Start Budget Coding for a Painless LCAP Annual Update!

KRISTIN DIETZ, CINDY FRANTZ, AND GREG WEST

MARCH 2019

CCSA CONFERENCE

About the Presenters

Kristin Dietz

VP of Client Mgmt. and Financial Compliance, EdTec

Cindy Frantz

Sr Client Manager, EdTec

Greg West

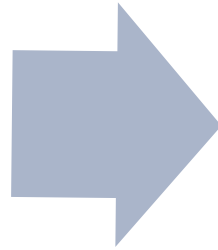*Dir of School Support Services, Grimmway Schools*

Objectives

1. Purpose of tracking expenses

2. Tracking expenses with coding

3. Sharing updates with stakeholders

4. Using the Excel template

Purpose of Tracking Expenses
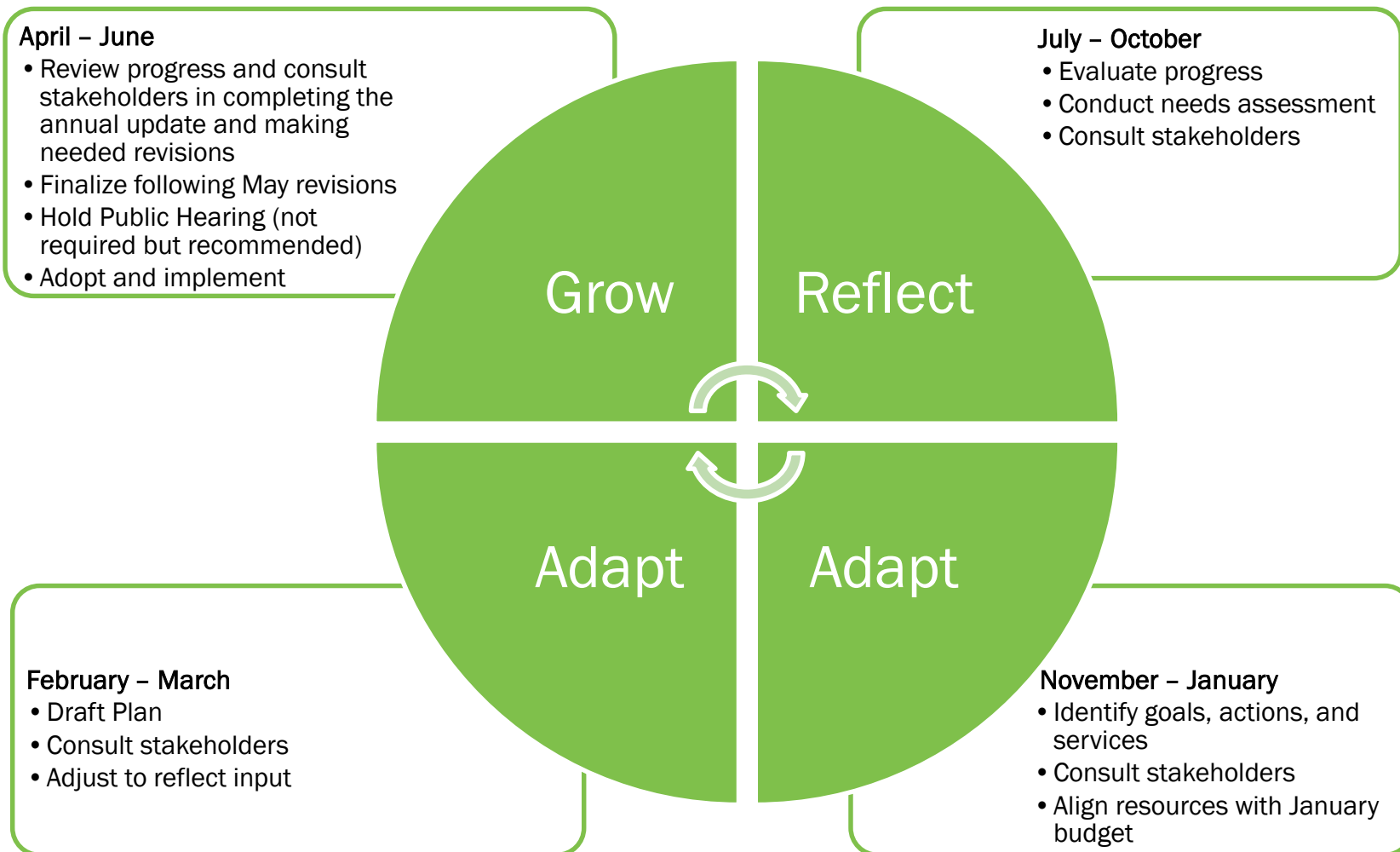
LCFF ~ New funding formula enacted in 2013-2014

LCAP ~ A school's plan on how and why they are spending funds with a built in accountability system

LCAP Overview

Plans that must be revised and updated each year based on actual results and revised goals

The LCAP should tell the whole story of how your school is utilizing its resources and measuring success

An LCAP should include multiple funding sources, not just base, supplemental and concentration grants

Relied upon throughout the year to check in on progress towards goals

LCAP Life Cycle

April – June
- Review progress and consult stakeholders in completing the annual update and making needed revisions
- Finalize following May revisions
- Hold Public Hearing (not required but recommended)
- Adopt and implement

July – October
- Evaluate progress
- Conduct needs assessment
- Consult stakeholders

Grow

Reflect

Adapt

Adapt

February – March
- Draft Plan
- Consult stakeholders
- Adjust to reflect input

November – January
- Identify goals, actions, and services
- Consult stakeholders
- Align resources with January budget

Goal 1: Academic Achievement

- Actions/Services:
  - Hire AP of Curriculum
  - Hire full time librarian and supplies
  - Increased CCSS curriculum
  - Intervention and enrichment staff and supplies
  - Software assessments and benchmarks
  - **Professional Development for EL strategies (S&C)**

Goal 2: Partnerships with Families

- Actions/Services:
  - Assistant Principal to oversee program
  - Multi-media for communication with parents
  - Parent classes
  - **Translation services for meetings and media (S&C)**
  - **Waived fees for afterschool program for FRL students (S&C)**

Goal 3: Encourage Healthy Lifestyles

- Actions/Services:
  - Nutrition classes
  - PE equipment
  - PE staffing
  - Train and share healthy recipes

Requires estimated actuals and narrative analysis

Annual Update

LCAP Year Reviewed: XXXX–XX

Complete a copy of the following table for each of the LEA's goals from the prior year LCAP. Duplicate the table as needed.

