified and 2) that revenue receipts are on target with expected receipts
  
- Early May Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
  5. Review the balance sheet for **all funds** to determine if there are any potential problems. **It is important and can have fiscal solvency implications.**
  
- April Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
  6. Establish a year-end closing calendar that includes
    - a. The cutoff date for submission of purchase orders
    - b. The date of physical inventory
    - c. The date for the close out of petty cash funds
    - d. The final date for warehouse distributions  
The date for the submission of reimbursement claims, i.e. travel expense and mileage reimbursement claims
    - e. The date for running the open purchase order listing to determine which purchase orders need to be accrued and which ones need to be canceled
    - f. Reconcile the Tax Revenue Anticipation Note (TRAN) debt, if applicable, and make necessary year-end closing entry. Normally, the closing entry is done after the April repayment posting.

# FCSS YEAR-END CLOSING MANUAL

## YEAR-END PACING CALENDAR – continued

- g. Include GASB 34 procedures in the year-end calendar in order to allow time for completion to meet the required timeline for the audit report to be issued.
- h. Include GASB 54 procedures in the year-end close calendar
- i. Include GASB 63/65 procedures in the year-end close calendar
- j. Include GASB 68 procedures in the year-end close calendar
- k. Include GASB 75 procedures in the year-end close calendar

- July            Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_  
7. Has a calendar of report deadlines been received from the County Office?  
This calendar will include cutoff dates for deposits, check cancellations, Auditor transfers, etc.
  
- July            Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_  
8. Has a calendar of report deadlines been received from the state?
  
- July            Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_  
9. Has a master calendar listing all appropriate dates been prepared?
  
- July            Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_  
10. Close out all obsolete resources and/or replace with current resources

### CASH

- July            Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_  
1. Prepare reconciliations for all cash accounts as of June 30 and obtain copies of the reconciliation. Prepare journal entries to adjust the cash accounts in the books to the cash reconciliations.
  - a. Cash in County Treasury
  - b. Cash in Bank
  - c. Cash in Clearing Account
  - d. Revolving Cash
  - e. Cash with Fiscal Agent
  - f. ASB Cash

### INVENTORY

- End of June    Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_  
1. Count all material inventories as close to June 30 as possible.  
2. Prepare and post adjusting entries to bring the books into an agreement with the physical count.

# FCSS YEAR-END CLOSING MANUAL

## YEAR-END PACING CALENDAR – continued

### SUSPENSE ACCOUNT

- Early July Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Reconcile the suspense account, object 99100, to ensure that it is zero. Prepare any necessary journal entries and post to the financial system for ALL funds.
  2. If applicable, prepare transfers to move cash to and from funds after the reconciliation of the suspense account, object 991000.

### A/P AND PAYROLL CLEARING HOLDING ACCOUNTS

- After 07/10 Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Reconcile the payroll holding accounts, objects 951100-952200, 955000, and 958000, to ensure that they are in balance for ALL FUNDS. If not, prepare any necessary journal entries and post them to the accounting system.
  2. Ensure that STRS Golden Handshakes are coded current while reconciling payroll holding account, object 39XXXX. For the first year, the cost should be reflected as a DEBIT: Other Benefits, object 390XXX, CREDIT: Other Financing Sources, object 897900. If a district opts to pay their Golden Handshake over time, then years 2 through 5 should be reflected in the books as a DEBIT: Debt Services -Principal, object 743900, and Debt Service Interest, object 743800, with function 9100, CREDIT: Payout to STRS.
  3. Prepare and post Due to Other Funds/Due from Other Funds journal entries for the payroll clearing accounts between the General Fund, 0100, and the Adult Education Fund, 1100-06390, Child Development Fund, 1200, and Cafeteria Fund, 1300-53100.
  4. Prepare transfers to move cash from the Adult Education Fund, 1100-06390, Child Development Fund, 1200, Cafeteria Fund, 1300-53100, to the General Fund, 0100, after the reconciliation of the payroll holding accounts.

### DUE TO OTHER FUNDS – Obj 931000 / DUE FROM OTHER FUNDS - 961000

- Mid-July Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Reconcile, prepare, and post journal entries for the Due To Other Funds, object 931000, Due From Other Funds, object 961000.
  2. Prepare transfers to move cash to and from funds after the reconciliation of the Due to Other Funds, and Due from Other Funds, objects.

### OTHER ASSETS

- Mid-July Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Prepare and post adjusting entries for prepaid expenditures.

# FCSS YEAR-END CLOSING MANUAL

## YEAR-END PACING CALENDAR – continued

### LCFF REVENUE SOURCES CALCULATOR

- Mid-Aug Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Prepare the FCMAT LCFF Calculation for Unaudited Actuals
    - a. Ensure you use the certified count FRPM/English Learner/Foster Youth count.
    - b. Re-calculate Form A – Attendance Report. Use prior-year P2 Attendance.
    - c. If applicable, calculate the Charter In-Lieu Taxes. Set up accounts receivable or current liability. Use revenue object 809600 – Charter School In-Lieu Taxes for payments to the charter school. Record the transaction with a  
DEBIT: to the district and CREDIT: to the charter school. Should net to zero between the two entries.
    - d. Obtain a copy of the Annual Tax Report.
    - e. Complete a journal entry for 50% of the In-Lieu Taxes. DEBIT: Object 808900; CREDIT: Object 869100

### ACCOUNTS RECEIVABLE

- Jul-Aug Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Prepare and post the adjusting entries for the local control funding formula, Special education, restricted programs, and revenue related to services performed or use of facilities provided before June 30.
  2. Determine if mandated cost revenues have been received in July or August. If yes, prepare and post entries for the accounts receivable.
  3. Prepare and post entries for the fourth-quarter interest earnings.
  4. Based on notices received for Lottery funding, prepare and post the fourth quarter Lottery revenues using the Annual ADA.
  5. Determine if an accounts receivable has been set up for all outstanding billings/invoices such as facilities use, rents and leases, unpaid fees, amounts due from outside organizations, etc.

### ACCOUNTS PAYABLE

- Jul-Aug Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Accrue any payroll paid in July or August for work performed before June 30.
  2. Accrue all benefits related to salary accruals.
  3. Review an open purchase order list and accrue all items that have been received or services rendered by June 30, closing any remaining purchase orders.
  4. Accrue amounts for utility services unpaid as of June 30.

# FCSS YEAR-END CLOSING MANUAL

## YEAR-END PACING CALENDAR – continued

5. Accrue amounts for legal claims that can be estimated and are probable (only if the claim is not covered entirely by insurance) as of June 30.

### LONG-TERM FINANCING

- Jul-Aug Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Determine that all new debt instruments have been properly included in the long-term debt Form Debt for the period ending June 30.
  2. Determine that all payments have been recorded as “debt service payments” and split appropriately between debt payments and interest.

### INDIRECT COST

- Jul-Aug Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Prepare a worksheet to record indirect costs and post the entries to all applicable programs. Verify that the program allows indirect costs and whether there is a limit on the allowable percentage.

### CATEGORICAL PROGRAMS

- Jul-Aug Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Review and verify balances by resource in all funds to ensure they are balanced appropriately.
  2. Prepare the CAT Form in the SACS software.
  3. Review the CAT Form versus system reports for accounts receivable, unearned revenue, accounts payable, restricted ending balance, and make any necessary journal entries in the financial system.

### INTERPROGRAM AND INTERFUND TRANSFERS

- Jul-Aug Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Review the operating transfers and the transfer for direct costs to assure that the transfers are balanced between programs and funds and net to zero.

### INTERFUND RECEIVABLES AND PAYABLES

- Jul-Aug Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Review the activity in all funds to determine if any interfund receivables and payables need to be set up.

### ASSOCIATED STUDENT BODY - 0800

- July 15 Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Gather information from the Associated Student Body Staff by June 30<sup>th</sup>
  2. Communicate with the DFS Team beginning balance, revenues and

# FCSS YEAR-END CLOSING MANUAL

## YEAR-END PACING CALENDAR – continued

expenditures.

### **CHARTER SCHOOLS FUND – 0900**

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Ensure that all cash reconciliations have been completed, if maintained in a separate fund.
  2. Review General Ledger reports to ensure positive cash, if maintained in a separate fund.

### **ADULT EDUCATION FUND – 1100**

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Ensure that all cash reconciliations have been completed, if maintained in a separate fund.
  2. Review General Ledger reports ensuring positive cash is maintained in a separate fund.

### **CHILD DEVELOPMENT FUND – 1200**

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Determine if all grants are accounted for in the Child Development Fund and included on the CAT Form.
  2. Ensure that all cash reconciliations have been completed.
  3. Review General Ledger reports to ensure positive cash.

### **CAFETERIA FUND – 1300, Resource 53100**

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Ensure that all cash reconciliations have been completed. Including the 75 cent reimbursement from the CARES Funding. (Resource 53160)
  2. Review General Ledger reports ensuring positive cash.
  3. Count all material inventories as close to June 30 as possible.
  4. Prepare and post adjusting entries to bring the books into an agreement with the physical inventory counts.
  5. Determine if donated commodities have been properly identified and the accounting is accurately reflected in the accounting system.
  6. Prepare and post the accrual for the remaining federal and state reimbursements for the child nutrition programs based on monthly claim reports.

### **SPECIAL RESERVES – NON-CAPITAL OUTLAY – 17XX**

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_

# FCSS YEAR-END CLOSING MANUAL

## YEAR-END PACING CALENDAR – continued

1. Ensure that all cash reconciliations have been completed, if maintained in a separate fund.
2. Review General Ledger reports to ensure positive cash, if maintained in a separate fund.

### **BUILDING FUND – 21XX**

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Ensure that all cash reconciliations have been completed.
  2. Review General Ledger reports ensuring positive cash.
  3. Review all leases, rental contracts, and sales agreements to determine if any accounts receivable should be set up.
  4. Analyze all construction projects to determine if liabilities should be recorded for work completed by June 30.

### **CAPITAL FACILITIES FUND – 2500**

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Ensure that all cash reconciliations have been completed.
  2. If applicable, ensure that the 3% administrative fee has been posted.

### **COUNTY SCHOOLS FACILITIES FUND – 35XX**

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Ensure that all cash reconciliations have been completed.
  2. Review General Ledger reports to ensure positive cash.
  3. Determine that any reports to the state are filed on time.

### **SPECIAL RESERVES – CAPITAL OUTLAY FUND – 40XX**

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Ensure that all cash reconciliations have been completed.
  2. Review General Ledger reports to ensure positive cash.
  3. Determine that any reports to the state are filed on time.

### **SELF-INSURANCE FUND – 6700**

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Ensure that all cash reconciliations have been completed.
  2. Review General Ledger reports ensuring positive cash.
  3. Ensure that all transfers are completed before June 30.
  4. Make sure that the IBNR liability has been adjusted, if necessary.

# FCSS YEAR-END CLOSING MANUAL

## YEAR-END PACING CALENDAR – continued

### BOND REDEMPTION AND INTEREST FUND – 51XX

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Receive reports from the County Treasurer/Auditor for inclusion in the SACS Forms for submittal to the state.

### RETIRE BENEFIT FUND – 7100

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Ensure that a formal “Trust Agreement” has been established prior to using the Fund.
  2. Ensure that all cash reconciliations have been completed.
  3. Review General Ledger reports ensuring positive cash.
  4. Ensure that all transfers for retiree benefits are completed before June 30.

### Governmental Accounting Standards Board Statement No. 34 (GASB 34):

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Verify beginning balances for long-term debt as of July 1 of the current year against the ending balances in the prior year.
  2. Determine what funds will be reported as a Major Fund along with the General Fund (spreadsheet available in SACS software)
  3. Prepare a long-term debt schedule that will include all the applicable entries for GASB 34. For example:
    - a. Capital Lease
    - b. General Obligation Bonds (GOB)
    - c. Issuance cost associated with Debt (discount, Premium, etc.)
    - d. State School Building Loan
    - e. Certificates of Participation (COP)
    - f. Compensated Absences (By Function)
    - g. Other Postemployment Benefits (GASB 45, etc.)
  4. Run reports from the fixed asset system (i.e., financial system, spreadsheet, stand-alone software application) that ties back to the financial reports for 6000 Object and Function 8500 for additions and deletions that will be or have been capitalized and depreciated. Include depreciation amounts in reports.
  5. Determine who is responsible within the organization to prepare and Complete the Management Discussion and Analysis (MD&A). Determine a timeline for developing the MD&A in advance of when it is required for inclusion and presentation in the annual audit report.
  6. Include GASB 34 procedures in the year-end calendar to allow time for completion of the required timeline for the audit report to be issued in



# FCSS YEAR-END CLOSING MANUAL

## YEAR-END PACING CALENDAR – continued

the new format. All departments that will be required to provide data should be included in meetings and communication regarding the year-end deadlines and process.

### **Governmental Accounting Standards Board Statement No. 54 (GASB 54):**

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Ensure that the Board has taken formal action before June 30 to approve internal constraints that are designated as committed fund balances.
  2. The following categories of fund balance are required to be used for the ending fund balances:
    - a. Nonspendable: Store inventory, prepaid, etc.
    - b. Restricted: Amounts constrained by external parties
    - c. Committed: Amounts constrained by a government (internally by formal action)
    - d. Assigned: Amounts for a particular intended purpose
    - e. Unassigned: Amounts that are not constrained or assigned

### **Governmental Accounting Standards Board Statement No. 68/85 (GASB 68/85)**

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Ensure that applicable information from CalSTRS and CalPERS website is collected to adjust ending net position on the Governmentwide Financial Statements.
  2. Ensure that applicable information from the CalSTRS website is collected to adjust ending fund balance in Fund Financial Statements.

### **Governmental Accounting Standards Board Statement No. 75 (GASB 75):**

- End of June Responsible Person \_\_\_\_\_ Date Completed \_\_\_\_\_
1. Ensure that an updated actuarial study has been completed within the required two-year timeline required under GASB 75.
  2. If your agency has a blended rate for active and retired employees, ensure that the information is available to determine the contribution by the school agency.
  3. Determine the normal cost related to the current period and the amortization of the past unfunded liability. These two components make up the current net OPEB expense. It will be a local decision as to whether the unfunded portion is funded or not. The impact of that decision will be presented in the financial statement.

# Standardized Account Code Structure (SACS)

# FCSS YEAR-END CLOSING MANUAL

## Standardized Account Code Structure

With the following key objectives in mind, the Standardized Account Code Structure was developed:

- ❖ To establish a uniform, comprehensive, minimum chart of accounts statewide to improve financial data collection, reporting, transmission, accuracy, and comparability.
- ❖ To reduce the administrative burden on school entities in preparing required financial reports.
- ❖ To meet federal compliance guidelines and increase opportunities for California to receive federal funding for education programs.
- ❖ To ensure that local educational agencies comply with GAAP as prescribed by the GASB.
- ❖ To create a logical framework that can be used to determine where education funds come from and how they are used.
- ❖ To provide better information for use by administrators, parents, board members, legislators, and others interested in school finance.

### What Does It Look Like?

FUND	RESOURCE	PROJECT YEAR	GOAL	FUNCTION	OBJECT	SCHOOL
	(Project/ Reporting)			(Activity)		
<u>XX??</u>	<u>XXXX0</u>	<u>X</u>	<u>XXXX</u>	<u>XXXX</u>	<u>XXXX??</u>	<u>XXX</u>

The SACS contains the following seven numerically coded fields:

Local educational agencies may include additional subfields in their chart of accounts and/or expand the number of digits in each field, but they must utilize the fields outlined above. Except for the school field, data for all fields is reported to the state.

### Description of Each SACS Field

#### **Fund (2 digits - 2 FCSS defined digits extension)**

- Establishes a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, all related liabilities, and residual equities and balances or changes therein.
- Identifies specific activities or defines certain objectives of a local educational agency under special regulations, restrictions, or limitations.
- Applies to revenue, expenditure, and balance sheet accounts.

# FCSS YEAR-END CLOSING MANUAL

## STANDARDIZED ACCOUNT CODE STRUCTURE (SACS) – continued

### Resource (Project/Reporting) (4 digits – 1 FCSS defined digit extension)

- Tracks those activities that are funded with revenues that have special accounting or reporting requirements or that are legally restricted, such as Title I.
- Includes code 0000 for accounting activities using resources that are unrestricted within the fund.
- Applies to revenue, expenditure, and balance sheet accounts.
- A master list of resources can be found at [www.cde.ca.gov/fg/ac/ac/resource.asp](http://www.cde.ca.gov/fg/ac/ac/resource.asp).

### Project Year (1 digit – 1 FCSS defined digit extension)

- Distinguishes the activities of those projects that span more than one fiscal year.
- Applies to revenue, expenditure, and balance sheet accounts.

### Goal (4 digits)

- Accumulates costs by instructional goals and objectives of a local educational agency. Groups cost by population, setting, and/or educational mode.
- Allows the charging of instructional costs and direct support costs to the benefiting goals.
- Captures financial information by subject matter and/or mode of education.
- Includes code 0000 for functions that are not directly assignable to a goal.
- Applies to expenditure accounts and special education revenue accounts; may be used with other revenue accounts and are required in special education revenue accounts.

### Function (Activity) (4 digits)

- Describes activities or services performed to accomplish one or more objectives in the goal field.
- Describes the activity for which a service or material object is acquired.
- Consists of activities that have somewhat the same general operational objectives.
- Applies to expenditure accounts; may be used in revenue accounts.

### Object (4 digits – 2 FCSS defined digits extension)

- Captures the service or commodity obtained as a result of a specific expenditure; the general source and type of revenue; or a balance sheet account.
- Generates financial statements.
- Applies to revenue, expenditure, and balance sheet accounts.

### School (3 digits) (optional use)

- Designates a specific physical school structure or group of structures that form a campus under a principal's responsibility, for which a unique set of test scores is reported and that is identified as such in the California Public School Directory.
- Applies to expenditure accounts; may be used in revenue accounts and balance sheets.

# FCSS YEAR-END CLOSING MANUAL

## STANDARDIZED ACCOUNT CODE STRUCTURE (SACS) – continued

### Standardized Account Code Structure Layout

Fund	Resource (Project/Reporting)	Project Year	Goal	Function (Activity)	Object	School (Use optional)
XXXX	XXXXX	XX	XXXX	XXXX	XXXXXX	XXX

- The fields must be presented in this order when data are submitted to the California Department of Education.
- Each of these fields must contain either digits or default zeros.
- The three digits of the school field will not be submitted to the California Department of Education at this time.

### Use of the Standardized Account Code Structure

The following highlights the required use of each field for revenue, expenditure, and balance sheet accounts:

#### Revenue Accounts

Fund XXXX	Resource XXXXXX	Project Year XX	Goal XXXX	Function XXXX	Object XXXXXX	School XXX
Required	Required	Required when more than one project year occurs in the fiscal year	Not required except for Special Education Revenues	Not Required	Required	Not Required

#### Expenditure Accounts

Fund XXXX	Resource XXXXXX	Project Year XX	Goal XXXX	Function XXXX	Object XXXXXX	School XXX
Required	Required	Required when more than one project year occurs in the fiscal year	Required	Required	Required	Not Required

#### Balance Sheet Accounts

Fund XXXX	Resource XXXXXX	Project Year XX	Goal XXXX	Function XXXX	Object XXXXXX	School XXX
Required	Required	Not Required	Not Required	Not Required	Required	Not Required

# **Balance Sheet Accounts**

# FCSS YEAR-END CLOSING MANUAL

## Cash in County Treasury

**911000** – Cash in County Treasury

**CSAM DEFINITION:** *Beginning cash balance, plus all monies deposited in the county treasury less disbursements. Included are all amounts added or deducted at the county level.*

The majority of a district's cash activity occurs here.

## Cash in Banks

**912000** – Cash in Banks (i.e. ASB accounts, etc.)

**CSAM DEFINITION:** *Indicated balances in separate bank accounts for adult education incidentals, scholarships and loans, school farm accounts, and cafeteria accounts (Education Code Sections 35314, 52704, and 38093). This account also includes any money in a bank clearing account awaiting deposit in the county treasury (Education Code Section 41017).*

Object 912000 will be used for recording transactions associated with fund 0800 – Student Activity Special Reserve Fund (ASB). *This was new in the fiscal year 2020-21.*

Generally, these accounts are separate bank accounts. Monthly bank reconciliations should be prepared for all cash in bank accounts.

At year-end, make sure that all bank activity, such as interest earnings or service charges, is recorded on the general ledger. If the district receives cash and issues a receipt but does not make a deposit to the County Treasurer's Office by the cash cutoff date, this amount needs to be shown in Object 920000 Accounts Receivable.

## Revolving Cash

**913000** – Revolving Cash Account

**CSAM DEFINITION:** *(1) A recording of the establishment and maintenance of a cash account for use of the chief accounting officer or other designated official of the LEA in accordance with Education Code Sections 42800-42806, 42810, 42820, and 42821. This account is similar in use and control to accounts known as petty cash funds and includes petty cash funds. Once this account is established, it should be carried indefinitely in the general ledger and shown in all balance sheets and budgets until it is abolished. The amount recorded will vary only through an increase or decrease in the total amount approved for the account.*

*It should be noted that the revolving cash account is a reserve of cash within an already established fund and is not to be considered or accounted for as a separate fund or entity.*

# FCSS YEAR-END CLOSING MANUAL

## REVOLVING CASH – continued

*(2) A sum of money, either in the form of currency or a special bank account, is set aside to make a change or immediate payments of small amounts. The invoices for these payments are accumulated, and the account is reimbursed from the LEA's funds, thus maintaining the account at the predetermined amount. Checks drawn on a prepayment account may not be for more than \$1,000, including tax and freight (Education Code Section 42821).*

A revolving cash account is held at a local bank. A board-authorized revolving cash account is to be **used for emergency or petty cash** transactions not to exceed \$1,000. The amount of the revolving cash account is to be reflected in Object 913000 as an asset.

## Cash With a Fiscal Agent/Trustee

### 9135 – Cash With a Fiscal Agent/Trustee

**CSAM DEFINITION:** *Deposits with a fiscal agent, such as a third-party administrator for self-insurance. This account also includes the proceeds of certificates of participation deposited with a trustee and amounts in an escrow account.*

Two common examples are:

Certificate of Participation (COP)

Tax & Revenue Anticipation Notes (TRAN)

The trustee has control of the account and acts as the district's agent. DFS supervisors can assist if districts have questions on accounting for cash held with fiscal agents.

CSAM Procedure 715 Tax and Revenue Anticipation Notes (TRAN)

CSAM Procedure 720 Certificates of Participation (COPs) explains this financing technique and gives examples of typical entries.

**IMPORTANT:** COE normally reconciles and completes closing journal entries for Tax and Revenue Anticipation Notes (TRAN) at the end of July each year



# FCSS YEAR-END CLOSING MANUAL

## ACCOUNTS RECEIVABLE

**920000** – Accounts Receivable

**CSAM DEFINITION:** *Amounts due from private persons, firms, or corporations. Accounts receivable will be limited to auditable amounts (usually based on contractual agreements): to amounts billed but not received; and, within provisions of law, to amounts that were earned by the close of the fiscal year and that might have been received and deposited in the county treasury by that date except for the lack of time for settlement.*

Entries will automatically be posted here when you establish your receivables through the Everest Accounts Receivable system, *see the application section.*

**IMPORTANT:** Make sure to clear **ALL PRIOR YEAR** Accounts Receivable, object 920000, **before** entering Accounts Receivables for the year being closed.

- Make sure to log into the closing year when accruing accounts receivables after June 30
- All accounts receivable accrued using the accrual screen will be finalized by the County Office, October 31 of each year.
- All accounts receivables completed with a journal entry will need to be manually reversed in the new year before October 31.

**However, it is strongly recommended that the LEA uses the Everest accrual screen**

**SEE APPLICATION SECTION: ACCOUNTS RECEIVABLE ACCRUAL** [Link to pages 173-176](#)

**SEE APPLICATION SECTION – JOURNAL ENTRY** [Link to pages 152-159](#)

### **First and Second Installment of Fourth Quarter Interest**

All four quarters of interest must be received or accrued as revenue for the closing year.

Interest earnings are estimated by the County Treasury's Office, CTO, and second installment factors are posted on their website.

The County of Fresno uses the following formula for each quarter's second installment:

**Second Installment = Factor x Amount of First Installment**

Identify the first installment of the Fourth Quarter Interest and multiply it by their published factor to arrive at the interest receivable. *Accrue and post the interest for ALL FUNDS*, to revenue object 866000, Interest.

### **Local Control Funding Formula (LCFF) Accruals**

If it is determined that the district's apportionment was underpaid, accrue accounts receivable, OR overpaid, accrue a current liability to revenue object 801100, State Aid. (See LCFF Calculation for determination)

# FCSS YEAR-END CLOSING MANUAL

## ACCOUNTS RECEIVABLE – continued

SEE APPLICATION SECTION – ACCOUNTS RECEIVABLE ACCRUAL [pages 173-176](#) or

SEE APPLICATION SECTION – CURRENT LIABILITY ACCRUAL [Link to pages 177-183](#)

### **Lottery Apportionment for Third and Fourth Quarters**

Accrue accounts receivable for both the Unrestricted Lottery **Resource 11000**, State Lottery, and Restricted Lottery **Resource 63000**, State Lottery – Instructional Materials to revenue object 865000, Lottery Revenues.

Log onto the State Controller’s website: [https://www.sco.ca.gov/ard\\_payments\\_lottery.html](https://www.sco.ca.gov/ard_payments_lottery.html)

### **Form CAT – Categorical (Accounts Receivable)**

If it is determined that the district’s revenues were underpaid, accrue accounts receivable, **by RESOURCE** to objects 829000, Federal Revenues, objects 859000, State Revenues, and 869900, Local Revenues. (See the Form CAT for the revenue determination).

### **Accruals for Other Accounts Receivables, if applicable**

- Abatements
- Use of Facilities
- Rentals and Leases
- Services provided for Transportation, Special Education, Health, etc.
- Unpaid Fees
- Sales of Equipment, Supplies, Publications, Land, and Building, etc.
- Library Fees and Fines
- Amounts Due From Other organizations, such as but not limited to PTA, Student Body, Foundations, etc.)
- Loans to Other Funds
- Other Miscellaneous Income

# FCSS YEAR-END CLOSING MANUAL

## STORES ACCOUNT (CENTRAL WAREHOUSING)

**932000** – Stores

**CSAM DEFINITION:** *Amounts of materials, supplies and possibly certain equipment kept in a central warehouse and subject to requisition and use.*

The general ledger ending balance **MUST** match the actual physical inventory, increase (debit) or decrease (credit) the stores object 932000.

If the actual physical inventory is greater than the amount in object 932000:

<b>JOURNAL ENTRY</b>				
	<b>FUND</b>	<b>RESOURCE</b>	<b>OBJECT</b>	<b>AMOUNT</b>
<b>DEBIT</b>	XXXX	XXXXX	932000	\$ 10,000
<b>CREDIT</b>	XXXX	XXXXX	4XXXXX	\$ 10,000

Conversely, if the actual physical inventory dollar amount is less than the amount in object 932000:

<b>JOURNAL ENTRY</b>				
	<b>FUND</b>	<b>RESOURCE</b>	<b>OBJECT</b>	<b>AMOUNT</b>
<b>DEBIT</b>	XXXX	XXXXX	4XXXXX	\$ 10,000
<b>CREDIT</b>	XXXX	XXXXX	932000	\$ 10,000

# FCSS YEAR-END CLOSING MANUAL

## PREPAID EXPENDITURE (EXPENSE)

### 933000 – Prepaid Expenditures

**CSAM DEFINITION:** *Payments made in advance of the receipt and use of services. Prepaid insurance premiums are illustrative. That portion of the premium paid in advance of coverage beyond the current fiscal year may be charged to Prepaid Expenditures. Adjustments to this account in the succeeding fiscal years apportion the premium other the period covered.*

*In governmental fund accounting, expenditures for insurance and similar services extending over more than one accounting period need not be allocated between or among accounting periods but may be accounted for as expenditures in periods of acquisition.*

Payments made in advance of the receipt of use of services.

**Step 1** Reverse (or adjust) any prior year closing entries.

**Insurance premiums paid in the Prior Fiscal Year for the Current Fiscal Year. The accrual entry in the closing year is:**

JOURNAL ENTRY						
	RESOURCE	GOAL	FUNCTION	OBJECT	AMOUNT	
DEBIT	XXXX	0000	0000	933000	\$ 10,000	Prepaid Expense
CREDIT	XXXX	XXXX	XXXX	540000	\$ 10,000	Insurance

**The reversing entry in the current fiscal year is:**

JOURNAL ENTRY						
	RESOURCE	GOAL	FUNCTION	OBJECT	AMOUNT	
DEBIT	XXXX	XXXX	XXXX	540000	\$ 10,000	Insurance
CREDIT	XXXX	0000	0000	933000	\$ 10,000	Prepaid Expense

**Step 2** Establish current fiscal year accrual.

**Insurance premiums paid in the Current Fiscal Year for the Subsequent Fiscal Year.**

JOURNAL ENTRY						
	RESOURCE	GOAL	FUNCTION	OBJECT	AMOUNT	
DEBIT	XXXX	0000	0000	933000	\$ 20,000	Prepaid Expense
CREDIT	XXXX	XXXX	XXXX	540000	\$ 20,000	Insurance

# FCSS YEAR-END CLOSING MANUAL

## ACCOUNTS PAYABLE – CURRENT LIABILITIES

### 950000 – Accounts Payable (Current Liabilities)

**CSAM DEFINITION:** *Amounts due to private persons, firms, or corporations for services rendered and goods received on or before the close of the fiscal year. Do not include encumbrances represented by purchase orders or contracts, or portions thereof, for services or goods to be furnished after the close of the fiscal year. Include salaries earned but not paid until after June 30, amounts owed to other LEAs for tuition payments, that portion of construction contracts represented by work done by the close of the fiscal period, invoices for materials or equipment received prior to June 30, and so forth. Use Object 962000, Due to Student Groups/Other Agencies, for the liabilities of a trust or agency fund.*

**IMPORTANT:** Make sure to clear **ALL PRIOR YEAR** Accounts Payable/Current Liabilities, object 950000, **before** entering Accounts Payable/Current Liabilities for the year being closed.

Before rolling purchase orders into current liabilities or creating a new current liability, confirm with the vendor that the goods or services will be received by June 30. Analyze open purchase orders to determine if a valid liability exists. Close any purchase order that is no longer needed.

- Make sure to log into the closing year when accruing accounts payable/current liabilities after June 30
- All accounts payable/current liabilities accrued using the accrual screen will be finalized by the County Office, October 31 of each year.
- All accounts payable/current liabilities completed with a journal entry will need to be manually reversed with a posting date before October 31.
- ***It is strongly recommended that the LEA uses the Everest accrual.***

### **Form CAT – Accounts Payable (Current Liabilities)**

If it is determined that the district's revenues were *overpaid*, accrue accounts payable/current liabilities, **by RESOURCE** to objects 829000, Federal Revenues, objects 859000, State Revenues, and 869900, Local Revenues. (See the Form CAT for the revenue determination.) If accrual is done with a journal entry in the closing year, do a reversing journal entry in the current year before October 31.

**SEE APPLICATION SECTION – CURRENT LIABILITY ACCRUAL** [Link to pages 177-183](#)

# FCSS YEAR-END CLOSING MANUAL

## PAYROLL HOLDING ACCOUNTS

**IMPORTANT:** A review of Payroll Holding accounts should be done monthly for all funds generating payroll. Make sure to check the holding accounts for each fund that has payroll expenditures (*i.e.*, Fund 1200 – Child Development Fund and Fund 1300 – Cafeteria Fund) Transfers the LEA may need to view are in the District Payroll Secure Portal in the “Transfers” folder and the District Financial Services Portal. You will need to generate detailed general ledgers. **SEE APPLICATION SECTION(S) – HOW TO GENERATE A GENERAL LEDGER REPORT, TO PREPARE AND PROCESS JOURNAL ENTRIES. ALSO, HOW TO SET UP DUE TO OTHER FUNDS AND DUE FROM OTHER FUNDS FOR REVENUES TO BE TRANSFERRED BETWEEN FUNDS.**

### STATE TEACHERS’ RETIREMENT SYSTEM (CalSTRS)

**(951100 Holding Account Object/3101XX – 3102XX Expense Object)** – Record expenditures to provide personnel with retirement benefits under the State Teachers’ Retirement System (STRS). This excludes employee contributions. Object 3101XX is certificated personnel in STRS; Object 3102XX includes those individuals who hold classified positions but are enrolled in STRS.

- The amount remaining in the STRS Holding Account, object 951100, should be the STRS payroll benefit liability for the July 10 payroll, *if applicable*, or zero if there was not a July 10 payroll.
- Common entries are payroll withholdings, adjustments for refunds and/or charges, adjustments for canceled payroll warrants, and payments to STRS made on behalf of the LEA.
- *If applicable*, move balances to object 951100 from all payroll funds, *i.e.*, 1100-Adult Education, 1200-Child Development, and 1300-Cafeteria Fund, to the 0100-General Fund all payments are made from the General Fund; otherwise, reconcile each object 951100 within each payroll fund.
  - Generate a journal entry to set up due to other funds/due from other funds.
  - Generate a transfer for board adoption and submission to the DFS Team with the submission of the Unaudited Actuals financial statements.
- Payroll adjustments for STRS made by the District Payroll department will be found in object 951100.

### FOR THE EMPLOYEE SIDE OF THE TRANSACTION

- Charges from an active employee are made via voluntary deductions, Vol Ded 9741, through the payroll processes, and the voluntary warrant for the payroll should be deposited to object 951100.
- Charges from a former employee must be invoiced and when the check is received should be deposited to object 951100.

# FCSS YEAR-END CLOSING MANUAL

## STATE TEACHERS' RETIREMENT SYSTEM (CalSTRS) – continued

- Refunds posted in object 951100 must be paid as refunds to district employees with an accounts payable warrant.

### FOR THE EMPLOYER (LEA) SIDE OF THE TRANSACTION

- Charges and/or refunds to the LEA must be done via journal entry.

## **PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS)**

**(951200 Holding Account Object/3201XX – 3202XX Expense Objects)** – Record expenditures to provide personnel with retirement benefits under the Public Employees' Retirement System (PERS). This excludes employee contributions, although it does include the employer's payment of an employee's contribution.

Object 3201XX indicates those employees in certificated positions and enrolled in PERS; Object 3202XX indicates employees in classified positions and enrolled in PERS.

- The amount remaining in the PERS Holding Account, object 951200, should be the PERS payroll benefit liability for the July 10 payroll, *if applicable*, or zero if there was not a July 10 payroll.
- Common entries are payroll withholdings, adjustments for refunds and/or charges, adjustments for canceled payroll warrants, and payments to PERS made on behalf of the LEA.
- *If applicable*, move balances to object 951200 from all payroll funds, i.e., 1100-Adult Education, 1200-Child Development, and 1300-Cafeteria Fund, to the 0100-General Fund all payments are made from the General Fund; otherwise, reconcile each object 951200 within each payroll fund.
  - Generate a journal entry to set up due to other funds/due from other funds.
  - Generate a transfer for board adoption and submission to the DFS Team with the submission of the Unaudited Actuals financial statements.
- Payroll adjustments for PERS made by the District Payroll department will be found in object 951200.

### FOR THE EMPLOYEE SIDE OF THE TRANSACTION

- Charges from an active employee are made via voluntary deductions, Vol Ded 9741, through the payroll processes, and the voluntary warrant for the payroll should be deposited to object 951200.
- Charges from a former employee must be invoiced and when the check is received should be deposited to object 951200.
- Refunds posted in object 951200 must be paid as refunds to district employees with an accounts payable warrant.

### FOR THE EMPLOYER (LEA) SIDE OF THE TRANSACTION

- Charges and/or refunds to the LEA must be done via journal entry.

# FCSS YEAR-END CLOSING MANUAL

## FEDERAL INSURANCE COMPUTATION ACT (FICA)

**(951300 Holding Account Object/3311XX – 3312XX Expense Object)** – Object 3311XX indicates that the Social Security benefits cover certificated positions; Object 3312XX indicates that these benefits cover classified positions.

- The amount remaining in the FICA Holding Account, object 951300, should be the FICA payroll benefit liability for the July 10 payroll, *if applicable*, or zero if there was not a July 10 payroll.
- Common entries are payroll withholdings, adjustments for refunds and/or charges, adjustments for canceled payroll warrants, and payments to FICA made on behalf of the LEA.
- *If applicable*, move balances to object 951300 from all payroll funds, i.e., 1100-Adult Education, 1200-Child Development, and 1300-Cafeteria Fund, to the 0100-General Fund all payments are made from the General Fund; otherwise, reconcile each object 951300 within each payroll fund.
  - Generate a journal entry to set up due to other funds/due from other funds.
  - Generate a transfer for board adoption and submission to the DFS Team with the submission of the Unaudited Actuals' financial statements.
- Payroll adjustments for FICA made by the FCSS District Payroll department will be found in object 951300.

### FOR THE EMPLOYEE SIDE OF THE TRANSACTION

- Charges from an active employee are made via voluntary deductions, Vol Ded 9750, through the payroll processes, and the voluntary warrant for the payroll should be deposited to object 951300.
- Charges from a former employee must be invoiced and when the check is received should be deposited to object 951300.
- Refunds posted in object 951300 must be paid as refunds to district employees with an accounts payable warrant.

### FOR THE EMPLOYER (LEA) SIDE OF THE TRANSACTION

- Charges and/or refunds to the LEA must be made via journal entry between the 951300 holding object and expense objects 3311XX-3312XX.

## HEALTH AND WELFARE (H&W)

**(951400 Holding Account Object/3401XX – 3402XX Expense Objects)** – Record expenditures made to provide personnel with health and welfare insurance benefits. This excludes employee contributions but includes health and welfare benefits premiums paid to a self-insurance fund. Object 3401XX indicates that the benefits cover certificated positions; Object 3402XX indicates that the benefits cover classified positions.



# FCSS YEAR-END CLOSING MANUAL

## HEALTH AND WELFARE (H&W) – continued

- The amount remaining in the Health and Welfare(H&W) Holding Account, object 951400, should be for payment of health insurance premiums for employees receiving deferred pay.
- The calculations for annual employee premiums can be done in periods of 12 months (*July through June*), 11 months (*August through June*), or 10 months (*September through June*)
- Common entries are payroll withholdings, adjustments for canceled payroll warrants, deposits for checks from retirees for benefits, and payments to the district's health benefits provider(s).
- *If applicable*, move balances to object 951400 from all payroll funds, i.e., 1100-Adult Education, 1200-Child Development, and 1300-Cafeteria Fund, to the 0100-General Fund all payments are made from the General Fund; otherwise, reconcile each object 951400 within each payroll fund.
  - Generate a journal entry to set up due to other funds/due from other funds.
  - Generate a transfer for board adoption and submission to the DFS Team with the submission of the Unaudited Actuals' financial statements.
- Reconciling journal entries will be between holding account object 951400 and expense objects 3401XX-3402XX.

## **STATE UNEMPLOYMENT INSURANCE (SUI)**

**(951500 Holding Account Object/3501XX – 3502XX Expense Objects)** – Record expenditures made to provide personnel with unemployment compensation. Object 3501XX indicates that the state unemployment insurance covers certificated positions; Object 3502XX indicates that the state unemployment insurance covers classified positions.

- State Unemployment Insurance (SUI) is paid quarterly from Fund 0100 – General Fund and all activity should be in this fund.
- The amount remaining in object 951500 should be the payroll benefit liability for April 10 payroll through July 10 payroll.
  - The State Unemployment Insurance rate may change effective July 1. If this occurs, two calculations will be necessary.
- Common entries are payroll withholdings, adjustments for canceled payroll warrants, and payments made on the district's behalf.
- *If applicable*, move balances to object 951500 from all payroll funds, i.e., 1100-Adult Education, 1200-Child Development, and 1300-Cafeteria Fund, to the 0100-General Fund- all payments are made from the General Fund; otherwise, reconcile each object 951500 within each payroll fund.
  - Generate a journal entry to set up due to other funds/due from other funds.
  - Generate a transfer for board approval and submission to the DFS Team with the submission of the Unaudited Actuals financial statements.

# FCSS YEAR-END CLOSING MANUAL

## STATE UNEMPLOYMENT INSURANCE (SUI) – continued

- Reconciling journal entries will be between holding account object 951500 and expense objects 3501XX-3502XX.

## **WORKER'S COMPENSATION (WC)**

**(951600 Holding Account Object/3601XX – 3602XX Expense Objects)** - Record expenditures made to provide personnel with workers' compensation benefits. This includes workers' compensation insurance premiums paid to a self-insurance fund. Object 3601XX covers certificated positions; Object 3602XX covers classified positions.

- The amount remaining in the Worker's Compensation Holding Account, object 951600, should be the total payroll benefit liability of all funds for the fiscal year through July 10 payroll minus any payments made to the district's JPA or carrier.
- *If applicable*, move balances to object 951600 from all payroll funds, i.e., 1100-Adult Education, 1200-Child Development, and 1300-Cafeteria Fund, to the 0100-General Fund all payments made from the General Fund.
  - Generate a journal entry to set up due to other funds/due from other funds.
  - Generate a transfer for board approval and submission to the DFS Team with the submission of the Unaudited Actuals financial statements.
- Reconcile the balance in the holding account to the district's JPA or carrier invoices. The balance should be either a credit or debit balance.
  - A final billing adjustment from the district's JPA or carrier should reconcile the balance in object 951600.
- Prepare and process reconciling journal entries will be between holding account object 951600 and expense objects 3601XX-3602XX.

## **MEDICARE**

**(951700 Holding Account Object/3321XX – 3322XX Expense Objects)** – Object 3321 indicates that the benefits cover certificated positions; Object 3322 indicates that these benefits cover classified positions.

- The amount remaining in the Medicare Holding Account, object 951700, should be the payroll benefit liability for the July 10 payroll, *if applicable*, or zero if there was not a July 10 payroll.
- Common entries are payroll withholdings, adjustments for canceled payroll warrants, and payments made on the district's behalf.
- *If applicable*, move balances to object 951700 from all payroll funds, i.e., 1100-Adult Education, 1200-Child Development, and 1300-Cafeteria Fund, to the 0100-General Fund all payments are made from the General Fund; otherwise, reconcile each object 951500 within each payroll fund.

# FCSS YEAR-END CLOSING MANUAL

## MEDICARE – continued

- Generate a journal entry to set up due to other funds/due from other funds.
- Generate a transfer for board approval and submission to the DFS Team with the submission of the Unaudited Actuals financial statements.
- Reconciling journal entries will be between holding account object 951700 and expense objects 3321XX-3322XX.

### FOR THE EMPLOYEE SIDE OF THE TRANSACTION

- Charges from an active employee are made via voluntary deductions, Vol Ded 9750, through the payroll processes, and the voluntary warrant for the payroll should be deposited to object 951700.
- Charges from a former employee must be invoiced and when the check is received should be deposited to object 951700.
- Refunds posted in object 951700 must be paid as refunds to district employees with an accounts payable warrant.

### FOR THE EMPLOYER (LEA) SIDE OF THE TRANSACTION

- Charges and/or refunds to the LEA must be made via journal entry between the 951700 holding object and expense objects 3321XX-3322XX.

## **DEFERRED PAYROLL HOLDING ACCOUNT**

**(955000 Holding Account Object)** – Common entries are payroll withholding and payments of deferred payroll. It is recommended that LEAs work closely with the District Payroll department when a payout occurs.

- Every May, the District Payroll department supplies each district with a Payroll Prelist – Deferred Pay, to be reconciled to ensure that the balance in the holding account is accurate for the deferred payments to be paid July and/or August. This is done by generating a general ledger report for object 955000 for the fiscal year being closed. Compare the total amount on the pre-list with the amount in object 955000 to see if the LEA discovers any of the following discrepancies.
  - Unpaid deferred pay.
  - An adjustment was made to deferred pay to avoid overpayment to an employee. An example would be overused sick leave taken from deferral pay rather than collected from the employee.

*If applicable*, work with the District Payroll department to reconcile the State Disability Insurance (SDI) account – object 952100, and the Alternative Retirement account – object 951900/952000.

# FCSS YEAR-END CLOSING MANUAL

## **USE TAX HOLDING ACCOUNT**

**(95800 Holding Account Object)** – Common entries are Use Tax Withholdings and payments to the State Board of Equalization.

- Reconcile ALL FUNDS that have Use Taxes.
- Work with the district's Accounts Payable team to ensure that the funds in this object are accurate.
  - Use Tax must be paid to the Board of Equalization ***quarterly*** to avoid penalties and interest assessed to the district.
  - Follow the instructions and complete the Use Tax Form.

<https://www.cdtfa.ca.gov/>

# FCSS YEAR-END CLOSING MANUAL

## DUE TO OTHER FUNDS / DUE FROM OTHER FUNDS

**IMPORTANT:** Make sure that all revenues and expenditures are accounted for in the proper fund. If one fund owes another fund at year-end and it is after the inter-fund transfer cut-off time, commonly mid-June, then there should be closing entries setting up Due to Other Fund and Due from Other Fund to ensure the closing year’s financial statement is accurate.

**931000** – Due From Other Funds

**CSAM DEFINITION:** *Amounts due from other funds of the LEA.*

**961000** – Due to Other Funds

**CSAM DEFINITION:** *Amounts due to other funds within the LEA.*

- Be sure to reconcile the due to/due from objects and clear prior year(s) amounts before establishing new due to/due from in the current year.
  - Education Code 42603 requires that prior fiscal year due to/due from object accounts must be repaid in the current fiscal year.

