



Education Revenue Augmentation Fund (ERAF)

The fund used to collect the property taxes shifted from cities, the county, and special districts within each county prior to their distribution to K-14 school agencies.

Employee Benefits

Amounts paid by the school system on behalf of employees; these amounts are not included in the gross salary, but are over and above. They are fringe benefit payments, and while not paid directly to employees, they are nevertheless a part of the employee cost. Examples are (1) group health or life insurance payments; (2) contributions to employee retirement (STRS – State Teachers’ Retirement System); (3) O.A.S.D.I. (Social Security) Taxes; and (4) workers’ compensation payments.

Encroachment

The expenditure of school districts’ general purpose funds in support of a categorical program, i.e. the categorical expense encroaches into the district’s general fund for support. Encroachment occurs in most districts and county offices that provide special education and transportation. Other encroachment is caused by deficit factors or local decisions to allocate general purpose funds to special purpose programs.

Encumbrances

Purchase orders, contracts for salary or other commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or when the actual goods or services are delivered to the school district.

Ending Balance

Generally a reference to a school district’s net ending balance of their general fund. The ending balance is divided into restricted and unrestricted funds that a school district has remaining at the end of a fiscal year. A school district must have a Reserve for Economic Uncertainties within their ending balance which meets the criteria and standards minimums as established by the State Board of Education.

Enrollment

The total number of pupils enrolled, whether part-time, full-time, resident or non-resident. For state reporting purposes, students must be enrolled in a qualifying program. A pupil is considered enrolled whether in attendance on a specific count date or not, participating in home-bound instruction or a non-graduate enrolled in qualifying alternative programs.

Entitlement

An apportionment, typically from the federal or state government, that is received based on specific qualifications rather than through a competitive process.

Equalization Aid

The extra state aid provided in some years (such as 1995-96) to a low revenue district to increase its base revenue limit toward the statewide average.

Expenditure

Charges incurred, whether paid or unpaid, which are presumed to benefit the school district's current fiscal year.

Expenditures:**• Construction Expenditures**

Include expenditures for new school construction, including renovation and expansion. They include expenditures on land, buildings and equipment for new and remodeled facilities.

• Expenditure Per Pupil

The amount of money spent on education by a school district or the state, divided by the number of students educated. For most official purposes, the number of students is determined by Average Daily Attendance (ADA). (See Revenues Per Pupil)

• Instructional Expenditures

Current expenditures for activities directly associated with the interaction between teachers and students. These include teacher salaries and benefits, supplies (i.e. textbooks), and purchased instructional services.

• Interest On Debt Expenditures

Expenditures for interest on long-term debt (i.e. obligations of more than one year).

• Replacement Equipment Expenditures

Include expenditures for equipment for schools that are not new or recently renovated. Equipment is generally defined as items that last more than 1 year, are repaired rather than replaced, and have a cost over \$5,000.

• Support Services Expenditures

Current expenditures for activities that support instruction. These services include operation and maintenance of buildings, school administration, student support services (i.e. nurses, therapists, and guidance counselors), student transportation, instructional staff support (i.e. librarians, instructional specialists), school district administration, business services, research and data processing.

Fact Finding

The culmination of the Impasse Procedures, Article 9, of the State's collective bargaining law. A tripartite panel, with the chairperson appointed and paid for by the Public Employment Relations Board, considers several specifically enumerated facts and makes findings of fact and recommendations in terms of settlement to a negotiating agreement. Such recommendations are advisory only and may be adopted or rejected in whole or in part by the parties. (See Government Code Section 3540 et. al.)

Financial Statements

The document published at periodic intervals, such as monthly, that provides a summary of the financial transactions of the school district for the specified reporting period or as of the date of the financial report.

First Principal Apportionment

The statutory date (February 20) by which the State Department of Education must first calculate district and county funding entitlements.





Fiscal Crisis And Management Assistance Team (FCMAT)

The state agency formed to help ensure the fiscal solvency of school districts and county offices of education.

Fiscal Year

Twelve calendar months; in California it is the period beginning July 1 and ending June 30.

Fixed Assets

Property of a permanent nature having continuing value; e.g., land, buildings and equipment.

