



Santa Clara County Office of Education

Jon R. Gundry  
County Superintendent of Schools

## Informational Bulletin

*For Santa Clara County Districts*

### District Business & Advisory Services

Kolvira Chheng: Director- DBAS: 408-453-6599

Bulletin: 15-015

Date: November 10, 2014

To: Non Basic Aid Districts, District Chief Business Officers  
Non Basic Aid Districts, District Fiscal Directors

From: Kolvira Chheng, Director, DBAS

Re: Negative Educational Revenue Augmentation Fund (ERAF)

---

The purpose of this bulletin is to notify non basic aid districts that based on the latest calculation by the County Controller-Treasurer office, there will be approximately \$35 million in **Negative** Educational Revenue Augmentation Fund (ERAF) to be allocated to non basic aid districts in this county for current fiscal year (FY 2014-15). In accordance with Revenue and Taxation Code Section 97.70(a)(1)(B), these reductions are to be allocated among the various non basic aid districts in proportion to their respective proportion of local secured assessed valuations.

While this does not impact the total Local Control Funding Formula (LCFF) entitlements, there are adverse cash flow implications. To mitigate this impact, the County Controller-Treasurer office will apply these reductions to Secured Tax in two separate installments to be taken in March and April of 2015. Affected districts will see negative ERAF allocations starting with P-1 property tax report, which will be available on November 17, 2014.

To ensure that there is sufficient cash to cover the districts' obligations, we recommend all affected districts closely monitor their cash.

*Please distribute this information within your District as deemed appropriate.*