

**California Department of Education / County Office of Education  
External Services Subcommittee (ESSCO)**

**NOTES**

**California Department of Education  
1430 N Street, Room 1101**

**January 9, 2017  
10:00 a.m.**

**Co-Chair: Chris Lombardo, Region IX – Orange CDE  
Co-Chair: Christine Davis, California Department of Education  
Vice-Chair: Kate Lane, Region IV – Marin COE**

Meg Kailikole	I	Mendocino	Jeri Blote	VI	San Joaquin
Adrian Barron	II	Butte	Sandra Madera	VI	Stanislaus
Jessica Tegerstrand	II	Shasta	Julie Betschart	VI	Stanislaus
Debbie Towne	II	Tehama	Darlene Hodge	VI	Tuolumne
Roslynne Manansala-Smith	III	El Dorado	Norma Dwyer	VII	Mariposa
Rebecca Schaefer	III	Nevada	Cecilia Belmontes	VII	Merced
Kathy Garrison	III	Placer	Paula Driscoll	VIII	Ventura
Debbie Wilkins	III	Sacramento	Chris Lombardo	IX	Orange
Von Canale	III	Sacramento	Thomas Cassida	X	San Bernardino
Jennifer Stahlheber	III	Sutter	Keith Crafton	XI	Los Angeles
Sandra Fowles	III	Yolo	Peter Foggiato		CDE
Chris Raymundo	IV	Contra Costa	Christine Davis		CDE
Kate Lane	IV	Marin	Caryn Moore		CDE
Priscilla Aquino-Dichoso	IV	San Mateo	Victoria Plum		CDE
Sherry Beatty	IV	Solano			
Karen Deller Hennessy	V	Monterey			

**1. Announcements**

- a. Introductions
- b. LEA Chief Business Official information in CDS Database  
CDE thanked the group for outreach performed to districts to respond to the request for CBO information in the CDS Database. There will be another reminder going out this month as there are still 364 districts with no CBO contact information. Please see the attached file for the most current list. Questions regarding submitting this information should be directed to the CDE CDS Administration office by e-mail at [cdsadmin@cde.ca.gov](mailto:cdsadmin@cde.ca.gov) or by phone at 916-327-4014.
- c. 2015-16 Unaudited Actuals Reviews  
CDE has completed their review of the UAs and thanked the group for responding to questions. Adjustments to indirect cost rates were made to over 60 LEAs (including charters). CDE anticipates releasing the data files in early February.  
**SACS Forum** – next month February 7<sup>th</sup> – formal reminder will be going out this week. CDE will also be making SACS Forum available via webinar for the first time in February.  
**Attendance** – P-1 data is due Tuesday January 17<sup>th</sup>.
- d. CCSESA CBO Conference February 22 – 24, 2017  
Registration is open. Deadline for discounted hotel rate is January 24, 2017.

**2. BASC Report**

No BASC report as last meeting was prior to the last ESSCO meeting. Next meeting is this Friday.

### 3. College Readiness Block Grant Reporting Reminder

There was a report due as of January 1<sup>st</sup> – required to be completed in order to receive College Readiness Block Grant funds in 2016-17. 278 LEAs were missing reports and 196 LEAs made incorrect submissions. The CDE program office has extended the deadline but please follow up with your LEAs to get the report submitted as soon as possible. Contact College Prep and Postsecondary program office for more information, by phone at 916-323-6398, or by e-mail at [crbg@cde.ca.gov](mailto:crbg@cde.ca.gov). Please see the attached list for more information.

