

Santa Clara County  Office of Education

Local Control Accountability Plan

LCAP 2018

Session 2: Goals, Actions and Services

February 2018

# THE PLAN SUMMARY: BUDGET SUMMARY



In adopting the LCAP the governing board shall:

- Hold at least one public hearing to solicit recommendations and comments from the public regarding the specific actions and expenditures in the LCAP. Notice posted at least 72 hrs. before the hearing must provide location for public inspection of LCAP.
- Hold the public hearing at the same meeting as the public hearing required on the LEA budget.
- At a subsequent meeting, the governing board adopts the LCAP and the LEA budget.

## After adoption of the LCAP and Budget:

- Approved LCAPs to be posted on LEA websites and district LCAPs and/or links posted on county office websites
- SPI to post links to LCAPs on CDE website
- Information about LCAP requirements must be included in the annual notification to pupils, parents, guardians, employees, and other interested parties
- Annually review and update LCAP considering changes in the applicability and progress toward LCAP Goals, effectiveness of the specific actions taken and describe the expenditures implementing the LCAP in the prior year.

# ESB and DBAS Collaboration

SCCOE Educational Services and Business Advisory Services collaborate on LCAP reviews (academics and fiscal).

Three criteria for determining LCAP approval:

- Adherence to State Board of Education Approved Template
  - Including following instructions for completing the template
- Sufficient Expenditures in Budget to Implement LCAP
  - Board adopted budget sufficient to implement actions and strategies
- Adherence to State Board of Education Expenditure Regulations
  - Both LCAP and Annual Update adhere to expenditure requirements, including funds for supplemental and concentration of unduplicated students
  - Assess description of proportionality increased and/or improved services for unduplicated pupils, including whether any proposed schoolwide or districtwide uses of funds are described

# Budget Summary Starting Point

Districts may consider creating an LCAP development timeline. A suggested schedule was provided in Part 1 in January. Please consider these tips for finance:

- CBOs may consider working on the Annual Update after submission of first interim and before second interim budget development.
  - Financial items may include describing large variances from planned actions if there are unspent funds.
- By April there will likely be a pretty solid draft LCAP. This will be a good point to start working on the budget summary as the Goals, Actions, and Services section are now available for review.
- Use the FCMAT calculator to estimate LCFF revenue based on the latest available information.
- Build the district budget using most recent estimated budget and true up at budget adoption.

# Plan Summary: Budget Summary

## BUDGET SUMMARY

Complete the table below. LEAs may include additional information or more detail, including graphics.

### DESCRIPTION

### AMOUNT

Total General Fund Budget Expenditures for LCAP Year

\$

Total Funds Budgeted for Planned Actions/Services to Meet the Goals in the LCAP for LCAP Year

\$

The LCAP is intended to be a comprehensive planning tool but may not describe all General Fund Budget Expenditures. Briefly describe any of the General Fund Budget Expenditures specified above for the LCAP year not included in the LCAP.

\$

Total Projected LCFF Revenues for LCAP Year



# Budget Summary

The Budget Summary section highlights connections between expenditures included in the LCAP and the district's budget for the LCAP year. Amounts listed must be consistent with the district's Adopted Budget (both in the SACS report and in the district's financial system).

- **Total General Fund Budget Expenditures for LCAP Year [Box 1]:** Include total unrestricted and restricted expenditures for the LCAP year and consider transfers out of the General Fund and other uses. (SACS Form 01, page 1, 9) Total Expenditures, Col. F)
- **Total Funds Budgeted for Planned Actions/Services to Meet the Goals in the LCAP for LCAP Year [Box 2]:** Identify the summed dollar value (all funding sources) budgeted for all actions and services listed in the LCAP for the LCAP year. (Budgeted amounts that are referenced across multiple actions/services must be counted only once – ALL SOURCES, not just general fund.)
- **General Fund Budget Expenditures not included in the LCAP [Box 3]:** Briefly describe the use of any funds that are included in the General Fund budget expenditures for the LCAP year **but are not included in the LCAP**. In most cases, Box 3 would be the difference between Box 1 and Box 2. However, it may not be the case if total funds budgeted in Box 2 include funds other than the General Fund expenditures.
- **Total Projected LCFF Revenue for LCAP Year [Box 4]:** Identify the dollar value of the district's projected LCFF revenue (including base grants and any supplemental and concentration grants) for the LCAP year. This amount should match the district's LCFF calculator and Adopted Budget amounts. Total LCFF revenue should be reduced by transfers of in-lieu property taxes to charter schools but should not be reduced by unrestricted LCFF transfers (such as to routine restricted maintenance). (SACS Form 01, page 4, Subtotal LCFF Sources, minus any transfers to charters in lieu of property taxes)



