



**Educationally Related Mental Health
Services (ERMHS)
FUNDING GUIDELINES**

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BACKGROUND & HISTORY

The Federal Individuals with Disabilities Education Act (IDEA) requires that educationally related mental health services (ERMHS) be provided to students with disabilities in order for them to access their education.

When an IEP team makes the determination that a student's social-emotional symptoms and/or related behavioral presentations impede his/her learning or the learning of others, the team initiates an ERMHS process that follows the special education continuum from least restrictive to most restrictive in nature. The recommended services may be a school-wide positive behavior support system, or a behavior intervention plan up to and including a residential mental health facility. If the team does not have adequate data to support a referral for services, the team initiates an assessment plan to gain the information needed to guide their decision. Once an ERMHS is added to an IEP, the procedures and safeguards for monitoring will be the same as for all other related services.

AB 3632 originally mandated that county mental health agencies would provide these services. In 2010 funding for this was vetoed by the governor which subsequently shifted responsibilities to K-12 education by allocating mental health funds directly to SELPAs.

The State's K-12 ERMHS funding formula has evolved since 2010 and is currently distributed to all SELPAs on a per-ADA basis (current year Average Daily Attendance). Each SELPA develops a funding distribution schema to their members (i.e. Allocation Plan). In addition to typical income/expenditure reporting, these funds are restricted which requires additional year-end reporting.

2018-19 AT A GLANCE ERMHS FUNDING GUIDELINES

| ERMHS Allocation Plan Overview | | | | |
|---|--|---|--|--|
| | Level 2 | Level 3 Site Based | Level 3 NPS ERMHS | Level 3 NPS-Residential |
| Description | IEP Based ERMHS Services | Structured Therapeutic ERMHS Program | ERMHS Services in NPS | Room and Board for ERMHS Services |
| Special Education Eligibility | Special Education & ERMHS | ED | ED | ED |
| Allocation Formula | *80% of the lesser of \$3,300 per SEIS service or \$250 per ADA or Budget Request | 80% of Allowed Cost | 90% of Allowed Cost | 100% of Allowed Cost |
| Student Transportation Costs related to ERMHS | *80% of Allowed ERMHS related costs. Based on Finding of Sufficiency of Funding | May be filed under Level 2 | 90% of Allowed ERMHS Transportation Costs | 100% of Allowed ERMHS Transportation Costs |
| Annual Mental Health Plan | November 1, 2018 | November 1, 2018 | n/a | n/a |
| Budget Request | January 15, 2019 | November 1, 2018 | October 1, 2018 for continuing placements or w/in 30 days of a new placement | October 1, 2018 for continuing placements or w/in 30 days of a new placement |
| First Payment 50% | February, 2019 | February, 2020 | n/a | n/a |
| First Payment (25%) | n/a | n/a | October 2018 (Jul-Sep Exp) | October 2018 (Jul-Sep Exp) |
| Second Payment (50%) | n/a | n/a | January 2019 (Oct-Dec Exp) | January 2019 (Oct-Dec Exp) |
| Third Payment (75%) | n/a | n/a | April 2019 (Jan-Mar Exp) | April 2019 (Jan-Mar Exp) |
| Final Expenditure Report | July 15, 2019 | July 15, 2020 | July 15, 2019 | July 15, 2019 |
| Final Distribution (balance) | August 2019 | August 2019 | August 2019 | August 2019 |
| | ERMHS Assessment costs are not reimbursable at any level | | | |
| Expenditure Restrictions | Behavior Support (service code 535) restrictions ** | a) Staff requiring certification b) Supplies | a) CDE Certified NPS b) Pass LCFF Test for educational costs | a) CDE Certified NPS |
| Disallowed Expenditures | No facility/rent costs, direct support (e.g. utilities/custodial), or administrative costs | | | |
| Indirect | Yes* | Yes | Yes (first \$25,000 of contract costs only) | Yes (first \$25,000 of contract costs only) |
| Additional Budget Requests after Budget Request deadline has passed | None | Case by case review for programs started after 11/1. No funding guarantee | Within 30 days of signed Master Contract and ISA | Within 30 days of signed Master Contract and ISA |
| *By September 15 of each year, there will be a finding of sufficiency of funding that sets the Level 2 rate at a range from \$2,000 to \$3,000 (or higher) and provides for Level 2 transportation cost funding and Level 2 indirect to be claimed. By May, SELPA will make an additional finding of sufficiency to fund more than 80%. | | | | |
| **Behavior Support (service code 535) will be permitted only when: 1) a Behavior Intervention Plan (BIP) is in place and 2) student receives at least one other Mental Health service, as identified in IEP. | | | | |

ERMHS ALLOCATION PLAN

Intent

CEO took a series of actions to implement Allocation Plan language to govern eligibility for and the allocation of the ERMHS funding consistent with the CDE AB 144 guidance and the need to provide a predictable revenue stream to Charter SELPA members.

