

CSESAP Frequently Asked Questions (FAQ)

CSESAP FAQs pursuant to *EC* 45500 added by Sec. 27 of SB 75 (Ch. 51/2019), and amended by Sec. 5 of AB 114 (Ch. 413/2019), Sec. 50 of AB 130 (Ch. 44/2021), Sec. 17 of AB 167 (Ch 252/2021), and Sec. 28 of AB 185 (Ch. 571/2022).

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Election to Participate

- 1. If my local educational agency (LEA) elects to participate in the Classified School Employee Summer Assistance Program (CSESAP) in any year in which funds are made available, is there a prescribed format the LEA is required to follow in order to make the required notification by January 1st to classified school employees?**

No. There is not a required format for LEAs to use to notify their classified school employees if the LEA elects to participate in the CSESAP. It is recommended, however, that the notification be made in writing and retained for documentation purposes.

- 2. Do LEAs have to notify their classified employee if the LEA does not elect to participate in the CSESAP?**

No. Statute does not require LEAs to make a notification if the LEA does not elect to participate in the program.

- 3. Can a participating employee withdraw from the CSESAP, or reduce the amount to be withheld from his or her paycheck, after 30 days of the start of the school year?**

Education Code (EC) Section 45500(g) requires that a participating employee notify his or her employing LEA no later than 30 days after the start of school instruction for each applicable school year to reduce the amount to be withheld, or to withdraw from the program. However pursuant to *EC* Section 45500(i), an employee may request from the LEA the return of any pay withheld from their paycheck due to economic or personal hardship or separation from employment, after 30 days of the start of the school year. If an employee requests for any pay withheld by the LEA to be returned under economic or personal hardship or separation, the employee is not entitled to receive

any state match funds. Statute does not provide for any other exception after the 30 days has expired.

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Employment Status Eligibility

4. Are substitutes and temporary help who do not have a regular fixed schedule and employed by the LEA for 11 months or less eligible to participate in the CSESAP?

An LEA that elects to participate in the CSESAP shall allow a classified employee, as defined in *EC* sections 45103, 45104, and 45256, who meets the employment and income eligibility criteria specified in *Education Code (EC)* Section 45500(d)(2)-(4) to participate. Substitute and short-term employees, employed and paid for less than 75 percent of the school year shall not be a part of classified services, and therefore are not eligible to participate in the program.

5. How is the eligibility criteria of “11 months or fewer” per *Education Code (EC)* Section 45500(d)(3) applied? (Through 2022–23 School Year)

It is the intent of the Legislature that classified employees meet the eligibility condition of *EC* Section 45500(d)(3) if they are employed by the LEA in their regular assignment for 11 months or less during the school year in which withholdings are made. *Government Code* Section 6804 defines “month” as a calendar month.

Example 1: An employee's regular assignment during the school year begins on August 15 and ends on June 20. The employee would meet the eligibility criteria in *EC* Section 45500(d)(3) because the employee's regular assignment is for 11 months during the school year.

Example 2: An employee's regular assignment during the school year begins on July 10 and ends on June 15. The employee would not meet the eligibility criteria in *EC* Section 45500(d)(3) because the employee's regular assignment is for 12 months during school year.

For the 2023–24 school year and thereafter, refer to FAQ #6 below.

6. How is the eligibility criteria of “11 months or fewer” per *EC* Section 45500(d)(3) applied? (2023–24 School Year and thereafter).

Classified employees meet the eligibility condition of *EC* Section 45500(d)(3) if they are employed by the LEA in their regular assignment for 11 months or less during the school year in which withholdings are made. For purposes of determining a classified employee's total months employed by the local educational agency, the employing local educational agency shall exclude any hours worked by the classified employee outside of their regular assignment. *EC* Section 45500(q)(2) as amended by Section 28 of, Assembly Bill 185 (Chapter 571, Statutes of 2022) defines “month” to mean 20 days or four weeks of 5 days each, including legal holidays.

For school year up to and including 2022–23, refer to FAQ #5 above.

- 7. May a classified employee that works during the summer recess period(s) meet the eligibility condition in *EC* Section 45500(d)(3) that requires the employee to be employed for 11 months or fewer out a 12-month period?**

Yes, as long as the employee's work during the summer session is not part of the classified employee's regular assignment that is required to be for 11 months or less out of a 12-month period.

