

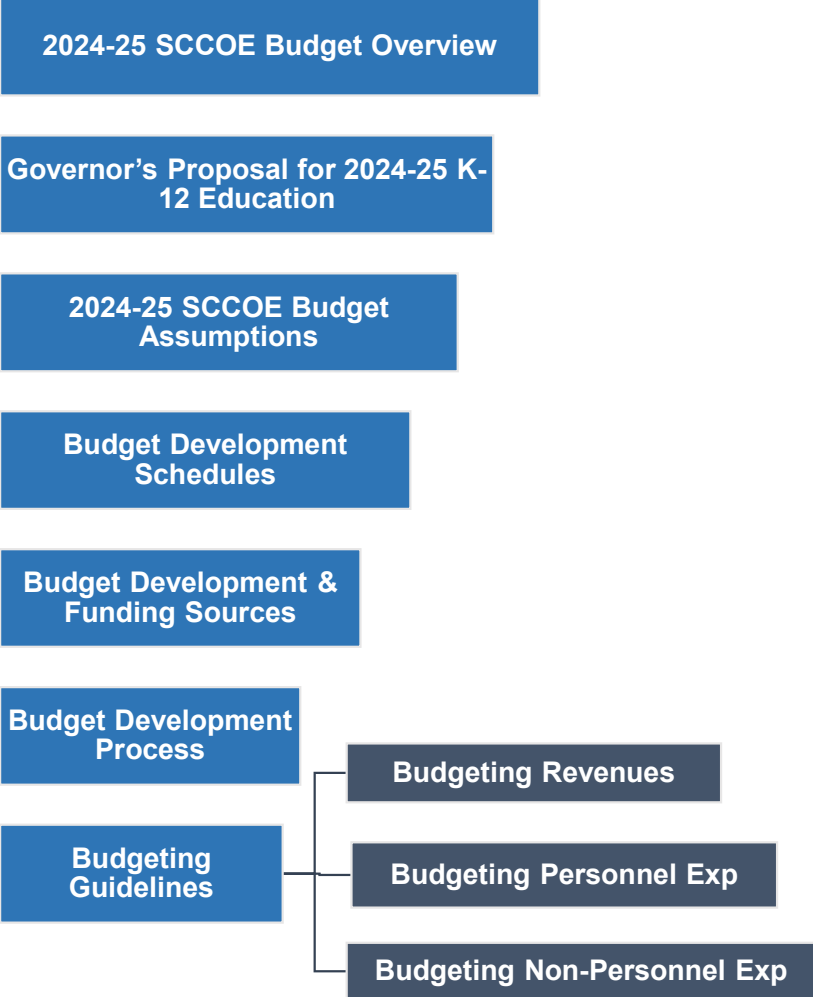
Budget Development Workshop

Internal Business Services

February 6-8, 2024

Equity • Diversity • Inclusion • Partnership

Agenda



2024-25 SCCOE Budget



SCCOE's Funding Sources

Local Control Funding Formula

There are two LCFF funding calculations certified by the California Department of Education (CDE):

-
- a) County LCFF Target Entitlement, includes cost-of-living adjustment (COLA) estimated at .76% for fiscal year 2024-25
 - b) County LCFF Transition Calculation

SCCOE has transitioned to the County LCFF Target Entitlement Calculation

SCCOE's Funding Sources

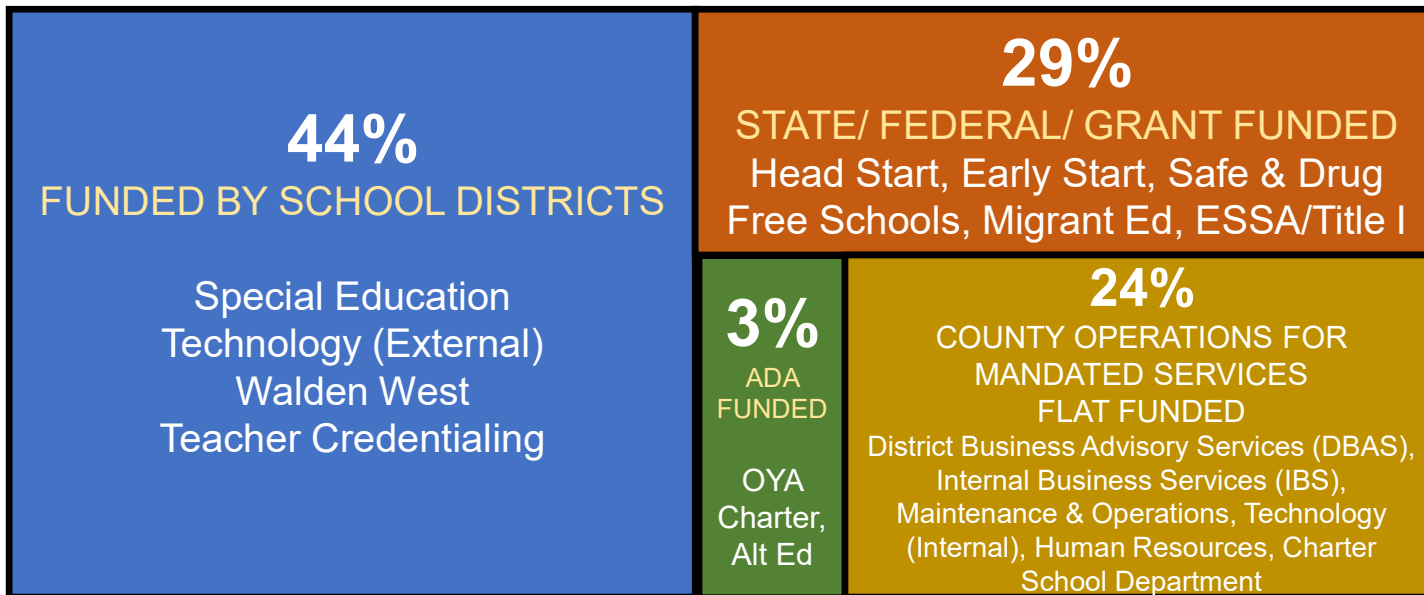
Local Control Funding Formula

SCCOE is considered flat funded as our entitlement revenue is only adjusted by minimal Average Daily Attendance (ADA) changes for our Alternative Education Program (AED)

SCCOE is a basic aid county office that is required to return local property taxes in excess of the funding received under the Local Control Funding Formula to the State (Education Code section 2575 (e) and 2578

Funding Sources by Program

TOTAL SCCOE REVENUE - \$417.41 Millions
 (FY2023-24 Second Interim County School Service Fund)

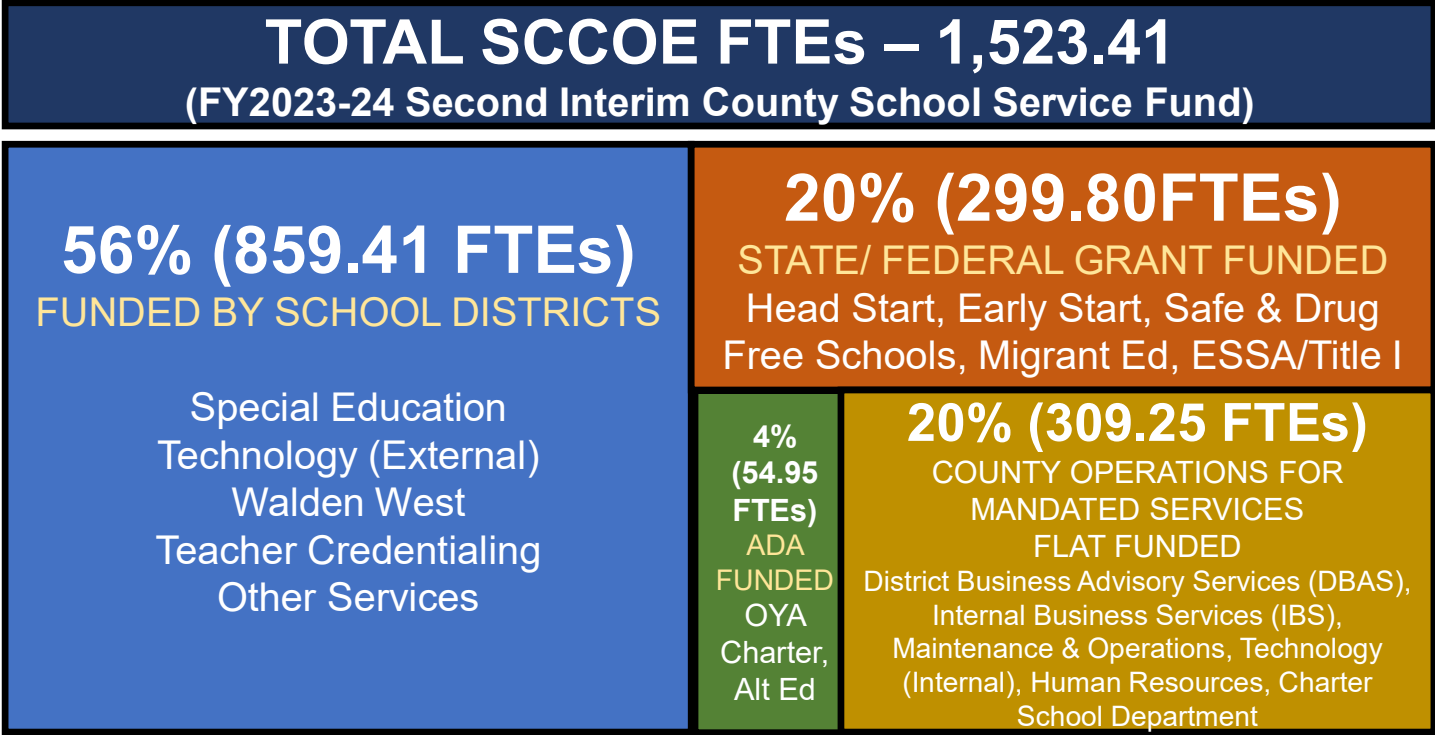


Salary Costs by Program

TOTAL SCCOE SALARIES - \$155.07 Millions
 (FY2023-24 Second Interim County School Service Fund)

