

December 6, 2017

TO: Contra Costa County Board of Education

FROM: Bill Clark, Associate Superintendent, Business Services

SUBJECT: 2017-18 First Period Interim Financial Report

The 2017-18 County Office of Education budget was adopted by the County Board of Education on June 21, 2017. The First Interim Report details budget changes through October 31, 2017, and projected year-end totals. The First Interim Report presents a review of the financial condition of the County Office of Education, four months into the fiscal year, in order to determine if appropriate funds are available to meet expenditure obligations for the current and the two subsequent fiscal years.

Components of the First Interim Report are highlighted below.

1. Certification and Criteria and Standards Review Summary

At First Interim, the County Office reports a positive certification. This certification indicates that based on current projections, the County Office will meet its financial obligations for the current and subsequent two fiscal years. The Agency's reserve for Economic Uncertainties meets the State reserve requirements. The Criteria and Standards Review Summary indicates items "met" and "not met" for areas of potential concern. The Form Criteria and Standards Review provide in-depth details and explanations as required.

2. Form AI – Attendance Detail

The following chart shows the changes in ADA for county schools by program. ADA is reviewed and adjusted as necessary following the spring P-2 ADA reporting period.

Note: Special Education revenues are determined based on student enrollment and are calculated on a quarterly and annual basis.

Program	2016-17 Annual ADA	2017-18 Budget ADA	First Interim ADA Projection	Change From Budget
Court Schools	176	197	197	-
Adult Correctional Education	309	402	348	(54)
Special Education	323	340	340	-
Totals	808	939	885	(54)
Community Schools	57	50	61	11

3. Form 09 Charter Schools Special Revenue Fund

As planned, the County Office opened for the first time a special fund to account for the activities of the newly approved Golden Gate Community charter school. A number of first interim criteria and standards are reported as “not met” because of the shift of revenues and expenditures from the general fund to the new charter school fund. The temporary loan to the charter fund will be repaid annually until a sufficient balance is developed in fund 09 to cover cash flow requirements.

4. Postemployment Benefits

In recognition of its commitment to address the cost of long-term obligations, the First Interim Report sets aside approximately \$2.0 million in expenditures and contributions to fully fund the actuarially determined annual contribution necessary to meet the cost of postemployment benefits.

Summary

It is recommended that the County Board of Education approve the 2017-18 First Interim Report with “A positive certification that the Contra Costa County Office of Education will meet its financial obligations for the current fiscal year and subsequent two fiscal years.”

BC:JL:bf

Attachment