Actions / Services

Duplicate the Actions/Services from the prior year LCAP and complete a copy of the following table for each. Duplicate the table as needed.

Action 1

Planned Actions/Services	Actual Actions/Services	Budgeted Expenditures	Estimated Actual Expenditures
[Add planned actions/services here]	[Add actual actions/services here]	[Add budgeted expenditures here]	[Add estimated actual expenditures here]
Hire afterschool tutors	Non-profit volunteered 10 hours a week in tutoring services	$40K (supp/conc) (code 2103)	$0 - volunteeers

Analysis

Complete a copy of the following table for each of the LEA's goals from the prior year LCAP. Duplicate the table as needed. Use actual annual measurable outcome data, including performance data from the LCFF Evaluation Rubrics, as applicable.

Explain material differences between Budgeted Expenditures and Estimated Actual Expenditures.

[Add text here]

For this goal, we spent $100K less than originally budgeted. This was primarily due to getting these services donated instead.

Budget Overview for Parents is a financial summary and is intended to supplement your LCAP

The template consolidates all data input to create a visual summary output that can easily be shared with stakeholders.

Standard language is included to help succinctly help stakeholders understand the data they are looking at.
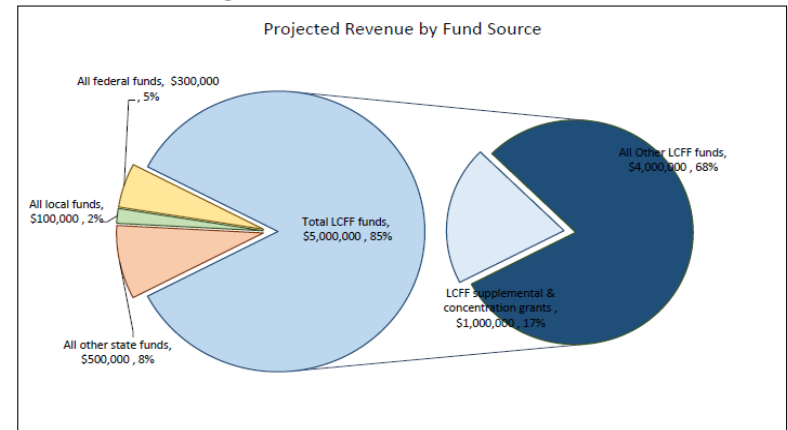
Responses to narrative prompts are included in the output so you can provide context behind the numbers.

LCFF Budget Overview for Parents

Local Educational Agency (LEA) Name: Sample Charter School
CDS Code: 00000000000000
Local Control and Accountability Plan (LCAP) Year: 2019-2020
LEA contact information: Jane Smith

School districts receive funding from different sources: state funds under the Local Control Funding Formula (LCFF), other state funds, local funds, and federal funds. LCFF funds include a base level of funding for all LEAs and extra funding - called "supplemental and concentration" grants - to LEAs based on the enrollment of high needs students (foster youth, English learners, and low-income students).

Budget Overview for the 2019-2020 LCAP Year

Projected Revenue by Fund Source

All federal funds, $300,000, 5%
All local funds, $100,000, 2%
Total LCFF funds, $5,000,000, 85%
All Other LCFF funds, $4,000,000, 68%
LCFF supplemental & concentration grants, $1,000,000, 17%
All other state funds, $500,000, 8%

This chart shows the total general purpose revenue Sample Charter School expects to receive in the coming year from all sources.

The total revenue projected for Sample Charter School is $5,900,000.00, of which $5,000,000.00 is Local Control Funding Formula (LCFF), $500,000.00 is other state funds, $100,000.00 is local funds, and $300,000.00 is federal funds. Of the $5,000,000.00 in LCFF Funds, $1,000,000.00 is generated based on the enrollment of high needs students (foster youth, English learner, and low-income students).

The LCFF gives school districts more flexibility in deciding how to use state funds. In exchange, school districts must work with parents, educators, students, and the community to develop a Local Control and Acccountability Plan (LCAP) that shows how they will use these funds to serve students.

Page 1 of 3

Budget Overview for Parents Data Input Tab

Source

Projected General Fund Revenue for the [Coming LCAP Year] LCAP Year	Amount
Total LCFF funds	
LCFF supplemental & concentration grants	
All other state funds	
All local funds	
All federal funds	
Total Projected Revenue	$ -

Income Statement; FCMAT Calculator

Total Budgeted Expenditures for the [Coming LCAP Year] LCAP Year	Amount
Total Budgeted General Fund Expenditures	
Total Budgeted Expenditures in LCAP	
Total Budgeted Expenditures for High Needs Students in LCAP	
Expenditures not in the LCAP	$ -

Income Statement; LCAP Goals and Actions

Expenditures for High Needs Students in the [Current LCAP Year] LCAP Year	Amount
Total Budgeted Expenditures for High Needs Students in the LCAP	
Estimated Actual Expenditures for High Needs Students in LCAP	

LCAP Goals and Actions

LCAP Federal Addendum

Local Control and Accountability Plan (LCAP)
Every Student Succeeds Act (ESSA)
Federal Addendum Template

LEA name:

[Enter LEA name.]

CDS code:

[Enter CDS code.]

Link to the LCAP:
(optional)

[Provide link.]

For which ESSA programs will your LEA apply?

Choose from:

TITLE I, PART A

Improving Basic Programs Operated by State and Local Educational Agencies

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, PART A

Language Instruction for English Learners and Immigrant Students

TITLE IV, PART A

Student Support and Academic Enrichment Grants

(**NOTE:** This list only includes ESSA programs with LEA plan requirements; not all ESSA programs.)