<p>51% (\$78.27M) FUNDED BY SCHOOL DISTRICTS</p> <p>Special Education Technology (External) Walden West Teacher Credentialing Other Services</p>	<p>19% (\$29.71M) STATE/ FEDERAL GRANT FUNDED Head Start, Early Start, Safe & Drug Free Schools, Migrant Ed, ESSA/Title I</p>	
	<p>5% (\$7.7M) ADA FUNDED OYA Charter, Alt Ed</p>	<p>25% (\$39.39M) COUNTY OPERATIONS FOR MANDATED SERVICES FLAT FUNDED District Business Advisory Services (DBAS), Internal Business Services (IBS), Maintenance & Operations, Technology (Internal), Human Resources, Charter School Department</p>

FTEs by Program



2023-24 Estimated Return of Local Property Taxes

- Estimated Return of local property taxes to be returned to the state for 2023-24 is \$47.37 M. (The estimated amount to return in 2024-25 is \$48.74M and 2025-26 is \$47.90M). This amount is required pursuant to Education Code section 2575(e) and 2578. The following chart shows the local property taxes SCCOE was required to return in prior years.
- Total Return of Local Property Taxes remitted to the State Controller to date **\$237,100,947** for fiscal years 2013-2014 through 2021-2022.
- 2022-23* will be remitted in April of 2024.

Fiscal Year	Return of Local Property Taxes*
2013-14	\$ 12,295,907
2014-15	\$ 12,873,350
2015-16	\$ 17,459,375
2016-17	\$ 22,140,554
2017-18	\$ 25,225,094
2018-19	\$ 30,723,648
2019-20	\$ 35,113,807
2020-21	\$ 38,668,925
2021-22	\$ 42,600,287
2022-23 estimate	\$ 48,397,315
2023-24 estimate	\$ 47,370,712

*In compliance with CDE guidelines, the amounts represent the accrued amount from the prior fiscal year that will be remitted to the State Controller in the following fiscal year.

Governor's Proposals for 2024-25 K-12 Education



Governor's January Budget Proposal

K-12 Major Themes

Predictable support for schools for the continued implementation of the California for All Kids plan – a whole child framework designed to close the opportunity gaps and accelerate learning

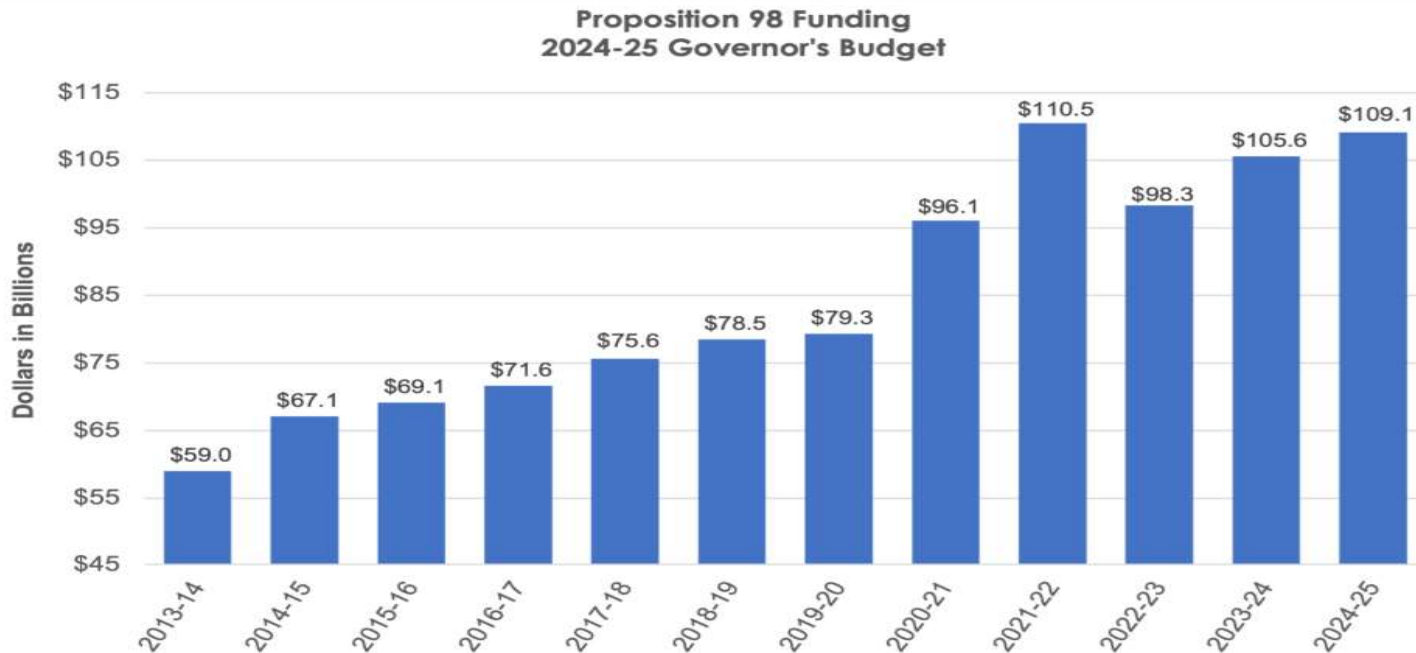
Maintaining critical investments to improve instruction and support for students:

- Community Schools
- Universal Meals Program
- Expanded learning opportunities
- Education Workforce
- Universal Transitional Kindergarten

Proposition 98

- Proposition 98 guarantees minimum funding levels for K-12 schools and community colleges (K-14 schools)
- Local Control Funding Formula (LCFF) primary mechanism to distribute Prop 98 funding to K-12 public schools in California
- Revised Proposition 98 levels represent a decrease of approximately \$11.3 billion over the three-year period relative to the 2023 Budget Act
- The Budget proposes statutory changes to address roughly \$8 billion of this decrease to avoid impacting existing LEA and community college district budgets

Proposition 98



Revised Proposition 98 levels represent a decrease of approximately \$11.3 billion over the 2022-23, 2023-24 and 2024-25 budget years compared to the estimated amounts presented in the 2023 Budget Act.

<https://ebudget.ca.gov/2024-25/pdf/BudgetSummary/K-12Education.pdf>

Proposition 98 Rainy Day Fund

2023 Budget Act projected a total balance of \$10.8 billion in the Public School System Stabilization Account (PSSSA)

Revised Rainy Day Fund Deposits and Withdrawals

- The Governor's January Budget proposal reflects revised 2022-23 and 2023-24 payments, and a 2024-25 payment, of roughly \$339 million, \$288 million, and \$752 million, respectively and;
- Withdrawals of roughly \$3 billion in 2023-24 and \$2.7 billion in 2024-25, for a total revised account balance of more than \$3.8 billion at the end of 2024-25
- Budget projects increased reduction of \$7 billion to PSSSA to provide resources to support fiscal stability and support baseline fiscal adjustments to maintain a level of predictability for local educational agencies (LEAs)

Local Control Funding Formula

- Cost of Living Adjustment (COLA) of 0.76% - \$1.4 billion decrease in discretionary funds for Local Educational Agencies (LEAs)
 - Applicable to all Local Educational Agencies (LEAs) including county offices of education
 - Categorical programs: Special Education, Child Nutrition
 - LCFF Equity Multiplier
- \$2.8 billion withdraw from the PSSSA to support ongoing LCFF costs in 2023-2024
- \$2.2 billion withdraw from the PSSSA and available reappropriation and reversion funding totaling \$38.6 million to support ongoing LCFF costs in 2024-2025

January Budget Proposal Highlights

Universal Meals Program:

- Increase of \$122.2 million ongoing proposition 98 General Fund to fully fund in 2024-2025

Instructional Continuity

- To provide students with needed instructional continuity and address barriers that impact attendance. The Budget proposes statutory changes to allow LEAs to provide attendance recovery opportunities to students to make up lost instructional time, mitigate learning loss, chronic absenteeism and related fiscal impacts
- The Budget also includes \$6 million one-time Proposition 98 General Fund to:
 - (1) research existing, and develop new, models of hybrid and remote learning to support students' attendance
 - (2) Investigate local student information systems to identify opportunities and make recommendations to allow LEAs to report individual student absence data to the state in

January Budget Proposal Highlights

California State Preschool Program (CSPP):

- Provides access to subsidized preschool for the state's income-eligible three- and four-year-olds
- To support reimbursement rate increases previously supported by available one-time federal stimulus funding, the Budget includes \$53.7 million General Fund
- An additional \$140.6 million General Fund and \$206.3 million Proposition 98 General Fund was identified in the 2023 Budget Act to support the recently ratified collective bargaining agreement with childcare providers
- No Cost of Living Adjustment (COLA)

Investment Modifications

California Preschool Transitional Kindergarten and Full-Day Kindergarten (FDK) Facilities Grant Program

- Supports the construction of new or retrofitting existing school facilities to provide transitional kindergarten, full-day kindergarten, or preschool classrooms
- The 2022 Budget Act included \$100 million one-time General Fund for the FDK Program, and the 2023 Budget Act reflected an additional \$550 million in 2024-25 to support the FDK Program.
- To address the projected budget shortfall, the Budget delays the 2024-25 planned \$550 million FDK Program investment to 2025-26.

