



April 14, 2023

TO: Business Administrators
Los Angeles County School Districts
Charter Schools
Joint Powers Authorities (JPAs) and
Regional Occupational Centers/Programs (ROC/Ps)

FROM: Octavio Castelo, Director
Business Advisory Services

SUBJECT: 2023-24 Local Control and Accountability Plan (LCAP) and Budget
Public Hearings - Publication Requirements

In preparation for the 2023-24 LCAP and Budget, this is a reminder that per Education Code (EC) Sections 42127 and 52062, school districts and charter schools (EC 47606.5 and 47604.33) must:

- Hold two separate Governing Board public meetings:
 - The first meeting is the Local Control and Accountability Plan (LCAP) and Budget hearing.
 - The second meeting is the LCAP and Budget adoption.
 - The LCAP item must precede the Budget item at each meeting. These meetings must also be held at least one day apart.
- Please use Page 1 of Form No. 504-072 (attached) to identify the newspaper for publication. The newspaper must be of general circulation, and approved for legal publication. The information requested on Page 2 will appear in the Notice of Public Hearing in the newspaper.

The public hearings require 72 hours public notice and both the 2023-24 LCAP and the 2023-24 Budget must be adopted on or before July 1, 2023.

PREPARATION OF BUDGET FOR PUBLIC HEARINGS

EC 52062(b)(2) requires that the school district governing board **adopt** its LCAP and budget at the same public meeting, and that this meeting must be held **after, but not on the same day as**, the public meeting at which the governing board holds the required **public hearings** on the LCAP and the proposed budget.

Per education code 52062(a)(3), districts are required to notify members of the public of the opportunity to submit written comments regarding the specific actions and expenditures proposed to be included in the local control and accountability plan or annual update to the local control and accountability plan, using the most efficient method of notification possible.

Additionally, EC 42127(a)(2)(B) requires that districts provide the following for public review and discussion at its Budget Public Hearing:

1. The minimum recommended reserve for economic uncertainties (REU) for the budget year.
2. The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended REU for the budget year.
3. A statement of reasons that substantiates the need for an assigned and unassigned ending fund balance that is in excess of the minimum recommended REU for the budget year.

In addition to the above requirements, EC 42127.01 prohibits school districts from having assigned and unassigned fund balances in excess of 10 percent in the fiscal year immediately after a fiscal year in which the amount of moneys in the Public School System Stabilization Account (PSSSA), also known as the Proposition 98 Rainy Day Fund, exceeds 3 percent of the combined total of General Fund revenues appropriated for school districts statewide. This provision is commonly known as the reserve cap.

The portions of fund balance subject to the cap are the assigned and unassigned reserves in the General Fund (Fund 01) and the special reserve fund for other than Capital Outlay (Fund 17). **Any funds that are in the committed portion of the fund balance, meaning that the governing board took action to set aside the funds, are not included in the reserve cap calculation.** GASB 54 defines the unrestricted components of fund balance as follows:

- Committed Fund Balance (Objects 9750-9769) – Amounts subject to internal constraints self-imposed by formal action of the governing board, which may be redirected in the same manner in which the original constraints were imposed. This should be an annual board resolution which the board would take action on to support the budget adoption.
- Assigned Fund Balance (Objects 9770-9788) – Amounts intended to be used for specific purposes but for which the constraints do not meet the criteria to be reported as restricted or committed.
- Unassigned Fund Balance (Objects 9789-9790) – Amounts not classified as restricted, committed, or assigned, which includes the reserve for economic uncertainties and any unappropriated amounts.

Districts are strongly encouraged to begin work now to designate commitments during the budget development process and adjust funds at fiscal year-end. **LACOE will not be accepting or entertaining waiver requests.**

School districts identified as Basic Aid or that have fewer than 2,501 average daily attendance (ADA) are exempt from the reserve cap. **The cap is operative for the 2023-24 fiscal year.** Districts will certify that they have complied with this requirement on the Budget Certification (Form CB) in the Standardized Account Code Structure (SACS) 2023 web-based application (SACS Web System) as part of their Adopted Budget submission.

The 2023-24 Budget must be prepared for Board adoption in the SACS Web System. For information about updates and other changes made to the new SACS Web System, please refer to the California Department of Education (CDE) website at:

www.cde.ca.gov/fg/sf/fr/

The Budget must be available for public inspection at the public hearings. Districts that cannot schedule two meetings in June to accommodate the public hearings and adoptions, must instead hold the public hearings in May.