**STEP 1: PREPARE AND PROCESS JOURNAL ENTRY FOR CLOSING YEAR DUE TO/DUE FROM**

**SAMPLE:**

In the **closing** fiscal year, a contribution is recorded from the 1300-Cafeteria Fund to the 0100-General Fund for the Cafeteria Fund contribution for a cost the General Fund paid for during the year on behalf of the Cafeteria Fund. Complete and process the following entries through the journal entry screen. **SEE APPLICATION SECTION –JOURNAL ENTRY** [Link to pages 152 - 159](#)

JOURNAL ENTRY						
	FUND	RESOURCE	GOAL	FUNCTION	OBJECT	AMOUNT
DEBIT	0100	XXXXX	0000	0000	931000	\$ 10,000
CREDIT	0100	XXXXX	XXXX	XXXX	XXXXXX	\$ 10,000
DEBIT	1300	53100	XXXX	XXXX	XXXXXX	\$ 10,000
CREDIT	1300	53100	0000	0000	961000	\$ 10,000

**STEP 2: INTER-FUND TRANSFER ENTRIES FOR PROCESSING (CURRENT YEAR)**

INTER-FUND TRANSFER						
	FUND	RESOURCE	GOAL	FUNCTION	OBJECT	AMOUNT
FROM	1300	53100	000	0000	961000	\$ 10,000
TO	0100	00000	000	0000	931000	\$ 10,000

# FCSS YEAR-END CLOSING MANUAL

## UNEARNED REVENUE

965000 – Unearned Revenues

**CSAM DEFINITION:** *Resources received prior to revenue recognition.*

**IMPORTANT:** Complete the **FORM CAT – Categoricals** to determine the amount of funds that were unearned revenues.

**STEP 1: UNEARNED REVENUES MUST BE CLEARED BEFORE BOOKING CLOSING YEAR ENTRIES**

**Sample:** Reversing prior-year Title I, Part A Unearned Revenues

JOURNAL ENTRY - PRIOR TO CLOSING BOOKS					
	FUND	RESOURCE	OBJECT	AMOUNT	
DEBIT	0100	30100	965000	\$ 10,000	<i>Unearned Revenue</i>
CREDIT	0100	30100	829091	\$ 10,000	<i>All Other Federal Revenue Deferred</i>

**STEP 1: BOOKING UNEARNED REVENUE FOR CLOSING YEAR AFTER COMPLETION OF FORM CAT**

**For example:** Title 1, Part A, revenues exceeded expenditures on Form CAT for the closing year

JOURNAL ENTRY - CLOSING YEAR					
	FUND	RESOURCE	OBJECT	AMOUNT	
DEBIT	0100	30100	829000	\$ 10,000	<i>All Other Federal Revenue</i>
CREDIT	0100	30100	965000	\$ 10,000	<i>Unearned Revenue</i>

**STEP 2: REVERSING UNEARNED REVENUE IN THE CURRENT YEAR**

JOURNAL ENTRY - CURRENT YEAR					
	FUND	RESOURCE	OBJECT	AMOUNT	
DEBIT	0100	30100	965000	\$ 10,000	<i>Unearned Revenue</i>
CREDIT	0100	30100	829091	\$ 10,000	<i>All Other Federal Revenue Deferred</i>

**SEE APPLICATION SECTION – JOURNAL ENTRY** [Link to pages 152-159](#)

## SUSPENSE CLEARING ACCOUNT

**991000** – Suspense Clearing

**CSAM DEFINITION:** *An account that carries charges or credits temporarily pending determination of the proper account or accounts to which they are to be posted and that may be used for posting amounts not yet analyzed to decide whether they should be classified as revenue, expenditure, or abatement. Charges that must be allocated or prorated may be posted in this account until such allocation or proration can be calculated. This account must balance to zero at the close of the fiscal year and should be reviewed monthly.*

Reconcile this account using the following steps:

**STEP 1:** Make sure you are in the closing year on Everest

**STEP 2:** Generate a General Ledger Report using object 991000

**STEP 3:** Reconcile suspense clearing by eliminating matching debits and credits; then clear the outstanding entries to appropriate account classification and/or other funds, *if applicable*

**STEP 4:** Use the Journal Entry screen to clear the suspense clearing account to zero

# FCSS YEAR-END CLOSING MANUAL

## INTER-FUND TRANSFERS

Inter-fund transfers are flows of assets between funds without equivalent flows of assets in return and without a requirement for repayment. Inter-fund transfers are not used to account for inter-fund loans or borrowing. The two major categories of inter-fund transfers are:

1. **Residual Equity Transfers.** Residual equity transfers are nonrecurring or nonroutine transfers of equity between funds. Examples of transfers of this type are (a) transfers of residual balances of discontinued funds to the general fund, and (b) nonroutine contributions of internal service fund capital by the general fund.
  
2. **Operating Transfers.** Operating transfers, which comprise all inter-fund transfers other than residual equity transfers, are routine, legally authorized transfers between funds. Examples of operating transfers are (a) transfers from the general fund to a special revenue or capital projects fund, and (b) operating subsidy transfers from the general fund to an enterprise fund.

Both residual equity transfers and operating transfers are nonreciprocal inter-fund activities. Reciprocal inter-fund activities, such as inter-fund loans or borrowing and inter-fund services provided and used, are not recorded as inter-fund transfers.

Inter-fund transfers are not classified as expenditures; instead, they are classified as other financing uses, because they do not decrease the financial resources of the LEA as a whole. They represent a transfer of existing resources between accounts.

**Object account numbers 761100-761900 are used to record an LEA’s inter-fund transfers out.**

**Example:**

An inter-fund transfer from the district’s General Fund 0100 to the Capital Outlay Fund 4000.

INTERFUND TRANSFER					
	FUND	FUNCTION	OBJECT	AMOUNT	
<b>FROM</b>	0100	9300	761200	\$ 10,000	<i>Inter-fund Transfer Out of Fund 0100</i>
<b>TO</b>	4000	0000	891200	\$ 10,000	<i>Inter-fund Transfer In to Fund 4000</i>



# FCSS YEAR-END CLOSING MANUAL

## INTER-FUND TRANSFERS IN & OUT

INTER-FUND ACCOUNT DESCRIPTION	DEBIT TRANSFER OUT	CREDIT TRANSFER IN
From General Fund to Child Development Fund	761100	
To Child Development from General Fund		891100
Between General Fund Special Reserve Funds, 17, 20 & 40	761200	891200
From All Other Funds of the District To State School Building Fund/ County School Facilities Fund	761300	891300
From Bond Interest and Redemption To General Fund	761400	891400
From General Fund To Cafeteria Fund	761600	891600
From Other Authorized, Inter-Fund Transfers Out	761900	
To Other Authorized, Inter-Fund Transfers In		891900

**NOTE:** In SACS, use goal **0000** and function **9300**, Other Outgo, to record the *Transfer Out*. *Transfer In* does not need a goal or function.

# FCSS YEAR-END CLOSING MANUAL

## DIRECT SUPPORT COSTS

Direct support costs are charges for a support program and services that directly benefit other programs. These are costs identified in provider programs that can be transferred to user programs during the year. Typical direct support costs are for photocopying expenses, field trips and psychological and nursing services.

### INTRA-FUND DIRECT SUPPORT COSTS

**CSAM DEFINITION:** *Record transfers within a fund for direct costs of services provided, as described above. This account must net to zero at the fund level.*

When direct support costs are charged to programs within the same fund, **use object 571000.**

- The program receiving the service is charged (debited) and the program providing the service is credited.

### INTER-FUND DIRECT SUPPORT COSTS

**CSAM DEFINITION:** *Record transfers between funds for direct costs of services provided, as described above. This account will reflect a balance at the fund level for the amount of between funds costs. The total between funds debit and credit transactions must net to zero.*

When direct support costs are charged to the Cafeteria Fund, Child Development Fund, or Adult Education Funds, **use object 575000.**

- The program receiving the service is charged (debited) and the program providing the service is credited.

### RESOURCES

Further information on Direct Support Costs can be found in the CSAM Procedures 320, Goal Classification, CSAM Procedure 325, Function/Activity Classification, CSAM Procedures 910, Program Cost Accounting, and CSAM 915, Indirect Cost Rate. The link to the CSAM:

[CSAM, version 2019](#)

# **LOCAL CONTROL FUNDING FORMULA (LCFF)**

# FCSS YEAR-END CLOSING MANUAL

## LOCAL CONTROL FUNDING FORMULA (LCFF)

LCFF funding is allocated through the [Principal Apportionment](#) and is funded through a combination of local property taxes and state funding from the State School Fund and Education Protection Account.

School District and Charter School LCFF Entitlement. [LCFF Entitlement Components](#)

- LCFF Grade Span Base Grant
- K-3 Grade Span Adjustment of 10.4 percent
- Grades 9-12 Adjustment of 2.6 percent
- Supplemental Grants
- Concentration Grants
- Add-on Funding (Home to School Transportation and Targeted Instructional Improvement Block Grant)
- Economic Recovery Target
- Additional State Aid to Meet the Minimum Guarantee
- Transitional Kindergarten (TK) Add-on **beginning 2022-23**

Beginning in 2023–24, transportation related add-ons and the Transitional Kindergarten add-on will also receive cost-of-living adjustments.

LCFF Target calculations are described in detail in the School District LCFF Target Entitlement and Charter School Target Entitlement sections of the Exhibit Reference Guides available on the [Principal Apportionment web page](#) for each fiscal year (prior year annual exhibits can be found in current year P1 - certified in the following February).

A summary of the current and historical LCFF grant amounts, as well as other funding information, can be found on the [Funding Rates and Information web page](#).

### **LCFF Grade Span Base Grant**

Uniform base grant for each school district and charter school based on the grade span of pupils, i.e. kindergarten through grade 3 (K-3), grades 4-6, grades 7-8, grades 9-12, multiplied by units of average daily attendance (ADA). Beginning in fiscal year 2022–23, for school districts, funded ADA is equal to the greater of current, prior, or the average of the three most recent prior years' ADA.

### **K-3 Grade Span Adjustment of 10.4 percent**

As a condition of receiving these funds, school districts are required to maintain an average class enrollment of no more than 24 pupils in K-3 classes, unless the district has collectively bargained

## FCSS YEAR-END CLOSING MANUAL

alternative average class enrollment in those grades for each school site. Charter schools receive the adjustment but do not have to comply with this condition.

For additional information relating to the class size requirements for the K–3 GSA, refer to [Education Code Section 42238.02\(d\)](#) and [Title 5 15498](#).

### **Grades 9-12 Adjustment of 2.6 percent**

There are no compliance requirements associated with this adjustment.

### **Supplemental Grant (resource 09000)**

Equal to 20 percent of the adjusted base grant multiplied by ADA and the unduplicated percentage of targeted disadvantaged pupils. Targeted pupils are those classified as English learners (EL), meet income requirements to receive a free or reduced-price meal (FRPM), foster youth, or any combination of these factors (unduplicated count).

### **Concentration Grant (resource 09000 50% and 09300 15%)**

Equal to 65 percent of the adjusted base grant multiplied by ADA and the percentage of targeted pupils exceeding 55 percent of a school district's or charter school's enrollment.

### **Add-On Funding**

Funding equal to Home-to-School Transportation and Targeted Instructional Improvement Block Grant funding received by school districts in 2012–13; requires that 2012–13 expenditure levels continue to be maintained for Home-to-School Transportation.

### **Economic Recovery Target**

Additional funding for those LEAs that would have received a higher level of funding under revenue limits and various categorical programs, based on certain assumptions.

### **Additional State Aid to Meet the Minimum Guarantee**

Amount based on the state aid school districts and charter schools received in 2012–13. Portions of the calculation are adjusted for changes in local revenue and ADA.

### **Transitional Kindergarten (TK) Add-on**

Equal to the TK add-on rate multiplied by current year TK ADA.

### Option 1:

The LEA can enter an individual budget lines specifying resources for Object 8011. Subtract the amount for each specified unrestricted resource from resource 00000/object 801100. In the example below, LEA was funded \$21,702,815. Each resource was budgeted per LCFF Calculator Summary Tab. The combined total of 0100-0\*\*\*\*\*-801100 should equal the total LCFF Funding.

# FCSS YEAR-END CLOSING MANUAL

LCFF FUNDING BY RESOURCE	
0100-00000-0-0000-0000-801100-000	\$18,442,317.00
0100-07230-0-0000-0000-801100-000	\$298,477.00
0100-09000-0-0000-0000-801100-000	\$2,762,014.00
0100-09300-0-0000-0000-801100-000	\$200,007.00
TOTAL LCFF FUNDING	<b>\$21,702,815.00</b>

**IMPORTANT: VERIFY THAT COMBINED RESOURCES FOR OBJECT 8011 TOTAL DOES NOT EXCEED LCFF ENTITLEMENT.**

Option 2:

The LEA will track LCFF (object 8011) expenditures in unrestricted resources. To close the resource, create a contribution Journal Entry by debiting Resource 00000, Unrestricted, Object 898000, crediting the specified resource such as Resource 07230-Home to School Transportation, Object 898000. Object 898000 Actuals should net a zero balance.

**DEFERRED APPORTIONMENTS**

There are two sets of accruals

- Accruals for apportionments deferred by the State
- Accruals at year-end close to bring revenue recognized to match final LCFF estimate

**DEFERRED APPORTIONMENT PAYMENTS**

**(NONE SCHEDULED for FY 2022-23)**

**FINAL YEAR-END ACCRUAL**

*Annual vs. P-2 Amounts*

When closing the books, the final estimated Local Control Funding Formula (LCFF) is based on Annual property taxes and Certified P-2 ADA (Average Daily Attendance) –

- The basic formula is:
  - State Aid (Resource 00000 - Object 801100)
  - + EPA (Resource 14000 – Object 801200)
  - + Annual Property Taxes (Resource 00000 – Objects 802XXX, 804XXX, and 808XXX)
  - In Lieu Property Tax (Object 8096XXX)
  - = Local Control Funding Formula
  
- The district needs to book an accrual for the difference between the final LCFF estimate and Actuals to Date.

## FCSS YEAR-END CLOSING MANUAL

- The difference between final estimate minus actuals will be either an accounts receivable, object 920000, or accounts payable/current liability, object 950000.

**IMPORTANT:** It is highly recommended to use the Accounts Receivable accrual method or Current Liability accrual method [Link to 177-183](#) rather than creating Journal Entries [Link to pages 152 – 159](#).

### **LCFF TRANSFERS**

#### *Special Education (Transfer of Funds for District-Funded County Programs)*

- District-funded County Program ADA included the following categories:
  - County Community School ADA (not meeting criteria for COE Alternative Ed Grant)
  - Special Education
  - Out-of-State Tuition
  - Opportunity Schools
  - Specialized High Schools
- Using Goal 0000 and Object 714200, Other Tuition, Excess Costs, and/or Deficit Payments to County Office for transfers from districts to COE
  - Per AB2235 (Chapter 99, Statutes of 2018), effective 2019-2020, this transfer of funds is transferred by CDE through the Principal Apportionment.
  - Specifies that the transfer amount shall be at the rate equal to each district's LCFF Base, Supplemental/Concentration Grant.
  - LEAs should receive their final spreadsheet by August. *If not received*, LEAs should contact the SELPA Director.

#### ***Transfers of in-Lieu of Property Taxes***

Sponsored Charter Schools receive their property taxes from the sponsoring LEA by transfer from Fund 0100 to Fund 0900. COE Charter Schools receive property taxes from the district of residence. Payments are processed through accounts payable.

- Use object 809600, Transfer to Charter Schools in Lieu of Property Taxes
- August 15 Annual Property Taxes is the *estimated* final In Lieu Property Taxes due to the Charter

**SEE THE LINK, BELOW, FOR THE IN-LIEU OF PROPERTY TAXES PAYMENT CALCULATOR**

[In Lieu of Property Taxes Payment Calculator](#)

(open hyperlink and calculator will download in lower left corner of your screen)

[In Lieu of Property Taxes](#)

# FCSS YEAR-END CLOSING MANUAL

## Transfers of in-Lieu of Property Taxes (continued)

**IMPORTANT:** Charter schools should be paid monthly as per the schedule below

Month	Based on In-lieu of Property Taxes from... <sup>1</sup>	Payment Amount
August	Prior fiscal year P-2	6%
September	Prior fiscal year P-2	12%
October	Prior fiscal year P-2	8%
November	Prior fiscal year P-2	8%
December	Prior fiscal year P-2	8%
January	Prior fiscal year P-2	8%
February	Prior fiscal year P-2	8%
March	Current Year P-1 less paid to date	2/6 <sup>th</sup> Balance Due
April	Current Year P-1 less paid to date	1/6 <sup>th</sup> Balance Due
May	Current Year P-1 less paid to date	1/6 <sup>th</sup> Balance Due
June	Current Year P-1 less paid to date	1/6 <sup>th</sup> Balance Due
July	Current Year P-2 less paid to date	Remaining Balance as of P-2 <sup>2</sup>

### In-lieu of Property Taxes Payment Schedule

In-lieu of Property taxes are calculated according to [EC Section 47635\(a\)](#). Payment of in-lieu of property taxes from the sponsoring local educational agency to the charter school is made according to [EC Section 47635\(b\)](#), in the amounts outlined in the table below.

<sup>1</sup>The payment schedule shown here is for continuing charter schools. The in-lieu of property taxes payment schedule is different for newly operational charter schools and for the in-lieu of property taxes associated with the expanding charter schools that received funding through the [Charter School Special Advance](#) apportionments. Please refer to Charter School Special Advance apportionment certification documents for more information.

<sup>2</sup>Pursuant to [EC Section 47635\(b\)\(4\)](#), in-lieu of property taxes are final as of the third annual recertification of the fiscal year's LCFF data. Charter schools and school districts should continue to monitor for changes to in-lieu of property taxes at each certification until that point.

### In-lieu of Property Taxes Payment Calculator

[In-lieu of Property Taxes Payment Calculator](#) (XLSX)

#### Fund 0900 – Local Funded Charter School (refer to LCFF Calculator)

- Book Indirect Oversight Charges, *if applicable*
- Property Tax In Lieu Calculation
  - Refer to LCFF calculator for the final amount owed to the charter from District In-Lieu Taxes Tab.
    - Information in this tab is taken from “Data Entry” tab, row 201 (5) In-lieu of Property Tax Calculation for Charter Schools.
      - Verify correct ADA is entered for each charter school.

Note: Charters MUST be numbered to bring results into the District In-Lieu Taxes Tab.



## FCSS YEAR-END CLOSING MANUAL

- CDE P2 Funding Exhibit “Charter School LCFF Calculation” can be used as a point of reference.
  - Refer to “Total In-lieu of Property Taxes (J-5) for estimated amount.  
 Local Revenue (In-lieu of Property Taxes) (Equals I-4) J-5 \$ 252,754
  - From the Charter’s total local revenue amount, minus any payments made for the closing fiscal year.
  - Before June 30 of each year, transfers can be made between Funds 0100/0900, object 8096.
  - After June’s final transfer cut-off, enter a journal entry to book a due to other funds (961000) to move the funds owed to (due from 931000) Fund 0900 – Charter Fund from Fund 0100- General Fund
  - Follow with a Fund Transfer in the current year to move the cash to Fund 0900 – Charter Fund

JOURNAL ENTRY				
	FUND	RESOURCE	OBJECT	AMOUNT
DEBIT	0100	00000	809600	\$ 52,000
CREDIT	0100	00000	961000	\$ 52,000
DEBIT	0900	00000	931000	\$ 52,000
CREDIT	0900	00000	809600	\$ 52,000
INTER-FUND TRANSFER REQUEST				
	FUND	RESOURCE	OBJECT	AMOUNT
FROM(DEBIT)	0100	00000	961000	\$ 52,000
TO (CREDIT)	0900	00000	931000	\$ 52,000

**IMPORTANT:** Sponsoring LEA and charters they sponsor, object 809600, Transfer to Charter School In Lieu Property Taxes, **must net to zero** between the two entities.

# **EDUCATION PROTECTION ACCOUNT (EPA)**

# FCSS YEAR-END CLOSING MANUAL

## EDUCATION PROTECTION ACCOUNT (EPA)

The Education Protection Account (EPA) provides local educational agencies (LEAs) with general purpose state aid funding pursuant to Section 36 of Article XIII of the California Constitution. The EPA funding is a component of an LEA's total LCFF entitlement as calculated in the Principal Apportionment. Whether an LEA is state-funded or community-funded, the law establishes a floor of \$200 per ADA allocated from the EPA. The EPA proportionate share percentage for each fiscal year cycle will be recalculated four times.

- EPA is an unrestricted resource that can carry a fund balance.
- Apportionment payments occur quarterly in September, December, March, and June.
- LEAs that report attendance will receive EPA funds.
- EPA is Resource 1400, Education Protection Account, and revenue Object 8012.
  - Charter schools reporting financial data via the Alternative Form, which does not contain resource codes, should use Object 8012 to record the EPA entitlement.
- Indirect costs are not allowed.
- No contributions from other funding resources can be made to resource 14000.
- LEAs have the authority to determine how EPA funds shall be spent, except that no EPA funds can be spent on salaries and benefits of administrators - or any other administrative costs as defined as administration, at the functional level, stated in the *California School Accounting Manual*:
  - General administration refers to agency-wide administrative activities including governing board, superintendent, and district-level fiscal, personnel, and central support services.
  - School administration refers to activities concerned with directing and managing the operation of a particular school.
  - Instructional administration refers to activities for assisting instructional staff in planning, developing, and evaluating the process of providing learning experiences for students.
  - Eligible SACS function: [SACS Functions for which EPA Funds may and may not be used](#)
- Most, if not all EPA funds will be expended each year. However, the law does not restrict the amount of EPA funds that may carry over.
- LEAs must annually hold a public hearing and report the receipt and expenditures of EPA funds on their website. The law does not require a separate public meeting from the budget adoption, so the California Department of Education opines that the EPA requirement can be met as part of the public meeting of the adopted budget.

Frequently Asked Questions: [EPA Frequently Asked Questions](#)  
[FAQ: Standardized Account Code Structure \(SACS\) Accounting](#)

# FCSS YEAR-END CLOSING MANUAL

## EDUCATION PROTECTION ACCOUNT RECONCILIATION

EPA expenditures should be reported in Resource 14000 using the actual expenditure account lines where feasible, and not lump-sum transferred using Object 5710xx, Transfers of Direct Costs. The intention of the EPA reporting requirement is transparency. Reporting actual expenditure items achieves this better than a lump-sum transfer. The use of a unique resource code facilitates this transparency in the LEA’s accounting records.

It is appropriate to record journal entries between another resource and resource 14000 if the actual expenditure account line is not initially direct charged.

Use the EPA Fourth Quarter Apportionment Payment Schedule by LEA to determine the entitlement found on the CDE Website at [EPA 2022-23](#)

Verify the General Ledger Transfer amounts against the EPA payment spreadsheet. The total amount in the General Ledger and CDE Fourth Quarter EPA spreadsheet should agree (e.g., \$5,708,150).

Date	Reference	Vend#	Description	Doc#	Fu---Re-----Y-Gl---Fn---Ob-----Si--Lc-1c	Debit	Credit
<b>DETAILED GENERAL LEDGER</b>							
9/22/202x	TF-2X0420	JV#0250	1ST QTR	EPA	0100-14000-0-0000-0000-801200-000-00-0000	769,565.00	
12/22/202x	TF-2X0921	JV#0701	2ND QTR	EPA	0100-14000-0-0000-0000-801200-000-00-0000	769,565.00	
3/25/202x	TF-2X1465	JV#1091	3RD QTR	EPA	0100-14000-0-0000-0000-801200-000-00-0000	849,580.00	
6/24/202x	TF-2X2004	JV#1436	4THQTR	EPA	0100-14000-0-0000-0000-801200-000-00-0000	3,319,440.00	
						5,708,150.00	
Ending Balance						0.00	5,708,150.00

The 4<sup>th</sup> Quarter June EPA transfer will also reflect all the prior year annual adjustments. **FCSS** posts prior year adjustments on behalf of the LEA in 0100-14000-0-0000-0000-801900 within the same transfer.

# **CATEGORICALS**

## **(FORM CAT)**

# FCSS YEAR-END CLOSING MANUAL

## CATEGORICALS (Form CAT)

**IMPORTANT:** *The Audit Report for the prior fiscal year will either verify the calculations on the Form CAT or will reflect the changes shown as an audit adjustment on the general ledger(s).*

The following rules apply to both entitlements and grants.

- Revenue is recorded to the proper resource and revenue object when monies are received
- To determine if the entitlement or grant allows a Fund Balance (F) or Unearned Revenue (U), Refer to the downloaded excel sheet for [Master List of Resources](#) - **OR** -
- Refer to the SACS For local grants, contact the grantor or refer to the Award Letter to determine if a Fund Balance or Unearned Revenue is applicable. [SACS Query](#) provides Revenue Object and PCA/Resource Detail.



### SACS Query

by Resource Code

Please enter values for one or more of the fields below and press the 'Submit Query' button:

SACS Resource Code:

SACS Title:

PCA Number:

\* Click on 'Submit Query' (without entering any data) to display entire listing.



### SACS Query

Resource Code Listing

SACS Resource Code	begins with	3010
'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
<a href="#">Details</a>	3010	ESEA (ESSA): Title I, Part A, Basic Grants Low-Income and Neglected	U	8290	14329	8/13/1999

# FCSS YEAR-END CLOSING MANUAL

## CATEGORICALS (FORM CAT) – continued

### ENTITLEMENT

Now that each of the LEA’s restricted resources have been determined, complete a Form CAT per tab in the two categories of **(U)** - Unearned Revenue (for each federal, state, local) or **(F)** Restricted Ending Balance (for each federal, state, local) and by fund.

Gather all current award letters, notices, etc. to enter the updated allocation amounts. Update Everest current year revenues to agree to current award amount. The same amount will be entered as current year’s award amount in the CAT Form.

Before finalizing a restricted resource, refer to the indirect costs section and contribution section of this manual to capture all eligible expenditures.

### GRANTS

#### UNEARNED REVENUE (U)

Earned when spent. Revenues are to equal expenditures. Resources will have a zero-ending fund balance.

Clearing Unearned Revenue Balance (CAT FORM row 13a)

1. If cash received in the current year less expenditures, leaves a positive balance, you will book unearned revenue in the closing year by Journal Entry. Everest does not have a deferred revenue closing feature. (e.g., Cash received in the current year \$26,000 – Expenditures \$16,000 = cash balance \$10,000).
2. Unspent revenues received (\$10,000) must be booked at year-end close to object 965000 – Unearned Revenues, so the revenues and expenditures equal. Debit the resource and revenue object line \$10,000 and credit the resource and deferred object line 965000.
3. Deferred Revenue in current year (the year following the closing year). Immediately enter the reversing Journal Entry by resource, debiting the holding account 965000 and crediting the revenue line 829091. The current year now reflects the available revenues.  
*Note: the beginning balance in object 965000 will appear once the Unaudited Actuals are rolled in Everest.*

#### Closing Year

JOURNAL ENTRY - CLOSING YEAR							
	FUND	RESOURCE	GOAL	FUNCTION	OBJECT	AMOUNT	
DEBIT	0100	XXXXX	0000	0000	829000	\$ 10,000	all Other Federal Revenues
CREDIT	0100	XXXXX	0000	0000	965000	\$ 10,000	Unearned Revenues

# FCSS YEAR-END CLOSING MANUAL

**Current Year reversal** (this should be done the same time you do the closing year journal entry)

JOURNAL ENTRY - CURRENT YEAR						
	FUND	RESOURCE	GOAL	FUNCTION	OBJECT	AMOUNT
DEBIT	0100	XXXXX	0000	0000	965000	\$ 10,000
CREDIT	0100	XXXXX	0000	0000	829091	\$ 10,000

Unearned Revenues  
all Other Federal  
Deferred Revenues

### Clearing an Accounts Receivable Balance (CAT FORM row 13c)

1. If the cash received in the current year is less than expenditures, you will book an Accounts Receivable for the difference. You will enter an AR through Everest rather than entering a Journal Entry. (see Accounts Receivable Accrual Application). For example, Cash received in the current year \$266,000– Expenditures \$288,000 = cash shortage \$22,000) AR will credit the resource’s revenue line and debit 92000 automatically.
2. ARs entered through AR application do not require any current year reversal journal entries.

### Unused Grant Award/Carryover

1. Carryover is the remaining amount of the grant or entitlement award **that has not been received or expended** but may be carried over into the following fiscal year to expend the remaining funds by a specific date.
2. For Carryover Revenues, use revenue object suffix **90**.  
Example: For All Other State Revenue use Object **859090**.
3. The calculation for carryover is:  
**Total Available Award – Total Expenditures – Unearned Revenue = CARRYOVER**  
It is important to subtract Unearned Revenue because the FORM CAT does not subtract from Row 15.
4. Carryover or 8X9090 is entered manually in the July 1 Budget year as stated in #2. No entry is made for carryover in the closing year.

### FUND BALANCE (F)

1. Beginning fund balance is the ending fund balance at year-end and will post as the beginning fund balance, object 979100-Beginning Fund Balance, in the new year.
2. It is recommended to complete a FORM CAT for restricted resources that can carry an ending fund balance (F) to account activity and proper posting.
3. Book an Accounts Receivable through the Everest system when the award amount is greater than current year cash received, regardless of expenditure amounts. (e.g., Award amount \$800,000 - cash received \$500,000 = Accounts Receivable \$300,000).



# FCSS YEAR-END CLOSING MANUAL

## CONTRIBUTIONS TO RESTRICTED RESOURCES

Before booking indirect costs but **after** making all other adjustments to restricted resources, you may find that you have negative categorical fund balances. You will need to make contributions from the Unrestricted General Fund to zero out these balances or make a journal entry to reclassify expenditures to other eligible grant resources to reduce expenditures to match revenues. This will help prevent unnecessary unrestricted contributions to restricted resources.

Programs most likely to require a contribution from the Unrestricted General Fund are:

- Special Education
- Routine Restricted Maintenance (RRMA Resource 81500)

All other contributions are coded to object **8980000** – Contributions from **Unrestricted** Revenues. Everest allows the contribution to **Special Education** to be coded to object 898030.

*The following is a journal entry showing contribution from the Unrestricted to Restricted Resource*

JOURNAL ENTRY - CLOSING YEAR							
	FUND	RESOURCE	GOAL	FUNCTION	OBJECT	AMOUNT	
DEBIT	0100	XXXXX	0000	0000	898000	\$ 10,000	Unrestricted Resources
CREDIT	0100	XXXXX	0000	0000	898000	\$ 10,000	Restricted Resources

*The following is a journal entry showing contribution from the Restricted-to-Restricted Resource*

JOURNAL ENTRY - CLOSING YEAR							
	FUND	RESOURCE	GOAL	FUNCTION	OBJECT	AMOUNT	
DEBIT	0100	XXXXX	0000	0000	899000	\$ 10,000	Restricted Resources
CREDIT	0100	XXXXX	0000	0000	899000	\$ 10,000	Restricted Resources

# FCSS YEAR-END CLOSING MANUAL

## INDIRECT COSTS AND RATES

### INDIRECT COSTS

Indirect costs are agency-wide general management costs not identifiable with a specific resource but necessary for the overall operation of the agency, (e.g., costs of accounting, budgeting, payroll preparation, personnel management, purchasing, warehousing, and centralized data processing). Direct costs can be identified with a particular instructional program or support service necessary to maintain the program.

### INDIRECT COST RATES

Indirect costs are distributed to programs using the indirect cost rate. The indirect cost rate is the ratio (expressed as a percentage) of the adjusted indirect costs to the direct base costs. A multi-year indirect cost rate is posted online annually at [Indirect Cost Rates \(ICR\)](#) and is displayed on page 68.

### RESOURCES

Further information on Indirect Costs can be found in the CSAM Procedures 320, Goal Classification, CSAM Procedure 325, Function/Activity Classification, CSAM Procedures 910, Program Cost Accounting, and CSAM 915, Indirect Cost Rate. The link to the CSAM and CDE:

[CSAM, version 2019](#)

[Indirect Cost Rates \(ICR\)](#)

[Frequently Asked Questions about Indirect Costs](#)

## Indirect Cost Rates (ICR)

Lists of department-approved rates for local educational agencies, frequently asked questions (FAQs), and letters.

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### Frequently Asked Questions (FAQs)

[FAQs on indirect costs/rates](#) (Revised 13-Apr-2022)

### School District, County Office, and Joint Powers Agency Rates

[Letter to Chief Business Officials](#)

[2019–20 to 2023–24 Indirect Cost Rates](#) (XLSX; Updated 10-May-2023)

### Charter School Rates

[2023–24 Charter School Rates](#) (XLSX; Posted 06-Apr-2023)

[2022–23 Charter School Rates](#) (XLSX; Posted 13-Apr-2022)

[2021–22 Charter School Rates](#) (XLSX; Posted 16-Apr-2021)

[2020–21 Charter School Rates](#) (XLSX; Posted 08-Apr-2020)

[2019–20 Charter School Rates](#) (XLSX; Posted 02-Apr-2019)

### Statewide Average Rates for Use with Food Service Programs

[2019–20 through 2023–24 California Statewide Average Indirect Cost Rates](#) (Posted 06-Apr-2023)

## CALCULATION OF INDIRECT COSTS

Indirect costs are costs that cannot be directly charged, (i.e., central business office, custodians, utilities, and maintenance & operations) to a restricted categorical resource.

Allowable rates vary by resource. Use the state-approved indirect cost rate by district for state and local sources. Federal programs may be limited on the percent allowed for indirect costs. Consult the individual Award Letters or EDGAR Title 34 for guidance. Be sure you apply the approved indirect cost rate for the fiscal year you are closing. Approved rates are based on the prior year's expenditure data.

The amount of allowable indirect costs charged to a grant or entitlement program is determined by **actual expenditures** during a fiscal year, not by the entitlement or grant amount.

### INDIRECT CALCULATION

Multiply the applicable indirect rate to actual expenditures **EXCLUDING** the following objects:

- **SUB-AGREEMENTS FOR SERVICES, OBJECT 5100XX.** This object includes expenditures for sub-agreements and sub-awards according to certain contracts, sub-contracts, and sub-grants. For sub-agreements, the first \$25,000 can be coded to object 5800XX and subject to indirect, the remainder is charged to object 510000, see Procedure 330 CSAM, pages 20-21.
- **CAPITAL OUTLAY, OBJECTS 6000XX – 6999XX.** These objects include expenditures for items such as the acquisition of land; improvements to sites; construction or purchase of new buildings; books and media for new schools; major expansions of school libraries; and capitalized equipment.
- **OTHER OUTGO, OBJECTS 7000XX – 7499XX and OTHER FINANCING USES, OBJECTS 7600XX – 7699XX.** These objects include expenditures for items such as tuition, excess cost payments, pass-through funds; transfers out debt service; and transfers between funds.
- **OTHER FUNDS.** This includes expenditures of certain governmental funds (i.e., deferred maintenance; capital facilities), the proprietary funds other than the cafeteria, and the fiduciary funds
- **EXPENDITURES NOTED IN THE GRANT DOCUMENT**

SEE INDIRECT RATES AT THE END OF THIS SECTION [Link to page 64](#)

# FCSS YEAR-END CLOSING MANUAL

## CALCULATION OF INDIRECT COSTS – continued

Some resources have a capped allowable indirect cost rate, others have an administrative cap that limits a combination of direct administrative costs and indirect costs, while others do not allow indirect costs at all, requiring that the entire award amount be spent on direct costs. The data provided in the [SACS Query](#) shows the allowable indirect cost rate for each resource.

5/12/2021
PCA/Resource Detail (CA Dept of Education)
Change Text Size: [A](#) [A](#) [A](#)

SACS » querybyresource » resourcelist » pcadetail

### SACS Query

#### PCA/Resource Detail

SACS Resource Code:	3010
SACS Title:	ESSA: Title I, Part A, Basic Grants Low-Income and Neglected
Friendly Title:	ESEA (ESSA): Title I, Part A, Basic Grants Low-Income and Neglected
SACS Revenue Object Code:	8290
PCA Number:	14329
PCA Title:	TITLE I PART A. BASIC GRANTS/FF
CFDA Number:	84.010
Unearned Revenue/Ending Fund Balance:	U
Allowable Indirect Cost Rate	LEA Approved Rate
Program Unit:	Improvement & Accountability Division
Program Contact:	Kimberly Born 916-445-6770
Fiscal Unit:	School Fiscal Services Division-Management Assistance Unit
Fiscal Contact:	Leslie Sharp 916-323-4977
Comment on PCA:	Part of Consolidated Application.
Enabling Legislation:	
Education Code:	
Budget Act:	6100-134-0890
For use in Districts:	Yes
For use in COEs:	Yes
For use in JPAs:	No
SACS Resource Code First Effective Year:	1997
SACS Resource Code Last Effective Year:	
SACS Resource Code Date Created:	8/13/1999
Last Modification:	9/24/2019 3:31:38 PM

Notes:  
 U = Unearned Revenue F = Ending Fund Balance  
 NA = Not Applicable  
 V = Various

[Federal CFDA Website](#) (Outside Source)

# FCSS YEAR-END CLOSING MANUAL

## CURRENT INDIRECT RATES

### 2023–24 Restricted Indirect Cost Rates for K–12 Local Educational Agencies (LEAs) – Five Year Listing

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

Rates approved based on standardized account code structure expenditure data

As of April 3, 2023

C: County

CA: Common Administration

D: District

J: Joint Powers Agency

Non Op : Closed or LEA not yet operational

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

County Code	LEA Cod	Tyr	LEA Name	2019–20 (based on 2017–18 expenditure data)	2020–21 (based on 2018–19 expenditure data)	2021–22 (based on 2019–20 expenditure data)	2022–23 (based on 2020–21 expenditure data)	2023–24 (based on 2021–22 expenditure data)
10	61994	D	Alvina Elementary	3.41%	3.42%	2.66%	1.63%	6.99%
10	62026	D	Big Creek Elementary	7.99%	9.27%	9.82%	12.61%	6.51%
10	62042	D	Burrel Union Elementary	5.48%	5.86%	5.73%	5.87%	4.51%
10	75598	D	Caruthers Unified	6.11%	6.81%	6.84%	7.37%	6.77%
10	73965	D	Central Unified	3.72%	5.79%	6.25%	5.69%	5.60%
10	40816	J	Central Valley Pre-School JPA	0.00%	0.00%	0.00%	0.00%	0.00%
10	40980	J	Central Valley Support Svcs. JPA	0.00%	0.00%	0.00%	0.00%	0.00%
10	62109	D	Clay Joint Elementary	3.27%	3.74%	4.48%	3.48%	3.82%
10	62117	D	Clovis Unified	4.97%	4.89%	4.78%	4.82%	4.15%
10	62125	D	Coalinga-Huron Joint Unified	7.91%	7.27%	8.66%	6.96%	6.29%
10	73809	D	Firebaugh-Las Deltas Joint Unified	6.94%	4.44%	6.41%	7.41%	5.98%
10	62158	D	Fowler Unified	4.56%	4.83%	5.29%	9.45%	9.09%
10	10108	C	Fresno County Superintendent	12.62%	8.18%	11.09%	9.48%	7.91%
10	62166	D	Fresno Unified	3.91%	4.02%	4.25%	3.26%	3.08%
10	75234	D	Golden Plains Unified	4.70%	6.52%	9.72%	7.42%	6.65%
10	73999	D	Kerman Unified	6.34%	6.75%	7.70%	9.06%	10.86%
10	62265	D	Kings Canyon Joint Unified	4.05%	5.32%	5.01%	4.41%	5.25%
10	62240	D	Kingsburg Elementary Charter	4.54%	9.84%	12.73%	8.31%	7.61%
10	62257	D	Kingsburg Joint Union High	2.38%	3.81%	4.00%	2.76%	4.53%
10	62281	D	Laton Joint Unified	8.96%	6.81%	2.05%	4.26%	7.85%
10	75127	D	Mendota Unified	3.63%	6.65%	7.87%	4.79%	5.47%
10	62323	D	Monroe Elementary	3.20%	6.06%	1.46%	2.78%	4.45%
10	62331	D	Orange Center Elementary	4.79%	5.50%	5.68%	5.34%	8.61%
10	62356	D	Pacific Union Elementary	3.06%	3.61%	3.78%	3.69%	3.60%
10	62364	D	Parlier Unified	5.62%	6.61%	5.23%	4.48%	3.85%
10	62372	D	Pine Ridge Elementary	5.78%	8.52%	7.05%	8.90%	6.01%
10	62380	D	Raisin City Elementary	4.50%	2.14%	5.73%	10.06%	5.73%
10	75408	D	Riverdale Joint Unified	4.24%	3.72%	4.14%	4.46%	4.02%
10	62414	D	Sanger Unified	2.90%	4.41%	7.08%	5.35%	3.92%
10	62430	D	Selma Unified	5.67%	5.44%	5.91%	0.95%	6.34%
10	75275	D	Sierra Unified	6.04%	7.01%	7.35%	6.48%	7.01%
10	40972	J	South County Support Services Agency	0.00%	0.00%	0.00%	0.00%	0.00%
10	40535	J	Southwest Transportation Agency	0.00%	0.00%	0.00%	0.00%	0.00%
10	40543	J	Valley ROP JPA	7.28%	9.89%	0.00%	7.34%	8.53%
10	62513	D	Washington Colony Elementary	5.28%	5.88%	6.72%	6.68%	5.53%
10	76778	D	Washington Unified	7.24%	6.32%	7.13%	7.99%	6.94%
10	62539	D	West Park Elementary	3.87%	3.15%	2.83%	3.76%	9.08%
10	62547	D	Westside Elementary	7.22%	8.72%	10.20%	4.99%	5.01%

# FCSS YEAR-END CLOSING MANUAL

## ADULT EDUCATION FUND – 1100 and CAFETERIA FUND - 1300

Adult Education and Cafeteria Funds are also allowed to be charged indirect costs. Make sure to use the applicable indirect cost rate for each Fund and Resource when completing the calculation. After the proper calculations are made, you will need to complete a journal entry to set up a Due to Other Fund, General Fund from the Cafeteria Fund/Adult Education Fund. Then complete and submit a transfer request to move funds.

For Adult Education resources, use the [SACS Query](#) for rate.

### SACS Query

#### PCA/Resource Detail

SACS Resource Code:	6391
SACS Title:	Adult Education Program
Friendly Title:	Adult Education Program
SACS Revenue Object Code:	8590
PCA Number:	25313
PCA Title:	REIMB ADULT EDUCATION PROGRAM LA GF
CFDA Number:	NA
Unearned Revenue/Ending Fund Balance:	F
Allowable Indirect Cost Rate	5% or LEA Approved Rate, whichever is smaller
Program Unit:	Adult Education Office

For Food Services resources, go to [Indirect Cost Rates \(ICR\)](#), then select Statewide Average Rates for Use with Food Service Programs.

### Indirect Cost Rates (ICR)

Lists of department-approved rates for local educational agencies, frequently asked questions (FAQs), and letters.

#### Frequently Asked Questions (FAQs)

[FAQs on indirect costs/rates](#) (Revised 13-Apr-2022)

#### School District, County Office, and Joint Pow

[Letter to Chief Business Officials](#)

[2019–20 to 2023–24 Indirect Cost Rates](#) (XLSX; Updated 10-May-

#### Charter School Rates

[2023–24 Charter School Rates](#) (XLSX; Posted 06-Apr-2023)

[2022–23 Charter School Rates](#) (XLSX; Posted 13-Apr-2022)

[2021–22 Charter School Rates](#) (XLSX; Posted 16-Apr-2021)

[2020–21 Charter School Rates](#) (XLSX; Posted 08-Apr-2020)

[2019–20 Charter School Rates](#) (XLSX; Posted 02-Apr-2019)

2022–23

For food service programs for fiscal year 2022–23, districts are limited to the **lesser of:**

- Their CDE approved indirect cost rate (approved April 2022, based on 2020–21 data

or

- 5.35%

#### Statewide Average Rates for Use with Food Service Programs

[2019–20 through 2023–24 California Statewide Average Indirect Cost Rates](#) (Posted 06-Apr-2023)

## FCSS YEAR-END CLOSING MANUAL

JOURNAL ENTRY - CLOSING YEAR						
	FUND	RESOURCE	GOAL	FUNCTION	OBJECT	AMOUNT
DEBIT	0100	XXXXX	0000	0000	931000	\$ 10,000
CREDIT	0100	XXXXX	0000	7210	735000	\$ 10,000
DEBIT	1300	53100	0000	7210	735000	\$ 10,000
CREDIT	1300	53100	0000	0000	961000	\$ 10,000

INTER-FUND TRANSFER REQUEST						
	FUND	RESOURCE	GOAL	FUNCTION	OBJECT	AMOUNT
FROM (DEBIT)	1300	53100	0000	0000	961000	\$ 10,000
TO (CREDIT)	0100	00000	0000	0000	931000	\$ 10,000

### TWO TYPES OF INDIRECT COSTS

#### INTRA-FUND INDIRECT COSTS

**CSAM:** Record transfers within a fund of indirect costs, as described above. This account must net to zero by function at the fund level.

When indirect costs are charged to a resource within the same fund, use **object 731000 and function 7210**. The resource receiving the service is charged, a debit entry and the resource providing the service is credited. The total of all 731000 must net to zero.

#### INTER-FUND INDIRECT COSTS

**CSAM:** Record transfers between funds of indirect costs, as described above. This account will reflect a balance at the fund level for the amount of between funds costs; the total between funds debit and credit transactions must net to zero by the object.

When indirect costs are charged to a resource within the Child Nutrition, Child Development, or Adult Education funds, use **object 735000 and function 7210**. The resource receiving the service is charged, a debit entry and the resource providing the service is credited. The **total of all objects 735000 must net to zero**.



# FCSS YEAR-END CLOSING MANUAL

## PROCEDURE FOR CLOSING CATEGORICAL RESOURCES

**STEP 1:** After June 30<sup>th</sup>, the Everest system defaults to the current year. Be sure that you have logged into the ***closing fiscal year*** before running the needed reports to complete this task.

**STEP 2:** After posting indirect costs and any necessary contributions run new budget reports from 07/01/20XX through 06/30/20XX by Resource for each categorical resource.





