July 17, 2017

TO: Charter School Administrators
    Directors of Charter Schools
    Business and Personnel Administrators
    Selected Los Angeles County School Districts and Charter Schools

FROM: Philip N. Thi, Financial Operations Consultant
      Business Charter Schools Unit (BCSU)
      Division of School Financial Services

SUBJECT: Charter Schools 2017-18 Expense Reimbursement to the
          Los Angeles County Office of Education

The expense reimbursement schedule for the 2017-18 fiscal year has been established. There is no change in the fee structure from the 2016-17 fiscal year. The fee structure, Exhibit 1, is provided as an attachment to this bulletin.

Type I and Type I-PS schools will be assessed an annual flat fee. Types II, III, and IV (retirement reporting charters) will be assessed an annual base charge plus a retirement reporting line fee, based on the number of lines reported to CalSTRS/CalPERS in a given quarter. Your average monthly reporting lines may be obtained from the LACOE Business Charters School Unit or your retirement data processor. Inquiries regarding your school’s estimated annual costs can be directed to Sylvia Carrillo at (562) 401-5574 or via email at carrillo_sylvia@lacoe.edu.

LACOE will issue the 2017-18 contracts and schedules via email to charter schools in Los Angeles County that will be operational during fiscal year 2017-18. New schools starting on or after August 1, 2017, will be sent a contract and schedule at a later date. Fees for new charters are effective with the first day of operation of the charter. LACOE reserves the right to assess additional fees to any charter as outlined in the Charter Schools Contract.

Electronic Funds Transfer (EFT)

Informational Bulletin No. 340 dated May 21, 2010, announced that Electronic Funds Transfer (EFT) is being offered as an optional payment method for apportionment disbursements to Type I and II charter schools. Schools that select this optional service are subject to the above-baseline charge of $10.00 per fiscal year.
All payments will be made to LACOE through quarterly journal vouchers (JV), i.e., an electronic withdrawal from each charter’s revenue account. For fiscal year 2017-18, the JV is estimated to be withdrawn from revenues as follows:

<table>
<thead>
<tr>
<th>First Quarter</th>
<th>October 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second Quarter</td>
<td>January 2018</td>
</tr>
<tr>
<td>Third Quarter</td>
<td>April 2018</td>
</tr>
<tr>
<td>Fourth Quarter</td>
<td>June 2018</td>
</tr>
</tbody>
</table>

If you are considering changing your current service type or have any questions regarding this bulletin or the attachment, please feel free to contact Philip Thi at (562) 922-8693 or thi_philip@lacoe.edu.

Approved by:
Patricia Smith, Executive Director
Business and Finance

PT:scc
Attachment

SFS-A4-2017-2018
Division of School Financial Services

2017-18 Charter Schools Expense Reimbursement Model

<table>
<thead>
<tr>
<th>Type</th>
<th>Description</th>
<th>Fee Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type I</td>
<td>Apportionment Processing</td>
<td>$2,000 annually</td>
</tr>
<tr>
<td>Type I-PS</td>
<td>PeopleSoft System only</td>
<td>$3,000 annually</td>
</tr>
<tr>
<td>Type II</td>
<td>Retirement Reporting only</td>
<td>$5,000 annual base charge + retirement reporting line fees as follows: 1-149 lines - $6/line 150-299 lines - $5/line 300+ lines - $4/line</td>
</tr>
<tr>
<td>Type III</td>
<td>Retirement Reporting and PeopleSoft</td>
<td>$4,000 annual base charge + retirement reporting line fees as follows: 1-149 lines - $3/line 150-299 lines - $2/line 300+ lines - $1/line</td>
</tr>
<tr>
<td>Type IV</td>
<td>Full Service (HRS &amp; PeopleSoft)</td>
<td>$4,000 annual base charge + retirement reporting line fees as follows: 1-149 lines - $1/line 150-299 lines - $0.75/line 300+ lines - $0.50/line</td>
</tr>
</tbody>
</table>

Type I and Type I-PS schools will be assessed an annual flat fee. Types II, III, and IV (retirement reporting charters) will be assessed an annual base charge plus a retirement reporting line fee, based on the number of lines reported to CalSTRS/CalPERS in a given quarter. Your average monthly reporting lines may be obtained from the LACOE Business Charters School Unit or your retirement data processor. Inquiries regarding your school’s estimated annual costs can be directed to Sylvia Carrillo at (562) 401-5574 or via email at carrillo_sylvia@lacoe.edu.

The 2017-18 Expense Reimbursement Model is used to cover the actual costs of charter school processing in LACOE’s Division of School Financial Services. Fees for new charters are effective with the first day of operation of the charter. LACOE reserves the right to assess additional fees to any charter as outlined in the Charter Schools Contract.

Type III and IV charters will be required to pay HRS per-warrant and PeopleSoft contract charges, in addition to fees listed in the Charter Schools Expense Reimbursement Model, and may be subject to above-baseline charges as delineated in the Informational Bulletin for 2017-18 HRS & PeopleSoft Above-Baseline Charges—(DAC), which can be found on LACOE’s website: [https://www.lacoe.edu/bulletins](https://www.lacoe.edu/bulletins).

A detailed description of the types of services may be obtained from Informational Bulletin No. 270, Charter School Services and Support.

**NOTE:** Electronic Funds Transfer (EFT) is being offered as an optional payment method for distribution of all apportionments to Type I and II charter schools. The above-baseline charge to participate in this optional service is $10.00 per fiscal year.