[Enter all applicable programs here.]

In the following pages, ONLY complete the sections for the corresponding programs.

- Replaces LEA Plan

- One-time submission

- Bridges gap between state accountability plan and federal

- Required for LEAs that receive federal title program funding

- Addendum is a program document, not a fiscal one

School Plan for Student Achievement (SPSA)

Charters may use the LCAP to meet SPSA requirements by addressing the following in their LCAP:

- For Schoolwide Programs, details on Title I, Part A Professional Development and other activities for teachers, paraprofessionals, other school personnel
  - ❑ To improve instruction, improve the use of data from academic assessments, and recruit and retain effective teachers
- Strategies for assisting pre-school transition to elementary schools, if providing pre-school with Title I, Part A funds

Tracking Expenses with Coding

A robust accounting system is essential for tracking detail

Planning & Tracking LCAP Expenses
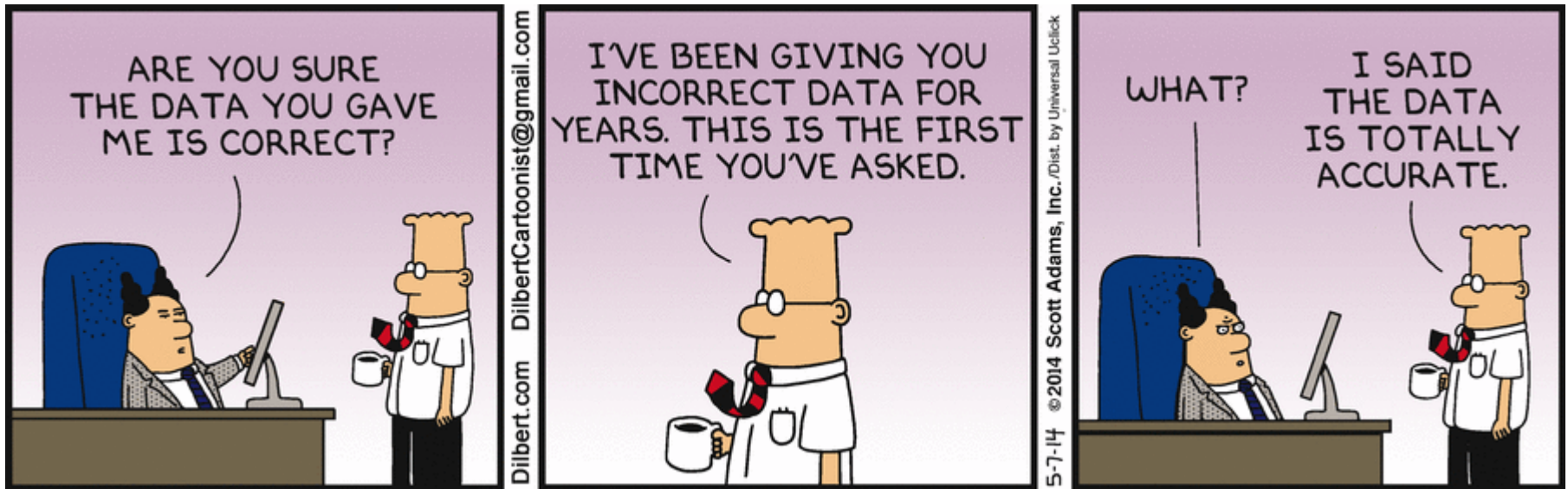
> **SACS Code Format:**
> Object – Resource – Goal – Function – Location
> 0000 - 00000.0 – 0000 – 0000 - 0000000

Chart of Accounts Structure

- Think about the data you want to see at year end
- Accounting system must have the ability to track object, resource, goal, and function
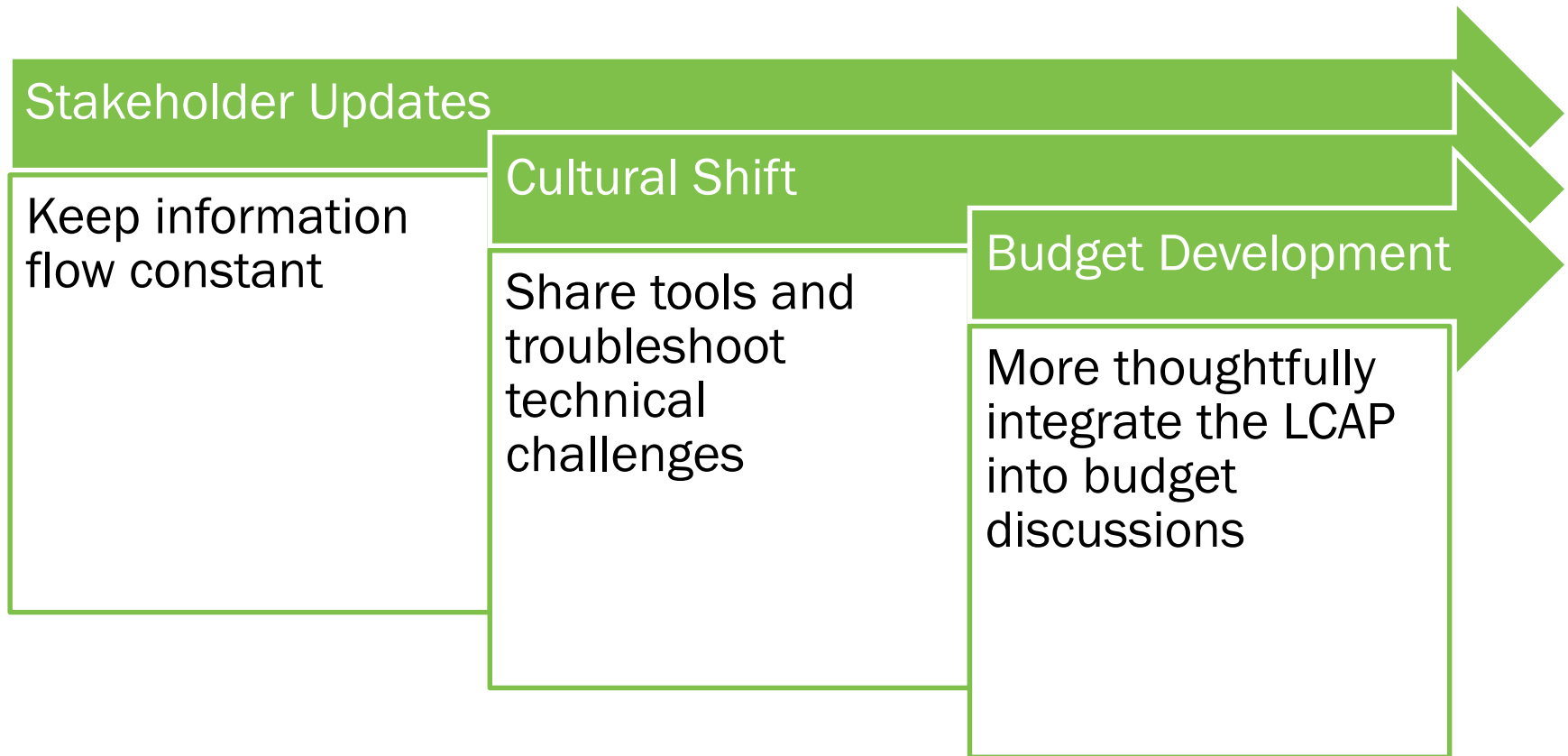
Communication

