

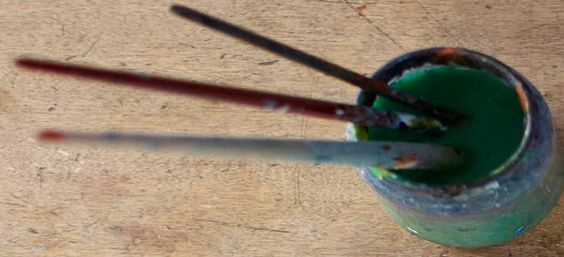
Proposition 28: Arts and Music in Schools (AMS) Funding Guarantee Act Webinar Series: Session 2 (3.14.24)



California Department of Education (CDE)
Tony Thurmond, State Superintendent of Public Instruction



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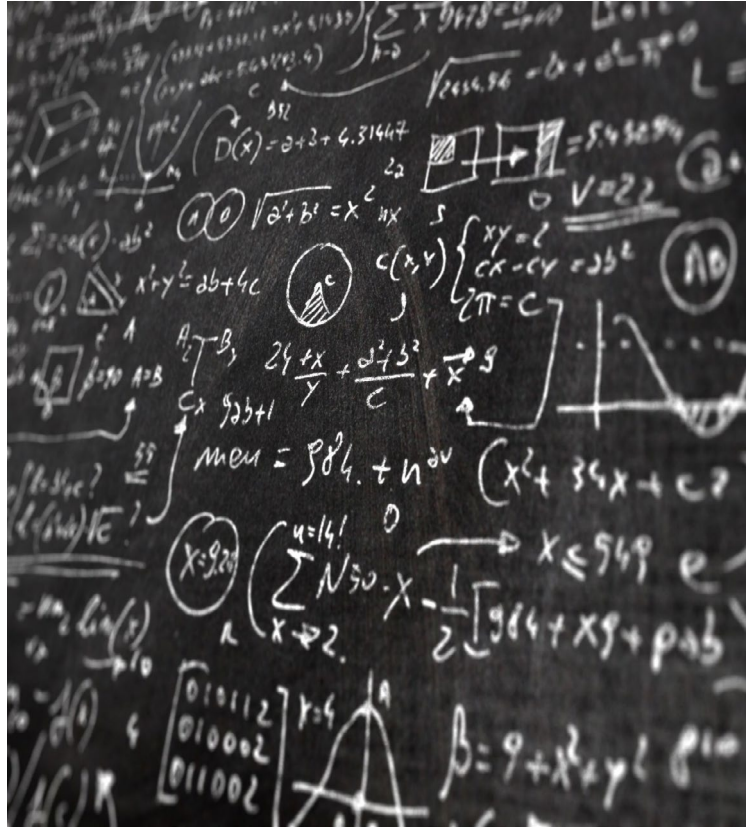
Proposition 28 Arts and Music in Schools (AMS) Funding Guarantee Act

California Department of Education
Webinar March 14, 2024



Agenda


- Funding Calculations and Payments
- Use of Funds
- Conditions of Receipt of Funds & Reporting Requirements
- Audit Requirements & Accounting Guidance
- Additional Reporting Requirements



How much funding will my schools receive?

Funding Calculations and Allocations

Funding Overview



Chapter 5.1 of Part 6 of Division 1 of Title 1 of the Education Code (Section 8820 et seq.)	<ul style="list-style-type: none">• Fiscal Year (FY) 2023–24 is the first year of the program.
Minimum source of funding to supplement arts education programs at public schools.	<ul style="list-style-type: none">• 1% of the total state and local K-12 revenues under the Proposition 98 minimum funding guarantee in the prior year.• On-going, annual apportionment with 3-year expenditure period.
Appropriation amount will be determined annually by Department of Finance as part of May Revision of the Governor’s Budget and is final.	<ul style="list-style-type: none">• <i>Example: Amount for FY 2024–25 will be determined as part of May Revision for Budget Year 2024–25.</i>• \$938 million was appropriated for FY 2023-24; Current estimate for FY 2024–25 is \$931 million.

Key Definitions for Funding (EC 8821)

Enrollment

- Every preschool, transitional kindergarten (TK), and K–12 pupil enrolled in a local educational agency and schoolsite.
- “Preschool pupil” means a pupil enrolled in the California state preschool program (CSPP) or a pupil three years of age through five years of age enrolled in a preschool program for pupils with exceptional needs in a local educational agency.

Economically Disadvantaged Pupil

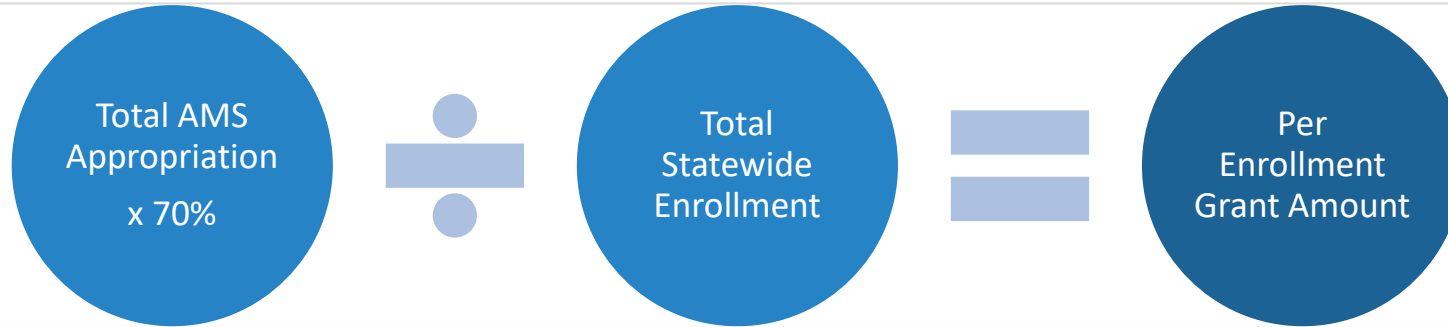
- A pupil who is eligible for the federal National School Lunch Act (42 U.S.C. Sec. 1751 et seq.) or any successor program.
- Free and Reduced-Price Meal (FRPM) data will be used where “economically disadvantaged pupil” data is required.

Local Educational Agency (LEA)

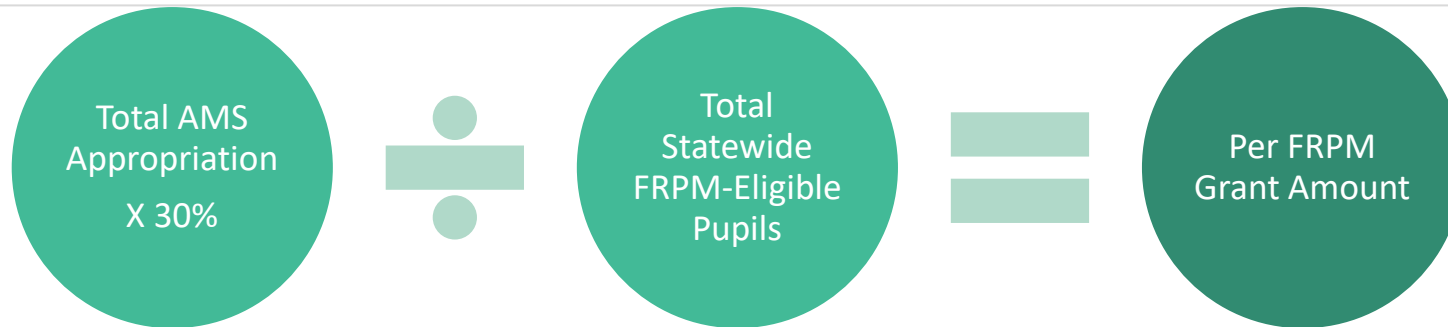
- K–12 school districts, county offices of education (COEs), charter schools, and state special schools (the California school for the blind and the California school for the deaf).

Methodology for Calculating Per Pupil Grant Amounts (EC 8820[c])

1



2



Funding Methodology for School Site Allocation (EC 8820[c])

3



Data Sources by School/Program Type

TK-12 Schools

- Enrollment as of Census Day of the prior fiscal year as reported in California Longitudinal Pupil Achievement Data System (CALPADS).
- FRPM counts as of Census Day of the prior fiscal year as reported in CALPADS.

Special Education Preschool Programs

- Enrollment of pupil ages 3-5 that are not in TK or a CSPP as of Census Day of the Prior Fiscal Year as reported in CALPADS.
- FRPM count is the enrollment (above) x the determinative school site's FRPM-eligible %.

California State Preschool Programs

- Enrollment in as reported in Child Development Management Information System as of October of the prior fiscal year.
- FRPM count is the enrollment (above) x the determinative school site's FRPM-eligible %.

Determinative School Site (EC 8820[c][2])

Definition

- The determinative elementary school is the elementary or K–12 school in the LEA with the highest percentage of FRPM-eligible pupils enrolled.
- If there is no elementary or K–12 school within the LEA, then the determinative elementary school is the elementary or K–12 school within the county with the highest percentage of FRPM-eligible pupils.