Forest Reserve Funds

Twenty-five percent of funds received by a county from the United States Government from rentals of forest reserve lands are apportioned among the various districts in the county according to scholastic population.

Free/Reduced Price Meals

A federal program to provide food, typically lunch and/or breakfast, for students from low-income families. The number of students participating in the National School Lunch Program is increasingly being used as a way to measure the poverty level of a school or district population. The number of children in this program can affect schools' or districts' eligibility for grants or other funding aimed at helping lower-income families.

Full-Time Equivalent (FTE)

The ratio of time expended in a part-time position to that of a full-time position. The ratio is derived by dividing the amount of employed time required in the part-time position by the amount of employed time required in a corresponding full-time position.

Fund

An independent accounting entity with its own assets, liabilities and fund balances. Generally, funds are established to account for financing of specific activities of an agency's operations.

Funds:

- **Governmental Funds**

The General Fund is used to account for the ordinary operations of the district. All transactions except those required or permitted by law to be in another fund are accounted for in this fund. Restricted projects or activities within the General Fund must be identified and separated from unrestricted activities.

- **Special Revenue Funds**

- Established to account for the proceeds from specific revenue sources which (by law) are restricted to the financing of particular activities.

- **Charter Funds**

- Used to account separately for federal, state and local revenues.

Funds (continued):

- **Adult Education Fund**
Used to account separately for federal, state, and local revenues for Adult Education programs.
- **Child Development Fund**
Used to account separately for federal, state, and local revenue to operate child development programs.
- **Deferred Maintenance Fund**
Used to account separately for state apportionments and Local Education Agency's contributions for deferred maintenance purposes.
- **Nutrition Services Fund**
Used to account separately for federal, state, and local revenue to operate the food service program.

• Capital Project Funds

Capital Project Funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities.

- **Building Fund**
Exists primarily to account separately for proceeds from the sale of bonds.
- **Capital Facilities Fund**
Used primarily to account separately for monies received from fees levied on developers or other agencies as a condition of approving a development. The authority for these levies may be county/city ordinances or private agreements between the Local Education Agency and the developer. Interest earned in the Capital Facilities Fund is restricted to that fund.
- **School Facilities Program Fund**
Used primarily to account separately for monies received from fees levied on developers or other agencies as a condition of approving a development. The authority for these levies may be county/city ordinances or private agreements between the Local Education Agency and the developer. Interest earned in the School Facilities Fund is restricted to that fund.
- **Bond Interest and Redemption Fund**
Used for the repayment of bonds issued for an Local Education Agency (Education Code sections 15125-15262, Bond Interest and Sinking Fund).

Fund Balance

The excess of the assets of a fund over its liabilities of governmental and similar trust funds.

Furlough Days

Mandatory leaves of absence ordered by employers or negotiated agreements attempting to cut costs without releasing employees. When a furlough day is ordered, employees take the day off without pay.





Gann Spending Limit

A ceiling, or limit, on each year's appropriations of tax dollars by the state, cities, counties, school districts, and special districts. In November 1979, California voters approved the late Paul Gann's Proposition 4 to limit the amount of tax money that state and local governments, including school districts, could legally spend. Using 1978-79 as a base year, subsequent years' limits have been adjusted for: (1) an inflation increase equal to the change in the Consumer Price Index or per capita personal income, whichever is smaller; and, (2) the change in population or, for school agencies, change in average daily attendance (ADA). Proposition 111, adopted in June 1990, amended the Gann limit inflation factor to be based only on the change in per capita personal income.

General Aid

State aid which is not limited to any specific program, purpose, or target population but which may be used to finance the general educational program as determined by the recipient district.

Generally Accepted Accounting Principles (GAAP)

Uniform standards and guidelines to financial accounting and reporting which govern the form and content of the basic financial statements of an entity. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices.

General Fund

Accounting term used by the state and school districts to differentiate general revenue and expenditures from those placed in separate budget categories for specific uses such as the Charter Fund.

General Ledger

A basic group of accounts that record all transactions of a fund or entity.