- Talk to your finance and/or back-office team
  - What options are available in your accounting system? (hint: Quickbooks won't cut it)
- Train the staff doing coding, entering transactions, and approving transactions
  - Do they have the right information to code purchases at the point of entry? (hint: our template can help)

Plan Ahead
Don't wait until the end of the year!

Build and maintain internal buy in

Stakeholder Updates

Keep information flow constant

Cultural Shift

Share tools and troubleshoot technical challenges

Budget Development

More thoughtfully integrate the LCAP into budget discussions

Your reporting is only as good as the data you enter

Think about your LCAP at the point of purchase

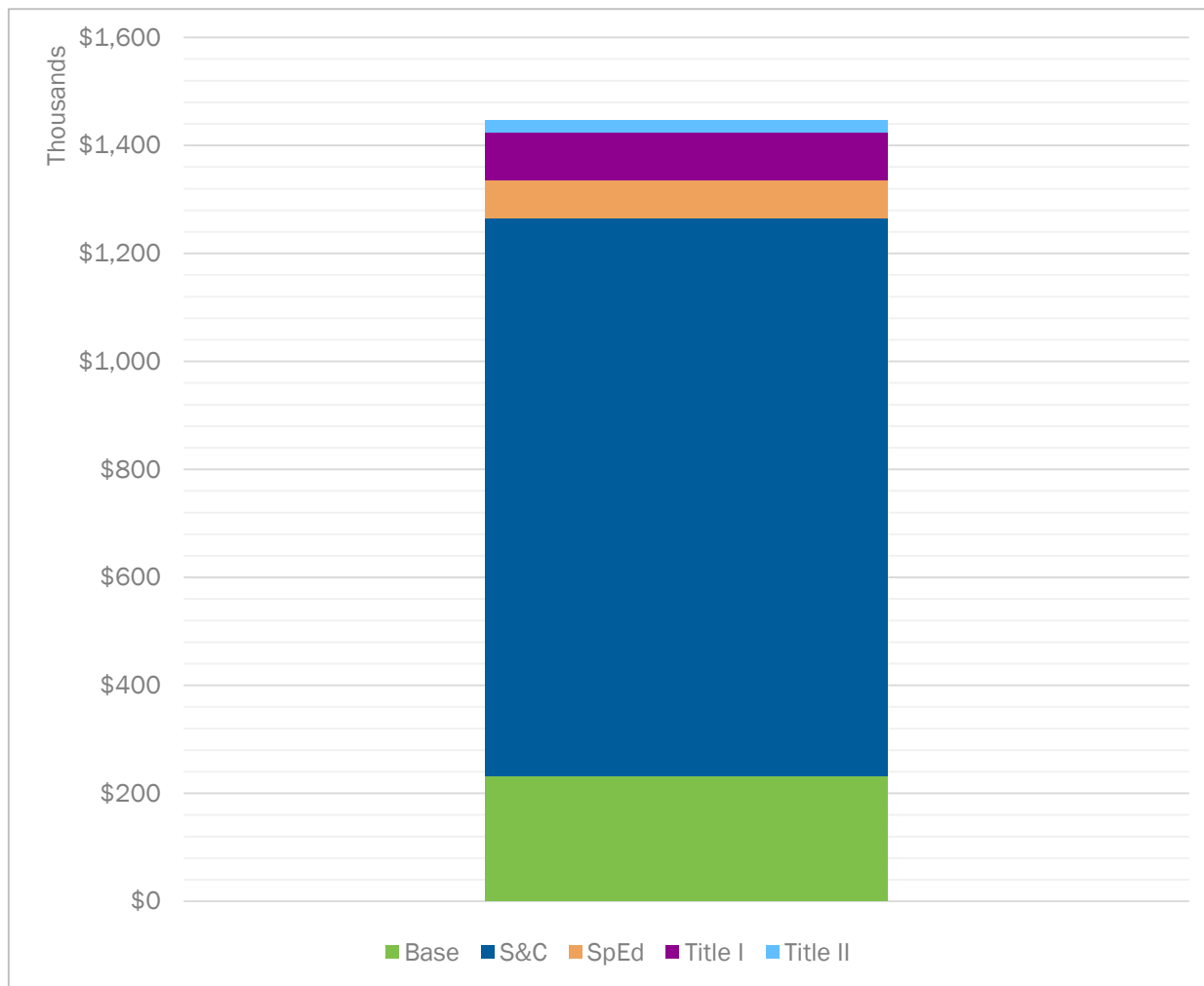Equip the *right* staff with detail needed for proper coding on the front end
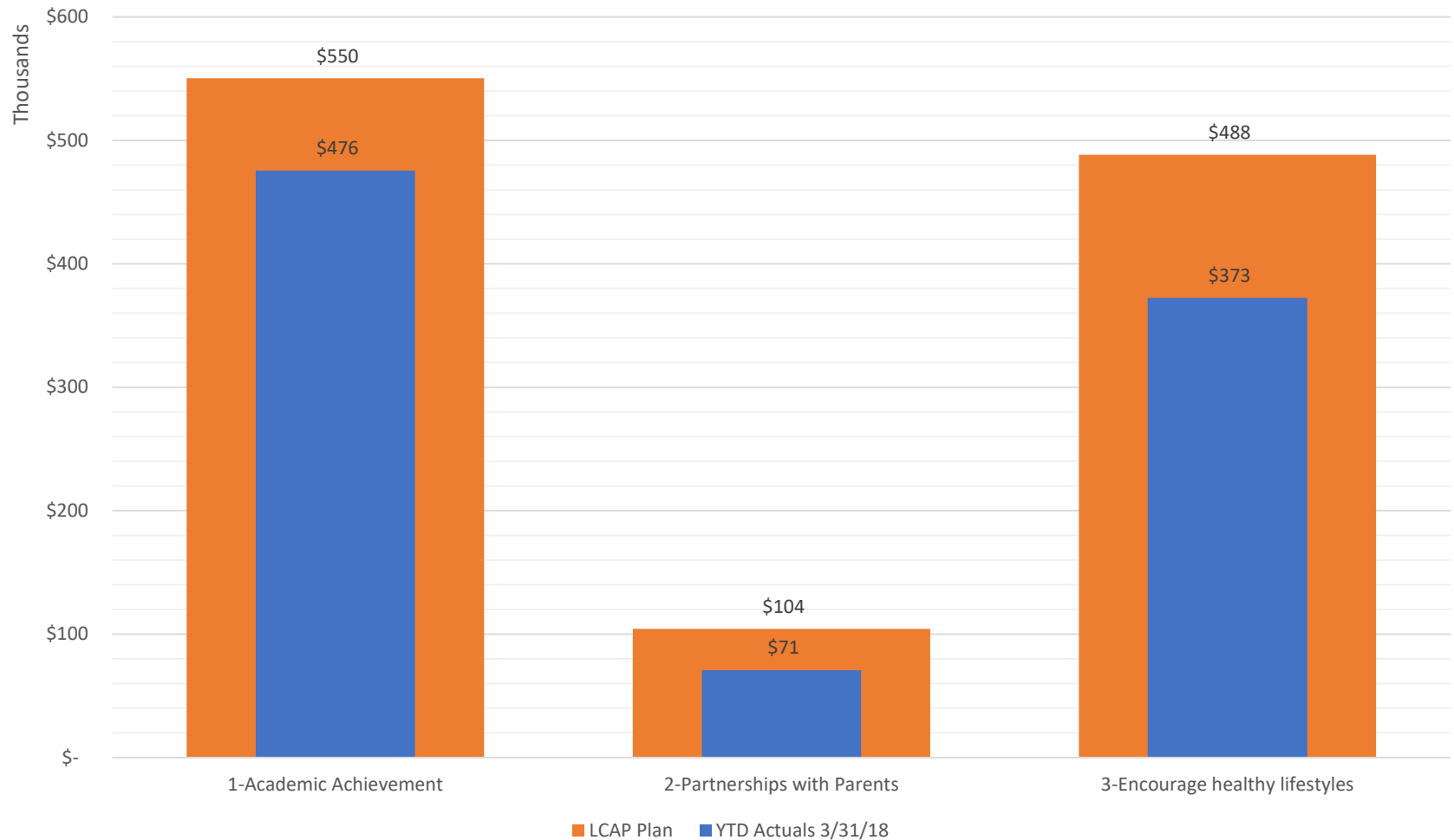
Sharing Updates with Stakeholders