Use

- A proxy count of economically disadvantaged preschool pupils.
 - Calculated by multiplying the school's prior-year preschool enrollment by the prior-year percentage of FRPM-eligible TK–12 pupils at a determinative elementary school, pursuant to Education Code Section 8820(c)(2).

Determinative School Site Examples

Scenario 1: LEA has elementary or K–12 school sites

- A school district has prior year enrollment of 100 CSPP pupils (assigned to district office).
- District has two elementary schools:
 - School A: 74% FRPM; School B: 21% FRPM.
- School A is the determinative school site for all schools serving eligible preschool pupils in the district.
- FRPM preschool pupil count for district office is $74\% \times 100 = 74$ pupils.

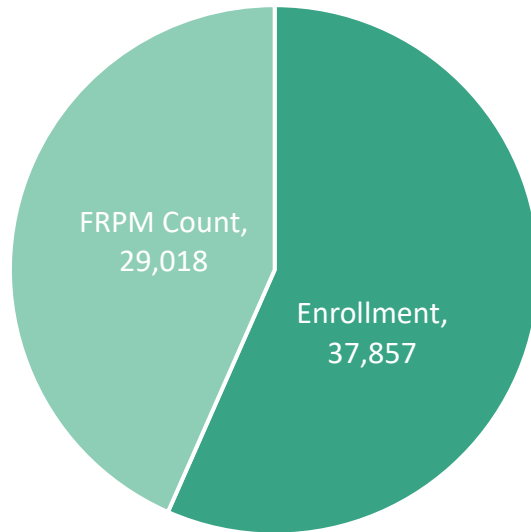
Scenario 2: No elementary or K–12 school site in the LEA

- A COE school served 50 special education preschool pupils in the prior year.
- There are no elementary school sites directly served by the COE.
- In the county, the elementary or K–12 school site with the highest FRPM percentage is a charter school with 90% FRPM eligible pupils.
- FRPM preschool pupil count for the COE school is $90\% \times 50 = 45$ pupils.

FY 2023–24 First Principal (P-1) Apportionment AMS Funding

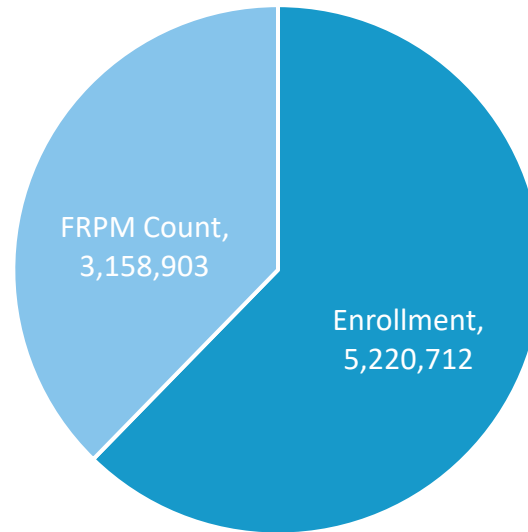
COES

214 Schools - \$6,459,069



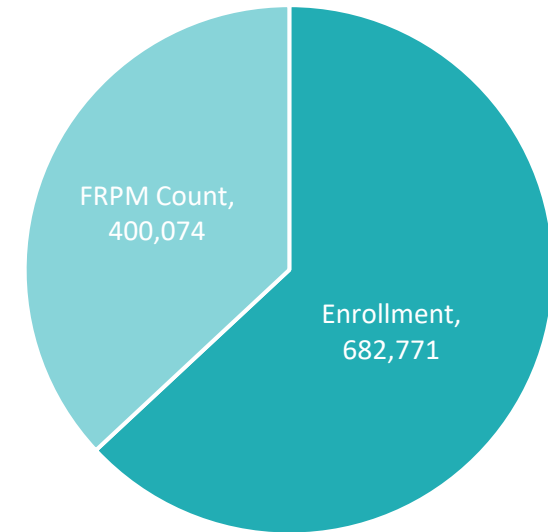
SCHOOL DISTRICTS

9,078 Schools - \$824,646,016



CHARTER SCHOOLS

1,200 Schools - \$106,824,720



Accessing Funding Information

AMS FUNDING PAGE

Proposition 28: Arts and Music in Schools

Funding Results for the Proposition 28: Arts and Music in Schools.

Funding is apportioned to school districts, county office of education, charter schools, and state special schools based on the share of statewide total enrollment and enrollment of economically disadvantaged pupils in the prior year. The purpose of these funds is to supplement arts education programs.

Fiscal Year 2023–24

- [2023–24 Funding Profile](#) - Program Description and Funding
- [2023–24 Funding Results](#) - Preliminary Entitlements, Apportionments, and Letters

<https://www.cde.ca.gov/fg/aa/pa/prop28ams.asp>

2023–24 FUNDING RESULTS

First Principal (P-1) Apportionment

Certified February 20, 2024

- [Apportionment Letter - 20-Feb-2024](#)
 - ◆ [Attachment - Calculations to determine the First Principal Apportionment](#)
- [Funding Exhibit – First Principal Apportionment](#)
- [Proposition 28: Arts and Music in Schools - School Site Calculation \(XLSX\)](#)

<https://www.cde.ca.gov/fg/fo/r14/prop28amresults.asp>

2023–24 P-1 School Site Calculation (1)

F G H I J K L M N O P
Arts and Music in Schools

rollment and enrollment of FRPM eligible pupils. Only eligible school sites with prior year TK/K-12, special education, or CSPP enrollment will have an allocation calculated.
 county District School; COE = County Office of Education; CSPP = California State Preschool Program; D = Direct Funded; FRPM = Free and Reduced Price Meals; L = Local Funded; LEA = Local Educational Agency; TK/K = Transitional Kindergarten/Kindergarten
 the California School Directory as of October 2, 2023.

LEA Name	School Name*	School Type*	Prior Year TK/K-12 Enrollment A-1	Prior Year TK/K-12 FRPM Pupil Count A-2	Elementary School Prior Year TK/K-12 Percentage of FRPM Pupils (For Elementary or K-12 School Type, A-2 / A-1; else 0) A-3	Percentage of FRPM Eligible Pupils for Determinative Elementary School B-1	Prior Year CSPP Enrollment B-2	Prior Year Special Education Preschool Enrollment B-3	Total Prior Year Preschool Enrollment (B-2 + B-3) B-4	Prior Year Preschool FRPM Eligible Pupil Count (B-1 * B-4) B-5
Sunol Glen Unified	District Office	District Office	-	-	-	0.1045	-	-	-	-
Sunol Glen Unified	Sunol Glen Elementary	Elementary	268	28	0.1045	0.1045	-	-	-	-
Latitude 37.8 High	Latitude 37.8 High	High School	282	180	-	0.9976	-	-	-	-
Alpine Co. Office of Education	District Office	District Office	-	-	-	0.6885	-	-	-	-
Alpine Co. Office of Education	Alpine County Opportunity	Opportunity	-	-	-	0.6885	-	-	-	-
Alpine County Unified	District Office	District Office	-	-	-	0.6885	4	-	4	3
Alpine County Unified	Bear Valley Elementary	Elementary	7	1	0.1429	0.6885	-	-	-	-
Alpine County Unified	Alpine County Secondary Community Day	Community Day	-	-	-	0.6885	-	-	-	-
Alpine County Unified	Diamond Valley Elementary	Elementary	61	42	0.6885	0.6885	-	-	-	-
Amador Co. Office of Education	District Office	District Office	-	-	-	0.5556	80	-	80	44
Amador Co. Office of Education	County Community	County Community	15	9	-	0.5556	-	-	-	-
Amador Co. Office of Education	Amador County Special Education	Special Ed	9	1	-	0.5556	-	42	42	23
Amador County Unified	District Office	District Office	-	-	-	0.5556	-	-	-	-
Amador County Unified	Independence High (Continuation)	Continuation	57	28	-	0.5556	-	-	-	-
Amador County Unified	North Star Academy	Alternative	68	38	-	0.5556	-	-	-	-
Amador County Unified	Amador High	High School	702	247	-	0.5556	-	-	-	-
Amador County Unified	Argonaut High	High School	536	227	-	0.5556	-	-	-	-

2023–24 P-1 School Site Calculation (2)

Site Calculation for Proposition 28: Arts and Music in Schools
 First Principal (P-1) Apportionment
 2024 calculation is based on 2022–23 total enrollment and enrollment of FRPM eligible pupils. Only eligible school sites with prior year TK/K-12, special education, or CSPP enrollment will have an allocation calculated.
 AMS = Arts and Music in Schools; CDS = County District School; COE = County Office of Education; CSPP = California State Preschool Program; D = Direct Funded; FRPM = Free and Reduced Price Meals; L = Local Funded; LEA = Local Educational Agency
 Name and School Type reflect information in the California School Directory as of October 2, 2023.