# FCSS YEAR-END CLOSING MANUAL

## PROCEDURE FOR CLOSING CATEGORICAL RESOURCES – continued

**STEP 3:** Click on the Check Details All, and sort by Resource by clicking on the page break field.

**Report Criteria**

Date Range: 7/1/2020 thru 6/30/2021

Exclude accounts with zero Budget and no activity  
 All accounts  
 Accounts over budget only

Working  
 Revised  
 Approved  
 As Of Date

Restricted  
 Unrestricted  
 Both

**Check Details All**

Report comment: Requested by dellis

	Fund	Resource	PY	Goal	Function	Object	Department	Manager
<b>Page Breaks</b>	1	2						
Description On								
Detail On								
Account Selection		30100						

**Page Breaks:** You must double click on field cell in order to get the next available page break.  
**Acct Selection:** You can use the wildcard symbols ? and \* to stand for variable characters within the account code fields. The ? stands for a single character. The \* symbol stands for any number of characters.

Print Cover Page     Print Summary For Each Page Break     Print Summaries Only (No Details)

**Generate Report**    **Exit**    **Clear Grid**

**STEP 4:** When reviewing the budget report, focus on the Actuals column of the budget report. Confirm the Award Amount was budgeted correctly by consulting grant award notifications or the CDE website. You will need to know the Award Amount to be entered on the Form CAT.

		<b>Budget Detail Report</b>				Page 1 of 26 05/12/2021 11:13:02 PM	
Fiscal Year: 2021 Requested by dellis		From 07/01/2020 thru 06/30/2021					
Fund: 0100 General Fund		Resource: 30100 IASA-Title I Basic Grants L					
Detail On		Working	Actuals	Year To Date	%	Encumbered	Unencumbered
						Balance	%
\$29000	All Other Federal Revenues	5,295,109.00	1,381,686.00	1,381,686.00	26.09	0.00	3,913,423.00
Totals:			1,381,686.00	1,381,686.00	26.09	0.00	3,913,423.00
\$29090	All Other Federal Revenues - Carryover	1,054,021.00	1,054,021.00	1,054,021.00	100.00	0.00	0.00
Totals:		1,054,021.00	1,054,021.00	1,054,021.00	100.00	0.00	0.00
\$29091	All Other Federal Revenues - Deferred Revenue	494,250.13	494,250.13	494,250.13	100.00	0.00	0.00
Totals:		494,250.13	494,250.13	494,250.13	100.00	0.00	0.00
**** 8000 Totals		6,843,380.13	2,929,957.13	2,929,957.13	42.81	0.00	3,913,423.00
**** Total Income & Beginning Balance		\$6,843,380.13	\$2,929,957.13	\$2,929,957.13	42.81	\$0.00	\$3,913,423.00

# FCSS YEAR-END CLOSING MANUAL

## PROCEDURE FOR CLOSING CATEGORICAL RESOURCES – continued

**STEP 5:** Run General Ledger reports from 07/01/20XX through 06/30/20XX by Resource for object 8XXXXX to reconcile revenue received for the current fiscal year. Take note of any amounts posted in the **carryover** object(s) 829090 – Federal Categorical Resources, or 859090 – State Categorical Resources, and **unearned revenue** object(s) 829091 – Federal Categorical Resources or 859091 – State Categorical Resources. Confirm these amounts are correct by reviewing the prior year Form CAT and/or the audit report for any audit adjustments.



Fiscal Year: 2021		DETAILED GENERAL LEDGER				Page 1 of 3	
Requested by dellis		From 7/1/2020 thru 6/30/2021				05/12/2021	
Fund: 0100 General Fund		Resource: 30100 IASA-Title I Basic Gr				11:31:32 PM	
Date	Reference	Vend#	Description	Doc#	Debit	Credit	
<b>829000 All Other Federal Revenues</b>							
10/23/20	TF-210640		JV #467 19-20 5TH APPRT FOR T			788,480.00	
11/02/20	JE-210210		TF-210640 JV 467 1920 5TH AP		788,480.00		
12/11/20	TF-210874		JV #0634 19-20 6TH APPRT TIT			265,541.00	
12/11/20	TF-210875		JV #0635 20-21 1ST APPRT TIT			578,392.00	
12/31/20	JE-210290		TF-210874 JV #0634 19-20 6TH		265,541.00		
04/13/21	TF-211577		JV #1157 20-21 3RD APPRT TTL			803,294.00	
Total Activity					1,054,021.00	2,435,707.00	
Ending Balance					0.00	1,381,686.00	
<b>829090 All Other Federal Revenues - Carryover</b>							
11/02/20	JE-210210		TF-210640 JV 467 1920 5TH AP			788,480.00	
12/31/20	JE-210290		TF-210874 JV #0634 19-20 6TH			265,541.00	
Total Activity					0.00	1,054,021.00	
Ending Balance					0.00	1,054,021.00	
<b>829091 All Other Federal Revenues - Deferred Revenue</b>							
07/01/20	JE-210032		REVERSE 19/20 DEFERRED REVEN			494,250.13	
Total Activity					0.00	494,250.13	
Ending Balance					0.00	494,250.13	
<b>869900 All Other Local Revenues</b>							
07/24/20	PO-2006121	3055	Cancel Warrant #512297035	512297035			231.39
10/08/20	FV-2000121	12545	Cancel Warrant #512282330	512282330			17.75
11/02/20	JE-210210		PO2006121 CANCELED WARRANT 5			231.39	
11/02/20	JE-210210		FV 200121 CANCELED WARRANT 5			17.75	
Total Activity					249.14	249.14	
Ending Balance					0.00	0.00	

# FCSS YEAR-END CLOSING MANUAL

## PREPARING FORM CAT – SACS SOFTWARE

In addition to the Budget Report and General Ledgers, you will need to gather the following documentation to complete the Form CAT.

- Prior Year Form CAT
- Prior Year Annual Audit Report
- Award Letters and Grant documents for the fiscal year being closed.

Enter figures on the Form CAT for the Award, Revenues, and Expenditures sections. The Form CAT will perform the calculations and determine if there is a need to record unearned revenue, carryover, or accounts receivable based on the information entered by the user. If unearned revenue is booked (13a), reduce the amount from carryover (15) to properly book the carryover amount/ 8\*9090 is in the current fiscal year. Form CAT does not do this calculation. A manual entry in the new fiscal year to reflect carryover is required.

The Form CAT is a tool and requires you to review the results to ensure accuracy before entering the journal entries or creating an accounts receivable.

### SAMPLE: FORM CAT – SCHEDULE OF CATEGORICAL

Federal Program Name	Title I	Coronavirus Relief Fund (CRF): Learning Loss Mitigation
Federal Category Number (if any)	84.010	21.019
Resource Code	3010	3220
Revenue Object	8290	8290
Local Description (if any)		
<b>AWARD</b>		
1) Prior Year Carryover		
2) a. Current Year Award		
b. Transferability (ESSA)		
c. Other Adjustments		
d. Adj Curr Yr Award (sum lines 2a, 2b and 2c)	-	-
3) Required Matching Funds/Other		
4) Total Available Award (sum lines 1, 2d, & 3)	-	-
<b>REVENUES</b>		
5) Unearned Revenue Deferred From Prior Year		
6) Cash Received in Current Year		
7) Contributed Matching Funds		
8) Total Available (sum lines 5, 6, & 7)	-	-
<b>EXPENDITURES</b>		
9) Donor-Authorized Expenditures		
10) Non Donor-Authorized Expenditures		
11) Total Expenditures (lines 9 & 10)	-	-
12) Amounts Included in Line 6 above for Prior Year Adjustments		
13) Calculation of Unearned Revenue or A/P, & A/R amounts (line 8 minus line 9 plus line 12)	-	-
13a) Unearned Revenue	-	-
13b) Accounts Payable		
13c) Accounts Receivable	-	-
14) Unused Grant Award Calculation (line 4 minus line 9)	-	-
15) If Carryover is allowed, enter line 14 amt here	-	-
16) Reconciliation of Revenue (line 5 plus line 6 minus line 13a minus line 13b plus line 13c)	-	-

**SEE APPENDICES – SAMPLE ON HOW TO COMPLETE A FORM CAT [Link to page 187](#)**

# FCSS YEAR-END CLOSING MANUAL

## FEDERAL INTEREST QUARTERLY REPORT

LEAs are required to report and remit interest earned on Federal Resources at least quarterly. As of January 1, 2015, LEAs are entitled to keep up to \$500 of interest per fiscal year (in total for all federal programs).

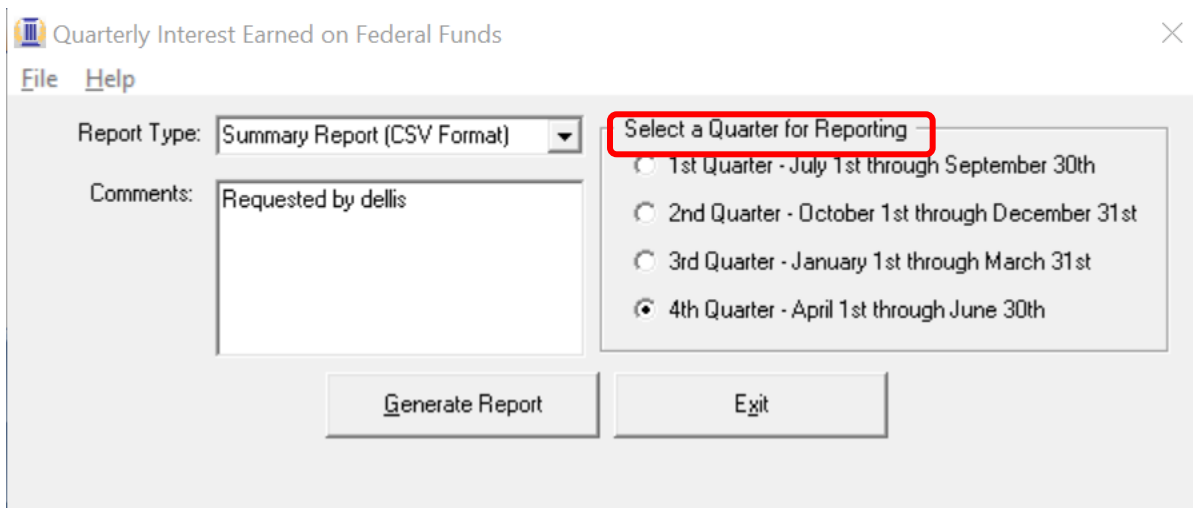
The Everest system has applications that can generate reports quarterly to determine the amount of the Accounts Payable warrant to be processed to return the excess interest to the CDE.

**STEP 1:** Click on Quarterly Interest Earned on Federal Funds



**STEP 2:** Choose the desired quarter to report

**STEP 3:** Click on generate report



Interest revenue is posted in resource 00000 therefore payments should be made from resource 00000.

# **OTHER CATEGORICALS**

# FCSS YEAR-END CLOSING MANUAL

## SPECIAL EDUCATION

### BACKGROUND

The Special Education Maintenance of Effort (MOE) reports are used to determine if a local educational agency (LEA) met the maintenance of effort required by the federal Individuals with Disabilities Education Act (IDEA). In summary, an LEA may not reduce the amount of local, or state and local, funds that it spends for the education of children with disabilities below the amount it spent for the preceding fiscal year. There are two components to the LEA MOE requirement – the eligibility standard and compliance standard.

The eligibility standard requires that, except in a specific situation, to find an LEA eligible for IDEA Part B funds for the upcoming fiscal year, the LEA should have budgeted for the education of children with disabilities at least the same amount of local, or state and local funds, as it actually spent for the education of children with disabilities during the most recent year for which information is available. *(34 Code of Federal Regulations Section 300.203(a)).*

The compliance standard requires that, except in specified situations, an LEA should not reduce the level of expenditures for the education of children with disabilities made from local, or state and local funds below the level of those expenditures from the same source for the preceding fiscal year *(34 Code of Federal Regulations Section 300.303(B)).*

The federal Subsequent Years rule requires that the level of effort an LEA must meet in the year after it fails to maintain effort is the level of effort that would have been required in the absence of that failure and not the LEA's actual reduced level of expenditures in the year in which it failed to maintain effort *(34 Code of Federal Regulations Section 300.203(c)).*

To simplify, the Subsequent Years rule requires an LEA to spend at the same level, or more the amount of local, or state and local, funds in the current year as it did in the last year the LEA met MOE.

### SOFTWARE

The CDE SACS Web software contains the following forms for use with Special Education reporting. According to the following table, some data will be extracted while other information will require manual entry. (See table for specifics) For the most accurate special ed pupil count, refer to the LEA's most recent fiscal summary sheet prepared by the Fresno County SELPA. The summary can be accessed through District Financial Services (DFS) portal.

**IMPORTANT: Before the Special Education current year expenditures can be completed, the PCR and PCRAF forms must be completed and saved. This will bring allocated expenses forward into the MOE form based on the factors used in the PCRAF and will increase the Special Education costs.**

# FCSS YEAR-END CLOSING MANUAL

## SPECIAL EDUCATION – continued

### SACS 2022-23

## Completing the 2022-23 SEMA and 2023-24 SEMB Reports General Instructions

### Purpose of the Report

The Special Education Maintenance of Effort (MOE) is a federally required report that tests if the local educational agency (LEA) has spent at least the same amount or more for special education and related services in State and local, or local only, in the **test year** as it did in the **comparison year**, with exceptions. The comparison year, also known as the subsequent year, is the year in which the LEA last met MOE in that test. LEAs may meet this requirement using at least one of four tests:

- a. State and Local Total
- b. State and Local Per Capita
- c. Local Only Total
- d. Local Only Per Capita

Also, LEAs may use qualifying exempt reductions to reduce the level of State and local, or local only, expenditures that must be met. Learn more about MOE [here](#).

The reports are called SEMA and SEMB. The following are general instructions to help you complete the SEMA and SEMB reports in the new SACS Web System for 2022-23. Both are some of the last reports to be completed before submitting the dat file to District Financial Services.

### Before you begin

1. Obtain the following documents from the Fresno County SELPA:
  - a. “2022-23 SEMA Data”
  - b. “LEA Exempt Reduction Worksheet”
2. **Confirm that the Program Cost Report has been completed, or the expenditures will be understated.**
3. Do you have a Charter that is part of the District, as the Authorizing LEA, for Special Education purposes, and whose data to CDE in SACS is separate from the Authorizer? If yes, collect the special education expenditure data by SACS Resource and Major Object from the Charter.
4. LEAs may use qualifying exempt reductions in order to reduce the level of State and local, or local only, expenditures that must be met. If the LEA has such qualifying exemptions, complete the appropriate sections of the “LEA Exempt Reduction Worksheet.” Note that all exemptions must be supported with documentation to justify the reduction in expenditures. See an example [here](#).

# FCSS YEAR-END CLOSING MANUAL

## Select the Fresno County SELPA

1. In SACS, select “Forms,” and “Supplementals,” located at the top.
2. Select SEAS – Special Education Revenue Allocations Setup (SELPA Selection). 3. Enter “BE” in the box beside “Selected SELPA.”

## Generate the SEMA Report

1. Select “Reports,” then “SEMA Special Education MOE – Actual vs. Actual Comparison” report.
2. There are four tabs, but only three are used: “LEA Exps CY,” “LEA Exps PY,” and “LEA MOE Calc.”
3. Select the “LEA Exps CY” Tab.
  - a. Using the “2022-23 SEMA Data” form, find the LEA’s 2022-23 Pupil Count and enter it in the upper right corner of the screen.
  - b. Enter any Adjustments in the Adjustment column such as charter school expenditures in which the charter is considered a school under the LEA for special education purposes, and whose data to CDE in SACS is separate from the LEA’s.
4. Select the “LEA Exps PY” Tab.
  - a. Using the “2022-23 SEMA Data” form, find the LEA’s 2021-22 Expenditures and enter them on Line 1 for both “A. State and local” and “B. Local Only,” as appropriate.
  - b. Enter any adjustments or restatements in Rows 2, 3 and/or 4, if any.
  - c. Using the “2022-23 SEMA Data” form, find the 2021-22 Pupil Count; enter in Line C-1.
  - d. Enter any adjustments in Line C-2.
5. Select the “LEA MOE Calc” Tab.
  - a. Go to SECTION 1.
    - i. Did the LEA have any exempt reductions? If so, complete CDE’s “LEA MOE Exempt Worksheet.”
    - ii. Apply those reductions in the Worksheet in either the “State and Local” or the “Local Only” column in this section, as appropriate.
  - b. Go to SECTION 2.
    - i. Up to 50% of the increase in IDEA Part B Section 611 funding in the current year compared with the prior year may be used to reduce the required level of state and local expenditures.
    - ii. The option is available only if the LEA used or will use the free up funds for activities authorized under the Elementary and Secondary Education Act (ESEA) of 1965.



## FCSS YEAR-END CLOSING MANUAL

- c. Go to SECTION 3. There are two areas in this section: Area A is titled “COMBINED STATE AND LOCAL EXPENDITURES METHOD.” The top area is numbered 1, and is focused on the State and Local Total test. The bottom area is numbered 2 and is focused on the State and Local Per Capita test. Area B is titled “LOCAL EXPENDITURES ONLY METHOD.” The top area is numbered 1 and is focused on the Local Only Total test. The bottom area is numbered 2 and is focused on the Local Only Per Capita test.
- d. **SEMA Report: Section 3-A-1** – Instructions for the State and Local Total test:
- i. Under Column B, do the following:
    1. Using the “2022-23 SEMA Data,” find your LEA’s State and Local Total Comparison Year, which is the fiscal year that your LEA last passed this test. Enter the year in the box toward the top and under the words “Comparison Year” (i.e., 2016-17).
    2. Using the “2022-23 SEMA Data,” find the comparison year’s “State and Local Total Expenditure Amount.” Enter it on the line titled, “Expenditures paid from state and local sources.”
    3. Enter the comparison year’s adjustments and/or restatements, or 0 if none. Remember to use a negative sign (-) or parenthesis to indicate a negative amount.
- e. **SEMA Report: Section 3-A-2** – Instructions for the State and Local Per Capita test:
- i. Under Column B, do the following:
    1. Using the “2022-23 SEMA Data,” find your LEA’s State and Local Per Capita Comparison Year, which is the fiscal year that your LEA last passed this test. Enter the year in the box toward the top and under the words “Comparison Year” (i.e., 2011-12).
    2. Using the “2022-23 SEMA Data,” find the comparison year’s “State and Local Total Expenditures Amount.” Enter it on the line titled, “Expenditures paid from state and local sources.”
    3. Enter the comparison year’s adjustments and/or restatements, or 0 if none. Remember to use a negative sign (-) or parenthesis to indicate a negative amount.
    4. Using the “2022-23 SEMA Data,” find the comparison year’s Pupil Count. Enter it on the line titled, “Special education unduplicated pupil count.”
- f. **SEMA Report: Section 3-B-1** – Instructions for the Local Only Total test:
- i. Under Column B, do the following:

## FCSS YEAR-END CLOSING MANUAL

1. Using the “2022-23 SEMA Data,” find your LEA’s Local Only Total Comparison Year, which is the fiscal year that your LEA last passed this test. Enter it in the boxes toward the top and under the words “Comparison Year” (i.e., 2012-13).
  2. Using the “2022-23 SEMA Data,” find the comparison year’s “Local Only Total Amount.” Enter it on the line titled, “Expenditures paid from local only sources.”
  3. Enter the comparison year’s adjustments or restatements, if any. If none, enter 0.
- g. **SEMA Report: Section 3-B-2** – Instructions for the Local Only Per Capita test:
- i. Under Column B, do the following:
    1. Using the “2022-23 SEMA Data,” find your LEA’s Local Only Per Capita Comparison Year, which is the fiscal year that your LEA last passed this test. Enter it on the box toward top and under the words “Comparison Year” (i.e., 2015-16).
    2. Using the “2022-23 SEMA Data,” find the comparison year’s “Local Only Total Amount.” Enter it on the line titled, “Expenditures paid from local only sources.”
    3. Enter the comparison year’s adjustments or restatements, if any. If none, enter 0.
    4. Using the “2022-23 SEMA Data,” find the comparison year’s Pupil Count. Enter it on the line title, “Special education unduplicated pupil count.”
  - h. Review the “LEA MOE Calc” form for accuracy.
  - i. If MOE has not been demonstrated (a positive number in Column C) in any of the 4 tests, please contact the Fresno County SELPA for assistance.
  - j. If MOE has been demonstrated, do the following:
    - i. Consider an attempt to meet any of the 4 tests that were not met, using any of Section 1 and/or Section 2 allowable reductions.
      1. Such an attempt may help the LEA meet MOE in future years, as it lowers the threshold for that test.
      2. If you have any qualifying exemptions, complete the appropriate sections of the “LEA Exempt Reduction Worksheet” and print. Note that all exemptions must be supported with documentation to justify the reduction in expenditures.
    - ii. Enter the Contact Name, Telephone Number, Title, and E-mail Address.
  - k. Select “Save” located at the bottom right.

# FCSS YEAR-END CLOSING MANUAL

1. Going forward, use the “LEA MOE Calc” and the “LEA Exps CY” documents to complete the SEMB form next. You may want to print the pages on this tab.

## Generate the SEMB Report

1. **Note: The SEMA report must be completed before completing the SEMB report. Have a copy of the SEMA report available for reference.**
2. Select the SEMB report.
3. There are four Tabs, but only three are used: “LEA Budget,” “LEA Exps,” and “LEA MOE Calc.”
4. Select the “LEA Budget” Tab.
  - a. Enter the 2023-24 Pupil Count in the upper right corner of the report. This is the estimate.
  - b. Enter any Adjustments in the Adjustment column (i.e., Charter School budget.)
5. Select the “LEA Exps” Tab.
  - a. Enter the 2022-23 Pupil Count in the upper right corner of this report as well.
  - b. Enter any Adjustments in the Adjustment column (i.e., Charter School budget.)
6. Select the “LEA MOE Calc” Tab.
  - a. Go to SECTION 1
    - i. Will the LEA have any exempt reductions? If so, complete CDE’s “LEA MOE Exempt Worksheet.” ii. Apply those reductions in the Worksheet in either the “State and Local” or the “Local Only” column in this section, as appropriate.
  - b. Skip SECTION 2.
    - i. Up to 50% of the increase in IDEA Part B Section 611 funding in the budget year compared with the prior year may be used to reduce the required level of state and local expenditures.
    - ii. The option is available only if the LEA used or will use the free up funds for activities authorized under the Elementary and Secondary Education Act (ESEA) of 1965.
  - c. Go to SECTION 3. There are two areas in this section: Area A is titled “COMBINED STATE AND LOCAL EXPENDITURES METHOD.” The top area is numbered 1, and is focused on the State and Local Total test. The bottom area is numbered 2 and is focused on the State and Local Per Capita test. Area B is titled “LOCAL EXPENDITURES ONLY METHOD.” The top area is numbered 1 and is focused on the Local Only Total test. The bottom area is numbered 2 and is focused on the Local Only Per Capita test.
  - d. **SEMB Report: Section 3-A-1** – Instructions for the State and Local Total test:

## FCSS YEAR-END CLOSING MANUAL

- i. **Using the 2022-23 SEMA Report**, determine if this same test in SEMA has a positive amount in Column C.
  1. If it does have a positive amount, do the following:
    - a. Enter “2022-23” under SEMB’s Column B in the box toward the top and under the words “Comparison Year”.
    - b. Using the “LEA Exps CY” document, find the STATE AND LOCAL EXPENDITURES total costs. *Note the PCRA amount*; you can find the amount a few lines above the total cost.
    - c. Going back to SEMB’s Column B, enter the comparison year’s adjustments, restatements, and/or PCRA amounts, or 0 if none. Remember to use a negative sign (-) or parenthesis to indicate a negative amount.
  2. If it has a negative amount, do the following:
    - a. Using the “2022-23 SEMA Data” report, find the State and Local Total Comparison Year under Report: Section 3-A-1. Enter it under Column B of the SEMB report (i.e., 2015-16).
    - b. Enter the Comparison Year’s State and Local Total Expenditures Amount under Column B on the line titled “Expenditures paid from state and local sources.”
    - c. Enter the comparison year’s adjustments, restatements, and/or PCRA amounts, or 0 if none. Remember to use a negative sign (-) or parenthesis to indicate a negative amount.
- e. **SEMB Report: Section 3-A-2** – Instructions for the State and Local Per Capita test:
  - i. **Using the 2022-23 SEMA Report**, determine if this same test in SEMA has a positive amount in Column C.
    1. If it does have a positive amount, do the following:
      - a. Enter “2022-23” under SEMB’s Column B in the box toward the top and under the words “Comparison Year”.
      - b. Using the “LEA Exps CY” document, find the STATE AND LOCAL EXPENDITURES total costs. *Note the PCRA amount*; you can find the amount a few lines above the total cost.
      - c. Enter the comparison year’s adjustments, restatements, and/or PCRA amounts, or 0 if none. Remember to use a negative sign (-) or parenthesis to indicate a negative amount.
      - d. Enter the 2022-23 pupil count on the line titled “Special education unduplicated pupil count.”
    2. If it has a negative amount, do the following:
      - a. Using the “2022-23 SEMA Data” report, find the State and Local Per Capita Comparison Year under Report: Section 3-A-2. Enter the year in the box toward the top and under the words “Comparison Year” (i.e., 2011-12). Find the comparison year’s State and Local Total Expenditures Amount. Enter the total

## FCSS YEAR-END CLOSING MANUAL

- under Column B on the line titled “Expenditures paid from state and local sources.”
- b. Enter the comparison year’s adjustments, restatements, and/or PCRA amounts, if any. Remember to use a negative sign (-) or parenthesis to indicate a negative amount.
  - c. Enter the Comparison Year’s pupil count on the line titled, “Special education unduplicated pupil count.”
- f. **SEMB Report: Section 3-B-1** – Instructions for the Local Only Total test:
- i. **Using the 2022-23 SEMA Report**, determine if this same test in SEMA has a positive amount in Column C.
    - 1.If it does have a positive amount, do the following:
      - a. Enter “2022-23” under SEMB’s Column B in the box toward the top and under the words “Comparison Year”.
      - b. Using the “LEA Exps” tab, enter the local expenditures total costs onto the “LEA MOE Calc” Column B on the line titled “Expenditures paid from local sources.”
      - c. Enter any adjustments or restatements, or 0 if none. PCRA is not applied to this section.
    - 2.If it has a negative amount, do the following:
      - a. Using the “2022-23 SEMA Data” report, find the Local Only Total Comparison Year under Report: Section 3-B-1. Enter it under Column B of the SEMB report (i.e., 2015-16).
      - b. Enter the Comparison Year’s Local Only total Amount under Column B on the line titled “Expenditures paid from local sources.”
      - c. Enter any adjustments or restatements. If none, enter 0. PCRA is not applied to this section.
- g. **SEMB Report: Section 3-B-2** – Instructions for the Local Only Per Capita test:
- i. **Using the 2022-23 SEMA Report**, determine if this same test in SEMA has a positive amount in Column C.
    - 1.If it does have a positive amount, do the following:
      - a. Enter “2022-23” under SEMB’s Column B in the box toward the top and under the words “Comparison Year”.
      - b. Using the “LEA Exps” tab, enter the local expenditures total costs onto the “LEA MOE Calc” Column B on the line titled “Expenditures paid from local sources.”
      - c. Enter any adjustments or restatements. If none, enter 0. PCRA is not applied to this section.
      - d. Enter the 2022-23 pupil count on the line titled “Special education unduplicated pupil count.”
    - 2.If it has a negative amount, do the following:
      - a. Using the “2022-23 SEMA Data” report, find the Local Only Per Capita Comparison Year under Report: Section 3-B-2. Enter it under Column B of the SEMB report (i.e., 2015-16).

## FCSS YEAR-END CLOSING MANUAL

- b. Enter the Comparison Year's Local Only total Amount under Column B on the line titled "Expenditures paid from local sources."
  - c. Enter any adjustments or restatements. If none, enter 0. PCRA is not applied to this section.
  - d. Enter the Comparison Year's pupil count on the line titled, "Special education unduplicated pupil count."
- h. Review the "LEA MOE Calc" form for accuracy.
- i. If MOE has not been demonstrated (a positive number in Column C) in any of the 4 tests, please contact Eddie Davidson at the Fresno County SELPA at [edavidson@fcoe.org](mailto:edavidson@fcoe.org) or at 265-3047 for assistance.
- j. If MOE has been demonstrated, do the following:
- i. Consider an attempt to meet any of the 4 tests that were not met, using any of Section 1 and/or Section 2 allowable reductions.
    - 1. Such an attempt may help the LEA meet MOE in future years, as it lowers the threshold for that test.
    - 2. If you have any qualifying Section 1 exemptions, complete the appropriate sections of the "LEA Exempt Reduction Worksheet" and print. Note that all exemptions must be supported with documentation to justify the reduction in expenditures.
  - ii. Enter the Contact Name, Telephone Number, Title, and E-mail Address.
- k. Select "Save" located at the bottom right.

Guidance on how an LEA can submit the information electronically to the SELPA is forthcoming. The Fresno County SELPA will review both the SEMA and SEMB. After MOE is confirmed, the SELPA will update the Subsequent Year Tracking Worksheet and send it to you for signature.

# FCSS YEAR-END CLOSING MANUAL

## SAMPLE FROM SACS HELP

<u>Worksheet Name</u>	<u>Source of Figures</u>
<b>A. SEMA – Special Education MOE – 2020–21 Actual vs. Actual Comparison:</b>	
<b>LEA Worksheets:</b>	
1. 2020–21 Expenditures by LEA (LE-CY)	Expenditures extracted from general ledger data; unduplicated pupil count, as of October 7, 2020 manually entered.
2. 2019–20 Expenditures by LEA (LE-PY)	Manual entries, based on 2019-20 Report SEMA and SACS2021ALL data.
3. LEA Maintenance of Effort Calculation (LMC-A)	Section 1 and Section 2 data manually entered; Section 3 figures extracted from LE-CY worksheet, and manually entered.
<b>SELPA Worksheet:</b>	
4. 2020-21 Expenditures by SELPA (SE-CY)	Manual entries, posted from LE-CY worksheets of SELPA members.
<b>B. SEMB – Special Education MOE – 2021–22 Budget vs. Actual Comparison:</b>	
<b>LEA Worksheets:</b>	
1. 2021–22 Budget by LEA (LB-B)	Budget figures extracted from general ledger data; best estimate for October 2021 unduplicated pupil count manually entered.
2. 2020–21 Expenditures by LEA (LE-B)	Expenditures extracted from general ledger data; unduplicated pupil count, as of October 7, 2020 manually entered.
3. LEA Maintenance of Effort Calculation (LMC-B)	Section 1 and Section 2 data manually entered; Section 3 figures extracted from LB-B worksheet, and manually entered.
<b>SELPA Worksheet:</b>	
4. 2021–22 Budget by SELPA (SB-B)	Manual entries, posted from LB-B worksheets of SELPA members.

## MAINTENANCE OF EFFORT FORMS

Some points to consider when completing this form:

- Enter the accurate pupil count. This is provided by the Fresno County SELPA and can be found on the most recent Fiscal Summary Sheet. **Verify with the Fresno County SELPA Director, if necessary.**
- Enter the CALPADS Unduplicated Pupil Count (source Report 16.1) for each fiscal year on the appropriate sheets. Do not confuse it with the LCFF Unduplicated Pupil Count.
- Use the Current MOE Comparison Years Worksheet provided by the Fresno County SELPA to determine the last fiscal year MOE was met for each of the four tests.
- If needed, remember to take allowable exempt reductions, Section 1, resulting from those items listed in the section. Complete the LEA MOE Exception Worksheet, provided by the Fresno County SELPA. All exceptions must be supported with documentation to justify the reduction in expenditures.
- If all differences in Column C of Section 3-A are still negative, even after Section 1 is applied, use Section 3-B Local Expenditures Only method.
- Do not close the books until you have met MOE and the Excess Cost requirements.



# FCSS YEAR-END CLOSING MANUAL

## CURRENT MOE COMPARISON - SEMA (sample spreadsheet)

### Fresno County SELPA 2020-21 SEMAI Data

	"LEA Projected" Tab	"LEA Actual" Tab	"LEA MOE Calc" Tab															
			Report: Section 3-A-1				Report: Section 3-A-2				Report: Section 3-B-1				Report: Section 3-B-2			
			State and Local Total Comparison Year	State and Local Total Expenditures Amount	State and Local Total PCRA Deduct	State and Local Per Capita Comparison Year	State and Local Total Expenditures Amount	State and Local Per Capita PCRA Deduct	Pupil Count	Local Only Total Comparison Year	Local Only Total Amount	Local Only Per Capita Comparison Year	Local Only Total Amount	Pupil Count				
2020-21 Pupil Count (Unofficial)	2019-20 Pupil Count																	
Alvina Elementary	21	18	2019-2020	174,992.92	62,628.08	2016-2017	155,269.19	58,992.18	9	2012-2013	56,894.88	2016-2017	52,444.38	9				
Big Creek Elementary	9	7	2019-2020	117,417.64	75,745.12	2012-2013	101,909.48	64,207.84	3	2019-2020	27,728.52	2019-2020	27,728.52	7				
Burrell Union Elementary	17	13	2019-2020	77,632.04	-	2016-2017	66,046.70	-	8	2019-2020	40,529.54	2016-2017	39,051.40	8				
Caruthers Unified	134	148	2019-2020	1,740,436.67	382,319.24	2019-2020	1,740,436.67	382,319.24	148	2018-2019	876,556.95	2018-2019	876,556.95	142				
Central Unified	1,661	1,574	2019-2020	23,763,819.30	1,992,318.23	2019-2020	23,763,819.30	1,992,318.23	1,574	2019-2020	15,061,298.13	2019-2020	15,061,298.13	1,574				
Clay Joint Elementary	14	14	2019-2020	159,537.17	65,487.79	2015-2016	111,703.10	38,932.12	6	2017-2018	43,452.54	2015-2016	28,779.98	6				
Coalinga Union Unified	482	477	2019-2020	6,991,595.83	859,365.21	2019-2020	6,991,595.83	859,365.21	477	2019-2020	4,041,956.20	2019-2020	4,041,956.20	477				
Firebaugh-Las Delgas Unified	267	222	2019-2020	2,196,816.08	1,201.37	2017-2018	2,100,283.26	2,370.88	192	2019-2020	1,472,358.51	2017-2018	1,449,117.23	192				
Fowler Unified	240	242	2019-2020	2,248,416.54	144,732.67	2019-2020	2,248,416.54	144,732.67	242	2018-2019	1,200,439.33	2018-2019	1,200,439.33	235				
Golden Plains Unified	166	149	2019-2020	1,916,894.95	133,374.07	2015-2016	1,430,300.91	598,839.36	104	2019-2020	1,217,155.93	2019-2020	1,217,155.93	149				
Kerman Unified	540	547	2019-2020	4,821,601.89	283,892.30	2019-2020	4,821,601.89	283,892.30	547	2019-2020	3,248,163.52	2019-2020	3,248,163.52	547				
Kings Canyon Joint Unified	813	843	2019-2020	13,876,590.84	1,239,011.32	2019-2020	13,876,590.84	1,239,011.32	843	2019-2020	4,288,593.72	2018-2019	4,075,954.79	756				
Kingsburg Elementary Charter	224	218	2016-2017	2,012,774.91	444,372.66	2019-2020	2,005,665.89	242,204.34	218	2018-2019	950,151.08	2019-2020	912,234.15	218				
Kingsburg Joint Union High	89	84	2019-2020	538,219.76	-	2019-2020	538,219.76	-	84	2018-2019	232,323.46	2019-2020	226,245.18	84				
Laton Joint Unified	98	94	2019-2020	503,861.95	-	2011-2012	291,213.85	37,416.86	54	2019-2020	322,650.58	2019-2020	322,650.58	94				
Mendota Unified	212	198	2019-2020	2,970,568.79	437,467.60	2019-2020	2,970,568.79	437,467.60	198	2019-2020	1,396,780.44	2019-2020	1,396,780.44	198				
Monroe Elementary	12	10	2017-2018	132,816.47	21,180.07	2015-2016	100,054.06	17,193.71	6	2019-2020	53,680.29	2015-2016	69,329.35	6				
Orange Center	39	48	2019-2020	357,136.68	84,454.41	2014-2015	171,056.67	61,850.27	19	2019-2020	159,598.53	2015-2016	83,517.33	22				
Pacific Union Elementary	37	31	2018-2019	398,914.27	148,724.79	2015-2016	241,663.88	84,382.37	15	2019-2020	145,666.65	2017-2018	138,377.31	27				
Parlier Unified	374	332	2019-2020	4,402,150.44	1,367,690.80	2019-2020	4,402,150.44	1,367,690.80	332	2019-2020	2,761,382.47	2019-2020	2,761,382.47	332				
Pine Ridge Elementary	10	8	2019-2020	198,621.65	66,071.99	2011-2012	75,851.38	55,380.65	2	2019-2020	84,529.66	2019-2020	84,529.66	8				
Raisin City Elementary	22	20	2018-2019	374,900.54	-	2019-2020	365,528.51	73,150.51	20	2018-2019	269,799.76	2018-2019	269,799.76	29				
Riverdale Joint Unified	147	144	2019-2020	1,751,885.36	202,785.02	2019-2020	1,751,885.36	202,785.02	144	2019-2020	1,175,655.34	2019-2020	1,175,655.34	144				
Sanger Unified	1,000	943	2019-2020	10,747,447.86	976,117.38	2019-2020	10,747,447.86	976,117.38	943	2019-2020	4,139,198.20	2019-2020	4,139,198.20	943				
Selma Unified	825	809	2018-2019	7,061,250.53	-	2018-2019	7,061,250.53	-	833	2018-2019	4,456,757.68	2019-2020	4,580,794.60	809				
Sierra Unified	177	178	2018-2019	1,995,839.07	383,006.28	2018-2019	1,995,839.07	383,006.28	173	2019-2020	1,087,214.65	2017-2018	1,077,003.23	174				
Washington Colony Elementary	38	39	2019-2020	541,345.99	131,413.90	2019-2020	541,345.99	131,413.90	39	2017-2018	269,652.16	2019-2020	250,814.21	39				
Washington Unified	357	312	2019-2020	2,373,330.67	863,922.01	2019-2020	2,373,330.67	863,922.01	312	2019-2020	874,536.80	2017-2018	831,992.59	293				
West Park Elementary	53	43	2019-2020	621,145.91	186,263.84	2019-2020	621,145.91	186,263.84	43	2019-2020	200,822.00	2019-2020	200,822.00	43				
Westside Elementary	20	23	2019-2020	353,321.20	90,275.32	2019-2020	353,321.20	90,275.32	23	2019-2020	191,465.55	2019-2020	191,465.55	23				
Fresno County Superintendent of Schools	726	726	2019-2020	35,673,233.30	-	2019-2020	35,673,233.30	-	726	2018-2019	4,360,078.49	2018-2019	4,360,078.49	770				



# FCSS YEAR-END CLOSING MANUAL

## SEMA – SPECIAL EDUCATION MOE – 2020-21 ACTUAL vs. ACTUAL COMPARISON

ENTER DECEMBER PUPIL COUNT

page 1

Fresno County		Unaudited Actuals Special Education Maintenance of Effort 2020-21 Actual vs. Actual Comparison Year 2020-21 Expenditures by LEA (LE-CY)							Report SEMA	
Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 Severely Disabled (Goal 5750)	Spec. Education, Ages 5-22 Nonseverely Disabled (Goal 5770)	Adjustments*	Total
UNDUPLICATED PUPIL COUNT										
551										
<b>TOTAL EXPENDITURES (Funds 01, 09, &amp; 62; resources 0000-9999)</b>										
1000-1999	Certificated Salaries	507,415.01	0.00	0.00	0.00	0.00	631,596.78	2,104,859.73		3,243,871.52
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	21,744.53	273,242.36	585,687.14		880,674.03
3000-3999	Employee Benefits	157,821.05	0.00	0.00	0.00	6,323.49	299,333.65	942,983.18		1,406,461.37
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	99.85	1,167.21		1,267.06
5000-5999	Services and Other Operating Expenditures	29,865.12	0.00	0.00	0.00	0.00	25,708.11	143,857.00		199,430.23
6000-6999	Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	<b>Total Direct Costs</b>	695,101.18	0.00	0.00	0.00	28,068.02	1,229,980.75	3,778,554.26	0.00	5,731,704.21
7310	Transfers of Indirect Costs	153,432.00	0.00	0.00	0.00	1,488.00	0.00	0.00		154,920.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
PCRA	Program Cost Report Allocations	283,892.30	0.00	0.00	0.00	0.00	0.00	0.00		283,892.30
	<b>Total Indirect Costs and PCR Allocations</b>	437,324.30	0.00	0.00	0.00	1,488.00	0.00	0.00	0.00	438,812.30
	<b>TOTAL COSTS</b>	1,132,425.48	0.00	0.00	0.00	29,556.02	1,229,980.75	3,778,554.26	0.00	6,170,516.51
<b>FEDERAL EXPENDITURES (Funds 01, 09, and 62; resources 3000-5999, except 3385)</b>										
1000-1999	Certificated Salaries	208,576.48	0.00	0.00	0.00	0.00	0.00	44,281.10		252,857.58
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	19,359.69	224,848.29	480,160.05		724,368.03
3000-3999	Employee Benefits	67,188.61	0.00	0.00	0.00	5,629.77	63,997.75	163,015.88		299,832.01
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	12,000.00		12,000.00
6000-6999	Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	<b>Total Direct Costs</b>	275,765.09	0.00	0.00	0.00	24,989.46	288,846.04	699,457.03	0.00	1,289,057.62
7310	Transfers of Indirect Costs	58,369.00	0.00	0.00	0.00	1,488.00	0.00	0.00		59,857.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	<b>Total Indirect Costs</b>	58,369.00	0.00	0.00	0.00	1,488.00	0.00	0.00	0.00	59,857.00
	<b>TOTAL BEFORE OBJECT 8980</b>	334,134.09	0.00	0.00	0.00	26,477.46	288,846.04	699,457.03	0.00	1,348,914.62
8980	Less: Contributions from Unrestricted Revenues to Federal Resources (Resources 3310-3400, except 3385, all goals; resources 3000-3178 & 3410-5810, goals 5000-5999)									0.00
	<b>TOTAL COSTS</b>									1,348,914.62

# FCSS YEAR-END CLOSING MANUAL

## CURRENT YEAR ACTUALS vs CLOSING YEAR ACTUALS, page 2

Fresno County		Unaudited Actuals Special Education Maintenance of Effort 2020-21 Actual vs. Actual Comparison Year 2020-21 Expenditures by LEA (LE-CY)							Report SEMA	
Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 Severely Disabled (Goal 5750)	Spec. Education, Ages 5-22 Nonseverely Disabled (Goal 5770)	Adjustments*	Total
<b>STATE AND LOCAL EXPENDITURES (Funds 01, 09, &amp; 62; resources 0000-2999, 3385, &amp; 6000-9999)</b>										
1000-1999	Certificated Salaries	298,838.53	0.00	0.00	0.00	0.00	631,596.78	2,060,578.63		2,991,013.94
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	2,384.84	48,394.07	105,527.09		156,306.00
3000-3999	Employee Benefits	90,632.44	0.00	0.00	0.00	693.72	235,335.90	779,967.30		1,106,629.36
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	99.85	1,167.21		1,267.06
5000-5999	Services and Other Operating Expenditures	29,865.12	0.00	0.00	0.00	0.00	25,708.11	131,857.00		187,430.23
6000-6999	Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	<b>Total Direct Costs</b>	<b>419,336.09</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,078.56</b>	<b>941,134.71</b>	<b>3,079,097.23</b>	<b>0.00</b>	<b>4,442,646.59</b>
7310	Transfers of Indirect Costs	95,063.00	0.00	0.00	0.00	0.00	0.00	0.00		95,063.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
PCRA	Program Cost Report Allocations	283,892.30	0.00	0.00	0.00	0.00	0.00	0.00		283,892.30
	<b>Total Indirect Costs and PCR Allocations</b>	<b>378,955.30</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>378,955.30</b>
	<b>TOTAL BEFORE OBJECT 8980</b>	<b>798,291.39</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,078.56</b>	<b>941,134.71</b>	<b>3,079,097.23</b>	<b>0.00</b>	<b>4,821,601.89</b>
8980	Contributions from Unrestricted Revenues to Federal Resources (from Federal Expenditures section)									0.00
	<b>TOTAL COSTS</b>									<b>4,821,601.89</b>
<b>LOCAL EXPENDITURES (Funds 01, 09, &amp; 62; resources 0000-1999 &amp; 8000-9999)</b>										
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	<b>Total Direct Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	<b>Total Indirect Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	<b>TOTAL BEFORE OBJECT 8980</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
8980	Contributions from Unrestricted Revenues to Federal Resources (from Federal Expenditures section)									0.00
8980	Contributions from Unrestricted Revenues to State Resources (Resources 3385, 6500, 6510, & 7240, all goals; resources 2000-2999 & 6010-7810, except 6500, 6510, & 7240, goals 5000-5999)									0.00
	<b>TOTAL COSTS</b>									<b>3,248,163.52</b>

\* Attach an additional sheet with explanations of any amounts

# FCSS YEAR-END CLOSING MANUAL

## ENTER FIGURES FROM PY SEMA REPORT

Fresno County	Unaudited Actuals Special Education Maintenance of Effort 2020-21 Actual vs. Actual Comparison Year 2019-20 Expenditures by LEA (LE-PY)	Report SEMA	
		A. State and Local	B. Local Only
<b>2019-20 Expenditures</b>			
1. Enter Total Costs amounts from the 2019-20 Report SEMA, 2019-20 Expenditures by LEA (LE-CY) worksheet, Total Column, for the State and Local Expenditures section and the Local Expenditures section			
2. Enter audit adjustments of 2019-20 special education expenditures from SACS20XXALL data, not included in Line 1 (explain below) (Funds 01, 09, and 62; resources 0000-2999 & 6000-9999; Object 9793)			
3. Enter restatements of 2020-21 special education beginning fund balances from SACS20XXALL data, not included in Line 1 (explain below) (Funds 01, 09, and 62; resources 0000-2999 & 6000-9999; Object 9795)			
4. Enter any other adjustments, not included in Line 1 (explain below)			
5. 2019-20 Expenditures, Adjusted for 2020-21 MOE Calculation (Sum lines 1 through 4)		0.00	0.00
<b>C. Unduplicated Pupil Count</b>			
1. Enter the unduplicated pupil count reported in 2019-20 Report SEMA, 2019-20 Expenditures by LEA (LE-CY) worksheet			
2. Enter any adjustments not included in Line C1 (explain below)			
3. 2019-20 Unduplicated Pupil Count, Adjusted for 2020-21 MOE Calculation (Line C1 plus Line C2)		0.00	

# FCSS YEAR-END CLOSING MANUAL

**From the Forms menu in SACS software choose SEAS-Special Education Revenue Allocations Setup (SELPA SELECTION). Enter code BE to Select Fresno County SELPA.**

Unaudited Actuals  
Special Education Maintenance of Effort  
2020-21 Actual vs. Actual Comparison Year  
LEA Maintenance of Effort Calculation (LMC-A) Report SEMA

Fresno County

SELPA: **Fresno County (BE)**

This form is used to check maintenance of effort (MOE) for an LEA, whether the LEA is a member of a SELPA or is a single-LEA SELPA. If a member of a SELPA, submit this form together with the 2020-21 Expenditures by LEA (LE-CY) and the 2019-20 Expenditures by LEA (LE-PY) to the SELPA AU. If a single-LEA SELPA, submit the forms to the CDE.