LCAP Planned Spending by Source

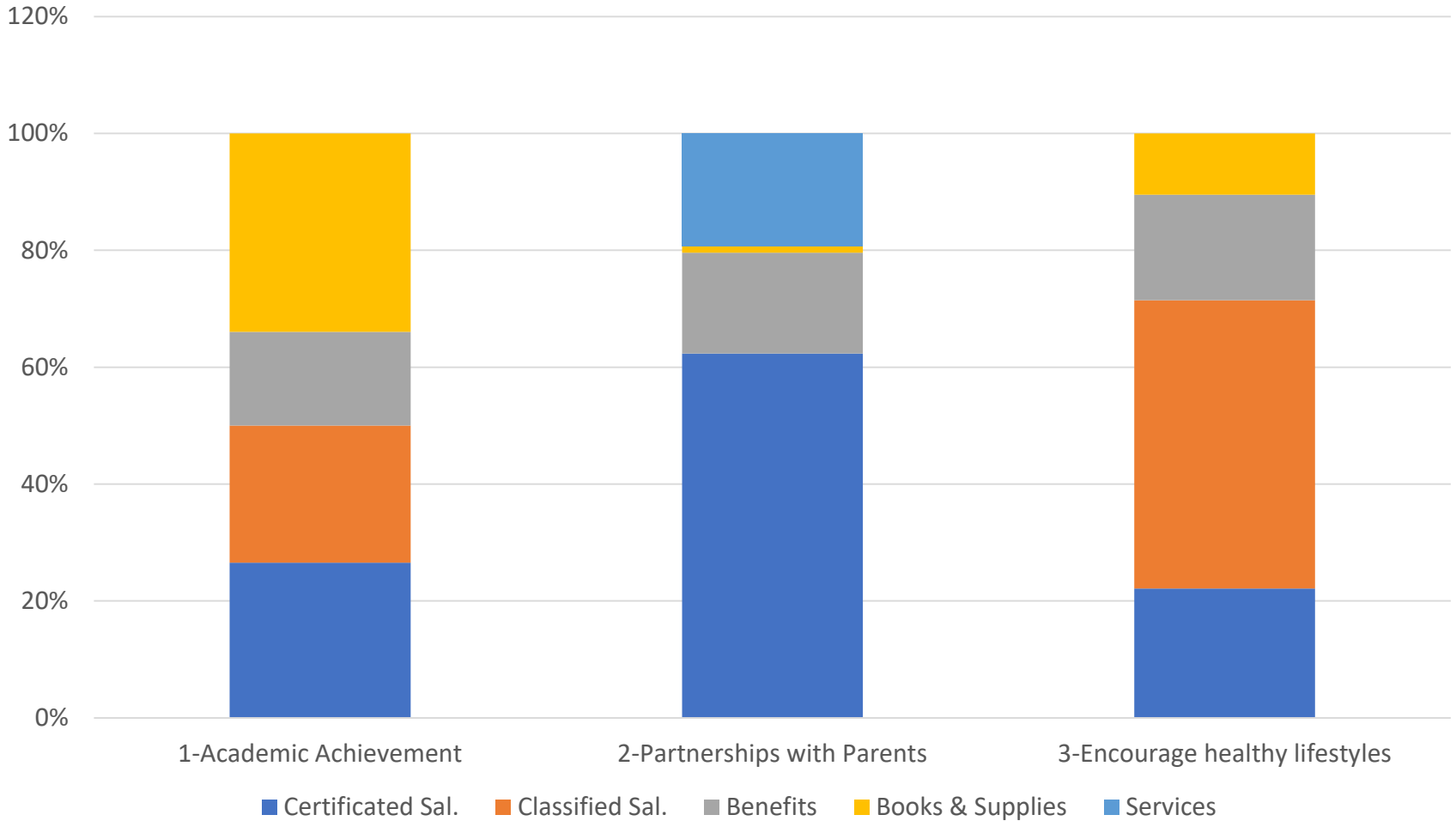## 72% of LCAP spending to be focused on Supplemental and Concentration (S&P)

