

## Current Expense of Education



San Diego County Education Office  
Supporting Students, Empowering Schools

August 29, 2024

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## California Education Code 41372

District type	% of current expense of education	
Elementary Districts	60%	<ul style="list-style-type: none"> <li>Stipulates that school districts expend minimum percentages during the fiscal year on salaries of classroom teachers and classroom classified staff as defined in <a href="#">EC41011</a></li> <li>Percentage is calculated as total classroom compensation divided by total expenditures in general fund 01</li> </ul>
Unified Districts	55%	
High School Districts	50%	

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## SACS Form CEA

- Submitted with unaudited actuals
- Form calculates percentage and deficiency amount (if applicable)
- Form automatically excludes specific goals, objects and functions

Excluded from calculation			
Goals: 7100-7199 & 8100	Functions: 3700, 8500, 3600, 1180	Objects: 3701-3702	Resource 1100 and other state/federal categoricals that do not include classroom salaries

- Form allows for manual exclusions
  - It is recommended that districts consult their auditor before entering manual reductions

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### Form CEA

Line	Code	Description	Amount	Amount	Amount	Amount	Amount	Amount
1		Total Current Expense	100.00					
2		Total Exclusions	10.00					
3		Current Expense Total	90.00					
4		Manual Exclusions	10.00					

1. Column 4b: Manual exclusions column
2. Current expense of education total (denominator)
3. Reminder: any amount entered (even zero) in 4b or 13b will cause the form to ignore the values in 4a & 13a

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### Form CEA

1	Total Classroom Compensation	100.00
2	Percent of Current Cost of Education	100.00%
3	Exemption per EC 41374	0.00%
4	Calculated percentage paid by district/deficiency %/Deficiency \$ amount	100.00%

1. Total classroom compensation (numerator)
2. Percent of Current Cost of Education
3. Exemption per EC 41374
4. Calculated percentage paid by district/deficiency %/Deficiency \$ amount

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### CEA Deficiency-Exempt

EC 41374 exempts districts from requirements of EC 41372 if individual class sessions are equal to or less than the following number of pupils in attendance:

- (a) An elementary school district--twenty-eight (28) pupils.
- (b) A high school district--twenty-five (25) pupils.
- (c) A unified school district--twenty-eight (28) pupils in respect to grades kindergarten through 8, inclusive; and twenty-five (25) pupils in respect to grades 9 through 12, inclusive

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## Role of the COE



- County office of education is required to review for compliance with [EC 41372](#)
- If deficiency is identified, district must submit waiver application to county superintendent of schools. (No later than September 15th of the following fiscal year.)
- It is the COE's responsibility to evaluate request for waiver
- If no waiver application is received or the waiver approval is for less than 100% of the deficiency the COE is required to set aside amount of deficiency to be expended on classroom salaries in the next fiscal year

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## CEA Deficiency Waiver

California Department of Education  
 San Jose, CA 95128

**Application for Exemption from the Proposed Exemptions for Classroom Teachers Salaries**  
 Proposed by District Code Section 41372

To: County Superintendent of Schools

For: \_\_\_\_\_ Fiscal Year \_\_\_\_\_ Annual Budget  
 All for use of the district for the purpose of the budget as determined by the Board of Education. (Code Section 41372, for the regular fiscal year.)

Request for request (Check one):

Request for waiver to the extent of the deficit. Please attach a written explanation, the district's annual budget request, and a request for waiver to the county superintendent of schools. (Code Section 41372)

Request for exemption from the proposed exemptions that are in excess of the amount of the deficit. Please attach a narrative to the county superintendent of schools. (Code Section 41372)

Deficiency is less than \$1,000.00. (Exemption is automatically approved.)

(Source: Form CEA)

1. State the amount percentage for your district (90% Elementary SPA, High School 90% Limited) \_\_\_\_\_%

2. State the percentage used for your district \_\_\_\_\_%

3. Percentage below the minimum (Use 1 line only) \_\_\_\_\_%

4. State the amount to your supervisor of education (Form CEA) \_\_\_\_\_

5. Deficiency Amount (Use 3 lines only) \_\_\_\_\_

- Three exemptions reasons:
  - Serious Hardship
  - Payment of classroom teachers in excess of comparable districts
  - Deficiency is less than \$1,000
- Completed application shall be signed by board member or superintendent

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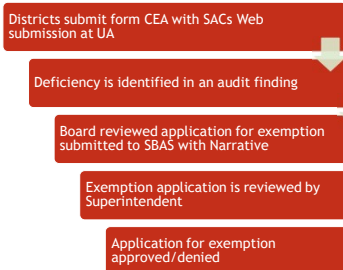
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## Review Process



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### Complete Submission Checklist

- ▶ Submitted SACS form CEA
- ▶ Audit report showing finding of CEA deficiency
- ▶ Application for Exemption from the Required Expenditures for Classroom Teachers' Salaries
- ▶ Narrative explaining factors contributing to deficiency and details on any expenditures on classroom salaries made in the current fiscal year
- ▶ Classroom teacher salary & benefits comparison (Salary Comparison) OR written explanation of serious hardship

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### Narrative



- Opportunity for district to speak to contributing factors that resulted in deficiency
- Opportunity for the district to explain any efforts that would serve to reduce or eliminate the deficiency

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### Salary Comparison

- Salary comparison to include:
  - Annual classroom teacher salaries paid at the beginning, average, and maximum salary levels plus the average annual employer contributions for health & welfare benefits.
- Local districts
  - Santa Barbara/ Tri-Counties
- Provide criterion for selected districts




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## Waiver Submission Timeline

FY 2023-24 CEA Deficiency Timeline	
9/15/2024	Unaudited Actuals show deficiency for non-exempt district
12/15/2024	Audit report contains finding of CEA deficiency. District can submit application for exemption (waiver)
4/15/2025	COE shall set aside amount equal to deficiency from apportionment in absence of submitted waiver
9/15/2025	Final day for districts to submit application for exemption

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## Thank you

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## Resources

- ▶ [SACS User guide](#)
- ▶ [FCMAT COE procedure's manual Procedure 29 – CEA](#)
- ▶ [Multiyear CEA Template](#)
- ▶ [Single-Year CEA Template](#)
- ▶ [Application for Exemption from the Required Expenditures for Classroom Teachers' Salaries](#)
- ▶ [CDE CEA Historical Data](#)
- ▶ [J-90 Certificated Salaries & Benefits](#)

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