Per the federal Subsequent Years Rule, in order to determine the required level of effort, the LEA must look back to the last fiscal year in which the LEA maintained effort using the same method by which it is currently establishing the compliance standard. To meet the requirement of the Subsequent Years Rule, the LMC-A worksheet has been revised to make changes to sections 3.A.1, 3.A.2, 3.B.1, and 3.B.2. The revised sections allow the LEA to compare the 2019-20 expenditures to the most recent fiscal year the LEA met MOE using that method, which is the comparison year. To ensure the LEA is comparing 2019-20 expenditures to the appropriate comparison year, the LEA is required to complete the Subsequent Years Tracking (SYT) worksheet with their LMC-A worksheet. The SYT worksheet tracks the result for each of the four methods back to FY 2011-12, which is the baseline year for LEA MOE calculations established by the Office of Special Education Programs. The SYT worksheet is available at: <http://www.cde.ca.gov/sp/se/as/documents/subseqyrtrckwrksht.xls>.

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

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

## SECTION 1 Exempt Reduction Under 34 CFR Section 300.204

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

1. Voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel.
2. A decrease in the enrollment of children with disabilities.
3. The termination of the obligation of the agency to provide a program of special education to a particular child with a disability that is an exceptionally costly program, as determined by the SEA, because the child:
  - a. Has left the jurisdiction of the agency;
  - b. Has reached the age at which the obligation of the agency to provide free appropriate public education (FAPE) to the child has terminated; or
  - c. No longer needs the program of special education.
4. The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities.
5. The assumption of cost by the high cost fund operated by the SEA under 34 CFR Sec. 300.704(c).

Provide the condition number, if any, to be used in the calculation below:

State and Local

Local Only

# FCSS YEAR-END CLOSING MANUAL

Unaudited Actuals  
Special Education Maintenance of Effort  
2020-21 Actual vs. Actual Comparison Year  
LEA Maintenance of Effort Calculation (LMC-A)

Fresno County Report SEMA

**SELPA:** Fresno County (BE)

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

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

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

	State and Local	Local Only
Current year funding (IDEA Section 611 Local Assistance Grant Award - Resource 3310)		
Less: Prior year's funding (IDEA Section 611 Local Assistance Grant Awards - Resource 3310)		
Increase in funding (if difference is positive)	0.00	
Maximum available for MOE reduction (50% of increase in funding)	0.00 (a)	
Current year funding (IDEA Section 619 - Resource 3315)		
Maximum available for early intervening services (EIS) (15% of current year funding - Resources 3310 and 3315)	0.00 (b)	
<b>If (b) is greater than (a).</b>		
Enter portion to set aside for EIS (cannot exceed line (b), Maximum available for EIS)	(c)	
Available for MOE reduction. (line (a) minus line (c), zero if negative)	0.00 (d)	
Enter portion used to reduce MOE requirement (cannot exceed line (d), Available for MOE reduction).		
<b>If (b) is less than (a).</b>		
Enter portion used to reduce MOE requirement (first column cannot exceed line (a), Maximum available for MOE reduction, second and third columns cannot exceed (e), Portion used to reduce MOE requirement).	(e)	
Available to set aside for EIS (line (b) minus line (e), zero if negative)	0.00 (f)	

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

# FCSS YEAR-END CLOSING MANUAL

Fresno County
Unaudited Actuals  
Special Education Maintenance of Effort  
2020-21 Actual vs. Actual Comparison Year  
LEA Maintenance of Effort Calculation (LMC-A)
Report SEMA

SELPA: Fresno County (BE)

**SECTION 3**

	Column A	Column B	Column C
	Actual Expenditures (LE-CY Worksheet) FY 2020-21	Actual Expenditures Comparison Year 2019-20	Difference (A - B)
<b>A. COMBINED STATE AND LOCAL EXPENDITURES METHOD</b>			
1. Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on state and local expenditures.			
a. Total special education expenditures	6,170,516.51		
b. Less: Expenditures paid from federal sources	1,348,914.62		
c. Expenditures paid from state and local sources	4,821,601.89	4,637,981.96	
Add/Less: Adjustments required for MOE calculation		0.00	
Comparison year's expenditures, adjusted for MOE calculation		4,637,981.96	
Less: Exempt reduction(s) for SECTION 1		0.00	
Less: 50% reduction from SECTION 2		0.00	
Net expenditures paid from state and local sources	4,821,601.89	4,637,981.96	183,619.93

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.

	Actual FY 2020-21	Comparison Year 2019-20	Difference
2. Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on the per capita state and local expenditures.			
a. Total special education expenditures	6,170,516.51		
b. Less: Expenditures paid from federal sources	1,348,914.62		
c. Expenditures paid from state and local sources	4,821,601.89	4,637,981.96	
Add/Less: Adjustments required for MOE calculation		0.00	
Comparison year's expenditures, adjusted for MOE calculation		4,637,981.96	
Less: Exempt reduction(s) from SECTION 1		0.00	
Less: 50% reduction from SECTION 2		0.00	
Net expenditures paid from state and local sources	4,821,601.89	4,637,981.96	
d. Special education unduplicated pupil count	551	551	
e. Per capita state and local expenditures (A2c/A2d)	8,750.64	8,417.39	333.25

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

Enter the fiscal year and dollar amount when MOE was last met for State and Local Expenditures. Refer to Subsequent Year Tracking Sheet.



# FCSS YEAR-END CLOSING MANUAL

Fresno County

Unaudited Actuals  
Special Education Maintenance of Effort  
2020-21 Actual vs. Actual Comparison Year  
LEA Maintenance of Effort Calculation (LMC-A)

Report SEI

SELPA: Fresno County (BE)

**B. LOCAL EXPENDITURES ONLY METHOD**

	Actual FY 2020-21	Comparison Year 2019-20	Difference
1. Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on local expenditures only.			
a. Expenditures paid from local sources	3,248,163.52	2,953,020.50	
Add/Less: Adjustments required for MOE calculation Comparison year's expenditures, adjusted for MOE calculation		0.00 2,953,020.50	
Less: Exempt reduction(s) from SECTION 1		0.00	
Less: 50% reduction from SECTION 2		0.00	
Net expenditures paid from local sources	3,248,163.52	2,953,020.50	295,143.02

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

	Actual FY 2020-21	Comparison Year 2019-20	Difference
2. Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on the per capita local expenditures only.			
a. Expenditures paid from local sources	3,248,163.52	2,953,020.50	
Add/Less: Adjustments required for MOE calculation Comparison year's expenditures, adjusted for MOE		0.00 2,953,020.50	
Less: Exempt reduction(s) from SECTION 1		0.00	
Less: 50% reduction from SECTION 2		0.00	
Net expenditures paid from local sources	3,248,163.52	2,953,020.50	
b. Special education unduplicated pupil count	551	530	
c. Per capita local expenditures (B2a/B2b)	5,895.03	5,571.74	323.29

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

Contact Name

Telephone Number

Title

Email Address

Enter last fiscal year and dollar amount when MOE was last met for Local Expenditures only.  
Refer to Subsequent Year Tracking Sheet.

# FCSS YEAR-END CLOSING MANUAL

## TITLE I, PART A

A local education agency (LEA) that receives Title I, Part A funds shall operate one of two programs:

- Targeted assistance school (TAS) program, or
- Schoolwide program (SWP).

The purpose of a TAS program is to assist schools and LEAs to meet their responsibility to provide for all their students served the opportunity to meet the challenging state academic standards (Every Student Succeeds Act [ESSA] Section 1115[b]). In all schools selected to receive Title I, Part A funds that are ineligible for a SWP, have not received a waiver to operate a SWP or choose not to operate a SWP, a LEA may use funds to provide services to eligible students identified as having the greatest need for special assistance (ESSA Section 1115[a]).

Eligible schools are not required to operate a SWP and may choose to operate as a TAS program. Additional information about Title I, Part A SWP is located on the [Title I, Part A Schoolwide Program](#) web page.

### TAS PROGRAM SERVICES

Each TAS program shall—

- determine which students will be served;
- serve participating students identified as eligible students including by—
  - using resources under Title I, Part A to help eligible students meet the challenging State academic standards, which may include programs, activities, and academic courses necessary to provide a well-rounded education;
  - using methods and instructional strategies to strengthen the academic program of the school through activities, which may include—
    - i. expanded learning time, before- and after school programs, and summer programs and opportunities; and
    - ii. a schoolwide tiered model to prevent and address behavior problems, and early intervening services, coordinated with similar activities and services carried out under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.);
- coordinating with and supporting the regular education program, which may include services to assist pre-school students in the transition from early childhood education programs such as Head Start, the literacy program of Title II, or State-run preschool programs to elementary school programs;
- providing professional development with resources provided under Title I, Part A, and, to the extent practicable, from other sources to teachers, principals, other school leaders, paraprofessionals, and, if appropriate, specialized instructional support personnel, and



# FCSS YEAR-END CLOSING MANUAL

## TAS PROGRAM SERVICES

other school personnel who work with eligible students in programs under Title I, Part A, or in the regular education program;

- implementing strategies to increase the involvement of parents of eligible students; and
- if appropriate and applicable, coordinating and integrating Federal, State, and local services and programs, such as programs supported under the Every Student Succeeds Act (ESSA), violence prevention programs, nutrition programs, housing programs, Head Start programs, adult education programs, career and technical education programs, and comprehensive support and improvement activities or targeted support and improvement activities; and
- provide to the LEA assurances that the school will—
  - help provide an accelerated, high-quality curriculum;
  - minimize the removal of students from the regular classroom during regular school hours for instruction provided under Title I, Part A; and
  - on an ongoing basis, review the progress of eligible students and revise the targeted assistance program, if necessary, to provide additional assistance to enable such students to meet the challenging State academic standard (ESSA Section 1115[b] [1-2]).

All activities, strategies, and interventions included in a TAS program shall be evidence-based. Evidence-based means the proposed project component is supported by one or more strong evidence, moderate evidence, promising evidence, or evidence that demonstrates a rationale (34 *CFR* 77.1[c]).

## ELIGIBLE STUDENTS FOR TAS SERVICES

The eligible population for Title I, Part A services in a TAS program is:

- Students who are not older than 21 who are entitled to free public education through grade 12; and
- Students who are not yet at grade level at which the LEA provides free public education (ESSA Section 1115[c][1][A]).

Of the eligible population identified above, the LEA will determine eligible students using the following criteria:

- Students identified by the school as failing, or most at risk of failing, to meet the challenging state academic standards based on multiple, educationally related, objective criteria established by the LEA and supplemented by the school, except that students from preschool through grade 2 shall be selected solely based on criteria,

# FCSS YEAR-END CLOSING MANUAL

## ELIGIBLE STUDENTS FOR TAS SERVICES

including objective criteria, established by the LEA, and supplemented by the school (ESSA Section 1115[c][1][B]).

Students included:

- Economically disadvantaged students, students with disabilities, migrant students, or English learners, are eligible for Title I, Part A services on the same basis as other students selected to receive services under Title I, Part A (ESSA Section 1115[c][2][A]).
- Head Start and Preschool Students: A student who, at any time in the 2 years preceding the year for which the determination is made, participated in a Head Start program, the literacy program under Title II, or in preschool services under Title I, Part A, is eligible for Title I, Part A services (ESSA Section 1115[c][2][B]).
- Migrant Students: A student who, at any time in the two years preceding the year for which the determination is made, received services under Title I, Part C is eligible for Title I, Part A services (ESSA Section 1115[c][2][C]).
- Neglected or Delinquent Students: A student in a local institution for neglected or delinquent students and youth or attending a community day program for such students is eligible for services under Title I, Part A (ESSA Section 1115[c][2][D]).
- Homeless Students: A student who is homeless and attending any school served by the LEA is eligible for services under Title I, Part A (ESSA Section 1115[c][2][E]).

## USE OF FUNDS IN A TAS PROGRAM

Funds received under Title I, Part A may not be used to provide services that are otherwise required by law to be made available to eligible students described above but may be used to coordinate or supplement such services (ESSA Section 1115[c][3]).

Title I, Part A funds used to supplement the funds that would, in the absence of such funds, be made available from State and local sources, and **do not supplant** such **funds** (ESSA Section 1118[b][1]).

# FCSS YEAR-END CLOSING MANUAL

## TITLE I, PART A, REQUIRED RESERVATIONS

LEA's that receive Title I, Part A, funds will be required to reserve the following set-asides starting the fiscal year 2017-2018:

- **Parent and Family Engagement:** LEAs with a Title I, Part A allocation, including transfers, over \$500,000 must reserve at least 1 percent of the LEA's Title I, Part A allocation for parent and family engagement activities pursuant to Section 1116 of the ESSA.
- **Homeless Services:** LEAs must reserve Title I, Part A funds as are necessary to provide services to homeless children comparable to those provided to children enrolled in schools receiving Title I, Part A funds pursuant to Section 1113(b)(3) of the ESSA.
- **Neglected and Delinquent Children:** LEAs must reserve, if applicable, Title I, Part A funds to provide services comparable to those provided to children enrolled in schools receiving Title I, Part A funds to serve children in local institutions for neglected children, local institutions for delinquent children, and neglected or delinquent children in community day school programs pursuant to Section 1113(b)(3) of the ESSA.
- For more information regarding Title I, Part A reservations, please contact the **Title I Policy and Program Guidance Office** by email at [TitleI@cde.ca.gov](mailto:TitleI@cde.ca.gov) or by phone at **(916)319-0917**.

## AUTHORIZING TITLE I, PART A EXPENDITURES

Title I, Part A funds must be fully and thoughtfully committed to proven evidence-based strategies that improve the overall academic success for all students, and in particular, for those students who are disadvantaged.

# FCSS YEAR-END CLOSING MANUAL

## AUTHORIZING TITLE I, PART A EXPENDITURES – continued

The California Department of Education (CDE) recommends that local educational agencies (LEAs), County Offices of Education, and direct funded charter schools consider the following general criteria when approving activities or expenditures supported with Title I, Part A funds:

1. The activity/expenditure is aligned to meet the challenging State academic content standards (Every Student Succeeds Act [ESSA] sections 1112[a][3][B][i] and 1112[b]);
2. The activity/expenditure is an evidence-based educational strategy (ESSA sections 1003[b][1][B]; 1114[d]; and 1115[h]);
3. The activity/expenditure is reasonable, necessary, and allocable cost to the program (2 *CFR* 200.404 - 200.405);
4. Title I, Part A funds used to supplement the funds that would, in the absence of such funds, be made available from State and local sources, and do not supplant such funds (ESSA Section 1118[b][1]);
5. Title I, Part A funds used are current Federal fiscal year or the subsequent fiscal year (ESSA Section 1127[a]).

Title I Schoolwide Programs (SWP) should consider the following general criteria when approving activities or expenditures supported with Title I, Part A funds:

6. The activity/expenditure meets a need identified in the comprehensive needs assessment (ESSA Section 1114[b][6]);
7. The activity/expenditure is included in the Single Plan for Student Achievement (SPSA) (*Education Code [EC] Section 64001[g][C][3]*);
8. The SPSA has been approved by the local governing board (*EC Section 64001[i]*);
9. The School Site Council (SSC) annually evaluates and monitors the implementation of the SPSA and progress towards accomplishing the goals (*EC Section 64001[g][2][B]* and *[i]*); and
10. The activity/expenditure has been reviewed, approved, and recommended by the SSC to the local governing board (*EC Section 64001[d]*).

Title I Targeted Assistance Schools (TAS) should consider the following general criteria when approving activities or expenditures supported with Title I, Part A funds:

# FCSS YEAR-END CLOSING MANUAL

## AUTHORIZING TITLE I, PART A EXPENDITURES – continued

11. The activity/expenditure serves the needs of students that are identified as failing, or most at risk of failing to meet challenging State academic standards based on multiple, educational related, objective criteria established by the LEA and supplemented by the school (ESSA Section 1115[c][1][B]);
12. The activity/expenditure is included on an ongoing basis, review of the progress of eligible children and revises the TAS program, if necessary, to provide additional assistance, to enable such children to meet the challenging State academic standards (ESSA Section 1115[b][G][iii]).
13. Staff members paid with Title I funds may assume limited duties that are assigned to similar personnel who are not so paid, including duties beyond classroom instruction or that do not benefit participating children, so long as the amount of time spent on such duties is the same proportion of total work time as prevails with respect to similar personnel at the same school (ESSA Section 1115[d][2]).

If an LEA has not completed all the above rationales, it is not likely to be an authorized use of Title I, Part A funds.

All district-wide or centralized activities supported with Title I, Part A funds should be included in a district-level planning document, meet an identified need aligned to the LCAP, be representative of an evidence-based strategy, and be annually evaluated for effectiveness.

For more information regards Title I, Part A expenditures, please contact the **Title I Policy and Program Guidance Office** by email at [TitleI@cde.ca.gov](mailto:TitleI@cde.ca.gov) or by phone at **(916) 319-0917**.

LEAs may also contract their **Federal Program Monitoring (FPM) Team** Lead by calling the Title I Monitoring and Support Office at **(916) 319-0854**.

## LEA PLANS

LEAs, including direct-funded charter schools, applying for, or currently receiving Title I, part A federal funds will be required to certify adherence to the required ESSA assurances through the Consolidated Application and Reporting System (CARS).

LEAs, including direct-funded charter schools, applying for, or currently receiving any funds may include Title I, Part A activities in their Local Control Accountability Plan (LCAP), or an LEA's Title I, Part A Summary of Expenditure Reports.

# FCSS YEAR-END CLOSING MANUAL

## TITLE I, PART A CARRYOVER AND TRANSFER-IN

The ESSA, Title I, Part A, Section 1127(a), Limitation on Carryover, states that **not more than 15 percent** of the Title 1, Part A *funds allocated to an LEA for any fiscal year* may remain available for obligation by such agency for one additional fiscal year.

A state educational agency (SEA) **may waive** the 15 percent carryover limitation if:

1. The LEA's request is reasonable and necessary; **or**
2. A supplemental Title I, Part A appropriation becomes available.

# FCSS YEAR-END CLOSING MANUAL

## FEDERAL TRANSFERABILITY

Title V Section 5103 of the Every Student Succeeds Act (ESSA) allows a local educational agency (LEA) to transfer up to 100 percent of Title II, Part A, and Title IV, Part A program funds to other allowable programs. The allowable programs are:

- Title I, Part A – Improving basic programs;
- Title I, Part C – Education of migratory children;
- Title I, Part D – Prevention and intervention programs for children and youth who are neglected, delinquent, or at-risk;
- Title II, Part A – Supporting effective instruction;
- Title III English Learner – Language instruction for English learners;
- Title III Immigrant – Language instruction for immigrant students;
- Title IV, Part A – Student support and academic enrichment grants;
- Title V, Part B, Subpart 1 – Small, rural school achievement program; and
- Title V, Part B, Subpart 2 – Rural and low-income school program.

An LEA may not transfer out any funds allocated under Title I, Title III, or Title V. Regardless of transfers, the LEA will continue to be responsible for meeting Title II, Part A, and Title IV, Part A legal requirements, which are required as a condition of accepting the funds. In addition, funds transferred to other allowable programs are subject to the legal requirements for those programs.

### ALLOWS LEAs TO TRANSFER SOME OR ALL OF THEIR FUNDS **IN TO OR OUT OF:**

- Title II, Part A, Resource 40350 – Professional Development
- Title IV, Part A, Resource 41270 – Student Support
- Or **in to**, but not **out of**, Title I, Part A – Resource 30100 - Academic Disadvantaged

### AND FROM THE RESOURCES ABOVE **IN TO BUT NOT OUT OF** THE RESOURCES BELOW:

- Title I, Part A, Resource 30100 – Academic Disadvantaged
- Title I, Part D, Resource 30250 – Neglected and Delinquent
- Title V, Part B, Resource 58100 – Rural Education

## DATA COLLECTION PURPOSE

Federal transferability of funds is governed by Title V, Part A in the Every Student Succeeds Act (ESSA) Section 5102. A local educational agency (LEA) may transfer Title II, Part A, and/or Title IV, Part A program funds to other allowable programs pursuant to ESSA Section 5103[b][1].

# FCSS YEAR-END CLOSING MANUAL

## FEDERAL TRANSFERABILITY – continued

### GUIDANCE

**Note:** This transferability is not the same as Title V, Part B Subpart 1 Alternative Uses of Funds Authority Participation governed by ESSA Section 5211. Funds transferred under Title V, Part B Subpart 1 Alternative Uses of Funds Authority Participation are not to be included on this form.

Regardless of transfers, the LEA will continue to be responsible for meeting Title II, Part A, and Title IV, Part A legal requirements, which are required as a condition of accepting the funds. In addition, funds transferred to other allowable programs are subject to the legal requirements for those programs.

Please visit the site below for additional information about [2022-23 Federal Transferability](#).



# FCSS YEAR-END CLOSING MANUAL

## CONSOLIDATION OF ESSA FUNDS FOR ADMINISTRATION

The Consolidated Application (ConApp) is used by the California Department of Education (CDE) to distribute categorical funds from various federal programs to county offices, school districts, and direct-funded charter schools throughout California.

Annually, from mid-May to the end of June, each local educational agency (LEA), using the Consolidated Application and Reporting System (CARS), submits the spring release of the ConApp. The spring release documents participation in these programs and provides assurances that the LEA will comply with the legal requirements of each program. Program entitlements are determined by formulas contained in the laws that created the programs.

The winter release of the ConApp is submitted via CARS from mid-January to the end of February each year and contains the LEA entitlements for each funded program. For each federal program entitlement, LEAs allocate funds for the program as indicated by the program requirements.

For additional information, use the contact information below.

**ConApp Support Desk | [conappsupport@cde.ca.gov](mailto:conappsupport@cde.ca.gov) | 916-319-0297**

# FCSS YEAR-END CLOSING MANUAL

## E-RATE

The Schools and Libraries (E-rate) Program provides discounts to assist most schools and libraries in the United States to obtain affordable high-speed Internet and telecommunication services.

### UNIVERSAL SERVICE

Universal service is the principle that all Americans should have access to communication services and is the cornerstone of the law that established the Federal Communications Commission (FCC), the Communications Act of 1934. The Communications Act of 1934 helped make telephone service available and affordable across the United States. The Telecommunications Act of 1996 expanded the traditional goal of universal service to include increased access to both high-speed Internet and telecommunication services. The Schools and Libraries Program (commonly referred to as E-rate) is one of four FCC universal service programs administered by the Universal Service Administrative Company (USAC). The goal of making high-speed Internet and telecommunication services affordable for eligible schools is achieved by providing discounts based on need and the category of service.

### CSAM, PROCEDURE 560

#### *Receipts Not Allowable as Abatements of Expenditures*

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 the discount should be debited to the expenditure account and the E-Rate discount or subsidy should be credited to Other Local Revenue.

For additional information, use the contact information below.

E-Rate FAQ: <https://www.usac.org/e-rate/learn/faqs/all-topics/>

Education Data Office | [E-rate@cde.ca.gov](mailto:E-rate@cde.ca.gov) | 916-445-9394

# FCSS YEAR-END CLOSING MANUAL

## RURAL EDUCATION ACHIEVEMENT PROGRAM (REAP)

The Elementary and Secondary Education Act reauthorized as the Every Student Succeeds Act (ESSA) includes the Rural Education Achievement Program (REAP) Initiative designed to address the unique needs of rural school districts that frequently (1) lack the personnel and resources needed to compete effectively for federal competitive grants; and (2) receive formula grant allocations in amounts too small to be effective in meeting their intended purposes (ESSA Section 5202).

The REAP is comprised of two formula grant programs:

### Subpart 1—Small, Rural School Achievement (SRSA) Program

- The SRSA program provides funds to very small, rural local educational agencies (LEAs).
- The U.S. Department of Education awards these grants directly to eligible LEAs.
- SRSA eligible LEAs also qualify for the Alternative Fund Use Authority (ESSA sections 5211 [a] and [c]) which provides additional flexibility in how these LEAs may expend federal education funds.

### Subpart 2—Rural and Low-Income School (RLIS) Program

- The RLIS program targets rural LEAs that serve large numbers of low-income students.
- The California Department of Education awards grants to eligible LEAs.

LEAs may be eligible for both SRSA and RLIS grants and must choose one grant under which to receive funds in any given fiscal year (ESSA Section 5225[a]). In other words, an LEA may only receive one REAP grant, SRSA, or RLIS. In addition to eligibility, it is the LEA's responsibility to determine grant application deadlines.

### SRSA Requirements and Eligibility

An LEA is eligible for SRSA if each school served by the LEA has a school locale number of 41, 42, or 43 designated by the National Center for Education Statistics (NCES), and the average daily attendance is fewer than 600 (ESSA Section 5211[b][1]). If an LEA is eligible and intends to apply for the SRSA grant, it is the LEAs responsibility to apply before the deadline through the U.S. Department of Education. To determine if an LEA is eligible for SRSA, please visit the U.S. Department of Education [Master Eligibility Spreadsheet](#) web page.

# FCSS YEAR-END CLOSING MANUAL

## REAP – continued

### USE OF FUNDS

An LEA shall use SRSA funds for the following activities (ESSA Section 5211[a][1]):

- Title I, Part A
- Title II, Part A
- Title III
- Title IV, Part A, or B

For additional information regarding the authorized use of Title V, Part B funds, please visit the [Title V, Part B Authorized Use of Funds](#) web page.

### Alternative Fund Use Authority (AFUA)

The AFUA allows SRSA-eligible LEAs greater flexibility in spending the funds they receive under Title II, Part A, and Title IV, Part A. Under AFUA, LEAs can use their Title II, Part A, and Title IV, Part A funds to carry out local activities under any of the allowable uses for SRSA grant funds (ESSA sections 5211[a] and [c]).

For additional information regarding the AFUA, please visit the [Title V, Part B Alternative Fund Use Authority](#) web page.

### Application Process

To apply for an SRSA grant, please visit the U.S. Department of Education’s [SRSA](#) web page, which includes the steps for applying for an SRSA grant.

### RLIS Requirements and Eligibility

An LEA is eligible for RLIS if 20 percent or more of the children served by the LEA are from families with incomes below poverty, and all of the schools served by the LEA are designated with a school locale code of 32, 33, 41, 42, or 43 by the NCES (ESSA Section 5221[b][1]).

Current year RLIS allocations are based on an LEA’s student low-income percentage reported two years before by the NCES.

### Use of Funds

An LEA may use RLIS funds for the following activities (ESSA Section 5222[a]):

- Title I, Part A
- Title II, Part A
- Title III

# FCSS YEAR-END CLOSING MANUAL

## REAP – continued

- Title IV, Part A
- Parental involvement activities

For additional information regarding the authorized use of Title V, Part B funds, please visit the [Title V, Part B Authorized Use of Funds](#) web page.

## Application Process

Eligible LEAs apply for an RLIS grant through the Consolidated Application and Reporting System (CARS), Application for Funding form. If an LEA is eligible, the LEA will have access to select yes for Title V, Part B, Subpart 2 RLIS Grant funds during the CARS Spring release (opening May of each year).

## Allocations

RLIS grant allocations and funding profiles are located on the [Title V, RLIS Funding](#) web page.

## Carryover Funds

The CDE recommends that the LEA obligate or expend the entire Title V, Part B allocation within each federal fiscal year.

According to the Education Department General Administrative Regulations [EDGAR] pursuant to 34 *Code of Federal Regulations* 76.709[b], it is the expectation that Title V, Part B, REAP allocations be obligated and expended during the year in which received.

## REAP FLEXIBILITY

### Funds in these Resources

- Resource 40350 – Improving Teacher Quality
- Resource 40450 – Enhancing Education through Technology
- Resource 37100 – Safe and Drug-Free Schools
- Resource 41100 – Innovative Programs

### May be spent in the following resources

- Resource 30100 – Title I, Part A
- Resource 40350 – Improving Teacher Quality
- Resource 42010 & 42030 – Limited English Proficient and Immigrant Students

## FCSS YEAR-END CLOSING MANUAL

### **REAP – continued**

- Resource 41240 – 21<sup>st</sup> Century Community Learning Centers

If the LEA qualified for REAP-flex, then the LEA would not use Federal Transferability because REAP-Flex covers the same resources with greater flexibility.

Additional REAP Information: [Rural Education Achievement Program](#)

# FCSS YEAR-END CLOSING MANUAL

## SCHOOL NUTRITION PROGRAM (SNP)

To be entitled to reimbursement, a claim preparer for each sponsor must submit a monthly claim for reimbursement that provides data in sufficient detail to justify the reimbursement claimed. The data must include the number of free meals, reduced-price meals, and paid meals served; and an authorized agent or district official of the sponsor must certify and submit the claim in the Child Nutrition Information and Payment System (CNIPS). All claims submitted must be certified by the authorized official to be considered a valid claim.

All original and upward adjusted claims resulting in payment must be submitted by the sixtieth (60th) day following the month claimed to be considered for payment. If a deadline falls on a weekend or holiday, the claim will be due the following business day. Claims submitted after the deadline cannot be processed, except as described on the [Late Claims](#) web page. Claims that are corrected must be re-certified and submitted after the correction is made and the claim is saved.

**Note:** For combined SNP claims, the combined May and June claim will use the May claim submission deadline and the combined August and September claim will use the September claim submission deadline.

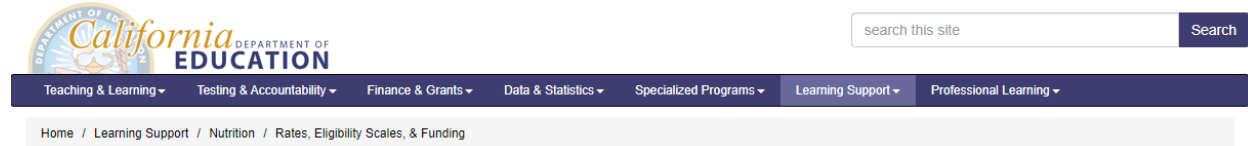
**As a courtesy, approximately 50 days after the end of the claim month, Child Nutrition Fiscal Services (CNFS) sends a Notice of Delinquent Claim to sponsors participating in the SNP.**

Claim Month	CNIPS Submission Deadline
July 2022	Thursday, September 29, 2022
August 2022	Monday, October 31, 2022
September 2022	Tuesday, November 29, 2022
October 2022	Friday, December 30, 2022
November 2022	Monday, January 30, 2023
December 2022	Wednesday, March 1, 2023
January 2023	Monday, April 3, 2023
February 2023	Monday, May 1, 2023
March 2023	Tuesday, May 30, 2023
April 2023	Thursday, June 29, 2023
May 2023	Monday, July 31, 2023
June 2023	Tuesday, August 29, 2023

# FCSS YEAR-END CLOSING MANUAL

## SCHOOL NUTRITION PROGRAM (SNP) – continued

**IMPORTANT:** Year-end closing is the time to evaluate the Child Nutrition program’s net cash resources (NCR). The NCR is defined as the amount of funding in the LEA’s Cafeteria Fund at any one time, including accounts receivable. ***The Cafeteria Fund’s NCR must stay below a level equal to three months’ operating expenditures.*** If the NCR exceeds this limit, the LEA should work with the CDE to determine if a spending plan is needed to reduce the NCR to the appropriate level.



## 2022–23 CNP Reimbursement Rates

Child Nutrition Program (CNP) meal reimbursement rates.

### Important Notice: CACFP Program Moved to CDSS

The Early Childhood Development Act of 2020 (Senate Bill (SB) 98, Chapter 24, Statutes of 2020) authorized the transfer of child care and development programs administered by the California Department of Education to the California Department of Social Services (CDSS) effective July 1, 2021. **The content on this page may not be current and involves the Child and Adult Care Food Program (CACFP) that has moved to CDSS.** Visit the [CDSS CACFP web page](#) or call 1-833-559-2420 for more information.

[School Nutrition Program \(SNP\) Rates](#)

[Summer Food Service Program \(SFSP\) Rates](#)

## School Nutrition Programs (SNP) Reimbursement Rates

Reimbursement rates shown below are for July 1, 2022 through June 30, 2023

Total (Combined) Reimbursement

### School Breakfast Program

Type of Meal	Free	Reduced-Price	Paid
Basic Breakfast	\$2.26	\$1.96	\$0.50
Especially Needy Breakfast	\$2.67	\$2.37	\$0.50

**Note:** Especially Needy Breakfast is for approved sites that served 40 percent or more free and reduced-price lunches in 2021–2022.

## SCHOOL NUTRITION PROGRAM (SNP) – continued



# FCSS YEAR-END CLOSING MANUAL

## National School Lunch Program

Description	Free	Free+8 cents*	Reduced-Price	Reduced-Price+8 cents*	Paid	Paid+8cents*
Agencies that served less than 60% free/reduced-price lunches in 2021–22	\$4.33	\$4.41	\$3.93	\$4.01	\$0.77	\$0.85
Agencies that served 60% or more free/reduced-price lunches in 2021–22	\$4.35	\$4.43	\$3.95	\$4.03	\$0.79	\$0.87
Commodity Value	\$0.4300	\$0.4300	\$0.4300	\$0.4300	\$0.4300	\$0.4300

**Note:** Payments listed for free and reduced-price lunches include both section 4 and section 11 funds of the National School Lunch Act.

\*Certified School Food Authorities (SFA) are eligible to receive performance-based cash assistance for each reimbursable lunch served beginning October 1, 2012.

**Seamless Summer Feeding Option (SSO) Note:** Meals served through the SSO will be reimbursed at the respective SNP rates.

## Meal Supplements (After-School Snacks) in the National School Lunch Program

Meal	Free	Reduced-Price	Paid
Snacks	\$1.08	\$0.54	\$0.09

## SCHOOL NUTRITION PROGRAM (SNP) – continued

## FCSS YEAR-END CLOSING MANUAL

### State Meal Program and State Meal Reimbursement for Public SFAs Serving Breakfasts and Lunches in Federal Meal Programs

Agency Type	Free	Reduced-Price	Paid
Prop 98 Agencies certified with California <i>Education Code (EC)</i> sections 49430 & 49430.7	\$0.8950	\$0.8950	Not Applicable
Agencies eligible for Universal Meals Program state reimbursement for lunches per <i>EC 49501.5*</i>	Not Applicable	\$0.40	\$4.455
Agencies eligible for Universal Meals Program state reimbursement for breakfasts per <i>EC 49501.5*</i>	Not Applicable	\$0.30	\$2.655
Agencies eligible for Universal Meals Program state reimbursement for severe need breakfasts per <i>EC 49501.5*</i>	Not Applicable	\$0.30	\$3.065
Prop 98 Agencies not certified with <i>EC</i> sections 49430 & 49430.7	Not Applicable	Not Applicable	Not Applicable
All Other (or non-Prop 98) Agencies	Not Applicable	Not Applicable	Not Applicable

\*Reimbursements shown are the base-level rates eligible sponsors can expect, these rates may increase depending on eligible site level data.

### SCHOOL NUTRITION PROGRAM (SNP) – continued

# FCSS YEAR-END CLOSING MANUAL

## Special Milk Program

Free	Reduced-Price	Paid
Average cost per half pint	Not Applicable	Per half pint: \$0.2700

## Summer Food Service Program (SFSP) Reimbursement Rates

Reimbursement rates shown below are effective from January 1, 2022, through December 31, 2022.

Total (combined) reimbursement includes operating and administrative components.

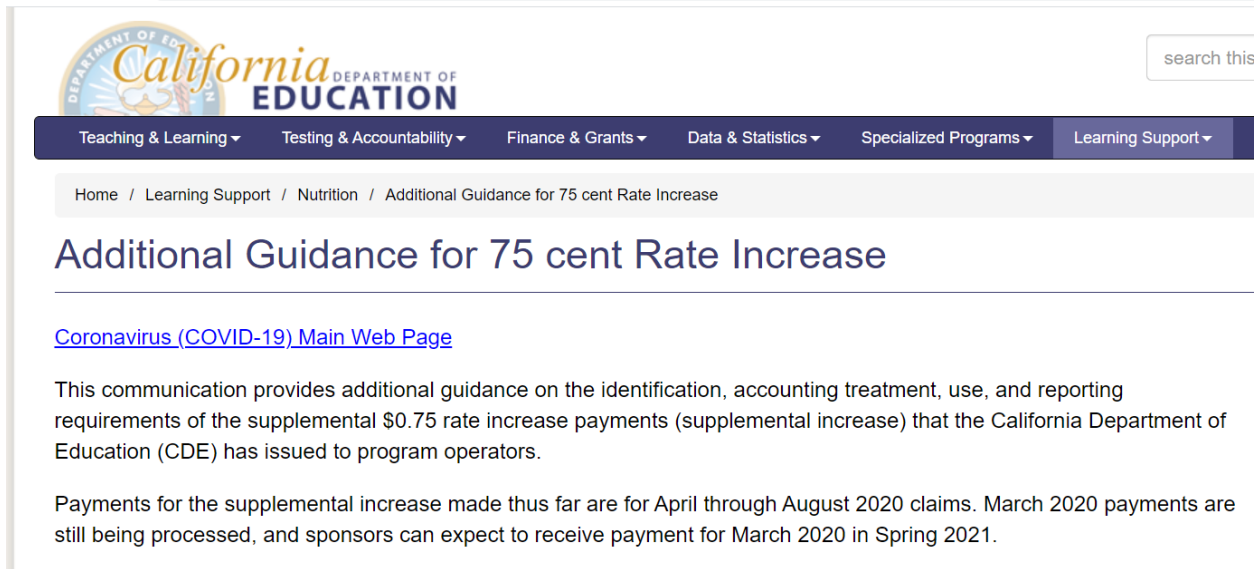
### SFSP Reimbursement Rates

Type of Meal	Rural or Self-prep	All Other Site Types
Breakfast	2.6050	2.5550
Lunch or Supper	4.5625	4.4875
Snacks	1.0775	1.0525

Questions: [Nutrition Services Division | 800-952-5609](#)

# FCSS YEAR-END CLOSING MANUAL

## SCHOOL NUTRITION PROGRAM (SNP) – continued



The screenshot shows the California Department of Education website. At the top left is the CDE logo. To the right is a search box labeled 'search this'. Below the logo is a navigation menu with items: Teaching & Learning, Testing & Accountability, Finance & Grants, Data & Statistics, Specialized Programs, and Learning Support. Below the menu is a breadcrumb trail: Home / Learning Support / Nutrition / Additional Guidance for 75 cent Rate Increase. The main heading is 'Additional Guidance for 75 cent Rate Increase'. Below the heading is a link: 'Coronavirus (COVID-19) Main Web Page'. The main text reads: 'This communication provides additional guidance on the identification, accounting treatment, use, and reporting requirements of the supplemental \$0.75 rate increase payments (supplemental increase) that the California Department of Education (CDE) has issued to program operators. Payments for the supplemental increase made thus far are for April through August 2020 claims. March 2020 payments are still being processed, and sponsors can expect to receive payment for March 2020 in Spring 2021.'

### Background

The supplemental increase was made possible by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act created the Elementary and Secondary School Emergency Relief (ESSER) Fund, which established a discretionary amount for the state educational agency reserve. The 2020–21 Budget Act appropriated funds from the reserve for support for the National School Lunch Program, School Breakfast Program, Seamless Summer Option, and Summer Food Service Program. Hence, the supplemental increase payments, both federal and state, are for the support of School Nutrition Programs (SNP) and Summer Meal Programs (SMP).

### Identification of Federal and State Funds

The CDE issued a communication on January 21, 2021, that provided program operators with instructions on how to identify the supplemental increase payments as federal CARES Act or state Proposition 98 funds. This communication can be found on the [CDE Nutrition What's New web page](#) under the disaster tab, title 75 Cent Rate Increase Payment Information.

### Accounting Treatment

The CDE School Fiscal Services Division has created two new standardized account code structure (SACS) resource codes to be used to record these supplemental increase revenues depending on if the funds were identified as federal or state. Once the funding source has been identified, **please ensure the revenue is deposited in the cafeteria fund** and recorded in the respective resource codes below:

Resource 5316, Child Nutrition: COVID CARES Act Supplemental Meal Reimbursement

Resource 7027, Child Nutrition: COVID State Supplemental Meal Reimbursement

Both resource codes are now available in the SACS tables of valid code combinations. If you have questions about the accounting for these funds using the new resource codes, please contact the School Fiscal Services Division at [SACSINFO@cde.ca.gov](mailto:SACSINFO@cde.ca.gov).

Some charter schools do not use the SACS to account for program revenues and expenditures. Such agencies should ensure that revenues and expenditures are accounted for in a manner that demonstrates the deposit and use of funds for the SNP and SMP.

# FCSS YEAR-END CLOSING MANUAL

## SCHOOL NUTRITION PROGRAM (SNP) – continued

### Use of Funds

Supplemental increase revenues are to be used only for the operation and improvement of the SNP and SMP and are subject to the same cost principles as other cafeteria funds.

Title 2, *Code of Federal Regulations*, Part 200 established uniform grant guidance for the use of federal awards. These regulations stipulated that capital expenditures with a per unit value of \$5,000 must be approved by the state agency. Certain equipment items used for the Child Nutrition Programs have been preapproved by the state agency and can be found on the [CDE Capital Expenditure Approved List web page](#). Local educational agencies that wish to purchase capital expenditures **not** on the approved list, should contact the Nutrition Services Division Resource Management Unit (RMU) for approval by emailing the request to [snpcafefundquestions@cde.ca.gov](mailto:snpcafefundquestions@cde.ca.gov).

For additional guidance on allowability of costs, please reference the [CDE Cafeteria Funds—Allowable Uses Management Bulletin web page](#).

### Reporting Requirements

Sponsors who received CARES funds are subject to annual reporting requirements. These funds must be included in the ESSER Fund Annual Report. These funds do not need to be included in the ESSER Quarterly Report, and if a sponsor received **only** State Prop 98 funds then no reporting is necessary. For more information regarding the reporting requirements please contact the Governmental Affairs Division at [EdReliefFunds@cde.ca.gov](mailto:EdReliefFunds@cde.ca.gov).

### Contact Information

If you have questions regarding the allowability of costs in the SNPs, please contact the RMU by email at [snpcafefundquestions@cde.ca.gov](mailto:snpcafefundquestions@cde.ca.gov).

**For additional information, use the contact information below.**

#### SNP Guidance, Manuals, and Resources

<https://www.cde.ca.gov/ls/nu/sn/mgmb.asp>

#### RATES

<https://www.cde.ca.gov/ls/nu/rs/index.asp#rates>

Nutrition Services Division | 800-952-5609

# FCSS YEAR-END CLOSING MANUAL

## ROUTINE RESTRICTED MAINTENANCE ACCOUNT (RRMA)

The contribution to the Routine Restricted Maintenance Account (RRMA) is governed by Ed Code. Any LEA which qualifies based on EC § 17070.75(b)(2) must contribute no less than 3% of total general fund expenditures to Resource Code 81500. SB 820 amended the definition of total general fund expenditures to calculate the RRMA contribution by excluding the following:

- Expenses coded to Resource code 76900
- Expenses of one-time pandemic funding sources in Resource codes 32100, 32120, 32130, 32140, 32150, 32160, 32180, 32190, 3225, 3226, 3227, 3228, 53160, 5632, 5633, 5634 and 70270.

Compliance with this law is monitored through the criteria and standards, but ultimate compliance is measured against total general fund expenditures as of Unaudited Actuals, adjusted for the exceptions above. Note that the law does not contemplate how much is spent in the RRMA, but only that the contribution is no less than 3% of actual general fund expenditures.

The requirements under the Williams Act remain. Districts should review their routine maintenance needs and ensure that Williams Act requirements are met and that students are housed in facilities that are safe, clean, and in good repair.

## DEFERRED MAINTENANCE

Beginning the fiscal year 2013-2014 the Deferred Maintenance program was incorporated into the Local Control Funding Formula (LCFF) base funding. At this time, Education Code 17584, relating to required district matching contribution was repealed. The California Department of Education (CDE) has kept the Deferred Maintenance Fund open for districts that choose to continue operating the fund. The Deferred Maintenance Fund, Fund 1400, for Standardized Account Code Structure (SACS) purposes, is classified as a special revenue fund and requires an ongoing source of restricted or committed revenues. If the district chooses to continue using the Deferred Maintenance Fund, the governing board must commit LCFF revenue to Fund 1400, and the revenue must be coded to object 809100, LCFF Transfers – Current Year, from the General Fund to the Deferred Maintenance Fund.