- 8. Are the hours worked outside of the classified employee's regular assignment to be included to determine a classified employee's total months employed?**

No. Pursuant to *EC* Section 45500(d)(3), the employing LEA shall exclude any hours worked by the classified employee outside of their regular assignment.

- 9. May a classified employee who has elected to participate and subsequently changes to a different classified job where the regular assignment is a 12-month position continue to participate in the program?**

No. *EC* Section 45500(d)(3) does not specify "at the time of enrollment" in the eligibility condition requiring the classified employee to be employed by the LEA in his or her regular assignment for 11 months or less out of a 12-month period. This condition of eligibility is not specific to the time the classified employee elects to participate and therefore applies to the entire applicable school year in which withholdings are made for this program. For purposes of determining the total months employed, the employing LEA shall exclude any hours worked outside of the employee's regular assignment.

- 10. May a classified employee who elected to participate and subsequently changes to a non-classified position continue to participate in the program?**

No. Only classified employees are eligible to participate in the program. This condition of eligibility is not specific to the time the classified employee makes the election to participate and therefore applies to the entire school year in which withholdings are made under the program.

- 11. Is an employee who is no longer eligible to participate in the program entitled to the matching funds for the months they were eligible to participate?**

Yes. *EC* Section 45500(i) allows matching funds to be paid to an employee who is no longer eligible to participate based on the amount withheld during the school year provided that the employee does not request to immediately receive the funds withheld from their monthly paychecks during the school year.

- 12. Is a participating classified employee that separates employment during the school year eligible to receive the state matching fund?**

Yes. *EC* Section 45500(i) allows matching funds to be paid to an employee or former employee

based on the amount withheld during the school year provided that the employee or former employee does not request to immediately receive the funds withheld from their monthly paychecks during the school year.

13. If the academic school year is extended due to the COVID-19 Pandemic, how does this affect the eligibility for classified employees to participate in the CSESAP?

For the 2020–21, 2021–22, and 2022–23 school years, for purposes of determining a classified employee's total months employed by the LEA, the employing LEA shall exclude any hours worked by the classified employee as a result of an extension of the academic school year directly related to the COVID-19 pandemic, if the hours are in addition to the employee's regular assignment and would prevent the employee from being eligible for this program.

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Income Eligibility

14. What is the income threshold for purposes of determining eligibility to participate in the CSESAP?

The regular annual pay of a classified employee must be equal to or less than sixty-two thousand four hundred dollars (\$62,400) for an entire school year "at the time of enrollment," pursuant to *EC* Section 45500(d)(1). The LEA should use the annual pay applicable to the classified employee at the time of enrollment which falls between the period from January 1 through March 1 of each respective year. This period covers the time when an LEA first notifies their classified employees of the LEA's intention to participate in the program to the deadline for classified employees to notify the LEA of their election to participate. The income eligibility threshold is specific to the time of enrollment for purposes of determining eligibility and is not a condition for maintaining eligibility throughout the applicable school year in which withholdings are made.

15. What is a classified employee's regular annual pay for purposes of determining eligibility for the CSESAP?

The regular annual pay is the pay the classified employee is receiving at the time the election to participate is made. The LEA shall exclude any pay received by the classified employee during the summer recess period of the previous fiscal year.

16. May an employee who is income eligible "at the time of enrollment" but subsequently receives an annual salary higher than \$62,400 in the participating school year still be eligible to participate?

Yes. The income eligibility of a classified employee electing to participate is determined at the time of enrollment. Subsequent salary changes do not impact the initial determination upon which their eligibility to participate was made based on income, so long as the employee remains employed in a classified position by the LEA in their regular assignment for 11 months or less per fiscal year in conformity with *EC* Section 45500(d)(3).

Matching Funds

17. Where should the funds withheld from participating classified employee monthly paychecks be deposited?

EC Section 45500(h) requires the LEA to deposit the amounts withheld in a separate account.

18. How much will the state provide in matching funds?

The state will provide matching funds up to one dollar (\$1) for each dollar withheld from participating classified employees' monthly paychecks. This amount may be prorated if the funds appropriated for the program respective to each year is insufficient to fully fund the match. The California Department of Education (CDE) will notify participating LEAs by May 1st of each fiscal year in which funds are appropriated, of the estimated amount of state match funds that a participating classified employee can expect to receive.

