



**LOS ANGELES UNIFIED SCHOOL DISTRICT
MEMORANDUM**

TITLE: Carryover Policies For School Account Balances As of June 30, 2020

NUMBER: MEM-2464.16

ISSUER: Tony Atienza, Director
Budget Services and Financial Planning Division

David D. Hart, Chief Financial Officer
Office of the Chief Financial Officer

DATE: January 15, 2020

ROUTING

LD Superintendents
LD Administrators of Operations
LD Instructional Directors
LD Community of Schools
Administrators
Principals
School Administrative Assistants
Financial Managers
Fiscal Support Staff
Central Offices

PURPOSE: The purpose of this memorandum is to provide carryover policies for school account balances as of June 30, 2020.

MAJOR CHANGES: This memorandum is updated to reflect the change in availability of carryover funds in the General Fund School Program (Program 13027), TSP-Per Pupil Schools (Program 10397), TSP-Student Equity Needs Index (Program 10552), TSP-Transitional SENI (Program 10553), TSP-Settlement (Program 10359), TSP-Innovation-Focus School (Program 10543), Charter School Categorical Block Grant (Program 13723), and Charter Schools-In-lieu of EIA (Program 13724). Fifty percent of the projected carryover amounts for these programs will be available during Budget Development for the 2020-21 school year. When the actual 2019-20 ending balances are determined in September, the amount allocated during budget development will be deducted. If the actual carryover amount in September is less than the 50% allocated during budget development, schools will have their new year allocation adjusted accordingly.

Example:

1. A school’s projected carryover is \$10,000 in February 2020. The school will receive \$5,000 at budget development. The school’s final carryover amount at the end of the year is only \$7,000. The school then receives only \$2,000 in September.
2. Conversely, if the school’s actual carryover is only \$3,000, then \$2,000 (\$3,000 - \$5,000) will be deducted from the school’s 2020-21 allocation.

GUIDELINES: I. Funds are intended to benefit the students that generate the school resources

Generally, resources received by a school in a specific school year are intended to be spent for the benefit of the students served in the same school year.

- II. Expenditures must always be recorded in the fiscal year the goods or services are received
 - A. To guide schools and offices with regards to cut-off dates for ordering, please refer to MEM-6016.7, “2019-2020 Procurement Year-End Closing Timelines”, to be issued February 2020.
 - B. “Goods Receipt”, as used in this memorandum, is the record of receipt of materials and/or services and is processed in SAP. Upon receipt of materials or services, it is of



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utmost importance that schools and offices enter and post the “Goods Receipt” in SAP to ensure that expenditures are charged in the fiscal year they are received. “Goods Receipt” should only be processed upon actual delivery of materials or services. Processing of “Goods Receipt” prior to actual delivery is a violation of District policy and may result in disciplinary action taken against the site administrator. On the other hand, if materials or services are received on or before June 30, 2020 and the “Goods Receipt” is not entered and posted in SAP by June 30, 2020, the expenditure will be charged against the following fiscal year’s funds. This will impact the accounts that do not carryover because the 2019-20 purchase will reduce the 2020-21’s available balance. Therefore, if an order is placed late in the fiscal year, schools should allow sufficient time for the delivery of goods and services, as well as the posting of the “Goods Receipt” no later than June 30, 2020.

III. Accounts with full carryover from 2019-20 to 2020-21

Carryover of encumbrances and balances (positive or negative) as of June 30, 2020 for the accounts listed below are authorized. For schools with program code 13027, any “negative” ending balances in the program codes listed below (except 10397), will be reflected as an adjustment to reduce the final carryover in program code 13027.

GENERAL FUND – UNRESTRICTED (Fund 010)¹

TSP-Settlement	10359
TSP-Per Pupil Schools	10397
TSP-Innovation-Focus School	10543
TSP-Student Equity Needs Index	10552
TSP-Transitional SENI	10553
General Fund School Program	13027
Charter School Categorical Block Grant	13723
Charter School Allocation In-lieu of EIA	13724

GENERAL FUND – UNRESTRICTED (Fund 010)²

Community Schools	11125
Civic Center Permit Program	11476
SDEP Donations	13938
IMA-Library Fines	13950
SDEP Proceeds Film/Photo Rental	14242
Incentive-Breakfast Discretionary	14423
SDEP Extended Kindergarten Program	17629

GENERAL FUND - RESTRICTED (Fund 010)

B.E.S.T. Behavior-Special Ed.	12183
SDEP Donations-Special Education Schools	12538 ²
Special Ed.-School-based Enterprise (SBE)	13229

¹ Fifty percent of the projected positive carryover amounts in these program codes will be available to schools during Budget Development for the 2020-21 school year.

² Sixty percent of the projected carryover amounts from non-salary lines will be available by July 1, 2020.



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ADULT EDUCATION FUND (Fund 110)²

Adult Schools-SDEP Donations	13717
Adult Schools-Filming & Photo Rental	14002
Adult Ed-I-TRAIN Program-School	14047
Adult Ed-EDD Program-School	14049
Adult Ed-Career Technical Education Class Fees	14323
Adult Education-Class Fees	14325

CHILD DEVELOPMENT FUND (Fund 120)²

Child Development – SDEP Filming, Photography, & Other Rentals	13676
Child Development – SDEP Donations	17623

CAFETERIA FUND (Fund 130)

Healthier US School Challenge	17136
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Actual 2019-20 ending balances will be allocated in September after adjusting for any advanced allocations.

IV. Accounts with no carryover from 2019-20 to 2020-21

Balances of school accounts not listed in Section III (Accounts With Full Carryover) will not carry over to fiscal year 2020-21.

Regardless of whether the ending balance in Program 13027 is positive or negative, it will be used to offset the negative ending balances in specific non-carryover programs.

Availability of school-level grant funds will be based on the grant period indicated in the grant award letter.

RELATED REFERENCES: MEM-6016.7, 2019-20 Procurement Year-End Closing Timelines, issued February 2020
REF-3640.14, Final Payment of Bills For Fiscal Year 2019-20, issued March 2020

ASSISTANCE: For assistance, K-12 schools may call their fiscal specialist; Division of Adult and Career Education schools may call the Adult Education Fiscal Services Section at (213) 241-3788; Regional Occupational Program may call K-12 Instructional Fiscal Support Unit at (213) 241-2153; and Early Childhood Education Centers may call the Early Childhood Education Fiscal Services Section at (213) 241-0415.