### COMMITTED FLEXED REVENUES IN FUNDS 1100 AND 1400

GAAP requires that flexed revenues that have been committed by formal board action consistent with GASB 54 - *Fund Balance Reporting, and Governmental Fund Type Definitions* to the purposes of Fund 1100 – Adult Education or Fund 1400 – Deferred Maintenance should now be reported directly in those funds as revenue using Resource 00000, Object 809100 – LCFF Transfer – Current Year, not an inter-fund transfer. In addition, GASB 54 - *Fund Balance Reporting, and Governmental Fund Type Definitions*, requires that “*proceeds of a specific revenue source should be expected to continue to comprise a substantial portion of the inflows reported in the fund*”. Inter-fund transfers do not meet the requirement of a committed or restricted fund source and should NOT be the predominant inflow of special revenue funds.

# **CLOSING OTHER FUNDS**

# FCSS YEAR-END CLOSING MANUAL

## CLOSING OTHER FUNDS

**IMPORTANT:** The following instructions are a guide towards closing other funds within the LEA’s portfolio of funds. The checklist is not included in all tasks you may need to perform to close your other funds.

### FUND 0800 – ASSOCIATED STUDENT BODY (ASB) FUND

The Associated Student Body, ASB, Fund must be reported in the SACSWeb reporting application. The LEA is responsible for entering all Revenues and Expenditures for the closing fiscal year. It is important to keep clear accounting detail as backup from each site. See sample journal entry below.

JOURNAL ENTRY					
	FUND	RESOURCE	OBJECT	AMOUNT	
DEBIT	0800	82100	912000	\$10,000	Cash in Bank
CREDIT	0800	82100	869900	\$10,000	Total Local Revenue
DEBIT	0800	82100	580000	\$10,000	Total Expenditure for Services/Field Trips
CREDIT	0800	82100	912000	\$10,000	Cash in Bank

### FUND 0900 – CHARTER SCHOOL FUND

- Review revenues and expenditures
- Accrue interest and prior-year deferrals, if applicable
- Book Indirect Administrative Charges
- Calculate Property Tax In Lieu

JOURNAL ENTRY					
	FUND	RESOURCE	OBJECT	AMOUNT	
DEBIT	0100	00000	809600	\$ 10,000	In Lieu Property Taxes
CREDIT	0100	00000	961000	\$ 10,000	Due to Other Fund
DEBIT	0900	00000	931000	\$ 10,000	Due from Other Fund
CREDIT	0900	00000	809600	\$ 10,000	In Lieu Property Taxes

INTER-FUND TRANSFER					
	FUND	RESOURCE	OBJECT	AMOUNT	
FROM	0100	00000	961000	\$ 10,000	Due to Other Fund
TO	0900	00000	931000	\$ 10,000	Due from Other Fund



# FCSS YEAR-END CLOSING MANUAL

## DIRECT-FUNDED CHARTER SCHOOL

- See section on how to complete In Lieu of Property Taxes for Charter Schools (page 53).
- Make sure you follow the schedule for payments monthly (EC § 47635) unless the LEA has an agreement to make payments to the charter differently. Important to settle up the prior year In Lieu of Property Taxes after the following year's P-1 Certification.

## FUND 1100 – ADULT EDUCATION FUND

- Review revenues and expenditures, reclassify if needed
- Accounts Receivables may include interest

## FUND 1200 – CHILD DEVELOPMENT FUND

- **LOCALLY FUNDED PRESCHOOL PROGRAMS**
  1. Review Revenue and Expenditures, reclassify if needed
  2. Book Accounts Receivable for Parent Fees or other sources of revenue due through June 30<sup>th</sup>.
  3. Book Liabilities for goods and services received by June 30<sup>th</sup>.
  4. Process journal entry for transfer of revenue required from the general fund, if applicable.
- **CALIFORNIA STATE PRESCHOOL PROGRAM (CSPP)**
  1. Prepare preliminary Maximum Reimbursable Amount (MRA) calculation.
  2. Complete year-end attendance and fiscal reports due each year in July.
  3. Use district allowed or max rate for indirect cost.
  4. Accounts Receivable may include amounts due from the State, or interest.
  5. Current Liabilities may include any outstanding Accounts Payables, any amount due to the State.
  6. Book any contributions from the General Fund with a Due to Other Fund /Due from Other Fund, as needed.
  7. Resource 61300, Centers – Base Reserve Account. Verify reserve amount does not exceed five percent of the MRA.
  8. Calculate interest earned on reserve account, Resource 61300. Complete journal entry to post interest earned.
  9. Complete Due to Other Fund journal entry and inter-fund transfer request to the General Fund, *if applicable*, for all payroll holding account balances. See the payroll holding account section of this manual for additional directions.

## FCSS YEAR-END CLOSING MANUAL

JOURNAL ENTRY					
	FUND	RESOURCE	OBJECT	AMOUNT	
DEBIT	1200	00000	866000	\$25.00	<i>Interest</i>
CREDIT	1200	61300	866000	25.00	<i>Interest</i>

### FUND 1300 – CAFETERIA FUND

- Applicable to Child Nutrition School Programs for example Resource 53100
- Prepare final claims and book Accounts Receivable for amounts due.
- Review expenditures and book Accounts Payable (liabilities) for goods or services received before June 30<sup>th</sup>.
- Book indirect costs using the lesser of the LEA indirect cost rate or the California Statewide Average Indirect Cost Rate for Use with Food Service Programs.  
Indirect Cost Rates (ICR) - Accounting (CA Dept of Education)
- Book journal entries for transfer of payroll costs such as Workers’ Compensation, etc. Complete transaction by submitting a transfer request in the new fiscal year.

### FUND 1400 – DEFERRED FUND

If LEA is still making a deferred maintenance contribution, it will need to be set up as a Due to Other Funds/Due from Other Funds. Use the inter-fund transfer function 9300, Inter-fund Transfer Object 761900. For LCFF revenues committed to this fund, use object 809100 for both Fund 0100 and Fund 1400.

### FUND 1400 – DEFERRED MAINTENANCE FUND

#### Journal Entry - LCFF Revenue Transfers

JOURNAL ENTRY				
	FUND	RESOURCE	OBJECT	AMOUNT
DEBIT	1400	00000	931000	\$10,000
CREDIT	1400	00000	809100	\$10,000
DEBIT	0100	00000	809100	\$10,000
CREDIT	0100	00000	961000	\$10,000

## FCSS YEAR-END CLOSING MANUAL

### Journal Entry - All Other Revenue Sources

JOURNAL ENTRY				
	FUND	FUNCTION	OBJECT	AMOUNT
DEBIT	1400	XXXXX	931000	\$10,000
CREDIT	1400	XXXXX	891900	\$10,000
DEBIT	0100	93000	761900	\$10,000
CREDIT	0100	00000	961000	\$10,000

### Inter-Fund Transfer - All Revenue Sources

JOURNAL ENTRY				
	FUND	RESOURCE	OBJECT	AMOUNT
FROM	0100	00000	961000	\$10,000
TO	1400	00000	931000	\$10,000

### FUND 17XX – SPECIAL RESERVES (NON-CAPITAL PROJECT) FUND

- Used primarily to accumulate general fund monies for a general operating purpose other than other capital outlay
- The fund only allows for transfers out to appropriate funds where expenditures will be made
- Can be used to meet the required “Reserve for Economic Uncertainties”
- Accounts Receivables may include interest

### FUND 21XX, FUND 2500, AND 35XX – CONSTRUCTION FUNDS

- Accounts Receivables may include any amounts owed between funds (due to/due from), interest.
- PLEASE NOTE -Fund 2500 Interest must be journaled from Resource 0000 to Resource 9051.
- Fund 35XX – County Schools Services Funds uses resource 77XX  
**IMPORTANT:** If Fund 35 contains State Facility Program revenue for several different projects, the Interest must be distributed out to the various projects

## FCSS YEAR-END CLOSING MANUAL

JOURNAL ENTRY					
	FUND	RESOURCE	OBJECT	LOCALLY DEFINED	AMOUNT
DEBIT	3500	00000	866000	0000	\$1,500
CREDIT	3500	77XXX	866000	XXXX	\$1,500

### FUND 40XX– SPECIAL RESERVES (CAPITAL PROJECT) FUND

- Special Reserve for Capital Outlay Projects (Used primarily to accumulate general fund monies for capital outlay projects)
- Accounts Receivable may include interest

### FUND 51XX– BOND INTEREST AND REDEMPTION FUND

- Verify actual payments made tied to the Bond Schedule
- Use the general ledger to reconcile against the prior year audit report for increases/decreases to be included on the SACS Form DEBT.
- Accounts Receivable may include interest

### FUND 6700 – SELF-INSURANCE FUND

- Ensure all cash reconciliation have been made
- Review general ledger to ensure positive cash balance
- Ensure all transfers were completed before June 30
- Make sure that the Incurred But Not Reported (IBNR) liability has been adjusted, *if necessary*
- Accounts Receivable may include interest

### FUND 7100 – RETIREE BENEFITS FUND

- Before using this fund for the OPEB unfunded liabilities, make sure that there is a formal Trust Agreement established with a third-party
- Ensure that all reconciliation has been completed
- Ensure that all transfer for retiree benefits is completed before June 30 (*See CSAM Procedure 785*)

**GOVERNMENTAL  
ACCOUNTING STANDARDS  
BOARD (GASB)**

# FCSS YEAR-END CLOSING MANUAL

## GASB 34

### GASB 34 BACKGROUND

In 1999, the Governmental Accounting Standards Board issued Statement No. 34, GASB 34, which fundamentally changed the financial reporting model for state and local governments, including school districts by setting standards to enhance the understandability and usefulness of an agencies' external financial statements. GASB 34 entries convert financial statements from modified accrual to the full accrual basis of financial presentation, which formats state and local government financial reports similar to the private business. Under GASB 34, the financial statement must include the following:

- Management Discussion & Analysis (MD&A)
  - This is written and prepared by the district administration and provided to the independent auditors to be included in their annual audit. This includes anything known by management at the time of the audit which presents a clearer long-term picture so that readers are better informed.
- Government-wide Statements
  - Statement of Activities
  - Statement of Net Assets
  - Full accrual including depreciation
- Fund Statements
- Notes to the Financial Statements
- Required Supplementary Information (RS)
  - Budgetary Comparison

### GASB 34 and SACS

The third option on the Reports menu is Government-wide Reporting, which contains four submenu options:

- CNVRT: Government-wide Conversion
- ENTRY: Conversion Entries
- GSA: Statement of Activities
- GSNP: Statement of Net Position

These include the conversion entries and worksheets necessary to convert from individual governmental funds to government-wide activities and to prepare the Statement of Activities and Statement of Net Position required by GASB Statement 34.

**Government-wide conversion entries and reports should be prepared only after the funds are closed. Fund accounting must be correct for conversion entries to work properly Conversion entries are not designed to correct accounting errors within the funds.**

# FCSS YEAR-END CLOSING MANUAL

## **GASB 34 and SACS (continued)**

Recommendations to complete GASB 34 – **Coding is important.**

- Get it right before your close – proper use of funds, functions, objects (see CSAM)
- Verify all expenditures charged to function 8500 and/or object 6XXXXX
- Extract fund data into GASB 34 component of SACS software. Analyze results. Review SACS accounting for reconciliation.
- Ensure that ASSET & DEBT forms match Government-wide Statement of Net Assets

The software contains twenty-five defined conversion entries. Likely, most LEAs will not need all twenty-five of the conversion entries. LEAs can work with their auditors as needed when completing conversion entries.

### **STEP 1 Gather your documents and information**

- Prior Year audit
- Debt issuance documents
- Debt services schedules
- Fixed Assets listing, with depreciation
- Additions to Fixed Assets
- Deletions from Fixed Assets, including WIP
- Compensated Absences schedule

### **STEP 2 Complete BB001, Beginning Balances**

#### **STEP 3 Conversion Entries**

- CE001 – Additions
- CE004 – Donated Equipment
- CE005 – Disposal of Equipment
- CE011 – Work in Process
- CE012 – Depreciation

### **STEP 4 Complete Form ASSET**

### **STEP 5 Complete BB002, Beginning Balances**

#### **STEP 6 Conversion Entries**

- CE002 – Current Year Retirement
- CE003 – Issuance
- CE008, 010 – Interest Payable, Current and Prior Year

# FCSS YEAR-END CLOSING MANUAL

## **GASB 34 and SACS (continued)**

- CE009 – Compensate Absences
- CE011 – Work in Process
- CE013 – Amortization of Premiums and Prepaids
- CE021/022 – OPEB and Other Long-Term Debt

## **STEP 7 Complete Form DEBT**

## **STEP 8 Conversion Entries**

- CE015 – Internally generated income
- CE016 – Externally generated income
- CE023 – Net Pension Liability & Pension Expense (GASB 68)
- CE024 – Employer Pension Contribution made Subsequent to Measurement Date (GASB 68)
- CE025 – State’s Share of Pension Expense – Special Funding Situation (GASB 68)

## **RESOURCES**

- **CDE LETTER**  
Letter dated November 15, 1999, and June 16, 2000, and its attachments further discuss the key provisions of GASB 34, identifies implementation issues, and provides accounting guidance.  
<https://www.cde.ca.gov/fg/ac/as/correspondence.asp>



# FCSS YEAR-END CLOSING MANUAL

## GASB 54

The Governmental Accounting Standards Board (GASB) has issued Statement 54 (GASB 54), *Fund Balance Reporting, and Governmental Fund Type Definitions*.

### BACKGROUND

GASB 54 considerably alters the categories and terminology used to describe the components that compose fund balance. These changes are intended to enhance how fund balance information is reported and to improve its usefulness by establishing new fund balance classifications that are easier for users to understand and apply. The new standard also clarifies the definitions of certain governmental funds.

### EFFECTIVE DATE

GASB 54 is effective for LEA financial statements for the fiscal year 2010-2011.

### FUND BALANCE CLASSIFICATION

GASB 54 implements a five-tier fund balance classification hierarchy that depicts the extent to which a government is bound by spending contracts imposed on the use of its resources. Not all these classifications will be needed in every governmental fund or by every LEA. The five classifications are:

### RESTRICTED FUNDS

- **Nonspendable**
  - *Amounts are not in spendable form (i.e., inventory, prepaid, long-term portion of loans receivable.)*
  - *Legally or contractually required to be maintained intact (i.e., the principal amount of a permanent fund.)*
  
- **Restricted**
  - *Amounts are subject to externally imposed and legally enforceable constraints.*
  - *Constraints may be imposed by grantors, creditors, contributors, laws, and regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.*
  - *Restricted General Fund, object 9740*

# FCSS YEAR-END CLOSING MANUAL

## GASB 54 (continued)

### UNRESTRICTED FUNDS

- **Committed**
  - *Amounts are subject to internal constraints self-imposed by formal action of the government's highest level of decision-making authority.*
  - *"Formal action" varies by government. For school districts, governing board actions taken at a public meeting can vary from a vote, a resolution, or the adoption of a budget.*
  - *The amounts cannot be used for any other purpose unless the same type of action is taken to remove or change the constraint.*
  - *The constraint for committed funds balances must be imposed no later than June 30. (The actual amounts can be determined after the date of year-end closing.)*
  
- **Assigned**
  - *Amounts that the government intends to be used for specific purposes.*
  - *Assigned amounts can be established by a) the governing board; or b) a body (budget committee, fiancé committee, site council, etc.), or official(s) that has been designated by the governing board.*
  - *The constraints that are imposed are more easily removed or modified than those classified as committed.*
  - *The assignment does not need to be made before the end of the reporting period (June 30) but rather can be made any time before the issuance so the financial statements (at year-end closing)*
  
- **Unassigned**
  - *General Fund only, is the residual balance that is not restricted, committed, or assigned.*
  - *All Other Funds, a positive unassigned fund balance is never reported. (Fund 17 exception)*
  - *Deficits in another classification that cannot be eliminated are reported as a negative unassigned fund balance, object 9790.*

### RESOURCES

- **CDE LETTER**

Letter dated January 7, 2011, and its attachments further discuss the key provisions of GABS 54, identifies implementation issues and provides accounting guidance.  
<https://www.cde.ca.gov/fg/ac/as/correspondence.asp>

# FCSS YEAR-END CLOSING MANUAL

## GASB 63 AND 65

The Governmental Accounting Standards Board (GASB) has issued Statement 63 (GASB 63), *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*

### BACKGROUND

Traditionally, the statement of financial position has comprised of three elements – assets, liabilities, and the difference between the two. In 2007, the GASB issued Concepts Statement 4, *Elements of Financial Statements*, in which two additional financial statement elements were established – deferred outflows of resources and deferred inflows of resources.

- Deferred Outflows of Resources – consumption of net assets that applies to a future reporting period
- Deferred Inflows of Resources – acquisition of net assets that applies to a future reporting period

These new financial statement elements reflect the GASB’s conclusion that certain transactions subject to deferred recognition do not meet the definition of assets or liabilities. In addition, the introduction of these two new financial statement elements makes the traditional description of the difference between assets and liabilities, defined in GASB 34 as “net assets”, inaccurate. Consequently, Concepts Statement 4 describes the residual of all elements presented in the statement of financial position as “net position”, rather than “net assets”.

GASB Concepts Statement 4, *Elements of Financial Statements*, identifies two new financial statement elements – deferred outflows of resources and deferred inflows of resources. Concepts Sate 4 also specifies that recognition of these financial statement elements should be limited to instances specifically identified in GASB authoritative pronouncements. GASB 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, provides financial statement presentation guidance for deferred outflows and inflows of resources but does not specifically identify items that should be recognized as such. GASB 65 was issued to identify these items.

### EFFECTIVE DATE

GASB 63 and 65 are effective for LEA financial statements for the fiscal year 2013-2014.

# FCSS YEAR-END CLOSING MANUAL

## GASB 63 and 65 – continued

### IMPLICATIONS FOR LEAs

As noted above, a few items identified in GASB 65 to be reclassified may apply to LEAs. For example, in governmental funds, certain unavailable revenue that is currently reported as a liability (deferred revenue) will be reported as a deferred inflow of resources. Another example is the deferred debit or credit amount resulting from ta debt refunding. These amounts are currently reported as an asset or liability, respectively, but will now be reported as a deferred outflow of resources or a deferred inflow of resources.

In addition, GASB 65 limits the use of the term “deferred” to deferred inflows of resources and deferred outflows of resources. This means that the term “deferred revenues” will need to be changed to reflect this directive.

Finally, GASB 65 clarifies that deferred outflows and inflows should be included in the determination of major funds.

The provisions of GASB 65 necessitated some changes to the SACS software fund forms and government-wide reports, including conversion entries. The CDE also plans to issue more detailed guidance in the future regarding the implementation of the provisions of GASB 65 as well as GASB 63.

### RESOURCES

- **CDE INFORMATION**

SACS Forum dated February 2014, gives additional information on GSAB 63 and 65.

<https://www.cde.ca.gov/fg/ac/ac/sacsminutes020414.asp>

# FCSS YEAR-END CLOSING MANUAL

## GASB 68

The Governmental Accounting Standards Board (GASB) has issued Statement 68 (GASB 68), *Accounting and Reporting for Pensions*.

### BACKGROUND

GASB 68 requires employers that participate in cost-sharing pension plans, such as the California Public Employees' Retirement System (CalPERS) and California State Teachers' Retirement System (CalSTRS), to report in their accrual-basis financial statements a proportionate share of the pension plan's net pension liability. This liability is required to be recorded in the financial statements, e.g., Statement of Net Position, not merely disclosed in the notes to the financial statements. This means that the employer's Net Pension Liability will appear on the face of the financial statements for the first time starting in the fiscal year 2014-2015.

### EFFECTIVE DATE

GASB 68 is effective for LEA financial statements for the fiscal year 2014-2015.

### WHAT IS THE STRS ON-BEHALF CONTRIBUTION?

On-behalf contributions refer to the contributions made by the State of California (the State), pursuant to Sections 22954 and 22955.1 of the Education Code and Public Resources Code Section 6217.5, to CalSTRS on behalf of LEA members or school employers.

GASB 68 Refers to this as a special funding situation that occurs when a non-employer entity (the State) is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and either of the following conditions exists:

- The amount of contributions for which the non-employer entity is legally responsible is not dependent upon one or more events or circumstances unrelated to the pensions.
- The non-employer entity is the only entity with a legal obligation to make contributions directly to a pension plan.

### WHAT IS REQUIRED TO HAVE ACCOUNTING FOR THE STATE'S ON-BEHALF CONTRIBUTIONS?

The accounting treatment for on-behalf payments for cost-sharing employers in a special funding situation, such as CalSTRS employers, depends on the measurement focus on and basis of accounting applicable when preparing financial statements. That is, whether the financial statements are prepared based on an economic resource's measurement focus and accrual basis of accounting or based on a current financial resources measurement focus and modified accrual basis of accounting.

# FCSS YEAR-END CLOSING MANUAL

## **GASB 68 - continued**

Before the issuance of GASB 68, recognition and measurement of on-behalf payments were included in Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*.

While GASB 68 provides the guidance for the recognition and measurement of the effects of on-behalf payments in financial statements prepared using the economic resources measurement focus and accrual basis of accounting, it did not provide guidance for financial statements prepared using the current financial resources measurement focus and modified accrual basis of accounting.

Accordingly, GASB issued Statement 85, *Omnibus 2017, GASB 85*, which addressed several topics including guidance on the recognition and measurement of on-behalf payments in financial statements prepared using the current financial resources measurement focus and modified accrual basis of accounting.

## **STRS ON-BEHALF CONTRIBUTION RATES**

The CDE provides the state's on-behalf CalSTRS contribution rate as a courtesy to LEA staff and auditors since 1999 because the CalSTRS did not provide the rate at that time. It was brought to the CDE's attention that the CalSTRS started publishing the on-behalf contribution rates. However, the rates published by CalSTRS were different than the rates the CDE calculated. In August 2016, the CDE and CalSTRS staff met to discuss the issue, and both agencies agreed that CalSTRS should be the authoritative agency to calculate and publish the on-behalf contribution rate.

## **RESOURCES**

CalSTRS has guided various methods for districts to calculate their share of the state STRS on-behalf contributions on their GASB 68 FAQ's

<https://www.calstrs.com/gasb-67-68-frequently-asked-questions>

## **CDE INFORMATION**

The CDE Letter dated July 2, 2015, gives additional information on GSAB 68.

In addition, the CDE has updated the instruction page of the on-behalf calculation spreadsheet application. The updated spreadsheet application can be accessed on the CDE website

<https://www.cde.ca.gov/fg/ac/co/gasb68.asp>

# FCSS YEAR-END CLOSING MANUAL

## GASB 68 - continued

### POSTING STRS ON-BEHALF AMOUNT

This should be done as one of the last steps before closing. STRS On-Behalf entries should be booked to Resource 769000, with credits to revenue object 859000 and debits to expenditure objects 3101XX/3102XX. The journal entry complies with the GASB 68 – CalSTRS On-Behalf, to recognize the state’s contribution of CalSTRS on behalf of the LEA employees and to follow the required guidance of Generally Accepted Accounting Principles, GAAP.

It is one method for determining an employer’s share of State on-behalf contributions; different calculation methods may yield different results. It is recommended that each district review its accounting policies and follow external auditor recommendations. Please evaluate and apply a consistent methodology to comply with these pronouncements.

Once you have the calculated STRS on-behalf contribution amount, input the amount, along with your .dat file, into the STRS on-behalf calculator using the instructions below. This will create a journal entry file for data entry. When preparing your unaudited actuals, refresh your data with the most current .dat file and generate a new SACS import file.

The template will be sent to you from FCSS in **May** or it can be download from the following link: [Attachment 02-Jul-2015: STRS On-Behalf Analysis Spreadsheet Application](#)

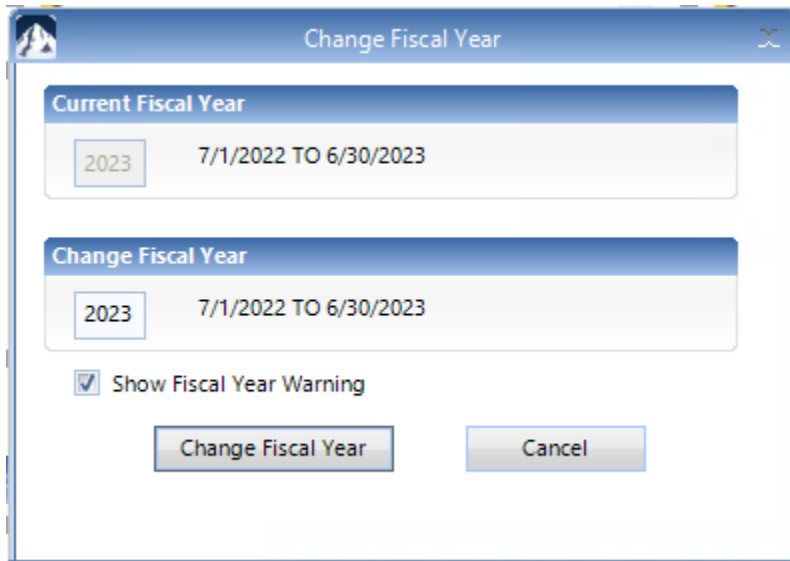
**IMPORTANT:** Upon the request of the LEA the FCSS will prepare the journal entry for the District as part of their year-end closing process. This is normally done after the District has completed any revisions such as, but not limited to, reclassification of actual expenditures.

# FCSS YEAR-END CLOSING MANUAL

## GASB 68 - continued

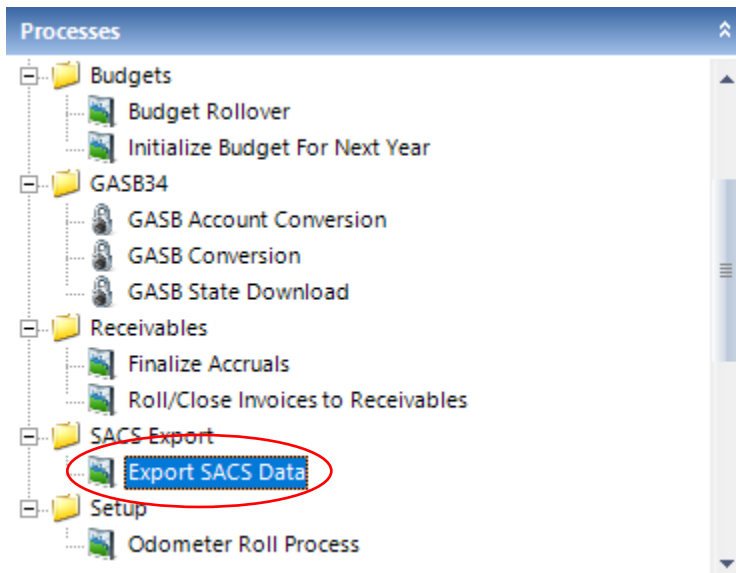
### EXPORTING THE .dat FILE

**STEP 1:** Make sure to change the year to next fiscal year, i.e., closing year fiscal year 2022-2023, enter the year 2023



**STEP 2:** Make sure you are in Finance.

- Go to the Processing Module
- Click on Export SACS Data





# FCSS YEAR-END CLOSING MANUAL

## GASB 68 – continued

**STEP 3:** Once you are on the Export to State’s SACS Software.

- Make sure that the Unaudited Actuals radio button is highlighted
- Click on Convert

Export to State's SACS Software

File Help

Reporting Selection:  
 District  Charter

Select Report Type:  
Fiscal Year: 2022/23 District: 1 - Fresno County Superintendent of Schools  
 Exclude Funds 7600

Report Period:  
 Unaudited Actuals  Single Budget, July 1st  First Interim  
 Working  Dual Budget, July 1st  Second Interim  
 Approved  Dual Budget, Sept. 8th  Third Interim  
 Revised

Exclusion Criteria:

	Fund	Department	Manager
Account Selections			

Convert  
Clear Grid  
Exit

**STEP 4:** Make sure that the file shows the closing fiscal year for Unaudited Actuals

- Click on Yes after verification

Conversion Selection Confirmation

Please Confirm Selections :

District = 1  
Budget Fiscal Year = 2023/24  
Unaudited Actuals Fiscal Year = 2022/23  
Reporting Period = Unaudited Actual  
Budget Type = Working

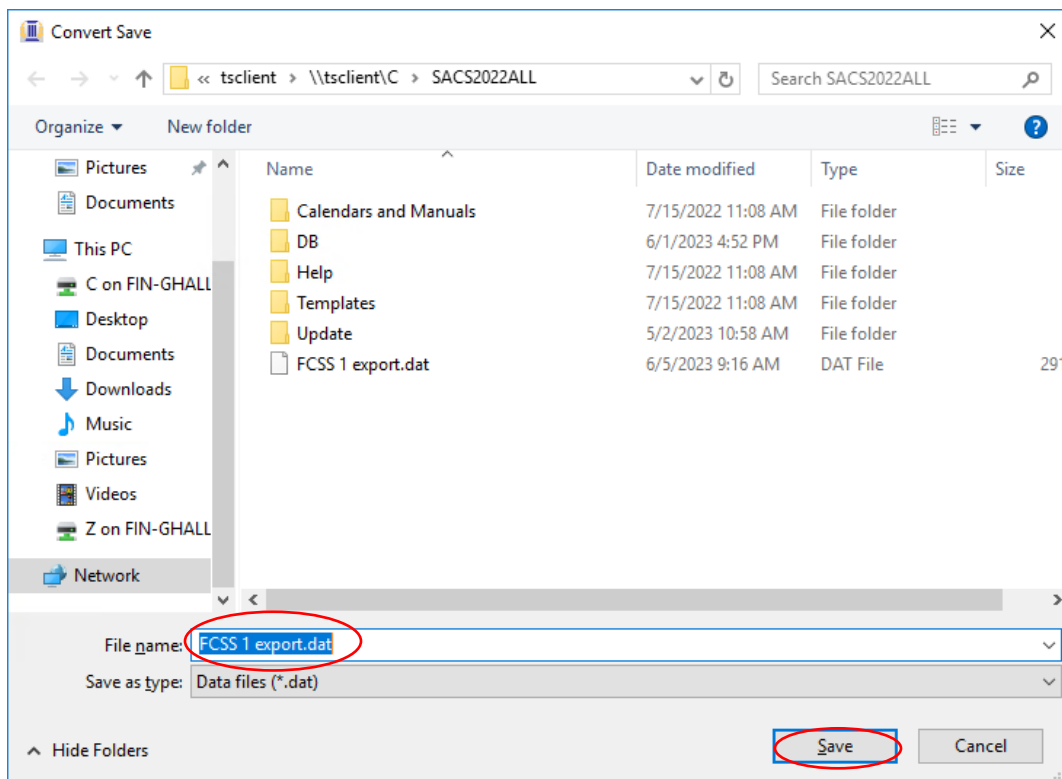
Yes No

# FCSS YEAR-END CLOSING MANUAL

## GASB 68 - continued

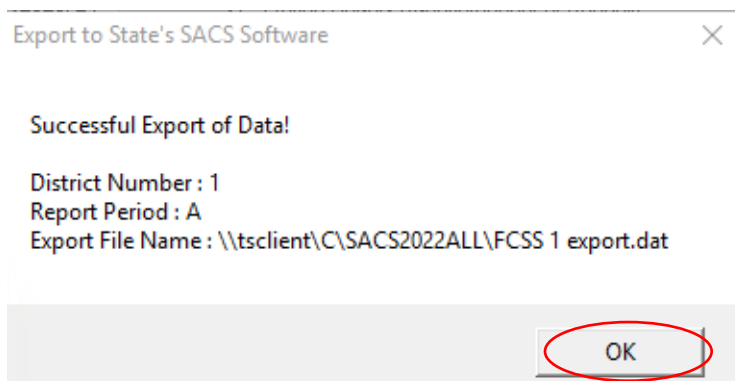
**STEP 5:** Select a place to save this file for easy retrieval

- Name the file and make sure to add **.dat** at the end of the file name
- Click on Save



**STEP 6:** Successful Export of Data screen should appear

- Click on Ok



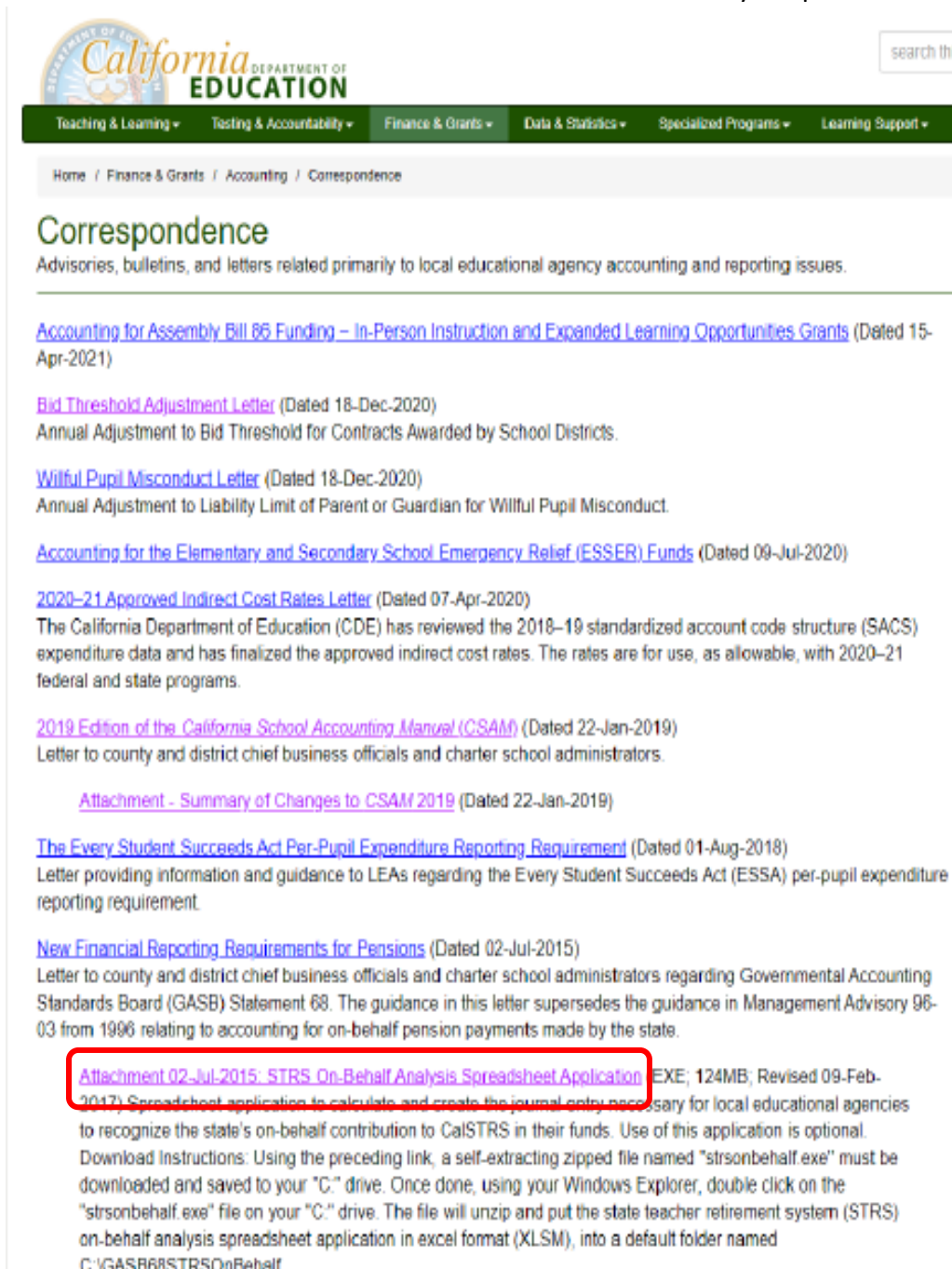
# FCSS YEAR-END CLOSING MANUAL

## GASB 68 - continued

### HOW TO ACCESS STRS ON BEHALF EXCEL WORKSHEET

**STEP 1:** Go to the CDE website [Attachment 02-Jul-2015: STRS On-Behalf Analysis Spreadsheet Application](#)

- Click on Attachment 02-Jul-2015 STRS On Behalf Analysis Spreadsheet Application



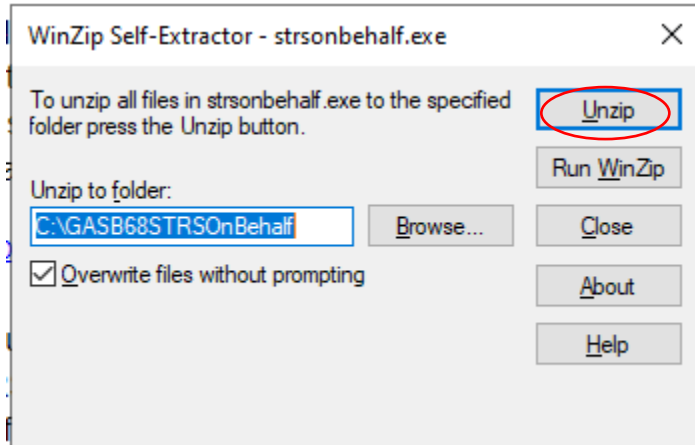
The screenshot shows the California Department of Education website. The header includes the state seal and the text 'California DEPARTMENT OF EDUCATION'. A search bar is located in the top right corner. A navigation menu contains links for 'Teaching & Learning', 'Testing & Accountability', 'Finance & Grants', 'Data & Statistics', 'Specialized Programs', and 'Learning Support'. Below the navigation menu is a breadcrumb trail: 'Home / Finance & Grants / Accounting / Correspondence'. The main heading is 'Correspondence', followed by a sub-heading: 'Advisories, bulletins, and letters related primarily to local educational agency accounting and reporting issues.' The page lists several advisories and letters, each with a date. The 'Attachment 02-Jul-2015: STRS On-Behalf Analysis Spreadsheet Application' is highlighted with a red box. The text for this attachment is: '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.'

# FCSS YEAR-END CLOSING MANUAL

## GASB 68 - continued

**STEP 2:** The download file will appear

- Click on Unzip
- The file will now appear in your C: drive, titled “GASB68STRSONBehalf”



**STEP 3:** The download file will appear

- After you click on Unzip
- In your C: drive, titled “GASB68STRSONBehalf”
- Click on the file and the GASB68 STRS On-Behalf Excel spreadsheet will appear

**STEP 4:** After the GASB68 STRS On-Behalf spreadsheet appears

- Go to the Import Selection Tab on the Excel worksheet
- Find the Unaudited Actuals .dat file previously saved on your computer
- Click on the file
- Click the Select a Dataset to prepopulate the worksheet
- Click on Select and Load File

### STRS On-Behalf Analysis Spreadsheet Application

File Path:

Select a Dataset:

Fiscal Year	CDS Code	Reporting Period	Column Code
2023-2024	10-10108-	Unaudited actuals	Budget
2022-2023	10-10108-	Unaudited actuals	Unaudited actuals

STRS On-Behalf:

# FCSS YEAR-END CLOSING MANUAL

## GASB 68 - continued

**STEP 5:** Enter the amount from the May Excel STRS On-Behalf Spreadsheet sent to you from the FCSS DFS Team

### STRS On-Behalf Analysis Spreadsheet Application

File Path:

Select a Dataset:

Fiscal Year	CDS Code	Reporting Period	Column Code
2023-2024	10-10108-	Unaudited actuals	Budget
2022-2023	10-10108-	Unaudited actuals	Unaudited actuals

STRS On-Behalf:

**STEP 6:** Select the closing fiscal year, i.e., 2022-2023, Unaudited Actuals

### STRS On-Behalf Analysis Spreadsheet Application

File Path:

Select a Dataset:

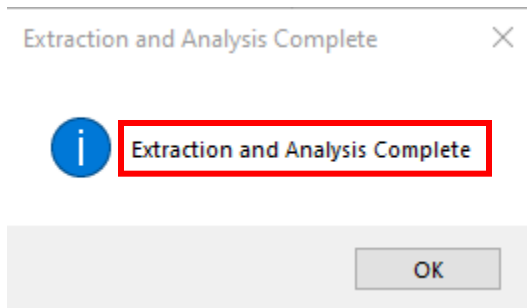
Fiscal Year	CDS Code	Reporting Period	Column Code
2023-2024	10-10108-	Unaudited actuals	Budget
2022-2023	10-10108-	Unaudited actuals	Unaudited actuals

STRS On-Behalf:

# FCSS YEAR-END CLOSING MANUAL

## GASB 68 - continued

**STEP 7:** Once the Extraction and Analysis has run, you should get the message below



## **STEP 8: Go to the Journal Entry tab**

- Click on the Journal Entry Tab
- Note: the journal entry has been created for you
- Confirm the debits and credits equals and matches entered at Step 5
- Due to rounding errors, you may need to adjust the larges accounts string to balance
- Print the Journal Entry and enter it into the Everest Financial System

# FCSS YEAR-END CLOSING MANUAL

## GASB 74 AND 75

**GASB 74:** FINANCIAL REPORTING FOR POST-EMPLOYMENT BENEFITS PLANS OTHER THAN PENSION PLANS

**GASB 75:** ACCOUNTING AND FINANCIAL REPORTING FOR POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

### BACKGROUND

In June 2015, the GASB approved the issuance of two new Statements that are designed to improve the usefulness of information about OPEB in the general-purpose external financial reports of state and local governmental plans for making decisions and assessing accountability:

- [Statement No. 74](#), ***Financial Reporting for Postemployment Benefit Plans Other than Pension Plans***, addresses financial reporting by plans that administer OPEB benefits on behalf of governments.
- [Statement No. 75](#), ***Accounting and Financial Reporting for Postemployment Benefits Other than Pensions***, addresses accounting and financial reporting by government employers.

The new OPEB Statements include requirements for defined benefit OPEB plans that replace the requirements of Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*.

They also include requirements for defined contribution OPEB plans that replace the requirements of Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, Statement No. 43, and Statement No. 50, *Pension Disclosure*.

### EFFECTIVE DATE

GASB 74 is effective after June 15, 2016, or the fiscal year 2016-2017

GASB 75 is effective after June 15, 2017, or the fiscal year 2017-2018

# FCSS YEAR-END CLOSING MANUAL

## GASB 74 & 75 – continued

### CORE PRINCIPALS AND KEY ISSUES

The OPEB standards are designed to improve the information reported on OPEB for decision-making and accountability purposes, comparability across governments, and transparency for those who avail themselves to it. **GASB 74 & 75 (continued)**

They also are designed to equip state and local government policymakers and all users with governmental financial reports with information that would allow them to obtain a more comprehensive understanding of a government's financial picture.

The new standards are intended to bring about fundamental changes in how OPEB is accounted for and reported. Much like the changes made to the pension standards, these new OPEB standards provide a more comprehensive picture of what state and local governments have promised and the actual associated costs.

The standards address several important issues. They include the following:

- Changes that affect how the long-term obligation and annual costs of OPEB are measured,
- A requirement to recognize the new OPEB liability on the face of the financial statements, and
- A requirement to present more extensive note disclosures and related schedules.

Some governments have already expressed concerns about displaying the OPEB liability in the face of the financial statement.

The GASB believes that a government must pay OPEB based on the level of retirement benefits promised to an employee in exchange for services.

Even though the obligation is constructive and not legal, a reduction in OPEB could result in adverse consequences for the government or increases in other compensation costs.

By making the OPEB liability known, the GASB enables the users of governmental financial statements to have access to information that provides a more comprehensive, easy-to-understand snapshot of a government's financial position at any given time. Without this, users are left with an incomplete financial picture, as noted in CDE resources for GASB 74 & 75.



# FCSS YEAR-END CLOSING MANUAL

## GASB 74 & 75 – continued

### IMPLICATIONS FOR LEAs

*Effective for fiscal years beginning after June 15, 2017, GASB 75 supersedes GASB 45.*

The major impacts of GASB 75 versus GASB 45

- Net or total OPEB liability is now recorded in the Statement of Net Position
- Strictly prescribed actuarial methodology and discounting guidance will produce a different, sometimes higher, OPEB liability than GASB 45
- Annual measurement dates now require annual or biennial valuations
- Required Supplementary Information (RSI) is required

### TIMING

All districts will need to have actuarial valuations at least every **TWO** years. The total OPEB liability should be measured as a Measurement Date not earlier than the end of the year fiscal year and no later than the end of the current fiscal year.

Adjustments to actuarial valuation roll forward, required if the valuation date is other than the measurement date, no more than 30 months and 1 day earlier than the most recent fiscal year-end.

### ACCOUNTING CHANGES

- **Requires recognition of liability equal to the total OPEB liability on the full-accrual financial statements**
  - Current standards allow recognition over a period not to **exceed 30 years**
- **Requires that most changes in the net OPEB liability be included in OPEB expense in the period of change**
  - Current period service cost
  - Interest on liability
  - Changes in benefit terms
  - Differences between expected and actual experience
  - Changes I assumptions or other inputs
  - Benefit payments
- **Other changes in net OPEB liability would be amortized over time**
  - Changes in economic and demographic assumptions
  - Actuarial gains/losses

# FCSS YEAR-END CLOSING MANUAL

## GASB 74 & 75 – continued

- **The amortization period will be shorter than current standards**
  - Expected remaining service lives of plan participants
  - Five years for differences resulting from investment earnings
  - Closes period
- **Will be reported as a deferred inflow or outflow of resources on the GASB 34 full-accrual financial statements**
- **Deferred inflows of resources and deferred outflows of resources related to OPEB**
  - Each year, separate layers of deferred balances will be created for each source of change
  - Deferred outflows balance should be reported separately from deferred inflows balance
  - Cannot net except differences arising from investment earnings
  - This may be a challenge to track as new layers are added and others are fully amortized
  
- **Dramatically Expanded Note Disclosures**
  - Expanded disclosures about assumptions
  - Liability impact of 1% change, up and down, in interest rate and 1% change, up and down, in the trend rate
  - Detail of adjustments of valuations to Measurement Date
  - Schedule of deferrals by type
  - Schedule of future recognition of deferred outflows and inflows, 5 years and thereafter
  
- **Expanded Required Supplementary Information (RSI Schedule)**
  - Schedules of changes in the OPEB Liability and related ratios, 10 years

## EXCERPTS FROM CSAM 2019 – PROCEDURE 785(OPEB), below

### SUMMARY OF ALLOWABLE OPEB CHARGES TO PROGRAMS

The following tables summarize the agreements reached between the ED and CDE. In keeping with the principle of consistent cost treatment, this guidance applies equally to federal, state, and local programs.