General Obligation Bonds (GO Bonds)

A local bond for renovating, reconstructing, and building new facilities or for acquiring certain new equipment. GO bonds are financed by an increase in property taxes. School districts can seek either two-thirds or 55% voter approval. If districts seek the 55% approval, they must meet additional accountability requirements.

General Purpose Funding

California school districts receive general purpose money based on a per pupil revenue limit. They have discretion to spend this money as they see fit for the day-to-day operation of schools, including everything from salaries to the electric bill.

General Reserve

A budget item which sets aside a reserve fund to start the following fiscal year and cannot be used during the budget year.

Governmental Accounting Standards Board (GASB)

Governmental Accounting Standards Board (GASB) was established to improve standards of state and local governmental accounting and financial reporting that ultimately is designed to result in a greater understanding by users of financial reports and guide and educate the public, including issuers and auditors. GASB has responsibility to establish accounting rules and standards used by governmental agencies. GASB is equivalent to the Financial Accounting Standards Board (FASB) which sets accounting standards for the private sector. The standards created by these bodies are referred to as generally accepted accounting principals (GAAP). GASB and FASB are not governmental agencies.

Governmental Accounting Standards Board Statement No. 34 (GASB 34)

An accounting standard issued by the Governmental Accounting Standards Board, a non-profit agency. State and local agencies in the United States, including state, county, cities and school agencies, are required to report in this format effective for those periods beginning after June 15, 1999. A three year phase-in period is utilized by the statement based on the school agency's revenues in all Governmental and Enterprise Funds in the Audited Financial Report as of June 30, 1999, to determine the year in which a school agency must comply. The government-wide financial statements include financial information by function. School agencies continue to account for the day-to-day accounting activities on the modified accrual basis of accounting.

Highly Qualified Teacher

According to the No Child Left Behind Act (NCLB), a highly qualified teacher is one who has obtained full state teacher certification or has passed the state teacher licensing examination and holds a license to teach in the state; holds a minimum of a bachelor's degree; and has demonstrated subject area competence in each of the academic subjects in which the teacher teaches.

Holistic Assessments

In assessing student work, a holistic assessment assigns a single score based on overall performance rather than by scoring or analyzing dimensions individually. The product is considered to be more than the sum of its parts and so the quality of a final product or performance is evaluated rather than the process or dimension of performance.

Implicit Price Deflator

A measure of inflation used to compare expenditures over a period of time. The state uses the Implicit Price Deflator for State and Local Government Purchases of Goods and Services to calculate increases to revenue limits.

Indirect Cost Rate

The rate set by the State to cover a portion of the general expenses of operating the district (overhead costs) to a specific grant or program. School districts may assess indirect costs to some state and federal grants.

Indirect Expense And Overhead

Those elements of indirect cost necessary in the operation of the district or in the performance of a service that are of such nature that the amount applicable to each accounting unit cannot be separately identified. Examples of indirect costs include expenses for the Board of Education, superintendent and the business office.

Inter-School Council (ISC)

Provides communication on high school matters between administration, students and the Board.

Joint Powers Authority (JPA)

An agreement among school districts to share services or responsibilities. A joint powers board made up of representatives of the districts governs the JPA.

Joint School Districts

School districts with boundaries that cross county lines.





Legislative Analyst’s Office (LAO)

The Office of the Legislative Analyst (LAO) is a nonpartisan office within the state government that gives fiscal and policy advice to the California Legislature. The LAO provides analyses of adopted state budgets and also offers the public information about state initiatives and ballot propositions.

Leveling Down

Lowering the revenue level of high revenue districts to promote revenue equity among school districts.

Leveling Up

Raising up the revenue level of low revenue districts to promote revenue equity among school districts.

Local Education Agency (LEA)

A public board of education or other public authority legally constituted within a state for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a state, or for a combination of school districts or counties as are recognized in a state as an administrative agency for its public elementary or secondary school. Sacramento City Unified School District (SCUSD) is its own LEA.

Lottery

Scratch tickets and lotto games which began in California in October 1985. At least 34% of lottery proceeds are distributed per kindergarten through university students.

Maintenance Factor

See Proposition 98.

Mandated Costs

School district expenditures that occur because of federal or state laws, decisions of state or federal courts, federal or state administrative regulations. See California Constitution, Article XIII B, Section 6.

