

## GLOSSARY AND ABBREVIATIONS

## GLOSSARY

**Abatement** – A complete or partial cancellation of an expenditure or revenue item.

**Academic Performance Index (API)** – The API measures student achievement on certain standardized tests. Several Governor's Initiative programs use schools' API scores and their growth over time on the Index to determine funding.

**Accounts Payable** – Amounts due and owed to private persons, business firms, governmental units, or others for goods received and/or services rendered. It includes amounts billed but not yet paid.

**Accounts Receivable** - Amounts due and owed from private persons, business firms, governmental units, or others for goods received and/or services rendered. It includes amounts billed but not received.

**Accrual Basis of Accounting** – An accounting method in which revenues are recorded when earned, and expenditures when a liability is incurred, regardless of when the receipt or payment of cash takes place. School districts use the accrual basis of accounting for proprietary funds such as the Cafeteria and Self-Insurance funds, and fiduciary funds such as the Annuity Reserve Fund. (See "Cash Basis of Accounting" and "Modified Accrual Basis of Accounting").

**Administered Budget** – An administered budget refers to resources managed by a division but spent elsewhere. For example, Facilities Services Division manages the utilities budget for schools and offices, but the expenditures are distributed to schools and offices.

**Administrative Service Charge** – A credit (negative) amount budgeted to reflect indirect administrative services costs charged to certain programs. This is necessary to eliminate duplication of the cost in the total District budget.

**Ad Valorem Tax** – A tax based on a percentage of the value of goods or services.

**Arbitration** – A form of alternative dispute resolution in which a third party reviews the evidence in the case and imposes a decision that is legally binding for both sides and enforceable.

**Appropriation** – An authorization granted by the governing board to make expenditures and to incur obligations for special purposes. An appropriation is usually limited in purpose, amount, and the time period during which it may be expended.

**Audit** – An examination of documents, records, and accounts for the purpose of (1) determining the propriety of transactions; (2) ascertaining whether transactions are recorded properly; and (3) determining whether statements drawn from accounts reflect an accurate picture of financial operations and financial status for a given period of time.

**Authorized (budgeted) Amount** – The maximum budget authority granted by the governing board, as opposed to the "estimated amount". "Authorized" and "estimated" amounts will differ when, for example, actual grant revenues or expenditures are projected to be less than the authorized amount.

**Authorized Positions** – Positions, both filled and vacant, for which authority is provided in the budget.

**Average Daily Attendance** – A measure of pupil attendance used as the basis for providing revenue to school districts and as a measure of unit costs. Only in-seat attendance is counted in computing ADA.

**Base Grant Funding** – In LCFF, it is the result of multiplying the Base Grant Per ADA of each grade span by the funded ADAs of each respective grade span. All students generate Base funding.

**Bond** – A certificate containing a written promise to pay a specified amount of money, called the face value, at a fixed time in the future, called the date of maturity, and specifying interest at a fixed rate, usually payable periodically.

**Budget** – A plan of financial operation consisting of an estimate of proposed revenue and expenditures for a given period and purpose. The term usually indicates a financial plan for a single fiscal year.

**Budget Adjustment (or “Budget Transfer”)** – Is an adjustment that may increase or decrease revenues or expenditures, or a change in amounts between objects of expenditures. The adjustment can be for the current fiscal year or for multi-years.

**California State Lottery** – Proposition 37, passed by the voters in November 1984, established the California Lottery. The lottery distributes funds to school districts for instructional purposes. Lottery funds cannot be used for purchase or construction of facilities, for land, or research. Because the initiative does not define “instructional,” school districts have wide latitude in the use of lottery funds. Districts are required to utilize 50% of any increased funding above the 1997-1998 base year for instructional materials.

**Capital Expenditures** – According to the California School Accounting Manual, capital expenditures are those “for sites, buildings, books, and equipment, including leases with option to purchase, that meet the LEA’s (Local Education Agency) threshold for capitalization.” Categories of expenses recorded as capital expenditures include land, buildings, site improvements, and some types of equipment. Equipment also includes library books and project management costs that can be assigned to an individual capital project.

**Capital Outlay** – Amounts paid for fixed assets or additions to fixed assets, including land or existing buildings, improvement of grounds, construction of buildings, additions to buildings, remodeling of buildings, or initial and additional equipment.

**Capital Project Funds** – District funds dedicated to facilities construction and repair.

**Career Technology Education** - A program of study that involves a multiyear sequence of courses that integrates core academic knowledge with technical and occupational knowledge to provide students with a pathway to postsecondary education and careers.

**Carryover (or Carryforward)** – Unexpended balances that are carried forward from one fiscal year to the next in accordance with programmatic or District guidelines. Funds may carry forward at a particular cost center or may be carried forward and redistributed as part of a new fiscal year’s allocation depending on program guidelines.

