



## Santa Clara County Office of Education

Charles Weis, Ph.D.  
County Superintendent of Schools

# Informational Bulletin

### District Business & Advisory Services

Nimrat Johal: Director- DBAS: 408-453-6599

Cathy McKim, Manager-DBAS: 408-453-6588

Bulletin: 11-069

Date: June 30, 2011

To: District Fiscal Directors

From: Cathy McKim

Re: Unaudited Actuals including Gann Limit- Due September 15th

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The SACS Unaudited Actuals including the Gann forms for FY 10/11 are due to your Advisor no later than September 15, 2011.

Please submit the following:

- One hard copy of the SACS Unaudited Actuals
- One soft or e-mail version of the Unaudited Actuals
- The signed, original Certification Page
- One copy of the Charter Schools Financial Reporting Status Form from the District responsible for the Charter School
- Signed board resolution for your Gann Limit Appropriations



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Background Information: Gann Limit:

Per EC 42132, "on or before September 15 of each year, the governing board of each school district shall adopt a resolution to identify the estimated appropriations limit for the district for the current fiscal year and the actual appropriations limit for the district for the preceding fiscal year. That resolution shall be adopted at a regular or special meeting of the governing board." The documentation supporting the adoption resolution shall be made available to the public on the date of the meeting scheduled for the purpose of adopting the limits.

Further, Government Code 7906f requires each school district to report to the Superintendent of Public Instruction and to the Director of Finance "at least annually its appropriation limit, its appropriations subject to limitation, the amount of its state aid apportionments and subventions included within the proceeds of taxes of the school district, and amounts excluded from its appropriations limit, at a time and in a manner prescribed by the Superintendent of Public Instruction and approved by the Director of Finance."

Please be advised that your Gann resolutions are due to the us by September 15<sup>th</sup>. Form GANN has been added to the SACS software to assist LEAs in meeting their constitutional and statutory Gann obligations. This form should be opened after the District has imported its final financial system data and the Supplemental Forms A (Attendance) and RL (Revenue Limit) have been completed. The technical review checklist should be free of any errors associated with these forms. Upon opening Form GANN, applicable general ledger, attendance, and revenue limit data will be extracted into the form. The specific forms and general ledger account codes being extracted are noted on the form. In addition, applicable prior year Gann data will be preloaded into the form. Once the extractions have been completed, only a few items remain to be keyed into the form. Adjustment columns are available to make any necessary corrections to prior year Gann data or to extracted data for compliance with Gann reporting requirements. All adjustments must be explained in the bottom section of Form GANN and documentation supporting the adjustments kept in your files along with a copy of this year's Form GANN.

It is not necessary to submit a copy of the board resolution adopting your appropriations limit to the CDE. However if you find your District is in need of increasing its limitation, Section 7902.1 states that the school district shall notify the Director of Finance.



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To aid the District in its disclosure to the Governing Board, sample resolutions and a sample Department of Finance limitation increase letter have been attached.

If you have any questions or concerns, please feel free to contact your Advisor, Ann Redd-Oyedele at (408) 453-6593, Kolvira Chheng at (408) 453-6510, Jason Vann at (408) 453-6576 or Jenina Salcedo at (408)-453-6594.

Please share this information as deemed appropriate.

**RESOLUTION FOR ADOPTING THE "GANN" LIMIT**  
**\_\_\_\_\_ School District**

*(Normal, no increase to Limit pursuant to G.C. 7902.1 [nothing on line K {COE line P}])*

WHEREAS, in November of 1979, the California electorate did adopt Proposition 4, commonly called the Gann Amendment, which added Article XIII-B to the California Constitution; and,

WHEREAS, the provisions of that Article establish maximum appropriation limitations, commonly called "Gann Limits," for public agencies, including school districts; and,

WHEREAS, the District must establish a revised Gann limit for the \_\_\_\_\_ fiscal year and a projected Gann Limit for the \_\_\_\_\_ fiscal year in accordance with the provisions of Article XIII-B and applicable statutory law;

NOW, THEREFORE, BE IT RESOLVED that this Board does provide public notice that the attached calculations and documentation of the Gann limits for the \_\_\_\_\_ and \_\_\_\_\_ fiscal years are made in accord with applicable constitutional and statutory law;

AND BE IT FURTHER RESOLVED that this Board does hereby declare that the appropriations in the Budget for the \_\_\_\_\_ and \_\_\_\_\_ fiscal years do not exceed the limitations imposed by Proposition 4;

AND BE IT FURTHER RESOLVED that the Superintendent provides copies of this resolution along with the appropriate attachments to interested citizens of this district.

