



Flournoy Union  
Elementary School District

PO Box 2260; 15850 Paskenta Rd. Flournoy, CA 96029

[www.flournoyschool.org](http://www.flournoyschool.org) 530-833-5331; 530-833-5332 fax

**BOARD MEETING AGENDA**  
**Tuesday, January 12, 2021 at 6:15 pm**

**MISSION STATEMENT:** The Mission of Flournoy Elementary School is to provide academic excellence, responsible citizens, and a lifelong desire for learning in a safe environment.

DATE: Tuesday, January 12, 2021 at 6:15 pm

TYPE: School Board Meeting

LOCATION: Flournoy Elementary School; 15850 Paskenta Rd, Flournoy, CA 96029

Or via web conference. To participate in the live meeting click on the link below.

**Join Zoom Meeting**

<https://us04web.zoom.us/j/76189952111?pwd=Vmc0UmpONTd4RVVGSGFlsQ3ZuSUlsUT09>

Meeting ID: 761 8995 2111

Passcode: 5D9f62

POSTED: 01/08/2021 Flournoy School, Flournoy Store and Paskenta Store

**1. PUBLIC MEETING CALL TO ORDER BY PRESIDING OFFICER \_\_\_\_\_, at \_\_\_\_\_ p.m.**

**Roll call**

Patrick Archer	_____
Cathy Bjornestad-Tobin	_____
Tyson Carter	_____
Sara Valoroso	_____
Vacancy	_____

**PUBLIC COMMENT PERTAINING TO AGENDA**

**Comments on Closed Session Agenda Items, (below).** Any person wishing to speak to any item on the Closed Session Agenda will be granted three minutes to make a presentation.

**Comments from the Floor:** At this time, any person wishing to speak to any item not on the Agenda will be granted three minutes to make a presentation. No action may be taken at this meeting on items addressed during these comments.

**Comments on Agenda Items:** At this time, any person wishing to speak to any item on the Agenda will be granted three minutes to make a presentation.

**2. PLEDGE OF ALLEGIANCE**

**Recognize staff present:**

Rachel Davis, Superintendent	_____
Melinda Flournoy, Business Manager	_____
Amanda Taylor, Teacher	_____
Cody Weston, Custodian	_____
Mei Vance, Instructional Aide	_____
Erin Murphy, Instructional Aide	_____
Maria Herrera	_____
Deborah Hammons	_____

3. **ADOPTION OF AGENDA**

\_\_\_\_/\_\_\_\_/\_\_\_\_  
*Motion/Second Ayes/Noes /Abstain*

4. **APPROVAL OF MINUTES FROM THE MEETING OF:**

Tuesday, December 15, 2020

\_\_\_\_/\_\_\_\_/\_\_\_\_  
*Motion/Second Ayes/Noes /Abstain*

5. **COMMENTS**

1. From members of the Board of Education
2. From the Superintendent and Business Manager
3. From the Staff/Teachers

6. **GENERAL FUNCTION CONSENT ITEMS**

1. Bills and warrants for **December**
2. MOUs/Agreements: **NONE**

\_\_\_\_/\_\_\_\_/\_\_\_\_  
*Motion/Second Aye/Noes /Abstain*

7. **DISCUSSION/ACTION ITEMS** (Attachments)

1. Consider approval of the 2020-21 Budget Overview for Parents (BOP)

\_\_\_\_/\_\_\_\_/\_\_\_\_  
*Motion/Second Aye/Noes /Abstain*

2. Consider acceptance of the 2019-20 Financial Audit for FUESD

\_\_\_\_/\_\_\_\_/\_\_\_\_  
*Motion/Second Aye/Noes /Abstain*

3. Review and approve the Quarterly Report on Williams Uniform Complaints Ed Code 35186(d) for January

\_\_\_\_/\_\_\_\_/\_\_\_\_  
*Motion/Second Aye/Noes /Abstain*

4. Consider approval of the final reading of the following updated board policies.

- BP 4033 Lactation Accommodation
- BP 5146 Married/Pregnant/Parenting Students
- BP/AR/E 6173 Education for Homeless Children

8. **DISCUSSION ON NEXT BOARD MEETING**

1. Next meeting date: **Tuesday, February 9, 2021 at 6:15 p.m.**
2. Possible items for action/discussion
  - Updated Policies

9. **FURTHER COMMENTS**

1. From members of the Board of Education
2. From the Superintendent

Adjournment at \_\_\_\_\_ p.m.



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4.

**BOARD MEETING MINUTES**  
**Tuesday, December 15, 2020 at 6:15 pm**

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TYPE: School Board Meeting

LOCATION: Flournoy Elementary School; 15850 Paskenta Rd, Flournoy, CA 96029

Or via web conference. To participate in the live meeting click on the link below.

**Join Zoom Meeting**

<https://us04web.zoom.us/j/76189952111?pwd=Vmc0UmpONTd4RVVGSGFIsQ3ZuSUlsUT09>

Meeting ID: 761 8995 2111

Passcode: 5D9f62

POSTED: 12/11/2020 Flournoy School, Flournoy Store and Paskenta Store

**1. PUBLIC MEETING CALL TO ORDER BY PRESIDING OFFICER SV, at 6:15 p.m.**

**Roll call**

Patrick Archer	<u>  X  </u>
Cathy Bjornestad-Tobin	<u>  X  </u>
Tyson Carter	<u>  X  </u>
Sara Valoroso	<u>  X  </u>
Vacancy	<u>      </u>

**PUBLIC COMMENT PERTAINING TO AGENDA**

**Comments on Closed Session Agenda Items, (below).** Any person wishing to speak to any item on the Closed Session Agenda will be granted three minutes to make a presentation.

**Comments from the Floor:** At this time, any person wishing to speak to any item not on the Agenda will be granted three minutes to make a presentation. No action may be taken at this meeting on items addressed during these comments.

**Comments on Agenda Items:** At this time, any person wishing to speak to any item on the Agenda will be granted three minutes to make a presentation.

**2. PLEDGE OF ALLEGIANCE**

**Recognize staff present:**

Rachel Davis, Superintendent	<u>  X  </u> Via Zoom
Melinda Flournoy, Business Manager	<u>      </u>
Amanda Taylor, Teacher	<u>      </u>
Cody Weston, Custodian	<u>      </u>
Mei Vance, Instructional Aide	<u>      </u>
Erin Murphy, Instructional Aide	<u>      </u>
Maria Hererra	<u>      </u>
Deborah Hammons	<u>      </u>

3. **ADOPTION OF AGENDA**

TF / CT    4 / 0 / 0  
Motion/Second    Ayes/Noes / Abstain

4. **APPROVAL OF MINUTES FROM THE MEETING OF:**

Tuesday, November 10, 2020

\_\_\_\_ / \_\_\_\_    \_\_\_\_ / \_\_\_\_ / \_\_\_\_  
Motion/Second    Ayes/Noes / Abstain

5. **COMMENTS**

1. From members of the Board of Education **NONE**
2. From the Superintendent and Business Manager **R. Davis talked about the Christmas Program**
3. From the Staff/Teachers

6. **GENERAL FUNCTION CONSENT ITEMS**

1. Bills and warrants for **NONE for November**
2. MOUs/Agreements: **NONE**

7. **DISCUSSION/ACTION ITEMS** (Attachments)

1. Election of Board Officers

1.1. **Board President**

TF / CT    4 / 0 / 0  
Motion/Second    Aye/Noes / Abstain

1.2. **Board Clerk**

CT / PA    4 / 0 / 0  
Motion/Second    Aye/Noes / Abstain

1.3. **Consider Establishment of Day and Time of Regular School Board Meetings**

TF / PA    4 / 0 / 0  
Motion/Second    Aye/Noes / Abstain

2. Discuss and approve the 2020-21 First Interim Report

TF / PA    4 / 0 / 0  
Motion/Second    Aye/Noes / Abstain

3. Discussion only of the Annual Report of Developer Fees

4. Discuss and approve the 2020 School Accountability Report Card (SARC)

TF / PA    4 / 0 / 0  
Motion/Second    Aye/Noes / Abstain

8. **DISCUSSION ON NEXT BOARD MEETING**

1. Next meeting date: **Tuesday, January 12, 2021 at 6:15 p.m.**
2. Possible items for action/discussion
  - Review Audit Report for prior year
  - Quarterly Report on Williams Uniform Complaints

9. **FURTHER COMMENTS**

1. From members of the Board of Education
2. From the Superintendent

Adjournment at **6:35** p.m.

## Checks Dated 12/01/2020 through 12/31/2020

Check Number	Check Date	Pay to the Order of	Fund-Object	Comment	Expensed Amount	Check Amount
40209361	12/07/2020	Johnson Control Fire Protection	01-5600	Fire Inspection		600.00
40209362	12/07/2020	Maria Herrera	13-4700	Reimburse for Food for Cafe		9.36
40209363	12/07/2020	Paskenta Community Services District	01-5502	Elkins Water Bill		64.00
40209364	12/07/2020	AT&T/Calnet	01-5901	Phone Bill		168.31
40209365	12/07/2020	Calif. Dept. of Ed Cde Press	13-4700	Commodities		79.80
40209366	12/07/2020	California Safety Company	01-5507	Monthly Central Station Monitoring and Repairs		515.00
40209367	12/07/2020	Coastal Business Systems Inc.	01-5600	Copier Lease		400.05
40209368	12/07/2020	Diamond M Fire Protection, Inc	01-5600	Fire Sprinkler/Tank/Pump Inspections		600.00
40209369	12/07/2020	Follett Educational Services	01-4300	Golden State History Books		187.48
40209370	12/07/2020	Green Waste	01-5506	Elkins Garbage	341.74	
40209371	12/07/2020	J.M. Distributing Dairy Prod.		Garbage	479.36	821.10
40209372	12/07/2020	LV.NET LLC	13-4700	Milk for Lunches	450.90	
				Milk for School Lunches	429.95	880.85
			01-5800	Internet	1,575.70	
40209373	12/07/2020	McCoy's Hardware & Farm Supply	01-5903	Internet	675.31	2,251.01
40209374	12/07/2020	Pacific Gas & Electric Co	01-4300	Drill Bits		12.90
40209375	12/07/2020	Michael D. Butler	01-5503	Elkins Electric Bill		683.98
40209376	12/07/2020	TCSIG	01-5502	Water Operator Service		95.00
			76-9513	Insurance Premiums	3,964.00	
			76-9522	Insurance Premiums	842.00	
			76-9552	Insurance Premiums	318.00	
			76-9553	Insurance Premiums	102.00	5,226.00
40209377	12/07/2020	Tehama Co Dept of Education	01-5800	1st Qtr Lan Support July-Sept	130.00	
40209378	12/07/2020	US Bank		DTS Licenses	175.00	305.00
			01-4300	Various	1,119.65	
			13-4300	Various	337.45	
			13-4700	Various	828.04	2,285.14
40209848	12/15/2020	Paskenta Community Services District	01-5502	Elkins Water		64.00
40209849	12/15/2020	Basic Laboratory, Inc.	01-5502	Drinking Water Monitoring		78.60
40209850	12/15/2020	Calif. Dept. of Ed Cde Press	13-4700	Commodities		165.30
40209851	12/15/2020	California Safety Company	01-5507	Monthly Central Station Monitoring		50.00
40209852	12/15/2020	CDW Government, Inc.	01-4300	Chromebooks		1,408.89
40209853	12/15/2020	Christy White Associates	01-5802	Second 2019-20 District Audit		2,610.00
40209854	12/15/2020	J.M. Distributing Dairy Prod.	13-4700	Milk for Lunches		214.51
40209855	12/15/2020	LV.NET LLC	01-5800	Internet	1,575.70	
40209856	12/15/2020	Pacific Gas & Electric Co	01-5903	Internet	675.31	2,251.01
			01-5503	Elkins Electricity	234.29	

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

ESCAPE ONLINE

## Checks Dated 12/01/2020 through 12/31/2020

Check Number	Check Date	Pay to the Order of	Fund-Object	Comment	Expensed Amount	Check Amount
40209856	12/15/2020	Pacific Gas & Electric Co	01-5503	Flournoy Electricity	1,935.14	2,169.43
40209857	12/15/2020	TCSIG	76-9513	Insurance Premiums	3,964.00	
			76-9522	Insurance Premiums	842.00	
			76-9552	Insurance Premiums	318.00	
			76-9553	Insurance Premiums	102.00	5,226.00
40209858	12/15/2020	US Bank	01-4300	PPE, Office, Cafe	1,102.13	
			13-4300	PPE, Office, Cafe	345.41	
			13-4700	PPE, Office, Cafe	685.24	2,132.78
Total Number of Checks					29	31,555.50

## Fund Summary

Fund	Description	Check Count	Expensed Amount
01	GENERAL	22	17,557.54
13	CAFETERIA SPEC REV	7	3,545.96
76	WARRANT/PASS-THRU	2	10,452.00
Total Number of Checks		29	31,555.50
Less Unpaid Sales Tax Liability			.00
Net (Check Amount)			31,555.50

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

908 - Flournoy School District

Generated for MELINDA FLOURNOY (MFLOURNOY908), Jan 11  
2021 1:48PM

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Page 2 of 2

## LCFF Budget Overview for Parents

Local Educational Agency (LEA) Name: Flournoy Union Elementary School District

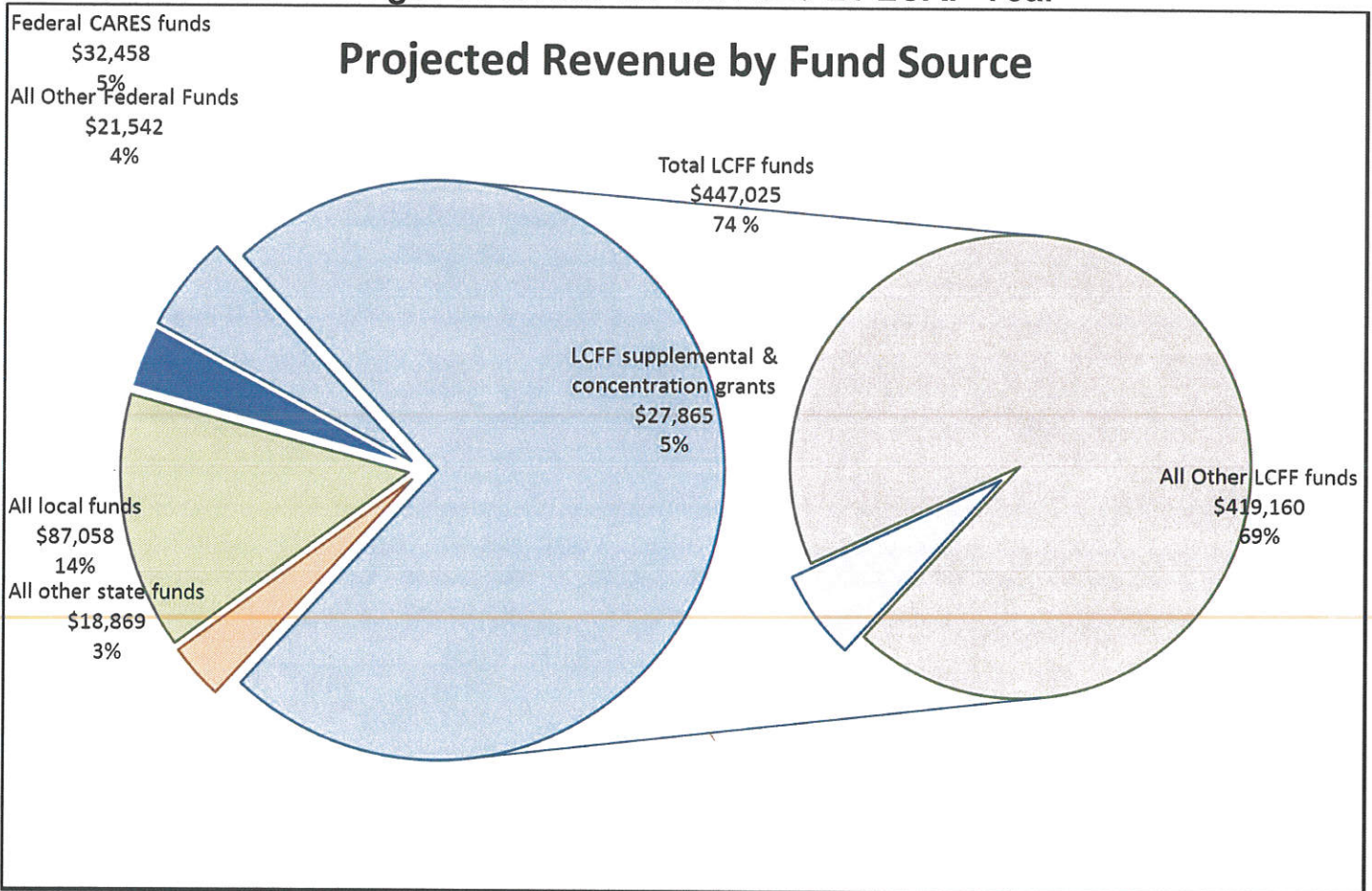
CDS Code: 52715300000000

School Year: 2020-2021

LEA contact information: Rachel Davis, Superintendent

School districts receive funding from different sources: state funds under the Local Control Funding Formula (LCFF), other state funds, local funds, and federal funds. LCFF funds include a base level of funding for all LEAs and extra funding - called "supplemental and concentration" grants - to LEAs based on the enrollment of high needs students (foster youth, English learners, and low-income students).