**Cash Basis of Accounting** – An accounting method in which revenues are recorded when cash is received and expenditures (or expenses) are recorded when cash is disbursed. School districts do not use the cash basis of accounting. (See “Accrual Basis of Accounting” and “Modified Accrual Basis of Accounting”).

**Categorical Programs** – Programs that fund activities that are supplemental to the District's basic instructional program. These programs may be included in the General Fund Restricted, Unrestricted, or in a number of special funds.

**Certificated Salaries** – Salaries paid for services that require a teaching credential. These include teachers, counselors, assistant principals, and principals.

**Certificates of Participation (COPs)** – A financing technique which provides funding through the sale of papers backed by a specific capital asset for capital cost items.

**Charter School** – Under State law, charter schools operate semi-autonomously of the District. A locally-funded (affiliated) charter school continues to receive funding from the District but develops curriculum that may differ from that of a non-charter school. A direct-funded (fiscally-independent) charter school receives funding directly from the State and develops curriculum in compliance with state and federal guidelines.

**Child Days of Enrollment** – Children's centers generate revenue based on Child Days of Enrollment as opposed to K-12 schools which uses average daily attendance as the basis for revenue.

**Civic Center Rentals** - Rental of space at school sites during non-school hours by designated groups. The District is required to charge an appropriate amount for the use of the facilities. These charges become part of the District's General Fund revenues.

**Classified Salaries** – Salaries for services that do not require a teaching credential such as clerical and custodial staff.

**COLA** – See "Cost of Living Adjustment"

**Common Core State Standards (CCSS)** - Common standards across all states for English and Math. This is a change from the previous state-by-state systems. Instead of taking the California Standards Test in May, students will take the new test, called the Smarter Balanced Assessment.

**Community Day School (CDS)** – A school site that serve students who have been expelled, referred by SARB, or denied attendance at a regular school site. By law, these schools must be located on sites separated from regular District campuses.

**Compensatory Education** – Comprised of Every Student Succeeds Act Titles I (Socioeconomically Disadvantaged Students), II (High Quality Teachers), and III (English Learners). Provides supplemental funding for schools qualifying for resources under program guidelines.

**Concentration Grant Funding** – In LCFF, school districts that have unduplicated pupil percentage greater than 55% are entitled to the Concentration Grant Funding. For each grade span, this is calculated by multiplying the Base Grant Funding by the Unduplicated Pupil Percentage in excess of 55% times 50%.

**Concurrently-Enrolled** – Students that are enrolled simultaneously in a K-12 school and in a Regional Occupational Center or Adult Education Program.

**Continuous** – See "Ongoing."

**Cost of Living Adjustment (COLA)** - This is a percentage calculated by the State and is based on the Implicit Price Deflator as of the month of May prior to the beginning of each fiscal year. The LCFF rates per ADA are increased annually to reflect the COLA.

**Current Expense of Education** – The current General Fund operating expenditures for kindergarten through grade twelve. This excludes expenditures for food services, community services, non-agency activities, fringe benefits for retired persons, acquisition and construction of facilities, and other outgo items.

**Debt Limit** – The maximum amount of legally-permitted debt.

**Debt Service** – Expenditures for retirement of debt and interest on debt (e.g., COPS and bonds).

**Deficit Spending** – The excess of actual expenditures over actual revenues (also referred to as an operating deficit).

**Designated Ending Balance** – The portion of the previous year's ending balance committed by statute or by District policy and therefore unavailable for general purpose spending.

**Developer Fees** – District revenue resulting from fees levied upon new residential, commercial, or industrial development projects within the District's boundaries in order to obtain additional funds for the construction of schools.

**Direct Services** – Services that are delivered at a school site where the student is the direct recipient or beneficiary of the services. Examples include personnel that provide direct, hands-on instruction to students.

**District-Defined Programs** – Programs within the General Fund that are summarized as distinct programs within the budget document. District-Defined Programs are selected for increased transparency in the budget because they have significant financial implications or because the Board has indicated a desire that financial information about the program be reflected in the budget document.

**Education Protection Act (EPA)** - The Education Protection Account (EPA) provides local educational agencies (LEAs) with general purpose state aid funding pursuant to Proposition 30, The Schools and Local Public Safety Protection Act of 2012, approved by the voters on November 6, 2012. The EPA funding is a component of an LEA's total LCFF entitlement as calculated in the Principal Apportionment.

**Elementary and Secondary Education Act (ESEA)** - In 1965, President Lyndon B. Johnson passed the Elementary and Secondary Education Act as a part of the "War on Poverty." ESEA emphasizes equal access to education and establishes high standards and accountability. The law authorizes federally funded education programs that are administered by the states. In 2002, Congress amended ESEA and reauthorized it as the No Child Left Behind Act (NCLB). In 2015, Congress amended NCLB and reauthorized it as the Every Student Succeeds Act (ESSA).