# Total LEA General Fund Budget for LCAP Year

**Total LEA General Fund Budget Expenditures for the LCAP Year:** This amount is the LEA's total budgeted General Fund expenditures for the LCAP year. The LCAP year means the fiscal year for which an LCAP is adopted or updated by July 1. The General Funds is the main operating fund of the LEA and accounts for all activities not accounted for in another fund. All activities are reported in the General Fund unless there is a compelling reason to account for an activity in another fund.

**BUDGET SUMMARY**  
Complete the table below. LEAs may include additional information or more detail, including graphics.

DESCRIPTION	AMOUNT
Total General Fund Budget Expenditures for LCAP Year	\$ <input type="text"/>
Total Funds Budgeted for Planned Actions/Services to Meet the Goals in the LCAP for LCAP Year	\$ <input type="text"/>

The LCAP is intended to be a comprehensive planning tool but may not describe all General Fund Budget Expenditures. Briefly describe any of the General Fund Budget Expenditures specified above for the LCAP year not included in the LCAP.

\$  Total Projected LCFF Revenues for LCAP Year

Total of ALL General Fund Expenditures (Unrestricted and Restricted)

# Total Funds Budgeted for Planned Actions/Services to Meet the Goals in the LCAP

**Total Funds Budgeted for Planned Actions/Services to Meet the Goals in the LCAP for the LCAP year:** This amount is the total of the budgeted expenditures associated with the actions/services included for the LCAP year from all sources of funds, as reflected in the LCAP. To the extent that actions/services and/or expenditures are listed in the LCAP under more than one goal, the expenditures should be counted only once.

**BUDGET SUMMARY**  
Complete the table below. LEAs may include additional information or more detail, including graphics.

DESCRIPTION	AMOUNT
Total General Fund Budget Expenditures for LCAP Year	\$ [ ]
Total Funds Budgeted for Planned Actions/Services to Meet the Goals in the LCAP for LCAP Year	\$ [ ]

The LCAP is intended to be a comprehensive planning tool but may not describe all General Fund Budget Expenditures. Briefly describe any of the General Fund Budget Expenditures specified above for the LCAP year not included in the LCAP.

[ ]

\$ [ ] Total Projected LCFF Revenues for LCAP Year

Total of all amounts for LCAP actions/services in current year

# Description of Funds not Included in the LCAP

Description of any use(s) of the General Fund Budget Expenditures specified above for the LCAP year not included in the LCAP: Briefly describe the expenditures included in the total General Fund Expenditures that are not included in the total funds budgeted for planned actions/services for the LCAP year.

**BUDGET SUMMARY**  
Complete the table below. LEAs may include additional information or more detail, including graphics.

DESCRIPTION	AMOUNT
Total General Fund Budget Expenditures for LCAP Year	\$ <input type="text"/>
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\$  Total Projected LCFF Revenues for LCAP Year

Briefly describe where the funds are going if they are not described in the LCAP. This is an opportunity to summarize operational expenses and call out any particular items that may be useful for stakeholders to know.

## BUDGET SUMMARY

Complete the table below. LEAs may include additional information or more detail, including graphics.

### DESCRIPTION

### AMOUNT

Total General Fund Budget Expenditures for LCAP Year → \$ 155,601,023

Total Funds Budgeted for Planned Actions/Services to Meet the Goals in the LCAP for LCAP Year → \$ 144,717,931

**\$10,883,092 Difference**

The LCAP is intended to be a comprehensive planning tool but may not describe all General Fund Budget Expenditures. Briefly describe any of the General Fund Budget Expenditures specified above for the LCAP year not included in the LCAP.

\$ 2,125,800 LCFF funds for central office non-instructional classified staff and certificated personnel  
\$ 1,089,430 LCFF funds for utility costs  
\$ 2,760,200 Title I funds allocated to school sites for supplemental services for at-risk youth and for centralized administrative costs related to the program  
\$ 3,235,662 Title II funds for Class Size Reduction  
\$ 1,672,000 Title III funds for additional professional development for English learners

Sample format

Description should be understandable and reasonable with accurate figures.