# FCSS YEAR-END CLOSING MANUAL

## GASB 74 & 75 – continued

**Table 1: OPEB plan that is *not* administered through a qualifying trust**

Group	OPEB Expenditure	Allowability
Retirees	Current Year Benefits	Allocate all activities in proportion to total salaries or total full-time equivalent positions (FTEs) in all activities

**Table 2: OPEB plan that *is* administered through a qualifying trust**

Group	OPEB Expenditure	Allowability
OPEB Eligible Active Employees	Current Year Service Cost	Direct charge up to services cost as a fringe benefit on a per eligible FTE basis to program(s) to which each OPEB eligible active employee’s salary is charged
OPEB Eligible Active Employees and Retirees	Employer Contributions in Excess of the Current Year Service Cost	Allocate to <b>all activities</b> in proportion to all salaries or total FTEs in all activities

*Source: CSAM, version 2019, Procedure 785, page 785-7*

For this purpose, “all activities” means any combination of fund, goal, and function, but not necessarily resource, to which any salaries or any FTEs are charged.

LEAs may choose not to charge allocable OPEB expenditures to a particular program resource, but they may not recover the costs allocable to that resource from another resource unless allowed by the other resource. For example, an LEA might choose not to charge Title IV its share of OPEB expenditures, but the LEA may not recover those same expenditures from Title I instead. Yet, the LEA could recover the expenditures from an allowable unrestricted resource.

# FCSS YEAR-END CLOSING MANUAL

## GASB 74 & 75 – continued

### IMPLICATIONS FOR INDIRECT COST RATES AND ADMINISTRATIVE COST CAPS

OPEB expenditures relating to existing retirees are similar to indirect costs in with the idea that it is appropriate to prorate them across all programs rather than to try to identify their benefit to any particular program. However, these expenditures are not administrative in the same sense as expenditures in the traditional pool of indirect administrative costs. CDE and the ED agree that these expenditures should not be included in the traditional indirect cost pool and that they should not count toward administrative cost caps in programs where such caps exist. Indirect costs and their application to programs are discussed in the CSAM, under Procedure 915.

### ACCOUNTING FOR OPEB IN THE STANDARDIZED ACCOUNT CODE STRUCTURE

OPEB expenditures are reported in object codes 3700 range within the standardized account code structure, SACS:

Object Code	Expenditure Type
3701	OPEB, Allocated, Certificated Positions
3702	OPEB, Allocated, Classified Positions
3751	OPEB, Active Employees, Certificated Positions
3752	OPEB, Active Employees, Classified Positions

Objects 3701-3702 are used for OPEB expenditures relating to retirees and other former employees for current year benefits due under an OPEB plan that is not administered through a qualifying trust.

**These expenditures must be allocated to all activities: Objects 3701-3702** are also used for expenditures related to the amounts paid to an OPEB plan administrated through a qualifying trust in excess of the current year actuarially determined service cost, where these expenditures are allocated to all activities instead of direct charged using objects 3751-3752.

**Allocated OPEB expenditures must be allocated based on final actual total salaries or FTEs, not on the budget, estimated, or projected figures.**

Objects 3751-3752 are used for OPEB expenditures for the amounts paid to an OPEB plan administered through a qualifying trust, up to the current year actuarially determined service costs for OPEB eligible active employees. Service costs must always be direct charged.

# FCSS YEAR-END CLOSING MANUAL

## GASB 74 & 75 – continued

Direct charged costs for OPEB eligible active employees should be charged based on an equal amount per eligible FTE, similar to how current health and welfare benefits are charged. These costs are not proportional to salaries.

### OTHER NOTES ON ALLOCATING OPEB COSTS

Costs must be allocated to **all activities** in proportion to **total salaries** in all activities or **total FTEs** in all activities.

- **Total Salaries/FTEs**
  - Not only OPEB eligible salaries/FTEs or Health and Welfare eligible salaries/FTEs
  
- **All Activities**
  - No direct charged to program in which employee worked before retiring
  - Do not charge all to general administration
  - “All activities” refers to any combination of fund, goal, and function, but not necessarily resource, to which any salaries or any FTEs are charged.
    - The LEA may choose not to charge a particular resource its share, but cannot recover it from another resource unless allowed by that resource
      - ❖ **Example:** The LEA may choose not to charge Title IV and cannot change it to Title I, but can charge it to resource 00000, Unrestricted General Fund; use the same function as would have been used

# UNAUDITED ACTUALS AND STATE SUPPLEMENTAL FORMS

# FCSS YEAR-END CLOSING MANUAL

## UNAUDITED ACTUALS FINANCIAL REPORT

The Unaudited Actuals Financial Statements are due **September 15, 20XX**

Include each of the following:

- A printed copy of the District Certification with original signatures.
- A printed copy of the complete Unaudited Actuals Financial Statements including the Technical Review Checklist, Form TRC.
  - Make sure that any Warnings have a reasonable explanation or the FCSS DFS Team reserves the right to refuse the report.
- Submit the ***official export .dat file*** via the SACSWeb application and all other requested forms to the DFS Team overseeing your LEA's budget reviews ***on or before the September 15 deadline.***

### [SACS Web System User Guide](#)

Please use the above link for all SACSWEB support questions and form references on the following pages.

## SUGGESTED ORDER FOR DATA PROCESSING AND FORM COMPLETION

Below is the recommended sequence for completing the reporting processes within the SACS software. Following the sequence will help prevent technical review exception messages simply because certain data has not yet been entered and/or verified.

***Remember to save all forms as they are completed, changed, or revised.***

# FCSS YEAR-END CLOSING MANUAL

## SUGGESTED ORDER FOR DATA PROCESSING AND FORM COMPLETION – continued

### UNAUDITED ACTUALS PERIOD

Dependent Forms (save these forms in this order)	Dependent on Forms	Dependent on Funds (GL)
01	n/a	01
CEA	n/a	01
ESMOE	A	01, 09, 13, 61, 62
GANN	A	01, 09, 62
ICR	n/a	01, 08, 09, 11, 12, 13, 19, 57, 61, 62
L	n/a	All funds
PCRAF	n/a	01, 09, 62
PCR	PCRAF	01, 09, 11, 12, 13, 19, 57, 61, 62
CA	CEA, GANN, ICR, ESMOE	n/a
SEMA	PCR	01, 09, 62
SEMB	PCR	01, 09, 62

1. **Form A**—To collect attendance data used in other forms and calculations within the SACS Web System. Complete, save, and print.
2. **Form CAT** —To calculate the year-end accruals for categoricals prior to reporting them in the general ledger.
3. **Import/User Data Input**—Import general ledger budget and actual data from Everest. See the Importing Data section for details about automatic recalculations done after the import, reimport, and user data input processes.
4. **Technical Review Check (TRC)-Import and TRC-General Ledger**—Run the TRC-Import and TRC-General Ledger modules for budget and actual data to check the imported and manually entered general ledger data for valid SACS codes, combinations of codes, ending fund balances, interfund and intra-fund balances, components of ending fund balances, and various other balances. Fatal exceptions must be corrected; warning exceptions must be corrected or, if the data is correct, must be explained; informational exceptions should be corrected or, if the data is correct, an explanation is optional but encouraged.
  - **General Ledger Data Corrections**—Make general ledger data corrections, as necessary, in Everest, and then reimport the applicable fund(s).
  - Re-run TRC-Import and TRC-General Ledger to verify changes. See the Importing Data section for details about automatic recalculations done after the import, reimport, and user data input processes.

**Supplemental Forms** – complete applicable forms to various funds such as 76A and 95A.



## FCSS YEAR-END CLOSING MANUAL

5. **Form PCRAF**—To provide allocation factors if there are expenditures in support functions with an undistributed goal.
6. **Form PCR** (unaudited actuals period only).
7. **Forms CEA/CEB**
8. **Forms ASSET, DEBT, ICR, L, ESMOE, SEAS, and SEA**, if applicable.
9. **Form GANN**
10. **TRC-Supplemental**—Run the TRC-Supplemental module, which checks for required supplemental forms (and criteria and standards review forms during the budget period) and conditions within those forms. Fatal exceptions must be corrected; warning exceptions must be corrected or, if the data is correct, must be explained.
11. **Supplemental Data Changes**—Make supplemental data changes, as necessary, in the applicable supplemental forms. If it is necessary to make changes to, and subsequently reimport, general ledger data, see the next step for General Ledger Data Corrections. Re-run TRC-Supplemental to verify changes.
12. **General Ledger Data Corrections**—Make general ledger data corrections, as necessary, in Everest or in the Components of Ending Fund Balance/Net Position screen, and then reimport the applicable fund(s), if necessary. Re-run TRC-Import and TRC-General Ledger to verify changes. See the Importing Data section for details about automatic recalculations done after the import, reimport, and user data input processes.
13. **Components of Ending Fund Balance/Net Position**—Within the Components of Ending Fund Balance/Net Position screen, enter or revise applicable components of ending fund balance/net position by resource. Re-run TRC-Import and TRC-General Ledger to verify changes. See the Importing Data section for details about automatic recalculations done after the import, reimport, and user data input processes.
14. **Form CA** —Unaudited Actuals Certification. **Review the Summary of Unaudited Actual Data Submission worksheet to verify critical data elements.**
15. **Fund Forms**—When the general ledger data is finalized, open, review, and print fund forms, as necessary. **Save Form 01**, so applicable data will be extracted appropriately into Form 01CS and Form MYP.
16. **TRC-Supplemental**—Re-run TRC-Supplemental checks to verify that the criteria and standard review form has been completed as required.
17. **TRC-Export Validation**—Run the TRC-Export Validation module, which checks for required forms, forms that have unbalanced or incomplete data, and forms that need to be opened and saved due to general ledger and/or supplemental data changes (dependencies). See table on page 153 for information about clearing form dependencies.

# FCSS YEAR-END CLOSING MANUAL

18. **Technical Review Checklist**—To verify all exceptions have been corrected or explained where applicable.
19. **Table of Contents**—Shows the fund and supplemental reports that contain data and/or have been saved. Upon selecting this form, the SACS Web System will automatically generate the contents based on the information in the database. View or print the Table of Contents to ensure all applicable forms are completed. You may find it helpful to compare the Table of Contents to Attachment A of this user guide. In addition, all fund, supplemental, and criteria and standards review forms can be printed from the Table of Contents window.
20. **Export**—Export data using the Official option for submission to FCSS, DFS Supervisor.

### Things to remember:

- Unaudited actual submissions to the state must be done as Official.
- The GASB Statement 34 government-wide conversion entries and reports and the Special Education Maintenance of Effort (SEMOE) reports should be completed after all the above steps relating to fund reporting are completed.
- *All forms can be printed from the “Table of Contents” window on SACSWeb by checking the box next to each Form and clicking the print icon in upper right-hand corner.*

### MUST PASS BOTH BUDGET AND UNAUDITED ACTUALS TRC – EXPORT VALIDATION

Submission locked.

Changes made to User Data. TRC recalc required.

### Technical Review

State: Promote To 1st Level LEA Review State Last Updated: 03-13-23 07:49 Assigned To: Not Assigned Last Assigned: 03-13-23 07:49

Dataset Type: Projected Totals 2022-23  
Actuals to Date 2022-23  
Board Approved Operating Budget 2022-23  
Original Budget 2022-23  
Projected Totals 2022-23

Phase: All **SAMPLE**

Display: All Technical Checks

UA TRC UNAVAILABLE AT TIME OF WORKSHOP

Start

### IFCs (Internal Form Checks)

Internal form checks (IFCs), like technical review checks (TRCs), are used to check for accuracy, completeness, and validity of the data. IFCs, however, check data within the forms rather than outside of the forms as does TRCs. Unlike TRCs, IFCs are not visible unless there is a condition that triggers the IFC. In most cases, when an IFC condition exists, text will display in red on the screen and on the printed form identifying the area in the form that needs attention, and an exception will occur upon running the Export TRC.

**NOTE:** Forms may be closed with outstanding IFC conditions giving the user an opportunity to research and correct problems.

For additional information about IFCs see the IFC Statuses section in the Forms chapter.

# **FCSS YEAR-END CLOSING MANUAL**

## **COMPONENTS OF ENDING FUND BALANCE (CEFB)**

Refer to pages 84-87 in the [SACS Web System User Guide](#)

## **SACS Forms – Definitions and Uses**

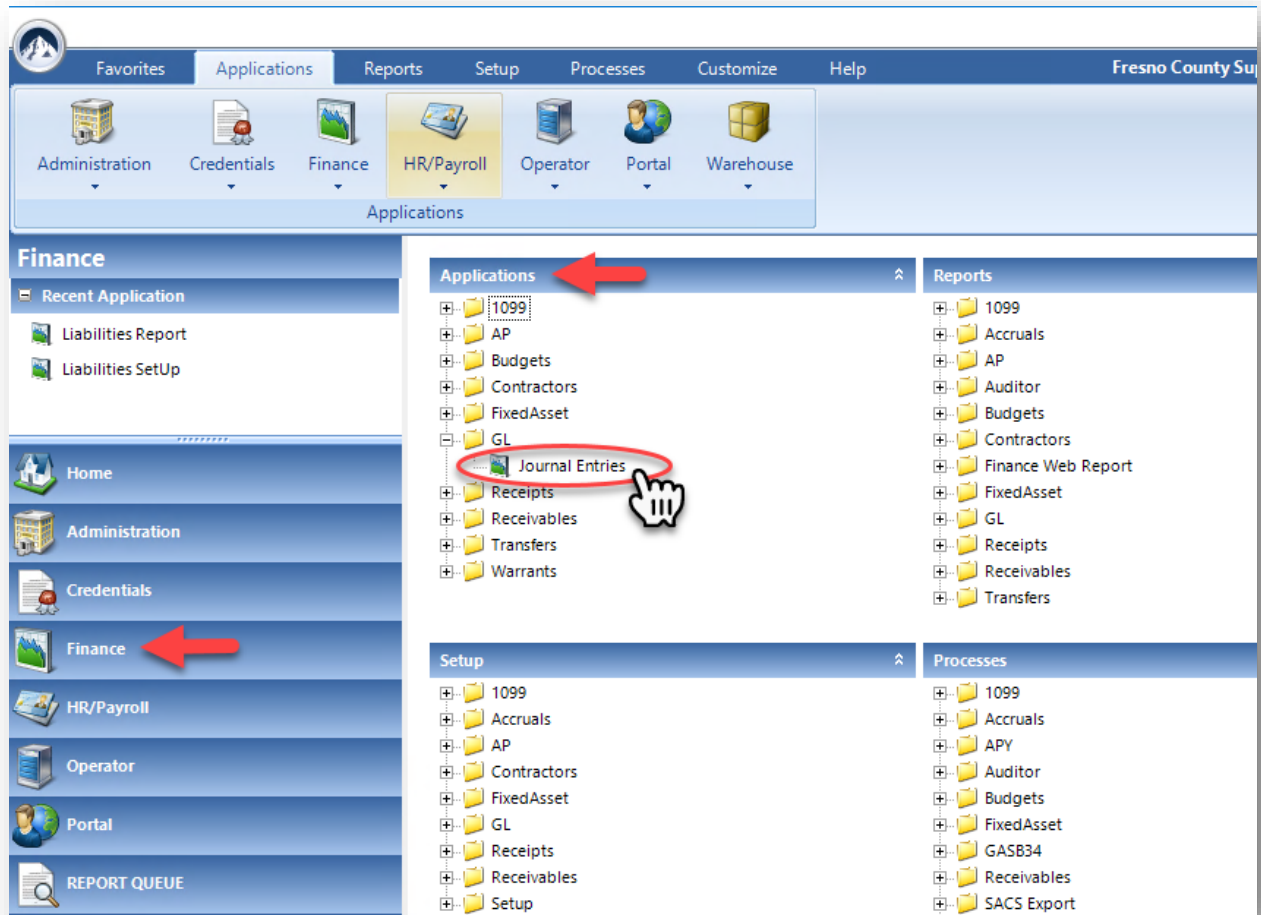
Refer to the [SACS Web System User Guide](#)

# **EVEREST APPLICATIONS**

# FCSS YEAR-END CLOSING MANUAL

## JOURNAL ENTRY APPLICATION

To create a Journal Entry from within the Everest Remote Desktop application, click on the Finance section on the panel located on the left-hand side. In the Applications window, expand the GL folder and select Journal Entries.



# FCSS YEAR-END CLOSING MANUAL

## JOURNAL ENTRIES – continued

Journal Entries

File Options Tools Help

**Journal Entry** Quick Entry

1 Journal Entry No: <NEW>

2 Transaction Date: 10/09/2020

3 Description: Test JE Credit

4 Account

Fd	Re	P	Gl	Fn	Ob	Dp	Mg
0100-00000-0-8600-7200-560022-0607-011							

5 Debit Amount

6 Credit Amount

7 Insert

	Account	Debit	Credit	Descr
1	0100-00000-0-0000-8100-560022-0595-011	\$500.00		Test JE Debit
2	0100-00000-0-8600-7200-560022-0607-011		\$500.00	Test JE Credit

8 Total: \$500.00 \$500.00

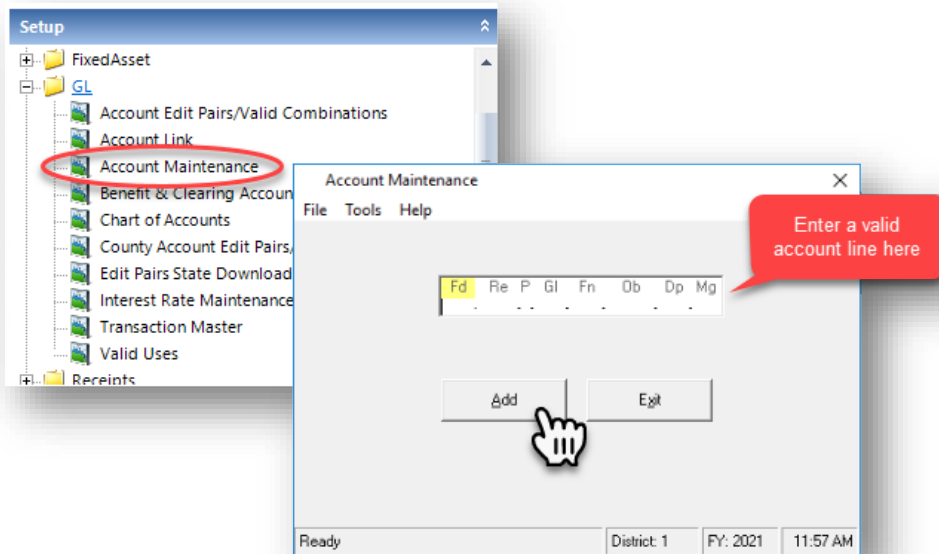
9 Search New Post JE Exit

Ready District: 1 FY: 2021 11:54 AM

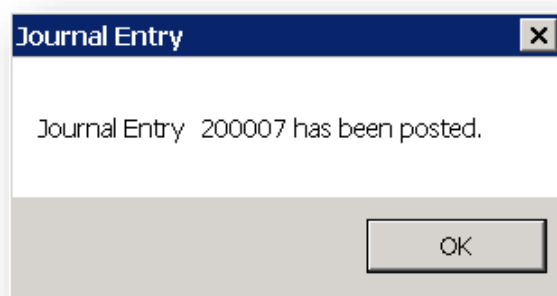
1. **Journal Entry No.** When creating a brand-new Journal Entry, this field will show “<NEW>” and a JE number will be created once it is posted. If reviewing an existing JE, the JE number will populate this field.
2. **Transaction Date** This date defaults to the current date but can be edited by selecting a different date from the drop-down menu. This is used as the posting date for the Journal Entry.
3. **Description** For each line in the Journal Entry, a description must be entered as justification for each debit or credit.
4. **Account Line** Specify the account line to be debited or credited.
  - a. If the account line does not exist, go to the Account Maintenance to add the line

# FCSS YEAR-END CLOSING MANUAL

## JOURNAL ENTRIES – continued



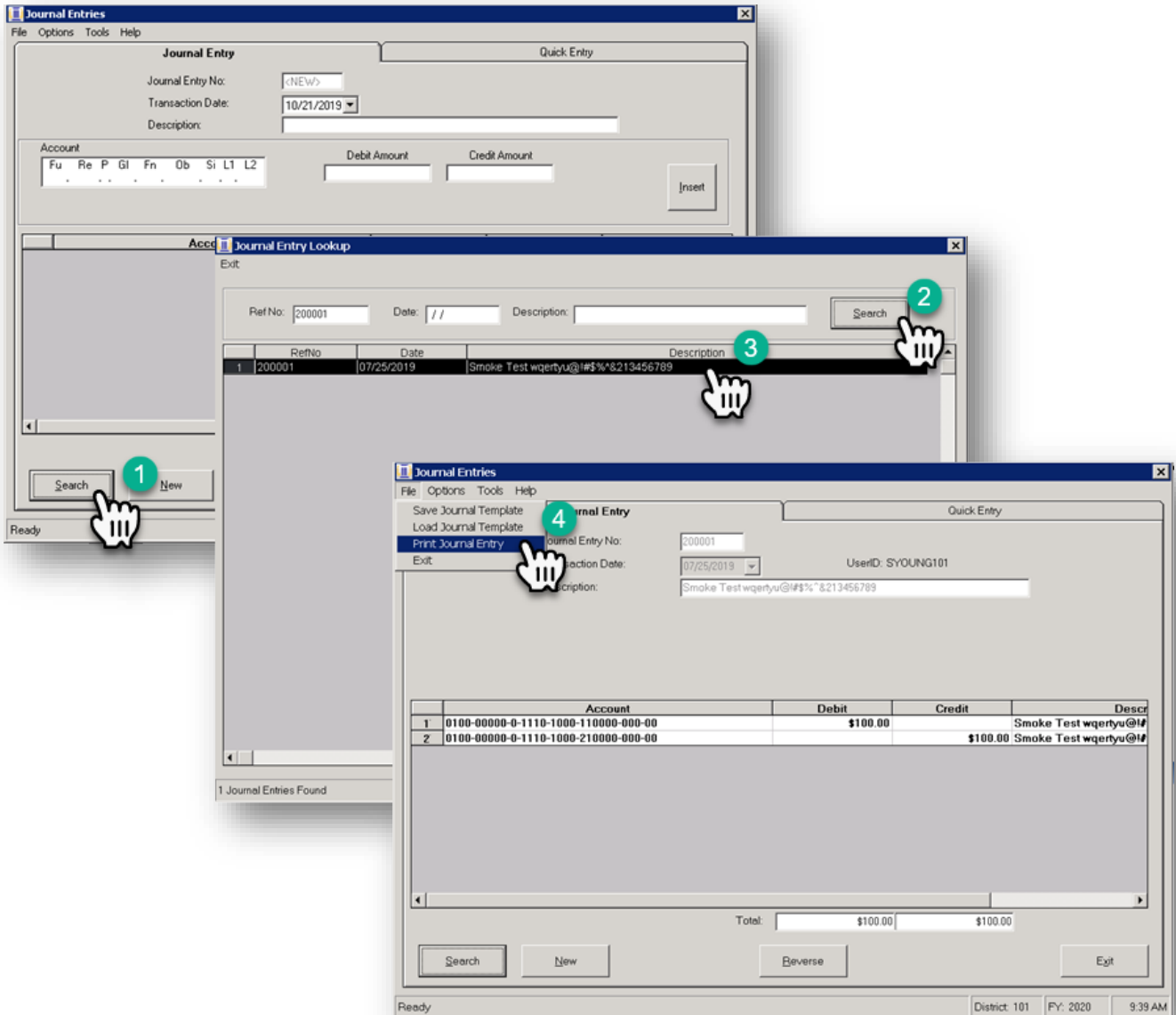
5. **Debit Amount** Specify the amount debited to the specified account line and click *Insert*.
6. **Credit Amount** Specify the amount credited to the specified account line and click *Insert*.
7. **Insert** Click this button to insert the account line and corresponding debits/credits into the Journal Entry.
8. **Total** Verify that total debits are equal to total credits before Posting JE.
9. **Post JE** Click here to post the Journal Entry once finished inserting lines.
  - a. Once the JE Posts you will get a confirmation screen with the JE number on it:



# FCSS YEAR-END CLOSING MANUAL

## JOURNAL ENTRIES – continued

Once a Journal Entry has been posted, the user can search for it using the JE number, Posting Date, or Description. Once a Journal Entry has been posted, the user can print it after first searching for it.

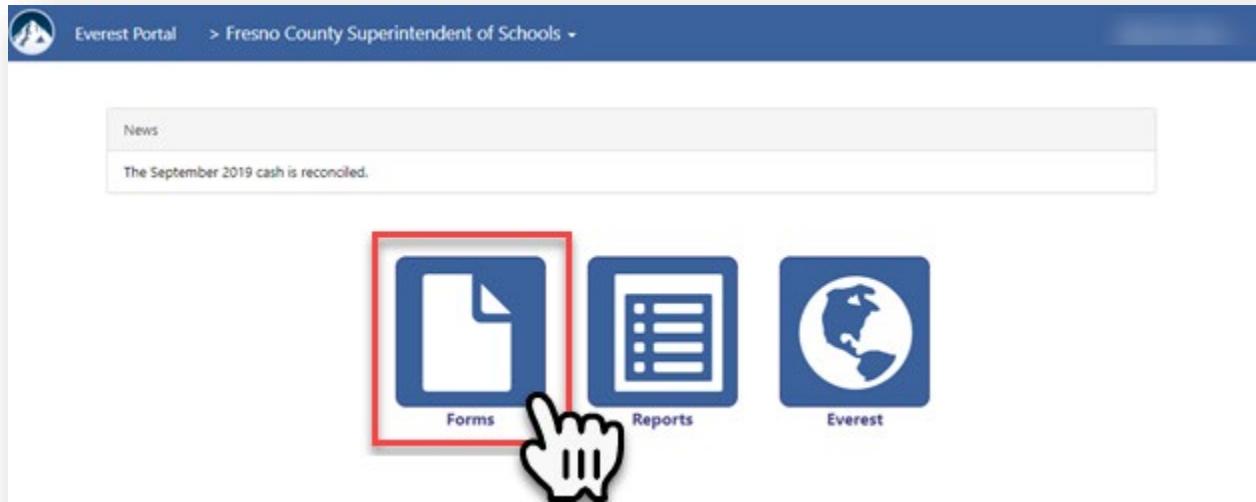




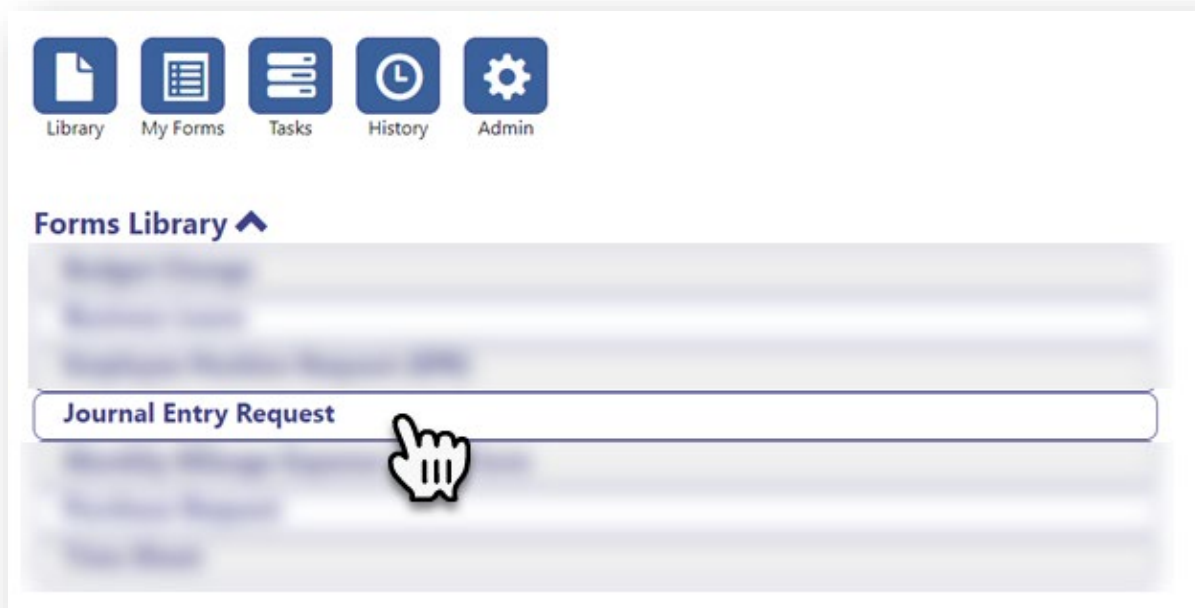
# FCSS YEAR-END CLOSING MANUAL

## JOURNAL ENTRIES – continued

To create a Journal Entry from within Everest Portal, click on the Forms icon.




Select the Journal Entry Request form option.



# FCSS YEAR-END CLOSING MANUAL

## JOURNAL ENTRIES – continued



**fresno county**  
superintendent of schools

**NEW**  
Fiscal Year: 2021

### Journal Entry Request

Submitter  County ID  Work Email  Work Phone

1 Title  2 Posting Date

**Import Journal Entry Lines**

3 Account Id	4	5 Debit	6 Credit	7 Description	8
<input type="text"/>	<input type="text"/>	\$0.00	\$0.00	<input type="text"/>	-
<input type="text"/>	<input type="text"/>	\$0.00	\$0.00	<input type="text"/>	-
9 Total Debit			Total Credit		+
		\$0.00	\$0.00		

**File Attachments** 10

+ Add New Attachment

File Name	Document Type	Description	Date Added	Attached By
No Attachments are available.				

No items to display

**Workflow** 11

To take an action on this form complete the following section and press Submit



Action  ⓘ

Next User

Comments

# FCSS YEAR-END CLOSING MANUAL

## JOURNAL ENTRIES – continued

1. **Title** This field is free form and is used to describe the overall purpose of the Journal Entry. This field is required.
2. **Posting Date** This date defaults to the current date but can be edited by selecting a different date from the drop-down menu. This is used as the posting date for the Journal Entry.
3. **Account ID** This field is populated with an Account ID once each account line is entered. DO NOT ENTER THE DATA IN THIS FIELD.
4. **Account Line** Specify the account line to be debited or credited. This will auto-populate the Account ID field.
5. **Debit Amount** Specify the amount debited to the specified account line.
6. **Credit Amount** Specify the amount credited to the specified account line.
7. **Description** For each line in the Journal Entry, a description must be entered as justification for each debit or credit.
8.  /  Click these buttons to remove/insert lines in the Journal Entry.
9. **Total** Verify that total debits are equal to total credits before Posting JE.
10. **File Attachments** Attach any backup or supporting documentation for the Journal Entry. It will be permanently stored in Everest Portal along with the Journal Entry. Acceptable attachments:
 

.docx	.ppt	.txt	.bmp
.doc	.pptx	.msg	.jpeg
.xls	.rtf	.jpg	.pdf
.xlsx	.csv	.png	
11. **Workflow** This section is the Everest Portal routing system. This form can be routed for approval in the Everest Portal. The Journal Entry will not be posted until this form is Finalized. The following are action options that can be taken on a Journal Entry Request form:

Action Option	Description
<b>Approve</b>	Accepts previous user’s changes
<b>Comment Only</b>	Add additional comments to the form. No changes to the form itself will be made
<b>Finalize</b>	Submits changes to update the system with the new information
<b>Forward</b>	Forwards the form to the next user for them to review

## FCSS YEAR-END CLOSING MANUAL

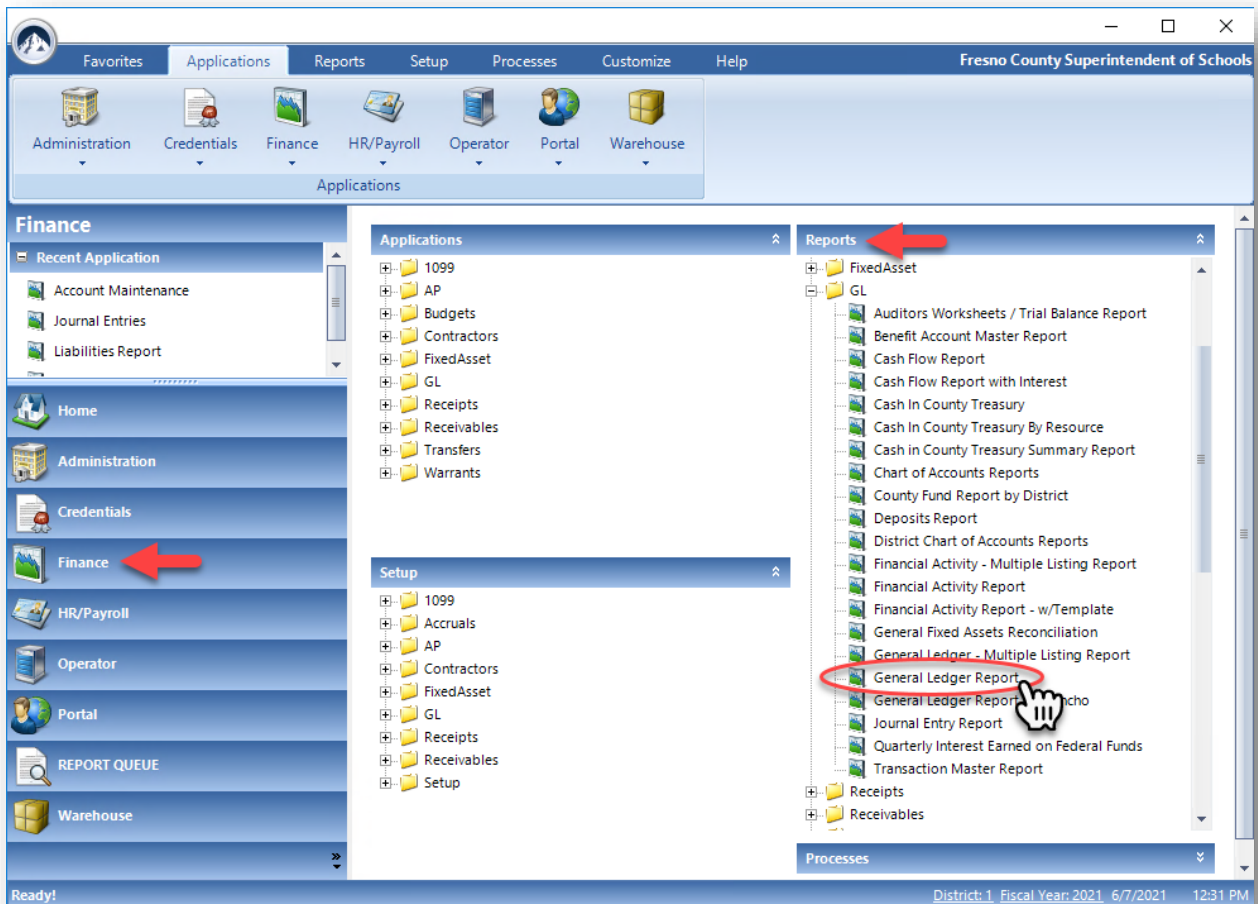
<b>Reject</b>	Rejects form and closes it so that no further actions can be performed (essentially deletes it)
<b>Reroute</b>	Send the form to a different user than the one it is currently waiting on
<b>Resubmit for Approval</b>	After the form has been sent back and changes have been made, the originator will resubmit the form for the next approval (all signatures will need to be added again)
<b>Save as a Draft</b>	Saves as a draft that will appear under the My Forms tab and can be used at a later time
<b>Save Changes Only</b>	Save changes to the form, but do not send it out to anyone yet
<b>Send Back</b>	Sends form back to the originator for revisions (all signatures will be lost)
<b>Submit For Approval</b>	Initial submit that sends form out after originator has filled it out

Journal Entries created in Everest Portal can either be printed directly from the web browser or from within the Everest application as shown on page 4.

# FCSS YEAR-END CLOSING MANUAL

## GENERAL LEDGER APPLICATION

To run the General Ledger Report from within the Everest application, click on the Finance section on the panel located on the left-hand side. In the Reports window, expand the GL folder and select General Ledger Report.



# FCSS YEAR-END CLOSING MANUAL

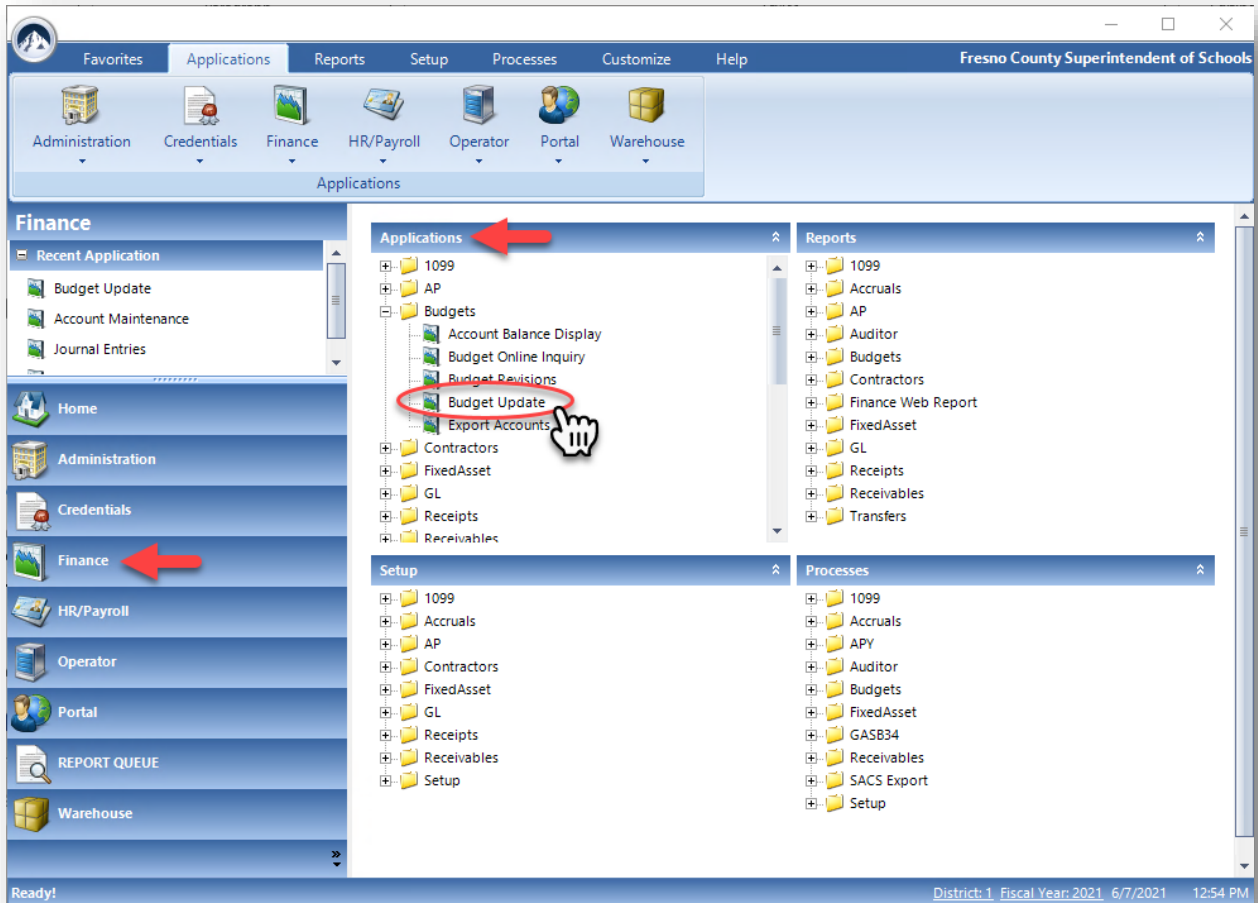
## GENERAL LEDGER – continued

1. **Date Range** Select a date range to view. The report will not show information outside of this exact range. Dates will default to 7/1 or the current fiscal year through the current date.
2. **Page Breaks** Specify the order in which you want data sorted. For example, if you wanted the report to be sorted by Resource and then Object, double click the Resource grey box (and a 2 should appear), and double click the Object grey box (and a 3 should appear). By default, Fund is always the first-page break.
3. **Account Selections** Specify pieces of the account code line that show up on the report. You can use wild cards by specifying a “\*”. For example, to show any 60000 Resource (60000-69999), enter 6\* in the Account Selections box under Resource.

# FCSS YEAR-END CLOSING MANUAL

## BUDGET UPDATE APPLICATION

To perform a budget update from within the Everest Remote Desktop application, click on the Finance section on the panel located on the left-hand side. In the Applications window, expand the Budgets folder and select Budget Update.



# FCSS YEAR-END CLOSING MANUAL

## BUDGET UPDATE – continued

**1** Account Code

**2** Approved

**3** Revised

**4** Working

**5** Balance:

**6** New Working

	Account Code	Working Budget
1		

Exit

District: 1 | FY: 2021 | 1:01 PM

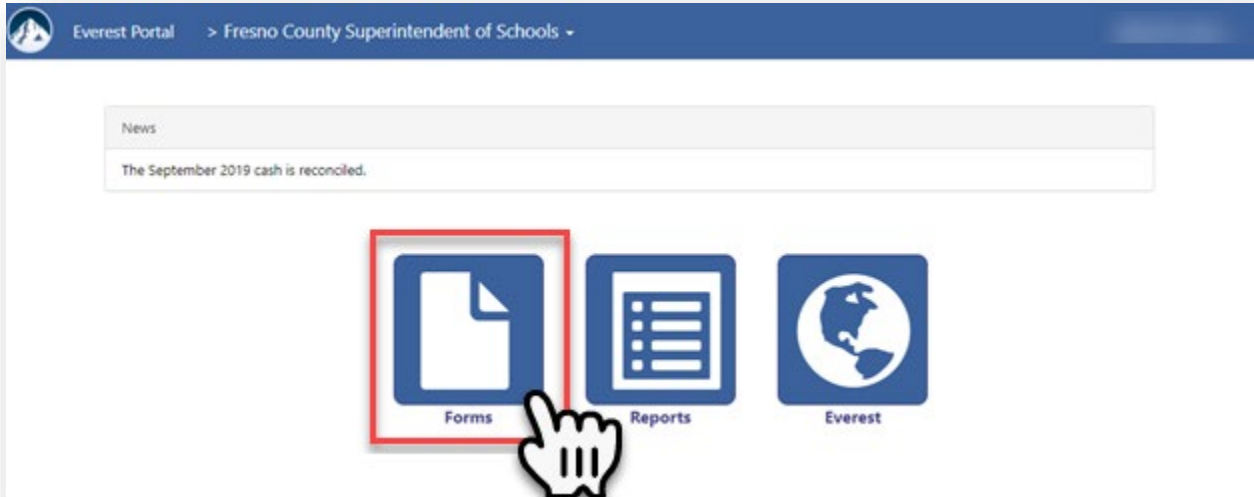
- 1. Account Code** Specify the account line that needs to be updated with a new working amount.
- 2. Approve** Once an account line is entered, the Approved budget amount will populate here.
- 3. Revised** Once an account line is entered, the Revised budget amount will populate here.
- 4. Working** Once an account line is entered, the Working budget amount will populate here.
- 5. Balance** Once an account line is entered, the Balance, equal to the Working Budget Amount - Encumbered & Actuals will populate here.
- 6. New Working** Specify a new working budget amount. Click the **ENTER** or **RETURN** key when complete. This will automatically post, and the budget will be updated.



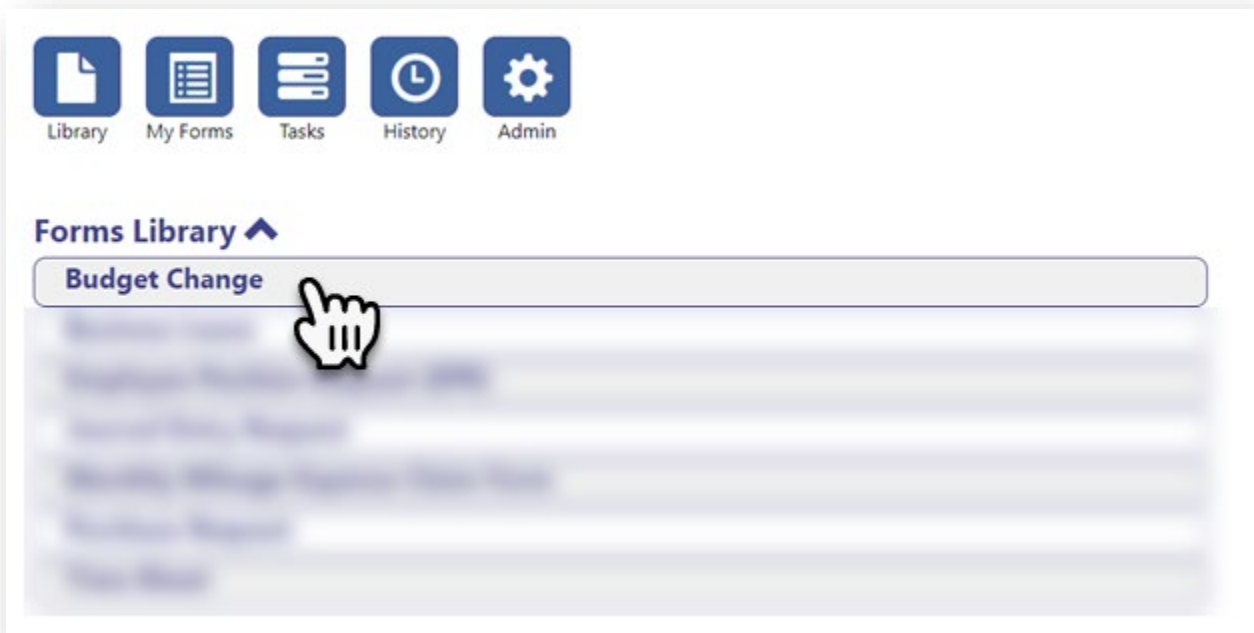
# FCSS YEAR-END CLOSING MANUAL

## BUDGET UPDATE – continued

To create a Budget Update from within Everest Portal, click on the Forms icon.