**Employee Benefits** – Expenditures for employer contributions to retirement plans, for social security, workers' compensation, unemployment insurance, health and medical benefits, and other employee "fringe benefits."

**Encroachment** – Costs of a district-defined program such as Special Education that exceed the program's earned income. Encroachment is covered through inter-program adjustments, usually from General Fund – Unrestricted Program resources.

**Encumbrance** – An obligation such as a salary, purchase order, contract, or other commitment to spend, that has been recognized in the accounting records but not yet finalized as a formal expenditure.

**Enterprise Funds** – Funds used to account for activities of an LEA (Local Education Agency) that, because of their income-producing character, are similar to those found in the private sector.

**Entitlement** – An apportionment that is based on specific qualifications or a formula defined in statute.

**Estimated (Budgeted) Amount** – The estimated amount of revenues or expenditures, as opposed to the "authorized" amount, which is the maximum budget authority granted by the governing board. "Authorized" and "estimated" amounts will differ when, for example, actual grant revenues or expenditures are projected to be less than the authorized amount.

**Every Student Succeeds Act (ESSA)** – ESSA was signed by President Obama on December 20, 2015, and reauthorizes the 50-year-old Elementary and Secondary Education Act (ESEA), the nation's national education law. See "Elementary and Secondary Education Act (ESEA)"

**Expenditure** – The cost of goods received or services rendered.

**Federal Emergency Management Act (FEMA)** – A funding source for building repairs related to the January 17, 1994 earthquake, and for hazard mitigation measures. FEMA funds may also be allocated for other natural disasters.

**Federal Jobs Bill** - United States Senate Bill S3206, otherwise known as the Keep Our Educators Working Act of 2010, provided \$23 billion to help keep teachers, principals, librarians and other school personnel employed as states faced crippling budget shortfalls.

**Fees** – Amounts collected from or paid to individuals or groups for services or for use of a facility or service rendered.

**Fiduciary Funds** – District funds utilized as holding accounts for amounts owed to employees under various agreements.

**Final Budget** – The Final Budget is the District's official operating budget upon board adoption, which must occur prior to June 30 of the preceding budget year. The Final Budget is submitted to the Los Angeles County Office of Education (LACOE) for approval in accordance with guidelines provided in the Education Code.

**Fiscal Year** – A period of one year, the beginning and ending dates of which are fixed by statute. The fiscal year for California school districts begins July 1<sup>st</sup> and ends on June 30<sup>th</sup>.

**Function** – Under the Standardized Account Code Structure (SACS), function refers to activities or services performed to accomplish a goal.

**Fund** – A sum of money or other resources set aside for the purpose of carrying on specific activities or attaining certain objectives.

**Fund Balance** – According to the California School Accounting Manual (Procedure No. 207), the fund balance is determined by subtracting the fund's total liabilities from the total assets. The difference is the fund balance.

Fund Balance Classification - GASB 54 implements a five-tier fund balance classification that depicts the extent to which the district is bound by spending constraint imposed on the use of its resources.

- **Non-spendable Fund Balance** consists of funds that cannot be spent due to their form. These include inventory and prepaid items or funds that are legally or contractually required to remain intact, such as the principal of a permanent endowment.
- **Restricted Fund Balance** consists of funds that are subject to externally imposed and legal constraints.
- **Committed Fund Balance** consists of funds that are subject to internal policies and constraints. These policies are self-imposed by the District's highest level of decision making authority.
- **Assigned Fund Balance** consists of funds that are intended to be used for a specific purpose by the district's highest level or an official with the authority to assign funds.
- **Unassigned Fund Balance** consists of residual fund balance that has not been classified in the previous four categories. It represents resources available for future spending.

**General Fund** – The fund used to summarize costs of the District's basic operations. The District's General Fund includes both restricted and unrestricted activities.

**Goal** – Under the Standardized Account Code Structure (SACS), a goal defines an objective or set of objectives for the LEA (Local Education Agency). It is used to account for the cost of instruction and other services by the instructional goals and objectives of an LEA.

**Governor's Budget** – The Governor's Proposed State Budget, or "Governor's Budget," is published each January, and represents his initial public disclosure of his financial assumptions and spending priorities for the coming fiscal year.

**Grade Span** – In LCFF, it refers to the grouping of student grade levels such as K-3, 4-6, 7-8, and 9-12.

**Grant** – A contribution, either in money or material goods, made by federal, state, or local entities to the District. Grants may be competitive or formula-based entitlements.

**Implemented Budget** – Budget for restricted programs that has been allocated to specific appropriations for expenditure.

**Indirect Cost** – Elements of cost necessary in the operation of a district or in the performance of a service that are of such nature that the amount applicable to each accounting unit cannot be determined readily. It consists of those business and administrative costs (e.g., accounting, budgeting, personnel, purchasing) that benefit the entire district.