### Budget Overview for the 2020-21 LCAP Year

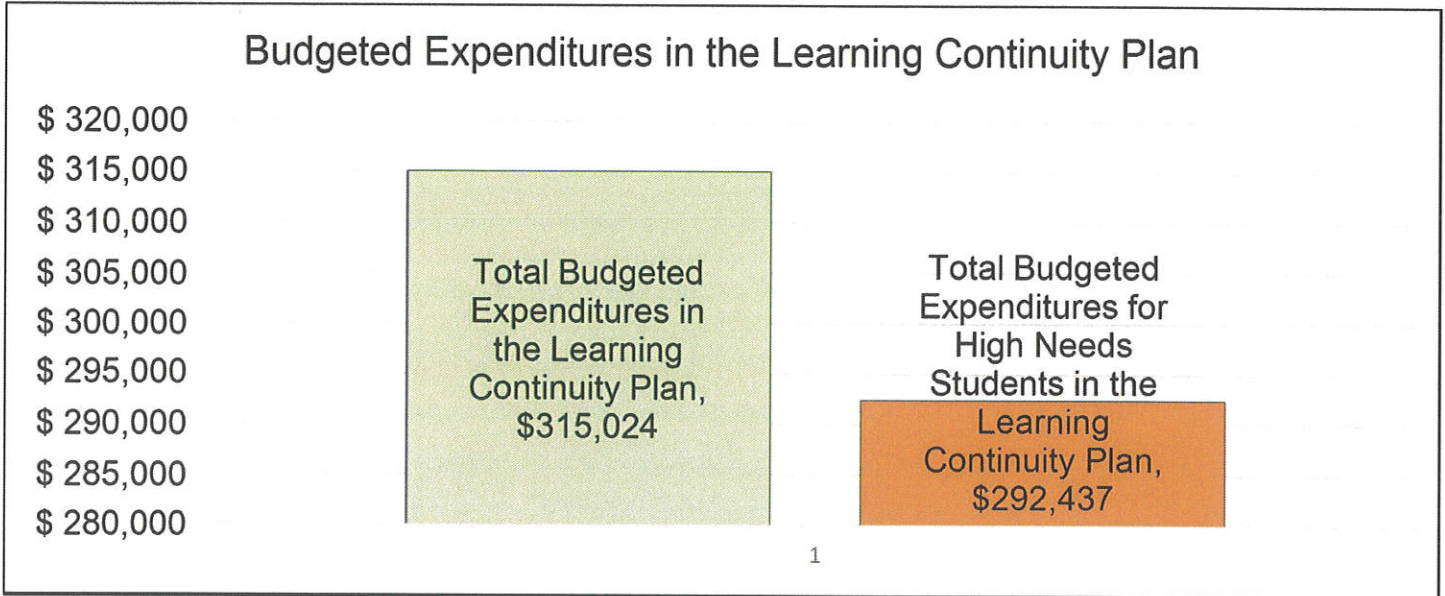


This chart shows the total general purpose revenue Flournoy Union Elementary School District expects to receive in the coming year from all sources.

The total revenue projected for Flournoy Union Elementary School District is \$606,952, of which \$447,025.00 is Local Control Funding Formula (LCFF), \$18,869.00 is other state funds, \$87,058.00 is local funds, and \$54,000.00 is federal funds. Of the \$54,000.00 in federal funds, \$32,458.00 are federal CARES Act funds. Of the \$447,025.00 in LCFF Funds, \$27,865.00 is generated based on the enrollment of high needs students (foster youth, English learner, and low-income students).

# LCFF Budget Overview for Parents

For the 2020-21 school year school districts must work with parents, educators, students, and the community to develop a Learning Continuity and Attendance Plan (Learning Continuity Plan). The Learning Continuity Plan replaces the Local Control and Accountability Plan (LCAP) for the 2020–21 school year and provides school districts with the opportunity to describe how they are planning to provide a high-quality education, social-emotional supports, and nutrition to their students during the COVID-19 pandemic.



This chart provides a quick summary of how much Flournoy Union Elementary School District plans to spend for planned actions and services in the Learning Continuity Plan for 2020-2021 and how much of the total is tied to increasing or improving services for high needs students.

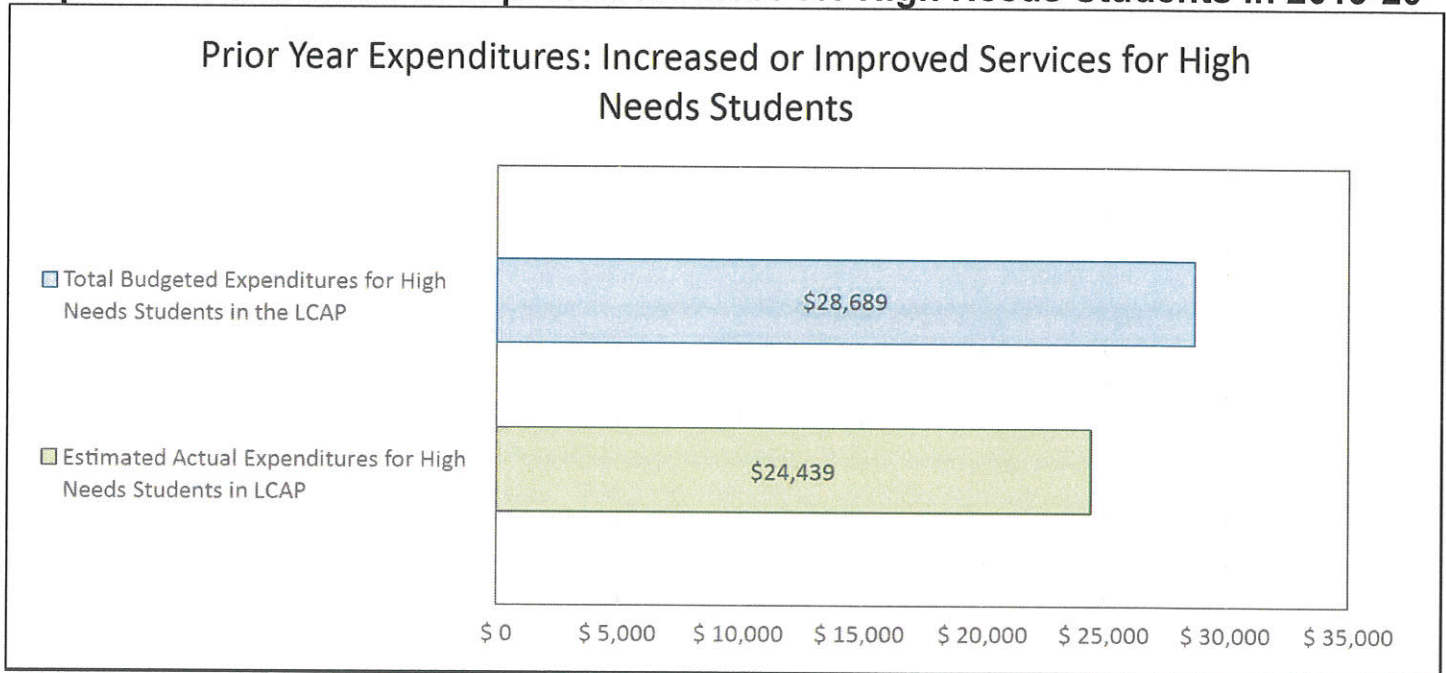
Flournoy Union Elementary School District plans to spend \$682,950.00 for the 2020-21 school year. Of that amount, \$315,023.51 is tied to actions/services in the Learning Continuity Plan and \$367,926.49 is not included in the Learning Continuity Plan. The budgeted expenditures that are not included in the Learning Continuity Plan will be used for the following:

## Increased or Improved Services for High Needs Students in the Learning Continuity Plan for the 2020-2021 School Year

In 2020-21, Flournoy Union Elementary School District is projecting it will receive \$27,865.00 based on the enrollment of foster youth, English learner, and low-income students. Flournoy Union Elementary School District must describe how it intends to increase or improve services for high needs students in the Learning Continuity Plan. Flournoy Union Elementary School District plans to spend \$292,436.51 towards meeting this requirement, as described in the Learning Continuity Plan.

# LCFF Budget Overview for Parents

## Update on Increased or Improved Services for High Needs Students in 2019-20



This chart compares what Flournoy Union Elementary School District budgeted in the 2019-20 LCAP for actions and services that contributed to increasing or improving services for high needs students with what Flournoy Union Elementary School District actually spent on actions and services that contributed to increasing or improving services for high needs students in the 2019-20 school year.

In 2019-20, Flournoy Union Elementary School District's LCAP budgeted \$28,689.00 for planned actions to increase or improve services for high needs students. Flournoy Union Elementary School District actually spent \$24,439.00 for actions to increase or improve services for high needs students in 2019-20.

School was shut down in March of 2020 due to COVID-19 so we were not able to spend the total budgeted expenditures.

January 5, 2021

Board of Education  
Flournoy Union Elementary School District  
Flournoy, CA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Flournoy Union Elementary School District (the "District") for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 27, 2020. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Matters

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2020. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of depreciation of capital assets is based on historical estimates of each capitalized item's useful life. We evaluated the key factors and assumptions used to develop the depreciation of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension liability and related deferred outflows of resources and deferred inflows of resources are based on actuarial valuations and pension contributions made during the year. We evaluated the key factors, assumptions, and proportionate share calculations used to develop the net pension liability and related deferred outflows of resources and deferred inflows of resources in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of capital assets in Note 4 to the financial statements is based on historical information which could differ from actual useful lives of each capitalized item.

Significant Audit Matters, continued

The disclosure of the pension plans, net pension liability and related deferred outflows of resources and deferred inflows of resources in Note 9 to the financial statements represents management's estimates based on actuarial valuations and pension contributions made during the year. Actual results could differ depending on the key factors, and assumptions and proportionate share calculations used to develop the net pension liability and related deferred outflows of resources and deferred inflows of resources.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated January 5, 2021

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, and the required supplementary information section, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information section, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of Board of Education and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in blue ink that reads "Christy White, Inc." The signature is written in a cursive, flowing style.

Christy White, Inc.

# FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT

AUDIT REPORT  
JUNE 30, 2020



**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
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**JUNE 30, 2020**

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## **FINANCIAL SECTION**

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**INDEPENDENT AUDITORS' REPORT**

Governing Board  
Flournoy Union Elementary School District  
Flournoy, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Flournoy Union Elementary School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Flournoy Union Elementary School District's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Flournoy Union Elementary School District, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis, budgetary comparison information, schedules of proportionate share of net pension liability, and schedules of District contributions for pensions be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Flournoy Union Elementary School District's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2021 on our consideration of Flournoy Union Elementary School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Flournoy Union Elementary School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Flournoy Union Elementary School District's internal control over financial reporting and compliance.

*Christy White, Inc.*

San Diego, California  
January 5, 2021

# FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

## INTRODUCTION

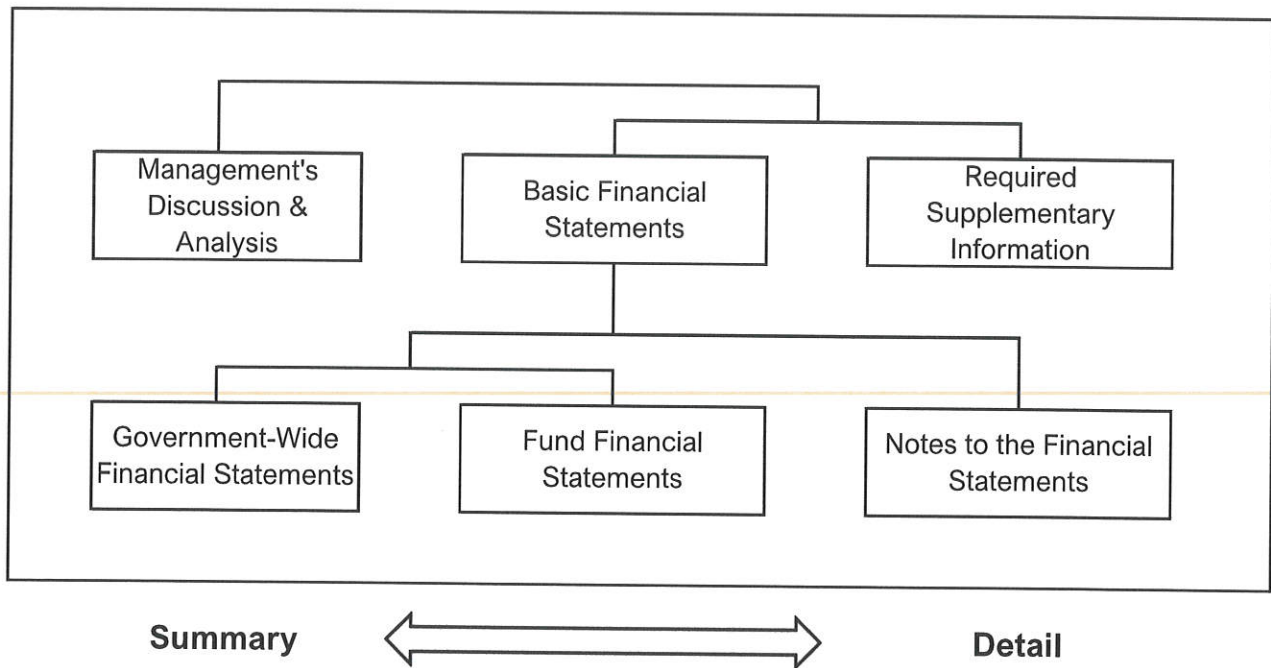
Our discussion and analysis of Flournoy Union Elementary School District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2020. It should be read in conjunction with the District's financial statements, which follow this section.

## FINANCIAL HIGHLIGHTS

- The District's net position was \$520,675 at June 30, 2020. This was a decrease of \$16,739 from prior year.
- Overall revenues were \$537,575, which was exceeded by expenses of \$554,314.

## OVERVIEW OF FINANCIAL STATEMENTS

### Components of the Financial Section



**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2020**

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**OVERVIEW OF FINANCIAL STATEMENTS (continued)**

**Components of the Financial Section (continued)**

This annual report consists of three parts – Management's Discussion and Analysis (this section), the basic financial statements, and required supplementary information. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives:

- **Government-wide financial statements**, which comprise the first two statements, provide both short-term and long-term information about the entity's overall financial position.
- **Fund financial statements** focus on reporting the individual parts of District operations in more detail. The fund financial statements comprise the remaining statements.
  - **Governmental Funds** provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.
  - **Fiduciary Funds** report balances for which the District is a custodian or *trustee* of the funds, such as Associated Student Bodies and pension funds.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The basic financial statements are followed by a section of required and other supplementary information that further explain and support the financial statements.

**Government-Wide Statements**

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how it has changed. Net position is one way to measure the District's financial health. Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the District include governmental activities. All of the District's basic services are included here, such as regular education, food service, maintenance and general administration. Local control formula funding and federal and state grants finance most of these activities.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2020**

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**FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE**

**Net Position**

The District's net position was \$520,675 at June 30, 2020, as reflected in the table below. Of this amount, \$93,089 was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Governing Board's ability to use that net position for day-to-day operations.

	<b>Governmental Activities</b>		
	<b>2020</b>	<b>2019</b>	<b>Net Change</b>
<b>ASSETS</b>			
Current and other assets	\$ 566,388	\$ 570,448	\$ (4,060)
Capital assets	327,610	334,099	(6,489)
<b>Total Assets</b>	<b>893,998</b>	<b>904,547</b>	<b>(10,549)</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>103,044</b>	<b>101,707</b>	<b>1,337</b>
<b>LIABILITIES</b>			
Current liabilities	55,608	71,328	(15,720)
Long-term liabilities	317,572	296,579	20,993
<b>Total Liabilities</b>	<b>373,180</b>	<b>367,907</b>	<b>5,273</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>103,187</b>	<b>100,933</b>	<b>2,254</b>
<b>NET POSITION</b>			
Net investment in capital assets	327,610	334,099	(6,489)
Restricted	99,976	107,592	(7,616)
Unrestricted	93,089	95,723	(2,634)
<b>Total Net Position</b>	<b>\$ 520,675</b>	<b>\$ 537,414</b>	<b>\$ (16,739)</b>

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2020**

**FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)**

**Changes in Net Position**

The results of this year's operations for the District as a whole are reported in the Statement of Activities. The table below takes the information from the Statement and rearranges it slightly, so you can see our total revenues and expenses for the year.

	<b>Governmental Activities</b>		
	<b>2020</b>	<b>2019</b>	<b>Net Change</b>
<b>REVENUES</b>			
Program revenues			
Charges for services	\$ 73,873	\$ 50,070	\$ 23,803
Operating grants and contributions	41,317	39,701	1,616
General revenues			
Property taxes	89,564	83,120	6,444
Unrestricted federal and state aid	293,071	278,153	14,918
Other	39,750	31,863	7,887
<b>Total Revenues</b>	<b>537,575</b>	<b>482,907</b>	<b>54,668</b>
<b>EXPENSES</b>			
Instruction	294,312	240,229	54,083
Instruction-related services	59,834	46,067	13,767
Pupil services	51,737	28,057	23,680
General administration	56,360	51,349	5,011
Plant services	74,851	50,850	24,001
Other outgo	17,220	9,009	8,211
<b>Total Expenses</b>	<b>554,314</b>	<b>425,561</b>	<b>128,753</b>
<b>Change in net position</b>	<b>(16,739)</b>	<b>57,346</b>	<b>(74,085)</b>
<b>Net Position - Beginning</b>	<b>537,414</b>	<b>480,068</b>	<b>57,346</b>
<b>Net Position - Ending</b>	<b>\$ 520,675</b>	<b>\$ 537,414</b>	<b>\$ (16,739)</b>

The cost of all our governmental activities this year was \$554,314 (refer to the table above). The amount that our taxpayers ultimately financed for these activities through taxes was only \$89,564 because a portion of the cost was paid by other governments and organizations who subsidized certain programs with grants and contributions and through charges for services.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2020**

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**FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)**

**Changes in Net Position (continued)**

In the table below, we have presented the net cost of each of the District's functions. Net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	<b>Net Cost of Services</b>	
	<b>2020</b>	<b>2019</b>
Instruction	\$ 216,759	\$ 177,355
Instruction-related services	59,834	42,794
Pupil services	19,872	11,610
General administration	56,360	50,662
Plant services	74,851	50,016
Transfers to other agencies	11,448	3,353
<b>Total Expenses</b>	<b>\$ 439,124</b>	<b>\$ 335,790</b>

**FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR FUNDS**

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed this year, its governmental funds reported a combined fund balance of \$510,780 which is more than last year's ending fund balance of \$499,120. The District's General Fund had \$15,731 more in operating revenues than expenditures for the year ended June 30, 2020. The District's Capital Facilities Fund had \$5,277 more in operating revenues than expenditures for the year ended June 30, 2020.