School Employer Pension Costs

CalSTRS

Fiscal Year	Contribution Rate**
2021-22	16.92%*** (-2.18)
2022-23	19.1%
2023-24	19.1%*
2024-25	19.1%*
2025-26	19.1%*

CalPERS

Fiscal Year	Contribution Rate
2021-22	22.91%*** (-2.16)
2022-23	25.37%
2023-24	26.68%
2024-25	27.8%*
2025-26	28.5%*
2026-27	28.9%*

* Latest projected rates based on most recent projections

** CalSTRS Board now allowed to adjust employer contribution rate up or down by up to 1% each year, but no higher than 20.25% and no lower than 8.25%

***Reflects rate relief provided by state through 2020 Budget Act



2023-24 Budget and Multiyear Projections

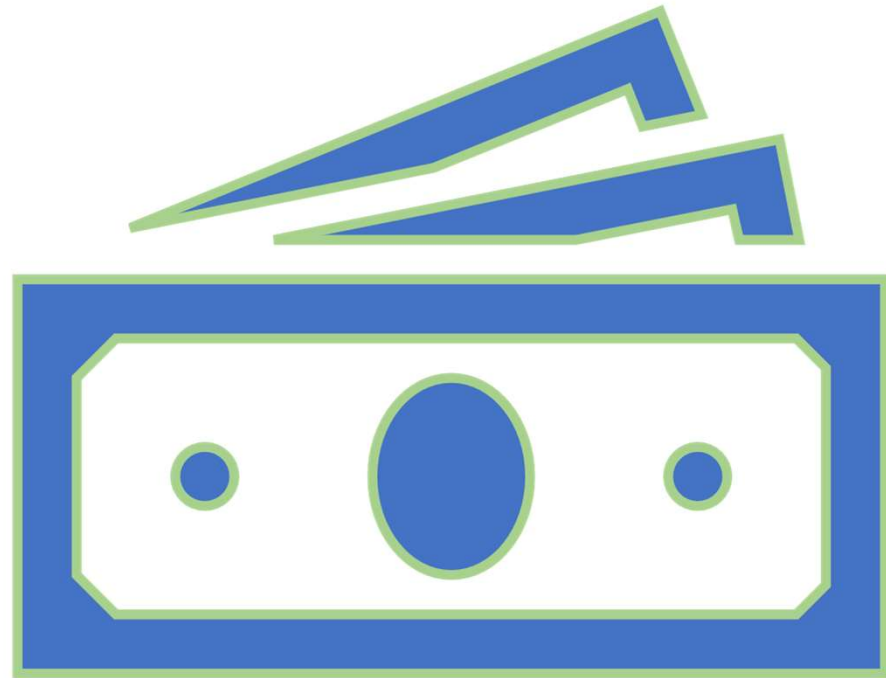
Estimated STRS and PERS costs for 2023-24 through 2025-26



2024-2025 Unaddressed Issues

- No proposed budgetary relief for increasing STRS and PERS pension costs

2024-25 SCCOE Budget Assumptions



Benefit Rates

Benefit	Object Codes	Benefit Rate	
State Teachers' Retirement System (STRS)	3101/02		19.10%
Public Employees' Retirement System (PERS)	3201/02		27.80%
Old-Age, Survivors & Disability Insurance-Social Security (OASDI)	3311/12	Maximum \$168,600	6.20%
Medicare	3321/22		1.45%
Health & Welfare	3401/02	Per Open Position	\$20,700
Unemployment Insurance (U.I.)	3501/02		0.05%
Workers' Compensation (W/C) - Lower Rate	3601/02	All SCCOE Programs Except Programs Subject to Higher Rate	1.03%
Workers' Compensation (W/C) - Higher Rate	3601/02	Head Start, Child Development & Special Education	3.00%
Other Post Employment Benefit (OPEB)	3701/02 3751/52	Per Full Time Equivalent (FTE)	\$0

Workers' Compensation Rates

Program	Workers' Comp Rate (%)
All SCCOE Programs except Programs listed below	1.03
Child Development (Fund 120)	3.00
Head Start (Fund 860)	3.00
Special Education (Funds 820 and 950)	3.00

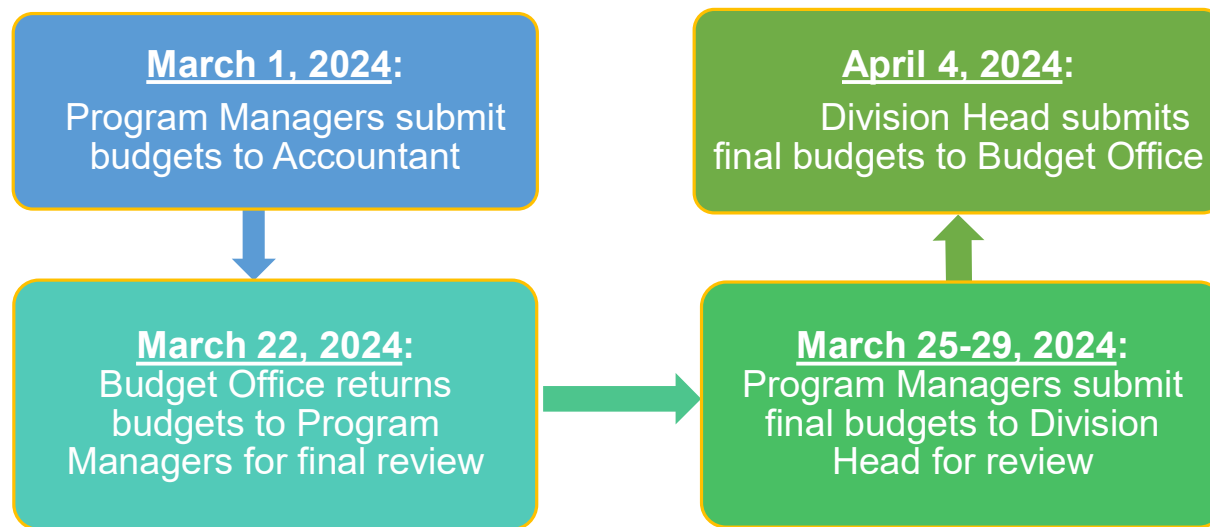
Indirect Rates

Program	Indirect Cost Rate (%)
a) All formula and non-competitive funding except b - g	10
b) Child Development (Fund 120)	7.5
c) Child Nutrition	5.06
d) Head Start (Fund 860)	10.61
e) SELPA (Fund 810)	8
f) Special Education (Fund 820, 950)	8
g) Migrant Education (Fund 870)	8
All other funding categories apart from a - g	10.97

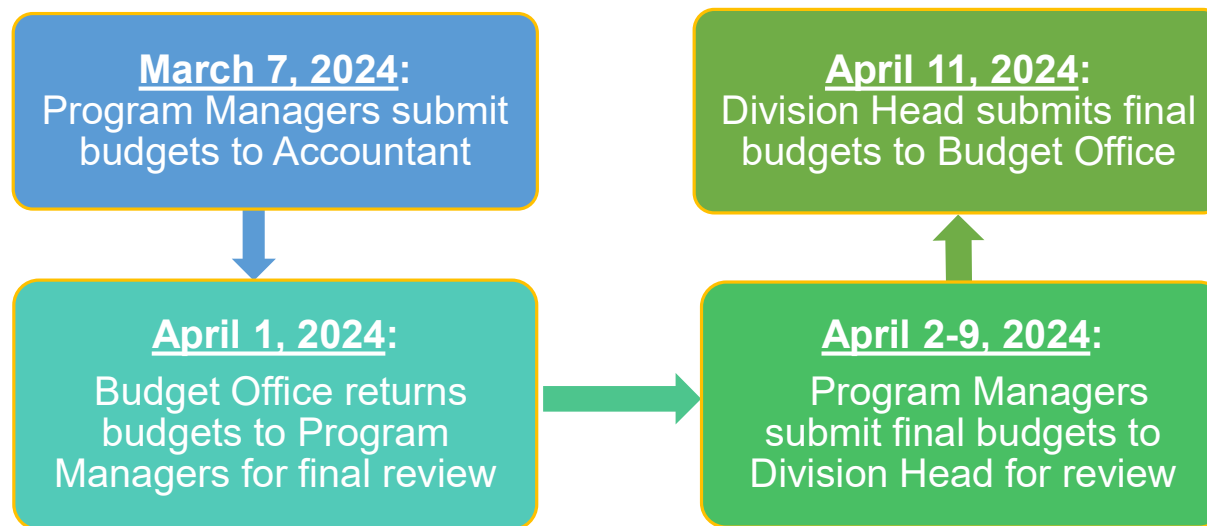
Budget Development Schedules



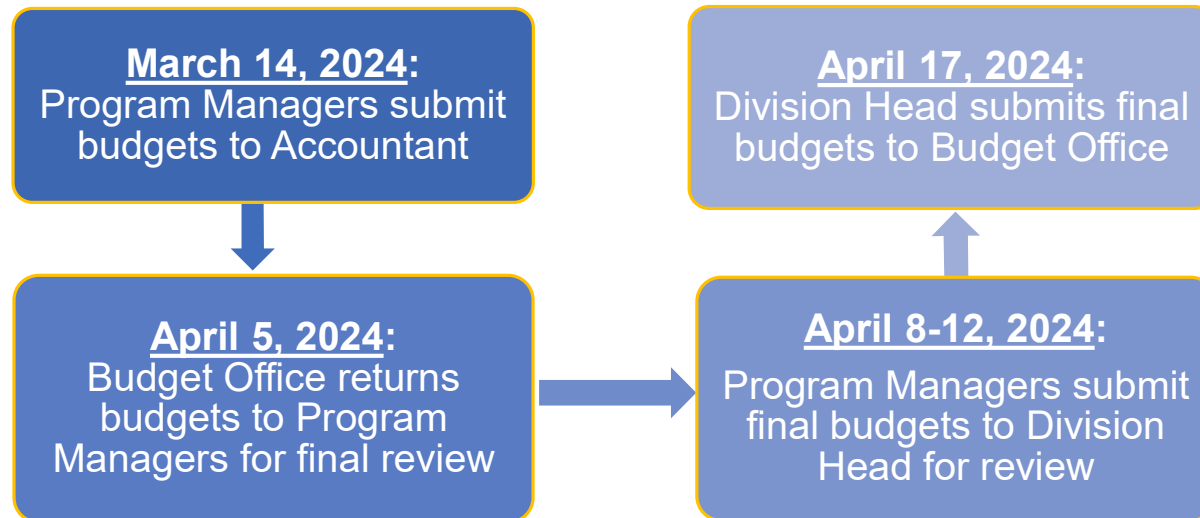
Schedule for Programs in Funds 800



Schedule for Programs in Funds 88x, 922, 93x



Schedule for Programs in Funds 100, 12x, 67x, 801, 810, 820, 850, 860, 870, 890, 920, 921, 940, 950, 990



WARNING
DUE DATES
ARE CLOSER
THAN THEY
APPEAR!



