



CSESAP Frequently Asked Questions

Frequently asked questions and answers regarding the California School Employee Summer Assistance Program (CSESAP), implemented by Section 133 of AB 1808 (Ch. 32, Statutes of 2018), as amended by Section 37 of AB 1840 (Ch. 426, Statutes of 2018).

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Election to Participate

1. **If my local educational agency (LEA) elects to participate in the CSESAP, is there a prescribed format the LEA is required to follow to make the required notification by January 1, 2019, 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 2019–20 school year?**

No. Statute requires that the participating employee notify his or her employing LEA no later than 30 days after the start of the school year. The statute does not provide for an employee to change his or her designation after the 30 days has expired.

Employment Status Eligibility

4. **AB 1840, Section 37, subdivision (d)(3) specifies that a classified employee “shall be eligible” if they are employed by the LEA for fewer than 12 months per fiscal year. May an LEA that elects to participate in the program limit its eligible employees to those that are employed for less than 12 months and exclude substitutes and temporary help who do not have a regular/fixed schedule and may be paid on a per-diem basis?**

An LEA that elects to participate in the CSESAP shall allow a classified employee, as defined in Education Code (EC) sections 45103, 45104, and 45256, who meets the employment and income eligibility criteria specified in AB 1840, Section 37, subdivision (d)(2) through (d)(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. **AB 1840, Section 37, subdivision (d)(3) does not indicate “at the time of enrollment” in specifying that a classified employee shall be eligible if they are employed by the LEA for fewer than 12 months per fiscal year. May a classified employee who has elected to participate and subsequently changes to a different classified job that is a 12-month position continue to participate in the program?**

No. Employment by the LEA for fewer than 12 months per fiscal year is a condition of eligibility for the program. This condition of eligibility is not specific to the time the classified employee elects to participate and is therefore applicable to the entire 2019–20 school year.

6. **May a classified employee who has 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 elects to participate and is therefore applicable to the entire 2019–20 school year.

7. **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?**

No. AB 1840, Section 37, subdivision (m) limits the payment of the matching funds during the summer recess period to participating classified employees. However, the LEA shall pay to the employee any amounts withheld during participation.

Income Eligibility

8. **AB 1840, Section 37, subdivision (d)(4) excludes employees who make more than two times the minimum wage at the time of enrollment. The time of enrollment will occur between January 1, 2019, when employees are notified of an LEA’s intention to participate in the CSESAP pursuant to subdivision (c), and March 1, 2019, the date by which employees are required to notify their employer of their election to participate in the CSESAP pursuant to subdivision (d)(1). Effective January 1, 2019, there will be two minimum wage rates depending on the size of the employer (\$11 per hour for employers with 25 or fewer employees, and \$12 for employers with 26 or more employees). Should the LEA use the rate applicable to them or the highest rate?**

The LEA should use the state minimum wage rate applicable to them as of January 1, 2019. Additional minimum wage information is available on the [Department of Industrial Relations Minimum Wage web page](#) .

9. **AB 1840, Section 37, subdivision (d)(4) establishes an income eligibility threshold if the classified employee’s regular annual pay received from the LEA is more than two times the full-time pay of a classified employee, paid at the state minimum wage for an entire school year, at the time of enrollment. What is considered “full-time” for purposes of making this calculation?**

The full-time criteria of the specific classification of the LEA should be used to perform this calculation. If 6 hours per day is considered full-time for a specific classification of an LEA, use 6 hours in calculating two times the minimum wage at the time of enrollment. If 8 hours is considered full-time, use 8 hours in the calculation respectively.

For example:

- If a school district has a classification of Instructional Assistant that at full-time works 6 hours a day for 192 days, the income threshold for that classification is \$27,648 (6 hours x 192 days x \$12 minimum wage x 2)
- If a school district has a classification of Office Clerk that at full-time works 8 hours a day for 195 days, the income threshold for that classification is \$37,440 (8 hours x 195 days x \$12 minimum wage x 2).

To determine if the individual meets the threshold, the school district or county office of education must estimate what the employee will earn during the 2018–19 school year based on the days, hours, and hourly wage applicable to that employee.

10. Will the California Department of Education be specifying the annual minimum wage times two threshold that should be used as the income eligibility threshold?

No. Each LEA should establish the threshold for two times the full-time pay of a classified employee, based on the minimum wage rate and the full-time criteria of the specific classification applicable to the LEA, at time of enrollment. Refer to Question 9 to determine the threshold.

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

The regular annual pay is the expected pay of the classified employee for the 2018–19 school year. The LEA shall exclude any pay received by the classified employee during the summer recess period of the previous fiscal year.

12. Can an employee who makes more than twice the minimum wage on an hourly basis still be eligible if their annual pay is less than the two times minimum wage annual threshold (i.e. even though they make 2.5 times the hourly minimum wage but they work less than full-time)?

Yes. As long as the employee’s regular annual pay does not exceed the threshold for two times the full-time pay of a classified employee as determined in Question 9 above. For example, an employee making \$34,560 (\$30 per hour x 6 hours x 192 days) would be income eligible, as their regular annual pay would be less than the threshold the LEA established of \$37,440 (\$12 per hour x 8 hours x 195 days x 2).

13. May an employee who is income eligible “at the time of enrollment” but subsequently receives a higher salary during 2019–20 that exceeds the annual minimum wage threshold still participate?

Yes. The income eligibility of a classified employee electing to participate is calculated at the time of enrollment. Subsequent salary changes do not impact the initial calculation upon which their eligibility to participate was determined based on income, so long as the employee remains a classified employee of the LEA for fewer than 12 months per fiscal year.

Matching Funds

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

AB 1840, Section 37, subdivision (h) requires the LEA to deposit the amounts withheld in a separate account.

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

The state will provide up to one dollar (\$1) for each dollar that participating classified employees elect to have withheld from their from their monthly paychecks. This amount may be prorated if the \$50 million appropriated for this program is insufficient to fully fund the match. The California Department of Education will notify participating LEAs by May 1, 2019 of the estimated amount of state match funds that a participating classified employee can expect to receive.

16. When does the California Department of Education expect to apportion the state matching funds to participating LEAs?

The California Department of Education 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 31, 2020, which will likely result in apportionments being made to LEAs in August 2020. Warrants will be issued by the State Controller's Office approximately three weeks from the date of apportionment.

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

Yes. AB 1840, Section 37, subdivision (m) 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.

18. 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, AB 1840, Section 37, subdivision (n) 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.

19. 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.

20. 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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