**CURRENT YEAR BUDGET 2019-2020**

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During the fiscal year, budget revisions and appropriation transfers are presented to the Board for their approval on a regular basis to reflect changes to both revenues and expenditures that become known during the year. In addition, the Board of Education approves financial projections included with the Adopted Budget, First Interim, and Second Interim financial reports. The Unaudited Actuals reflect the District's financial projections and current budget based on State and local financial information.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2020**

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**CAPITAL ASSETS AND LONG-TERM LIABILITIES**

**Capital Assets**

By the end of 2019-2020 the District had invested \$327,610 in capital assets, net of accumulated depreciation.

	Governmental Activities		
	2020	2019	Net Change
<b>CAPITAL ASSETS</b>			
Buildings & improvements	\$ 683,139	\$ 683,139	\$ -
Furniture & equipment	56,174	46,105	10,069
Accumulated depreciation	(411,703)	(395,145)	(16,558)
<b>Total Capital Assets</b>	<b>\$ 327,610</b>	<b>\$ 334,099</b>	<b>\$ (6,489)</b>

**Long-Term Liabilities**

At year-end, the District had \$317,572 in long-term liabilities, an increase of 22% from last year – as shown in the table below. (More detailed information about the District's long-term liabilities is presented in footnotes to the financial statements.)

	Governmental Activities		
	2020	2019	Net Change
<b>LONG-TERM LIABILITIES</b>			
Compensated absences	\$ -	\$ 4,871	\$ (4,871)
Net pension liability	317,572	291,708	25,864
<b>Total Long-term Liabilities</b>	<b>\$ 317,572</b>	<b>\$ 296,579</b>	<b>\$ 20,993</b>

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

At the time these financial statements were prepared and audited, the District was aware of several circumstances that could affect its future financial health.

According to the UCLA Anderson Forecast, the U.S. economy is in a "depression-like crisis" and it will take at least three years before its GDP and unemployment rate return to the levels it saw before the COVID-19 pandemic struck. Between February 2020 and April 2020, California lost 2.56 million nonfarm payroll jobs, a 15% drop that is nearly double the job loss during the Great Recession in 2008 and 2009.

Fiscal policy for the funding of public education changes annually based on fluctuations in State revenues. Governor Gavin Newsom and the State Legislature provided resources and support beyond the Proposition 98 requirement in 2020–21, giving one-time federal resources and pension rate relief and promising more than the minimum guarantee in 2021–22.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2020**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (continued)**

Landmark legislation passed in Year 2013 reformed California school district finance by creating the Local Control Funding Formula (LCFF). The LCFF is designed to provide a flexible funding mechanism that links student achievement to state funding levels. The LCFF provides a per-pupil base grant amount, by grade span, that is augmented by supplemental funding for targeted student groups in low income brackets, those that are English language learners and foster youth.

Factors related to LCFF that the District is monitoring include: (1) estimates of funding in the next budget year and beyond; (2) the Local Control and Accountability Plan (LCAP) that aims to link student accountability measurements to funding allocations; (3) ensuring the integrity of reporting student data through the California Longitudinal Pupil Achievement Data System (CALPADs); and, (4) meeting annual compliance and audit requirements.

The District participates in state employee pensions plans, California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) and both are underfunded. The District's proportionate share of the liability is reported in the Statement of Net Position as of June 30, 2020. The amount of the liability is material to the financial position of the District. In response to the ongoing pandemic, the 2020-21 State Budget reduced employer contribution rates in 2020-21 and 2021-22. This will reduce the CalSTRS employer rate from 18.4% to approximately 16.15% in 2020-21 and from 18.2% to 16.0% in 2021-22. The CalPERS employer contribution rate will be reduced from CalPERS recently set rate for 2020-21 of 22.68% to 20.7% and 2021-22 estimated rate of 24.6% to 23.00%. Despite this reduction in the planned rate increases, the projected increased pension costs to school employers remain a significant fiscal factor.

Enrollment can fluctuate due to factors such as population growth, competition from private, parochial, inter-district transfers in or out, economic conditions and housing values. Losses in enrollment will cause a school district to lose operating revenues without necessarily permitting the district to make adjustments in fixed operating costs.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law. The CARES Act provides California K-12 education with \$1.65 billion in Elementary and Secondary School Emergency Relief (ESSER) Funds, \$355 million in Governor's Emergency Education Relief (GEER) Funds, and \$4.4 billion in Coronavirus Relief Funds (CRF). Collectively, GEER Funds, CRF, and \$540 million in state General Fund (GF) contributions are known as Learning Loss Mitigation Funding (LLMF). CARES Act funds will be apportioned in 2020-21, however, ESSER and GEER are to be used on eligible expenditures beginning March 13, 2020 through September 30, 2022, GF is to be used on eligible expenditures beginning March 1, 2020 through June 30, 2021, and CRF is to be used on eligible expenditures beginning March 1, 2020 through December 30, 2020.

All of these factors were considered in preparing the District's budget for the 2020-21 fiscal year.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact Melinda Flournoy, Business Manager, P.O. Box 2260, 15850 Paskenta Road; Flournoy, CA 96029, (530) 833-5331.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

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	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 456,045
Accounts receivable	108,293
Inventory	2,050
Capital assets, net of accumulated depreciation	327,610
<b>Total Assets</b>	<u>893,998</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows related to pensions	103,044
<b>Total Deferred Outflows of Resources</b>	<u>103,044</u>
<b>LIABILITIES</b>	
Accrued liabilities	55,608
Long-term liabilities, non-current	317,572
<b>Total Liabilities</b>	<u>373,180</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows related to pensions	103,187
<b>Total Deferred Inflows of Resources</b>	<u>103,187</u>
<b>NET POSITION</b>	
Net investment in capital assets	327,610
Restricted:	
Capital projects	95,258
Educational programs	4,050
All others	668
Unrestricted	93,089
<b>Total Net Position</b>	<u>\$ 520,675</u>

The accompanying notes are an integral part of these financial statements.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

Function/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
<b>GOVERNMENTAL ACTIVITIES</b>				
Instruction	\$ 294,312	\$ 46,084	\$ 31,469	\$ (216,759)
Instruction-related services				
School site administration	59,834	-	-	(59,834)
Pupil services				
Home-to-school transportation	1,608	-	-	(1,608)
Food services	49,288	22,017	9,848	(17,423)
All other pupil services	841	-	-	(841)
General administration				
Centralized data processing	636	-	-	(636)
All other general administration	55,724	-	-	(55,724)
Plant services	74,851	-	-	(74,851)
Other outgo	17,220	5,772	-	(11,448)
<b>Total Governmental Activities</b>	<b>\$ 554,314</b>	<b>\$ 73,873</b>	<b>\$ 41,317</b>	<b>(439,124)</b>
General revenues				
Taxes and subventions				
Property taxes, levied for general purposes				89,564
Federal and state aid not restricted for specific purposes				293,071
Interest and investment earnings				10,092
Miscellaneous				29,658
<b>Subtotal, General Revenue</b>				<b>422,385</b>
<b>CHANGE IN NET POSITION</b>				<b>(16,739)</b>
<b>Net Position - Beginning</b>				<b>537,414</b>
<b>Net Position - Ending</b>				<b>\$ 520,675</b>

The accompanying notes are an integral part of these financial statements.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2020**

	General Fund	Capital Facilities Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 359,119	\$ 95,258	\$ 1,668	\$ 456,045
Accounts receivable	108,293	-	-	108,293
Stores inventory	-	-	2,050	2,050
<b>Total Assets</b>	<b>\$ 467,412</b>	<b>\$ 95,258</b>	<b>\$ 3,718</b>	<b>\$ 566,388</b>
<b>LIABILITIES</b>				
Accrued liabilities	\$ 55,608	\$ -	\$ -	\$ 55,608
<b>Total Liabilities</b>	<b>55,608</b>	<b>-</b>	<b>-</b>	<b>55,608</b>
<b>FUND BALANCES</b>				
Nonspendable	1,500	-	3,050	4,550
Restricted	4,050	95,258	668	99,976
Assigned	183,508	-	-	183,508
Unassigned	222,746	-	-	222,746
<b>Total Fund Balances</b>	<b>411,804</b>	<b>95,258</b>	<b>3,718</b>	<b>510,780</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 467,412</b>	<b>\$ 95,258</b>	<b>\$ 3,718</b>	<b>\$ 566,388</b>

The accompanying notes are an integral part of these financial statements.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET**  
**POSITION**  
**JUNE 30, 2020**

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<b>Total Fund Balance - Governmental Funds</b>	<b>\$ 510,780</b>
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Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:

Capital assets:

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation:

Capital assets	\$ 739,313	
Accumulated depreciation	<u>(411,703)</u>	327,610

Long-term liabilities:

In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Net pension liability	(317,572)
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Deferred outflows and inflows of resources relating to pensions:

In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

Deferred outflows of resources related to pensions	\$ 103,044	
Deferred inflows of resources related to pensions	<u>(103,187)</u>	(143)

<b>Total Net Position - Governmental Activities</b>	<b><u>\$ 520,675</u></b>
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**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2020**

	General Fund	Capital Facilities Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
LCFF sources	\$ 362,842	\$ -	\$ -	\$ 362,842
Federal sources	23,495	-	9,692	33,187
Other state sources	25,823	-	285	26,108
Other local sources	88,273	5,277	21,888	115,438
<b>Total Revenues</b>	<b>500,433</b>	<b>5,277</b>	<b>31,865</b>	<b>537,575</b>
<b>EXPENDITURES</b>				
Current				
Instruction	285,356	-	-	285,356
Instruction-related services				
School site administration	50,457	-	-	50,457
Pupil services				
Home-to-school transportation	1,608	-	-	1,608
Food services	-	-	41,213	41,213
All other pupil services	841	-	-	841
General administration				
Centralized data processing	636	-	-	636
All other general administration	51,706	-	-	51,706
Plant services	76,878	-	-	76,878
Transfers to other agencies	17,220	-	-	17,220
<b>Total Expenditures</b>	<b>484,702</b>	<b>-</b>	<b>41,213</b>	<b>525,915</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>15,731</b>	<b>5,277</b>	<b>(9,348)</b>	<b>11,660</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	10,500	10,500
Transfers out	(10,500)	-	-	(10,500)
<b>Net Financing Sources (Uses)</b>	<b>(10,500)</b>	<b>-</b>	<b>10,500</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>5,231</b>	<b>5,277</b>	<b>1,152</b>	<b>11,660</b>
<b>Fund Balance - Beginning</b>	<b>406,573</b>	<b>89,981</b>	<b>2,566</b>	<b>499,120</b>
<b>Fund Balance - Ending</b>	<b>\$ 411,804</b>	<b>\$ 95,258</b>	<b>\$ 3,718</b>	<b>\$ 510,780</b>

The accompanying notes are an integral part of these financial statements.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

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<b>Net Change in Fund Balances - Governmental Funds</b>	<b>\$ 11,660</b>
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Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:

Capital outlay:

In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Expenditures for capital outlay:	\$ 10,069	
Depreciation expense:	<u>(16,558)</u>	(6,489)

Compensated absences:

In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amount earned. The difference between compensated absences paid and compensated absences earned, was:

4,871

Pensions:

In governmental funds, pension costs are recognized when employer contributions are made. In the government-wide statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and employer contributions was:

(26,781)

<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ (16,739)</u></b>
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**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**FIDUCIARY FUNDS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

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	<u>Agency Fund</u> <u>Student Body</u> <u>Fund</u>
<b>ASSETS</b>	
Cash and investments	\$ 3,583
<b>Total Assets</b>	<u>\$ 3,583</u>
<b>LIABILITIES</b>	
Due to student groups	\$ 3,583
<b>Total Liabilities</b>	<u>\$ 3,583</u>

The accompanying notes are an integral part of these financial statements.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Financial Reporting Entity**

The Flournoy Union Elementary School District (the "District") accounts for its financial transactions in accordance with the policies and procedures of the Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

The District operates under a locally elected Board form of government and provides educational services to grades K-8 as mandated by the state. A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student-related activities.

**B. Component Units**

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. The District has no such component units.

**C. Basis of Presentation**

**Government-Wide Statements.** The statement of net position and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenue, and other non-exchange transactions

The statement of activities presents a comparison between direct expenses and program revenue for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reserved for the statement of activities. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting of operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation (continued)**

**Fund Financial Statements.** The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

Governmental funds are used to account for activities that are governmental in nature. Governmental activities are typically tax-supported and include education of pupils, operation of food service and child development programs, construction and maintenance of school facilities, and repayment of long-term debt.

Fiduciary funds are used to account for assets held by the District in a trustee or agency capacity for others that cannot be used to support the District's own programs.

**Major Governmental Funds**

**General Fund:** The General Fund is the main operating fund of the District. It is used to account for all activities except those that are required to be accounted for in another fund. In keeping with the minimum number of funds principle, all of the District's activities are reported in the General Fund unless there is a compelling reason to account for an activity in another fund. A District may have only one General Fund.

**Capital Facilities Fund:** This fund is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving a development (*Education Code Sections 17620–17626*). The authority for these levies may be county/city ordinances (*Government Code Sections 65970–65981*) or private agreements between the District and the developer. Interest earned in the Capital Facilities Fund is restricted to that fund (*Government Code Section 66006*).

**Non-Major Governmental Funds**

**Special Revenue Funds:** Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The District maintains the following special revenue funds:

**Cafeteria Special Revenue Fund:** This fund is used to account separately for federal, state, and local resources to operate the food service program (*Education Code Sections 38090–38093*). The Cafeteria Special Revenue Fund shall be used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code Sections 38091 and 38100*).

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Presentation (continued)**

**Fiduciary Funds**

**Trust and Agency Funds:** Trust and agency funds are used to account for assets held in a trustee or agent capacity for others that cannot be used to support the District's own programs. The key distinction between trust and agency funds is that trust funds are subject to a trust agreement that affects the degree of management involvement and the length of time that the resources are held.

**Student Body Fund:** The Student Body Fund is an agency fund and, therefore, consists only of accounts such as cash and balancing liability accounts, such as due to student groups. The student body itself maintains its own general fund, which accounts for the transactions of that entity in raising and expending money to promote the general welfare, morale, and educational experiences of the student body (*Education Code Sections 48930–48938*).

**D. Basis of Accounting – Measurement Focus**

**Government-Wide and Fiduciary Financial Statements**

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Net Position equals assets and deferred outflows of resources minus liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. The net position should be reported as restricted when constraints placed on its use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities results from special revenue funds and the restrictions on their use.

**Governmental Funds**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Governmental funds use the modified accrual basis of accounting.

**Revenues – Exchange and Non-Exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Basis of Accounting – Measurement Focus (continued)**

**Revenues – Exchange and Non-Exchange Transactions (continued)**

Generally, “available” means collectible within the current period or within 60 days after year-end. However, to achieve comparability of reporting among California school districts and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to State-aid apportionments, the California Department of Education has defined available for school districts as collectible within one year.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from the grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

**Unearned Revenue**

Unearned revenue arises when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Certain grants received that have not met eligibility requirements are recorded as unearned revenue. On the governmental fund financial statements, receivables that will not be collected within the available period are also recorded as unearned revenue.

**Expenses/Expenditures**

On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds. When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position**

**Cash and Cash Equivalents**

The District's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

**Investments**

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county and State investment pools are determined by the program sponsor.

**Inventories**

Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time the individual inventory items are requisitioned. Inventories are valued at historical cost and consist of expendable supplies held for consumption.

**Capital Assets**

The accounting and reporting treatment applied to the capital assets associated with a fund is determined by its measurement focus. Capital assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their acquisition value as of the date received. The District maintains a capitalization threshold of \$5,000. The District does not own any infrastructure as defined in GASB Statement No. 34. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. All reported capital assets, except for land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following estimated useful lives:

<b><u>Asset Class</u></b>	<b><u>Estimated Useful Life</u></b>
Buildings and Improvements	20 to 50 years
Furniture and Equipment	5 to 20 years
Vehicles	8 years

**Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Due from other funds/Due to other funds." These amounts are eliminated in the governmental activities columns of the statement of net position.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)**

**Compensated Absences**

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide financial statements. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resource. These amounts are recorded in the fund from which the employees who have accumulated leave are paid.

Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken because such benefits do not vest, nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

**Premiums and Discounts**

In the government-wide financial statements, long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

**Deferred Outflows/Deferred Inflows of Resources**

In addition to assets, the District will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the District will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans (the Plans) of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)**

**Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

*Nonspendable* - The nonspendable fund balance classification reflects amounts that are not in spendable form. Examples include inventory, prepaid items, the long-term portion of loans receivable, and nonfinancial assets held for resale. This classification also reflects amounts that are in spendable form but that are legally or contractually required to remain intact, such as the principal of a permanent endowment.