**Indirect Cost Rate** – A method for claiming reimbursement of indirect costs from federal and state categorical funds. It is the ratio (expressed as a percentage) of the indirect costs to direct base costs.

**Inter-fund Transfers** – Income and expenditures initially recorded in the General Fund and then transferred, in accordance with accounting requirements, to a special fund.

**Interim Reports** – Accounting reports prepared as of a date or a period during the fiscal year. They include budgetary estimates, financial transactions during current year-to-date, and end-of-year projections. California school districts are required to publish a first interim report in December based upon October data, and a second interim report in March based on January data. A third interim report may be required by the County Office of Education if it has significant concerns regarding the financial viability of a district.

**Internal Service Funds** – District funds dedicated to self-insurance of costs such as employee health and medical benefits, liability insurance, and worker's compensation.

**Inter-program Costs** – Costs of a district-defined program that exceed the program's income must be covered from other General Fund revenues. Such costs are covered through "inter-program" transfers from the unrestricted General Program.

**LCAP – Local Control Accountability Plan** – See "Local Control Accountability Plan" below.

**LCFF – Local Control Funding Formula** – See "Local Control Funding Formula" below.

**Least Restrictive Environment** – A special Education program; describes the legal requirement to educate students with disabilities with their non-disabled peers to the greatest extent appropriate.

**Limited** – See "One-time."

**Local Control Accountability Plan (LCAP)** – A Board-adopted Districtwide plan identifying the academic interventions and strategies that will be implemented to address the academic needs of students receiving supplemental and concentration funding under the Governor's Local Control Funding Formula (LCFF). The plan is a required component of the annual District budget document adopted by each district Board of Education.

**Local Control Funding Formula (LCFF)** – The Governor's public education funding reform, which replaced the Revenue Limit funding formula and most state categorical sources, with a base grant funding, and needs-based supplemental grant funding based on the number of identified students who are English Learners, socio-economically disadvantaged, or who are in foster care. The formula also provides a concentration grant funding for Districts with unduplicated student counts exceeding 55% in any one of the previously mentioned supplemental funding categories.

**Local Education Agency (LEA)** – This pertains to a school district, a charter school, or a county office of education which operates a public elementary or secondary school.

**Mandated Cost Reimbursements** – The California constitution requires that the State reimburse local governmental entities, including school districts, for the cost of complying with State or court mandates. The reimbursement is known as a Mandated Cost Reimbursement.

**May Revision (or "May Revise")** – Published each May, this State document updates the Governor's Budget published in January with regard to the Governor's State revenue projections and spending priorities for the coming fiscal year.

**Measure K – The "Safe Healthy Neighborhood Schools Act (of 2002)"** is a school bond measure that authorizes LAUSD to issue \$3.35 billion in bonds for repair and renovation of existing schools and to build neighborhood schools to improve local schools and relieve classroom overcrowding. Passed by 64% of the Los Angeles County voters; November 2002. <http://www.laschools.org/bond/faq>

**Measure Q – The “Safe, Healthy Neighborhood Schools Act (of 2008)”** is a school bond measure that authorizes LAUSD to issue \$7 billion in bonds to continue repair/upgrade of aging classrooms. Passed by 69% of the Los Angeles County voters; November 2008. <http://www.laschools.org/bond/faq>

**Measure R – The “Safe and Healthy Neighborhood Schools Improvement Act of 2004”** is a school bond measure that authorizes LAUSD to issue \$3.87 billion in bonds to continue repair/upgrade of aging classrooms and build neighborhood schools. Passed by 63% of the Los Angeles County voters; March 2004. <http://www.laschools.org/bond/faq>

**Measure Y – The “Safe and Healthy Neighborhood Schools Repair and Construction Measure of 2005”** is a school bond measure that authorizes LAUSD to issue \$3.985 billion in bonds to continue repair/upgrade of aging classrooms and to build new neighborhood schools. Passed by 66% of the Los Angeles County voters; November 2005. <http://www.laschools.org/bond/faq>

**Modified Accrual Basis of Accounting** – In the modified accrual basis of accounting, revenues are recognized in the period when they become available and measurable, and expenditures when a liability is incurred, regardless of when the receipt or payment of cash takes place. School districts use the modified accrual basis of accounting for operating funds such as the General Fund and Adult Education Fund.

**Multi-year Financial Plan** – A plan that presents financial estimates of programs in tabular form for a period of years. These estimates reflect the future financial impact of current decisions. California school districts are required to publish three-year financial plans reflecting estimates for the budget year and two subsequent fiscal years.

**Next Generation Science Standards (NGSS)** - New K–12 science standards have been developed that are rich in content and practice, arranged in a coherent manner across disciplines and grades to provide all students an internationally benchmarked science education.