Budget Development & Funding Sources



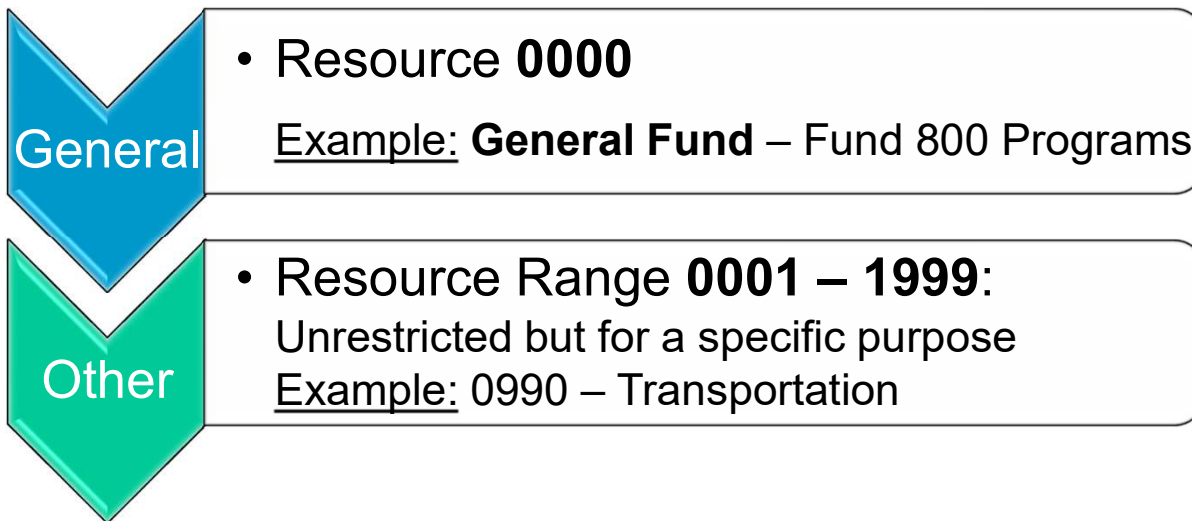
Budget Development & Funding Sources

- As we develop the budget it is important to understand the source of funding for the program/s
- The Resource Code in SCCOE's 35-digit financial account string helps determine the type of funding source and the appropriate steps to take for developing the budget
- The two broad categories of funding sources are:
 - Unrestricted Funding – Resource Code **0000 – 1999**
 - Restricted Funding – Resource Code **2000 - 9999**

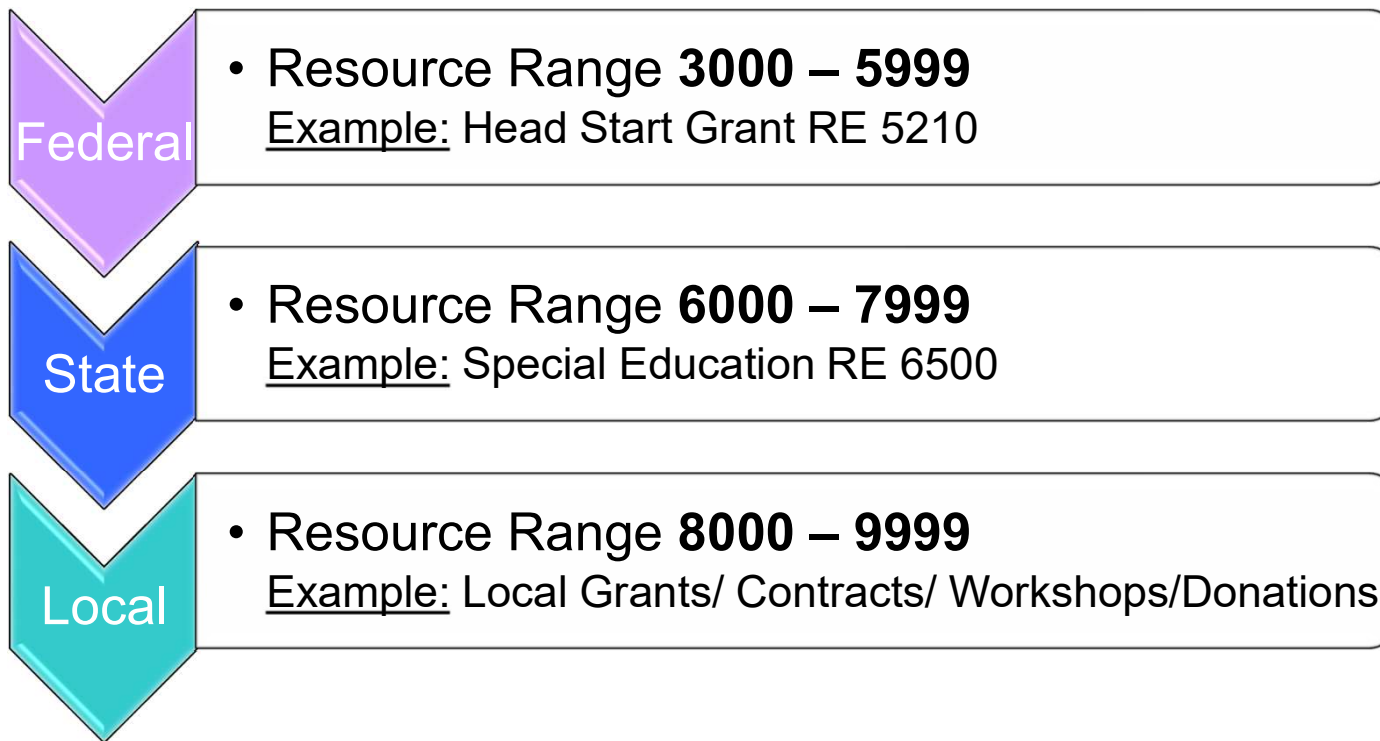
SCCOE's 35 Digit Account String

Fund	Resource	Project Year	Object	Sub-Object	Goal	Function	Cost Center	Site	Manager
xxx	xxxx	x	xxxx	xx	xxxx	xxxx	xxxxxx	xxx	xxxx

Unrestricted Funding Sources



Restricted Funding Sources



General Rule on Funding Sources

Unrestricted: Fund 800 Programs – RE 0000

- Funding sources not subject to external or legal constraints and may be used for any purpose not prohibited by law or board policy

Restricted: All Other Programs

- Funding sources subject to constraints imposed by external resource providers or by law through constitutional provisions or legislation



Development Process

Reports Provided by Accounting

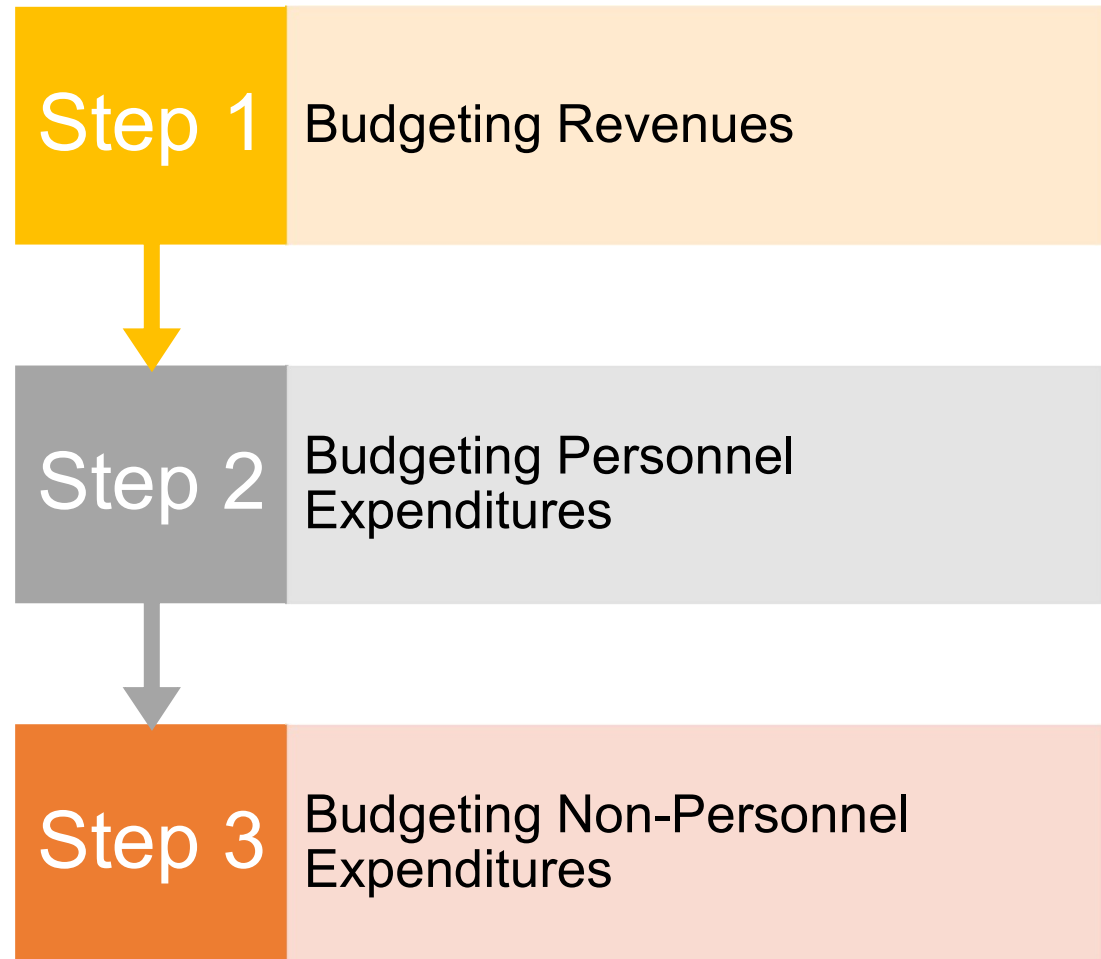
Comparative Budget Report

- Comparison of current year working budget and prior year actuals, working budget and adopted budget
- Preliminary budget column for FY2024-25 is the FY2023-24 working budget as of January 29, 2024