LCAP – Planned Spending by Goal vs. Actuals

80% of planned LCAP spending has been completed as of 3/31/17

Chart: Thousands

- 1-Academic Achievement: LCAP Plan $550, YTD Actuals 3/31/18 $476
- 2-Partnerships with Parents: LCAP Plan $104, YTD Actuals 3/31/18 $71
- 3-Encourage healthy lifestyles: LCAP Plan $488, YTD Actuals 3/31/18 $373
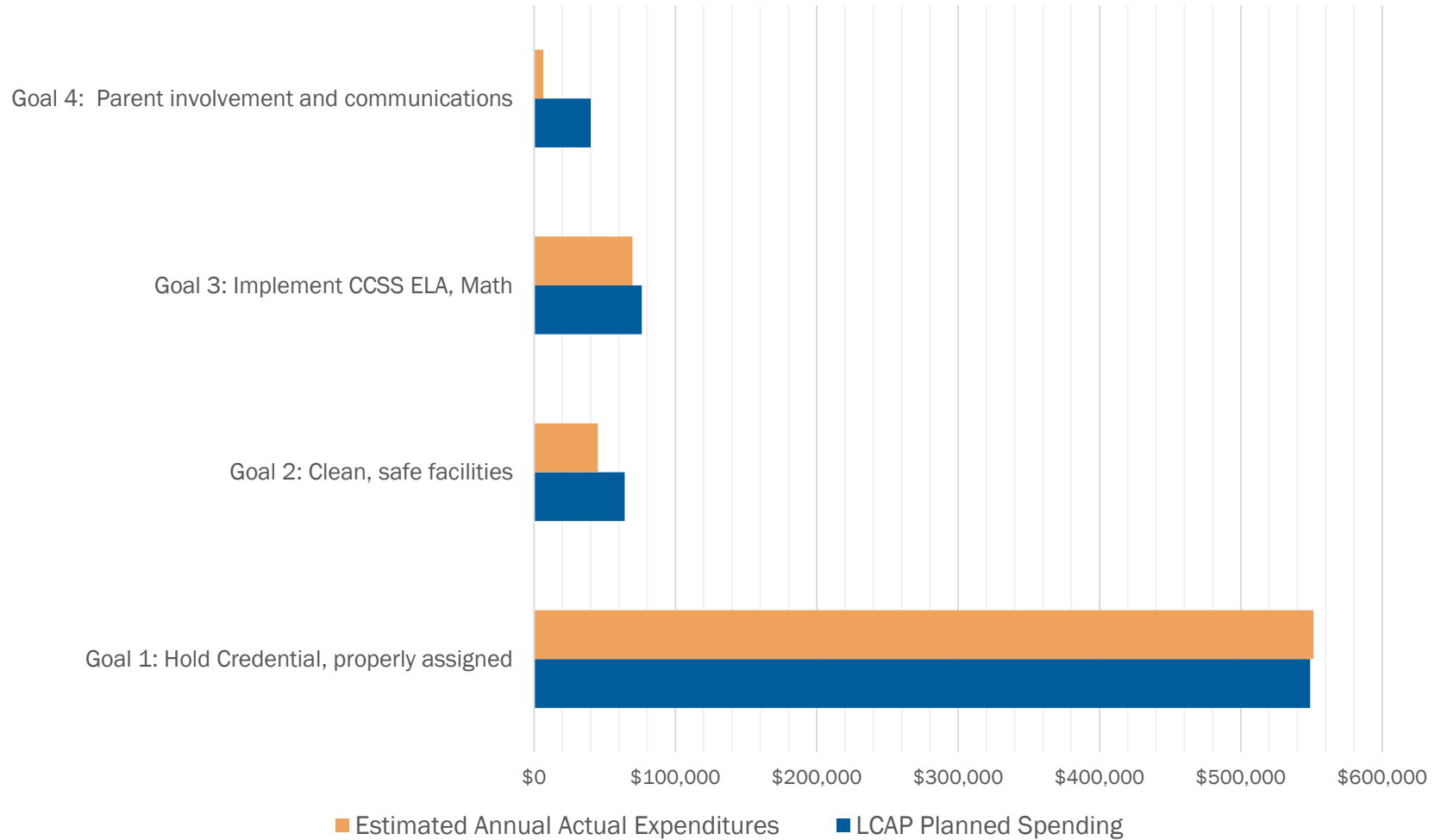
Legend: ■ LCAP Plan ■ YTD Actuals 3/31/18