**Norms** – For most schools, the District uses Board-approved “norms” to determine the base number of teachers, school administrators, school clerical positions, and various resources at each school. Norms generally use student enrollments to determine the resources to be allocated to individual schools. For example, norms may dictate that schools should receive 1 teacher per 30 students, one clerical employee per 100 students, one counselor per 500 students, etc.

To calculate norm allocations, the District uses the number of students enrolled at each school on “norm day,” which is generally the Friday of the fourth week of school. Other factors may also be used in norm allocations. For example, the allocation of custodians is based on a complex formula that includes the school’s square footage. The District norms are published in the form of “norm tables” which describe the factors utilized in determining the individual norms.

**Objects of Expenditure** – California school districts are required to develop their budgets and report expenditures by “Object of Expenditure,” which reflects specific categories of cost such as Teachers’ Salaries, Textbooks, etc.

**One-time** – Revenue or expenditure line-items not expected to continue into the subsequent year.

**Ongoing** – Revenue or expenditure line-items that are expected to continue into the subsequent year.

**Operational Budget** – The positions and other resources which enable an operating unit to perform the functions for which it is responsible. Distinguished from administered budgets in that the unit controlling and benefiting from the resources are one and the same.

**Overdraft** – The amount by which expenditures and encumbrances exceed the budget available for them.

**Pending Distribution** – Accounts in the budget held for distribution to expendable appropriations during the course of the fiscal year. Generally, funds are placed in a Pending Distribution account because of funding uncertainty or because no spending plan has been received. Funds must be transferred from the Pending Distribution account to expendable accounts before spending may occur.

**Position Control** – A system developed to control salary and benefit costs by comparing budgeted positions to assignments and payroll so that only employees with budgeted positions and active assignments can be paid.

**Program Code** – Five-digit code used in budgeting and controlling expenditures. Use of program codes facilitates tracking and identification of specific expenditures. Also referred to as *Appropriation Code*.

**Proposition 20** - The “Cardenas Textbook Act of 2000” – changed the way the portion of the state's annual lottery revenues are distributed to public education by mandating that of the future growth in lottery funds, 50-percent of that increase must go to K-14 public schools to be spent on instructional materials. Passed by **53%** the **California** voters; March 2000.

[http://ballotpedia.org/California\\_Proposition\\_20,\\_Lottery\\_Funds\\_for\\_Textbooks\\_\(2000\)](http://ballotpedia.org/California_Proposition_20,_Lottery_Funds_for_Textbooks_(2000))

**Proposition 30** - The Schools and Local Public Safety Protection Act of 2012, approved by the voters on November 6, 2012, temporarily increases the state’s sales tax rate for all taxpayers and the personal income tax rates for upper-income taxpayers. This partly funds the LCFF.

**Proposition 39** – The California Energy Conservation Grant, provides funding to support energy efficiency and alternative energy projects, along with related improvements and repairs that contribute to reduced operating costs and improved health and safety conditions in public schools.

**Proposition 47** – The “Kindergarten-University Public Education Facilities Bond Act of 2002” – Authorized California to issue \$13.05 billion in bonds to provide funding for necessary education facilities to relieve overcrowding and to repair older schools. Funds will be targeted to areas of the greatest need and must be spent according to strict accountability measures. Passed by 59% of the California voters; November 2002.

[http://ballotpedia.org/California\\_Proposition\\_47,\\_Bonds\\_for\\_School\\_Construction\\_\(2002\)](http://ballotpedia.org/California_Proposition_47,_Bonds_for_School_Construction_(2002))

**Proposition 49** – The “**Before and After School Programs Act**,” increased funding for before and after school programs in California. Starting in 2004-2005, it permanently earmarked a portion of the state's general fund for before and after school programs. Passed by 56.7% of the California voters; November 2002.

[http://ballotpedia.org/California\\_Proposition\\_49,\\_Funding\\_for\\_Before\\_and\\_After\\_School\\_Programs\\_\(2002\)](http://ballotpedia.org/California_Proposition_49,_Funding_for_Before_and_After_School_Programs_(2002))

**Proposition 55** – The “**State Kindergarten-University Public Education Facilities Bond Act of 2004**” authorized the State of California to issue \$10 billion of general obligation bonds for construction and renovation of K-12 school facilities and \$2.3 billion of general obligation bonds for construction and renovation of higher education facilities. Passed by 50.1-percent of the California voters; March of 2004.

[http://ballotpedia.org/California\\_Proposition\\_55,\\_Bonds\\_for\\_Schools\\_\(March\\_2004\)](http://ballotpedia.org/California_Proposition_55,_Bonds_for_Schools_(March_2004))

**Proposition 98 – The “Classroom Instructional Improvement and Accountability Act (of 1988):** requires a minimum percentage of the state budget to be spent on K-14 education, guaranteeing an annual increase in education in the California budget. As a result of Proposition 98, a minimum of 40% of California's general fund spending is mandated to be spent on education. Passed by 50.7-percent of the California voters; November 1988.