*Restricted* - The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

*Committed* - The committed fund balance classification reflects amounts subject to internal constraints self-imposed by formal action of the Governing Board. The constraints giving rise to committed fund balance must be imposed no later than the end of the reporting period. The actual amounts may be determined subsequent to that date but prior to the issuance of the financial statements. In contrast to restricted fund balance, committed fund balance may be redirected by the government to other purposes as long as the original constraints are removed or modified in the same manner in which they were imposed, that is, by the same formal action of the Governing Board.

*Assigned* - The assigned fund balance classification reflects amounts that the government *intends* to be used for specific purposes. Assignments may be established either by the Governing Board or by a designee of the governing body, and are subject to neither the restricted nor committed levels of constraint. In contrast to the constraints giving rise to committed fund balance, constraints giving rise to assigned fund balance are not required to be imposed, modified, or removed by formal action of the Governing Board. The action does not require the same level of formality and may be delegated to another body or official. Additionally, the assignment need not be made before the end of the reporting period, but rather may be made any time prior to the issuance of the financial statements.

*Unassigned* - In the General Fund only, the unassigned fund balance classification reflects the residual balance that has not been assigned to other funds and that is not restricted, committed, or assigned to specific purposes. However, deficits in any fund, including the General Fund that cannot be eliminated by reducing or eliminating amounts assigned to other purposes are reported as negative unassigned fund balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements. Interfund transfers are eliminated in the governmental activities columns of the statement of activities.

**G. Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**H. Budgetary Data**

The budgetary process is prescribed by provisions of the California Education Code and requires the governing board to hold a public hearing and adopt an operating budget no later than July 1 of each year. The District governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for. For purposes of the budget, on-behalf payments have not been included as revenue and expenditures as required under generally accepted accounting principles.

**I. Property Tax**

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County Auditor-Controller bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

**J. New Accounting Pronouncements**

**GASB Statement No. 84** – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. This standard's primary objective is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement was postponed by GASB Statement No. 95 and is effective for periods beginning after December 15, 2019. The District has not yet determined the impact on the financial statements.

**GASB Statement No. 87** – In June 2017, GASB issued Statement No. 87, *Leases*. This standard's primary objective is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The statement was postponed by GASB Statement No. 95 and is effective for periods beginning after June 15, 2021. The District has not yet determined the impact on the financial statements.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**J. New Accounting Pronouncements (continued)**

**GASB Statement No. 91** – In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. This standard's primary objectives are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The statement was postponed by GASB Statement No. 95 and is effective for periods beginning after December 15, 2021. The District has not yet determined the impact on the financial statements.

**GASB Statement No. 92** – In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. This standard's primary objectives are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. A portion of this statement was effective upon issuance, while the majority of this statement was postponed by GASB Statement No. 95 and is effective for periods beginning after June 15, 2021. The District has implemented the requirements that were effective upon issuance but has not yet determined the impact on the financial statements for the requirements of this statement that are not yet effective.

**GASB Statement No. 95** – In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This standard's primary objective is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The statement is effective immediately. The District has implemented GASB Statement No. 95.

**NOTE 2 – CASH AND INVESTMENTS**

**A. Summary of Cash and Investments**

	<b>Governmental Activities</b>	<b>Fiduciary Funds</b>
Investment in county treasury	\$ 453,545	\$ -
Cash on hand and in banks	-	3,583
Cash in revolving fund	2,500	-
<b>Total</b>	<b>\$ 456,045</b>	<b>\$ 3,583</b>

**B. Policies and Practices**

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the state; U.S. Treasury instruments; registered state warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; collateralized mortgage obligations; and the County Investment Pool.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 2 – CASH AND INVESTMENTS (continued)**

**B. Policies and Practices (continued)**

**Investment in County Treasury** – The District maintains substantially all of its cash in the County Treasury in accordance with *Education Code Section 41001*. The Tehama County Treasurer's pooled investments are managed by the County Treasurer who reports on a monthly basis to the board of supervisors. In addition, the function of the County Treasury Oversight Committee is to review and monitor the County's investment policy. The committee membership includes the Treasurer and Tax Collector, the Auditor-Controller, Chief Administrative Officer, Superintendent of Schools Representative, and a public member. The fair value of the District's investment in the pool is based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**C. General Authorizations**

Except for investments by trustees of debt proceeds, the authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. Additional information about the investment policy of the County Treasurer and Tax Collector may be obtained from its website.

The table below identifies the investment types permitted by California Government Code.

<u>Authorized Investment Type</u>	<u>Maximum Remaining Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U. S. Treasury Obligations	5 years	None	None
U. S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

**D. Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury. The District maintains a pooled investment with the County Treasury with a fair value of approximately \$469,254 and an amortized book value of \$453,545. The average weighted maturity for this pool is 191 days.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 2 – CASH AND INVESTMENTS (continued)**

**E. Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The investments in the County Treasury are not required to be rated. As of June 30, 2020, the pooled investments in the County Treasury were not rated.

**F. Custodial Credit Risk – Deposits**

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2020, the District's bank balance was not exposed to custodial credit risk.

**G. Fair Value**

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Tehama County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements at June 30, 2020 were as follows:

	<u>Uncategorized</u>
Investment in county treasury	\$ 469,254
<b>Total</b>	<u>\$ 469,254</u>

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 3 – ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2020 consisted of the following:

	<u>General Fund</u>
Federal Government	
Categorical aid	\$ 8,530
State Government	
Apportionment	99,368
Lottery	395
<b>Total</b>	<u>\$ 108,293</u>

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2020 was as follows:

	<u>Balance July 01, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2020</u>
<b>Governmental Activities</b>				
Capital assets being depreciated				
Buildings & improvements	\$ 683,139	\$ -	\$ -	\$ 683,139
Furniture & equipment	46,105	10,069	-	56,174
Total Capital Assets Being Depreciated	<u>729,244</u>	<u>10,069</u>	<u>-</u>	<u>739,313</u>
Less Accumulated Depreciation				
Buildings & improvements	349,040	15,887	-	364,927
Furniture & equipment	46,105	671	-	46,776
Total Accumulated Depreciation	<u>395,145</u>	<u>16,558</u>	<u>-</u>	<u>411,703</u>
<b>Governmental Activities</b>				
<b>Capital Assets, net</b>	<u>\$ 334,099</u>	<u>\$ (6,489)</u>	<u>\$ -</u>	<u>\$ 327,610</u>

Depreciation expense was charged to the instruction function totaling \$16,558.

**NOTE 5 – INTERFUND TRANSACTIONS**

**Operating Transfers**

The individual interfund transfer for the year ended June 30, 2020 consisted of a \$10,500 annual contribution from the General Fund to the Cafeteria Fund.

**NOTE 6 – ACCRUED LIABILITIES**

Accrued liabilities at June 30, 2020 consisted of the following:

	<u>General Fund</u>
Payroll	\$ 10,357
Vendors payable	45,251
<b>Total</b>	<u>\$ 55,608</u>

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

**NOTE 7 – LONG-TERM LIABILITIES**

A schedule of changes in long-term liabilities for the year ended June 30, 2020 consisted of the following:

	Balance July 01, 2019	Additions	Deductions	Balance June 30, 2020
<b>Governmental Activities</b>				
Compensated absences	\$ 4,871	\$ -	\$ 4,871	\$ -
Net pension liability	291,708	25,864	-	317,572
<b>Total</b>	<b>\$ 296,579</b>	<b>\$ 25,864</b>	<b>\$ 4,871</b>	<b>\$ 317,572</b>

**A. Net Pension Liability**

The District's beginning net pension liability was \$291,708 and increased by \$25,864 during the year ended June 30, 2020. The ending net pension liability at June 30, 2020 was \$317,572. See Note 9 for additional information regarding the net pension liability.

**NOTE 8 – FUND BALANCES**

Fund balances were composed of the following elements at June 30, 2020:

	General Fund	Capital Facilities Fund	Non-Major Governmental Funds	Total Governmental Funds
Non-spendable				
Revolving cash	\$ 1,500	\$ -	\$ 1,000	\$ 2,500
Stores inventory	-	-	2,050	2,050
Total non-spendable	1,500	-	3,050	4,550
Restricted				
Educational programs	4,050	-	-	4,050
Capital projects	-	95,258	-	95,258
Food service	-	-	668	668
Total restricted	4,050	95,258	668	99,976
Assigned				
Other Assignments	183,508	-	-	183,508
Total assigned	183,508	-	-	183,508
Unassigned	222,746	-	-	222,746
<b>Total Fund Balance</b>	<b>\$ 411,804</b>	<b>\$ 95,258</b>	<b>\$ 3,718</b>	<b>\$ 510,780</b>

The District is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. For a District this size, the State recommends available reserves of at least 5% or \$65,000 (whichever is greater) of General Fund expenditures, transfers out, and other uses (total outgo).

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 9 – PENSION PLANS**

Qualified employees are covered under multiple-employer contributory retirement plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS). The District reported its proportionate share of the net pension liabilities, pension expense, deferred outflow of resources, and deferred inflow of resources for each of the above plans as follows:

	Net pension liability	Deferred outflows related to pensions	Deferred inflows related to pensions	Pension expense
STRS Pension	\$ 101,498	\$ 44,221	\$ 66,113	\$ (2,125)
PERS Pension	216,074	58,823	37,074	75,796
<b>Total</b>	<b>\$ 317,572</b>	<b>\$ 103,044</b>	<b>\$ 103,187</b>	<b>\$ 73,671</b>

**A. California State Teachers' Retirement System (CalSTRS)**

**Plan Description**

The District contributes to the California State Teachers' Retirement System (CalSTRS); a cost-sharing multiple employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 7919 Folsom Blvd., Sacramento, CA 95826.

**Benefits Provided**

The CalSTRS defined benefit plan has two benefit formulas:

1. CalSTRS 2% at 60: Members first hired on or before December 31, 2012, to perform service that could be creditable to CalSTRS. CalSTRS 2% at 60 members are eligible for normal retirement at age 60, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. Early retirement options are available at age 55 with five years of credited service or as early as age 50 with 30 years of credited service. The age factor for retirements after age 60 increases with each quarter year of age to 2.4 percent at age 63 or older. Members who have 30 years or more of credited service receive an additional increase of up to 0.2 percent to the age factor, known as the career factor. The maximum benefit with the career factor is 2.4 percent of final compensation.
2. CalSTRS 2% at 62: Members first hired on or after January 1, 2013, to perform service that could be creditable to CalSTRS. CalSTRS 2% at 62 members are eligible for normal retirement at age 62, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. An early retirement option is available at age 55. The age factor for retirement after age 62 increases with each quarter year of age to 2.4 percent at age 65 or older.

**Contributions**

Active plan CalSTRS 2% at 60 and 2% at 62 members are required to contribute 10.25% and 10.205% of their salary for fiscal year 2020, respectively, and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2020 was 18.13% of annual payroll reduced to 17.10% pursuant to California Senate Bill 90 (SB 90). Contributions to the plan from the District were \$20,074 for the year ended June 30, 2020.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 9 – PENSION PLANS (continued)**

**A. California State Teachers' Retirement System (CalSTRS) (continued)**

**On-Behalf Payments**

The District was the recipient of on-behalf payments made by the State of California to CalSTRS for K-12 education. These payments consist of state general fund contributions of approximately \$7,738 to CalSTRS.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2020, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	101,498
State's proportionate share of the net pension liability associated with the District		55,374
<b>Total</b>	<b>\$</b>	<b>156,872</b>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2018 and rolling forward the total pension liability to June 30, 2019. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2019, the District's proportion was 0.0001 percent, which did not change from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$(2,125). In addition, the District recognized pension expense and revenue of \$1,515 for support provided by the State. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between projected and actual earnings on plan investments	\$ -	\$ 3,910
Differences between expected and actual experience	256	2,860
Changes in assumptions	12,838	-
Changes in proportion and differences between District contributions and proportionate share of contributions	11,053	59,343
District contributions subsequent to the measurement date	20,074	-
<b>Total</b>	<b>\$ 44,221</b>	<b>\$ 66,113</b>

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 9 – PENSION PLANS (continued)**

**A. California State Teachers' Retirement System (CalSTRS) (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

The \$20,074 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2021	\$ 5,750	\$ 18,323
2022	5,750	21,037
2023	5,750	14,308
2024	5,754	(1,562)
2025	570	13,711
2026	573	296
<b>Total</b>	<b>\$ 24,147</b>	<b>\$ 66,113</b>

**Actuarial Assumptions**

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2018, and rolling forward the total pension liability to June 30, 2019 using the following actuarial assumptions, applied to all periods included in the measurement:

Consumer Price Inflation	2.75%
Investment Rate of Return*	7.10%
Wage Inflation	3.50%

\* Net of investment expenses, but gross of administrative expenses.

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on MP-2016 series tables adjusted to fit CalSTRS experience.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010–June 30, 2015.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

**NOTE 9 – PENSION PLANS (continued)**

**A. California State Teachers' Retirement System (CalSTRS) (continued)**

**Actuarial Assumptions (continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant (Pension Consulting Alliance-PCA) as an input to the process. The actuarial investment rate of return assumption was adopted by the board in February 2017 in conjunction with the most recent experience study. For each future valuation, CalSTRS consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of 20-year geometrically-linked real rates of return and the assumed asset allocation for each major asset class for the year ended June 30, 2019, are summarized in the following table:

<b>Asset Class</b>	<b>Assumed Asset Allocation</b>	<b>Long-Term Expected Real Rate of Return*</b>
Global Equity	47%	4.80%
Fixed Income	12%	1.30%
Real Estate	13%	3.60%
Private Equity	13%	6.30%
Risk Mitigating Strategies	9%	1.80%
Inflation Sensitive	4%	3.30%
Cash/Liquidity	2%	-0.40%
	<u>100%</u>	

\*20-year geometric average

**Discount Rate**

The discount rate used to measure the total pension liability was 7.10 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increases per AB 1469. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10 percent) and assuming that contributions, benefit payments, and administrative expense occur midyear. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

	<b>1% Decrease (6.10%)</b>	<b>Current Discount Rate (7.10%)</b>	<b>1% Increase (8.10%)</b>
District's proportionate share of the net pension liability	\$ 151,139	\$ 101,498	\$ 60,336

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalSTRS financial report.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 9 – PENSION PLANS (continued)**

**B. California Public Employees' Retirement System (CalPERS)**

**Plan Description**

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS); a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Laws. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95811.

**Benefits Provided**

The benefits for the defined benefit plan are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years of credited service.

**Contributions**

Active plan members who entered into the plan prior to January 1, 2013, are required to contribute 7.0% of their salary. The California Public Employees' Pension Reform Act (PEPRA) specifies that new members entering into the plan on or after January 1, 2013, shall pay the higher of fifty percent of normal costs or 7.0% of their salary. Additionally, for new members entering the plan on or after January 1, 2013, the employer is prohibited from paying any of the employee contribution to CalPERS unless the employer payment of the member's contribution is specified in an employment agreement or collective bargaining agreement that expires after January 1, 2013.

The District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2020 was 120.733% of annual payroll reduced to 19.721% pursuant to California Senate Bill 90 (SB 90). Contributions to the plan from the District were \$26,816 for the year ended June 30, 2020.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2020, the District reported a liability of \$216,074 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2018 and rolling forward the total pension liability to June 30, 2019. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2019, the District's proportion was 0.001 percent, which did not change from its proportion measured as of June 30, 2018.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 9 – PENSION PLANS (continued)**

**B. California Public Employees' Retirement System (CalPERS) (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

For the year ended June 30, 2020, the District recognized pension expense of \$75,796. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual earnings on plan investments	\$ -	\$ 2,004
Differences between expected and actual experience	15,696	-
Changes in assumptions	10,286	-
Changes in proportion and differences between District contributions and proportionate share of contributions	6,025	35,070
District contributions subsequent to the measurement date	26,816	-
<b>Total</b>	<u>\$ 58,823</u>	<u>\$ 37,074</u>

The \$26,816 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2021	\$ 19,849	\$ 22,668
2022	8,453	10,428
2023	3,452	(599)
2024	253	4,577
<b>Total</b>	<u>\$ 32,007</u>	<u>\$ 37,074</u>

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 9 – PENSION PLANS (continued)**

**B. California Public Employees' Retirement System (CalPERS) (continued)**

**Actuarial Assumptions**

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2018 and rolling forward the total pension liability to June 30, 2019 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Discount Rate	7.15%
Salary Increases	Varies by Entry Age and Service

CalPERS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are derived using CalPERS' membership data for all funds. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016.

The actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study for the period from 1997 to 2015.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were taken into account. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

<b>Asset Class</b>	<b>Assumed Asset Allocation</b>	<b>Real Return Years 1 – 10*</b>	<b>Real Return Years 11+**</b>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.0%	-0.92%
	<u>100.0%</u>		

\*An expected inflation of 2.00% used for this period.

\*\*An expected inflation of 2.92% used for this period.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 9 – PENSION PLANS (continued)**

**B. California Public Employees' Retirement System (CalPERS) (continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 7.15 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Schools Pool. The results of the crossover testing for the Schools Pool are presented in a detailed report that can be obtained at CalPERS' website.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15 percent) or 1-percentage-point higher (8.15 percent) than the current rate:

	<b>1% Decrease (6.15%)</b>	<b>Current Discount Rate (7.15%)</b>	<b>1% Increase (8.15%)</b>
District's proportionate share of the net pension liability	\$ 311,457	\$ 216,074	\$ 136,948

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report.

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**NOTE 10 – COMMITMENTS AND CONTINGENCIES**

**A. Grants**

The District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2020.