\$

Total Projected LCFF Revenues for LCAP Year

Subtract the funds in the LCAP from the total General Fund Expenditure



# Total Projected LCFF Revenues for LCAP Year

This amount is the total amount of LCFF funding the LEA estimates it will receive pursuant to EC sections 42238.02 (for school districts and charter schools) and 2574 (for county offices of education), as implemented by EC sections 42238.03 and 2575 for the LCAP year respectively.

**BUDGET SUMMARY**  
 Complete the table below. LEAs may include additional information or more detail, including graphics.

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\$ Total Projected LCFF Revenues for LCAP Year

Total of LCFF Revenue (Base, Supplemental and Concentration Grants, Transportation, Targeted Instructional Improvement Grants, Minimum State Aid SACS Form 01, page 4, Subtotal LCFF Sources, minus any transfers to charters in lieu of property taxes)

# Total LCFF Funding

## LCFF/LCAP ANALYSIS

*District:*  
*Fiscal Year:* 2017-18  
*Period:* Budget Projection  
*State I.D. No.:*

LCAP Proportionality Percentage Calculation		
A-1	2017-18 Total LCFF Funding	\$139,604,904
A-2	2017-18 Transportation and TIIG Funding	\$1,622,081
B-1	2017-18 Supplemental & Concentration Grants at Target	\$35,737,806
B-2	Prior Year LCFF Funds Expended on Unduplicated Pupils in Addition to What was Expended on All Pupils	\$32,590,901
B-3	Difference (B-1 - B-2, if=0, go to B-8b)	\$3,146,905
B-4	Funded Portion of the Increase in Supplemental & Concentration Grants (B-3 X Gap Funding % (C-3))	\$1,383,694
B-5	Total Current Year Funding for Unduplicated Pupils (B-2 + B-4)	\$33,974,595
B-6	Current Year LCFF Funding Used for MPP Calculation (A-1 – A-2 - B-5)	\$104,008,228
B-7	Proportionality Percentage for Unduplicated Pupils (B-5/B-6)	\$32.67%
B-8a	LCFF Target Excluding TIIG, Transportation, Supplemental & Concentration Grants	\$105,867,838
B-8b	Minimum Proportionality % at Full Implementation (B-1/B-8b)	33.76%



## BUDGET SUMMARY

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### DESCRIPTION

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Total Funds Budgeted for Planned Actions/Services to Meet the Goals in the LCAP for LCAP Year

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\$ 3,235,662 Title II funds for Class Size Reduction

\$ 1,672,000 Title III funds for additional professional development for English learners

\$ 139,604,904

Total Projected LCFF Revenues for LCAP Year



# Fiscal Guidance

## (Observations from Prior DBAS Inquiries)

- The General Fund Budget Expenditures (Box 1) for the LCAP Year did not correspond to the Adopted Budget.
- Total Funds Budgeted for Planned Actions/Services (Box 2) did not match the summed dollar value for all budgeted actions and services listed in the LCAP.
- General Fund Budget Expenditures not included in the LCAP (Box 3) were not accurate and/or did not provide an understandable and reasonable explanation.



# Annual Update: Be Careful with Changes

- The **Planned** actions/services and corresponding **Budgeted** expenditures for each action or service should **be copied verbatim from the prior year LCAP.**
- Adding or deleting actions/services from prior year or changing the budgeted amount will prompt a DBAS call for clarification.
- **Actual** actions/services that occurred must be included for each Planned action/service. The corresponding **Estimated Actual** annual expenditures must be provided; **material variances** between Budgeted Expenditures and Estimated Actuals **must be identified and explained in the Analysis section of each Goal.**

# Goals, Actions & Services

- The DBAS focus is determine if the LCAP is supported by the budget (expenditure amount, source, and budget reference) by verifying the location of expenditures in the budget for the LCAP year and the classification of expenditures using the California State Accounting Manual per EC 52061, 52067, 47606.5
- A classified expenditure uses a Standardized Account Code Structure (SACS) code or name of a specific expenditure category (e.g., teacher salaries, counselor salaries, employee benefits, instructional services, pupil support services, etc.).
- Budgeted amounts should tie to the district's financials in QSS or any other system report the district uses.
- Total Goals, Actions and Services to agree to Box 2 in the Budget Summary.
- Differentiate LCFF Base, Supplemental, or Concentration dollars. Write a description or provide a SAC code.