Miscellaneous Funds

Local revenues received from royalties, bonuses, and other payments in lieu of taxes. Fifty percent of such revenues are used as an offset to state aid in the revenue limit formulas.

Necessary Small School

Small schools that have students who come from sparsely settled areas. Their school districts are given additional money above the revenue limit to pay for the higher costs of their education. An elementary school with less than 101 ADA or high school with less than 301 ADA meets the standards of being a Necessary Small School. (See Education Code Sections 42280 et seq.)

Net Assets

The amount remaining after subtracting total liabilities from total assets on an accrual basis. Net assets are the most accurate indicator of a school district’s financial condition.

No Child Left Behind Act (NCLB)

Much of federal funding for K–12 schools comes from programs created by the Elementary and Secondary Education Act (ESEA) of 1965. The 2002 ESEA reauthorization is called the No Child Left Behind Act (NCLB). NCLB modifies the original ESEA, as have previous reauthorizations, and increases the federal focus on disadvantaged pupils, including English learners and students who live in poverty. The law also strengthens federal support for a standards-based reform agenda including high academic standards for all students; extra support to help students and schools meet those standards; and greater accountability for the results, particularly as measured by student performance on standardized tests. NCLB also provides funds to support innovative programs such as charter schools and create out-of-school programs. Besides providing funds to prepare, train, recruit, and retain high quality teachers, the law has also placed attention on the need for high quality teachers and the unequal distribution of credentialed teachers, setting guidelines for states to use in defining a highly qualified teacher. Further, it mandates that only teachers fitting the state description are to be hired at schools that receive Title I funding (for students living in poverty). NCLB also sets requirements for non-credentialed teaching assistants (or instructional aides). In addition, it supports the right of parents to transfer their children to a different school if their school is low performing or unsafe.

Object Of Expenditure

As used in expenditures classification, applies to the article purchased or the service obtained, rather than to the purpose for which the article or service was purchased or obtained (e.g., personnel services, contractual services, materials and supplies).

- **Certificated Salaries 1000**
Expenditures for full-time, part-time, and prorated portions of salaries for all certificated personnel.
- **Classified Salaries 2000**
Expenditures for full-time, part-time, and prorated portions of salaries for all classified personnel.
- **Employee Benefits 3000**
Expenditures for employer's contributions to retirement plans and for health and welfare benefits for employees and/or their dependents, retired employees, and board members.
- **Books and Supplies 4000**
Books, supplies, equipment under \$5,000 and equipment replacement for instruction and other district operations, such as administration and maintenance.
- **Contracted Services and Other Operating Expense 5000**
Expenditures for consultants, lecturers, Western Association of Schools and Colleges (WASC) reports and testing services, services provided by the County Superintendent of Schools or other school districts, travel, conferences, membership, dues, insurance, utilities, rentals, leases, legal assistance, elections, audits, other contracted services, and inter-program charges and credits for direct services.
- **Capital Outlay 6000**
Expenditures over \$5,000 for sites and improvement of buildings, books and media for new school libraries, or major expansion of school libraries, and new equipment.
- **Other Outgo 7000**
Expenditures for the retirement of debt, outgoing tuition, interfund transfers, other transfers, and appropriations for contingencies.





Organized Associated Student Body (ASB)

ASB organizations are either organized or unorganized. Student organizations in middle schools and high schools are called organized student body associations because the students organize their activities around student clubs and a student council.

Parcel Tax

In California, an assessment on each parcel of property that must be approved by two-thirds of the voters in a school district. When proposing parcel tax elections, districts indicate how the money will be used, generally for educational programs. Money from parcel taxes is usually not used for school construction or renovation, which is normally financed through a general obligation bond measure. (See Government Code Section 50079, et al.)

Parent/Teacher Home Visit Project

A nonprofit organization that increases family engagement and builds community trust by training teachers and other school district staff to visit student homes.

Per Capita Personal Income

Total personal income from all sources prior to taxation, divided by the number of residents, for example, in a state.

Permissive Override Tax

Prior to Proposition 13, any of a number of local tax levies that were for specific purposes and that required only the permission of a school board to be levied. Districts, due to the limitations in property taxes from Proposition 13, are no longer allowed to levy such taxes.