**B. Litigation**

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2020.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2020**

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**NOTE 11 – PARTICIPATION IN JOINT POWERS AUTHORITIES**

The District participates in three joint ventures under joint powers authorities (JPAs), the Northern California Schools Insurance Group, Tri-Counties Schools Insurance Group, and the North Valley Schools Insurance Group. The relationships between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes.

The JPAs have budgeting and financial reporting requirements independent of member units, and their financial statements are not presented in these financial statements. However, fund transactions between the JPAs and the District are included in these statements. The audited financial statements are generally available from the respective entities.

**NOTE 12 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

**Pension Plans**

Pursuant to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the District recognized deferred outflows of resources related to pensions and deferred inflows of resources related to pensions in the District-wide financial statements. Further information regarding the deferred outflows of resources and deferred inflows of resources can be found at Note 9. At June 30, 2020, total deferred outflows related to pensions was \$103,044 and total deferred inflows related to pensions was \$103,187.

**NOTE 13 – SUBSEQUENT EVENTS**

On July 1, 2020, the Elkins Elementary School District closed and lapsed into the District effective at the beginning of the 2020-21 school year. This government combination was a merger under GASB Statement No. 69, whereby a legally separate government ceases to exist and its operations are absorbed into, and provided by, a continuing government. The merger will be recognized in the District's financial statements as of July 1, 2020, and applicable assets, deferred outflows of resources, liabilities, and deferred inflows of resources of Elkins Elementary School District will be measured at their carrying values as of the merger date.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
GENERAL FUND – BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variances -
	Original	Final	(Budgetary Basis)	Final to Actual
REVENUES				
LCFF sources	\$ 356,046	\$ 361,689	\$ 362,842	\$ 1,153
Federal sources	13,926	20,242	23,495	3,253
Other state sources	13,357	22,788	25,823	3,035
Other local sources	69,805	69,805	88,273	18,468
Total Revenues	453,134	474,524	500,433	25,909
EXPENDITURES				
Certificated salaries	136,264	140,343	128,641	11,702
Classified salaries	107,105	114,373	115,003	(630)
Employee benefits	93,912	107,562	106,982	580
Books and supplies	17,020	30,265	18,661	11,604
Services and other operating expenditures	118,100	133,504	88,126	45,378
Capital outlay	-	11,582	10,069	1,513
Other outgo				
Excluding transfers of indirect costs	11,262	22,647	17,220	5,427
Total Expenditures	483,663	560,276	484,702	75,574
Excess (Deficiency) of Revenues Over Expenditures	(30,529)	(85,752)	15,731	101,483
Other Financing Sources (Uses)				
Transfers out	(10,375)	(10,375)	(10,500)	(125)
Net Financing Sources (Uses)	(10,378)	(10,375)	(10,500)	(125)
NET CHANGE IN FUND BALANCE	(40,907)	(96,127)	5,231	101,358
Fund Balance - Beginning	346,460	406,574	406,573	(1)
Fund Balance - Ending	\$ 305,553	\$ 310,447	\$ 411,804	\$ 101,357

See accompanying notes to required supplementary information.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALSTRS  
FOR THE YEAR ENDED JUNE 30, 2020**

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability	0.0001%	0.0001%	0.0001%	0.0001%	0.0002%	0.0003%
District's proportionate share of the net pension liability	\$ 101,498	\$ 98,867	\$ 103,947	\$ 76,517	\$ 158,770	\$ 165,790
State's proportionate share of the net pension liability associated with the District	55,374	56,606	61,494	43,566	47,092	100,110
<b>Total</b>	<u>\$ 156,872</u>	<u>\$ 155,473</u>	<u>\$ 165,441</u>	<u>\$ 120,083</u>	<u>\$ 205,862</u>	<u>\$ 265,900</u>
District's covered payroll	\$ 60,659	\$ 58,902	\$ 57,461	\$ 54,950	\$ 103,619	\$ 126,364
District's proportionate share of the net pension liability as a percentage of its covered payroll	167.3%	167.8%	180.9%	139.2%	153.2%	131.2%
Plan fiduciary net position as a percentage of the total pension liability	72.6%	71.0%	69.5%	70.0%	74.0%	76.5%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALPERS  
FOR THE YEAR ENDED JUNE 30, 2020**

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%
District's proportionate share of the net pension liability	\$ 216,074	\$ 192,841	\$ 156,352	\$ 129,301	\$ 142,677	\$ 93,230
District's covered payroll	\$ 102,688	\$ 95,396	\$ 79,392	\$ 78,741	\$ 106,968	\$ 86,209
District's proportionate share of the net pension liability as a percentage of its covered payroll	210.4%	202.1%	196.9%	164.2%	133.4%	108.1%
Plan fiduciary net position as a percentage of the total pension liability	70.0%	70.8%	71.9%	73.9%	79.4%	83.4%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALSTRS  
FOR THE YEAR ENDED JUNE 30, 2020**

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	\$ 20,074	\$ 9,875	\$ 8,500	\$ 7,229	\$ 5,864	\$ 16,172
Contributions in relation to the contractually required contribution*	(20,074)	(9,875)	(8,500)	(7,229)	(5,864)	(16,172)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 117,393	\$ 60,659	\$ 58,902	\$ 57,461	\$ 54,950	\$ 103,619
Contributions as a percentage of covered payroll	17.10%	16.28%	14.43%	12.58%	10.67%	15.61%

\*Amounts do not include on-behalf contributions

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALPERS  
FOR THE YEAR ENDED JUNE 30, 2020**

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	\$ 26,816	\$ 18,548	\$ 14,815	\$ 11,597	\$ 9,329	\$ 12,591
Contributions in relation to the contractually required contribution*	(26,816)	(18,548)	(14,815)	(11,597)	(9,329)	(12,591)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 135,971	\$ 102,688	\$ 95,396	\$ 79,392	\$ 78,741	\$ 106,968
Contributions as a percentage of covered payroll	19.72%	18.06%	15.53%	14.61%	11.85%	11.77%

\*Amounts do not include on-behalf contributions

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2020**

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**NOTE 1 – PURPOSE OF SCHEDULES**

**Budgetary Comparison Schedule**

This schedule is required by GASB Statement No. 34 as required supplementary information (RSI) for the General Fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedule presents both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the District's budgetary basis. A separate column to report the variance between the final budget and actual amounts is also presented, although not required.

**Schedule of the District's Proportionate Share of the Net Pension Liability**

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's proportion (percentage) of the collective net pension liability, the District's proportionate share (amount) of the collective net pension liability, the District's covered payroll, the District's proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered payroll, and the pension plan's fiduciary net position as a percentage of the total pension liability.

**Changes in Benefit Terms**

There were no changes in benefit terms since the previous valuations for CalSTRS and CalPERS.

**Changes in Assumptions**

There were no changes in economic assumptions since the previous valuations for CalSTRS and CalPERS.

**Schedule of District Contributions**

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's statutorily or contractually required employer contribution, the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the difference between the statutorily or contractually required employer contribution and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the District's covered payroll, and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution as a percentage of the District's covered payroll.

**NOTE 2 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the year ended June 30, 2020, the District incurred an excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule by major object code as follows:

	Expenditures and Other Uses		
	Budget	Actual	Excess
General Fund			
Classified salaries	\$ 114,373	\$ 115,003	\$ 630

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## **SUPPLEMENTARY INFORMATION**

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**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)  
FOR THE YEAR ENDED JUNE 30, 2020**

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	Second Period Report	Annual Report
	Certificate No. 735A6AD3	Certificate No. 0BC091B4
SCHOOL DISTRICT		
TK/K through Third		
Regular ADA	15.35	15.35
Total TK/K through Third	15.35	15.35
Fourth through Sixth		
Regular ADA	11.65	11.65
Total Fourth through Sixth	11.65	11.65
Seventh through Eighth		
Regular ADA	2.18	2.18
Total Seventh through Eighth	2.18	2.18
TOTAL SCHOOL DISTRICT	29.18	29.18

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
SCHEDULE OF INSTRUCTIONAL TIME  
FOR THE YEAR ENDED JUNE 30, 2020**

Grade Level	Minutes Requirement	2019-20 Planned Instructional Minutes	2019-20 Planned Number of Days	2019-20 Actual Instructional Minutes	2019-20 Actual Number of Days	Instructional Minutes Closed due to COVID-19	Number of Days Certified Closed due to COVID-19*	Status
Kindergarten	36,000	36,900	180	10,660	128	26,240	52	Complied
Grade 1	50,400	51,467	180	14,868	128	36,599	52	Complied
Grade 2	50,400	51,467	180	14,868	128	36,599	52	Complied
Grade 3	50,400	51,467	180	14,868	128	36,599	52	Complied
Grade 4	54,000	55,910	180	16,152	128	39,758	52	Complied
Grade 5	54,000	55,910	180	16,152	128	39,758	52	Complied
Grade 6	54,000	55,910	180	16,152	128	39,758	52	Complied
Grade 7	54,000	55,910	180	16,152	128	39,758	52	Complied
Grade 8	54,000	55,910	180	16,152	128	39,758	52	Complied

\*On June 29, 2020 the District certified that the school was closed from March 16, 2020 to June 4, 2020 for a total of 52 instructional days due to COVID-19.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020**

	2021 (Budget)	2020	2019	2018
General Fund - Budgetary Basis				
Revenues And Other Financing Sources	\$ 531,506	\$ 500,433	\$ 468,460	\$ 368,275
Expenditures And Other Financing Uses	528,836	495,202	427,633	377,124
Net change in Fund Balance	\$ 2,670	\$ 5,231	\$ 40,827	\$ (8,849)
Ending Fund Balance	\$ 414,474	\$ 411,804	\$ 406,573	\$ 365,746
Available Reserves*	\$ 71,000	\$ 69,000	\$ 67,000	\$ 67,000
Available Reserves As A Percentage Of Outgo	13.43%	13.93%	15.67%	17.77%
Long-term Liabilities	\$ 317,572	\$ 317,572	\$ 296,579	\$ 262,635
Average Daily Attendance At P-2	36	29	34	27

The General Fund balance has increased by \$46,058 over the past two years. The fiscal year 2020-21 budget projects a decrease of \$2,670. For a District this size, the State recommends available reserves of at least 5% of General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating surpluses in two of the past three years and anticipates incurring an operating surplus during the 2020-21 fiscal year. Total long-term obligations have increased by \$54,937 over the past two years.

Average daily attendance has increased by 2 ADA over the past two years. An increase of 7 ADA is anticipated during the 2020-21 fiscal year due to the lapsation of Elkins Elementary School into the district.

\*Available reserves consist of all unassigned fund balance within the General Fund.

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL  
STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020**

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*There were no adjustments necessary to reconcile fund balances of the Annual Financial and Budget Report with the Audited Financial Statements for the year ended June 30, 2020.*

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE  
JUNE 30, 2020**

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The Flournoy Union Elementary School District is located in Flournoy, California. The District was established in 1921. There were no changes in the boundaries of the District during the current year. The District currently operates one elementary school.

**GOVERNING BOARD**

<b>Member</b>	<b>Office</b>	<b>Term Expires</b>
Sara Valoroso	President	December 2020
Lindsey Belter	Clerk	December 2022
Tyson Carter	Member	December 2022
Andrew Meredith	Member	December 2020
Cathy Bjornestad-Tobin	Member	December 2020

**DISTRICT ADMINISTRATORS**

Lane Bates  
*Superintendent*

Melinda Flournoy  
*Business Manager*

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**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
NOTES TO SUPPLEMENTARY INFORMATION  
JUNE 30, 2020**

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**NOTE 1 – PURPOSE OF SCHEDULES**

**Schedule of Average Daily Attendance (ADA)**

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to school districts. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

**Schedule of Instructional Time**

This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of *Education Code Sections 46200 through 46208*.

**Schedule of Financial Trends and Analysis**

This schedule discloses the District's financial trends by displaying past years' data along with current year budget information. These financial trend disclosures are used to evaluate the District's ability to continue as a going concern for a reasonable period of time.

**Reconciliation of Annual Financial and Budget Report with Audited Financial Statements**

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Annual Financial and Budget Report Unaudited Actuals to the audited financial statements.

**Local Education Agency Organization Structure**

This schedule provides information about the District's boundaries and schools operated, members of the governing board, and members of the administration.

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## **OTHER INDEPENDENT AUDITORS' REPORTS**

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Certified Public Accountants serving  
K-12 School Districts and Charter  
Schools throughout California

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Independent Auditors' Report

Governing Board  
Flourney Union Elementary School District  
Flourney, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Flourney Union Elementary School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Flourney Union Elementary School District's basic financial statements, and have issued our report thereon dated January 5, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Flourney Union Elementary School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Flourney Union Elementary School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Flourney Union Elementary School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Flournoy Union Elementary School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Christy White, Inc.*

San Diego, California  
January 5, 2021

**REPORT ON STATE COMPLIANCE**Independent Auditors' Report

Governing Board  
Flornoy Union Elementary School District  
Flornoy, California

**Report on State Compliance**

We have audited Flornoy Union Elementary School District's compliance with the types of compliance requirements described in the *2019-2020 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, section 19810, that could have a direct and material effect on each of Flornoy Union Elementary School District's state programs for the fiscal year ended June 30, 2020, as identified below.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Flornoy Union Elementary School District's state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2019-2020 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, section 19810. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the state programs noted below occurred. An audit includes examining, on a test basis, evidence about Flornoy Union Elementary School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with the requirements referred to above. However, our audit does not provide a legal determination of Flornoy Union Elementary School District's compliance with those requirements.

***Opinion on State Compliance***

In our opinion, Flornoy Union Elementary School District complied, in all material respects, with the types of compliance requirements referred to above that are applicable to the state programs noted in the table below for the year ended June 30, 2020.

## Procedures Performed

In connection with the audit referred to above, we selected and tested transactions and records to determine Flournoy Union Elementary School District's compliance with the state laws and regulations applicable to the following items:

PROGRAM NAME	PROCEDURES PERFORMED
<b>Local Education Agencies Other Than Charter Schools</b>	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	Not Applicable
Continuation Education	Not Applicable
Instructional Time	Yes
Instructional Materials	Yes
Ratios of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not Applicable
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools	Not Applicable
K-3 Grade Span Adjustment	Yes
Transportation Maintenance of Effort	Yes
Apprenticeship: Related and Supplemental Instruction	Not Applicable
Comprehensive School Safety Plan	Yes
District of Choice	Not Applicable
<b>School Districts, County Offices of Education, and Charter Schools</b>	
California Clean Energy Jobs Act	Yes
After/Before School Education and Safety Program	Not Applicable
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not Applicable
<b>Charter Schools</b>	
Attendance; for charter schools	Not Applicable
Mode of Instruction; for charter schools	Not Applicable
Nonclassroom-Based Instruction/Independent Study; for charter schools	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction; for charter schools	Not Applicable
Annual Instructional Minutes – Classroom Based; for charter schools	Not Applicable
Charter School Facility Grant Program	Not Applicable

*Christy White, Inc.*

San Diego, California  
January 5, 2021

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## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
SUMMARY OF AUDITORS' RESULTS  
FOR THE YEAR ENDED JUNE 30, 2020**

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**FINANCIAL STATEMENTS**

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

No

Significant deficiency(ies) identified?

None Reported

Non-compliance material to financial statements noted?

No

**FEDERAL AWARDS**

*The District was not subject to Uniform Guidance Single Audit for the year ended June 30, 2020 because federal award expenditures did not exceed \$750,000.*

**STATE AWARDS**

Internal control over state programs:

Material weaknesses identified?

No

Significant deficiency(ies) identified?

None Reported

Type of auditors' report issued on compliance for state programs:

Unmodified

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
FINANCIAL STATEMENT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2020**

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**FIVE DIGIT CODE**

20000

30000

**AB 3627 FINDING TYPE**

Inventory of Equipment

Internal Control

*There were no financial statement findings or questioned costs for the year ended June 30, 2020.*

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
STATE AWARD FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2020**

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**FIVE DIGIT CODE**

10000  
40000  
42000  
43000  
60000  
61000  
62000  
70000  
71000  
72000

**AB 3627 FINDING TYPE**

Attendance  
State Compliance  
Charter School Facilities Programs  
Apprenticeship: Related and Supplemental Instruction  
Miscellaneous  
Classroom Teacher Salaries  
Local Control Accountability Plan  
Instructional Materials  
Teacher Misassignments  
School Accountability Report Card

*There were no state award findings or questioned costs for the year ended June 30, 2020.*

**FLOURNOY UNION ELEMENTARY SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2020**

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*There were no audit findings for the year ended June 30, 2019.*

**Quarterly Report on Williams Uniform Complaints**  
Education Code 35186(d)

District: Flournoy Union Elementary School District ▼

Person completing this form: Melinda Flournoy Title: Business Manager

Quarterly Report Submission Date: Select Date

Date for information to be reported publicly at governing board meeting: 01/12/2021

Please check the box that applies:

☒ No complaints were filed with any school in the district during the quarter indicated above.

☐ Complaints were filed with schools in the district during the quarter indicated above. The following chart summarizes the nature and resolution of these complaints.

