



**TO:** Chief Business Officers

**FROM:** Fiscal Standards and Accountability Unit

**RE:** Updates to the CCFS-311 Annual Budget and Financial Report

---

This memo describes updates and revisions to the CCFS-311 Annual Budget and Financial Report due October 10, 2022.

## Background

The [Annual Financial and Budget Report \(CCFS-311\)](#) is used to summarize and communicate to the Chancellor's Office the results of budgetary decisions and transactions of governmental, proprietary, and fiduciary funds. It is important to understand the distinct purpose and use of the two primary financial reports for all districts, the CCFS-311 and annual audited financial statements. While the audited financial statements are presented using the economic resources measurement focus and full accrual basis of accounting, the CCFS-311 is primarily an 'internal' financial report for use by the Chancellor's Office to compare financial results and conditions across the community colleges. The CCFS-311 is prepared using the modified accrual basis and includes data entry for certain compliance requirements unique to community colleges, such as the Gann Limit, student representation fee, lottery revenue and expenditures, and the fifty percent law.

## Updates to the CCFS-311 Annual Budget and Financial Report

### 1. Student Enrollment Fee Contra-Revenue Account

The 8874.7 - Enrollment Contra-Revenue for COVID related refunds of student fees account is no longer available as it was related to temporary pandemic guidance issued in 2020.

### 2. Student Representation Fee – Contra-Revenue Line Added for Accounts Receivable

As a reminder, one dollar of each \$2 Student Representation Fee must be remitted to the Chancellor's Office for transfer to the Student Senate for California Community Colleges for statewide student activities and advocacy. The Budget and Accounting Manual requires this fee revenue to be recorded in Fund 72 – the Student Representation Fee Trust Fund. In the CCFS-311, districts must report the total fee charged to students and

the amount of the administrative fee retained. The total fees reported may not be reduced by any outstanding accounts receivable. Beginning this year, the input screen for Fund 72 now includes a contra-revenue data entry field to record outstanding accounts receivables, which must be entered as a **negative** amount.

### **3. General Fund Budget – Five Year Projections**

The General Fund Budget data entry screen has been expanded to allow for optional reporting of five-year budget projections (Budget Year + 4 years).

### **4. Balance Sheet – Reserves for Uncertainty**

Beginning in 2021-22, districts will be able to identify amounts in the unrestricted general fund specifically set aside as reserves for uncertainty/contingencies, referred to in GASB 54 as reserves for “economic stabilization.” This will allow districts to clearly delineate between reserves for uncertainty and reserves for other purposes such as future capital outlay needs or liability accrual. The amounts that districts report as reserves for economic uncertainty will be used to calculate the number of months available reserves will cover total general fund expenditures, in accordance with the Chancellor’s recommendations on unrestricted reserves outlined in memo [FS 22-03 Fiscal Forward Portfolio and Budget Architecture and Development Recommendations](#).

For districts that have not adopted GASB 54, an additional line was added to report “Amount in Unrestricted Fund Balance Reserved for Uncertainty.”

For districts that have adopted GASB 54, reserves for uncertainty may be reported in the “committed” or “unassigned” categories. Per GASB 54, “*the committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority.*” To determine whether reserves may be reported in the committed fund balance, please review GASB 54 and **consult with the district’s financial auditors**. Two additional lines were added in the CCFS-311 GASB 54 Fund Balance section to allow districts to report:

- “Amount Designated by Board for Economic Uncertainty” included within the Committed Fund Balance (Fund 9753), and/or
- “Additional Amount Reserved for Uncertainty” included within the Unassigned Fund Balance (Fund 9754).

### **5. Lottery Revenue**

The CCFS-311 application will pre-populate the following:

- The unrestricted and restricted lottery “Net Beginning Balance, July 1” will carry over from prior year ending balance.
- Reported lottery revenue will pre-populate the unrestricted and restricted lottery revenue “State Lottery Proceeds”.

## **6. Data Verification**

New data verification checks and pop-up reminders were added to verify that data has been entered where required for the following screens:

- Student Representation Fee Trust Fund Revenue – contains a pop-up reminder that an amount greater than zero must be entered.
- Balance Sheet – contains a popup reminder that assets should match liabilities and fund equity.
- Gann Appropriation Data Screen – contains a pop-up reminder to enter the required amount of appropriations subject to limit.

## **7. Certification Page**

The certification input screen now includes a space to enter information for the Chief Executive Officer and Chief Business Office, including whether the incumbent has been in the position for more than two years.

## **8. Master Report**

As a reminder, the Master Report does **not** need to be mailed to our office. The mailing address has been removed from the report. Please email an electronically signed pdf of the certified master report to [fiscalstandards@cccoco.edu](mailto:fiscalstandards@cccoco.edu).

## **Contact**

If you have questions regarding the CCFS-311 or need further assistance, please contact [ccfs311admin@cccoco.edu](mailto:ccfs311admin@cccoco.edu) or Jubilee Smallwood at [jsmallwood@cccoco.edu](mailto:jsmallwood@cccoco.edu).