PL81-874

A federal program of Impact Aid which provides funds to districts which educate children whose families live or work on federal property, such as military bases. Also called PL874.

PL94-142

Federal law that mandates a free and appropriate education for all children with disabilities.

Prior Year's Taxes

Tax revenues that had been delinquent in a prior year and that are received in the current fiscal year. These revenues offset state aid in the current year in the revenue limit formula.

Priority School

Selected district schools that rank in the lowest 20 percent of academic performance in California and are targeted for improvement through a focus on staffing, resources and teaching and learning.

Principal Apportionment

Funding from the State School Fund for school districts, county offices of education, and charter schools. The Advance Principal Apportionment is certified by the Superintendent of Public Instruction in July of each school year, followed by the First Principal Apportionment (P1) in February, and the Second Principal Apportionment (P2) in June.

Professional Development

Training sessions for school district employees that develop skills and knowledge to improve services to students and for career advancement.

Program

Group activities, operations, or organizational units directed to attaining specific purposes or objectives.

Proposition 13 (1978)

An initiative amendment passed in June 1978 adding Article XIII A to the California Constitution. Tax rates on secured property are restricted to no more than 1% of full cash value. Proposition 13 also defined assessed value and required a two-thirds vote to change existing or levy other new taxes.

Proposition 98 (1988)

An initiative adopted in 1988 and then amended by Proposition 111 in 1990. Proposition 98 contains three major provisions: (1) a minimum level of state funding for K-14 school agencies (unless suspended by the Legislature); (2) a formula for allocating any state tax revenues in excess of the state's Gann Limit; and, (3) the requirement that a School Accountability Report Card be prepared for every school. The minimum funding base is set equal to the greater of the amount of state aid determined by two formulas, commonly called Test 1 and Test 2, unless an alternative formula, known as Test 3, applies.

- **Test 1** originally provided that K-14 school agencies shall receive at least 40.319% of state general fund tax revenues in each year, the same percentage as was appropriated for K-12 school agencies in 1986-87. Due to the shift in property taxes from local governments to K-14 agencies, the Test 1 percentage has been reset at 34.0%.
- **Test 2** provides that K-14 school agencies shall receive at least the same amount of combined state aid and local tax dollars as was received in the prior year, adjusted for the statewide growth in K-12 ADA and an inflation factor equal to the annual percentage change in per capita personal income.
- **Test 3** only applies in years in which the annual percentage change in per capita state general fund tax revenues plus ½% is lower than the Test 2 inflation factor (i.e. change in per capita personal income), and in this case the Test 2 inflation factor is reduced to the annual percentage change in per capita state general fund tax revenues plus one half percent.

One of the provisions of Proposition 98/111 is that if the minimum funding level is reduced due either to Test 3 or the suspension of the minimum funding level by the Legislature and Governor, a maintenance factor is calculated as the amount of the funding reduction. In subsequent years when state taxes grow quickly, this maintenance factor is added to the minimum funding level until the funding base is fully restored.

Proprietary Fund

A fund that meets the criteria established by Governmental Accounting Standards Board (GASB) as a business-type activity. Generally, charges for services would comprise a significant element of the total revenues in a proprietary fund. The Food Service Fund is the most common school district proprietary fund.

Public Employees' Retirement System (PERS)

State law requires that classified employees, their employer, and the state contribute to this retirement fund. The fund is the largest public pension fund in the world with over \$150 billion in investments.





Purchase Order

An encumbrance document that shows the vendor from whom a purchase is being made, what is being purchased by the school district, the amount of the purchase, the fund from which the purchase is being made (general, building or bond fund), an accounting code to which the purchase shall be applied, and the signature or initial approval of the designated central office personnel responsible for approving the ordering of goods.

Quality Education Investment Act (QEIA)

Increase student achievement at the lowest performing schools, those with a valid 2005 Academic Performance Index (API) that are ranked in deciles 1 to 2. Two types of grants were provided. Regular program grants required that all schools reduce class sizes to meet specific targets among several other requirements. Alternative programs, restricted to high schools, were exempted from class size reduction and permitted to submit plans for how to implement an alternative improvement strategy that will be monitored throughout the life of the grant by how well the site implements its Single Plan for Student Achievement

Regional Occupational Center Or Program (ROC/P)

A vocational educational program for high school students and adults. An ROC/P may be operated by a single district, by a consortium of districts under a joint powers agreement (JPA), or by a county office of education for the districts within that county.

