



Santa Clara County Office of Education

Charles Weis, Ph.D.
County Superintendent of Schools

Informational Bulletin

District Business & Advisory Services

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Bulletin: 11-011

Date: March 16, 2011

To: District Chief Business Officers
District Fiscal Directors

From: Kolvira Chheng, Administrator/Financial Analyst
District Business and Advisory Services

Re: Calculating Charter School In-Lieu of Property Taxes for Districts with SERAF

This is a reminder of the changes regarding the calculation of charter school in-lieu of property taxes for districts that received Supplemental Educational Revenue Augmentation Fund (SERAF). When calculating the charter school in-lieu of property taxes, the total of SERAF needs to be excluded from the total amount of local property taxes available to be distributed to charter schools. For those who did not use this formula in 2009-10, you will see prior year adjustments reflected in the February recertification in 2010-11. In such case, districts will need to take back property taxes from their respective charter schools. Consequently, the state will be distributing additional funding to charter schools for the 2009-10 school year to make up this difference. The schedule for districts to take back property taxes and for the state to back fill charter schools should be 20% per month for five months; however, with the state deferrals the percentages per month will fluctuate. Thus, districts and their respective charter schools should work closely to ensure that the amounts of the take back and back fill match on a monthly basis.

Actual 2010-11 amounts for each district, for SERAF are not yet available; however, it is anticipated that the amounts will be significantly lower than last year. Per the Santa Clara County Controller's office, districts should budget about 20.59% of last year's amount for 2010-11.

Please note that SERAF is effective for two fiscal years starting in 2009-10, thus this is the last year of its implementation.

Please distribute this memo within your District as deemed appropriate..

Approved:

Nimrat Johal- Director, District Business & Advisory Services

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