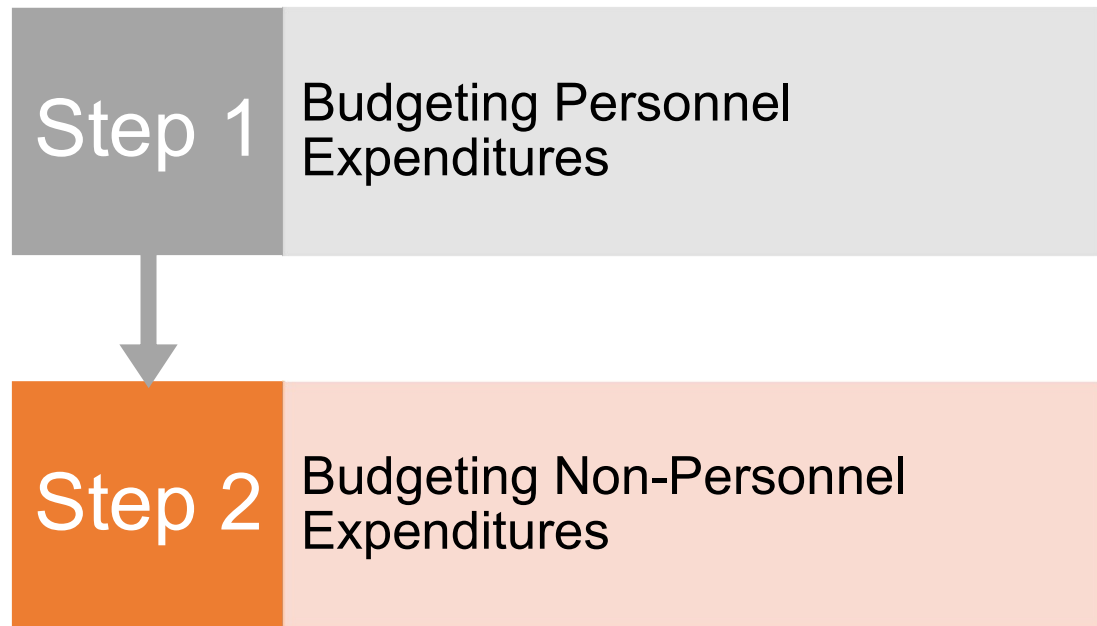
Benefit Projection Report

- Benefit projection for FY2024-25 includes step & column, and salary (2% for Leadership team and 2% for Psychologists & Social Workers Agreement) and benefit rate increases for FY2024-25.
- All positions and account strings reflected in Benefit Projection Report are based on employee records as of January 25, 2024.

Budget Development Process



Budget Development Process for Fund 800, Resource Code 0000



Final Budget Sample

Object	Object Description	Proposed Budget FY2024-2025
8000	Revenue	<u>\$ 500,000</u>
1000	Certificated Salaries	150,000
2000	Classified Salaries	150,000
3000	Benefits	94,993
4000	Materials & Supplies	10,412
5000	Professional/Consulting Services	<u>49,140</u>
	Total Direct Cost	\$ 454,545
7310	Indirect Cost (10.00%)	<u>45,455</u>
	Total Expenditures	<u>\$ 500,000</u>

Budget Packet Submission

➤ Program Director:

- provides a signed copy of all budget changes and necessary backup documentation (referred to as a 'budget packet') to the Program Accountant by the due date
- the budget packet is submitted electronically to the Program Accountant

➤ Program Accountant:

- enters the budget changes into the financial system and generates an updated comparative budget report reflecting the proposed budget for the upcoming year
- attaches all documents from the Program Director and submits the budget packet to Budget Office for review and approval

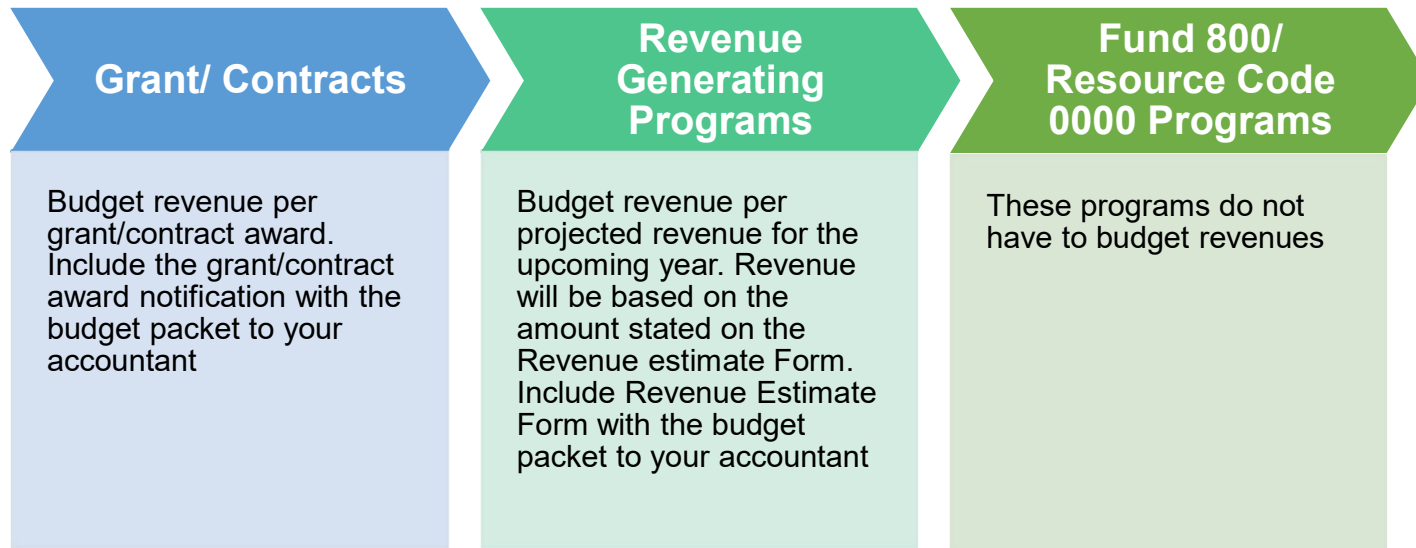
Budgeting Guidelines



Budgeting Revenues



General Guidelines



Budgeting Revenues for New Grants or Contracts



Ensure you have received the Grant Award Notification (GAN) or the fully executed contract prior to budgeting



In case fully executed funding letters are not available at budget development, consult IBS Director for acceptable documentation



Budget grant award/ contract amount as the revenue



Prepare expenditure budget per budget submitted with grant application/ contract

Budgeting for Revenue & ADA Generating Programs



Prepare a revenue estimate, using current year estimate as basis



Examples include, but are not limited to workshops, curriculum development, ADA (Average Daily Attendance) driven programs etc.



Complete a Revenue Estimate Form and obtain all approvals before preparing the budget



Budget the revenue estimate amount as revenues and include the approved form with the budget packet to your accountant

Revenue Estimate

Program Name:

Division:

Program Mngr.

Revenue Estimate Form

Revenue Source Description	Resource* (4 digits)	Quantity	At the rate of \$	2024- <input type="text"/> Estimate
Example: Workshop training fees	9134	2	\$1,000.00	\$2,000.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
Total Estimated Revenue				0.00

* If applicable

Narrative

Authorizations

_____ Date

_____ Date

Budgeting Personnel Expenditures



Comparative Budget Report

090 SCCOE
 CBR for 23-24 budget developme

COMPARATIVE BUDGET REPORT

J69807 BDR110 L.00.23 02/03/23 PAGE 1398

Manager :2900 Manager Name
 CostCent:805290

Fund :805 SUPPORT SERVICES

	2021-2022 WORKING Budget	2021-2022 ACTUAL	2022-2023 ADOPTED Budget	2022-2023 WORKING Budget	2022-2023 ACTUAL	2023-2024 PRELIM Budget	2023-2024 BUDGET CHANGE
2463 TELECOMMUNICATIONS							
805-0000-0-2400-00-0000-7200-805290-000-2900	119,616	119,612	120,078	120,078	70,029	145,079	
805-0000-0-2400-82-0000-7200-805290-000-2900		87					
TOTAL:	119,616	119,698	120,078	120,078	70,029	145,079	
TOTAL: 2xxx	119,616	119,698	120,078	120,078	70,029	145,079	
3202 PERS - CLASSIFIED							
805-0000-0-3202-00-0000-7200-805290-000-2900	27,404	27,403	31,341	30,464	17,766	39,172	
TOTAL:	27,404	27,403	31,341	30,464	17,766	39,172	
3312 OASDI-CLASSIFIED							
805-0000-0-3312-00-0000-7200-805290-000-2900	7,416	7,393	7,445	7,445	4,270	8,995	
TOTAL:	7,416	7,393	7,445	7,445	4,270	8,995	
3322 MEDICARE-CLASSIFIED							
805-0000-0-3322-00-0000-7200-805290-000-2900	1,734	1,729	1,742	1,742	999	2,104	
TOTAL:	1,734	1,729	1,742	1,742	999	2,104	
3402 HEALTH & WELFARE-CLASSIFIED							
805-0000-0-3402-00-0000-7200-805290-000-2900	14,349	15,856	14,206	17,416	10,159	21,617	
TOTAL:	14,349	15,856	14,206	17,416	10,159	21,617	
3502 STATE UNEMPLOYMNT-CLASSFD							
805-0000-0-3502-00-0000-7200-805290-000-2900	603	596	606	606	344	292	
TOTAL:	603	596	606	606	344	292	
3602 WORKERS COMP-CLASSIFIED							
805-0000-0-3602-00-0000-7200-805290-000-2900	1,242	1,238	1,247	1,247	715	1,504	
TOTAL:	1,242	1,238	1,247	1,247	715	1,504	
TOTAL: 3xxx	52,748	54,216	56,587	58,920	34,253	73,684	

Budget changes are entered in this column

Classified Salaries 2xxx

Benefits 3xxx

Budgeting Personnel Expenditures

Review the Benefit Projection Report

Validate:

- your program's Full Time Equivalents (FTEs)
- employee name, allocation and account string
- all open positions; determine if position needs to be budgeted or eliminated, make a notation on the report and include with the budget packet to your accountant

Change in Allocation *and/or* Account String for Staff

Complete a Salary
Account Change
Form (SACF)



Include completed
SACF with the
budget packet to
your accountant

Salary Account Change Form (SACF)

SALARY ACCOUNT CHANGE FORM

Purpose of Form:

1. To request salary account code changes for currently active employees.
2. This form is vital for maintaining the Position Control Database which will be used to drive payroll and to project salaries and benefits for Budget Development.