[http://ballotpedia.org/California\\_Proposition\\_98,\\_Mandatory\\_Education\\_Spending\\_\(1988\)](http://ballotpedia.org/California_Proposition_98,_Mandatory_Education_Spending_(1988))

**Proposition BB** – A school bond measure that authorizes LAUSD to use \$2.4 billion in bonds for the construction of new schools and the repair and modernization of existing schools through the district to improve local schools and relieve classroom overcrowding. Passed by 71% of the Los Angeles County voters; April 1997. <http://www.laschools.org/bond/faq>

**Proportionality Requirement** – A Local Control Funding Formula calculation that identifies the minimum level of increased or improved services for students in need that must be demonstrated by the District each year.

**Public Employees’ Retirement System (PERS)** – Unless exempted by state law, classified employees, their district, and the State contribute to this retirement fund.

**Quality Education Investment Act** – Funds approved as part of the settlement of the *CTA v. Schwarzenegger* lawsuit, intended to improve education, primarily through class-size reduction, at Decile 1 and 2 schools. Funds are provided over a seven-year period, with participating schools determined through a random lottery. Schools must meet achievement criteria in order to remain eligible for funding. Funding for this program began in 2007-08.

**RAB** – See “Reserve for Anticipated Balances”

**Regional Occupational Centers (ROC)** – Provide vocational training classes for high school youth and adults in a variety of occupations.

**Requisition** – A document submitted initiating a purchase order to secure specified articles, services, or issuance of materials from stores, a warehouse, or a vendor.

**Reserve** – An account used to earmark a portion of a Fund, to indicate that it is not currently available for expenditure or is set aside for future use at the Board’s discretion. Amounts held in reserve cannot be expended without the Board’s formal approval.

**Reserve for Anticipated Balances (RAB)** – The Reserve for Anticipated Balances serves to identify the difference between the estimated and authorized budgeted revenues and/or authorized and estimated expenditures in the adopted budget.

**Reserve for Economic Uncertainties (REU)** – Districts are required to maintain a reserve to offset the potential impact of unanticipated expenditures or revenue shortfalls. For LAUSD, it is a minimum of 1% of General Fund total expenditures and other financing uses.

**Restricted** – Program funding that is limited to specific students or types of expenditure, e.g., Title I, AB 602 Special Education funds, etc. See “Categorical” and “Unrestricted.”

**Revenues** – The funding available to an organization from outside sources. Revenues are the primary financial resource of a fund.

**Routine Restricted Maintenance Account or Routine Repair and General Maintenance Program** – Provides for the repair of school district buildings, equipment, and grounds, as well as for planning and implementation of alterations and improvements of existing structures. School districts are required to commit 3% of their budgeted total General Fund expenditures and other financing uses for purposes of routine repair and general maintenance as a condition of participating in the State building program. The General Fund transfer to the Deferred Maintenance Fund, if any, can comprise half of one percent. Maintenance costs to other funds such as the Adult Education Fund or Child Development Fund can also be applied toward the 3% requirement.

**SACS-2000** – The form used by local school districts to report financial information to the County Office of Education. It replaced the J-200 reporting form. “SACS” is the abbreviation commonly used for Standardized Account Code Structure.

**Smarter Balanced Assessments** - Next-generation assessments that are aligned to the Common Core State Standards (CCSS). (<http://www.corestandards.org/>) in English language arts/literacy and mathematics for grades 3-8 and 11. The Smarter Balanced Assessment System will give parents and students more accurate and actionable information about what students are learning. Because these assessments are computer adaptive (<http://www.smarterbalanced.org/assessments/>), they will also provide better information about the needs and successes of individual students.

**Special Education Program** – A school-based program providing instruction and support services based on an Individualized Education Program (IEP). To qualify for an IEP, a student must be assessed and determined to have a disability as defined by the Individuals with Disabilities Education Act (IDEA) and have a need for specialized services in order to access the instructional program.

**Special Education Local Plan Area (SELPA)** – IDEA requires that each State organize in a way that allows effective programming and services be provided to students with disabilities. In the State of California, the mechanism used to meet this requirement is the Special Education Local Planning Area or SELPA. Each SELPA develops and maintains a local plan describing how special education programs and services are provided to students with disabilities within the boundaries of the SELPA. Due to its size, the Los Angeles Unified School District is a single-district SELPA.

**Special Education – Low Incidence** – In order to ensure students with certain disabilities have access to highly specialized equipment and materials, the State of California provides restricted funding to support the needs of students who are Deaf or Hard of Hearing, Blind or Visually Impaired and/or who have serious physical disability. The state refers to these disabilities as “low incidence.”

**Special Funds** – Separate financial entities within the budget which provide for specified activities, as defined in the California Education Code. Examples are Adult Education Fund, Building Fund, Cafeteria Fund, etc.