Select the Budget Change form option.



# FCSS YEAR-END CLOSING MANUAL

## BUDGET UPDATE – continued



**fresno county**  
superintendent of schools

**NEW**  
Fiscal Year: 2021

---

**Budget Change**

Submitter: EMLYN DALE

County ID: L142221

Work Email: edale@fcoe.org

Work Phone:

1 Title:

2 Department Number:

3 Department Name:

**Import Budget Lines**

4 Account Id:  Fd -Re -P-CI -Fr -Ob -Dp -Nt 5

Account Id	Budget Change Amount	Current Budget	New Budget	Expense	New Balance
<input type="text"/>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Comment: <input type="text"/>					
<input type="text"/>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Comment: <input type="text"/>					
Revenue: <input type="text" value="\$0.00"/> Expense: <input type="text" value="\$0.00"/> Difference: <input type="text" value="\$0.00"/>					

11

12

**File Attachments** 13

+ Add New Attachment

File Name	Document Type	Description	Date Added	Attached By
No Attachments are available.				

No items to display

**Workflow** 14

To take an action on this form complete the following section and press Submit



Action:  ⓘ

Next User:

Comments:

# FCSS YEAR-END CLOSING MANUAL

## BUDGET UPDATE – continued

1. **Title** This field is free form and is used to describe the overall purpose of the Budget Revision. This field is required.
2. **Department Number** Specify the 4-digit Department Number for this form. This field is optional.
3. **Department Name** Specify the Department Name (at max 50 Characters) for this form. This field is optional.
4. **Account ID** This field is populated with an Account ID once each account line is entered. DO NOT ENTER THE DATA IN THIS FIELD.
5. **Account Line** Specify the account line to be updated. This will auto-populate the Account ID field.
6. **Budget Change Amount** Specify the amount to increase or decrease the budget by. To reduce the budget, specify a negative number. If this field is entered, the New Budget Amount field will automatically populate.
7. **Current Budget** This field will automatically populate with the current working budget amount for the account line entered.
8. **New Budget Amount** Specify the new working budget amount for the account line. If this field is entered, the Budget Change Amount field will automatically populate.
9. **Expense** This field will automatically populate with the current expenses (Encumbered + Actuals) for the account line entered.
10. **New Balance** This field will automatically populate with the new balance for the account line entered after applying all previous fields to the current budget.
11. **Comment** This field can be used to provide justification for each account line change. This field is optional.
12.  /  Click these buttons to remove/insert lines in the Journal Entry.
13. **File Attachments** Attach any backup or supporting documentation for the Journal Entry. It will be permanently stored in Everest Portal along with the Journal Entry. Acceptable attachments:

.docx	.ppt	.txt	.bmp
.doc	.pptx	.msg	.jpeg
.xls	.rtf	.jpg	.pdf
.xlsx	.csv	.png	

14. **Workflow** This section is the Everest Portal routing system. This form can be routed for approval in the Everest Portal. The budget update will not be posted until this form is Finalized. The following are action options that can be taken on a Budget Change form:

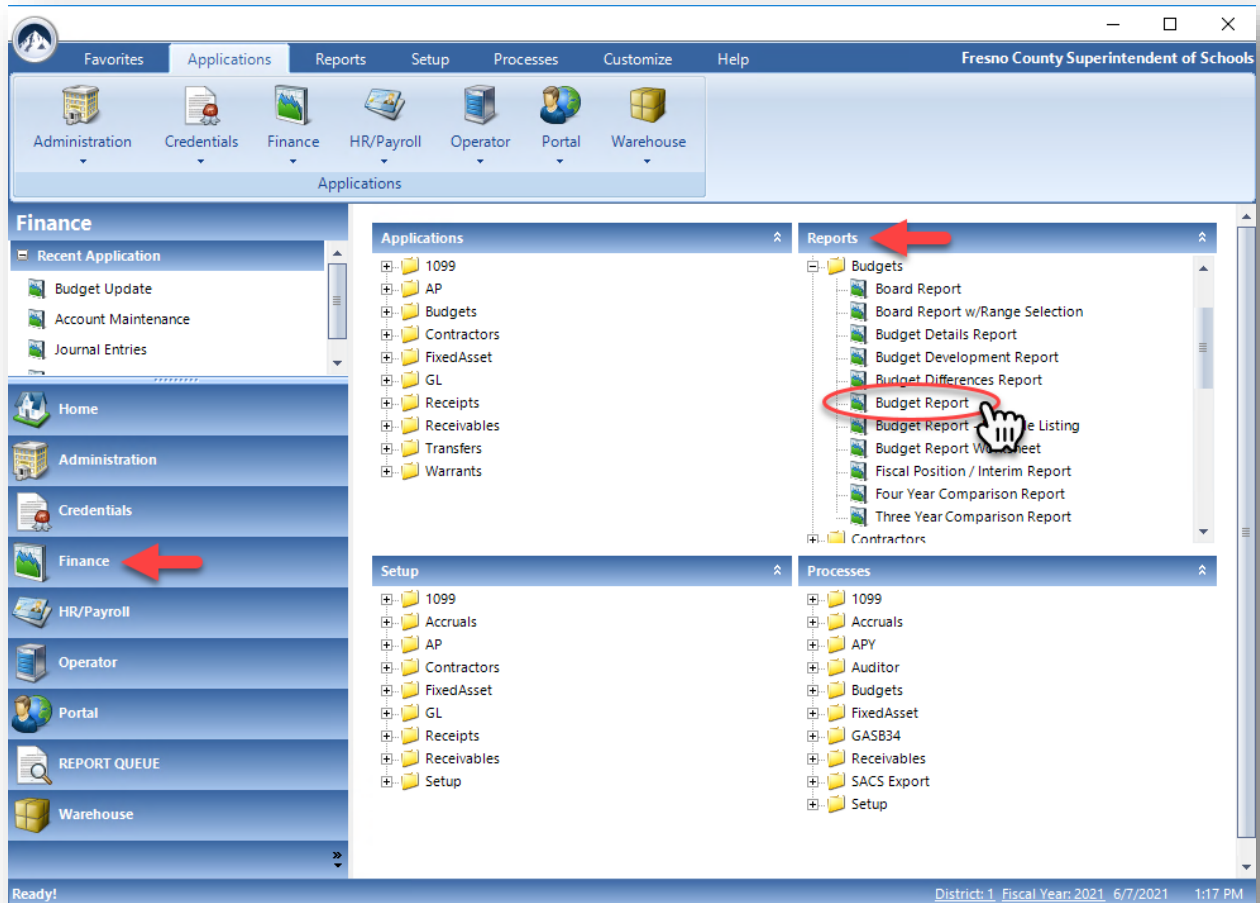
## FCSS YEAR-END CLOSING MANUAL

<b>Action Option</b>	<b>Description</b>
<b>Approve</b>	Accepts previous user's changes
<b>Comment Only</b>	Add additional comments to the form. No changes to the form itself will be made
<b>Finalize</b>	Submits changes to update the system with the new information
<b>Forward</b>	Forwards the form to the next user for them to review
<b>Reject</b>	Rejects form and closes it so that no further actions can be performed (essentially deletes it)
<b>Reroute</b>	Send the form to a different user than the one it is currently waiting on
<b>Resubmit for Approval</b>	After the form has been sent back and changes have been made, the originator will resubmit the form for the next approval (all signatures will need to be added again)
<b>Save as a Draft</b>	Saves as a draft that will appear under the My Forms tab and can be used at a later time
<b>Save Changes Only</b>	Save changes to the form, but do not send it out to anyone yet
<b>Send Back</b>	Sends form back to the originator for revisions (all signatures will be lost)
<b>Submit For Approval</b>	Initial submit that sends form out after originator has filled it out

# FCSS YEAR-END CLOSING MANUAL

## BUDGET REPORT

To run the Budget Report from within the Everest application, click on the Finance section on the panel located on the left-hand side. In the Reports window, expand the Budget folder and select Budget Report.



# FCSS YEAR-END CLOSING MANUAL

## BUDGET REPORT – continued

The screenshot shows the 'Budget Report' window with the following elements and callouts:

- 1** Date Range: 7/1/2020 thru 6/7/2021
- 2** Accounts Selector: Radio buttons for 'Exclude accounts with zero Budget and no activity', 'All accounts', and 'Accounts over budget only'.
- 3** Budget Selector: Radio buttons for 'Working', 'Revised', and 'Approved', with 'Working' selected.
- 4** Restricted/Unrestricted Selector: Radio buttons for 'Restricted', 'Unrestricted', and 'Both', with 'Both' selected.
- 5** Check Details All button.
- 6** Page Breaks: A table with columns Fund, Resource, PY, Goal, Function, Object, Department, Manager. The 'Fund' column has a '1' in the first row.
- 7** Description On: A grey box in the 'Fund' column of the table.
- 8** Detail On: A grey box in the 'Fund' column of the table.
- 9** Account Selection: A grey box in the 'Fund' column of the table.
- 10** Print Summary For Each Page Break: A checked checkbox.

Buttons at the bottom include 'Generate Report', 'Exit', and 'Clear Grid'. The status bar shows 'District: 1', 'FY: 2021', and '1:20 PM'.

1. **Date Range** Provide a date range to run the budget for.
2. **Accounts Selector** You may specify whether or not to include all open accounts, only accounts over budget, or exclude accounts with no budget in the report. **Defaults to exclude accounts with no budget and no activity.**
3. **Budget Selector** You may specify which type of budget you would like to see: Working, Revised, or Approved. **Defaults on Working.**
4. **Restricted/Unrestricted Selector** You may specify whether or not to show restricted monies, unrestricted monies, or both types of monies in the report. **Defaults to Both.**
5. **All Detail** This button checks all boxes in item #8.
6. **Page Breaks** Specify the order in which you want data sorted. For example, if you wanted the report to be sorted by Resource and then Object, double click the Resource grey box (and a 2 should appear), and double click the Object grey box (and a 3 should appear). **By default, Fund is always the first-page break.**

# FCSS YEAR-END CLOSING MANUAL

## BUDGET REPORT – continued

7. **Description Selector** Specify whether or not to show the description for any one piece of the account line, i.e., Resource. You can only select 1.
8. **Detail On** Specify which piece of the account line you would like to see additional information on in the report. By clicking item #5, all boxes will be checked, and your report will print out the full account string for each budget line.
9. **Account Selections** Specify pieces of the account code line that show up on the report. You can use wild cards by specifying a “\*”. For example, to show any 60000 Resource (60000-69999), enter 6\* in the Account Selections box under Resource.
10. **Summary Page** Specify whether or not to receive summary pages as part of the report or see only summary pages as the report. Defaults to print summary page for each page break.

The budget report is a summary of revenue and expenditures, which can be generated to assist in monitoring programs.

The percentage column will show the percentage of the actual expense costs to the original budget amount and the percentage of unspent/remaining amount to be spent.

On the last page of the budget summary report, you will be able to verify your budget is in balance, funds that are spent, and encumbered and remaining funds to be spent.

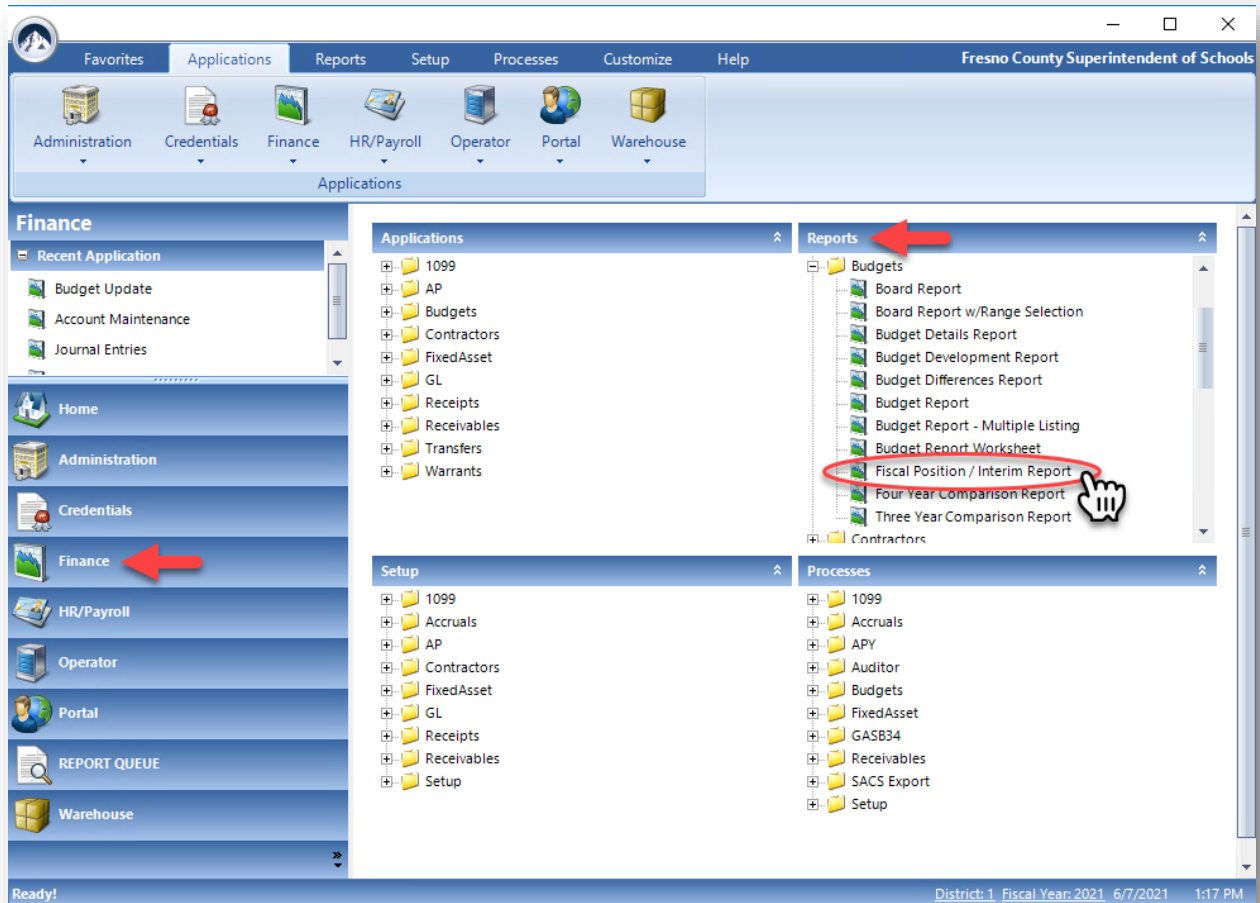
The budget report example on the following page includes these items:

1. Report date range
2. Budget report headers are created by clicking on the dark gray bar when calling up a report (item #6 above)
3. SACS budget account line
4. Working budget
5. Actuals
6. Percentage of expense amount to working budget amount
7. Encumbered amount
8. Unencumbered

# FCSS YEAR-END CLOSING MANUAL

## FISCAL POSITION / INTERIM REPORT

To run the Fiscal Position / Interim Report from within the Everest application, click on the Finance section on the panel located on the left-hand side. In the Reports window, expand the Budget folder and select Fiscal Position / Interim Report.





# FCSS YEAR-END CLOSING MANUAL

## FISCAL POSITION/INTERIM REPORT – continued

The screenshot shows the 'Fiscal Position Report' software interface. It includes a 'Report Criteria' section with a 'Date Range' dropdown set to '7/1/2019' through '10/21/2019', a 'Report comment' field containing 'Requested by edale', and a 'Report Type' section with radio buttons for 'Restricted', 'Unrestricted', 'Restricted and Unrestricted' (selected), and 'All Above In One Report'. Below this is a 'Use State Funds' checkbox (unchecked) and a 'Funds To Show' section with a radio button for 'Only Selected Funds' (selected) and a list of fund numbers (0100, 0900, 1000, 1100, 1200, 1400, 1600, 3000, 3500, 4000, 6701, 6702, 6703, 6704, 7100, 7600, 7601, 7602, 7603, 7604, 7605, 7606, 7607, 7608, 7620, 7621) with checkboxes. To the right of the list are 'Check All' and 'Uncheck All' buttons. At the bottom are buttons for 'Generate Multiple Reports', 'Generate Report', and 'Exit'. A status bar at the bottom shows 'Enter Criteria', 'Page: 1', 'FY: 2020', and '9:49 AM'. A hand cursor is pointing at the 'Generate Report' button.

1. **Date Range** Provide an end date to run the report through.
2. **Report Type** You may specify whether to generate a Restricted only report, an Unrestricted only report, a combined Restricted and Unrestricted report, or all three. **The default is to run a combined Restricted and Unrestricted report.**
3. **Use State Funds** Check this box to allow only state funds to appear in the *Funds to Show* box below.
4. **Select Funds** Specify which funds to include in the report (you can select multiple).

The fiscal position report example on the following page includes these items:

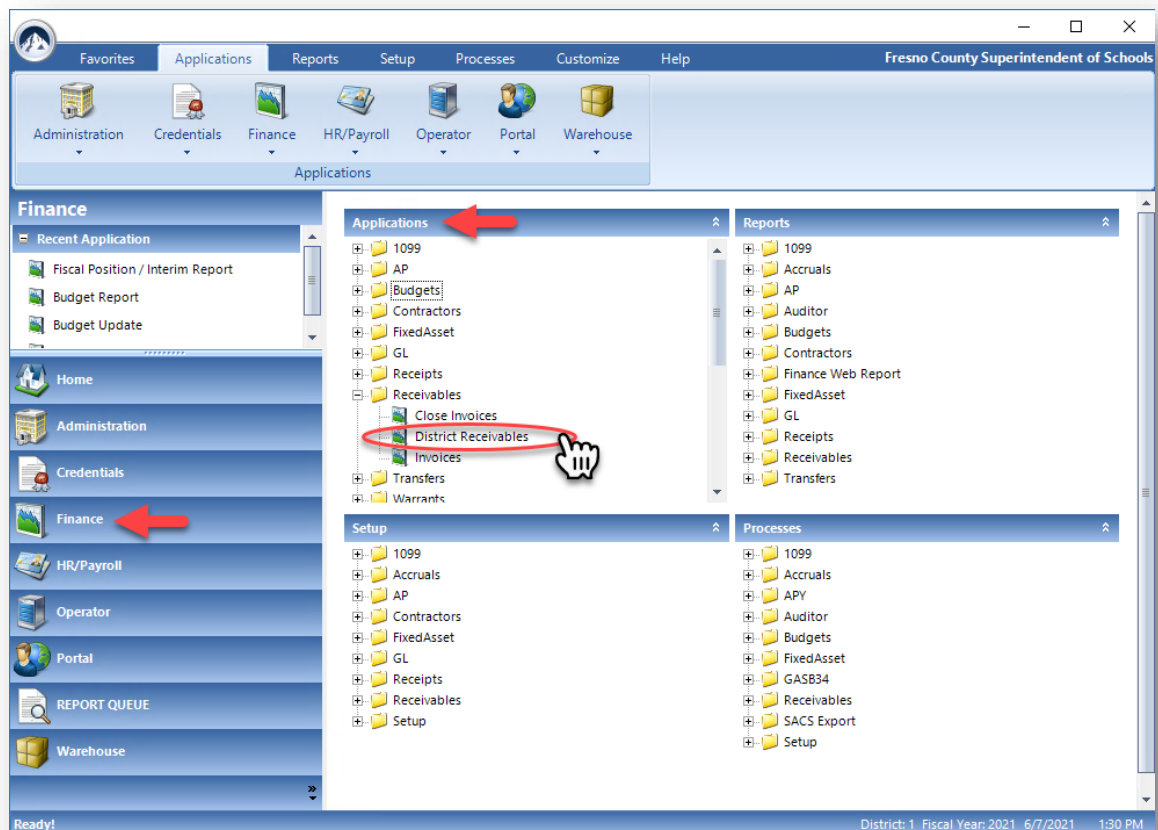
1. Report As Of Date
2. Fund Number
3. Report Type
4. July 1 Adopted Budget Amount
5. Most Recent Adopted Budget Amount
6. Actuals to Date
7. Working Budget
8. Difference Between #5 and #7
9. Percentage Difference Between #8 and #5

# FCSS YEAR-END CLOSING MANUAL

## ACCOUNTS RECEIVABLE ACCRUAL APPLICATION

### 1. Log-On and Menu Selection

- 1.1 Ensure that you have logged into the fiscal year you are closing.  
(The fiscal year is displayed at the bottom of the **Everest** menu.)
- 1.2 From the **Applications** menu, select **Receivables** from the drop-down menu then choose **District Receivables**.



# FCSS YEAR-END CLOSING MANUAL

## ACCOUNTS RECEIVABLE ACCRUAL – continued

### 2. Adding Clients

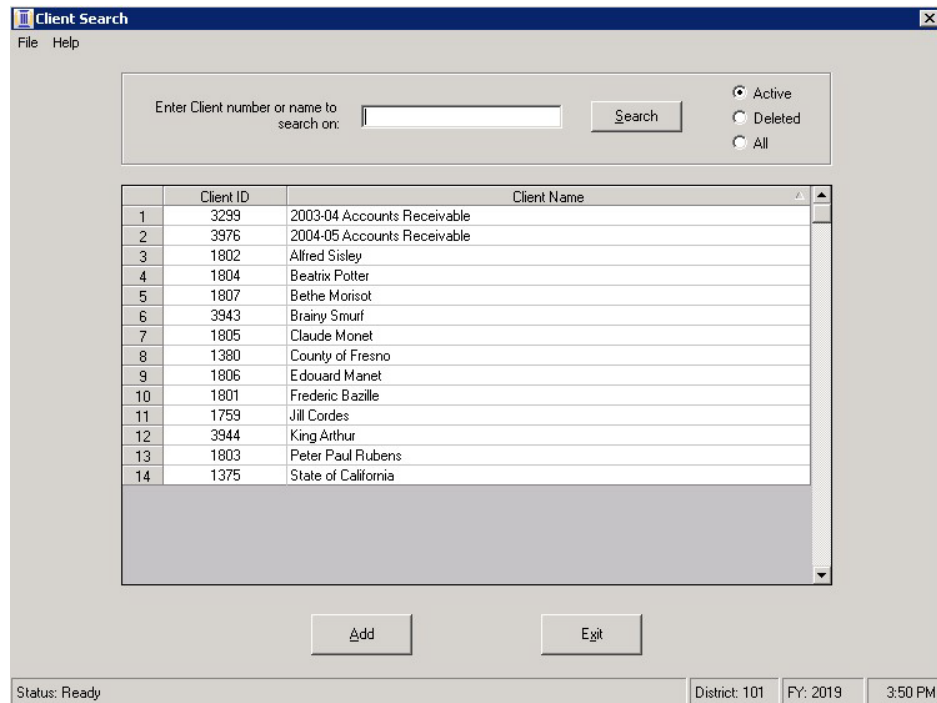
- 2.1 Each district must have clients set up to accrue receivables. Descriptive client names are a great help when reviewing Accounts Receivable Reports.

#### First Time Setup

- 2.1.1 If you have no clients set up, upon entering **District Receivables** you will receive a message telling you that there are no clients. Click **OK** then proceed to the **Client List** screen.
- 2.1.2 Add client information and click the **“Save”** button. Continue this procedure until all client information has been entered.

#### Adding Additional Clients

- 2.1.3 If additional clients need to be entered enter from the **Client Maintenance** screen from the **Setup** menu.



The screenshot shows a window titled "Client Search" with a menu bar (File, Help) and a search interface. The search interface includes a text input field labeled "Enter Client number or name to search on:", a "Search" button, and three radio buttons: "Active" (selected), "Deleted", and "All". Below the search interface is a table with two columns: "Client ID" and "Client Name". The table contains 14 rows of client data. At the bottom of the window are "Add" and "Exit" buttons. The status bar at the bottom shows "Status: Ready", "District: 101", "FY: 2019", and "3:50 PM".

	Client ID	Client Name
1	3299	2003-04 Accounts Receivable
2	3976	2004-05 Accounts Receivable
3	1802	Alfred Sisley
4	1804	Beatrix Potter
5	1807	Bethe Morisot
6	3943	Brainy Smurf
7	1805	Claude Monet
8	1380	County of Fresno
9	1806	Edouard Manet
10	1801	Frederic Bazille
11	1759	Jill Cordes
12	3944	King Arthur
13	1803	Peter Paul Rubens
14	1375	State of California

# FCSS YEAR-END CLOSING MANUAL

## ACCOUNTS RECEIVABLE ACCRUAL – continued

- 2.1.4 Click the **Add** button to create new Clients. Continue to enter and save as needed. (Illustration 3)

The screenshot shows a 'Client Maintenance' window with the following fields and values:

- Client ID: 1805
- Client Name: Claude Monet
- Address 1: 14 Malend Dr.
- Address 2: (empty)
- City: Paris
- State: ca Zip Code: 99999
- Phone No: ( ) - Ext. (empty)
- Fax No: ( ) - Ext. (empty)
- Contact Name: (empty)
- Contact Email: (empty)

Buttons: Update, Delete, Cancel

Status: Ready District: 101 FY: 2019 3:51 PM

Illustration 3

### 3. Entering a New Receivable

- 3.1 Go to the **Receivables** menu, select **District Receivables**, then go to the **Receivable Maintenance** screen. (Illustration 4)
- 3.2 Select the Client from the drop-down menu box under **Client #**. The client information should auto-fill in the Client Name box beneath the drop-down line.

The screenshot shows a 'Receivable Maintenance' window with the following details:

- Date: 5/9/2019
- Client #: (dropdown) Client Name: (text)
- Ref No: (text) District Contact: (dropdown)
- Attention: (text) Terms: (dropdown)

Quan	Unit	Item Description	Unit Cost	Tax	Total Cost	Acct
	Each			<input type="checkbox"/>		
				<input type="checkbox"/>		
				<input type="checkbox"/>		

Buttons: Remove \$ (empty), Remove \$ (empty), Remove \$ (empty)

Summary: SUB \$0.00, S/H \$0.00, TAX \$0.00, TOTAL \$0.00

Buttons: Acct Lookup, Mark as printed, Add, Update, Void, Exit

Status: Ready District: 101 FY: 2019 3:53 PM

Illustration 4

## FCSS YEAR-END CLOSING MANUAL

### ACCOUNTS RECEIVABLE ACCRUAL – continued

- 3.3 Fill in the remaining fields (Reference No., District Contact, etc.) if needed.
- 3.4 Go to the main body of the Receivable screen. Enter the quantity in the *Quan* box, type in a description for the receivable in the *Item Description*, if necessary, enter an amount in the *Unit Cost*.
- 3.5 Go to the **Account** field and enter the revenue or abatement account line for the receivable. *Note: The account must exist in the fiscal year for which you are entering the receivable and in the subsequent fiscal year. This is necessary so that if the amount received differs from the accrual, the revenue may be credited (if the amount is greater) or debited (for less received) in the next fiscal year.*
- 3.6 If the account does not exist, add the account in the **Setup – Account Maintenance** screen. *(Ensure that you log onto the correct fiscal year and that the account exists in both years.)*
- 3.7 Enter the amount of the receivable or abatement in the appropriate box for the account line.
- 3.8 Left-click the **Add** button. This will add the receivable and post to the general ledger.

# FCSS YEAR-END CLOSING MANUAL

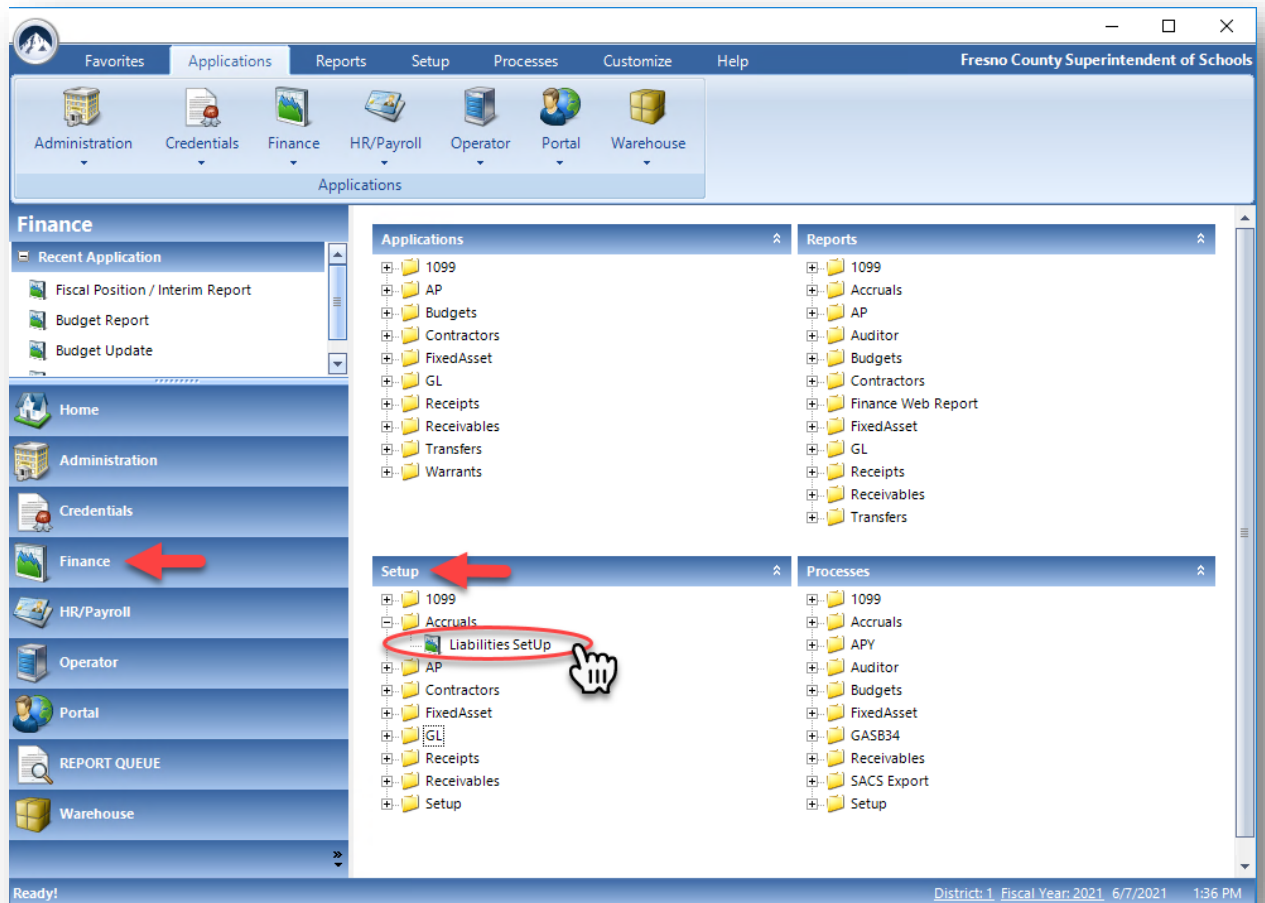
## CURRENT LIABILITIES ACCRUAL APPLICATION

### 1. Log-On and Menu Selection

1.1 Ensure that you have logged into the fiscal year you are closing.  
(The fiscal year is displayed at the bottom of the **Everest** menu.)

1.2 Enter the **Setup - Finance - Accruals** menu option from the main screen.

2.3 Select **Liabilities Setup**.



# FCSS YEAR-END CLOSING MANUAL

## CURRENT LIABILITIES ACCRUAL – continued

### 2. Entering a New Liability

- 2.1 At the **Find Liabilities** screen, the user is given options to **Add**, **Search**, or **Exit**. **Search** enables the user to locate existing liabilities; **Add** will let the user create liability and **Exit** returns the user to the previous menu. (Illustration 2)

	Liab. No.	Vendor Name	Date	Description	Status
1					
2					
3					
4					
5					
6					
7					
8					
9					

Illustration 2

- 2.2 Left-click on the **Add** button; this brings up a new screen on which the user may add liability information. (Illustration 3)

	Date	Account Code	Amount
1			

Illustration 3

## FCSS YEAR-END CLOSING MANUAL

### CURRENT LIABILITIES ACCRUAL – continued

- 2.3 Select the vendor from the drop-down menu. Alternatively, if you know the vendor number you may enter it in the drop-down vendor box, and it will progress to that vendor.
- 2.4 If the current date is past the end of the fiscal year for which the liability is being entered, the date on the entry screen should default to June 30, 20xx. *If the user is setting up liability in advance of the end of the fiscal year, the date would have to be set by the user to June 30, 20xx.*
- 2.5 Type a description for the liability (*not required but useful*).
- 2.6 Enter the account code.  
  
*Note: If the account code does not exist in the next fiscal year, the user must enter it by logging into the next year, using the Account Maintenance screen, add it. Having done so, the user should log back into the prior year. (This can be accomplished by having two screens open, one for each year.) This is necessary because any excess or underpayment will be applied against next year's general ledger.*
- 2.7 Enter the dollar amount.
- 2.8 Left-click **Insert**. (*See Illustration 3*)
- 2.9 Repeat Steps 2.5 through 2.8 for each line of the liability until finished.
- 2.10 Double-clicking a line on the liability will allow the user to make changes to that line. **Important:** *The line must be updated using the **Update Line** button if changes are made.*
- 2.11 Left-click the **Save** button to save the liability. This will also provide the user with a liability number. **Important:** *If you exit without saving, the liability information will be lost.*
- 2.12 The liability may now be located by using the **Search** function on the **Find Liabilities** screen.



# FCSS YEAR-END CLOSING MANUAL

## CURRENT LIABILITIES ACCRUAL – continued

### 3. Reports

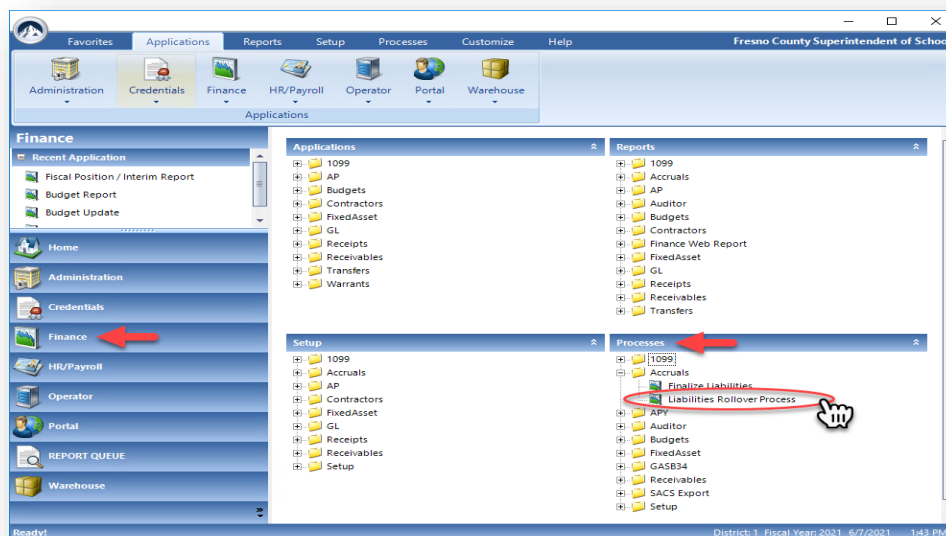
- 3.1 The **Liability Report** may be selected from the **Reports - Finance - Accruals** menu list. The user may define the criteria for the selection of items on the report and can either preview, print, or queue it. Queuing is recommended if the district has set up several liabilities.
- 3.2 The **Liability Cross Reference Report** may also be selected from the **Reports - Finance - Accruals** menu list. (See report for criteria available.)

### 4. Purchase Order Rollover

- 4.1 Districts can create liabilities from open purchase orders at year-end. This may be performed by completing Steps 2.1 and 2.2 as listed above.
- 4.2 The user would then enter a PO number in the **Load from PO** field and left click the **Load** button. This will populate the fields and allow the user to create liability from a PO (See Illustration 3).

### 5. Mass Purchase Order Rollover

- 5.1 POs may be closed or set up as liabilities by using the **Liabilities Rollover Process** from the **Process - Accruals** menu list. Select the menu option. (See Illustration on next page)



# FCSS YEAR-END CLOSING MANUAL

## CURRENT LIABILITIES ACCRUAL – continued

- 5.2 The **PO Mass Rollover** will appear and populate all open POs. The user has several options as listed at the bottom of the screen. POs may be closed individually or as a group *or* made into a liability then closed individually or as a group. This option may be used when PO amounts and detail will not be changed.

PO Liability Rollover Process

File Tools Help

Display **All Open Purchase Orders** in the grid. Search

	Fu	Resource	PY	Goal	Function	Object	Site	Department
Account Selection	<input type="checkbox"/>							

Account Selections - Find Purchase Orders that have at least 1 line that matches the given account code  
You can use the wildcard symbol % to stand for variable characters within the account code fields.

Select Open Purchase Orders from the 2018 Fiscal Year To Roll/Close:

	PoNo	Vendor Name	Balance	Rollover Exception
1				

Automatically Create Accounts

Select All Clear Selection Close PO Rollover PO To Liability Exit

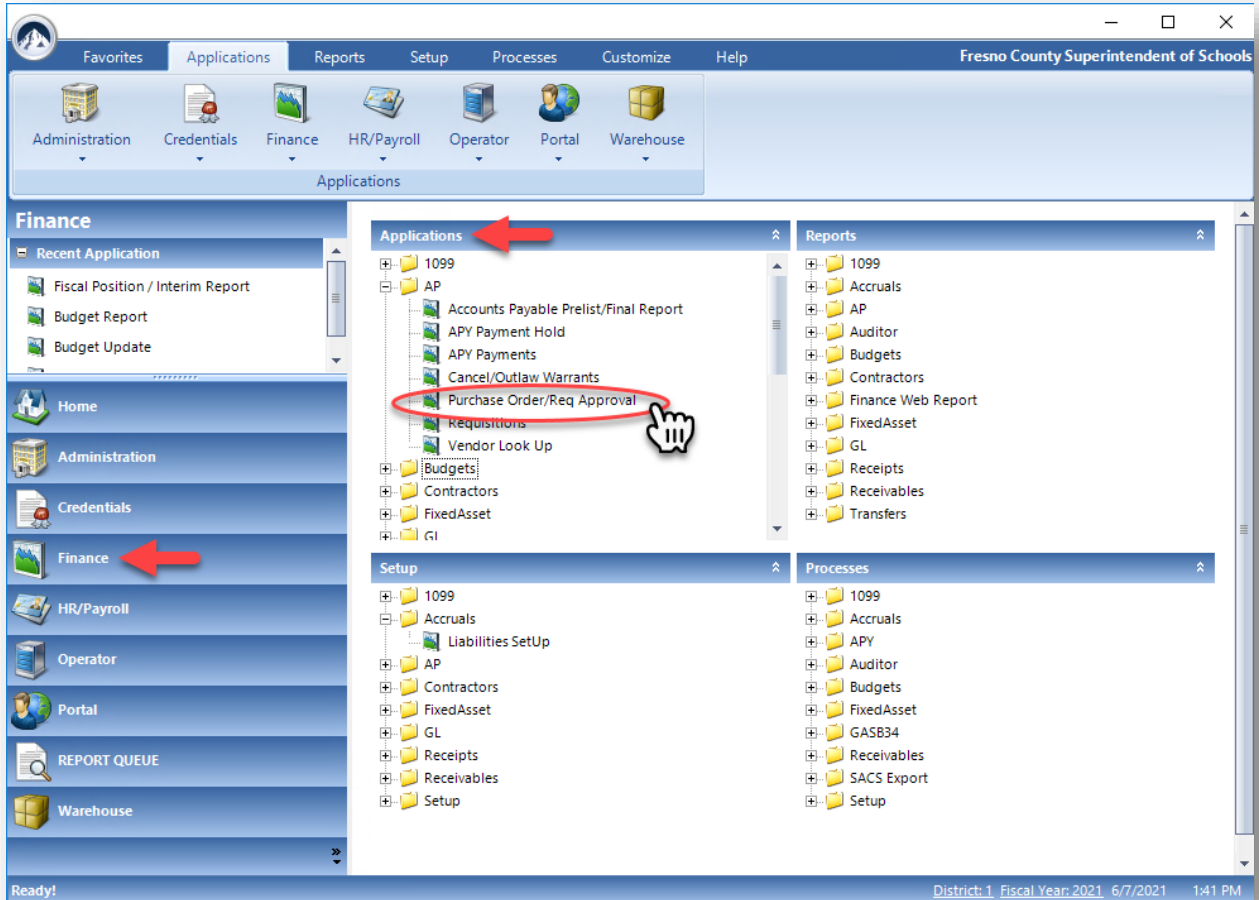
Status: Ready District: 101 FY: 2019 4:01 PM

## 6. Paying Liabilities

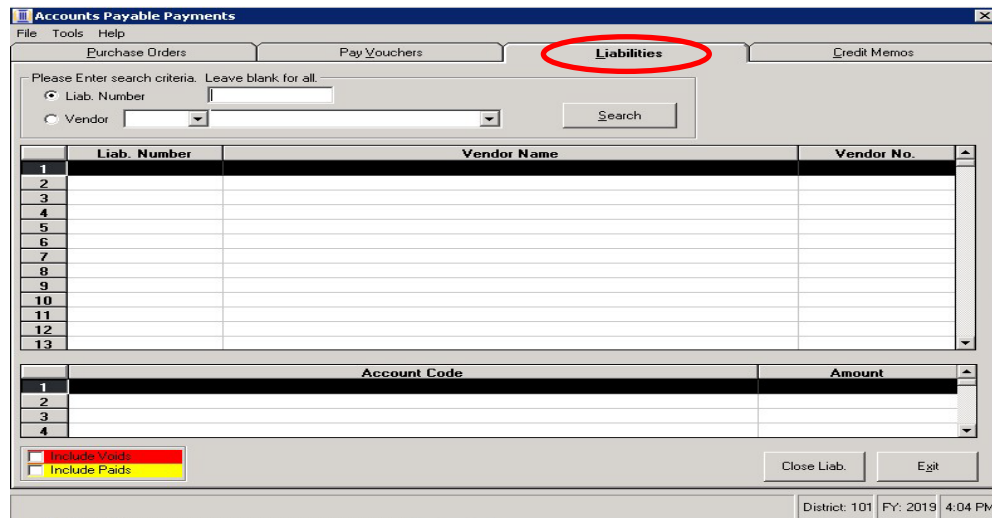
- 6.1 Liabilities are paid in the current fiscal year. Log into the current fiscal year. (*See Purchase Order Documentation.*)
- 6.2 Select **APY Payments** from the **Applications - Finance - AP** menu. (*Illustration 6*)

# FCSS YEAR-END CLOSING MANUAL

## CURRENT LIABILITIES ACCRUAL – continued



6.3 When the screen appears, select the **Liabilities** tab.



# FCSS YEAR-END CLOSING MANUAL

## CURRENT LIABILITIES ACCRUAL – continued

- 6.4 Left-click **Search** or type in a liability number and then left-click **Search** to populate the top grid with open liabilities. *Note: Make sure that you are logged in the current fiscal year.*
- 6.5 Select the liability that you are going to pay by double-clicking it in the top grid. This will populate the bottom grid with the detail for that liability. (See Illustration 7)
- 6.6 Double-click the detailed account code line for the liability to obtain the **Liability Payment** screen. (See Illustration 8)

The screenshot shows a software window titled "P. O. Payment". At the top left, it says "File". The main content area is divided into two sections. The top section, "Account Info", displays the following details: "Pippin's Fireworks Display", "12 Outbeyond St.", "Hobbiton ME 99999", "0100-00000-0-1110-1000-440000-000-00", "Unused Credit Balance: \$0.00", "Encumbered Balance: \$107.88", and "Status: Open". Below this is a large empty space. The bottom section, "Add A Payment", contains several input fields: "Payment Type:" with a dropdown menu, "Invoice #:" with a text box, "Invoice Date:" with a date field (// /), "Separate Warrant for this Invoice" with a checkbox, "Payment Amount:" with a text box, "Liquidate:" with a text box, "Amount Subject to Use Tax:" with a text box, and "Date Due:" with a date field (// /). There are three buttons: "Close Account", "Accounts", and "Cancel". At the bottom right, a status bar shows "P. O. Number: 190015", "District: 101", "FY: 2019", and "4:07 PM".

- 6.7 From the drop-down menu choose Payment Type: **Partial, or Final.**
- 6.8 Input an invoice date and number. *IMPORTANT: The program requires both an invoice date and number.*
- 6.9 The remainder of the process should be the same as paying a PO.