Along with the Allocation Plan language, the Charter SELPA has developed operational guidelines and budget request forms. Please see the ERMHS Guidelines document for the complete package of information.

Charter SELPA Formula

1.1 ERMHS Funding Reserve

A specified amount of Charter SELPA ERMHS income will be placed in reserve each year. The reserve is intended to cover a SELPA-wide shortfall in Level 3 first but may be used for Level 2 shortfalls. Starting in 2015-16, the ending balance reserve may range from 5% to 10%.

2.1 ERMHS Funding Shortfalls (Budget Requests Exceed Income)

If there is a Level 3 shortfall, (this takes priority) the reserve would be used to cover the shortfall. If the shortfall is greater than the reserve, a pro-rated deficit would be applied to all Level 3 requests based on actual end of year expenditures.

If there are funds remaining in Level 3, they may be allocated to fund Level 2, or reserved for the following year Level 3 costs. Conversely if there are funds remaining in Level 2, they shall be used to cover a Level 3 shortfall.

If there is a Level 2 shortfall (and no additional funds remain in the reserve or Level 3), a pro-rated deficit would be applied to all Level 2 requests based on actual end of year expenditures.

If there are funds remaining in Level 2, they may be allocated to fund Level 3 or reserved for the following year Level 2 costs.

A shortfall in Level 2 or Level 3 will trigger a review and possible modification by CEO Council of ERMHS Allocation Plan language.

If the funding formula increases beyond the original budget per ADA (~\$71 per ADA) as a result of COLA or other increases, the amount of increase will be held in reserve until after November 1. After November 1, the Charter SELPA will have some indication of costs for Level 2, and Level 3 for the current year.

A recommendation for use of any additional funding will be discussed with the Executive Committee in November, with final approval by CEO Council.

If the funding formula decreases beyond the original budget per ADA (~\$71 per ADA), the budget allocations for Level 2, and Level 3 will be pro-rated accordingly and communicated to the field immediately, so charter schools can plan on reduced levels of funding.

3.1 ERMHS Extraordinary Cost Pool

The ERMHS Extraordinary Cost Pool (ECP) is NOT funded in 2014-15, 2015-16, or 2016-17, 2017-18. At such time as the funding formula for mental health is stabilized and reserves are sufficient to “forward fund” for the following year, a recommendation will be brought forward to CEO Council to reinstate funding for the ECP.

4.1 Other Costs

The Charter SELPA receives funds to administer the ERMHS Allocation Plan, up to the EDCOE approved indirect rate. Three percent indirect is budgeted in 2018-19.

5.1 Description of Level 2 Funding Formula

- A. The Level 2 formula provides 80% of the lesser of:
 - \$3,000 (or alternate approved rate) per eligible ERMHS SEIS count based on the December 1 count; or
 - Budget request
- B. The lesser amount of the two becomes the maximum budget request. Charters are required to match (co-pay) 20% of the budget request. No facility/rent costs, direct support, or administrative costs are allowable for the 80% reimbursement or 20% match.
- C. There is no guarantee of 80% funding for Level 2 programs. While the formula is intended to provide a predictable funding stream, charter member budget requests submitted in January could still exceed the overall budget. If a shortfall occurs, charter members may be funded less than the 80% reimbursement established in the Allocation Plan.
- D. By September 15 of each year Charter SELPA administration will make a finding of sufficiency of Level 2 funding based on the following variables:
 - Prior Year ERMHS ending balance
 - Projected current year ADA
 - Projected current year Level 3 projected costs
 - Projected current year Level 2 SEIS service counts
 - Based on these findings, the service level formula amount will be established Maximum rate = \$3,000 OR a higher amount may be established each year if the prior year ending balance is sufficient to assure SELPA members of predictable funding with no shortfalls. Minimum rate = \$2,000

By September 15, if there is a finding of sufficiency of funding, \$100K will be available for Level 2 transportation reimbursement – outside of the Level 2 service cap/ADA formula. The intent is to provide 80% funding for eligible costs. If \$100K is not sufficient, funding will be pro-rated based on claims submitted at year end.

By September 15, if there is a finding of sufficiency of funding, indirect costs will be allowed for Level 2.

E. By November 1 of each year, LEA's wishing to participate in Level 2 funding will submit a written narrative describing their annual plan to deliver services to students eligible for mental health services as defined by AB 114 and Charter SELPA ERMHS guidelines.

F. Level 2 SEIS Service Count Date

- A count of Level 2 services from SEIS will be taken on December 1.
- The count is not cumulative, but a snapshot. If the December 1 service count exceeds projections, Charter SELPA administration may revise the September 15 formula amount:

Maximum rate = \$3,000 (or higher amount if funds available per section D)

Minimum rate = \$2,000

G. Level 2 Budget request submission date is January 15.

H. Behavior support (service code 535) will be included in the service level formula (and expenditures allowed) under the following criteria:

- Behavior support plan in place supporting MH service.
- At least one other mental health service identified.