The May Revision of the State's Proposed Budget, released by mid-May, should be the primary source document to be used in forming critical budget assumptions for the development of districts' Budgets.

The LCAP should be aligned to the May Revision numbers. The identification of critical components of the LCAP, including the minimum Proportionality Percentage and the increase in funds generated by the unduplicated pupil count, should also be based on the May Revision.

Therefore, we strongly recommend districts use budget assumptions based on the May Revision to prepare their LCAPs and Budgets. We discourage districts against preparing their LCAPs and Budgets and holding their public hearings **prior** to the release of the May Revision.

In addition, the Los Angeles County Office of Education (County Office) must publish the districts' Budget notice of public hearing. The County Office is not required to publish the districts' LCAP notice of public hearing **but has included language in Form No. 504-072 – Publishing Information Request/Notice of Public Hearing (Printer's Copy)**. This form must be submitted to the County Office by **May 15, 2023**.

EVENT	TIMELINE
Release of May Revision	Mid-May
Submittal of Form Nos. 504-072 and 504-072A due to County Office	No later than May 15
Final preparation of 2023-24 LCAP and 2023-24 Budget per May Revision	May 15 through publication of notices

EVENT	TIMELINE
Publication of Notice of LCAP Public Hearing and Budget Public Hearing (County Office must publish Notice of Budget Hearing)	72 hours prior to Public Hearing
LCAP and Budget Public Hearing (must be at same meeting, with LCAP Hearing preceding Budget Hearing)	No less than 72 hours after publication of notice and 1 day prior to Adoption
Any revision to LCAP and Budget in consideration of feedback from Public Hearings	Public Hearings through Adoption
LCAP Adoption and Budget Adoption (must be at same meeting, with LCAP adoption preceding Budget Adoption)	No less than 1 day following public hearing and no later than July 1
Submit Adopted LCAP and Budget to LACOE	No later than July 1

PUBLICATION OF NOTICE OF PUBLIC HEARING

In compliance with EC Section 42103, the County Office requests information listed on the attached forms in order to publish the required Notice of Public Hearing on each district's LCAP and Budget, as proposed by each district's Governing Board for fiscal year 2023-24. **Charter Schools must coordinate this requirement with their authorizing agency.**

Please complete *Form No. 504-072 Publishing Information Request (Page 1)* and *Notice of Public Hearing (Page 2)*. Districts are requested to e-mail the completed forms no later than **May 15, 2023** to Madrigal_Lily@laoe.edu.

Please use Page 1 of Form No. 504-072 to identify the newspaper for publication. The newspaper must be of general circulation, and approved for legal publication. The information requested on Page 2 will appear in the Notice of Public Hearing in the newspaper.

It is a legal responsibility of the County Office to ensure that the newspaper selected is of general circulation, approved for legal publication, and that the publication occurs within the timelines specified by statute. Our office has an arrangement with the Daily Journal Corporation that ensures these legal obligations are met, and directs the publishing company to bill the local educational agency, and to pay the newspaper for the cost of publication. **Do not make payments directly to the newspaper selected. Wait until the district is billed by the Daily Journal Corporation, and make payments directly to them.** Purchase orders should be made out to: Daily Journal Corporation. To ensure proper credit, please include your account number on your check.

JOINT POWERS AUTHORITIES (JPAs), AND REGIONAL OCCUPATIONAL CENTERS/PROGRAMS (ROC/Ps)

JPAs and ROC/Ps must comply with EC 42103 and 42127, but are not subject to EC 52062 (publication of the LCAP hearing). Therefore, the only requirement is the publication of the Budget hearing. Please complete Page 1 of *Form No. 504-072-A* to identify the newspaper for publication, and Page 2 to enter the information that will appear in the Notice of Public Hearing in the newspaper.

This bulletin is posted on the LACOE website at:

<https://www.lacoe.edu/Bulletins.aspx>

Use the “Search” function to locate a specific bulletin by number or keyword. Please contact Lily Madrigal at (562) 922-6667 if you have questions about the forms.

Questions regarding this bulletin may be directed to Jeff Young by e-mail at Young_Jeff@lacoe.edu, or at (562) 922-6419.