# Goals, Actions & Services (cont.)

- It is recommended that districts provide the corresponding **funding source/account codes for each expenditure**, following the convention: **fund, resource and object codes**. Some districts provide a “bridging document” or a description for general understanding so that goals, actions, and services can be tied to the budget.
- Budgeting for subsequent years: Include year-over-year changes due to salaries and benefits increases, or other general cost increases.
- Salaries and benefits costs should be separated out in the LCAP for transparency and is a recommended best practice.

# Goals, Actions & Services: Help us to Understand Your Story!

Common scenarios prompting DBAS calls for clarification:

- Variances exist between the amounts shown in the LCAP Budget Summary, the QSS (or other financial system) budget report, and DBAS' manual calculation of the total budget for all Goals as shown in the LCAP. See example below, where district did not provide a description of why there might be a difference:

<b>LCAP Budget Summary: Total Funds Budgeted for planned Actions/Services to meet the Goals in the LCAP for LCAP year</b>	<b>QSS Budget Report Amount</b>	<b>DBAS calculation of Total Budget for all Goals as shown in LCAP</b>
\$4,837,200	\$4,221,991	\$5,740,200

# More Scenarios: DBAS Calling, Emailing. . .

- Variance may exist within the LCAP (e.g., expenditure amounts listed in the Goals section differ from amounts provided in the LCAP Highlights section, etc.).
- An action may be funded by multiple sources, but each source is not listed by fund, resource, and object or an explanation that provides clarity that can be tied back to the budget.
- A description of the funding source is provided but the description is not specific enough to enable tracing to the budget, a best practice is to provide fund, resource and object SACS codes enables the direct matching of action to the budget.
- The Budget amount for a planned action is noted as “to be determined”

# Demonstration of Increased or Improved Services for Unduplicated Pupils

- This section details use of supplemental and concentration (S/C) funds to meet the requirement to increase and/or improve services proportionally to the increase in funding to these funds.
- DBAS checks the following:
  - The S/C grant amount and Minimum Proportionality Percentage (MPP) are calculated correctly and match the district's LCFF calculator.
  - The district includes a narrative describing how these funds are used and how MPP is met.



# Demonstration of Increased or Improved Services for Unduplicated Pupils (cont.)

DBAS checking. . .

- For districts with unduplicated pupil percentage under 55%, must describe how services are principally directed to an effective use of S/C funds schoolwide or districtwide and the district has complied with codes applicable to its MPP scenario. **(This portion of the review is done in collaboration with Educational Services.)**
- The total S/C shown as contributing to increased or improved services should be tied to each specific Goals, Actions & Services (Section 4) and match the total for the section. Best practice is to list the specific goals, actions, services.
- The COE will generate a QSS report reconciling the district's total S/C grant amount. (If financial system other than QSS is used, the district should provide a financial report.)

# Demonstrating MPP

## DBAS Inquiries on the Way When. . .

- Variances exist between the budgeted S/C amounts in the LCAP, as compared to the Adopted Budget and/or to the LCFF Calculator
- The delineation of schoolwide expenditures compared to the total S/C amount is not clear.
- An account code or “bridging document” has not been provided to help DBAS distinguish between LCFF Base and S/C dollar in the budget reviews.
- The district did not track S/C grants in the accounting system, so verifying in the budget is challenging.



# Preparing for 2018-19 LCAPs

- Communicate early and often with your DBAS advisor.
- Review your LCAP for items likely to need clarification, bridging document, etc., and submit backup documentation with the LCAP.
- Breathe. The finish line is in sight!
- Thank you for serving your district and students well, and for your patience with this process!

# Section Highlights

- Narrative is replaced each year
- The prompts are not limits
- Ties to the LCFF Evaluation Rubrics as well as local data
- Budget Summary best practices
- An alternative format for the plan summary may be used as long as it includes the information specified in each prompt and the budget summary table

# SCCOE Support/Resources

- LCAP Support Meetings with District Teams
- Pre-review Process
- County Contact Person
- LCAP Web Page  
(<https://www.sccoe.org/depts/esb/Pages/LCAP.aspx>)

**We're here to support you!**