General Subject Area	Total # of Complaints	# Resolved	# Unresolved
Textbooks and Instructional Materials	0		
Teacher Vacancy or Misassignment	0		
Facilities Conditions	0		
<b>TOTALS</b>	0	0	0

Rachel Davis ▼  
Print Name of District Superintendent

Rachel Davis  
Signature of District Superintendent

1/8/2021  
Date

# CSBA Sample

## Board Policy

### Lactation Accommodation

BP 4033  
**Personnel**

\*\*\*Note: Pursuant to Labor Code 1034, as added by SB 142 (Ch. 720, Statutes of 2019), districts are mandated to develop policy regarding lactation accommodation with specified components, as provided below.\*\*\*

\*\*\*Note: Both federal and state law require that employees be provided reasonable break time and an appropriate location to accommodate their desire to express milk for their infant children. 29 USC 207 requires employers to provide reasonable break time for nursing employees, but applies only to employees who are not exempt from the overtime pay requirements of the Fair Labor Standards Act (FLSA). State law (Labor Code 1030-1034) applies to all district employees. Where provisions of the two laws conflict, the statute providing greater protections for employees supersedes. The district should consult legal counsel if questions arise about the application of these laws to a particular employee.\*\*\*

\*\*\*Note: Government Code 12926 includes breastfeeding or medical conditions related to breastfeeding within the definition of "sex" for purposes of sex discrimination under the California Fair Employment and Housing Act. Additionally, Labor Code 1033, as amended by SB 142, prohibits an employer from discharging or in any manner discriminating or retaliating against an employee for exercising or attempting to exercise any right related to lactation accommodation. Pursuant to Labor Code 1033, violation of Labor Code 1030-1034 may result in a citation from the Labor Commissioner and/or a civil penalty.\*\*\*

\*\*\*Note: The district should ensure consistency of this policy with provisions in the district's collective bargaining agreement, if any, related to break times or other employment issues.\*\*\*

The Governing Board recognizes the immediate and long-term health benefits of breastfeeding and desires to provide a supportive environment for any district employee to express milk for an infant child upon returning to work following the birth of the child. The Board prohibits discrimination, harassment, and/or retaliation against any district employee for seeking an accommodation to express breast milk for an infant child while at work.

(cf. 4030 - Nondiscrimination in Employment)

\*\*\*Note: Labor Code 1034, as added by SB 142, mandates that the district's policy regarding lactation accommodation include the process by which the employee is to make a lactation accommodation request and the district's obligation to respond to the request. The following paragraph should be modified to reflect the district's process.\*\*\*

(cf. 4112.9/4212.9/4312.9 - Employee Notifications)

#### Break Time and Location Requirements

\*\*\*Note: Although 29 USC 207 limits the length of time that a classified employee is entitled to lactation accommodation to one year after the birth of the child, Labor Code 1030 does not set a specific limit on the infant child's age and therefore provides greater benefits to employees.\*\*\*

The district shall provide a reasonable amount of break time to accommodate an employee each time the employee has a need to express breast milk for an infant child. (Labor Code 1030)

\*\*\*Note: Labor Code 1030 and 29 USC 207 do not require the district to compensate non-exempt employees for breaks taken for the purpose of expressing milk. However, an employee who uses break time already provided by the district as paid time must be compensated for that break time in the same manner as any other employee. Any additional time beyond the authorized paid break time could be uncompensated, provided the employee is completely relieved from duty during that time. If the district instead chooses to provide compensation for such additional break time, it should modify the following paragraph accordingly. The district also may provide flexible scheduling for those employees who choose to work extra time to make up for any uncompensated break time beyond the authorized break time.\*\*\*

To the extent possible, any break time granted for lactation accommodation shall run concurrently with the break time already provided to the employee. Any additional break time used by a non-exempt employee for this purpose shall be unpaid. (Labor Code 1030; 29 USC 207)

\*\*\*Note: Labor Code 1031, as amended by SB 142, requires the district to provide an employee with the use of a room or location, other than a bathroom, to express milk in private. This may include the place where the employee normally works if the location otherwise meets legal requirements, as specified below. Labor Code 1031 authorizes the district to designate a temporary location to express milk if the district is unable to provide a permanent location due to operational, financial, or space limitation, as long as the space is in close proximity to the employee's work area, shielded from view, free from intrusion while breast milk is being expressed, and is otherwise compliant with law.\*\*\*

The employee shall be provided the use of a private room or location, other than a bathroom, which may be the employee's work area or another location that is in close proximity to the employee's work area. The room or location provided shall meet the following requirements: (Labor Code 1031; 29 USC 207)

1. Is shielded from view and free from intrusion while the employee is expressing milk
2. Is safe, clean, and free of hazardous materials, as defined in Labor Code 6382

Lactation Accommodation for Employers

CENTERS FOR DISEASE CONTROL AND PREVENTION PUBLICATIONS

Lactation Support Program Toolkit

FEDERAL REGISTER

Reasonable Break Time for Nursing Mothers, December 21, 2010, Vol. 75, No. 244, pages 80073-80079

OFFICE OF THE SURGEON GENERAL PUBLICATIONS

The Surgeon General's Call to Action to Support Breastfeeding, 2011

HEALTH RESOURCES AND SERVICES ADMINISTRATION PUBLICATIONS

The Business Case for Breastfeeding: Steps for Creating a Breastfeeding Friendly Worksite, Toolkit, 2008

U.S. DEPARTMENT OF LABOR, WAGE AND HOUR DIVISION, PUBLICATIONS

Frequently Asked Questions- Break Time for Nursing Mothers

Fact Sheet #73: Break Time for Nursing Mothers under the FLSA, rev. April 2018

WEB SITES

California Department of Industrial Relations, Division of Labor and Standards Enforcement:

<http://www.dir.ca.gov/dlse> California Department of Public Health: <http://www.cdph.ca.gov>

California Women, Infants and Children Program: <http://www.wicworks.ca.gov>

Centers for Disease Control and Prevention: <http://www.cdc.gov>

Health Resources and Services Administration: <http://www.hrsa.gov>

Office of the Surgeon General: <http://www.surgeongeneral.gov>

U.S. Department of Labor, Wage and Hour Division, Break Time for Nursing Mothers:

<http://www.dol.gov/whd/nursingmothers>

# CSBA Sample

## Board Policy

### Married/Pregnant/Parenting Students

BP 5146  
Students

\*\*\*Note: The following optional policy may be revised to reflect district practice.\*\*\*

\*\*\*Note: Pursuant to Education Code 48410, students may be exempted from compulsory attendance in continuing education classes if they must render personal services to a dependent. See AR 5112.1 - Exemptions from Attendance.\*\*\*

The Governing Board recognizes that responsibilities related to marriage, pregnancy, or parenting and related responsibilities may disrupt a student's education and increase the chance of a student dropping out of school. The Board therefore desires to support married, pregnant, and parenting students to continue their education, attain strong academic and parenting skills, and promote the healthy development of their children.

(cf. 5113.1 - Chronic Absence and Truancy)  
(cf. 5147 - Dropout Prevention)  
(cf. 6011 - Academic Standards)  
(cf. 6164.5 - Student Success Teams)

\*\*\*Note: Education Code 221.51, as added by AB 2289 (Ch. 942, Statutes of 2018), codifies federal and state regulations that prohibit districts from applying any rule concerning a student's actual or potential parental, family, or marital status that treats students differently on the basis of sex.\*\*\*

The district shall not exclude or deny any student from any educational program or activity, including any class or extracurricular activity, solely on the basis of the student's pregnancy, childbirth, false pregnancy, termination of pregnancy, or related recovery. In addition, the district shall not adopt any rule concerning a student's actual or potential parental, family, or marital status that treats students differently on the basis of sex. (Education Code 221.51, 230; 5 CCR 4950; 34 CFR 106.40)

(cf. 0410 - Nondiscrimination in District Programs and Activities)

\*\*\*Note: Education Code 222.5, as added by AB 2289, requires the following annual notifications.\*\*\*

The Superintendent or designee shall annually notify parents/guardians at the beginning of the school year of the rights and options available to pregnant and parenting students under the law. In addition, pregnant and parenting students shall be notified of the rights and options available

Any alternative education program, activity, or course that is offered separately to pregnant or parenting students, including any class or extracurricular activity, shall be equal to that offered to other district students. A student's participation in such programs shall be voluntary. (Education Code 221.51; 5 CCR 4950)

\*\*\*Note: Education Code 221.51, as added by AB 2289, authorizes districts to require certification by a physician or nurse practitioner that a student is physically and emotionally able to participate in the regular education program or activity. However, Education Code 221.51 and 34 CFR 106.40 require that pregnancy, childbirth, false pregnancy, termination of pregnancy, or related recovery be treated in the same manner as any other temporary disabling condition. Thus, the district cannot require a pregnant student to provide a physician's note to participate in physical education classes unless required of all students with temporary medical conditions, but a pregnant student who cannot accomplish the requirements of the regular physical education curriculum may be offered an alternative physical education curriculum. Education Code 48206.3 defines a "temporary disability" as a physical, mental, or emotional disability after which the student can reasonably be expected to return to regular day classes or an alternative education program; see AR 6183 - Home and Hospital Instruction.\*\*\*

If required for students with any other temporary disabling condition, the Superintendent or designee may require a student, based on pregnancy, childbirth, false pregnancy, termination of pregnancy, or related recovery, to obtain certification from a physician or nurse practitioner indicating that the student is physically and emotionally able to continue participation in the regular education program or activity. (Education Code 221.51; 5 CCR 4950; 34 CFR 106.40)

(cf. 6142.7 - Physical Education and Activity)  
(cf. 6145 - Extracurricular and Cocurricular Activities)  
(cf. 6183 - Home and Hospital Instruction)

\*\*\*Note: Items #1-7 below are optional and may be revised to reflect district practice.\*\*\*

To the extent feasible, the district shall provide educational and related support services, either directly or in collaboration with community agencies and organizations, to meet the needs of pregnant and parenting students and their children. Such services may include, but are not limited to:

\*\*\*Note: The district may choose to offer child care and development services as an incentive to encourage the school attendance of parenting students, as provided in item #1 below. Child care and development services are subject to applicable sections of Education Code 8200-8498 and the health and safety requirements of 22 CCR 101151-101239.2 and 101351-101439.1; see BP/AR 5148 - Child Care and Development.\*\*\*

1. Child care and development services for the children of parenting students on or near school site(s) during the school day and during school-sponsored activities

(cf. 5148 - Child Care and Development)

purposes specified in BP/AR 5113 - Absences and Excuses.

\*\*\*Note: Education Code 48205, as amended by AB 2289, authorizes an excused absence without a note from a physician for a parenting student to care for a sick child. Also see AR 5113 - Absences and Excuses.\*\*\*

A student shall be excused for absences to care for a sick child for whom the student is the custodial parent. A note from a physician shall not be required for such an absence. (Education Code 48205)

(cf. 5113 - Absences and Excuses)

#### Parental Leave

\*\*\*Note: Education Code 46015, as added by AB 2289, provides that a pregnant or parenting student is entitled to eight weeks of parental leave, or longer if deemed medically necessary by the student's physician. Pursuant to Education Code 46015, the student's failure to notify the school as required below does not abridge the student's rights.\*\*\*

A pregnant or parenting student shall be entitled to eight weeks of parental leave in order to protect the health of the student who gives or expects to give birth and the infant, and to allow the pregnant or parenting student to care for and bond with the infant. Such leave may be taken before the birth of the student's infant if there is a medical necessity and after childbirth during the school year in which the birth takes place, inclusive of any mandatory summer instruction. The Superintendent or designee may grant parental leave beyond eight weeks if deemed medically necessary by the student's physician. (Education Code 46015; 34 CFR 106.40)

The student, if age 18 years or older, or the student's parent/guardian shall notify the school of the student's intent to take parental leave. No student shall be required to take all or part of the parental leave. (Education Code 46015)

When a student takes parental leave, the attendance supervisor shall ensure that absences from the regular school program are excused until the student is able to return to the regular school program or an alternative education program. A pregnant or parenting student shall not be required to complete academic work or other school requirements during the period of the parental leave. (Education Code 46015)

(cf. 5113.11 - Attendance Supervision)

Following the leave, a pregnant or parenting student may elect to return to the school and the course of study in which the student was enrolled before taking parental leave or to an alternative education option provided by the district. Upon return to school, a pregnant or parenting student shall have opportunities to make up work missed during the leave, including, but not limited to, makeup work plans and reenrollment in courses. (Education Code 46015)

When necessary to complete high school graduation requirements, the student may remain

breastfeed an infant child

## Complaints

\*\*\*Note: Education Code 46015, as added by AB 2289, authorizes the use of the district's uniform complaint procedures established pursuant to 5 CCR 4600-4670 for complaints alleging the district's noncompliance with requirements related to the provision of parental leave or other requirements of Education Code 46015.\*\*\*

Any complaint alleging discrimination on the basis of pregnancy or marital or parental status, district noncompliance with the requirements of Education Code 46015, or district noncompliance with the requirement to provide reasonable accommodations for lactating students shall be addressed through the district's uniform complaint procedures in accordance with 5 CCR 4600-4670 and BP/AR 1312.3 - Uniform Complaint Procedures. A complainant who is not satisfied with the district's decision may appeal the decision to the California Department of Education (CDE). If the district or CDE finds merit in an appeal, the district shall provide a remedy to the affected student. (Education Code 222, 46015; 5 CCR 4600- 4670)

(cf. 1312.3 - Uniform Complaint Procedures)

## Program Evaluation

The Superintendent or designee shall periodically report to the Board regarding the effectiveness of district strategies to support married, pregnant, and parenting students, which may include data on student participation in district programs and services, academic achievement, school attendance, graduation rate, and/or student feedback on district programs and services.

(cf. 0500 - Accountability)

(cf. 6162.5 - Student Assessment)

(cf. 6190 - Evaluation of the Instructional Program)

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## Legal Reference:

### EDUCATION CODE

221.51 Nondiscrimination; married, pregnant, and parenting students

222 Reasonable accommodations; lactating students

222.5 Pregnant and parenting students, notification of rights

230 Sex discrimination

8200-8498 Child Care and Development Services Act

46015 Parental leave

48205 Excused absences

48206.3 Temporary disability, definition

48220 Compulsory education requirement

48410 Persons exempted from continuation classes

48980 Parental notifications

(12/13 3/16) 12/18

# CSBA Sample

## Board Policy

### Education For Homeless Children

BP 6173

#### Instruction

\*\*\*Note: The following policy reflects the intent of the McKinney-Vento Homeless Assistance Act (42 USC 11431-11435), as amended by the Every Student Succeeds Act (P.L. 114-95), that each homeless student should have equal access to the same free, appropriate public education and services as other students. 42 USC 11432 mandates that districts adopt, review, and revise policies to remove barriers to the identification, enrollment, and retention of homeless children and youth, ensure that homeless students are not segregated or stigmatized on the basis of their status as homeless, and provide for professional development for appropriate staff, as provided in the following policy.\*\*\*

The Governing Board desires to ensure that homeless students have access to the same free and appropriate public education provided to other students within the district. The district shall provide homeless students with access to education and other services necessary for them to meet the same challenging academic standards as other students.

(cf. 6011 - Academic Standards)

\*\*\*Note: The following paragraph is mandated pursuant to 42 USC 11432, as amended by P.L. 114-95. 42 USC 11432 requires that districts adopt policy to remove barriers to homeless students' enrollment and retention due to absences or outstanding fees or fines. See the accompanying administrative regulation for additional procedures designed to remove barriers to the identification and enrollment of homeless students.\*\*\*

The Superintendent or designee shall identify and remove any barriers to the identification and enrollment of homeless students and to the retention of homeless students due to absences or outstanding fees or fines. (42 USC 11432)

(cf. 3250 - Transportation Fees)

(cf. 3260 - Fees and Charges)

(cf. 5113.1 - Chronic Absence and Truancy)

When there are at least 15 homeless students in the district or a district school, the district's local control and accountability plan (LCAP) shall include goals and specific actions to improve student achievement and other outcomes of homeless students. (Education Code 52052, 52060)

(cf. 0460 - Local Control and Accountability Plan)

\*\*\*Note: Pursuant to 42 USC 11432, districts are required to designate an appropriate staff

person, who may also be a coordinator for other federal programs, as a district liaison for homeless students. See the accompanying administrative regulation for information about the designation and duties of the district liaison.\*\*\*

The Superintendent or designee shall designate an appropriate staff person to serve as a liaison for homeless children and youths. The district liaison shall fulfill the duties specified in 42 USC 11432 to assist in identifying and supporting homeless students to succeed in school.

\*\*\*Note: The U.S. Department of Education's (USDOE) Non-Regulatory Guidance, Education for Homeless Children and Youths Program, emphasizes that districts should include the identification of homeless students and their unique educational needs in district needs assessments and school improvement plans. The following optional paragraph reflects strategies included in the Guidance for identifying homeless students and may be revised to reflect district practice. Also see the California Department of Education's (CDE) web site for a sample student residency questionnaire and "You Can Enroll in School" poster.\*\*\*

In order to identify district students who are homeless, the Superintendent or designee may give a housing questionnaire to all parents/guardians during school registration, make referral forms readily available, include the district liaison's contact information on the district and school web sites, provide materials in a language easily understood by families and students, provide school staff with professional development on the definition and signs of homelessness, and contact appropriate local agencies to coordinate referrals for homeless children and youth and unaccompanied youth.

(cf. 1113 - District and School Web Sites)

(cf. 4131 - Staff Development)

(cf. 4231 - Staff Development)

(cf. 4331 - Staff Development)

\*\*\*Note: Although students' addresses generally may be designated as "directory information" that is not harmful if disclosed, P.L. 114-95 amended 42 USC 11432 to provide that information about a homeless student's living situation must instead be provided the protections afforded to other student records under the Family Educational Rights and Privacy Act. For further information about the disclosure of homeless students' records, see the USDOE's Non-Regulatory Guidance, Education for Homeless Children and Youths Program.\*\*\*

Information about a homeless student's living situation shall be considered part of a student's educational record, subject to the Family Educational Rights and Privacy Act and shall not be deemed to be directory information as defined in 20 USC 1232g. (42 USC 11432)

(cf. 5125 - Student Records)

(cf. 5125.1 - Release of Directory Information)

\*\*\*Note: Pursuant to 42 USC 11432, placement determinations for homeless students must be made according to the student's "best interest," as defined in the accompanying administrative regulation.\*\*\*

The Superintendent or designee shall ensure that placement decisions for homeless students are based on the student's best interest as defined in law and administrative regulation.