AYES \_\_\_\_\_ NOES \_\_\_\_\_ ABSENT \_\_\_\_\_ ABSTAINED \_\_\_\_\_

Attest:

Date:

\_\_\_\_\_

\_\_\_\_\_

Secretary

President

**RESOLUTION FOR ADOPTING THE "GANN" LIMIT**

**\_\_\_\_\_ School District**

*(With Increase to Limit pursuant to G.C. 7902.1 [ONLY if line K {COE line P} not zero])*

WHEREAS, in November of 1979, the California electorate did adopt Proposition 4, commonly called the Gann Amendment, which added Article XIII-B to the California Constitution; and,

WHEREAS, the provisions of that Article establish maximum appropriation limitations, commonly called "Gann Limits," for public agencies, including school districts; and,

WHEREAS, the District must establish a revised Gann limit for the \_\_\_\_\_ fiscal year and a projected Gann Limit for the \_\_\_\_\_ fiscal year in accordance with the provisions of Article XIII-B and applicable statutory law; and,

WHEREAS, Government Code Section 7902.1 provides that school districts may increase their Gann Limits under specified circumstances;

NOW, THEREFORE, BE IT RESOLVED that this Board does provide public notice that the attached calculations and documentation of the Gann limits for the \_\_\_\_\_ and \_\_\_\_\_ fiscal years are made in accord with applicable constitutional and statutory law;

AND BE IT FURTHER RESOLVED that this board does provide public notice that the attached calculations and documentation of the Gann Limits for the \_\_\_\_\_ and \_\_\_\_\_ fiscal years include an increase of \$\_\_\_\_\_ to the \_\_\_\_\_ Gann Limit pursuant to the provisions of Government Code Section 7902.1;

AND BE IT FURTHER RESOLVED that the Superintendent notifies the Director of the State Department of Finance of the increase to the \_\_\_\_\_ Gann Limit;

AND BE IT FURTHER RESOLVED that this Board does hereby declare that the appropriations in the Budget for the \_\_\_\_\_ and \_\_\_\_\_ fiscal years do not exceed the limitations imposed by Proposition 4;

AND BE IT FURTHER RESOLVED that the Superintendent provides copies of this resolution along with the appropriate attachments to interested citizens of this district.

AYES \_\_\_\_\_ NOES \_\_\_\_\_ ABSENT \_\_\_\_\_ ABSTAINED \_\_\_\_\_

Attest:

Date:

\_\_\_\_\_

\_\_\_\_\_

Secretary

President

**SAMPLE LETTER TO INCREASE LIMIT  
(PER GOVERNMENT CODE §7902.1)**

(district (or county office of education) letterhead)

(date)

Director of Finance

State Department of Finance

915 L Street

Sacramento, CA 95814

RE: **Increase of <fiscal year> Appropriations Limit**

**Pursuant to Government Code Section 7902.1**

This is to inform you that, pursuant to Government Code Section 7902.1, the governing board of the \_\_\_\_\_ (school district/ county office of education) in \_\_\_\_\_ County adopted a resolution on \_\_\_\_\_ (date) increasing its \_\_\_\_\_ (fiscal year) appropriations limit by \$\_\_\_\_\_. This increase to the appropriations limit is permanent and will be reflected in future fiscal year calculations.

If you have any questions, please contact \_\_\_\_\_ at (\_\_\_\_) \_\_\_\_ - \_\_\_\_.

(Superintendent)