Reserves

Funds set aside in a school district budget to provide for estimated future expenditures or to offset future losses, for working capital, or for other purposes.

Resource Specialist Program (RSP)

The resource specialist program provides services to eligible special education students enrolled in general education who are assigned to a general education classroom and teacher. RSP provides direct services in the areas of language arts or math by pulling the eligible student out of the general education setting and offering instruction on a more individualized basis.

Revenue

All funds received from external sources, net of refunds, and correcting transactions. Non-cash transactions such as receipt of services, commodities, or other receipts in kind are excluded, as are funds received from the issuance of debt, liquidation of investments, and non-routine sale of property.

- **Federal Revenues** include direct grants-in-aid to schools or agencies, funds distributed through a state or intermediate agency, and revenues in lieu of taxes to compensate a school district for nontaxable federal institutions within a district's boundary.
- **Local Revenues** include revenues from such sources as local property and non-property taxes, investments, and revenues from student activities, textbook sales, transportation and tuition fees, and food services.
- **Revenues Per Pupil** is the total amount of revenues from all sources received by a school district or state, divided by the number of students as determined, most often, by average daily attendance (ADA). Unlike expenditures per pupil, this formula is based on income per pupil rather than on what is spent per pupil. (See Expenditures Per Pupil).

Revenue (continued)

- **Revenue Limit** is the amount of revenue that a district can collect annually for general purposes from local property taxes and state aid. The revenue limit is composed of a base revenue limit, a basic education amount per unit of ADA computed by formula each year from the previous year's base revenue limit, and any of the number of revenue limit adjustments that are computed anew each year.
- **State Revenues** include both direct funds from state governments and revenues in lieu of taxation. Revenues in lieu of taxes are paid to compensate a school district for nontaxable state institutions or facilities within the district's boundary.

Revolving Cash Fund

A stated amount of money used primarily for emergency or small or sundry disbursements and reimbursed periodically through properly documented expenditures, which are summarized and charged to proper accounting classifications.

Rigorous

Rigorous courses are those which are challenging to every student, prepare students for college and career by engaging them in their own learning, and stretch every student to the limits of his/her potential.

Salaries

Compensation for certificated and classified employees.

School Attendance Review Board (SARB)

A committee of law enforcement agencies, social service professionals, teachers, mental health specialists, and other community agency representatives that meets weekly to resolve student attendance and/or behavior problems. The committee works cooperatively with schools and parents to explore alternative ways of resolving these problems.

School Boards

By law, every school district in California is governed by a locally elected school board. The number of board members, generally between three and seven, relates to the size of the district. Together with the school district administration, the governing board makes many fiscal, personnel, instructional, and student-related policy decisions. The board also provides direction for the district and hires and fires the district superintendent.

School Districts

There are three types of school districts: elementary, high school, and unified. An elementary district is generally kindergarten through eighth grade (K–8); high school is generally grades 9 through 12; unified is kindergarten through 12th grade (K–12).

School Improvement Plan

The written school improvement plan for each school includes strategies for improving student performance in targeted goal areas, information on how and when improvements will be implemented and information on the use of federal and state funds.

School Improvement Programs (SIP) or improvement of the school's program

Money granted by the state to selected schools to carry out a plan developed by the school site council for improvement of the school's program.





School Library and Improvement Block Grant (SLIBG)

Currently a Tier III program whose funds are unrestricted. Previously, it was a state resource targeting site level improvements and library material needs.

School Quality Review

School Quality Review is a process designed to develop a clear picture of the quality of education provided in a school. It assists the school in establishing a clear view of its strengths, areas for development, challenges and successes.

School Site Council

The School Site Council is a school community’s representative body, made up of school staff, parents/community members, and at the secondary level, students.