Components of LCAP Goals by Expense

Salaries make up majority of planned expenses

LCAP Reporting – Example

Planned Vs. Actual Estimated Spending 2017-2018

- Estimated Annual Actual Expenditures
- LCAP Planned Spending

Using the Excel Template

Tracking Expense Progress

Use General Ledger data to track progress on LCAP spending

Chart of Accounts

Resource Code	Label
7910-0	Supplementation/Concentration Funds
4035-0	Title II

Function Code	Label
1	Goal 1
2	Goal 2
3	Goal 3

Amount **Object** **Resource** **Goal / Function**
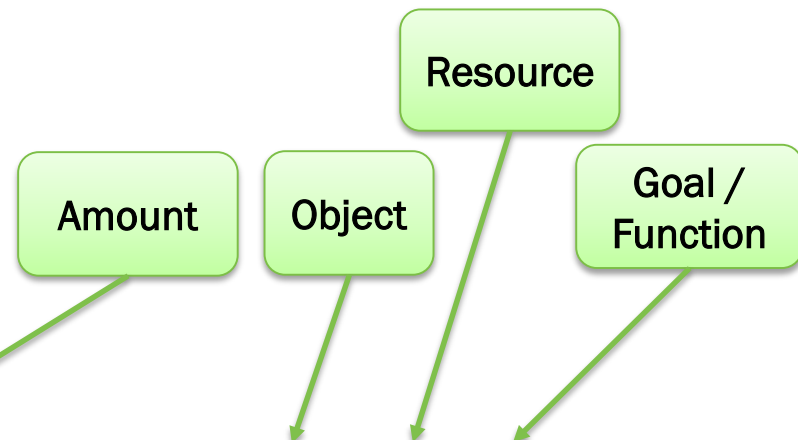
Date	Vendor/Cust. Name	Debit	Credit	Net	Description	Account Numb	Resource	Goal/Action	Location
9/30/2017	Journal	20,813		20,813	Academic dean	1000	7910-0	1.1	100
12/31/2017	Journal	20,813		20,813	Academic dean	1000	7910-0	1.1	100
3/30/2018	Journal	20,813		20,813	Academic dean	1000	7910-0	1.1	100
9/30/2017	Journal	15,750		15,750	Librarian	1000	0000-0	1.2	100
12/31/2017	Journal	15,750		15,750	Librarian	1000	0000-0	1.2	100
3/30/2018	Journal	15,750		15,750	Librarian	1000	0000-0	1.2	100
9/30/2017	Journal	16,250		16,250	AP of Student affairs	1000	3010-0	2.1	100
12/31/2017	Journal	16,250		16,250	AP of Student affairs	1000	3010-0	2.1	100
3/30/2018	Journal	16,250		16,250	AP of Student affairs	1000	3010-0	2.1	100
9/30/2017	Journal	27,000		27,000	PE teachers	1000	0000-0	3.1	100
12/31/2017	Journal	27,000		27,000	PE teachers	1000	0000-0	3.1	100
3/30/2018	Journal	27,000		27,000	PE teachers	1000	0000-0	3.1	100
9/30/2017	Journal	8,000		8,000	Classified support - LL IA's (3)	2000	7910-0	1.2	100
12/31/2017	Journal	10,000		10,000	Classified support - LL IA's (3)	2000	7910-0	1.2	100

Planned Actions / Services

Complete a copy of the following table for each of the LEA's Actions/Services. Duplicate the table, including Budgeted Expenditures, as needed.

Action 1

Budgeted Expenditures

| Year	2017-18
Amount	50,000
Source	S&C: 7910-0
Budget Reference	1000; 3000

Goal / Function

Resource

Object

Amount

Sample School
FY18 LCAP Planned Expense Tracker

Goal Description	Action Description	Source	object	Planned per LCAP	Expense description
1 - Academic Achievement	1.1 - Intervention & Enrichment	Supp & Conc	2000	40,000	Classified support - LL IA's (3)
1 - Academic Achievement	1.1 - Intervention & Enrichment	Supp & Conc	3000	50,000	Benefits (LL Coordinator and IAs)
1 - Academic Achievement	1.1 - Intervention & Enrichment	Supp & Conc	3000	67,000	Benefits (LL Aides)
1 - Academic Achievement	1.2 - AP of Curriculum & Instruction	Title I	1000	83,250	Academic dean
1 - Academic Achievement	1.2 - AP of Curriculum & Instruction	Title I	3000	19,200	Benefits - academic dean
1 - Academic Achievement	1.2 - AP of Curriculum & Instruction	Title I	4000	4,000	GLAD materials
1 - Academic Achievement	1.3 - FT Librarian and Books	Base	1000	63,000	Librarian
1 - Academic Achievement	1.3 - FT Librarian and Books	Base	4000	5,000	library books
1 - Academic Achievement	1.3 - FT Librarian and Books	Base	4000	3,000	Library technology
1 - Academic Achievement	1.3 - FT Librarian and Books	Supp & Conc	2000	22,000	Library assistant

LCAP Reporting - Example

LCAP Estimated Actuals
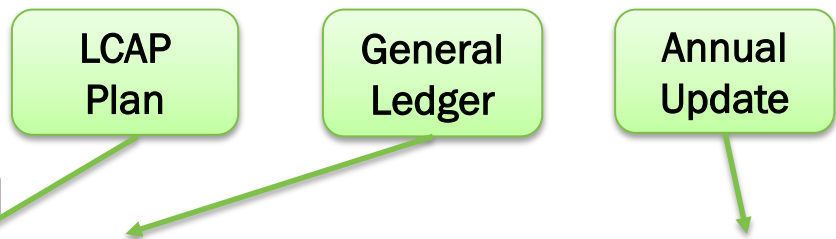
Percent of year included in GL Actuals	75%