LEA Name	School Name*	School Type*	Total Prior Year Enrollment (A-1 + B-4) C-1	Per Enrollment Funding Rate (70% of Total Appropriation, Divided by Statewide Enrollment) C-2	AMS Funding Based on Share of Enrollment (C-1 * C-2) C-3	Total Prior Year Count of FRPM Eligible Pupils (A-2 + B-5) D-1	Per FRPM Eligible Pupil Funding Rate (30% of Total Appropriation, Divided by Statewide Enrollment of FRPM Eligible Pupils) D-2	AMS Funding Based on Share of FRPM Eligible Pupils (D-1 * D-2) D-3	Total School Site AMS Allocation (C-3 + D-3) E-1
Alameda Co. Office of Education	District Office	District Office	-	\$ 110.5059640000	\$ -	-	\$ 78.4215840000	\$ -	\$ -
Envision Academy for Arts & Technology	Envision Academy for Arts & Technology	K-12	272	110.5059640000	30,058	214	78.4215840000	16,782	46,840
Community School for Creative Education	Community School for Creative Education	Elementary	183	110.5059640000	20,223	139	78.4215840000	10,901	31,124
Yu Ming Charter	Yu Ming Charter	Elementary	766	110.5059640000	84,648	205	78.4215840000	16,076	100,724
Urban Montessori Charter	Urban Montessori Charter	Elementary	328	110.5059640000	36,246	86	78.4215840000	6,744	42,990
Epic Charter	Epic Charter	Middle	-	110.5059640000	-	-	78.4215840000	-	-
Alameda Co. Office of Education	Alameda County Juvenile Hall/Court	Juvenile Court Schools	48	110.5059640000	5,304	48	78.4215840000	3,764	9,068
Alameda Co. Office of Education	Alameda County Community	County Community	54	110.5059640000	5,967	45	78.4215840000	3,529	9,496
Alternatives in Action	Alternatives in Action	High School	143	110.5059640000	15,802	128	78.4215840000	10,038	25,840
Oakland Unity Middle School	Oakland Unity Middle School	Middle	59	110.5059640000	6,520	26	78.4215840000	2,039	8,559
Connecting Waters Charter School, East Bay	Connecting Waters Charter School, East Bay	K-12	494	110.5059640000	54,590	134	78.4215840000	10,508	65,098

District Office School Site Funding

- COEs and school districts may have funding allocated to their district office school site for any of the following reasons:
 - LEA operates a California State Preschool Program (CSPP).
 - CSPPs do not have their own CDS code, so CSPP enrollment and the associated funding are included as part of the district office school site allocation.
 - Funding allocated based on CSPP enrollment is intended to be used for CSPP arts and music education programs, in compliance with Proposition 28 requirements.
 - LEA reported TK-12 enrollment in CALPADS under the district office CDS code.
 - LEA reported special education preschool enrollment in CALPADS that was not associated with specific school code.

2023–24 P-1 CSPP Allocations

A B F G H I J K L M N

California State Preschool Program Allocations for Proposition 28: Arts and Music in Schools

2023–24 First Principal (P-1) Apportionment

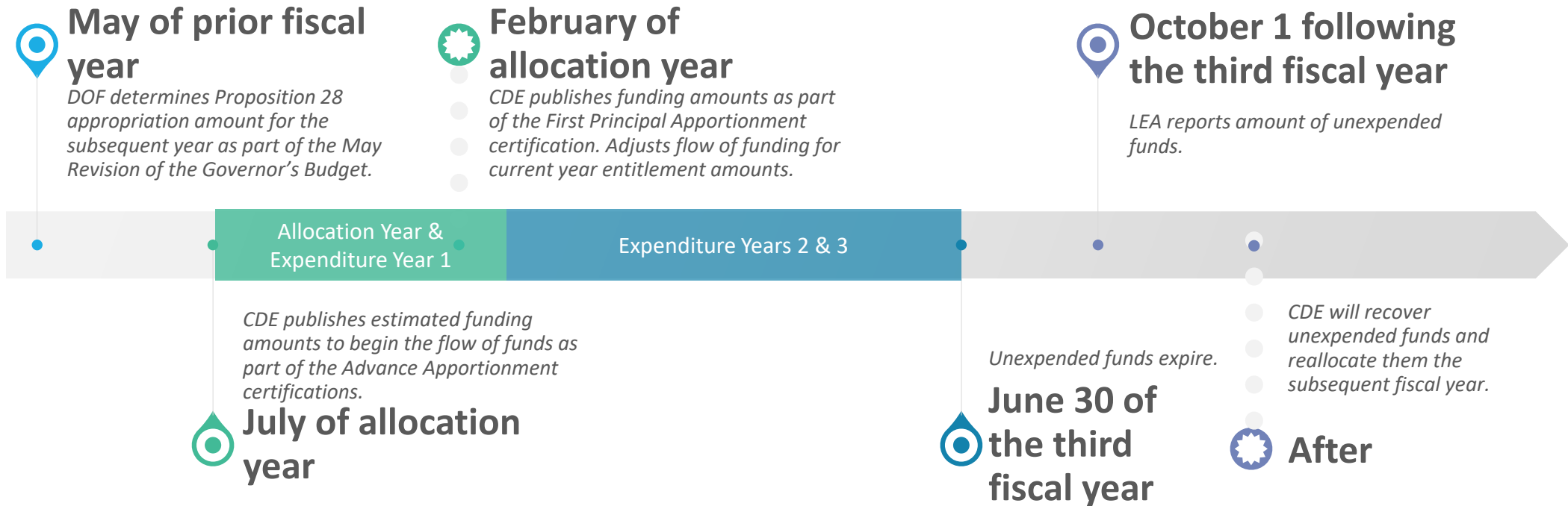
The CSPP allocations for the AMS program represent a subset of funding for district office sites and charter school sites with preschool enrollment on the AMS School Site Calculation tab.

LEGEND: AMS = Arts and Music in Schools; CDS = County District School; CSPP = California State Preschool Program; D = Direct Funded; FRPM = Free and Reduced Price Meals; L = Local Funded; LEA = Local Educational Agency; TK/K = Transient

County Code	District Code	LEA Name	Percentage of FRPM Eligible Pupils for Determinative Elementary School A-1	Prior Year CSPP Enrollment A-2	Prior Year CSPP FRPM Eligible Pupil Count (A-1 * A-2) A-3	Per Enrollment Funding Rate (70% of Total Appropriation, Divided by Statewide Enrollment) B-1	CSPP AMS Funding Based on Share of Enrollment (A-2 * B-1) B-2	Per FRPM Eligible Pupil Funding Rate (30% of Total Appropriation, Divided by Statewide Enrollment of FRPM Eligible Pupils) C-1	CSPP AMS Funding Based on Share of FRPM Eligible Pupils (A-3 * C-1) C-2	CSPP Total AMS Allocation (B-2 + C-2) D-1
01	61119	Alameda Unified	0.6376	69	44	\$ 110.5059640000	\$ 7,625	\$ 78.4215840000	\$ 3,451	\$ 11,076
01	61127	Albany City Unified	0.3689	34	13	110.5059640000	3,757	78.4215840000	1,019	4,776
01	61143	Berkeley Unified	0.3042	233	71	110.5059640000	25,748	78.4215840000	5,568	31,316
01	61150	Castro Valley Unified	0.5075	40	20	110.5059640000	4,420	78.4215840000	1,568	5,988
01	61168	Emery Unified	0.6173	10	6	110.5059640000	1,105	78.4215840000	471	1,576
01	61176	Fremont Unified	0.6292	144	91	110.5059640000	15,913	78.4215840000	7,136	23,049
01	61192	Hayward Unified	0.8036	421	338	110.5059640000	46,523	78.4215840000	26,506	73,029
01	61200	Livermore Valley Joint Unified	0.6257	63	39	110.5059640000	6,962	78.4215840000	3,058	10,020
01	61242	New Haven Unified	0.5069	225	114	110.5059640000	24,864	78.4215840000	8,940	33,804
01	61259	Oakland Unified	0.9976	1,001	999	110.5059640000	110,616	78.4215840000	78,343	188,959
01	61309	San Lorenzo Unified	0.8598	43	37	110.5059640000	4,752	78.4215840000	2,902	7,654
02	61333	Alpine County Unified	0.6885	4	3	110.5059640000	442	78.4215840000	235	677
03	10033	Amador Co. Office of Education	0.5556	80	44	110.5059640000	8,840	78.4215840000	3,451	12,291
04	10041	Butte Co. Office of Education	1.0000	234	234	110.5059640000	25,858	78.4215840000	18,351	44,209
04	61424	Chico Unified	0.8933	73	65	110.5059640000	8,067	78.4215840000	5,097	13,164
04	61523	Palermo Union Elementary	0.9412	120	113	110.5059640000	13,261	78.4215840000	8,862	22,123

AMS LEA Calc 23-24 P-1 | AMS School Site Calc 23-24 P-1 | **CSPP Allocation 23-24 P-1** | + | <

Fiscal Timeline for Annual Allocation



School Site Closures

- Upon closure of a district or COE school site,
 - Unexpended funds cannot be reallocated to another site in the LEA. Unexpended funds will be reported to the CDE after the close of the three-year expenditure window.
 - School sites that close in the current fiscal year will not be entitled to AMS funds in the subsequent year.
 - To ensure that allocations are not made to closed schools, the CDE recommends that LEAs update California School Directory information as soon as possible upon the school's closure.
- Upon closure of a charter school, a final expenditure report is due to the CDE within 60 days and unexpended funds will be due back to the state.



