DISTRICT REVENUE SOURCES & LIMITATIONS/RESTRICTIONS ON THE USE OF FUNDS

Updated October 2022

www.campbellusd.org/budget
Purpose

School funding issues can be complicated and difficult to understand. It is our desire to make them understandable so that Campbell community members may have a deeper understanding of how the public’s funds are used to support TK-8 education in the district.
What We Will Cover

• School district accounting structure

• Revenue sources of each fund & the limitations/restrictions of the funds

• District financial information
School District Accounting Structure

The accounting system is organized and operated on a fund-by-fund basis.

- A fund is defined as a fiscal and accounting entity
- A self-balancing set of accounts
- Segregated for the purpose of specific activities
- In accordance with special regulations, restrictions or limitations
District Funds

- General Fund
- Child Development Fund
- Cafeteria Fund
- Special Reserve Fund
- Building Fund

- Capital Facilities Fund
- Debt Services Fund
- Self Insurance Fund
- Retiree Benefit Fund
General Fund – The main operating fund
Two Basic Types of General Fund Revenue

• Restricted - Can only be used for specific purposes
  • Examples include: Title I, Title II, Special Education fund, Parcel Taxes, Proposition 20 Lottery fund and Local donation accounts
  • Restricted fund are sometimes called categorical fund

• Unrestricted – General Operating Funds
  • Mostly composed of state Local Control Funding Formula (LCFF)
  • State mandated cost revenue
  • Lottery non-proposition 20
  • Facility lease revenue
  • Interest revenue
General Fund Revenue Sources
General Fund Revenue Sources

Unrestricted revenue calculation is based on State Local Control Funding Formula (LCFF).

• Base Grant by grade spans per Average Daily Attendance (ADA)
• Added funding for TK-3 Class Size Reduction, 10.4% of TK-3 Base Grant
• Supplemental Grant, 20% of Base Grant multiplied by ADA and the unduplicated percentage of targeted disadvantaged pupils (unduplicated count percentage). Targeted pupils are:
  • English Learner population
  • Pupils eligible for free and reduced-price meals
  • Foster students
• Concentration Grant equal to 65% of Base Grant multiplied by ADA and the unduplicated count percentage exceeding 55% of total enrollment
General Fund Revenue Sources (cont.)

- Campbell Union School District is a Basic Aid district.

- Local Control Funding Formula (LCFF) Revenue sources are:
  - Local Property Tax
  - Minimum State aid guarantee for the District school
  - Supplemental and concentration grant for the qualifying dependent charter schools
General Fund Revenue Sources (cont.)

• Other State Revenues
  • Lottery
  • Any One-time discretionary grant
  • Mandated cost revenue

• Federal Revenues
  • Categorical for special purpose (Title I, Title II, Special Education)
  • Restricted Revenues

• Local Revenue
  • Parcel taxes – Voter-approved special taxes revenue, restricted to ballot measure language
  • Other Restricted - Local grants, donations, transportation fees
  • Unrestricted – Interest Income, facility lease income
  • Special Education Local Plan Area (SELPA) funds that are transferred to district. They are restricted to special education expenditures.
  • Transfer from Extension funds
General Fund Fund Balances

Fund balances are classified as:

- **Non-spendable**: to reflect the value of nonexpendable asset account; revolving cash, stores, prepaid expenditures.

- **Restricted**: to reflect the amounts constrained to specific restricted programs, unspent balances of restricted state and federal grants.

- **Committed**: to reflect the specific purposes determined by a formal board action.

- **Assigned**: to reflect the intended to be used for specific purposes; site carryover, parcel tax carryover, Stimulus fund, textbook purchase fund.

- **Unassigned**: It is available reserve
  - Reserve for Economic Uncertainties: minimum 3% required
  - Unappropriated amount: spendable amounts
Other District Funds

- Required by state guidelines
- Used to segregate revenues and expenditures
- Restricted for specific uses
Other District Funds (Cont.)

• Child Development Fund – federal, state and local resources to operate child development programs
  • Preschool
  • After school program

• Cafeteria Fund - federal, state and local resources to operate the food service programs
  • Breakfast
  • Lunch
  • After School Meal
Other District Funds (Cont.)

- **Special Reserve Fund**
  - Reserve for Economic Uncertainty for general operating purposes

- **Building Fund**
  - Voter approved bond measures
  - Proceeds from the sale of bond
  - Can only used for those projects on the ballot for bond measures

- **Capital Facilities Fund**
  - Monies received from fees levied on developers or other agencies
  - Expenditures are restricted to the purposes of providing adequate school facilities
Other District Funds (Cont.)

- **Debt Services Fund** - accumulation of resources for the payment of principal and interest on general long-term obligations

- **Self-Insurance Fund**
  - Monies received for Workers’ Compensation self-insurance activities from other operating funds of the District
  - Expenditures are restricted to workers’ compensation related expenses.

- **Retiree Benefit Fund**
  - Irrevocable contributions to California Employers’ Retiree Benefit Trust (CERBT)
  - Required reserve for postemployment health benefits
District Financial Information

• District website for the latest budget information https://www.campbellusd.org/budget

• California Department of Education www.cde.ca.gov
  • Financial & grants information – Awarded amount and expenditure regulations
    • Prior year district financial data
    • Create comparison reports with districts in California
California School District Accounting & Budget Cycle

- State adopts its following year budget (June 15)
- Governing Board adopts following year budget (June)
- District refines its following year budget
- Governor's May Revise for following year budget
- Current year Second Interim Report (March)
- District starts to develop its following year budget
- Prior Year Unaudited Actuals (Sept. 15)
- Independent Auditor final phase of Audit
- District Budget revised for current year (October)
- Audited Report: Prior Year (Dec. 15)
- Current year First Interim Report (Dec 15)
- Governor's January Budget Proposal for following year budget