Schoolwide Programs

Schoolwide programs use Title I money to support comprehensive school improvement efforts and help all students, particularly low-achieving and at-risk students, meet state standards at particular schools. To qualify as a Title I schoolwide program, at least 40% of a school’s students must be considered low income. Schoolwide programs can provide Title I services and support to all of the children in the school, regardless of income level. Schoolwide programs have more flexibility than targeted assistance programs when using Title I funds. For example, schools operating schoolwide programs can combine Title I funds with other federal, state, and local funding to finance a more comprehensive approach.

Scope Of Bargaining

The range of subjects that are negotiated between school districts and employee organizations during the collective bargaining process. Scope includes matters relating to wages, hours, and working conditions as defined in the government code. The Public Employment Relations Board and the courts are responsible for interpreting disputes about scope.

Second Principal Apportionment

The second statutory date (June 25) by which the Department of Education must recalculate district and county funding entitlements.

Secured Property

Property which cannot be moved, such as homes and factories.

Secured Roll

That portion of the assessed value that is stationary, i.e., land and buildings. See also Unsecured Roll. The secured roll averages about 90% of the taxable property in a district.

Senate Bill 90/1972 (SB 90)

Reference to Senate Bill 90/1972 that established the revenue limit system for funding school districts. The first revenue limit amount was determined by dividing the district’s 1972-73 state and local income by that year’s ADA. This per ADA amount is the historical base for all subsequent revenue limit calculations.

Senate Bill 813/1983 (SB 813)

Reference to Senate Bill 813/1983 that provided a series of education reforms in funding calculations. Longer day, longer year, mentor teachers, and beginning teacher salary adjustments are a few of the programs implemented by this 1983 legislation.

Serrano Decision

In 1974, the California Superior Court in Los Angeles ruled in the Serrano vs. Priest case that school district revenues in California depended so heavily on local property taxes that students in districts with a low assessed value per pupil were denied an equal educational opportunity in violation of the Equal Protection clause of the California Constitution. This ruling established certain standards under which the school finance system would be constitutional and was upheld by the California Supreme Court in 1976. In 1983, the California Superior Court in Los Angeles County ruled that the system of school finance in effect at that time was in compliance with the earlier Court order. The case was subsequently appealed to the appellate Court that upheld the Superior Court ruling. In March 1989, all of the plaintiffs in the case agreed to dismiss their appeals, thereby settling Serrano as a legal issue.

Site Based Budgeting

A method of allocating resources to individual schools within a school district. Most frequently, funds are allocated based on the number of pupils at each school site and a site governance council determines how the budgeted amount will be allocated within the site.

Slippage

Savings in state school fund appropriations because of revenues raised when the assessed value of property grows at a faster rate than a district cost-of-living and enrollment growth. When property tax income is greater than the district's allowed growth, state aid to the district declines, creating a slippage in state expense.

Special Day Class (SDC)

Special Day Class is a self-contained classroom for special education students needing a more restrictive placement than RSP. SDC may provide a safer, more structured environment for learning with a small adult/student ratio.

Special Education

Programs to identify and meet the educational needs of exceptional children, such as those with learning or physical handicaps. Federal law PL 94-142 requires that all children with disabilities between 3 and 22 years be provided free and appropriate education.

Special Education Local Plan Area (SELPA)

All school districts and county school offices are mandated to form consortiums in geographical regions of sufficient size and scope to provide for all special education service needs of children residing within the region boundaries. Each region, Special Education Local Plan Area (SELPA), developed a local plan describing how it would provide special education services. SELPAs facilitate high quality educational programs and services for special needs students and training for parents and educators. The SELPA collaborates with county agencies and school districts to develop and maintain healthy and enriching environments in which special needs students and families can live and succeed.





Standardized Account Code Structure (SACS)

Standardized Account Code Structure is a method for school agencies to account for their revenue and expenditures. Districts use a 22-digit accounting record that allows agencies to track costs by resource, program goal and function as well as by object code. All districts were required to account by this method by 2002.

State Allocation Board (SAB)

A regulatory agency which controls most state-aided capital outlay and deferred maintenance projects and distributes funds for them.

State School Fund

Each year the state appropriates money to this fund, which is then used to make state aid payments to school districts. Section A of the State School Fund is for K-12 education and Section B is for community college education.