USE OF FUNDS AND WAIVERS

CFIRD

Use Of Funds (review from 2/1 webinar)



Arts Programs

- Each school site develops an expenditure plan annually.
- The School Site Expenditure Plan is not required to be posted on the LEA website, be board approved, or submitted to the CDE.

Pooling Resources

Schools can share teachers, teacher aides, and arts partners. School districts can help facilitate this sharing of resources among schools.

However, the AMS statute does not provide for the reallocation of funds.

Scheduling

Arts instruction can happen during the regular school day, before school, or after school.

Students should be under the immediate supervision of a certificated employee of the LEA to generate attendance for apportionment and receive instructional time credit.

Use Of Funds (review from 2/1 webinar)



LEA Size Mandate

LEAs with enrollment of 500 or more pupils, are required to ensure that at least 80% expenditures for an allocation year are used to employ certificated or classified personnel to provide arts education program instruction as required by EC 8820(g)(1) and as defined by EC 8820(a).

Waiver Authority

EC 8820(h)

- The department may, for good cause shown, provide a waiver from the requirement pursuant to paragraph (1) of subdivision (g) upon written request from the local educational agency.



Statute Breakdown

.... For local educational agencies with an enrollment of 500 or more pupils, the certification shall also ensure that at least 80 percent of funds to be expended will be **used to employ certificated or classified employees to provide arts education program instruction** and that the remaining funds will be used for training, supplies and materials, and arts educational partnership programs....

Clarity on **employment of certificated or classified employees:**

- Work with your LEA business office to determine resource codes from the California School Accounting Manual (CSAM) and Standardized Account Code Structure (SACS) codes.
- Work with your LEA legal department to determine proper hiring of certificated versus classified based on CA Education Code Sections 44006, 45103, 45104, and 4526.

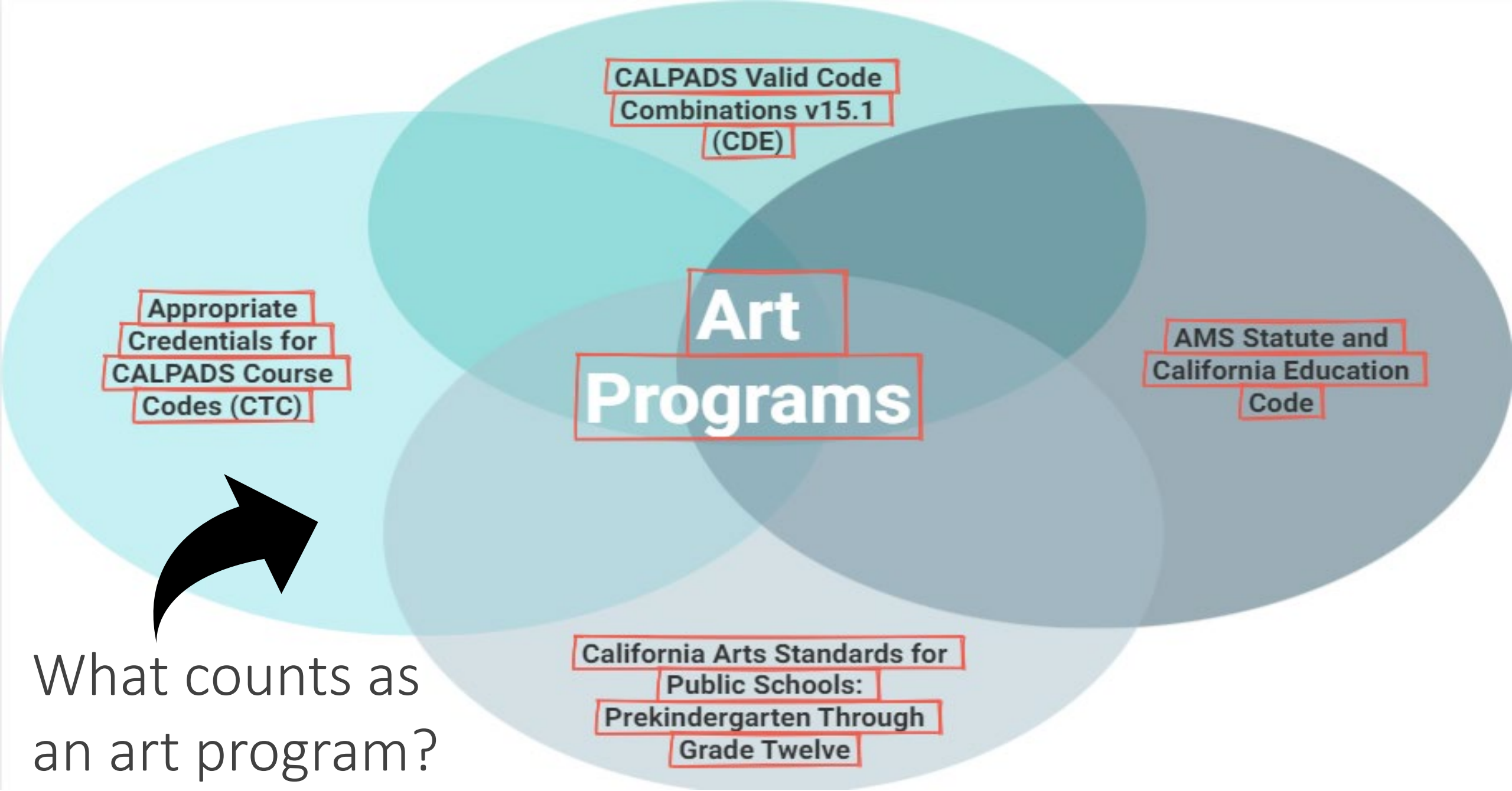
Statute Breakdown

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Clarity on provide arts education program instruction:

Work with your LEA legal department to...

- Determine what is an arts education program.
 - Select resources to make this local determination include AMS statute, the California Arts Standards for Public Schools, *EC* Sections 51210 and 51220, CALPADS Course Codes, CTC credentialing authorizations
- Specifics about instructional time credit are found in *EC* Sections 46300(a) and 47612.5(e)(1)



What counts as an art program?

Waiver Overview

Why

- ✓ An LEA plans to spend the funding originally intended for staffing on other arts related materials, equipment, or supplies
- ✓ An LEA has or plans to work with non-certificated staff or non-classified staff to support arts programming

Who

- ✓ LEAs are responsible for submitting all waiver requests
- ✓ Waivers will be granted at the LEA level
- ✓ Waivers will apply to the entire LEA, not individual school sites

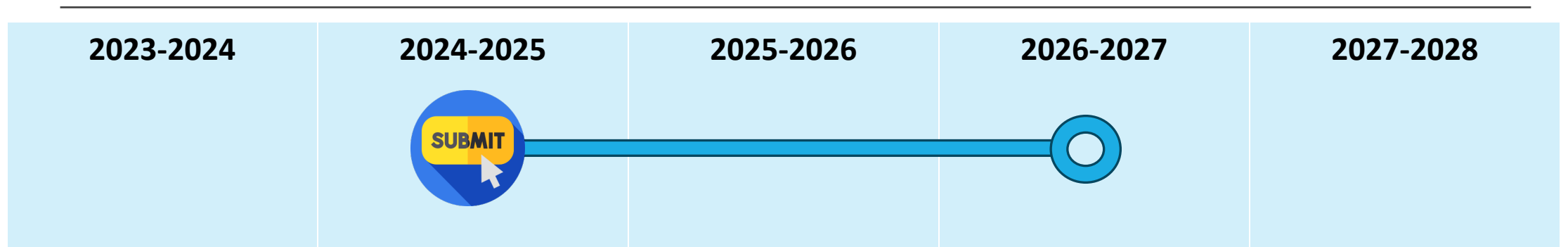
What

- ✓ Waivers must be submitted to the CDE as a written request
- ✓ The CDE created suggested waiver components (*detailed on a future slide*)
- ✓ The CDE created a web portal to streamline the submission of waiver requests

When

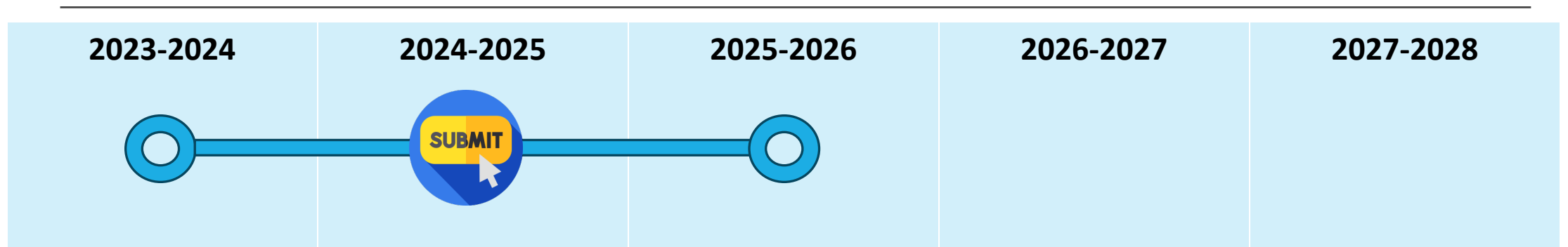
- ✓ LEAs that want a waiver, must submit a new request for each allocation year
- ✓ The request may be submitted at any point within the three-year expenditure period
- ✓ If a waiver request is approved, it applies for the duration of the expenditure period