Approved:
Karen Kimmel, Chief Financial Officer
Business Services

OC/JY:lm
Attachments



***PUBLISHING INFORMATION REQUEST FOR
K-12 SCHOOL DISTRICTS
FISCAL YEAR 2023-2024***

Name of District

The name and address of the newspaper selected for publication of the 2023-2024 Notice of Public Hearings on the Local Control and Accountability Plan (if applicable) and the Budget is:

Name of Newspaper

Address of Newspaper

Publication Date (at least ten (10) days prior to the public hearing date)

Information is provided by:

Name

Title

Telephone Number

E-Mail Address

Date

Purchase Order Number:

All checks should be made payable to: Daily Journal Corporation.
To ensure proper credit, please include your account number on your check.

Daily Journal Corporation
California Newspaper Service Bureau
Attention: Accounts Receivable
PO Box 54026
Los Angeles, CA 90054-0026

Phone: 800-788-7840 Ext. 5534 Fax: 800-474-9444

For account support, please email Anthony_Gutierrez@dailyjournal.com, or call 213-229-5584

Please complete pages 1 and 2, and return by May 15, 2023.

NOTICE OF PUBLIC HEARING

ON THE LOCAL CONTROL AND ACCOUNTABILITY (LCAP) AND THE BUDGET OF
_____ OF LOS ANGELES COUNTY

The Governing Board of _____ will hold public
hearings on the LCAP and the BUDGET OF THE DISTRICT FOR THE YEAR ENDING JUNE 30, 2024,
PRIOR TO Final Adoption as required by Education Code 42103 and 52062.

The public hearings will be held at _____
on _____, at _____. The public is cordially invited to
attend this meeting.

The proposed LCAP and Budget will be on file and available for public inspection should members of the public
wish to review the LCAP and Budget prior to the public hearings, at the following location(s):

from: _____ to: _____
Date(s) Date(s)

during the hours of: _____ to: _____

Debra Duardo, M.S.W., Ed.D.
Los Angeles County Superintendent of Schools

(DO NOT PUBLISH COPY BELOW THIS LINE)

**Note: A district board must wait at least three days (72 hours) after the LCAP and Budget is available
for public inspection to hold its public hearings.**

Completed form must be returned by May 15, 2023.

- Complete the form using Adobe Acrobat
- Save the completed form to your computer. You may then email the PDF as an attachment to
Madrigal_Lily@lacoed.edu



***PUBLISHING INFORMATION REQUEST FOR
ROC/PS AND JPAs
FISCAL YEAR 2023-2024***

Name of ROC/P or JPA

The name and address of the newspaper selected for publication of the 2023-2024 Notice of Public Hearing on the Budget is:

Name of Newspaper

Address of Newspaper

Publication Date (at least ten (10) days prior to the public hearing date)

Information is provided by:

Name

Title

Telephone Number

E-Mail Address

Date

Purchase Order Number:

All checks should be made payable to: Daily Journal Corporation.
To ensure proper credit, please include your account number on your check.

Daily Journal Corporation
California Newspaper Service Bureau
Attention: Accounts Receivable
PO Box 54026
Los Angeles, CA 90054-0026

Phone: 800-788-7840 Ext. 5534 Fax: 800-474-9444

For account support, please email Anthony_Gutierrez@dailyjournal.com, or call 213-229-5584

Please complete pages 1 and 2, and return by May 15, 2023.

NOTICE OF PUBLIC HEARING

ON THE BUDGET OF _____ OF LOS ANGELES COUNTY

The Governing Board of _____ will hold a public hearing on the BUDGET OF THE AGENCY FOR THE YEAR ENDING JUNE 30, 2024, PRIOR TO Final Adoption as required by Education Code 42103.

The public hearing will be held at _____ on _____, at _____. The public is cordially invited to attend this meeting.

The proposed Budget will be on file and available for public inspection should members of the public wish to review the Budget prior to the public hearing, at the following location(s):

from: _____ to: _____
Date(s) Date(s)

during the hours of: _____ to: _____

Debra Duardo, M.S.W., Ed.D.
Los Angeles County Superintendent of Schools

(DO NOT PUBLISH COPY BELOW THIS LINE)

Note: A board must wait at least three days (72 hours) after the Budget is available for public inspection to hold its public hearing.

Completed form must be returned by May 15, 2023.

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