

March 11, 2020

TO: Contra Costa County Board of Education

FROM: Bill Clark, Deputy Superintendent

SUBJECT: 2019-20 Second Period Interim Financial Report

The 2019-20 County Office of Education budget was adopted by the County Board of Education on June 19, 2019. The Second Interim Report updates the budget for changes through January 31, 2020. The Second Interim Report presents a review of the financial condition of the County Office of Education, seven months into the fiscal year.

Components of the Second Interim Report are highlighted below.

1. Certification and Criteria and Standards Review Summary

At Second 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 \$4,264,898 reserve for Economic Uncertainties meets the State reserve requirements.

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	2018-19 Annual ADA	2019-20 1st Interim ADA	Second Interim ADA Projection	Change From Budget
Court Schools	139	140	130	(10)
Community Schools	110	110	100	(10)
Special Education	250	214	214	0
Totals	499	464	444	(20)

Revisions

The 2019-20 Budget Variance Analysis provides a summary of revisions from the First Interim to the Second Interim Report. Major revisions include an increase in revenues of approximately \$844,000 due largely to an increase in LCFF property tax revenues. Expenditures decreased by approximately \$126,000 largely due to adjustments to operating accounts to accommodate revenue increases and normal changes in staffing and benefits. See the detail analysis included with this memo.

Conclusion

It is recommended that the County Board of Education approve the 2019-20 Second 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