Date Submitted:
(For Budget Office Use Only)

Form Instructions:

1. Submit one form per employee's position for account code changes. Use additional forms if employee has more than one PC#.
2. Enter the 35 digit Account String with dashes (example: 880-3025-0-2424-00-3100-1110-715xx-000-2200)
3. The 35 digit account string consist of Fund-Resource-Proj Year-Object-SubObject-Goal-Function-CostCenter-Site-Manager
4. Enter in the "From Account" and "Percent Allocation" box or boxes, the current account status for the employee.
5. Enter in the "To Account" and "Percent Allocation" box or boxes, the new account status you would like implemented.
6. Explanation and signature for changes are required to process your request.
7. Submit to the Accountant assigned for your Fund/Program.
8. Submit a Budget Revision form to the Budget Office to align your account code changes. Accountant to enter BT# in the Budget Transfer Box.
9. Budget Office will submit the approved forms to Human Resources.

Employee Name	<input type="text"/>	
Position Control Number	<input type="text"/>	
Position Name	<input type="text"/>	FTE <input type="text"/>
Program/Site/Fund	<input type="text"/>	
Effective Date	<input type="text"/>	
Authorized Requestor/Phone Extension	<input type="text"/>	Ph Ext: <input type="text"/>

<u>Current Allocation</u>	<u>35 Digit Account String</u>	<u>Percent Allocation</u>
From Account:	<input type="text"/>	<input type="text"/>
From Account:	<input type="text"/>	<input type="text"/>
From Account:	<input type="text"/>	<input type="text"/>
From Account:	<input type="text"/>	<input type="text"/>
From Account:	<input type="text"/>	<input type="text"/>
	From Account Total:	0.00%

<u>Requested Allocation</u>		
To Account:	<input type="text"/>	<input type="text"/>
To Account:	<input type="text"/>	<input type="text"/>

Establishment of a New Position

Request for New or Increase of Position Form

- Complete HR's form mentioned above, ensure this form is fully approved
- Include approved form with the budget packet to your accountant

Employee Fringe Benefit Cost Form

- Use 2024-25 Employee Fringe Benefit Cost Form to compute benefits for the new position
- These benefits should be included in the budget projection for the new position

Employee Fringe Benefit Cost Form

2024-25 EMPLOYEE FRINGE BENEFIT COST FORM

FOR CERTIFICATED EMPLOYEES					FOR CLASSIFIED EMPLOYEES																																																																																																																																																																																				
NAME/PHONE:		DATE:			NAME/PHONE:		DATE:																																																																																																																																																																																		
PROGRAM:		PSEUDO CODE:			PROGRAM:		PSEUDO CODE:																																																																																																																																																																																		
Base Salary+ Extra time (if any)	\$ -	Employee Type Selection:			Base Salary + Extra time (if any)	\$ -	Employee Type Selection:																																																																																																																																																																																		
Cell Phone Stipend (Object 5911)					Cell Phone Stipend (Object 5912)																																																																																																																																																																																				
Mileage Stipend (Object 5201)		A	Certificated Regular Employee		Mileage Stipend (Object 5202)		E	Classified Regular Employee																																																																																																																																																																																	
Vacation Payout (Sub Object 83)		B	Certificated Non-Regular		Overtime (Sub Object 82)		F	Classified Reg Emp w/ STRS																																																																																																																																																																																	
TOTAL SALARY	\$ -	C	Certificated Substitute		Vacation Payout (Sub Object 83)		G	Classified Non-Regular NO PERS																																																																																																																																																																																	
Employee Type		D	Cert Regular Emp w/ PERS		TOTAL SALARY	\$ -	H	Classified Non-Regular w/ PERS																																																																																																																																																																																	
FTE					Employee Type		I	Classified Substitute NO PERS																																																																																																																																																																																	
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Open positions
that will not be
budgeted *and*
will be
eliminated

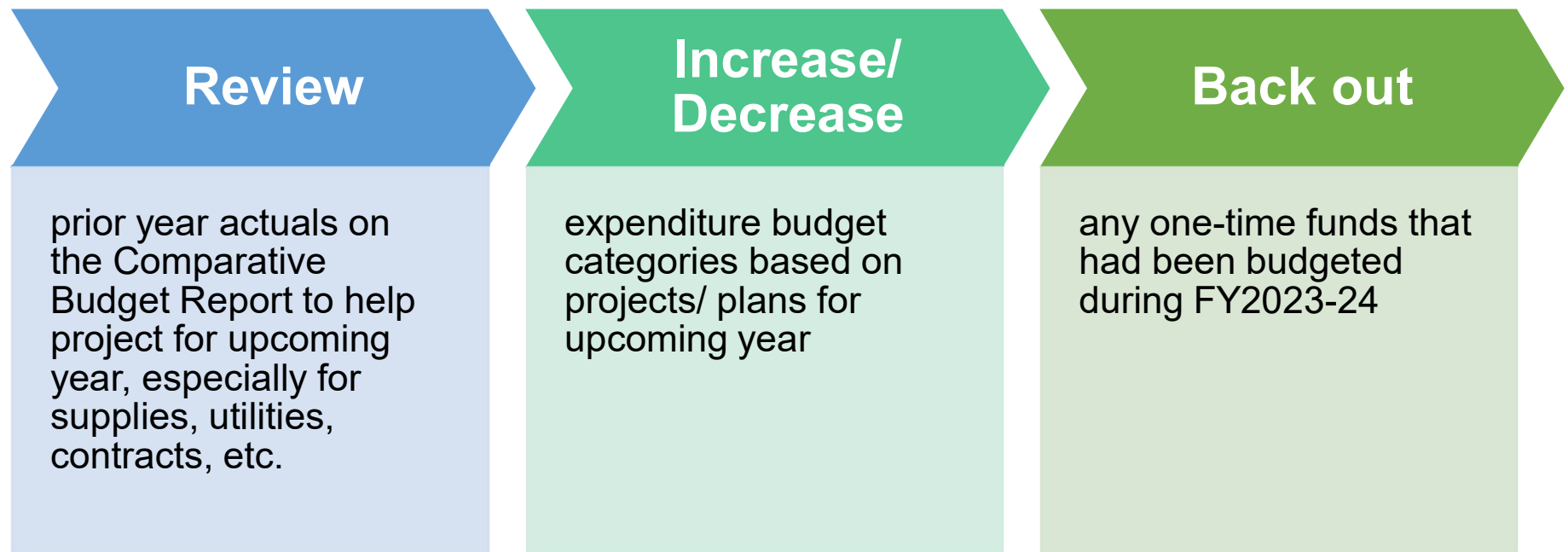
Complete HR's
'Request to Decrease
or Eliminate Position'
form. Ensure this
form is approved