Example 1A: Compliant Waiver Submission Timing



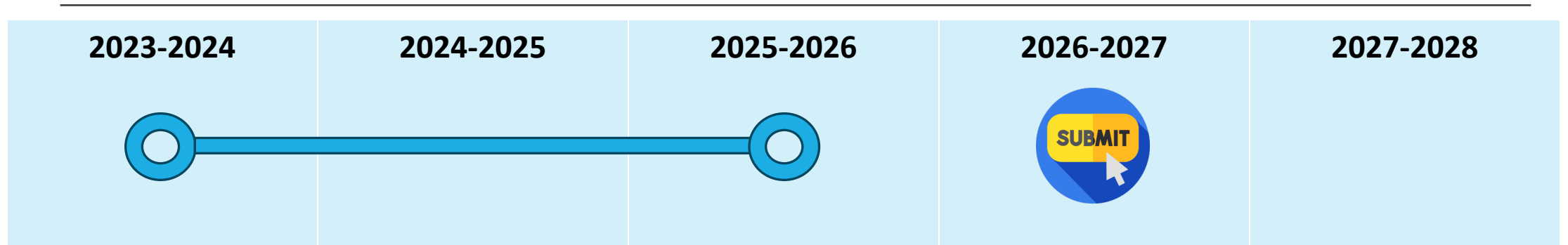
24-25 allocation year waiver submitted and approved in expenditure year 1 (24-25)

Example 1B: Compliant Waiver Submission Timing



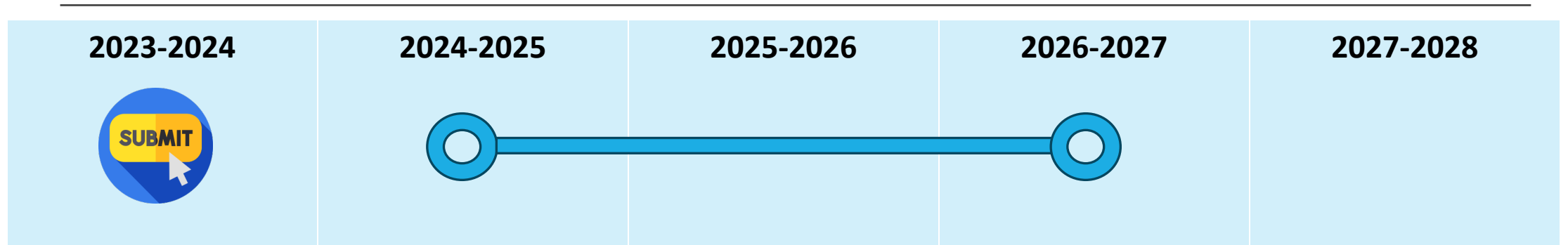
23-24 allocation year waiver submitted and approved in expenditure year 2 (24-25)

Example 1C: Non-Compliant Waiver Submission Timing



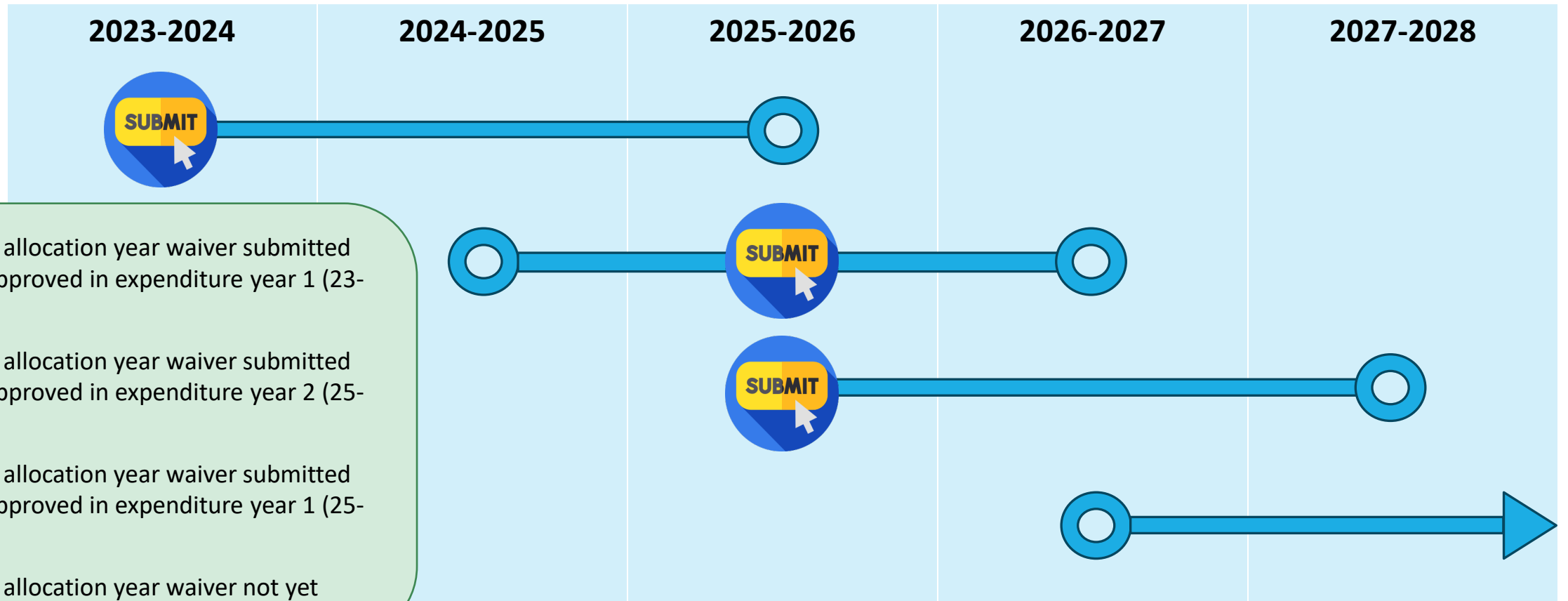
23-24 allocation year waiver submitted after the close of expenditure year 3

Example 1D: Non-Compliant Waiver Submission Timing



24-25 allocation year waiver submitted before beginning of expenditure period

Example 2A: Compliant Multi-Year Waiver Submission



23-24 allocation year waiver submitted and approved in expenditure year 1 (23-24)

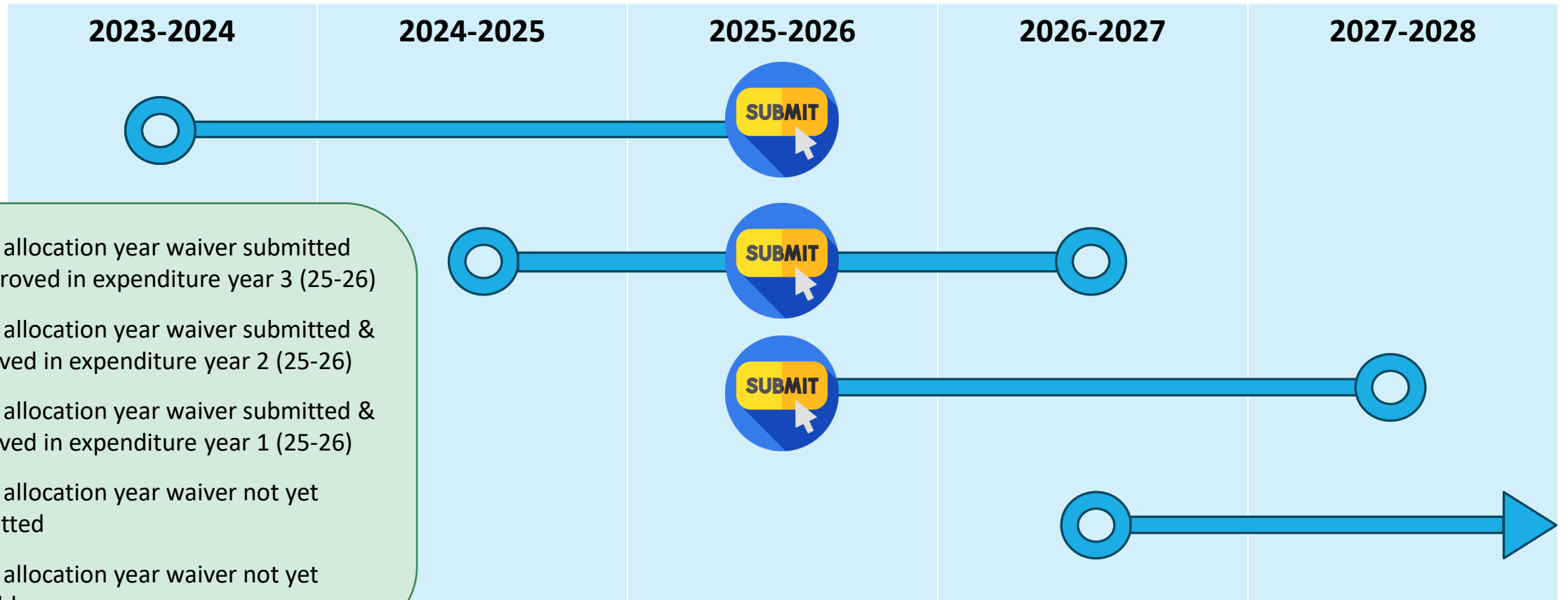
24-25 allocation year waiver submitted and approved in expenditure year 2 (25-26)