Each homeless student shall be provided services that are comparable to services offered to other students in the school, including, but not limited to, transportation, educational programs for which the student meets the eligibility criteria (such as federal Title I services or similar state or local programs, programs for students with disabilities, and educational programs for English learners), career and technical education programs, programs for gifted and talented students, and school nutrition programs. (42 USC 11432)

(cf. 3550 - Food Service/Child Nutrition Program)  
(cf. 3553 - Free and Reduced Price Meals)  
(cf. 5148.2 - Before/After School Programs)  
(cf. 5148.3 - Preschool/Early Childhood Education)  
(cf. 6159 - Individualized Education Program)  
(cf. 6164.2 - Guidance/Counseling Services)  
(cf. 6171 - Title I Programs)  
(cf. 6172 - Gifted and Talented Student Program)  
(cf. 6174 - Education for English Learners)  
(cf. 6177 - Summer Learning Programs)  
(cf. 6178 - Career and Technical Education)  
(cf. 6179 - Supplemental Instruction)

\*\*\*Note: The following paragraph is mandated by 42 USC 11432. Although this law prohibits the segregation of homeless students into a separate school or program, separate schools that were in operation before 2001 may continue to operate under specified conditions. Districts that maintain such a school may revise the following paragraph to reflect district practice.\*\*\*

Homeless students shall not be segregated into a separate school or program based on their status as homeless and shall not be stigmatized in any way. However, the Superintendent or designee may separate homeless students on school grounds as necessary for short periods of time for health and safety emergencies or to provide temporary, special, and supplementary services to meet the unique needs of homeless students. (42 USC 11432, 11433)

(cf. 0410 - Nondiscrimination in District Programs and Activities)  
(cf. 3553 - Free and Reduced Price Meals)

\*\*\*Note: Pursuant to 42 USC 11432, districts receiving assistance through the McKinney-Vento Homeless Assistance Act are required to coordinate services as provided below. Other districts may delete or revise the following paragraph to reflect district practice.\*\*\*

The Superintendent or designee shall coordinate with other agencies and entities to ensure that homeless children and youth are promptly identified, ensure that homeless students have access to and are in reasonable proximity to available education and related support services, and raise the awareness of school personnel and service providers of the effects of short-term stays in a

shelter and other challenges associated with homelessness. Toward these ends, the Superintendent or designee shall collaborate with local social services agencies, other agencies or entities providing services to homeless children and youth, and, if applicable, transitional housing facilities. In addition, the Superintendent or designee shall coordinate transportation, transfer of school records, and other interdistrict activities with other local educational agencies. As necessary, the Superintendent or designee shall coordinate, within the district and with other involved local educational agencies, services for homeless students and services for students with disabilities. (42 USC 11432)

(cf. 1400 - Relations Between Other Governmental Agencies and the Schools)

\*\*\*Note: 42 USC 11432, as amended by P.L. 114-95, mandates that districts adopt policies and practices to ensure participation by district liaisons and other appropriate staff in professional development and other technical assistance activities, as determined appropriate by the federal Office of the Coordinator.\*\*\*

\*\*\*Note: Education Code 48852.5, as amended by SB 1068 (Ch. 538, Statutes of 2016), requires the CDE to provide specified informational and training materials to district liaisons, including informational materials on the educational rights of homeless children and youth and resources available to assist homeless children and youth. It also requires the CDE to adopt policies and practices to ensure that liaisons participate in professional development and technical assistance programs.\*\*\*

District liaisons and other appropriate staff shall participate in professional development and other technical assistance activities to assist them in identifying and meeting the needs of homeless students and to provide training on the definitions of terms related to homelessness. (42 USC 11432)

\*\*\*Note: The following optional paragraph may be revised to reflect district practice. Pursuant to Education Code 52064.5, the State Board of Education has adopted evaluation rubrics for use by districts in evaluating their strengths, weaknesses, and areas that require improvement.\*\*\*

\*\*\*Note: In addition, pursuant to 20 USC 6311, as amended by P.L. 114-95, annual district report cards for districts receiving Title I funds are required to include disaggregated student achievement data and graduation rates of homeless students.\*\*\*

At least annually, the Superintendent or designee shall report to the Board on outcomes for homeless students, which may include, but are not limited to, school attendance, student achievement test results, promotion and retention rates by grade level, graduation rates, suspension/expulsion rates, and other outcomes related to any goals and specific actions identified in the LCAP. Based on the evaluation data, the district shall revise its strategies as needed to better support the education of homeless students.

(cf. 0500 - Accountability)

(cf. 6162.51 - State Academic Achievement Tests)

(cf. 6190 - Evaluation of the Instructional Program)

Legal Reference:

EDUCATION CODE

39807.5 Payment of transportation costs by parents  
48850 Educational rights of homeless and foster youth  
48852.5 Notice of educational rights of homeless students  
48852.7 Enrollment of homeless students  
48915.5 Recommended expulsion, homeless student with disabilities  
48918.1 Notice of recommended expulsion  
51225.1-51225.3 Graduation requirements  
52052 Accountability; numerically significant student subgroups  
52060-52077 Local control and accountability plan  
CODE OF REGULATIONS, TITLE 5  
4600-4670 Uniform complaint procedures  
UNITED STATES CODE, TITLE 20  
1087vv Free Application for Federal Student Aid; definitions  
1232g Family Educational Rights and Privacy Act  
6311 Title I state plan; state and local educational agency report cards  
UNITED STATES CODE, TITLE 42  
11431-11435 McKinney-Vento Homeless Assistance Act  
12705 Cranston-Gonzalez National Affordable Housing Act; state and local strategies

Management Resources:

CALIFORNIA CHILD WELFARE COUNCIL PUBLICATIONS

Partial Credit Model Policy and Practice Recommendations

CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS

Homeless Education Dispute Resolution Process, January 30, 2007

NATIONAL CENTER FOR HOMELESS EDUCATION PUBLICATIONS

Homeless Liaison Toolkit, 2013

U.S. DEPARTMENT OF EDUCATION GUIDANCE

Dear Colleague Letter, July 27, 2016

Education for Homeless Children and Youths Program, Non-Regulatory Guidance, July 2016

WEB SITES

California Child Welfare Council: <http://www.chhs.ca.gov/Pages/CACChildWelfareCouncil.aspx>

California Department of Education, Homeless Children and Youth Education:

<http://www.cde.ca.gov/sp/hs/cy>

National Center for Homeless Education at SERVE: <http://www.serve.org/nche>

National Law Center on Homelessness and Poverty: <http://www.nlchp.org>

U.S. Department of Education: <http://www.ed.gov/programs/homeless/index.html>

# **CSBA Sample**

## **Administrative Regulation**

### **Education For Homeless Children**

AR 6173

#### **Instruction**

\*\*\*Note: The following administrative regulation is mandated pursuant to 42 USC 11432; see section on "Transportation" below.\*\*\*

#### Definitions

\*\*\*Note: The federal McKinney-Vento Homeless Assistance Act (42 USC 11434a) defines "homeless students" as provided below. This law applies to foster youth in certain circumstances (i.e., when they are living in emergency or transitional shelters) but, as amended by P.L. 114-95, the definition of "homeless students" no longer includes youth who are awaiting foster care placement. See BP/AR 6173.1 - Education for Foster Youth for state law regarding foster children.\*\*\*

Homeless students means students who lack a fixed, regular, and adequate nighttime residence and includes: (Education Code 48852.7; 42 USC 11434a)

1. Students who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; are living in emergency or transitional shelters; or are abandoned in hospitals

(cf. 6173.1 - Education for Foster Youth)

2. Students who have a primary nighttime residence that is a public or private place not designed for or ordinarily used as regular sleeping accommodations for human beings

3. Students who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings

4. Migratory children who qualify as homeless because they are living in conditions described in items #1-3 above

Unaccompanied youth includes youth who are not in the physical custody of a parent or guardian. (20 USC 11434a)

\*\*\*Note: The following definition of "school of origin" generally reflects Education Code 48852.7, which exceeds the definition in 42 USC 11432 and is consistent with the state definition of "school of origin" that applies to foster youth. However, as amended by P.L.

114-95, 42 USC 11432 includes preschools in the definition as provided below.\*\*\*

School of origin means the school that the homeless student attended when permanently housed or the school in which he/she was last enrolled, including a preschool. If the school the homeless student attended when permanently housed is different from the school in which he/she was last enrolled, or if there is some other school that he/she attended within the preceding 15 months and with which he/she is connected, the district liaison shall determine, in consultation with and with the agreement of the homeless student and the person holding the right to make educational decisions for the student, and in the best interests of the homeless student, which school shall be deemed the school of origin. (Education Code 48852.7; 42 USC 11432)

\*\*\*Note: Education Code 48850 expresses legislative intent that the "best interest" of a homeless student or foster youth includes educational stability as well as placement in the least restrictive educational program, as provided below. Education Code 48853 further provides that the placement of a foster youth should consider the student's access to academic resources, services, and extracurricular and enrichment activities. For consistency with the definition of "best interest" applicable to foster youth (see AR 6173.1 - Education for Foster Youth), the following definition also reflects Education Code 48853.\*\*\*

Best interest means that, in making educational and school placement decisions for a homeless student, consideration is given to, among other factors, educational stability, the opportunity to be educated in the least restrictive educational setting necessary to achieve academic progress, and the student's access to academic resources, services, and extracurricular and enrichment activities that are available to all district students. (Education Code 48850, 48853; 42 USC 11432)

#### District Liaison

\*\*\*Note: Pursuant to 42 USC 11432, districts are required to designate an appropriate staff person, who may also be a coordinator for other federal programs, as a district liaison for homeless students. The district should fill in the blanks below with the title or position, address, and phone number of the district liaison.\*\*\*

The Superintendent designates the following staff person as the district liaison for homeless students: (42 USC 11432)

---

(title or position)

---

(address)

---

(phone number)

\*\*\*Note: The duties of the district liaison for homeless students are listed in 42 USC 11432, as amended by P.L. 114-95, and are specified below. Also see the U.S. Department of Education's (USDOE) Non-Regulatory Guidance Education for Homeless Children and Youths Program and

the Homeless Liaison Toolkit developed by the National Center for Homeless Education.\*\*\*

The district's liaison for homeless students shall: (Education Code 48852.5; 42 USC 11432)

1. Ensure that homeless students are identified by school personnel through outreach and coordination activities with other entities and agencies

(cf. 1400 - Relations Between Other Governmental Agencies and the Schools)

(cf. 3553 - Free and Reduced-Price Meals)

2. Ensure that homeless students are enrolled in, and have a full and equal opportunity to succeed in, district schools

3. Ensure that homeless families and children and youth have access to and receive educational services for which they are eligible, including services through Head Start and Early Head Start programs, early intervention services under Part C of the federal Individuals with Disabilities Education Act, and other preschool programs administered by the district

(cf. 5148.3 - Preschool/Early Childhood Education)

4. Ensure that homeless families and students receive referrals to health care services, dental services, mental health and substance abuse services, housing services, and other appropriate services

(cf. 5141.6 - School Health Services)

5. Inform parents/guardians of the educational and related opportunities available to their children and ensure that they are provided with meaningful opportunities to participate in the education of their children

(cf. 5145.6 - Parental Notifications)

6. Disseminate notice of the educational rights of homeless students in locations frequented by parents/guardians of homeless children and youth and by unaccompanied youth, including schools, family shelters, public libraries, and hunger relief agencies (soup kitchens). The rights shall be presented in a manner and form understandable to the parents/guardians of homeless students and unaccompanied youth.

7. Mediate enrollment disputes in accordance with law and the section "Resolving Enrollment Disputes" below

8. Fully inform parents/guardians of homeless students and unaccompanied youth of all transportation services, including transportation to the school of origin, and assist them in accessing transportation to the school of choice

(cf. 3541 - Transportation Routes and Services)

\*\*\*Note: P.L. 114-95 amended 42 USC 11432 to add the duties specified in items #9-10 below.\*\*\*

9. Ensure that school personnel providing services to homeless students receive professional development and other support

(cf. 4131 - Staff Development)

(cf. 4231 - Staff Development)

(cf. 4331 - Staff Development)

10. Ensure that unaccompanied youth are enrolled in school, have opportunities to meet the same challenging state academic standards established for other students, and are informed of their status as independent students under 20 USC 1087vv and that they may receive assistance from the district liaison to receive verification of their independent student status for purposes of applying for federal student aid pursuant to 20 USC 1090

11. Coordinate and collaborate with state coordinators and community and school personnel responsible for the provision of education and related services to homeless students, including the provision of comprehensive data to the state coordinator as required by law

\*\*\*Note: Pursuant to Education Code 48918.1, the district liaison must be notified before the expulsion hearing for a homeless student, when the student's alleged violation does not require a mandatory recommendation for expulsion; see AR 5144.1 - Suspension and Expulsion/Due Process. When so notified, the district liaison is expected to assist the student and, as necessary, advocate on the student's behalf.\*\*\*

\*\*\*Note: Furthermore, pursuant to Education Code 48915.5, if the homeless student has also been identified as an individual with a disability and the district has proposed a change of placement due to an act for which decision to recommend expulsion is discretionary, the district liaison must be invited to participate in the individualized education program team meeting that makes a manifestation determination pursuant to the Individuals with Disabilities Education Act (20 USC 1415(k)).\*\*\*

In addition, when notified pursuant to Education Code 48918.1, the district liaison shall assist, facilitate, or represent a homeless student who is undergoing a disciplinary proceeding that could result in his/her expulsion. When notified pursuant to Education Code 48915.5, the district liaison shall participate in an individualized education program team meeting to make a manifestation determination regarding the behavior of a student with a disability.

(cf. 5144.1 - Suspension and Expulsion/Due Process)

(cf. 5144.2 - Suspension and Expulsion/Due Process (Students with Disabilities))

(cf. 6159 - Individualized Education Program)

\*\*\*Note: 42 USC 11432, as amended by P.L. 114-95, requires that the California Department of Education (CDE) publish a list of district liaisons on its web site. The CDE collects the name and

contact information of district liaisons through the consolidated application process, along with information about district compliance with federal program requirements.\*\*\*

The Superintendent or designee shall inform homeless children and youth, their parents/guardians, school personnel, service providers, and advocates working with homeless families of the duties of the district's liaison. He/she shall also provide the name and contact information of the district's liaison to the California Department of Education (CDE) for publishing on the CDE's web site. (42 USC 11432)

#### Enrollment

The district shall make placement decisions for homeless students based on the student's best interest. (42 USC 11432)

\*\*\*Note: 42 USC 11432, as amended by P.L. 114-95, specifies factors that must be considered in determining a student's best interest, as provided below.\*\*\*

In determining the best interest of the student, the district shall consider student-centered factors related to the student's best interest, including factors related to the impact of mobility on achievement, education, health, and safety, giving priority to the request of the student's parent/guardian or, in the case of an unaccompanied youth, the youth. (42 USC 11432)

\*\*\*Note: The following optional paragraph presents examples of factors that may be considered in making placement decisions based on a student's "best interest," and may be revised to reflect district practice.\*\*\*

Such factors may include, but are not limited to, the age of the student, the distance of the commute and the impact it may have on the student's education, personal safety issues, the student's need for special instruction, the length of anticipated stay in the temporary shelter or other temporary location, likely area of future housing, school placement of siblings, and the time remaining in the school year.

However, placement decisions shall not be based on whether a homeless student lives with his/her homeless parent/guardian or has been temporarily placed elsewhere. (42 USC 11432)

In the case of an unaccompanied youth, the liaison shall assist in placement or enrollment decisions, give priority to the views of the student, and provide notice to the student of his/her appeal rights. (42 USC 11432)

In determining a student's best interest, a homeless student shall, to the extent feasible, be placed in his/her school of origin, unless the student's parent/guardian or the unaccompanied youth requests otherwise. (Education Code 48852.7; 42 USC 11432)

\*\*\*Note: Education Code 48852.7 and 42 USC 11432 require schools to immediately enroll homeless students as specified below. In its Non-Regulatory Guidance Education for Homeless Children and Youths Program, the USDOE recommends that the district take steps to facilitate

immediate enrollment such as accepting school records directly from families, establishing school-based immunization clinics, and training staff on the legal requirements for immediate enrollment. See AR 5111.1 - District Residency.\*\*\*

Once a placement decision has been made, the principal or designee shall immediately enroll the student in the school of choice. The student shall be enrolled even if he/she: (Education Code 48852.7; 42 USC 11432)

1. Has outstanding fees, fines, textbooks, or other items or monies due to the school last attended

(cf. 5125.2 - Withholding Grades, Diploma or Transcripts)

2. Does not have clothing normally required by the school, such as school uniforms

(cf. 5132 - Dress and Grooming)

3. Is unable to produce records normally required for enrollment, such as previous academic records, proof of residency, and records of immunization and other required health records

(cf. 5111 - Admission)

(cf. 5111.1 - District Residency)

(cf. 5125 - Student Records)

(cf. 5141.26 - Tuberculosis Testing)

(cf. 5141.31 - Immunizations)

(cf. 5141.32 - Health Screening for School Entry)

\*\*\*Note: P.L. 114-95 amended 42 USC 11432 to add the circumstance specified in item #4 below.\*\*\*

4. Has missed application or enrollment deadlines during any period of homelessness

The principal or designee shall immediately contact the school last attended by the student to obtain the relevant records. If the student needs to obtain immunizations or does not possess immunization or other required health records, the principal or designee shall refer the parent/guardian to the district liaison for homeless students. The district liaison shall assist the parent/guardian, or the student if he/she is an unaccompanied youth, in obtaining the necessary immunizations, screenings, or records for the student. (42 USC 11432)

If the student is placed at a school other than his/her school of origin or the school requested by his/her parent/guardian or an unaccompanied youth, the Superintendent or designee shall provide the parent/guardian or the unaccompanied youth with a written explanation of the decision along with a statement regarding the right to appeal the placement decision. (42 USC 11432)

The student may continue attending his/her school of origin for the duration of the homelessness. (Education Code 48852.7; 42 USC 11432)

To ensure that the homeless student has the benefit of matriculating with his/her peers in accordance with the established feeder patterns, the following shall apply: (Education Code 48852.7; 42 USC 11432)

1. If the student is transitioning between grade levels, he/she shall be allowed to continue in the same attendance area.
2. If the student is transitioning to a middle school or high school, and the school designated for matriculation is in another school district, he/she shall be allowed to continue to the school designated for matriculation in that district.