### 4. On-Behalf Contributions Update to CalSTRS 67 & 68 FAQs Web Page

Effective this year, CalSTRS will provide information regarding the CalSTRS on-behalf contributions. CDE will no longer be providing the STRS on-behalf rate. CalSTRS has added on-behalf contributions frequently asked questions (FAQs) to its GASB 67 and 68 FAQs Web page at <http://www.calstrs.com/general-information/gasb-67-68-frequently-asked-questions>. One of those FAQs provides two example methodologies, including stepped-out calculations, for LEAs to determine their share of the state's on-behalf contributions:

- i. Use the same proportionate share percentage as calculated by CalSTRS and published in its annual audited Other Pension Information (OPI). This proportionate share percentage is used to determine school employers' proportionate share of State Teachers' Retirement Plan's net pension liability, deferred inflows and deferred outflows of resources, if school employers choose to use CalSTRS calculation.
- ii. Calculate State contributions as a percent of total creditable compensation (covered payroll) and multiply by each school employer's creditable compensation to calculate on-behalf contributions applicable for that school employer.

CalSTRS advises that school employers develop their own policies for determining estimates of on-behalf contributions, and to refer to GASB 68 authoritative literature, its accounting policies, auditors, etc. during implementation.

### 5. Lottery Warrant Distribution

The State Treasurer's Office reached out to CDE relative to the Lottery warrant distribution. They want to change the process to bank pickup. CDE asked for input on all the ways funds are distributed by the SCO and whether bank pickup would be acceptable. ESSCO discussed how apportionments are received in their respective county treasury accounts. Principal apportionment and EPA funds from the SCO are distributed differently. This issue was referred to the Accounting subcommittee for further review and will be brought back to ESSCO.

### 6. Routine Restricted Maintenance and Proposition 51

- a. What is required for RRM now that Prop 51 has been approved?
- b. How does Prop 51 affect RRM for those districts that only have bonds issued under older propositions such as Prop 47 (2002) and Prop 55 (2004)?

CDE reached out to OPSC for clarification on the requirement for routine restricted maintenance under Prop 51. If Prop 51 funds are apportioned, then a 3% contribution is required starting the fiscal year after the funds are received, consistent with how *Education Code* Section 17070.75 read on January 1, 2015. If no Prop 51 funds are apportioned, then the LEA can follow current Education Code language. If Prop 51 funds don't flow until 2017-18, a 3% contribution wouldn't be required until 2018-19.

### 7. CALPADS Certification Reports: Will COEs be allowed to review Fall 1 Data?

Private preview should be available mid-January for those that certified by the Fall 1 deadline. CALPADS responded to CDE that admin users at districts can share the data....Reach out to CSIS if you see a mismatch: For example, if district says the data is certified but it is not available online.

CDE provided ESSCO with instructions on how to access the private preview data. The instructions were sent via e-mail to the ESSCO distribution list on January 17, 2017. COEs are encouraged to work with LEAs to ensure that amendments are made by the January 27, 2017 deadline.

**8. Unemployment Services:** With the funds that are received, are COE's required to provide a company to provide this service or can it be done in-house?  
Can be done in house. Many attendees reported that their County does the UI work in-house. There were also a number of attendees that reported using an outside service.

**9. Public Disclosure Responsibilities**  
Is anyone strictly following Education Code 42142 which generally states that within 45 days of collective bargaining adoption by the board, board approved budget revisions indicating impact should be provided to the COE? Example: collective bargaining completed in early January but next regular reporting is second interim in March which is just outside of the 45 days in this example.  
  
General consensus was that COE's remind districts of the 45 day rule but do not track it through the board minutes or require submission of the budget revision.

**10. ESSCO Accounting Subcommittee Update**  
Subcommittee working on CEA have not had an opportunity to meet – will bring back next month.

**11. CCSESA registrations**  
Requiring credit card to register is a problem for a number of County Offices. Noted that some of the other conferences are allowing for checks/POs. If you have issues with conference registration, please call the CCSESA office to register for workshops. CCSESA will accommodate COEs accordingly.

**12. Procedure Manual Update?** List of suggested procedures to be updated in 2018 was discussed and agreed upon. We will forward the list to BASC for their input and will be looking for volunteers next meeting.

**Our next meeting is February 6, 2017**

2017 ESSCO agendas, handouts, and meeting notes will be posted at

<http://www.ocde.us/Business/Pages/ESSCO.aspx>.