**Standardized Account Code Structure (SACS)** – Statewide standardization of school district budgeting and accounting codes in order to increase uniformity of accounting and facilitate statewide data collection and analysis.

**State Teachers’ Retirement System (STRS)** – State law requires certificated employees, school districts, and the State to contribute to this retirement fund.

**Statutory COLA** – See “Cost of Living Adjustment”

**Student Body Fund** – An agency fund to control the receipts and the disbursements of student association activities. Student body funds are not the property of the school district and are not reflected in the District budget or accounts.

**Student Equity Needs Index (SENI)** – An index of school needs that includes community indicators such as suspension rates and English language arts and math assessments, as well as traditional indicators such as low-income and English learner student populations.

**Student Integration Program** – Combined the Court-Ordered and Voluntary Desegregation Programs to create a wide variety of programs to address the harms of racial isolation in District schools. The *Crawford v. LAUSD* legal decision formally created this program.

**Supplemental Grant Funding** – In LCFF, every student identified as either English Learner, eligible for free or reduced-priced meal, or foster youth, generate this funding. This is calculated by multiplying the Base Grant Funding by the Unduplicated Pupil Percentage times 20%. This funding is dedicated to students identified as indicated above.

**Targeted Instructional Improvement Block Grant (TIIBG)** – Funds the costs of ongoing desegregation efforts and, if funds remain, the needs of underachieving schools. It replaces Student Integration funding in the 2002-03 State Budget.

**Targeted Student Population** – Under the Local Control Funding Formula, targeted pupils are those classified as English learners (EL), meet income requirements to receive free or reduced-price meal (FRPM), foster youth, or any combination of these factors.

**Tax and Revenue Anticipation Notes (TRANS)** – Short-term notes issued in anticipation of receipt of revenues, typically for cash flow purposes.

**Teachers As A Priority (TAP) Program** – State-funded program intended to enhance the ability of low-performing schools to attract and retain quality teaching staff.

**Undesignated Ending Balance** – The portion of the current fiscal year's ending balance that is uncommitted and available for discretionary use for the following fiscal year. All balances are one-time in nature.

**Ungraded** – Some programs, such as special education, group children into classes based on ability level rather than grade level. Such programs are reflected in the "Ungraded" section of attendance/enrollment reports.

**Unimplemented Budget** – Reflects Restricted Program income that has not yet been received but is anticipated in the budget. As grants are received during the year, the budgets of these programs will be implemented, or placed into expendable appropriations.

**Unrestricted** – Refers to programs which provide funding that may be used for any educational purpose at the discretion of the Board of Education.

**Weighted Student Formula** – A method of allocating resources based on the characteristics of student populations. Weighted student formulas provide a basic per pupil allocation with additional resources – based on student weights – for economically-disadvantaged, English learners, special education, or other defined student populations.

**ABBREVIATIONS**

- A&I** – Alterations and Improvements of Buildings or Sites
- AB** – Assembly Bill. Applies to State legislation (e.g., Assembly Bill 602 would be abbreviated as AB 602)
- ABE** - Adult Basic Education Program
- ACA** – Assembly Concurrent Amendment
- ACR** – Assembly Concurrent Resolution
- ADA** – Average Daily Attendance
- AEP** – Adult Education Program
- AEWC** – Alternative Education and Work Center
- AFDC** – Aid for Dependent Children
- AP** – Advanced Placement
- API** – Academic Performance Index
- AYP** – Adequate Yearly Progress
- BA** – Budget Adjustment (“Budget Transfer”)
- BSA** – Budgeting for Student Achievement
- BTSA** – Beginning Teacher Support and Assessment
- CE** – Certificated Salaries
- CAEP** – California Adult Education Program
- CAH** – California High School Exit Examination
- CALPADS** – California Longitudinal Pupil Achievement Data System
- CalWORKs** – California Work Opportunity and Responsibility to Kids
- CAP** – Capacity Adjustment Program; a TIIBG/Student Integration Program
- CBEDS** – California Basic Education Data System
- CBEST** – California Basic Education Skills Test
- CBET** – Community-Based English Tutoring Program
- CDE** – Child Days of Enrollment (used in Child Development Fund)

**CDE** – California Department of Education

**CDS** – Community Day Schools

**COLA** – Cost of Living Adjustment

**Comp. Ed.** – Compensatory Education

**COPs** – Certificates of Participation

**CPI** – Consumer Price Index

**CPR** – California Performance Review

**CRA** – Community Redevelopment Agency

**CSAM** - California School Accounting Manual

**CSR** – Class Size Reduction

**CSR** – Comprehensive School Reform

**CST** – California Standards Test

**CTA** – California Teachers' Association

**CTE** – Career Technology Education

**CTEIG** – Career Technology Education Incentive Grant

**CY** – Current Year

**DDP** – District-Defined Program

**DIS** – Designated Instructional Services (or Designated Instruction and Services); a Special Education program

**DOF** – California Department of Finance

**DRS**– Desegregated Receiver Schools; aTIIBG/Student Integration Program

**E.C.** – Education Code

**EIA** – Economic Impact Aid. This program has two components: EIA-Limited English Proficient and EIA-Compensatory Education