Include approved
form with the budget
packet to your
accountant

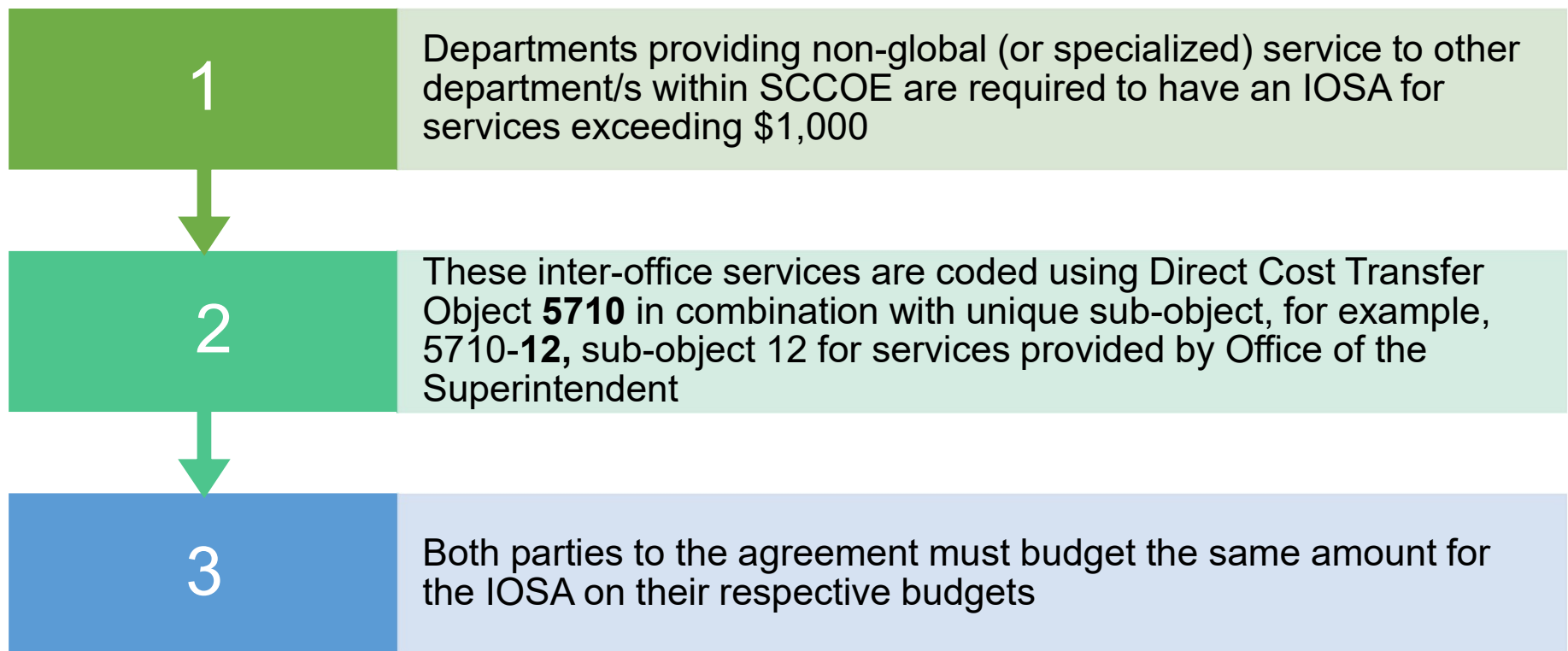
Budgeting Non-Personnel Expenditures



General Guidelines



Budgeting for Inter-Office Service Agreements (IOSAs)



Budgeting for Inter-Office Service Agreements (IOSAs)

4

- a) Provider of service will budget a negative amount in 5710-xx
- b) Recipient of service will budget a positive amount in 5710-xx

5

Include the fully executed IOSA with the budget packet to your accountant

6

Please refer to IOSA procedures (included in the Budget Guide) for details

Budgeting for Phone & Internet Services

Budget

- Budget based on prior year's actual expenditures in object code for phone & internet service
 - Object 59xx for Phone/Internet

Changes in Service

- Factor into your budget any addition or cancellation of phone line; opening or closing of a site location

Contact

- Steven Mitome (extension 6897) in Technology and Data Service Division for the following:
 - addition or cancellation of phone line
 - addition or closure of a site location

Budgeting for Phone & Internet Services

Purchase Orders

- Programs must ensure Purchase Orders (POs) for phone/ internet are established in advance to maintain continuity of service

Best Practice

- POs should be entered in May for the upcoming fiscal year, for critical services that need to commence July 1 of the new fiscal year

Budgeting for Utility Services

Budget

- Budget based on prior year's actual expenditures in object code for respective service
 - Object 55xx for Operations & Housekeeping

Changes in Service

- Factor into your budget any additions or closures of site locations

Purchase Orders

- Programs must ensure Purchase Orders (POs) for utilities are established in advance to maintain continuity of service
- Best practice is to enter POs in May for the upcoming fiscal year for critical services that need to commence July 1

Budgeting for Utilities/ Custodial Services/ Other Related Costs for South County Annex & Snell Sites

To Budget

- If you have a site located at South County Annex and/or Snell, obtain estimates from Samim Vohra in Internal Business Services to budget for utilities, custodial services and other related site costs for FY2024-25

Purchase Orders

- Best practice is to enter POs in May for the upcoming fiscal year for critical services that need to commence July 1 of the new fiscal year

Budgeting for Technology Services

- Typical equipment and software costs for new staff (per employee)

Item	Cost
Dell 5400 Laptop	\$ 1,325.00
Dell P2400 Monitor (2)	\$ 345.00
Dell WD22TB4 Dock	\$ 300.00
Headset	\$ 30.00
Web Camera	\$ 35.00
Keyboard and Mouse	\$ 30.00
Adobe CC License	\$ 6.00
Phone	\$ 200.00
Office License	\$ 77.00
DUO	\$ 15.00
Total	\$ 2,363.00

Questions on Equipment & Software

- Please contact: Lee Andersen or Steve Pinkoski

Budgeting for Technology Services

- Programs will be responsible for Zoom and DocuSign license costs for FY2024-25

For questions and/or additional information

- Please contact: Jim Carrillo or Samantha Pereira

Budgeting for Grants, Partnerships, & Operations (GPO) Service Fees

GPO Department Purpose Statement

The Santa Clara County Office of Education's Grants, Partnerships, & Operations Department improves access to inclusive, equitable, high-quality education by building capacity to secure funding, expand collaborative partnerships, and implement innovative projects that promote sustainable and positive impact on youth.



Grants, Partnerships, & Operations

Budgeting for Grants, Partnerships, & Operations (GPO) Service Fees

Overview

- What:
 - Implementing a fee for service model for select services provided by the GPO Department
- Who:
 - Mandatory
 - For all internal SCCOE teams utilizing the following pre-award and post-award services
 - Pre-Award: When the GPO role is to lead
 - Post-Award: When the GPO role is to provide Tier 3 support
- When:
 - Fiscal Year 2024-2025

NEW!!!

Budgeting for Grants, Partnerships, & Operations (GPO) Service Fees

Rationale and Implementation

- Why:
 - To address budgetary concerns due to flat state funding
 - To ensure sustainability for ongoing services provided by the GPO Department
- How:
 - Through IOSAs
 - Additional training to follow



Budgeting for Grants, Partnerships, & Operations (GPO) Service Fees

Not to Exceed Amount Per Project Per Fiscal Year

NEW!!!

Project Type	Pre-Award (Lead)	Post-Award (Tier 3 Support)
Foundation	\$1,200	\$2,700
Local Government	\$3,000	\$5,400
State Government	\$6,000	\$5,400
Federal Government	\$12,000	\$8,100

Cost Recovery for Sponsored Projects

- Mandatory as of September 12, 2023, per the *Memo: Cost Recovery for Competitive & Non-Competitive Sponsored Projects*
- Significant opportunities exist to recover additional costs to support programmatic efforts, to reduce administrative burden, and to expand the visibility of and access to SCCOE sponsored projects for competitive and non-competitive grants.
- Program leads are required to have consultations with departments in advance of application and/or budget submission for sponsored projects when:
 - Budgeted activities exceed \$20,000, and
 - Will have an internal resource impact.

Sponsored Project Mandatory Guidance

Sponsored Projects are restricted funding sources that are for a “specified purpose” and are subject to the sponsor’s restrictions which includes allowability of costs.

When received sponsored projects, the following costs shall be taken into consideration for all budgets, inclusive of competitive and non-competitive sources:

• Indirect Costs
• Salaries and Benefits (Program & Other Org. Staff)
• Advertising and Public Relations
• Communication Expenses (Cell Phone Stipends, Internet)
• Travel
• Capitalized Equipment
• Materials & Supplies
• Computing Devices
• Copier Charges & Copy Cards
• Publication & Printing Costs
• Licensing
• Translation & Interpretation
• Procurement
• Data Governance

Budgeting Indirect Costs

Compute indirect cost (refer to slide Indirect Cost Calculation)

- Object Codes 5100, 6xxx, and 7xxx are not subject to indirect
- Funds 800 Programs, Resource code 0000, are not subject to Indirect

Reduced Indirect Rate Request

- Reduced indirect rate request must be made only if grantor/contractor stipulates a lower indirect cost rate than SCCOE's approved indirect rate for FY24-25
- Complete the 'Reduced Indirect Cost Rate Request' form and obtain all approvals prior to budgeting
- When routing Reduced Indirect Cost Rate Request form, be sure to attach supporting documentation, that is, grant award that stipulates a lower indirect cost rate
- Included the approved form with the budget packet to your accountant

Reduced Indirect Rate Request Form

Program **must** include supporting documentation with the Reduced Indirect Rate Request Form

Reduced Indirect Rate Request

Program Name _____
Division Professional Learning & Support Division (PLSD)
Program Manager _____ Date _____
Division Head _____ Date _____
Grant or Contract Description _____

Grant or Contract Amount \$ _____
Maximum Indirect Rate (Allowed by Funding Agency) % _____
Attach documentation from the funding agency stating the maximum allowable rate.
If indirect is not allowed by funding agency enter zero under maximum indirect rate.

Approvals

Director, Internal Business Services
 Recommended Not Recommended
Signature _____ Date _____
Comments _____

Assistant Superintendent of Business Services
 Recommended Not Recommended
Signature _____ Date _____
Comments _____

County Superintendent of Schools
Signature _____ Date _____

Indirect Cost Calculation

Indirect cost calculation based on revenues

1. Calculate Total Direct Cost:

$$\text{Direct Cost} = \text{Total Revenue} \div (1 + \text{Applicable Indirect Rate})$$

2. Calculate Indirect Cost:

$$\text{Indirect Cost} = \text{Total Revenue} - \text{Direct Cost}$$

Or utilize the **Indirect Cost Calculation Worksheet** on the intranet to compute the indirect cost

Indirect cost calculation based on direct expenditures

$$\text{Indirect Cost} = \text{Total Direct Expenditures} \times \text{Applicable Indirect Rate}$$

Note: Object code 5100 (sub-agreements), 6000 – 6999 (capitalized expenditures) and 7000 – 7999 (transfers out) are not subject to indirect and must be excluded from the indirect calculation

Indirect Costs Calculation for Grants and Contracts with Fixed Revenues

Indirect Cost Calculation For Grant and Contracts With Fixed Revenues

BUDGET YEAR: _____
 PREPARED BY: _____
 APPROVED BY: _____

A	B	C	D	E	F	G	H
FISCAL YEAR	PSEUDO CODE	PROGRAM DESCRIPTION	PROGRAM MANAGER	TOTAL GRANT & CONTRACT AMOUNT	APPROVED INDIRECT RATE	INDIRECT AMOUNT (731000)	AMOUNT AVAILABLE FOR EXPENDITURE
	544240859000	BUDGET DEVELOPMENT FUND	EDDIE MONEY	\$ 813,304	10.00%	\$ 73,937	\$ 739,367
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
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						\$ -	\$ -