25-26 allocation year waiver submitted and approved in expenditure year 1 (25-26)

26-27 allocation year waiver not yet submitted

27-28 allocation year waiver not yet available

Example 2B: Compliant Multi-Year Waiver Submission



23-24 allocation year waiver submitted & approved in expenditure year 3 (25-26)

24-25 allocation year waiver submitted & approved in expenditure year 2 (25-26)

25-26 allocation year waiver submitted & approved in expenditure year 1 (25-26)

26-27 allocation year waiver not yet submitted

27-28 allocation year waiver not yet available

Example 2C: Non-Compliant Multi-Year Waiver Submission

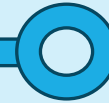
2023-2024

2024-2025

2025-2026

2026-2027

2027-2028



Error 1: 23-24 allocation year waiver submitted too late, after expenditure year 3 (25-26)

Error 2: 25-26 allocation year and 26-27 allocation year submitted as a single waiver in (27-28)

26-27 allocation year waiver not yet submitted

Components of CDE Waiver Portal

Request Type & Allocation Year

- LEAs should specify which portion of *EC8820(g)(1)* they want to waive for which allocation year.
- CDE has provided two options in which one or both can be selected

Budgetary Proposal

- LEAs should provide an estimate of how the funds will be spent compared to the statute's mandate of 80% on staffing
- Should a waiver be granted, there will not be additional auditing procedures related to the proposed estimate

Problem Statement

- LEAs should write a clear explanation of why a waiver is needed, inclusive of a justification and prior efforts made to meet AMS statute requirements

Narrative Proposal

- LEAs should outline a plan detailing how AMS funds will be spent should a waiver be granted. The proposal should clearly address the problem statement

Desired Outcome

- LEAs should provide a measurable outcome of how a waiver will allow AMS funds to supplement arts programming

Proposition 28: The Arts and Music in Schools Funding Logon

1

Step 1: LEA login

Each LEA will receive a unique password to login to the portal

Logon

Password

Submit

Questions: Curriculum Frameworks & Instructional Resources Division | prop28@cde.ca.gov | 916-319-0881

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AMS Portal/Interface: Waiver

2

Step 2: Home Page & Report Selection

Once logged in, LEAs will see this page and select which report(s) to complete

Proposition 28: The Arts and Music in Schools Funding

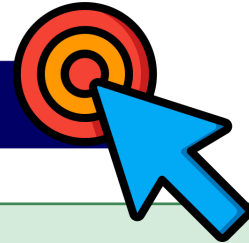
Home
Fiscal Year 2023-24

Certification

Annual Report

Final Expenditure Report

Waiver Request



Questions: Curriculum Frameworks & Instructional Resources Division | prop28@cde.ca.gov | 916-319-0881

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Step 3: Select Waiver

To submit a written waiver request, select the option to the far right

AMS Portal/Interface: Waiver Navigation

Proposition 28: The Arts and Music in Schools Funding

Waiver Request

Fiscal Year 2023-24

EC Section 8820(h)—Optional for LEAs to complete for any allocation year. The waiver may be granted by the CDE for good cause shown and is limited to the requirement of EC Section 8820(g)(1).

Allocation Year	Function	Status	CDE Feedback
2023-24	Create	In Progress	Not Available



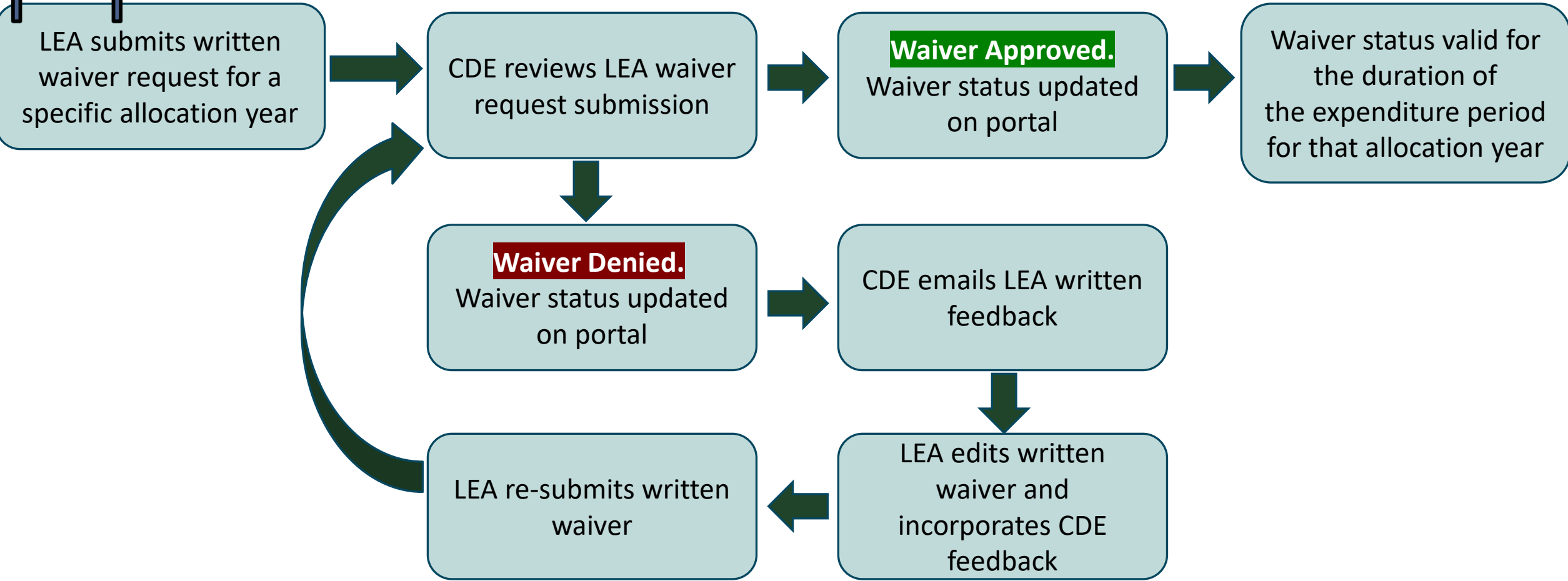
**Step 4: Create, Submit
& View Waiver Status**

4

AMS Portal/Interface: Waiver Navigation

Waiver Submission & Feedback Process

START



AMS Portal/Interface: Sneak Peek for Reporting and Certifications!

This screenshot shows the top portion of the AMS portal. On the left is the California Department of Education logo. The page title is "The Arts and Music in Schools (AMS)". The main heading is "Proposition 28: The Arts and Music in Schools Funding". On the right, there is a "Logon" button and a "Password" input field. At the bottom left, there is a footer with contact information: "Questions: Curriculum Frameworks & Instructional Resources Division | prop28@cde.ca.gov | © California Department of Education".

This screenshot shows the main content area of the AMS portal. At the top right is the California Department of Education logo and the text "The Arts and Music in Schools (AMS)". Below this is the "Fiscal Year" dropdown menu set to "2023-24" and a "Logout" button. A "Home" button is visible. Below the login fields, there are input fields for "Name", "CDS Code", and "Charter School Number", all of which are redacted with black boxes. The main heading is "Proposition 28: The Arts and Music in Schools Funding" followed by "Home" and "Fiscal Year 2023-24". A green rectangular box highlights a row of four buttons: "Annual Certification", "Annual Report", "Final Expenditure Report", and "Waiver Request". At the bottom, there is a footer with contact information: "Questions: Curriculum Frameworks & Instructional Resources Division | prop28@cde.ca.gov | 916-319-0881" and "© California Department of Education".



Accountability & the Annual Audit

Audit Authority



“Annual audits conducted in accordance with Section 41020 shall include all funds received and distributed by the local educational agency pursuant to this section, and shall include a determination of whether the funds were expended pursuant to the certifications submitted and the requirements of this section.” (EC 8820[i])



Audit procedures for AMS are included in the FY 2023-24 Supplemental Audit Guide. These procedures are used by auditors to verify whether LEAs have complied with the legal requirements of Proposition 28.

Key Terminology for Financial Reporting and Audits

Allocation Year

- The fiscal year during which the funding was allocated by CDE to the LEA.

Audit Year

- The fiscal year that is the subject of the audit.

Expenditure Year

- The fiscal year during which the funds were expended.