**ELAP** – English Language Acquisition Program

**EL** – English Learner

**ELL** – English Language Literacy Program

**EPA** – Education Protection Act

**ERAF** – Education Revenue Augmentation Fund

**ERP** – Enterprise Resource Planning

**ESEA** – Elementary and Secondary Education Act

**ESSA** – Every Student Succeeds Act

**ESL** – English as Second Language

**FEMA** – Federal Emergency Management Act, or Federal Emergency Management Agency

**FRPM** – Free or Reduced Price Meal

**FSEP** – Federal and State Education Programs

**FTE** – Full-time Equivalent

**GAAP** – Generally Accepted Accounting Principles

**GASB** – Governmental Accounting Standards Board

**GATE** – Gifted and Talented Education Program

**GED** – General Educational Development

**GFOA** – Government Finance Officers' Association

**GO** – General Obligation (Bond)

**IASA** – Improving America's Schools Act

**IDEA** – Individuals with Disabilities Education Act

**IEP** – Individualized Education Program

**IMA** – Instructional Materials (or "Materiel")

**ITD** – Information Technology Division

**KLCS – TV** – The District-owned and operated television station

**LACOE** – Los Angeles County Office of Education

**LAEP** – Los Angeles Educational Partnership

**LAO** – Legislative Analyst's Office

**LCAP** – Local Control Accountability Plan

**LCFF** – Local Control Funding Formula

**LCI** – Licensed Children’s Institution

**LEA** – Local Educational Agency

**LEP** – Limited English Proficient or Proficiency

**LRE**– Least Restrictive Environment; a Special Education program

**NC** – Non-Certificated (Classified) Salaries

**NCLB** – No Child Left Behind

**NPA** – Nonpublic Agency; a Special Education program

**NPS** – Nonpublic School; a Special Education program

**NSF** – National Science Foundation

**OASDHI** - Old Age, Survivors’, Disability and Health Insurance (Social Security)

**OPEB** – Other Post-Employment Benefits

**P-1** – The First Principal Apportionment period (for attendance accounting and State allocation purposes)

**P-2** – The Second Principal Apportionment period (for attendance accounting and State allocation purposes)

**PD** – Pending Distribution

**PARS** – Public Agency Retirement System

**PERS** – Public Employees’ Retirement System

**PHBAO** –Primarily Latino, Black, Asian, and Other Non-Anglo; a TIIBG/Student Integration Program

**PI** – Program Improvement

**PL** – Public Law. Applies to federal legislation (e.g., Public Law 94-142 would be abbreviated as PL 94-142)

**PPF** – Per Pupil Funding

**PSP** – Priority Staffing Program; a TIIBG/Student Integration Program

**PWT** – Permits With Transportation; a TIIBG/Student Integration Program

**PYA** – Prior Year Adjustment

**QEIA** – Quality Education Investment Act

**QZAB** – Qualified Zone Academy Bonds

**RIF** – Reduction in force

**ROC/P** – Regional Occupational Centers/Programs

**RRGM** – Routine Repair and General Maintenance

**RSP** – Resource Specialist Program; a Special Education Program

**SACS** – Standardized Account Code Structure

**SARB** – School Attendance Review Board

**SARC** – School Accountability Report Card

**SB** – Senate Bill. Applies to State legislation (e.g., Senate Bill 602 would be abbreviated SB 602)

**SBE** – State Board of Education

**SCA** – Senate Constitutional Amendment

**SDC** – Special Day Class; a Special Education program

**SELPA** – Special Education Local Plan Area

**SENI** – Student Equity Needs Index

**SFP (or SFEP)** – Specially-Funded Programs (or Specially-Funded Educational Programs). Now referred to as restricted programs.

**SI** – School Improvement Program

**SRLDP** – School Readiness Language Development Program; a TIIBG/Student Integration Program

**STAR** – Standardized Testing and Reporting

**STRS** – State Teachers' Retirement System

**TAP (or TAAP)** – Teachers As A Priority

**TIIBG** – Targeted Instructional Improvement Block Grant

**TRANS** – Tax and Revenue Anticipation Notes

**TSP** – Targeted Student Population

**TUPE** – Tobacco Use Prevention Education

**UCTP** – Urban Classroom Teacher Program; a TIIBG/Student Integration Program

**WIA** – Workforce Investment Act

**WIOA** – Workforce Investment and Opportunity Act (replaced WIA)

**YRS** – Year-Round Schools