A Balanced Budget



Budgeting Non-Personnel Expenditures for Fund 800 Programs

Expenditure budget amounts for Fund 800 programs, object codes 4000 to 6999, do not typically change. However, can be re-allocated within the range of 4000-6999 based on projection for the upcoming year

Carryover Funds



Carryover funds are unspent grant/contract funds that a funding agency allows to be carried over from one fiscal year to the next



Carryover funds are typically not budgeted during budget development; they are budgeted after fiscal year-end close

To **urgently** budget carryover for specific grants/contracts, inform your accountant. Your accountant will **prioritize closing of the resource and releasing carryover**



Carryover is only allowed to be budgeted during budget development as deemed appropriate, when budgeting for position/s (FTEs) and continuity of services or program activities that need to commence on July 1 of the new fiscal year

An **approved Carryover Request Form** must be included with budget packet to your accountant

Carryover Request Form

 Santa Clara County Office of Education	Internal Business Services Carryover Request Form	Fiscal Year <input type="text"/>
	for carryover to <input type="text"/>	

DATE OF REQUEST	DIVISION	
FIRST AND LAST NAME OF REQUESTOR		TELEPHONE NUMBER OF REQUESTOR
NAME OF PROGRAM FOR WHICH REQUEST IS MADE		

PROGRAM SUMMARY:
REASON FOR RECOMMENDATION BY DIVISION

Required Documentation:

- Excel spreadsheet illustrating the following:
 - Estimated carryover amount
 - Budget proposal of how carryover will be spent
- Financial summary report of current year
- Financial summary report of prior two years (expenditures and carryover)
- Salary projection reports if applicable
- Any other supporting documentation

Are there any other funding sources available to fund these expenditures? If yes, please list account (s).

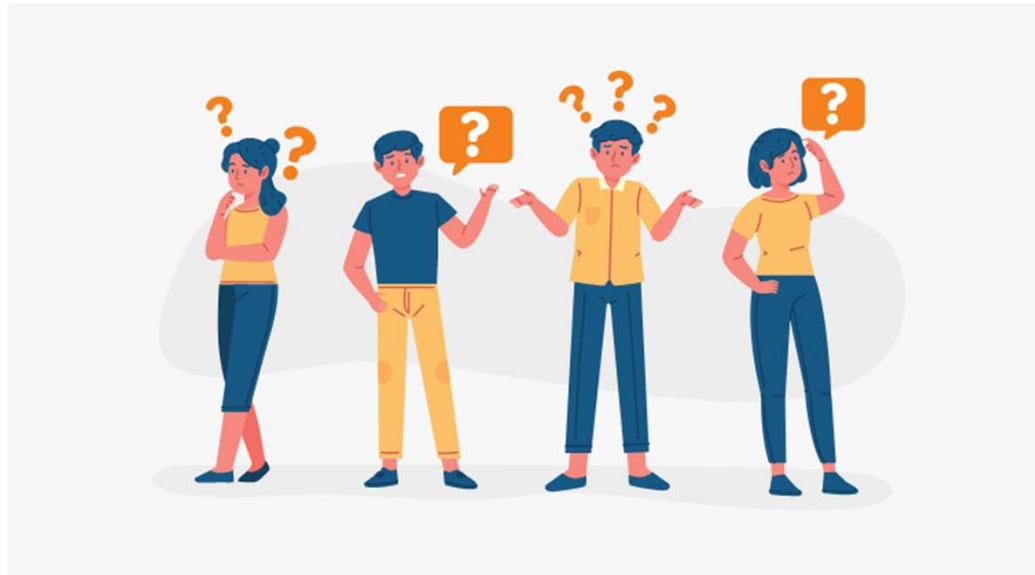
Yes No ACCOUNT:

Must be signed by Department Director and Division Chief / Assistant Superintendent prior to submission to Internal Business Service, Accounting Services

SIGNATURE OF DEPARTMENT DIRECTOR	DATE SIGNED
SIGNATURE OF DIVISION CHIEF / ASSISTANT SUPERINTENDENT	DATE SIGNED

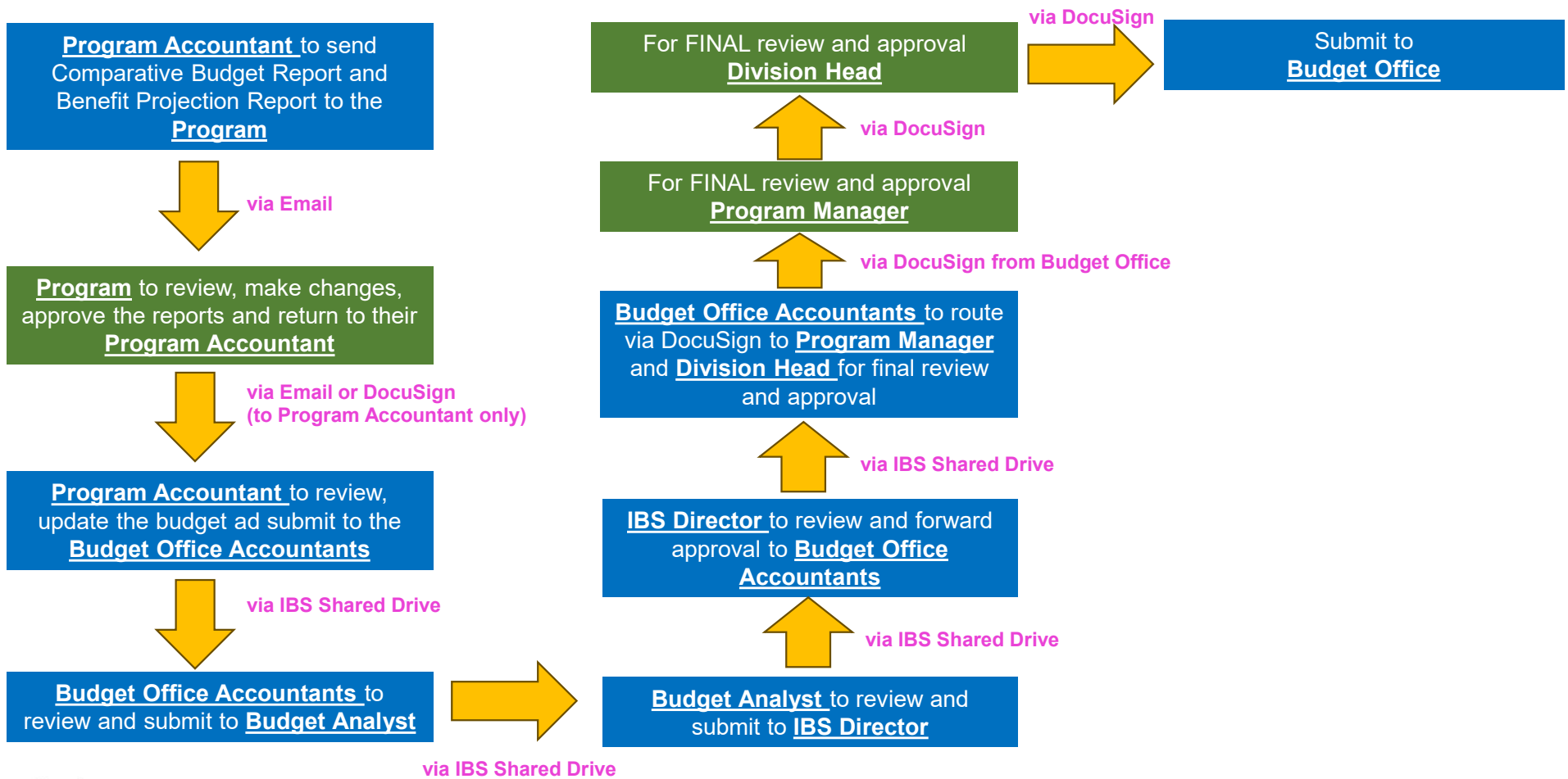
Reviewed by Accounting Services Comments	Reviewed by Controller, Internal Business Services <input type="checkbox"/> Recommended <input type="checkbox"/> Not Recommended. Return to Division. <input type="text"/> CONTROLLER, INTERNAL BUSINESS SERVICES	DATE SIGNED
	Reviewed by Director, Internal Business Services <input type="checkbox"/> Recommended <input type="checkbox"/> Not Recommended <input type="checkbox"/> Recommended with Modifications <input type="text"/> DIRECTOR, INTERNAL BUSINESS SERVICES	
	APPROVED <input type="text"/> ASSISTANT SUPERINTENDENT, BUSINESS SERVICES	
	DATE SIGNED	

When in Doubt



Please consult Internal Business Service's Leadership Team *or* your Program Accountant

Budget Development Packet Submission to Internal Business Services



Budget Development Resources

Reference materials are available on SCCOE website



The screenshot shows a navigation menu on the left with the following items: Internal Business Services (with a dropdown arrow), Accounting, Budget Office (highlighted in grey), and Payroll Services (with a dropdown arrow). To the right of the menu is the 'Budget Office' page content, which includes a title 'Budget Office' and a paragraph of text describing its primary services and responsibilities. Below the text is a section titled 'Budget Workshop Resources'.

Budget Office

The Budget Office's primary services include oversight and guidance for budget development, interim reports and student attendance accounting for all programs operated by the Santa Clara County Office of Education (SCCOE). The Budget Office's responsibilities include coordinating with Accounting Services in the development of SCCOE's annual budget, two interim reports, and budget updates. Other services provided by the Budget Office include the review and approval of all budget transfers/revisions, SCCOE site and charter student attendance reviews, state attendance reporting, Local Control Funding Formula (LCFF) revenue entitlement calculations and assistance with closing the books at fiscal year-end.

Budget Workshop Resources





THANKYOU!

FOR ATTENDING!

Image credits:

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