\*\*\*Note: 42 USC 11432 and Education Code 48852.7 require that homeless students who become permanently housed during the school year be allowed to remain in the school of origin for the remainder of the school year. Education Code 48852.7 allows homeless students to remain in the school of origin, or matriculate to a feeder school, even if the student is no longer homeless. The district may revise the following list to reflect the grade levels and feeder school patterns in the district.\*\*\*

If the student's status changes before the end of the school year so that he/she is no longer homeless, he/she shall be allowed to stay in the school of origin: (Education Code 48852.7)

1. Through the duration of the school year if he/she is in grades K-8
2. Through graduation if he/she is in high school

#### Resolving Enrollment Disputes

\*\*\*Note: In the event that a dispute arises over the district's decision related to student eligibility, school selection, or enrollment, the district must comply with the requirements of 42 USC 11432 and the dispute resolution process established by the CDE. The CDE's process is described in a January 30, 2007 letter to districts, available on the CDE's web site. The CDE's letter does not specify a hearing process or timelines for the district-level dispute resolution process. Thus, the district may revise the following section to reflect district practice, provided that the process is consistent with law.\*\*\*

If a dispute arises over student eligibility, school selection, or enrollment in a particular school, the matter shall be referred to the district liaison, who shall carry out the dispute resolution process as expeditiously as possible. (42 USC 11432)

The parent/guardian or unaccompanied youth shall be provided with a written explanation of any decisions related to eligibility, school selection, or enrollment and of the right of the parent/guardian or unaccompanied youth to appeal such decisions. (42 USC 11432)

\*\*\*Note: The following optional list should be modified to reflect district practice. In its Non-Regulatory Guidance Education for Homeless Children and Youths Program, the USDOE

recommends that the written explanation contain the elements specified below. See the accompanying exhibits for a sample explanation and appeal form.\*\*\*

The written explanation shall include:

1. A description of the action proposed or refused by the district
2. An explanation of why the action is proposed or refused
3. A description of any other options the district considered and the reasons that any other options were rejected
4. A description of any other factors relevant to the district's decision and information related to the eligibility or best interest determination including the facts, witnesses, and evidence relied upon and their sources
5. Appropriate timelines to ensure any relevant deadlines are not missed
6. Contact information for the district liaison and state coordinator, and a brief description of their roles

The written explanation shall be complete, as brief as possible, simply stated, and provided in language that the parent/guardian or student can understand.

\*\*\*Note: The following optional paragraph is recommended in the USDOE's Non-Regulatory Guidance Education for Homeless Children and Youths Program.\*\*\*

The district liaison may use an informal process as an alternative to formal dispute resolution procedures, provided that the parents/guardians or unaccompanied youth have access to the more formal process if informal resolution is not successful in resolving the matter.

\*\*\*Note: The following optional paragraph is recommended in the CDE's January 30, 2007 letter to districts.\*\*\*

In working with a student's parents/guardians or unaccompanied youth to resolve an enrollment dispute, the district liaison shall:

1. Inform them that they may provide written and/or oral documentation to support their position
2. Inform them that they may seek the assistance of social services, advocates, and/or service providers in having the dispute resolved
3. Provide them a simple form that they may use and turn in to the school to initiate the dispute resolution process

4. Provide them a copy of the dispute form they submit for their records
5. Provide them the outcome of the dispute for their records

If a parent/guardian or unaccompanied youth disagrees with the liaison's enrollment decision, he/she may appeal the decision to the Superintendent. The Superintendent shall make a determination within five working days.

\*\*\*Note: In its January 30, 2007 letter to districts, the CDE describes the process for appealing a district's enrollment decision to the county office of education and the CDE. Upon receipt of materials describing the dispute from the district, the county office liaison will determine the school selection or enrollment decision within five working days. If the dispute remains unresolved or is appealed, the county office liaison will forward the documentation to the state homeless coordinator who will notify the parent/guardian of the final school selection or enrollment decision within five working days.\*\*\*

If the parent/guardian chooses to appeal the district's placement decision, the district liaison shall forward all written documentation and related paperwork to the homeless liaison at the county office of education.

\*\*\*Note: 42 USC 11432, as amended by P.L. 114-95, provides that, during any dispute over a student's enrollment, the student must be allowed to be enrolled in the school during the period of all appeals. 42 USC 11434a defines "enrollment" as including attendance in classes and participation in school activities.\*\*\*

Pending final resolution of the dispute, including all available appeals, the student shall be immediately enrolled in the school in which enrollment is sought and shall be allowed to attend classes and participate fully in school activities. (42 USC 11432, 11434a)

#### Transportation

\*\*\*Note: 42 USC 11432 mandates that districts adopt policies and practices to ensure that transportation is provided to homeless students, at the request of their parent/guardian or of the district liaison in the case of an unaccompanied youth, to and from their school of origin as specified below.\*\*\*

\*\*\*Note: In its Non-Regulatory Guidance Education for Homeless Children and Youths Program, the USDOE states that the law imposes an affirmative obligation to transport homeless students, even if transportation is not provided to other students. The Guidance clarifies that, because the State of California receives funds under McKinney-Vento, all districts in California are subject to this requirement.\*\*\*

\*\*\*Note: Federal law does not address the authorization provided by Education Code 39807.5 for the district to charge for the cost of home-to-school transportation. However, it is likely that most homeless students would be identified as indigent and would therefore be exempt from transportation costs. See AR 3250 - Transportation Fees.\*\*\*

The district shall provide transportation for a homeless student to and from his/her school of origin when the student is residing within the district and the parent/guardian, or the district liaison in the case of an unaccompanied youth, requests that such transportation be provided. If the student moves outside of district boundaries, but continues to attend his/her school of origin within this district, the Superintendent or designee shall consult with the superintendent of the district in which the student is now residing to agree upon a method to apportion the responsibility and costs of the transportation. (42 USC 11432)

(cf. 3250 - Transportation Fees)

(cf. 3541 - Transportation Routes and Services)

\*\*\*Note: Education Code 48852.7 requires that the district provide transportation to a formerly homeless student with an individualized education program that provides for transportation as a related service. Education Code 48852.7 does not supersede or exceed other laws governing special education services for eligible homeless students.\*\*\*

\*\*\*Note: The following paragraph may be revised if the district chooses to provide transportation to other formerly homeless students attending their school of origin.\*\*\*

The district shall not be obligated to provide transportation to students who continue attending their school of origin after they cease to be homeless, unless the formerly homeless student has an individualized education program that includes transportation as a necessary related service for the student. (Education Code 48852.7)

#### Transfer of Coursework and Credits

\*\*\*Note: The following section is for use by districts maintaining high schools.\*\*\*

When a homeless student transfers into a district school, the district shall accept and issue full credit for any coursework that the student has satisfactorily completed while attending another public school, a juvenile court school, or a nonpublic, nonsectarian school or agency and shall not require the student to retake the course. (Education Code 51225.2)

If the homeless student did not complete the entire course, he/she shall be issued partial credit for the coursework completed and shall be required to take the portion of the course that he/she did not complete at his/her previous school. However, the district may require the student to retake the portion of the course completed if, in consultation with the holder of educational rights for the student, the district finds that the student is reasonably able to complete the requirements in time to graduate from high school. Whenever partial credit is issued to a homeless student in any particular course, he/she shall be enrolled in the same or equivalent course, if applicable, so that he/she may continue and complete the entire course. (Education Code 51225.2)

\*\*\*Note: Although Education Code 51225.2 requires districts to award partial credits to homeless students who transfer from school to school, there is no uniform system for calculating and awarding partial credits. A recommendation for how to award partial credit is available in

the California Child Welfare Council's Partial Credit Model Policy and Practice Recommendations and should be revised to reflect district practice.\*\*\*

Partial credits shall be awarded on the basis of 0.5 credits for every seven class periods attended per subject. If the school is on a block schedule, each block schedule class period attended shall be equal to two regular class periods per subject. Partial credits and grades earned by a student shall be included on the student's official transcript within two business days of the district's notification of the student's transfer, as required under Education Code 49069.5.

In no event shall the district prevent a homeless student from taking or retaking a course to meet the eligibility requirements for admission to the California State University or the University of California. (Education Code 51225.2)

(cf. 6143 - Courses of Study)

#### Applicability of Graduation Requirements

\*\*\*Note: The following section is for use by districts maintaining high schools. Also see BP 6146.1 - High School Graduation Requirements.\*\*\*

To obtain a high school diploma, a homeless student shall complete all courses required by Education Code 51225.3 and fulfill any additional graduation requirements prescribed by the Governing Board.

(cf. 6146.1 - High School Graduation Requirements)

However, when a homeless student who has completed his/her second year of high school transfers into the district from another school district or transfers between high schools within the district, he/she shall be exempted from all district-adopted coursework and other district-established graduation requirements, unless the district makes a finding that the student is reasonably able to complete the additional requirements in time to graduate from high school by the end of his/her fourth year of high school. Within 30 calendar days of the homeless student's transfer, the Superintendent or designee shall notify the student, the person holding the right to make educational decisions for him/her, and the district liaison for homeless students of the availability of the exemption and whether the student qualifies for it. If the Superintendent or designee fails to provide this notification, the student shall be eligible for the exemption once notified, even if the notification occurs after the student is no longer homeless. (Education Code 51225.1)

To determine whether a homeless student is in his/her third or fourth year of high school, the district shall use either the number of credits he/she has earned as of the date of the transfer or the length of his/her school enrollment, whichever qualifies him/her for the exemption. (Education Code 51225.1)

The Superintendent or designee shall notify any homeless student who is granted an exemption and the person holding the right to make educational decisions for him/her how any requirements

that are waived will affect the student's ability to gain admission to a postsecondary educational institution and shall provide information about transfer opportunities available through the California Community Colleges. (Education Code 51225.1)

The district shall not require or request a homeless student to transfer schools in order to qualify for an exemption and no request for a transfer solely to qualify for an exemption shall be made by a homeless student, the person holding the right to make educational decisions for the student, or the district liaison on behalf of the student. (Education Code 51225.1)

If a homeless student is exempted from local graduation requirements, the exemption shall continue to apply after the student is no longer homeless or if he/she transfers to another school or school district. (Education Code 51225.1)

If the Superintendent or designee determines that a homeless student is reasonably able to complete district graduation requirements within his/her fifth year of high school, he/she shall: (Education Code 51225.1)

1. Inform the student and, if under 18 years of age, the person holding the right to make educational decisions for him/her, of the option available to the student to remain in school for a fifth year to complete the district's graduation requirements and how that will affect his/her ability to gain admission to a postsecondary educational institution
2. Provide information to the homeless student about transfer opportunities available through the California Community Colleges
3. Upon agreement with the homeless student or with the person holding the right to make educational decisions for him/her if he/she is under 18 years of age, permit the student to stay in school for a fifth year to complete the district's graduation requirements

#### Eligibility for Extracurricular Activities

\*\*\*Note: The following paragraph is required pursuant to Education Code 48850. See BP 6145 - Extracurricular and Cocurricular Activities for additional eligibility requirements.\*\*\*

A homeless student who enrolls in any district school shall be immediately deemed to meet all residency requirements for participation in interscholastic sports or other extracurricular activities. (Education Code 48850)

(cf. 6145 - Extracurricular and Cocurricular Activities)  
(cf. 6145.2 - Athletic Competition)

#### Notification and Complaints

Information regarding the educational rights of homeless students, as specified in Education Code 51225.1 and 51225.2, shall be included in the annual uniform complaint procedures notification distributed to students, parents/guardians, employees, and other interested parties

pursuant to 5 CCR 4622. (Education Code 51225.1, 51225.2)

\*\*\*Note: Education Code 51225.1 and 51225.2 provide that complaints of noncompliance with specified requirements related to the educational rights of homeless students may be filed in accordance with the uniform complaint procedures specified in 5 CCR 4600-4670. As with other complaints covered under the uniform complaint procedures, a complainant may appeal the district's decision to the CDE and, if the district or CDE finds any merit in the complaint, the district must provide a remedy to the affected student. See BP/AR 1312.3 - Uniform Complaint Procedures.\*\*\*

Any complaint that the district has not complied with requirements regarding the education of homeless students, as specified in Education Code 51225.1 or 51225.2, may be filed in accordance with the district's procedures in AR 1312.3 - Uniform Complaint Procedures.

(cf. 1312.3 - Uniform Complaint Procedures)

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# CSBA Sample

## Exhibit

### Education For Homeless Children

E 6173

#### Instruction

Exhibit 1

#### DISTRICT EXPLANATION OF DECISION RELATED TO ELIGIBILITY, SCHOOL SELECTION, OR ENROLLMENT

\*\*\*Note: The following form should be revised to reflect district practice. In its Non-Regulatory Guidance Education for Homeless Children and Youths Program, the U.S. Department of Education recommends that the written statement of any decision regarding a homeless student's eligibility, school selection, or enrollment include the elements specified below. See the accompanying administrative regulation.\*\*\*

Instructions: The following form provides notice and explanation to a student's parent/guardian or an unaccompanied youth regarding the district's decision related to student eligibility, school selection, or enrollment.

Date: \_\_\_\_\_ Name of person completing form: \_\_\_\_\_  
Title: \_\_\_\_\_ Phone number: \_\_\_\_\_

In accordance with the federal McKinney-Vento Homeless Assistance Act (42 USC 11431-11435), this notification is being provided to either:

Name of parent(s)/guardian(s): \_\_\_\_\_

Name of unaccompanied student: \_\_\_\_\_

School requested: \_\_\_\_\_

District's placement decision (name of school): \_\_\_\_\_

Action(s) proposed/refused by the district related to eligibility, school selection, or enrollment:

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The district's determination regarding eligibility, school selection, or enrollment was based upon

the following evidence and for the following reasons:

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Other options that the district considered, if any, included the following options which were rejected for the following reasons:

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Factors relevant to the district's decision and information related to the eligibility or best interest determination including the facts, witnesses, and evidence relied upon and their sources, if any:

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You have the right to appeal this decision to the district Superintendent. To do so, contact the district's homeless liaison listed below within the next \_\_\_\_ (insert number of days) \_\_\_\_ days to request a Dispute Form. You may provide written or verbal documentation to support your position, and may also seek the assistance of social services, advocates, and/or service providers in the dispute process. The Superintendent or designee will review all the evidence and will notify you of his/her decision within \_\_\_\_ (insert number of days) \_\_\_\_ days.

If you are not satisfied with the Superintendent's decision, you may appeal to the \_\_\_\_\_ (insert county name) \_\_\_\_\_ County Office of Education. If you are not satisfied with the county office's decision, you may then appeal to the California Department of Education. The district's homeless liaison can assist you with this appeal.

#### CONTACT INFORMATION:

District Liaison: The district liaison is one of the primary contacts between homeless families and school or district staff. He/she is responsible for coordinating services to ensure that homeless students enroll in school and have the opportunity to succeed academically, and mediates enrollment disputes as needed.

Name of district's homeless liaison: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone number: \_\_\_\_\_

County Liaison: If you appeal the district's decision to the county office of education, the district liaison shall forward all written documentation and related paperwork to the homeless liaison at the county office. The county liaison will review the materials and determine the eligibility, school selection, or enrollment decision within five working days of receiving the materials. He/she will notify you of the decision.

Name of County Office of Education homeless liaison: \_\_\_\_\_

Address: \_\_\_\_\_

Phone number: \_\_\_\_\_

State Coordinator: If you appeal the county office's decision to the California Department of Education, the county homeless liaison shall forward all written documentation and related paperwork to the State Homeless Coordinator. The state coordinator will review the district, county office, and parent/guardian information and will notify you of the decision within ten working days of receiving the materials.

Name of state homeless coordinator: \_\_\_\_\_

Address: \_\_\_\_\_

Phone number: \_\_\_\_\_

#### RIGHTS:

Pending the final resolution of this dispute, including the period of all appeals, the student has the right to immediately enroll in the school requested and to participate fully in school activities at that school.

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Exhibit 2

#### DISPUTE FORM

Instructions: This form is to be completed by a parent/guardian or student when a dispute regarding enrollment has arisen. As an alternative to completing this form, the information on this form may be shared verbally with the district's liaison for homeless students.

Date submitted: \_\_\_\_\_

Student's name: \_\_\_\_\_

Name of person completing form: \_\_\_\_\_

Relation to student: \_\_\_\_\_

Address: \_\_\_\_\_

Phone number: \_\_\_\_\_

Name of school requested: \_\_\_\_\_

I wish to appeal the eligibility, school selection, or enrollment decision made by:

☐ District liaison      ☐ District Superintendent      ☐ County office of education liaison

Reason for the appeal: You may include an explanation to support your appeal in this space or provide your explanation verbally.

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I have been provided with:

- ☐ A written explanation of the district's decision
- ☐ Contact information for the district's homeless liaison
- ☐ Contact information for the county office of education's homeless liaison
- ☐ Contact information for the state homeless coordinator

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