State Teachers' Retirement System (STRS)

State law requires certificated employees, school districts, and the state to contribute to this retirement fund.

Standardized Testing And Reporting (STAR)

New state testing program to better measure academic achievement. First given to grades 1-8 in April and May 1998.

Students With Disabilities (SWD)

The official classification, specified by the federal government, to describe students requiring special education services based on their disability.

Sunset

The termination of a categorical program. A schedule is in current law for the Legislature to consider the sunset of most state categorical programs. If a program sunsets under this schedule, the funding for the program shall continue but the specific regulations shall no longer apply.

Supplemental Grant

Additional revenue provided by the State for districts that have below-average revenues per ADA from a combination of their revenue limit and funding for specified categorical programs.

Supplemental Roll

An additional property tax assessment required by local county auditors due to a revision in the AB 8 tax collections. The roll is for those properties for which occupancy permits are issued after the property tax lien date, built prior to the end of the fiscal year; i.e. between March 1 and June 30.

Supplemental Services

Students from low-income families who are attending schools that have been identified as failing for two years are eligible to receive outside tutoring for academic assistance under the No Child Left Behind Act (NCLB). Parents can choose the appropriate services for their child from a list of approved providers. The school district provides the services.

Supplies

Supplies for instruction include class textbooks and other instructional materials.

Targeted Assistance Schools (TAS)

Title I schools that are ineligible for a schoolwide program or choose not to operate a schoolwide program are considered targeted assistance schools. These schools use Title I funds to provide services to eligible students who are identified as having the greatest need for special assistance in meeting the state content standards.

Tax And Revenue Anticipation Notes (TRAN)

Debt that is issued by school districts for cash flow purposes. This debt must be repaid within 13 months of issuance. Most school districts must borrow because expenditures of the fiscal year begin on July 1st, but state aid and property tax revenues are not received until later in the fiscal year.

Tax Rate

The amount of tax stated in terms of a unit of the tax base.

Tax Rate Limit

The maximum rate of tax that a governmental unit may levy.

Test 1/Test 2/Test 3

See Proposition 98.

Title 1

A federal program that provides funds for educationally disadvantaged students, including the children of migrant workers. Funding is based on the number of low-income children in a school, generally those eligible for the free/reduced price meals program. Title I is intended to supplement, not replace, state and district funds. The funds are distributed to school districts, which make allocations to eligible schools, according to criteria in the federal law. Schools receiving Title I monies are supposed to involve parents in deciding how those funds are spent and in reviewing progress. See No Child Left Behind Act (NCLB), Schoolwide Programs, and Targeted Assistance Schools (TAS).

Tuition

Fees paid to school districts outside the state, and to private schools both inside the state and outside the state, for educating elementary and secondary school students (grades pre-kindergarten through grade 12). Special needs children who cannot receive the education and services they require within their school district are sometimes sent to private schools.

Unduplicated Count

The number of pupils receiving special education or special services under the Master Plan for Special Education on the census dates of December 1 and April 1. Even though a pupil may receive multiple services, each pupil is counted only once in the unduplicated count.

Unencumbered Balance

That portion of an appropriation or allotment not yet expended or obligated.





Unorganized Associated Student Body (ASB)

ASB organizations are either organized or unorganized. Student organizations in elementary schools are unorganized student body associations because the students do not form clubs or a student council. While students in the elementary schools do raise funds, they have only limited involvement in decisions about the fund-raising events and how the funds are to be spent. The governing board delegates authority to oversee the raising and spending of funds to the school principal or designee.

Unsecured Property

Moveable property such as boats and airplanes. This property is taxed at the previous year's secured property tax rate.

Unsecured Roll

That portion of assessed property that is movable, such as boats and airplanes.

Waivers

Permission from the State Board of Education or in some cases, from the Superintendent of Public Instruction to set aside the requirements of an Education Code provision upon the request of a school district. (See Education Code Section 33050.)

Warrant

A written order approved by the Board drawn to pay a specified amount to a designated payee.

Well-rounded Education

A well-rounded education is a varied, well-balanced and fully developed education that exposes students to visual and performing arts and other enrichment activities in addition to core disciplines.