Fiscal Year

- The period of time from July 1 to June 30

Standardized Account Code Structure (SACS)

- A string of seven unique numerical fields that provide information about an LEA's financial transactions to meet accounting and reporting needs.

Expenditure Periods & Audit Reviews

		Audit Year							
		Fiscal Year	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Allocation Year	1	2023-24	Year 1	Year 2	Year 3				
		2024-25		Year 1	Year 2	Year 3			
		2025-26			Year 1	Year 2	Year 3		
		2026-27				Year 1	Year 2	Year 3	
		2027-28					Year 1	Year 2	Year 3
		2028-29						Year 1	Year 2
		2029-30							Year 1

Requirements in Annual Audit Guide

Requirement	Frequency of Audit Verification
<ul style="list-style-type: none">• Use of Funds Certifications• Post Board Adopted Report on LEA’s website and provide to CDE for posting on its website• Use of funds for arts education programs• Use of funds to supplement not supplant	<i>Annually</i>
<ul style="list-style-type: none">• Use of funds for cost of arts education program instruction by certificated or classified employees (80/20 requirement)• Use of funds for administrative costs	<i>Year 3 of expenditure period or when the allocation is fully expended, whichever comes first</i>

Audit Findings for Noncompliance

Requirement

Consequence of Failure to Comply

- Use of Funds Certifications
- Post Board Adopted Report on LEA's website and provide to CDE for posting on its website

Full loss of AMS funds for the year

- Use of funds for arts education programs
- Use of funds to supplement not supplant
- Use of funds for arts education program instruction by certificated or classified employees
- Use of funds for administrative costs

Ineligible expenditures disallowed

Accounting Guidance – Best Practices

- Standardized Account Code Structure (SACS) Resource Code 6770 / Revenue Code 8590
- Compliance with the supplement not supplant requirement (EC 8820[g][2])
 - LEAs will need to be able to identify all arts education program expenditures, not just those funded with AMS dollars.
 - Consider using a locally defined SACS Function or Goal code to identify arts education program expenditures.
- Compliance with 80/20 requirement and the administrative expenditure cap (EC 8820(g)[1] & [3])
 - LEAs will need to be able to identify all AMS funded expenditures by allocation year.
 - Consider using locally defined SACS Resource codes to differentiate expenditures by allocation year.
- Guidance regarding use of locally defined resource, goal and function codes can be found in California School Accounting Manual (CSAM) procedures 310, 320 and 325.

Supplement Not Supplant Audit Procedure

Verify that Proposition 28 Arts and Music in Schools funds (Resource 6770) were used to supplement not supplant existing funds available for arts education programs, as required by Education Code section 8820(g)(2) by securing documentation from the LEA of the following calculation:

- Calculate Existing Funds **1**
 - a. Identify the total expenditures for arts education programs in the prior fiscal year.
 - b. Subtract the total expenditures identified in (a) that were from Resource 6770.
 - c. Subtract the total expenditures identified in (a) that were from funding sources, excluding Resource 6770, not available in the audit year.
 - d. Add revenue from resources newly available in the audit year for arts education programs, excluding SACS Resource 6770.
- Calculate Expenditures **2**
 - e. Determine the amount of audit year expenditures on arts education programs, excluding expenditures from SACS Resource 6770.
- Determine if Expenditures are equal to or greater than Existing Funds **3**
 - f. Verify the amount expended on arts education programs in the audit year as determined in (e) is equal to or greater than the amount of existing funds as determined in (a) through (d).

Supplement Not Supplant Compliance Audit Worksheet

	Description	Line	Amount
	Total Expenditures for Arts Education Programs in the Prior Year	A-1	
	Expenditures identified in A-1 from Resource 6770	A-2	
	Expenditures identified in A-1 from non-Proposition 28 funding sources not available for arts education programs in the audit year	A-3	
	Revenue from resources newly available for arts education programs in the audit year, excluding Resource 6770	A-4	
1	Existing Non-AMS Funds for Arts Education Programs in the Audit Year (A-1 - A-2 - A-3 + A-4)	A-5	
	Expenditures for Arts Education Programs in the Audit Year	B-1	
	Expenditures from Resource 6770 in the Audit Year	B-2	
2	Non-AMS Expenditures on Arts Education Programs in the Audit Year (B-1 -B-2)	B-3	
	Compliant with Supplement not Supplant Requirement (if B-3 is greater than or equal to A-5 > 0, then TRUE)	C-1	
3	Unallowable Expenditures (B-3 - A-5)	C-2	

Supplement Not Supplant Examples for Audit Year 2023-24

Description	Example 1. Requirement Met	Example 2. Requirement Not Met
A. FY 2023-24 Existing Funds for Arts Education Programs, Excluding Proposition 28 Funding	\$100,000	\$100,000
B. Total Expended for Arts Education Programs in FY 2023-24, Excluding Proposition 28 Funding	\$100,000	\$88,000
C. Does Amount Expended Equal or Exceed the Existing Funds Available?	Yes	No
D. Unallowable Costs	\$0	\$12,000

Examples assume the LEA received Proposition 28 funding in the audit year and expended at least \$12,000 of its AMS funds.

Instructional Costs Minimum Audit Procedure

In the audit year that an allocation has been fully expended or when the audit year is the third year of the allowable expenditure period, whichever comes first, if the LEA has an enrollment of 500 or more pupils used for the allocation year and does not have a waiver issued by the CDE pursuant to Education Code section 8820(h), verify that no more than 20 percent of the expenditures (Resource 6770) for the allocation year were used for allowable purposes other than certificated or classified salaries and benefits for arts education program instruction (instructional costs), as specified in Education Code section 8220(g)(1).

Instructional Costs Expenditure Compliance Audit Worksheet (1)

Description	Line	Second Prior Year	Prior Year	Audit Year
Allocation Year	A-1			
Enrollment in the Allocation Year	A-2			
Has waiver issued pursuant to EC 8220[h]?	A-3			
Subject to Audit Requirement (if A-2 < 500 or A-3 is "Yes", then False)	A-4			
Total Allocation	A-5			
Allocation Fully Expended (if A-5 equals D-4, then True)	A-6			
Determination of Audit Compliance in Audit Year Required (if A-4 and A-6 equal True or if A-4 equals True and expenditure period has ended, then True)	A-7			
Year 1 Instructional Cost Expenditures	B-1			
Year 2 Instructional Cost Expenditures	B-2			
Year 3 Instructional Cost Expenditures	B-3			
Total Instructional Cost Expenditures (B-1 + B-2 + B-3)	B-4			

1

Instructional Costs Expenditure Compliance Audit Worksheet (2)

	Description	Line	Second Prior Year	Prior Year	Audit Year
	Year 1 Non-Instructional Cost Expenditures	C-1			
	Year 2 Non-Instructional Cost Expenditures	C-2			
	Year 3 Non-Instructional Cost Expenditures	C-3			
2	Total Non-Instructional Cost Expenditures (C-1 + C-2 + C-3)	C-4			
	Year 1 Expenditures	D-1			
	Year 2 Expenditures	D-2			
	Year 3 Expenditures	D-3			
	Total Expenditures (D-1 + D-2 + D-3)	D-4			
3	Minimum Required Instructional Costs (D-4 x 80%)	E-1			
	Total Instructional Cost Expenditures (B-4)	E-2			
	Instructional Costs Shortfall (E-1 - E-2)	E-3			
4	Maximum Allowable Non-Instructional Costs Based on Actual Instructional Cost Expenditures (E-2 / 80% - E-2)	E-4			
	Total Non-Instructional Cost Expenditures (C-4)	E-5			
5	Unallowable Non-Instructional Costs (E-5 - E-4)	E-6			

Instructional Costs Minimum (80/20) Requirement Compliance Examples

Description	Example 1. Requirement Met	Example 2. Requirement Met Funds Not Fully Expended	Example 3. Requirement Waived	Example 4. Requirement <u>Not</u> Met
Total Allocation for FY 2023–24	\$100,000	\$100,000	\$100,000	\$100,000
Eligible Instructional Costs Expenditures	\$80,000	\$64,000	\$70,000	\$70,000
Eligible Non-Instructional Costs Expenditures	\$20,000	\$16,000	\$30,000	\$30,000
Total Expenditures	\$100,000	\$80,000	\$100,000	\$100,000
% Expended for Non-Instructional Costs	20%	20%	30%	30%
Requirement Met	Yes	Yes	N/A (Waived)	No
Maximum Allowable Non-Instructional Costs ((Instr. Costs / 80%) * 20%)	\$20,000	\$16,000	\$30,000	\$17,500
Unallowable Non-Instructional Costs Expenditures (Expended - Allowable)	\$0	\$0	N/A	\$12,500
Funds Due Back to the State	\$0	\$20,000	\$0	\$12,500

Examples are for a FY 2023-24 allocation as of June 30, 2026 (the end of the 3-year expenditure period)

Administrative Costs Maximum Audit Procedure

In the audit year that an allocation has been fully expended or when the audit year is the third year of the allowable expenditure period, whichever comes first, verify that no more than 1 percent of the total funding received in the allocation year (Resource 6770) was used for administrative expenses, including indirect costs, pursuant to Education Code section 8820(g)(3).