# **APPENDICES**

# FCSS YEAR-END CLOSING MANUAL

## SET-UP DUE FROM OTHER FUND / DUE TO OTHER FUND AND TRANSFER OF FUNDS

**SAMPLE BELOW ARE DUE FROM FUND 1300 – CAFETERIA FUND TO FUND 0100 – GENERAL FUND FOR WORKER’S COMPENSATION PAID OUT OF FUND 0100 – GENERAL FUND DURING THE YEAR ON BEHALF OF FUND 1300 – CAFETERIA FUND**

**STEP 1:** Enter Journal Entry in Closing Year

**STEP 2:** Make sure to print a copy for your records

**Journal Entry** | Quick Entry

Journal Entry No: <NEW>  
 Transaction Date: 06/30/2021  
 Description: Fund 1300 W/C Due to Fund 0100 Year End Close

Account	Debit Amount	Credit Amount																
<table border="1"> <tr> <td>Fu</td><td>Re</td><td>P</td><td>Gl</td><td>Fn</td><td>Ob</td><td>Si</td><td>De</td> </tr> <tr> <td>1300-00000-0-0000-0000-961000-000-00</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>	Fu	Re	P	Gl	Fn	Ob	Si	De	1300-00000-0-0000-0000-961000-000-00								<input type="text"/>	<input type="text"/>
Fu	Re	P	Gl	Fn	Ob	Si	De											
1300-00000-0-0000-0000-961000-000-00																		

Insert

	Account	Debit	Credit	Descr
1	1300-00010-0-0000-0000-951600-000-00	\$10,000.00		Fund 1300 W/C Due to
2	0100-00010-0-0000-0000-951600-000-00		\$10,000.00	Fund 1300 W/C Due to
3	0100-00000-0-0000-0000-931000-000-00	\$10,000.00		Fund 1300 W/C Due to
4	1300-00000-0-0000-0000-961000-000-00		\$10,000.00	Fund 1300 W/C Due to

Total:    \$20,000.00    \$20,000.00

Search    New    Post JE    Exit

# FCSS YEAR-END CLOSING MANUAL

## SET-UP DUE TO/DUE FROM OTHER FUND AND TRANSFER - continued

**STEP 3:** Complete the Transfer in the Current Year to move the funds from Fund 1300 – Cafeteria Fund to Fund 0100 – General Fund.

**STEP 3:** Make sure to include this Fund Transfer with the LEA’s July 1 Budget Adoption.

**FUND TRANSFER  
PER  
BOARD RESOLUTION  
July 15, 20XX**

Dr. Michelle Cantwell-Copher, Superintendent  
Fresno County Superintendent of Schools  
1111 Van Ness Avenue  
Fresno, CA 93721-2000

Dear Superintendent Copher,

At a meeting of our Board of Trustees held on July 15, 20XX, per Resolution Number 20XXXX-001, it was resolved that \$10,000.00 be transferred as follows:

<b>FROM:</b>	District Fund No:	1300	
	Auditor Fund No:	XXXX-60008	
	Description of Fund:	CAFETERIA FUND 1300	
	Account Classification:	1300-00000-0-0000-0000-961000	\$10,000.00
<b>TO:</b>	District Fund No:	0100	\$10,000.00
	Auditor Fund No:	XXXX-60001	
	Description of Fund:	GENERAL FUND 0100	
	Account Classification:	0100-00000-0-0000-0000-931000	

Remarks: Worker’s Comp benefits paid by General Fund for Cafeteria Fund FY 20XX-20XX

Sincerely,

\_\_\_\_\_  
Clerk of the Board or Authorized Signature

XXXXXXXXXX XXXXXX SCHOOL DISTRICT

# FCSS YEAR-END CLOSING MANUAL

## EXAMPLE OF HOW TO COMPLETE - FORM CAT

**STEP 1:** Go onto the CDE website – [SACS QUERY](#)

**STEP 2:** Enter the SACS Resource Code for the program and then click enter

**STEP 3:** Make note if the resource has a Fund Balance(F) or Unearned(U)

**STEP 4:** Determine if the resource is **Federal** 3XXXXX-5XXXXX, **State** 6XXXXX-8XXXXX or **Local** 9XXXXX



SACS » querybyresource » resourcealist

### SACS Query

#### Resource Code Listing

SACS Resource Code	begins with	3010
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
<a href="#">Details</a>	3010	ESEA (ESSA) Title I, Part A, Basic Grants Low-Income and Neglected	U	8290	14329	8/13/1999



SACS » querybyresource » resourcealist

### SACS Query

#### Resource Code Listing

SACS Resource Code	begins with	3310
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
<a href="#">Details</a>	3310	Special Education: IDEA Basic Local Assistance Entitlement, Part B, Section 611	U	8181	13379	8/13/1999



SACS » querybyresource » resourcealist

### SACS Query

#### Resource Code Listing

SACS Resource Code	begins with	1100
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
<a href="#">Details</a>	1100	Lottery, Unrestricted	F	8560	23219	8/13/1999



# FCSS YEAR-END CLOSING MANUAL

## HOW TO COMPLETE FORM CAT – continued

**STEP 5:** Gather ALL categorical and Cafeteria Fund Award and Entitlement Letters, etc.

**STEP 6:** Sign in to SACSWEB. Click on Forms, Supplemental, and Form CAT. Make sure that you are entering the data into the correct form, i.e. Unearned Revenue for Federal, State, or Local and Restricted Ending Fund Balance for Federal, State, or Local.

Below is a sample of information gathered from the Award and Entitlement Letters to be entered into the Form CAT.

Sample of Federal Program Name	AR Title I	Unearned Revenue Title II Teacher Quality
Federal Category Number (if any)	84.010	84.367
Resource Code	3010	4035
Revenue Object	8290	8290
Local Description (if any)		
<b>AWARD</b>		
1) Prior Year Carryover	-	1,092.45
2) a. Current Year Award	54,343.00	5,760.00
b. Transferability (ESSA)		
c. Other Adjustments		
d. Adj Curr Yr Award (sum lines 2a, 2b and 2c)	54,343.00	5,760.00
3) Required Matching Funds/Other		
4) Total Available Award (sum lines 1, 2d, & 3)	54,343.00	6,852.45
<b>REVENUES</b>		
5) Unearned Revenue Deferred From Prior Year		
6) Cash Received in Current Year	15,521.00	5,688.00
7) Contributed Matching Funds		
8) Total Available (sum lines 5, 6, & 7)	15,521.00	5,688.00
<b>EXPENDITURES</b>		
9) Donor-Authorized Expenditures	47,104.54	4,457.00
10) Non Donor-Authorized Expenditures		
11) Total Expenditures (lines 9 & 10)	47,104.54	4,457.00
12) Amounts Included in Line 6 above for Prior Year Adjustments		-
13) Calculation of Unearned Revenue or A/P, & A/R amounts (line 8 minus line 9 plus line 12)	(31,583.54)	1,231.00
13a) Unearned Revenue	-	1,231.00
13b) Accounts Payable		
13c) Accounts Receivable	31,583.54	-
14) Unused Grant Award Calculation (line 4 minus line 9)	7,238.46	2,395.45
15) If Carryover is allowed, enter line 14 amt here	7,238.46	2,395.45
16) Reconciliation of Revenue (line 5 plus line 6 minus line 13a minus line 13b plus line 13c)	47,104.54	4,457.00
<b>Carryover amount to be budgeted in current FY</b>	<b>7,238.46</b>	<b>1,164.45</b>

Note Carryover Calculations

# **HELPFUL WEBSITES**

# FCSS YEAR-END CLOSING MANUAL

## HELPFUL WEBSITES

### California Department of Education

#### Home Page

California Department of Education home page.

<https://www.cde.ca.gov/>

#### Finance and Grants

LCFF, Principal Apportionment, Education Budget, Consolidated Application, Standardized Account Code Structure (SACS), Categorical Programs.

<https://www.cde.ca.gov/fg/>

#### State Principal Apportionment

The distribution of funds for local educational agencies (LEAs) in support of the public school system. This includes elementary school, high school, and unified school districts; charter schools; and county offices of education.

<https://www.cde.ca.gov/fg/aa/pa/>

#### Every Student Succeeds Act

December 10, 2015, President Obama signed the Every Student Succeeds Act (ESSA), reauthorizing the federal Elementary and Secondary Education Act (ESEA) and replacing the No Child Left Behind Act (NCLB), the 20

<https://www.cde.ca.gov/re/es/index.asp>

#### Fiscal Calendars

Apportionments, budget, interim, and year-end financial reporting calendars.

<https://www.cde.ca.gov/re/ca/fc/>

#### Nutrition Services Division

Resources and information related to child nutrition, nutrition education, food distribution programs, and the Child Nutrition and Physical Activity Advisory Council.

<https://www.cde.ca.gov/re/di/or/nsd.asp>

# FCSS YEAR-END CLOSING MANUAL

## **HELPFUL WEBSITES – continued**

### Lottery

Quarterly lottery apportionments, revenue projections, and reports on lottery expenditures to the Legislature as required by the Budget Act.

<https://www.cde.ca.gov/fg/aa/lo/>

### Frequently Asked Questions (FAQ) About Indirect Cost Rate and Calculation

Information on the indirect cost process. Also available in the California School Accounting Manual (CSAM) in Procedure 915.

<https://www.cde.ca.gov/fg/ac/ic/icfaq.asp>

### Frequently Asked Questions (FAQ) About LCFF

<https://www.cde.ca.gov/fg/aa/lc/lcfffaq.asp>

### Categorical Program – Funding Results

Information for various state and federal categorical programs.

<https://www.cde.ca.gov/fg/fo/fr/>

### Cash Flow-Categorical Programs

Estimated cash flow schedule for various state and federal programs.

<https://www.cde.ca.gov/fg/aa/ca/estcashflow.asp>

### California Department of Education – Charter Schools Division

<https://www.cde.ca.gov/re/di/or/csd.asp>

### California Department of Education Information and Resources for Charter Schools

<https://www.cde.ca.gov/sp/ch/re.asp>

### School Services of California (SSC) – Financial Dartboard – need log in and password

<https://www.sscal.com/tools-resources/dartboard>

### Fiscal Crisis & Management Assistance Team (FCMAT)

Local Control Funding Formula (LCFF) Calculator

<https://www.fcmat.org/>

# **GLOSSARY**

# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY

*California School Accounting Manual*

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### Glossary

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#### A

*Abatement.* A complete or partial cancellation of an expenditure or revenue.

*Abatement of expenditures.* Cancellation of part or all of a charge previously made, usually because of refunds, rebates, resale of materials originally purchased by the local educational agency (LEA), or collections for loss or damage to the LEA's property. An abatement of expenditure applies to current expenditures and capital outlay expenditures from all funds.

*Abatement of revenue.* The cancellation of all or some part of any specific revenue previously recorded.

*Accounting period.* A period of time for which records are maintained and at the end of which financial statements are prepared covering the period.

*Account numbers or letters.* Numbers and/or letters that are assigned to the ordinary titles of accounts for classification of accounts and ease of reference.

*Accounts payable.* Amounts due and owed to private persons, business firms, governmental units, or others for goods received and/or services rendered prior to the end of the fiscal year. Includes amounts billed but not paid. Does not include amounts due to other funds of the same LEA.

*Accounts receivable.* Amounts due and owed from private persons, business firms, governmental units, or others for goods received and/or services rendered prior to the end of the fiscal year. Includes amounts billed but not received. Does not include amounts due from other funds of the same LEA.

*Accrual basis.* Method of accounting in which revenue is recorded when earned, even though it has not yet been collected, and in which expenses are recorded when the liabilities are incurred, even if they have not been paid yet.

*Accrued expenditures.* Expenditures incurred during the current accounting period that are not paid until a subsequent accounting period.

*Accrued revenue.* Revenue earned during the current accounting period that is not collected until a subsequent accounting period.

*Accumulated depreciation.* A contra-asset account used to report the accumulation of depreciation. (See also *Depreciation*.)

# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Actuarial basis.* A method used in computing the amount of contributions to be made periodically to a fund so that the total contributions plus the compounded earnings thereon will equal the required payments to be made out of the fund. The factors taken into account in arriving at the amount include the length of time over which each collection or payment is to be made and the rate of return compounded on such amounts over its life.

*Ad valorem tax.* A tax based on a percentage of the value of goods or services.

*Agency fund.* A fund consisting of resources received and held by an LEA as an agent for others.

*Allocation.* Division or distribution in accordance with a predetermined plan.

*Allowable costs.* Costs that meet the specific criteria of a granting agency.

*Allowance.* A provision for valuing an asset at net, such as an allowance for bad debts. The allowance for bad debts would be deducted from accounts receivable to reflect the receivables that are likely to be collectable.

*Apportionment.* Allocation of state or federal aid, district taxes, or other moneys among LEAs or other governmental units.

*Apportionment notice.* A document notifying LEAs when moneys were deposited with the county treasurer.

*Appraisal.* An estimate of property value made by the use of systematic procedures based on physical inspection and inventory, engineering studies, and other economic factors.

*Appropriation.* An authorization, granted by the governing board, to make expenditures and to incur obligations for special purposes. An appropriation is usually limited in purpose, amount, and the time period during which it may be expended.

*Appropriation ledger.* A subsidiary ledger containing an account for each appropriation. Each account usually shows the amount originally appropriated in the budget, budget increases or decreases during the year, expenditures, encumbrances, unencumbered balances, and other related information.

*Arbitrage.* The profit earned (i.e., interest earnings in excess of interest costs) from the investments of the proceeds of lower-interest tax-exempt securities in higher yielding taxable securities.

*Assessed valuation.* Value placed on personal and real property by a governmental unit for purposes of taxation.

*Assets.* Resources that are held or owned by an LEA and that have monetary value.

*Audit.* An examination of documents, records, and accounts for the purpose of (1) determining the propriety of transactions; (2) ascertaining whether all transactions are recorded properly; and (3) determining whether statements that are drawn from accounts reflect an accurate picture of financial operations and financial status for a given period of time.

*Audit finding.* A weakness in internal controls or an instance of noncompliance with applicable laws and regulations that is presented in the audit report.



# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Audit program.* A detailed outline of work to be done and the procedures to be followed during an audit.

*Available cash.* Cash that is on hand or on deposit in a given fund and that is unencumbered and can be used for meeting current obligations.

*Average daily attendance (ADA).* Total approved days of attendance in the LEA divided by the number of days the schools in the LEA are in session for at least the required minimum day. (Refer to *Education Code* sections 46000–46014 and 46300–46380.)

### B

*Balance sheet.* A statement that shows the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or fund deficit of an entity at a specific date and that is properly classified to exhibit the financial condition of the entity as of that specific date.

*Basis of accounting.* The time at which revenues, expenditures, transfers, and related assets, deferred outflows of resources, liabilities, and deferred inflows of resources are recognized in the accounts and are reported in the financial statements.

*Bond.* A certificate containing a written promise to pay a specified sum of money, called the *face value*, at a fixed time in the future, called the *date of maturity*, and specifying interest at a fixed rate, usually payable periodically.

*Bond discount.* The excess of the face value of a bond over the price for which it is acquired or sold. (The price does not include accrued interest at the date of acquisition or sale.)

*Bonded debt.* That portion of indebtedness represented by outstanding bonds.

*Bonded debt service.* Expenditures for interest and redemption of bonds.

*Bond premium.* The excess of the price at which a bond is acquired or sold over its face value. (The price does not include accrued interest at the date of acquisition or sale.)

*Bonds authorized and unissued.* Legally authorized bonds that have not been sold and that may be sold without further authorization.

*Book value.* The cost or stated costs of assets less accumulated depreciation as shown by the books of accounts.

*Budget.* A plan of financial operation consisting of an estimate of proposed revenue and expenditures for a given period and purpose. The term usually indicates a financial plan for a single fiscal year.

*Budgetary accounts.* Those accounts that make it possible for a budgetary-type fund (governmental fund) to show how (1) estimated revenue and revenue realized to date compare; and (2) expenditures and encumbrances compare with appropriations during the fiscal period. The budgetary accounts are estimated revenues, appropriations, and encumbrances.



# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Budgetary control.* The management of financial transactions in accord with an approved plan of estimated revenue and expenditures.

*Budgeting.* The process of allocating the available resources of an organization among potential activities to achieve the objectives of the organization; planning for the use of resources.

*Budget revision.* Net increases and decreases to the budget. They may include increases due to new grant funds and decreases due to the need to reduce appropriations to keep spending within available revenues.

*Budget transfer.* Changes among budgeted items. They do not increase or decrease the total budget.

## C

*Capital assets.* See *Fixed assets*.

*Capital lease.* A lease agreement that meets one or more of the following criteria is classified as a capital lease:

- Ownership is transferred to the lessee at the end of the lease term.
- The agreement contains a “bargain purchase” option.
- The lease agreement is 75 percent or more of the estimated useful life of the property.
- The present value of the minimum lease payment is 90 percent or more of the fair market value of the property.

*Capital outlay.* Amounts paid for fixed assets or additions to fixed assets, including land or existing buildings, the improvements of grounds, construction of buildings, additions to buildings, remodeling of buildings, or initial and additional equipment.

*Capital projects funds.* Funds established to account for financial resources that are to be used for the acquisition or construction of major capital facilities and other capital assets.

*Cash.* Currency, checks, postal and express money orders, and bankers’ drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits. Any restriction or limitation as to the availability of cash should be indicated.

*Cash advance.* Cash apportioned in advance of the usual apportionment period.

*Cash basis.* Method of accounting in which revenue and expenditures are recorded only when cash is actually received or disbursed. The cash basis is not acceptable for use in LEAs.

*Cash collections awaiting deposit.* Receipts on hand or moneys in a bank clearing account awaiting deposit in the county treasury.

*Cash discount.* An allowance made on a purchase if payment is made within a stated period. (This term is not to be confused with *trade discount*.)

# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Cash in bank.* Balances in separate bank accounts, such as student body accounts, school farm accounts, and cafeteria accounts.

*Cash in county treasury.* Cash balances on deposit in the county treasury for the various funds of the LEA.

*Categorical aid.* Funds from state or federal sources that are in addition to the general-purpose funding to serve a specific pupil population or to provide specific services and activities. These funds have varying degrees of fiscal and program compliance requirements.

*Certificates of participation (COPs).* A financing technique that provides long-term financing through a lease (with an option to purchase or a conditional sale agreement).

*Chart of accounts.* A systematically arranged list of accounts that are applicable to a specific LEA. All account names and numbers, if any, are listed in numerical order.

*Check.* A bill of exchange drawn on a bank and payable on demand; a written order on a bank to pay on demand a specific sum of money to a named person, to his or her order, or to a bearer out of money on deposit to the credit of the maker. A check differs from a warrant in that a warrant is not necessarily payable on demand and may not be negotiable; a check differs from a voucher in that a voucher is not an order to pay. A voucher-check combines the distinguishing characteristics of a voucher and a check; it shows the propriety of a payment and is an order to pay.

*Classification.* The naming or identification of an item or a category, such as the designation of the particular account into which a receipt or an expenditure is to be recorded or the separation of data into acceptable groupings so that financial facts can be stated more clearly.

*Classroom unit (CU).* The approximate area usually occupied by a classroom, varying from 800 to 1,100 square feet but generally about 960 square feet.

*Clearing accounts.* Accounts used to accumulate total receipts or expenditures for later distribution among the accounts to which such receipts or expenditures are properly allocable.

*Closing entries.* Entries recorded at the end of each fiscal period to transfer the balances in the revenue and expenditure (or expense) accounts to the permanent equity accounts (fund balance or retained earnings) of an accounting entity.

*Code.* (1) A distinguishing reference number or symbol; (2) a statement of the laws of a specific field (e.g., *Education Code, Penal Code, Civil Code, and Labor Code*).

*Compensated absences.* Absences for which compensation is paid (e.g., vacation and sick leave).

*Component unit.* An organization that is legally separate and for which the elected officials of the primary government are financially accountable or for which the nature and significance of its relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Comprehensive Annual Financial Report (CAFR).* Financial reporting consisting of three sections: (1) introductory section (general information on the LEA's structure, services, and environment); (2) financial section (basic financial statements and required supplementary information, together with information on individual funds and discretely presented component units not reported separately in the financial statements); and (3) statistical section (trend and nonfinancial data useful in interpreting the basic financial statements).

*Contingent liabilities.* Items that may become liabilities as a result of conditions undetermined at a given date (e.g., guarantees, pending lawsuits, judgments and appeals, and unsettled disputed claims).

*Contra account.* An account to record offsetting transactions (e.g., abatements).

*Contract.* An agreement between two or more people or entities to do something. Contracts are usually in writing and are enforceable by law.

*Contracted services.* Expenditures for services rendered under contract by personnel who are not on the payroll of the LEA, including all related expenditures covered by the contract.

*Control account.* A summary account, usually maintained in the general ledger, in which is entered the aggregate of the debit and the credit postings to a number of identical, similar, or related accounts called subsidiary accounts. Its balance equals the sum of the balances of the detail accounts.

*Cost.* The amount of money or its equivalent value paid or agreed to be paid for property or services. Cost may be incurred even before money is paid; that is, as soon as a liability is assumed. Ultimately, however, money or its equivalent must be given in exchange. The cost of some property or service may in turn become part of the cost of another property or service. For example, the cost of materials will be reflected in the cost of articles made from such materials.

*County School Service Fund (CSSF).* A fund established to control the financial operations of county offices of education.

*Credit.* The right side of a double-entry posting. Credits will reduce assets, deferred outflows of resources, and expenditures and increase liabilities, deferred inflows of resources, revenue, and fund balance.

*Current assets.* Assets that are available or can be made readily available to meet the cost of operations or to pay current liabilities.

*Current expense of education.* The current general fund operating expenditures of an LEA for kindergarten and grades one through twelve, *excluding* expenditures for food services, community services, nonagency activities, fringe benefits for retired persons, acquisition and construction of facilities, and objects 6000 and 7000.



# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Current liabilities.* Amounts due and payable for goods and services received prior to the end of the fiscal year. Current liabilities should be paid within a relatively short period of time, usually within a year.

*Current loans.* Loans payable in the same fiscal year in which the money was borrowed.

### D

*Debit.* The left side of a double-entry posting. A debit will increase assets and expenditures and reduce liabilities, revenue, and fund balance.

*Debt limit.* The maximum amount of legally permitted debt.

*Debt service.* Expenditures for the retirement of debt and for interest on debt.

*Debt service funds.* Funds established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

*Deficit.* The amount by which a sum of money falls short of a required amount (e.g., apportionment deficits or budget deficits).

*Deficit financing.* The amount to be provided when estimated expenditures exceed the estimated revenues.

*Deficit fund balance.* The excess of liabilities and deferred inflows of resources of a fund over its assets and deferred outflows.

*Deficit spending.* The excess of actual expenditures over actual revenues (also referred to as an operating deficit).

*Delinquent taxes.* Taxes remaining unpaid after the close of the year in which levied. (See also *Prior years' taxes*, in most cases the preferred term.)

*Depreciation.* Estimated loss in value or service life of fixed assets because of wear and tear through use, elapse of time, inadequacy, or obsolescence.

*Direct expenses or costs.* Expenses that can be separately identified and charged as parts of the cost of a product, service, or department.

*Direct support charges.* Charges for a support program and services that directly benefit other programs.

*Disbursements.* Payments by currency, check, or warrant. (The term is not synonymous with *expenditures*.)

*Disbursements.* Payments by currency, check, or warrant. (The term is not synonymous with *expenditures*.)

*Double entry.* A system of bookkeeping that requires an amount credited for every corresponding amount debited. Thus, the double-entry ledger maintains equality of debits and credits.

# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

### E

*Earned interest revenue.* A sum of money received or due to be received for the use of money loaned or invested.

*EDGAR (Education Department General Administrative Regulations).* The regulations of the U.S. Department of Education incorporating certain circulars from the Office of Management and Budget. *EDGAR* is found in the *Code of Federal Regulations, Title 34*, parts 75, 76, 77, 79, 81, 82, 84, 86, 97, 98, and 99. It is defined in the *Code of Federal Regulations, Title 34, Part 77.1*.

*Employee benefits.* Amounts paid by the LEA on behalf of employees. These amounts are not included in the gross salary but are over and above. They are fringe-benefit payments; although not paid directly to employees, they are nevertheless part of the cost of salaries and benefits. Examples are (1) group health or life insurance payments; (2) contributions to employee retirement; (3) OASDI (Social Security) taxes; (4) workers' compensation payments; and (5) payments made to personnel on sabbatical leave.

*Encroachment.* The use of unrestricted moneys to support restricted program expenditures.

*Encumbrances.* Obligations in the form of purchase orders, contracts, salaries, and other commitments chargeable to an appropriation for which a part of the appropriation is reserved.

*Enterprise funds.* Funds used to account for those ongoing activities of the LEA that because of their income-producing character are similar to those found in the private sector.

*Entitlement.* An apportionment that is based on specific qualifications or formula defined in statute. (This term should not be used as a basis for determining how to account for unspent balances of categorical aid.)

*Equity accounts.* These accounts represent the difference between the assets and deferred outflows of resources and the liabilities and deferred inflows of resources of a fund.

*Estimated revenues.* For revenue accounts kept on the accrual basis, this term designates the amount of revenue estimated to accrue during a given period regardless of whether all of it is to be collected during the period.

*Expendable trust fund.* A trust fund in which principal and earnings may be expended.

*Expenditures.* The costs of goods delivered or services rendered, whether paid or unpaid, including expenses, provision for debt retirement not reported as a liability of the fund from which retired, and capital outlay.

*Expenses.* Charges incurred, whether paid or unpaid, for operations, maintenance, interest, and other charges that are presumed to benefit the current fiscal period. Expense accounts are used in certain trust funds and in proprietary-type funds.

# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

### F

*Face value.* As applied to securities, the amount stated in the security document.

*Fair value of investments.* The amount at which a financial instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

*Fees.* Amounts collected from or paid to individuals or groups for services or for use of a school or other facility.

*Fidelity bond.* A form of insurance that provides for the indemnification of the LEA or other employer for losses arising from the theft or dishonesty of employees.

*Fiscal year.* A period of one year, the beginning and the ending dates of which are fixed by statute. For LEAs, it is the period beginning July 1 and ending on June 30.

*Fixed assets.* Assets of a permanent character having continuing value (e.g., land, buildings, machinery, furniture, and equipment), with a cost over the capitalization threshold set by the LEA.

*Full-time-equivalent (FTE).* The ratio of time expended in a part-time position to that of a full-time position. The ratio is derived by dividing the amount of time of employment required in the part-time position by the amount of employed time required in a corresponding full-time position.

*Function.* An act, service, or group of services proper to a person, thing, or institution and aimed at accomplishing a certain end. In SACS, *function* refers to those activities or services performed to accomplish a goal.

*Fund.* A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accord with special regulations, restrictions, or limitations.

*Fund balance.* The difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. The fund equity of governmental and trust funds.

### G

*General fund.* The fund used to finance the ordinary operations of the LEA. It is available for any legally authorized purpose.

*General journal.* A book of original entry for all entries of financial transactions that are not recorded in a special journal, such as a cash receipts journal, a voucher register, or a cash disbursements journal.

*General ledger.* A book, file, or other device that contains the accounts needed to reflect, in summary and in detail, the financial position, the results of financial operations, and the changes in equities of a fund or an account group used by an LEA.



# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*General long-term debt.* Long-term debt that is legally payable from general revenue and backed by the full faith and credit of an LEA.

*Generally accepted accounting principles (GAAP).* Uniform minimum standards of, and guidelines to, financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. These principles encompass the conventions, rules, and procedures necessary to define accepted accounting practices and procedures. Generally accepted accounting principles provide a standard by which to measure financial presentations. The primary authoritative source on the application of these principles to state and local governments is the Governmental Accounting Standards Board (GASB).

*Generally accepted auditing standards (GAAS).* Measures of the quality of the performance of auditing procedures and the objectives to be attained through their use. The standards are concerned with the auditor's professional qualities and with the judgment exercised in the performance of an audit. Generally accepted auditing standards are established by the American Institute of Certified Public Accountants (AICPA).

*Generally accepted government auditing standards (GAGAS).* Generally accepted auditing standards for government are established by the U.S. Government Accountability Office and published in *Government Auditing Standards*, also known as the Yellow Book.

*Gift.* Anything of value received from any source for which no repayment or service to the contributor is expected.

*Goal.* In SACS, a *goal* defines an objective or a set of objectives for the LEA. It is used to account for the cost of instruction and other services by the instructional goals and objectives of an LEA.

*Governmental Accounting Standards Board (GASB).* The organization established to issue standards of financial accounting and reporting with respect to activities and transactions of state and local governmental entities. It is the successor organization to the National Council on Governmental Accounting (NCGA).

*Grade level.* Assigned classification of students according to age and school progress (e.g., kindergarten or first grade).

*Grant.* A contribution, either in money or material goods, made by one governmental entity to another. Grants may be intended for specific or general purposes. (This term should not be used as a basis for determining how to account for unspent balances of categorical aid.)

*Grants-in-aid.* See *Grant*.

## H

*Holding accounts.* Suspense accounts that are used temporarily to accumulate costs that will ultimately be charged to other user programs.

# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

### I

*Income.* A term used in accounting for a proprietary-type fund to represent the excess of revenues earned over the expenses incurred in carrying on the fund's operations. The term *income* should not be used in lieu of *revenue* in governmental-type funds.

*Indirect cost.* Elements of cost necessary in the operation of the LEA or in the performance of a service that are of such nature that the amount applicable to each accounting unit cannot be determined readily and accurately or for which the cost of such determination exceeds the benefit of the determination. It consists of those business and administrative costs that benefit the entire LEA (e.g., accounting, budgeting, personnel, purchasing).

*Indirect cost rate (ICR).* A method for claiming reimbursement of indirect costs from federal and state categorical funds. It is the ratio (expressed as a percentage) of the indirect costs to direct base costs.

*Indirect support charges.* Charges for routine services not performed as a special service for a particular program but allocated to user programs.

*In lieu of taxes.* Revenue to replace the loss of tax revenue resulting from property that is exempted from taxation.

*Interest.* A fee charged to a borrower for the use of money.

*Interfund accounts.* Accounts in which transactions between funds are reflected. These include interfund transfer accounts and interfund receivable and payable accounts.

*Interfund borrowing.* The movement of cash from one fund to another with the expectation that the borrowing is temporary and will be repaid. Interfund borrowing does not affect the fund balance of either the borrowing fund or the lending fund.

*Interfund transfers.* Money that is taken from one fund under the control of the governing board and added to another fund under the board's control, without the expectation for repayment.

Interfund transactions other than interfund loans or borrowing, quasi-external transactions, and reimbursement. Interfund transfers are not revenues or expenditures. They do not increase the resources of the LEA as a whole but they do affect the fund balance of both funds. (See also *Operating transfers*, *Residual equity transfers*, and *Interfund borrowing*.)

*Interim borrowing.* (1) Short-term loans to be repaid from general revenues during the course of a fiscal year; (2) short-term loans in anticipation of tax collections or bond issuance.

*Interim reports.* Reports prepared as of a date or a period during the fiscal year. They include budgetary estimates, financial transactions during current year-to-date, and end-of-year projections.



# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Internal audit.* An appraisal activity within an LEA that (1) determines the adequacy of the system of internal control; (2) verifies and safeguards assets; (3) determines the reliability of the accounting and reporting system; (4) ascertains compliance with existing policies and procedures; and (5) appraises the performance of activities and work programs.

*Internal control.* A plan of organization under which employees' duties are so arranged, and records and procedures so designated, as to provide a system of self-checking, thereby enhancing accounting control over assets, liabilities, revenue, and expenditures. Under such a system, the employees' work is subdivided so that no single employee performs a complete cycle of operation. Such procedures call for proper authorization by designated officials.

*Internal service funds.* Funds created to render services on a cost-reimbursement basis to other organizational units of the LEA. Such funds are generally intended to be self-supporting.

*Inventory.* A detailed list showing the quantities and a description of the property on hand at a given time. It may also include units of measure, unit prices, and values.

*Investments.* Usually, securities and real estate held for the purpose of generating revenues, such as interest, dividends, or rental payments.

*Invoice.* An itemized statement of charges for merchandise sold or services rendered to the purchaser.

## J

*Job account.* An account established to record the accumulation of costs of a specific piece of work; work orders showing charges for material and labor used.

*Journal.* Any accounting record in which the financial transactions of an LEA are formally recorded for the first time (e.g., the cash receipts book, check register, and general journal).

*Journal voucher.* A form provided for the recording of certain transactions or information in place of, or supplementary to, the journal or registers.

*Judgments.* Amounts due to be paid or collected by the LEA as the result of court decisions.

## L

*LEA.* See *Local educational agency*.

*Lease-purchase agreements.* Contractual agreements that are termed "leases" but which, in substance, amount to purchase contracts.

*Levy.* The imposition of taxes or special assessments for the support of governmental activities; also, the total amount of taxes, special assessments, or service charges imposed by a governmental unit.

# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Liabilities.* Legal obligations (with the exception of encumbrances) that are unpaid.

*Line-item budgeting.* A budget system emphasizing a “balanced budget” through comparison of estimated revenues with projected expenditures. Budgetary divisions are listed by organizational units, such as departments or activities, and expenditures are divided into major categories of personal services, contracted services and supplies, and capital outlay. For budgetary control, further breakdowns of expenditures are made through detailed object accounts based on the wide range of services, supplies, and equipment.

*Local educational agency (LEA).* Typically, a local school district, county office of education, or joint powers agency engaged in providing educational services.

*Long-term debt.* Debt that matures more than one year after the date of issuance.

## M

*Management’s discussion and analysis (MD & A).* The narrative introducing the financial statements and providing an analytical overview of the LEA’s financial performance for the year. It should contain sufficient information for users of the financial statements to evaluate whether the financial position of the LEA has improved or deteriorated as a result of the year’s activities.

*Modified accrual basis.* The accrual basis of accounting adapted to the governmental fund type. Under it, revenues are recognized when they become both “measurable” and “available” to finance expenditures of the current period. Most expenditures are recognized (recorded) when the related liability is incurred.

*Multiyear financial plan.* A plan that presents financial estimates of programs in tabular form for a period of years. These estimates reflect the future financial impact of current decisions. The data in the plan should be organized along the lines of the program structure.

## N

*Net income.* A proprietary fund’s excess of revenues and operating transfers in over expenses and operating transfers out.

*Not-for-profit organization (NPO).* An entity that meets the definition in the Financial Accounting Standards Board’s (FASB) *Statement of Financial Accounting Standards No. 116, Accounting for Contribution Received and Contribution Made*. An entity with the following characteristics that separates it from a business enterprise:

- It receives contributions of significant amounts of resources from providers who do not expect a commensurate or proportionate pecuniary return.
- Its operating purposes are other than to provide goods or services at a profit.
- Unlike business enterprises, it does not have an interest in ownership.

# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

### O

*Object.* As used in an expenditure classification, *object* applies to the article purchased or to the service obtained.

*Obligations.* Amounts that the LEA may be legally required to meet from its resources. They include not only actual liabilities but also unliquidated encumbrances.

*Operating transfers.* All interfund transfers other than residual equity transfers.

*Order (for payment).* A written demand by the governing board of an LEA requiring the county superintendent of schools to draw his or her requisition on the county auditor for the payment of a claim against the LEA.

*Other financing sources.* Governmental fund general long-term debt proceeds, operating transfers in, and material proceeds of fixed asset dispositions. Such amounts are classified separately from revenues.

*Other financing uses.* Governmental funds' operating transfers out. Such amounts are classified separately from expenditures.

*Overdraft.* The amount by which checks, drafts, or other demands for payment on the treasury or on a bank account exceed the amount of the balance on which they are drawn; or the amount by which encumbrances and expenditures exceed the appropriation to which they are chargeable.

*Overhead.* See *Indirect cost*.

### P

*Payroll register.* A document accompanying one or more orders on a fund of an LEA for the payment of salaries or wages to employees; contains the names of such employees and provides information substantiating such orders.

*Payroll warrant.* A document used as an order or a requisition on a fund of an LEA for the purpose of paying salaries or wages.

*Perpetual inventory.* A system whereby the inventory of units of property at any date may be obtained directly from the records without resorting to an actual physical count. A record is provided for each item or group of items to be inventoried and is divided to provide a running record of goods ordered, received, and withdrawn and the balance on hand in units and cost.

*PERS.* Public Employees' Retirement System. Unless exempted by state law, classified employees, their district, and the state contribute to this retirement fund.

*Personal property.* All property except real property. (See also *Real property*.)

# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Petty cash.* A sum of money set aside for the purpose of making change or immediate payments of small amounts. (See also *Revolving cash fund*.)

*Physical inventory.* The annual physical count of an LEA's inventory. This count is often taken at the end of the year and observed by the LEA's auditors. Periodically, physical inventories are conducted to test the accuracy of the *perpetual inventory* records.

*Posting.* The act of transferring to an account in a ledger the data, either detailed or summarized contained in a book of original entry.

*Prepaid expenses.* Expenditures for which payment has been made but for which benefits have not been realized as of a certain date (e.g., prepaid rent, prepaid interest, and premiums on unexpired insurance).

*Prior years' taxes.* Taxes collected within the current fiscal year for levies in previous fiscal years.

*Program.* A group of related activities that operate together to accomplish specific purposes or objectives.

*Program cost accounting.* A method to identify program costs in a standard manner. In SACS, the goal field provides the framework for program cost accounting.

*Program structure.* The hierarchical arrangement of programs that represents the interrelationship of activities to goals and objectives. The program structure contains categories of activities with common outputs and objectives. Programs may cut across existing departments and agencies.

*Project year.* A field in SACS that is used to distinguish the activities of grants, sometimes known as special projects, whose "project year" or "reporting year" is different from the LEA fiscal year.

*Prorating.* The allocating of expenditures or revenue from a single source to two or more accounts to show the correct distribution of charges or revenue.

*Purchase order.* A document issued to a vendor that authorizes the delivery of specified merchandise or the performance of certain services and the making of a charge for them.

## R

*Real property.* Property consisting of land, buildings, minerals, timber, landscaping, and all improvements thereto.

*Rebate.* See *Abatement* or *Refund*.

*Receipts.* Cash received.



# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Reclassification.* Redesignation of the current year’s revenue or expenditure items previously posted to one account and later determined to be more properly charged to a different account.

*Refund.* An amount paid back or credit allowed because of an overcollection.

*Registered warrant.* A warrant that is registered by the county treasurer for future payment because of a present lack of funds and that is to be paid with interest in the order of its registration.

*Registers.* A listing of transactions of like kind that may be totaled and summarized for convenience in posting (e.g., payroll registers, warrant registers, and attendance registers).

*Reimbursement.* Cash or other assets received as a repayment of the cost of work or services performed; or repayment of expenditures made for or on behalf of another governmental unit, fund, or department.

*Requisition.* A document submitted initiating a purchase order to secure specified articles, services, or issuance of materials from stores or a warehouse.

*Reserve for economic uncertainties.* The portion of the fund balance that has been designated (set aside) by the governing board to provide for emergencies or economic events, such as revenue shortfalls, that could not be anticipated.

*Reserve for encumbrances.* An account used to segregate a portion of a fund balance for outstanding encumbrances.

*Residual equity transfers.* Nonrecurring or nonroutine transfers of equity between funds of the LEA (e.g., transfers of residual balances of discontinued funds to the general fund or contribution of internal service fund capital by the general fund).

*Resource.* A field in SACS that is used to classify revenues and resulting expenditures in accord with restrictions or special reporting requirements placed on either aspects of LEA financial activities by law or regulation. Further, because such revenues frequently are not fully expended within a fiscal year, and related liabilities are not completely liquidated, the resource code is also to reflect restrictions and special reporting obligations on balance sheet accounts.

*Restricted funds.* Money whose use is restricted by legal requirement or by the donor.

*Revenues.* The increases in a fund’s financial resources other than from interfund transfers or debt issue proceeds. Revenues are the primary financial resource of a fund. Revenues are recognized when assets are increased without increasing liabilities or incurring an expenditure reimbursement.

# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Revolving cash fund.* An account used primarily for emergency or small disbursements and reimbursed periodically through properly documented expenditures, which are summarized and charged to proper accounting classifications.

### S

*SACS.* Acronym for standardized account code structure.

*Schedules.* Explanatory or supplementary statements that accompany the balance sheet or other financial statements.

*Secured roll.* Assessed value of real property, such as land, buildings, secured personal property, or anything permanently attached to land, as determined by each county assessor.

*Securities.* Bonds, notes, mortgages, or other forms of negotiable or nonnegotiable instruments.

*Serial annuity bonds.* Serial bonds in which the annual installments of bond principal are so arranged that the combined payments for principal and interest are approximately the same each year.

*Serial bonds.* Bonds whose principal is repaid in periodic installments over the life of the issue.

*Shared revenue.* Revenue that is levied by one governmental unit but that is shared, usually in proportion to the amount collected, with another unit of government or class of governments.

*Short-term debt.* Debt with a maturity of one year or less after the date of issuance. Short-term debt usually includes bond anticipation notes payable and tax and revenue anticipation notes (TRANs) payable.

*Source document.* Any voucher, invoice, or other data that support an entry in the accounting records.

*Special revenue funds.* Funds established to account for the proceeds from specific revenue sources that are restricted or committed to finance particular activities other than capital projects or debt service and not held in trust for other individuals or entities.

*Standardized account code structure (SACS).* A uniform, comprehensive, and minimum chart of accounts for classifying the financial activities of California LEAs.

*Statements.* (1) In a general sense, all of those formal written presentations that set forth financial information; (2) in technical accounting, those presentations of financial data that show the financial position and the results of financial operations of a fund, a group of accounts, or an entire LEA for a particular accounting period.

*State School Fund.* A special revenue fund within the State Treasury used for apportionments to school districts and county offices of education on the basis of the Local Control Funding Formula and certain other special-purpose apportionments. Apportionments are made by the State Controller and are based on certifications from the California Department of Education.

# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Stores.* Goods that are on hand in storerooms and that are subject to requisition.

*STRS.* State Teachers' Retirement System. State law requires certificated employees, school districts, and the state to contribute to this retirement fund.

*Student body fund.* An agency fund to control the receipts and the disbursements of student associations' activities; it consists only of assets and liabilities.

*Subsidiary ledger.* A supporting ledger consisting of a group of accounts, the total of which is in agreement with a control account (e.g., payroll ledger and appropriations ledger).

*Subvention.* Provision of assistance or financial support, usually from a superior governmental unit; a grant.

*Supply.* An item of an expendable nature that is consumed, wears out, or deteriorates in use; or one that loses its identity through fabrication or incorporation into a different or more complex unit or substance.

*Surety bond.* A written promise to pay damages or to indemnify against losses caused by the party or parties named in the document, through nonperformance or through defalcation (e.g. a surety bond given by a contractor or by an official who handles cash or securities).

*Suspense account.* An account that temporarily carries charges or credits pending the determination of the proper account or accounts.

## T

*Tax and revenue anticipation notes (TRANs).* Notes issued in anticipation of collection of taxes, usually retirable only from tax collections and frequently only from the proceeds of the tax levy whose collection they anticipate.

*Tax liens.* Claims by governmental units on properties for which taxes levied remain unpaid.

*Tax rate.* The amount of tax stated in terms of a unit of the tax base.

*Tax rate limit.* The maximum rate of tax that a governmental unit may levy.

*Tax redemption.* Proceeds from the sale of tax-delinquent property.

*Tax relief subventions.* Funds ordinarily paid to compensate for taxes lost because of tax relief measures.

*Tax roll.* The list showing the amount of taxes levied against each taxpayer or property.

*Taxes.* Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.

*Taxes, protested.* Tax money paid under protest and held by the county auditor pending settlement of the protest.

*Taxes receivable.* An asset account representing the uncollected portion of taxes levied.



# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Taxes receivable.* An asset account representing the uncollected portion of taxes levied.

*Term bond.* A bond whose entire principal matures on a single date.

*Trade discount.* A reduction of the list price, usually expressed as a percentage and related to the volume of business transacted. (The term is not to be confused with *Cash discount*.)

*Transfer.* Interdistrict or interfund payments or receipts not chargeable to expenditures or credited to revenue. (See also *Budget transfer* and *Interfund transfers*.)

*Trial balance.* A list of the balances of the accounts in a ledger kept by double entry, with the debit and credit balances shown in separate columns. If the totals of the debit and credit columns are equal or if their net balances agree with a control account, the ledgers from which the figures are taken are said to be “in balance.”

*Trust fund.* A fund used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments, and/or other funds.

*Tuition.* An amount charged for educational services provided to a student.

## U

*Unaudited actuals.* An annual statement reporting the financial activities of the LEA in which the data are not yet audited.

*Unearned revenue.* A liability for resources received prior to revenue recognition.

*Unencumbered balance.* That portion of an appropriation or allotment not yet expended or obligated.

*Unit cost.* The total expenditure for a product, program, or service divided by the total quantity obtained or some other quantitative measure (e.g., the total expenditure for desks divided by the number of desks equals the cost per desk).

*Unrealized revenue.* Estimated revenue less revenue received to date; also, the estimated revenue for the remainder of the fiscal year.

*Unsecured roll.* Assessed value of personal property other than secured property.

## V

*Voucher.* A written document that evidences the propriety of transactions and usually indicates the amounts that are to be recorded.

## W

*Warrant.* A written order, drawn by the LEA’s governing board or its authorized officer(s) or employee(s), approved by the county superintendent of schools and allowed by the county auditor, directing the county treasurer to pay a specified amount to a designated payee.

*Warrants payable.* The amount of warrants issued, outstanding, and unpaid.



# FCSS YEAR-END CLOSING MANUAL

## GLOSSARY – continued

*Withholding.* The process of deducting from a salary or wage payment an amount, specified by law or regulation, representing the individual's estimated federal or state income tax that the employer must pay to the taxing authority.

*Work in process.* The value of partially completed products manufactured or processed, such as a partially completed printing job.

*Work order.* A written authorization for the performance of a particular job containing a description of the nature and location of the job and specifications for the work that is to be performed. Such authorizations are usually assigned job numbers, and provision is made for accumulating and reporting labor, material, and other costs.

*Workstation.* Computer, personal computers, or work areas assigned for data processing purposes.

# ACRONYMS and INITIALISMS

[Link to: Acronyms and Initialisms](#)

# FCSS YEAR-END CLOSING MANUAL

**THANK YOU!**