19. Are the estimated amounts of state match funding CDE provides to LEAs by May 1 in each fiscal year (in which moneys are appropriated) a cap for actual state match funding to be apportioned?

No. Statute does not place a cap on actual amounts to be apportioned based on the estimates. The purpose of the estimates posted to the [CDE CSESAP web page](https://www.cde.ca.gov/fg/aa/ca/csesap.asp) [https://www.cde.ca.gov/fg/aa/ca/csesap.asp] by May 1 of each applicable year is to provide participating employees an estimate of the amount of state match funding they can expect to receive as a result of participating in the program, and whether there are sufficient funds to provide a one to one dollar match. Based on the estimates, participating employees may withdraw their election to participate, or reduce the amounts to be withheld from their monthly paychecks, no later than 30 days after the start of school instruction for the applicable school year. Participating LEAs must make a request for payment from the CDE on or before July 31 of each applicable year, for the actual amounts withheld from the monthly paychecks of participating employees. Apportionments will be based on actual amounts requested. If funds are insufficient, a proration will apply accordingly.

20. When does the CDE expect to apportion the state matching funds to participating LEAs?

The CDE will apportion the state matching funds to participating LEAs within 30 days of receiving a request for payment. The required request for payment is due on or before July 31st each school year in which withholdings are made. As a result, apportionments are likely to be made to LEAs in August following each school year in which withholdings are made. Warrants will be issued by the State Controller's Office approximately three weeks from the date of apportionment.

21. Will LEAs be required to make payments to participating employees before they receive the state matching funds?

Yes. *EC* Section 45500(n) specifies that participating LEAs are required to pay classified employees the amounts withheld plus the state matching funds during the summer recess period. The summer recess payments are to be made in either one or two payments, as specified by the classified employee at the time of enrollment.

22. Are the matching funds considered wages for tax purposes, and if so, will LEAs and participating classified employees be responsible for payroll and other applicable taxes on the matching funds?

Yes. The state matching funds are considered compensation for purposes of payroll and other applicable taxes. However, *EC* Section 45500(o) specifies that these funds shall not be considered compensation for purposes of determining retirement benefits for the California Public Employees' Retirement System or the California State Teachers' Retirement System.

23. May the LEA use matching funds to pay the employer share of these taxes or other implementation costs?

No. The LEA must absorb the costs of implementing the CSESAP. The LEA is required to deposit the amounts withheld from participating classified employee monthly paychecks in a separate account, and to pay participating classified employees the amounts withheld plus the state match attributed to the amount withheld.

24. May the LEA charge participating classified employees an administrative fee to cover the costs of administering the program?

It was not the intent of the Legislature that an administrative fee be charged to participating classified employees.

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Other

25. Does *EC* Section 45500 apply retroactively to the CSESAP that was funded in the 2018–19 fiscal year for 2019–20 school year withholdings?

No. The CSESAP as authorized in *EC* Section 45500 applies to funds appropriated in the 2019–20 fiscal year for 2020–21 school year withholdings, and thereafter (if funds are made available). *EC* Section 45500 does not apply to funding appropriated in the 2018–19 fiscal year for 2019–20 school year withholdings; the authorizing statute for the 2018–19 fiscal year is in AB 1808 (Chapter 32, Statutes of 2018) as amended by AB 1840 (Chapter 426, Statutes of 2018).

26. In any year where funds are appropriated, what are the important deadlines to be aware of for this program?

Below is a summary of critical deadlines for LEAs that elect to participate.

LEA Deadlines	Action Required
By January 1 of the fiscal year in which funds are appropriated	Notify classified employees that the LEA has elected to participate in the program for the next school year (applicable school year).
By March 1 of the fiscal year in which funds are appropriated	Obtain notifications from classified employees that elects to participate in the program in writing, on the form prescribed by the CDE.
By April 1 of the fiscal year in which funds are appropriated	Notify the CDE the LEA is participating in the program and report the number of classified employees that have elected to participate and the estimated total amount to be withheld from participating classified employee paychecks for the applicable school year.
By June 1 of the fiscal year in which funds are appropriated	Notify participating classified employees of the estimated amount of state match funding the employee can expect to receive as a result of participating in the program as provided by the CDE.
On or before July 31 following the end of the applicable school year	Request payment from the CDE for the amount of classified employee pay withheld.
During summer recess of applicable school year	Pay classified employees the amounts withheld from their monthly paychecks plus the CSESAP match funds expected from the state.

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