Administrative Costs Compliance Audit Worksheet

Description	Line	Second Prior Year	Prior Year	Audit Year
Allocation Year	A-1			
Allocation Amount	A-2			
Total Expenditures	A-3			
Allocation Fully Expended (If A-2 equals A-3, then True)	A-4			
Determination of Audit Compliance in Audit Year Required (if A-4 equals True or if expenditure period has ended, then True)	A-5			
1 Amount of Allocation that May be Used for Administrative Costs (1% x A-2)	A-6			
Expenditures for Administrative Costs in Year 1	B-1			
Expenditures for Administrative Costs in Year 2	B-2			
Expenditures for Administrative Costs in Year 3	B-3			
2 Total Expenditures (B-1 + B-2 + B-3)	B-4			
Met Requirement of EC Section 8820(g)(3)? (If B-4 is less than or equal to A-6, the True)	C-1			
3 Unallowable Administrative Costs (A-6 - B-4)	C-2			

Additional Reporting Requirements

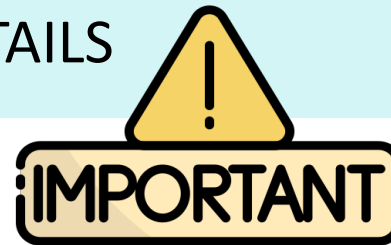
Annual Report

EC 8820(g)(4)

REQUIRED INFORMATION

1. Number of full-time equivalent teachers, classified personnel, and teaching aides
2. Number of pupils served
3. Number of school sites providing arts education programs with AMS funds

SUBMISSION DETAILS



Completed By:

- LEAs

Frequency of Completion:

- Annual

Submission & Posting Location(s):

- CDE Webpage

Dates available to complete on interface:

- 5/1 through 6/30

PORTAL PREVIEW

Proposition 28 Arts and Music in Schools Program
Annual Report
Fiscal Year 2023-24

Name: [REDACTED]
CDS Code: [REDACTED]
Charter School Number: [REDACTED]
Allocation Year: 2023-24

1. Narrative description of the Prop 28 arts education program(s) funded. (2500 character limit).
0/2500

2. Number of full-time equivalent teachers (certificated).

3. Number of full-time equivalent personnel (classified).

4. Number of full-time equivalent teaching aides.

5. Number of students served.

6. Number of school sites providing arts education.

Date of Approval by Governing Board/Body

Annual Report Data URL

Completed By
Title
Email
Telephone

Annual Certification

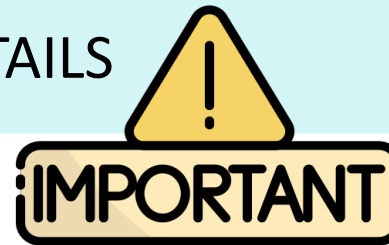
EC8820(g)(1-3)

REQUIRED INFORMATION

(NOTE: SUMMARY LANGUAGE BELOW, SEE STATUTE FOR FULL TEXT OF CERTIFICATIONS)

1. Funds used for arts education programs. LEAs with 500 or more pupils must also certify 80 percent of expended funds employed certificated or classified employees to provide arts education program instruction
2. Funds are used to supplement funding for arts education programs
3. No more than 1 percent used for LEA administrative expenses

SUBMISSION DETAILS



Completed By:

- LEAs

Frequency of Completion:

- Annual

Submission & Posting Location(s):

- Not required to be submitted or posted by the CDE
- Not required to be on school or LEA website
- Required for auditing

Dates available to complete on interface:

- 5/1 through 6/30

PORTAL PREVIEW

Proposition 28 Arts and Music in Schools Program
Annual Certification Requirements

Name: [REDACTED]
CDS Code: [REDACTED]
Charter School Number: [REDACTED]
Allocation Year: 2023-24

As a condition of receipt of funds pursuant to [Chapter 5, 1 of Part 6 of Division 1 of Title 1 of the Education Code \(EC\)](#) (Section 8520 et seq.), subdivision (g) of EC Section 8520 requires a local educational agency to annually certify to the following:

(1) Certify that all Arts and Music in Schools funds received in the current fiscal year will be used to provide arts education programs, and that Arts and Music in Schools funds expended in the prior fiscal year were, in fact, used for those purposes, except as provided in paragraph (3). For local educational agencies with an enrollment of 500 or more pupils, the certification shall also ensure that at least 80 percent of funds to be expended will be used to employ certificated or classified employees to provide arts education program instruction and that the remaining funds will be used for training, supplies and materials, and arts educational partnership programs unless waived pursuant to subdivision (h) of EC Section 8520.

(2) Certify that such funds received in the current fiscal year will be used to supplement funding for arts education programs and that funds expended in the prior fiscal year were, in fact, used to supplement arts education programs.

(3) Certify that no more than 1 percent of funds received in the current fiscal year will be used for a local educational agency's administrative expenses to implement this chapter and that funds received in the prior fiscal year were, in fact, used within that limit.

By checking this box, the submitting local educational agency certifies to meeting the requirements of EC Section 8520(g)(1) through (3), as outlined above.

Completed By: [REDACTED]
Title: [REDACTED]
Email: [REDACTED]
Telephone: [REDACTED]

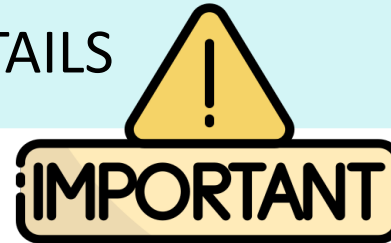
Final Expenditure Report

EC8820(f)(2)

REQUIRED INFORMATION

LEAs are required to report to the CDE the amount of unexpended AMS funds.

SUBMISSION DETAILS



Completed By:

- LEAs

Frequency of Completion:

- Once, at the end of the 3-year expenditure period

Submission & Posting Location(s):

- Required: CDE portal

Dates available to complete on interface:

- 5/1 through 9/30

PORTAL PREVIEW

Proposition 28 Arts and Music in Schools Program
Final Expenditure Report
Fiscal Year 2023-24

Name:

CDS Code:

Charter School Number:

Allocation Year: 2023-24

Expenditure Period: July 1, 2023 to June 30, 2026

Apportionment Amount	\$	31124	.00
Amount Expended	\$	0	.00
Amount Unexpended	\$	31124	.00

Completed By:

Title:

Email:

Telephone:

School Site Expenditure Plan

EC8820(e)

REQUIRED INFORMATION

Not Specified in Statute

SUBMISSION DETAILS



Completed By:

- School Sites

Frequency of Completion:

- Annual

Submission & Posting Location(s):

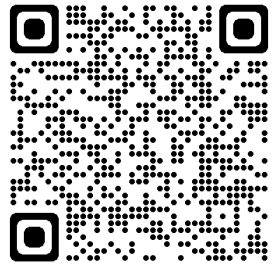
- Not required to be submitted or posted by the CDE
- Not required to be on school or LEA website

Dates available to complete on interface:

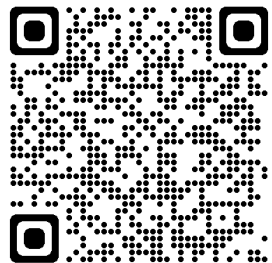
- Not included as part of the interface

SELECT PLANNING RESOURCES

CA Arts Education Framework For California Public Schools: Chapter 9



Create California's Prop28: Arts and Music in Schools Planning Toolkit



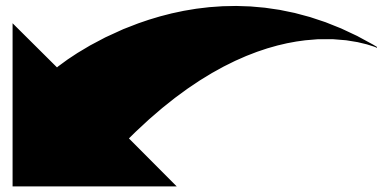
Closing & Feedback



Select Resources

- AMS Program Web Page: <https://www.cde.ca.gov/eo/in/prop28artsandmusicdfunding.asp>
- AMS Funding Results Web Page: <https://www.cde.ca.gov/fg/aa/pa/prop28ams.asp>
- AMS Frequently Asked Questions: <https://www.cde.ca.gov/eo/in/prop28artsandmusicdfundingfaq.asp>
- AMS Audit Resources Web Page: *Forthcoming*
- California Arts Education Framework for California Public Schools: Transitional Kindergarten through Grade Twelve: <https://www.cde.ca.gov/ci/cr/cf/documents/caartsedfw.pdf>
- California Arts Standards for Public Schools: Prekindergarten Through Grade Twelve: <https://www.cde.ca.gov/be/st/ss/documents/caartsstandards.pdf>
- California Commission for Teacher Credentialing Prop28 Arts and Music in Schools Web page: <https://www.ctc.ca.gov/credentials/assignment-resources/prop-28--arts-and-music-in-schools>

Next Steps



Compete this brief survey to share your desires for future guidance and webinars!

Reminder: All questions submitted during this webinar will be reviewed and used to update the existing FAQ and AMS web pages. Notice will be sent out when these web pages have been updated via the Prop28 listserv.

To subscribe to the Prop28 listserv, send a blank message to

join-prop28@mlist.cde.ca.gov