LCAP Plan → Planned Expenses / Actual Expenses

General Ledger → Actual Expenses

Annual Update → Estimated Actuals

Goal	Planned Expenses	Actual Expenses	Percent Spent	Plan Remaining	Projected Remaining	Estimated Actuals	Variance from Plan
1 - Academic Achievement	550,450	340,608	62%	209,843	150,000	490,608	-11%
2 - Partnerships with Families	104,300	85,650	82%	18,650	20,000	105,650	1%
3 - Healthy Lifestyles	488,300	349,800	72%	138,500	138,500	488,300	0%
	-	-		-		-	
	-	-		-		-	
	-	-		-		-	
	-	-		-		-	
	-	-		-		-	
	-	-		-		-	
Total	**1,143,050**	**776,058**	**68%**	**366,993**		**1,084,558**	**-5%**

With proper planning and coding, the general ledger has all the detail you need to complete the estimated actuals on the Annual Update.

Next Steps

Share your LCAP with all relevant departments

✓ **Work with your finance team/back-office to establish appropriate mechanism for tracking spending toward LCAP goals**

✓ **Make sure finance has details of your LCAP goals and all departments responsible for spending and coding transactions have been trained on the coding tools to be used**

✓ **Establish internal reporting dates and deliverables during the year (quarterly is recommended)**

✓ **Report out to stakeholders during the year**
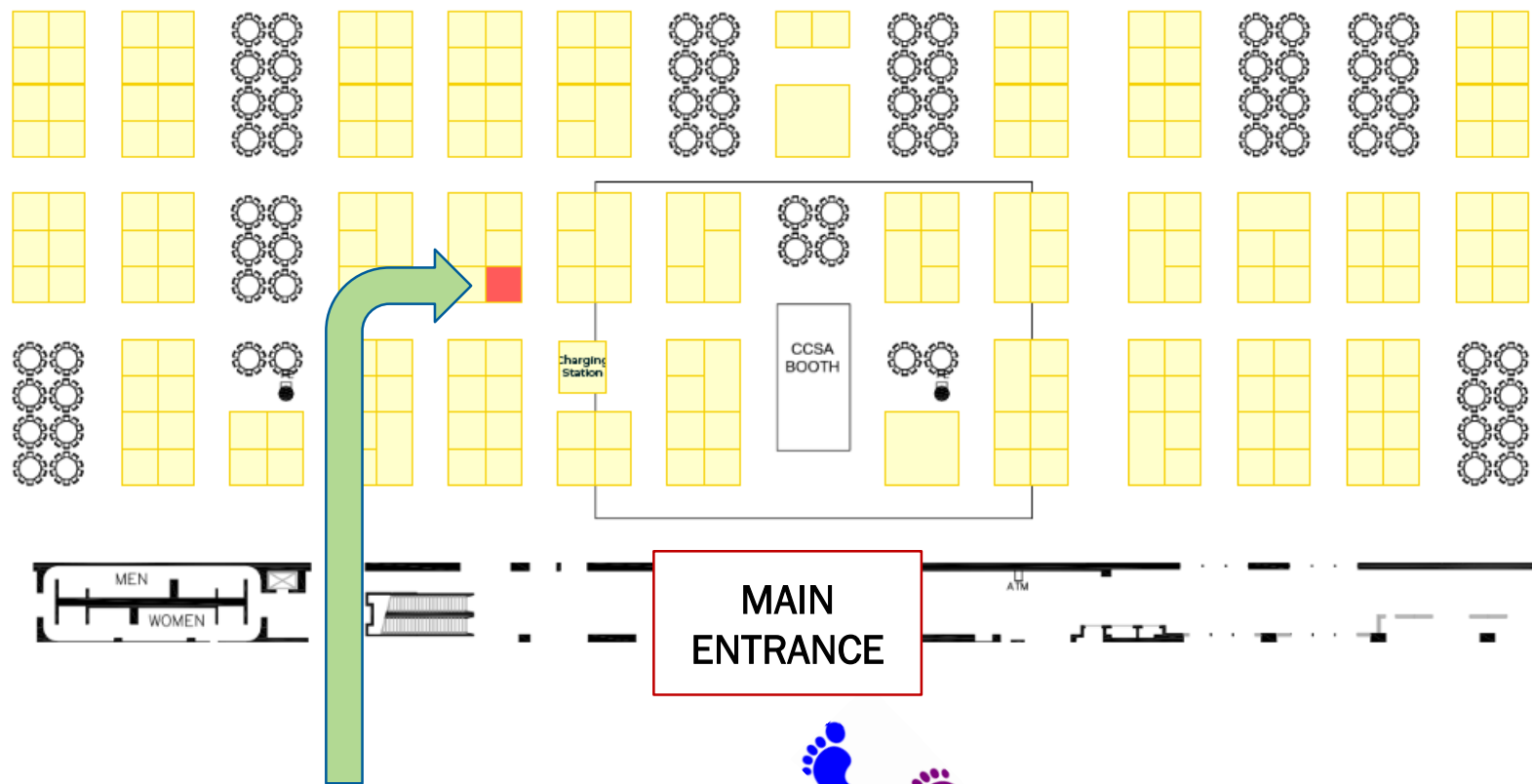
**Visit Us at
Booth 710
LCAP 360 by EdTec**

MAIN
ENTRANCE

Q&A

Thank you!

ADDITIONAL QUESTIONS? CONTACT US:

Kristin Dietz: kristin.dietz@edtec.com
Cindy Frantz: cindy.frantz@edtec.com

edtec
Charter School Specialists
BUSINESS · OPERATIONS · PERFORMANCE

- EdTec is a social enterprise committed to improving public education by supporting charter schools with business, operations, and performance services.

- We are motivated by our vision to have the greatest positive impact on the quality of public education, as evidenced by our successful long-term partnerships with charter schools across the country.

97% client retention rate

300+ partner schools

18 years of charter focus

- Our exceptional staff understands the needs and workings of charter schools inside and out, and supports schools with a comprehensive range of services including charter petition development, back office, school data and compliance, school software, and consulting.