I. By February 28 of each year:

- Charter SELPA administration will make a finding of sufficiency of mental health funding based on Level 2 budget requests submitted and Level 3 budget requests submitted. If there is a finding of sufficiency of funds: • If the Level 2 formula was set lower than \$3,000, the formula will be increased up to \$3,000.

J. By May of each fiscal year*:

- Charter SELPA leadership shall make a finding of sufficiency of ERMHS ending balance for the current fiscal year and will set the reserve level in a range from 5% to 10%.

** Note -Finding may be made earlier than May 1.*

The amount over the established reserve (5% to 10%) shall be allocated in the following order:

- Increase Level 2 reimbursement, Level 2 transportation, and Level 3 site based structured therapeutic program from 80% to 90%.
- Increase Level 3 NPS ERMHS from 90% to 95%
- Increase Level 2, Level 2 transportation, and Level 3 site based structured therapeutic program from 90% to 95%
- Increase Level 2, Level 2 transportation, Level 3 site based structured therapeutic program, Level 3 NPS ERMHS from 95% to 100%

6.1 Description of Level 3 Funding Formula

A. Level 3 Budget Amounts

The intent is that Level 3 reimbursements are the highest priority to fund. If Level 3 budget requests exceed funding, the ERMHS reserve and/or other unspent ERMHS funds will be used for the shortfall.

The Level 3 formula provides for three specific Level 3 types of reimbursement.

B. Level 3 Site Based Structured Therapeutic Program

- Costs that may be claimed are restricted to services that are required to be performed by certificated staff. Staff may be contracted through an NPA or hired by the charter. Books and supplies may be claimed.
- Eligible students must meet ED eligibility criteria and be identified in SEIS with ED as primary or secondary disability.
- Approved program costs are 80% reimbursed, with a required 20% charter match. No facility/rent costs, direct support, administrative costs, or indirect costs are allowable for the 80% reimbursement or 20% match.
- A budget request for Level 3 site based structured therapeutic program reimbursement must be filed with the Charter SELPA by November 1.
- In order to provide a predictable ERMHS funding stream for all charter members, a site based structured therapeutic program that is established after November 1 may not be guaranteed funding in the current year.

C. Level 3 NPS ERMHS

- Costs that may be claimed are the ERMHS for a student in an NPS placement. The educational costs are the responsibility of the charter member and are not reimbursed. The educational costs, however, must be reported and must be, at a minimum, equal to the charter's LCFF per ADA funding amount.
- Eligible students must meet ED eligibility criteria and be identified in SEIS with ED as primary or secondary disability.
- Approved NPS ERMHS costs are 90% reimbursed, with a required 10% charter match. No facility/rent costs, direct support, or administrative costs are allowable for the 90% reimbursement or 10% match.
- Indirect costs would be allowed for NPS ERMHS, consistent with CSAM indirect cost provisions that do not allow for indirect costs to be claimed for contract costs beyond the first \$25,000.
- At the start of each year, Charter SELPA shall contact all charters with placements in the prior year to determine the anticipated current year budget amounts.
 - Prior to any new placements, SELPA must be consulted and a preliminary budget request submitted.
 - Immediately after execution of a contract, a copy of the contract, ISA, and revised budget request must be submitted to the Charter SELPA. When a placement is discontinued, Charter SELPA shall be notified immediately so the budget may be revised.
 - A budget request for the Level 3 NPS ERMHS reimbursement funding must be filed with the Charter SELPA and submitted within 30 days of contract signing.

D. Level 3 NPS Residential Room and Board

- Costs that may be claimed are the residential room and board costs related to a student in an NPS placement. The educational costs are the responsibility of the charter member and are not reimbursed. ERMHS costs for a student may be claimed, but a separate reimbursement form is required (Level 3 NPS ERMHS).
- Eligible students must meet ED eligibility criteria and be identified in SEIS with ED as primary or secondary disability.
- Approved NPS room and board costs are 100% reimbursed, with no required match. No facility/rent costs, direct support, or administrative costs are allowable for the 100% reimbursement.
- Indirect costs would be allowed for NPS residential costs, consistent with CSAM indirect cost provisions that do not allow for indirect costs to be claimed for contract costs beyond the first \$25,000.
- At the start of each year, Charter SELPA shall contact all charters with placements in the prior year to determine the anticipated current year budget amounts.
 - Prior to any new placements, SELPA must be consulted, and a preliminary budget request submitted.
 - Immediately after execution of a contract, a copy of the contract, ISA, and revised budget request must be submitted to the Charter SELPA. When a placement is discontinued, Charter SELPA shall be notified immediately so the budget may be revised.
 - A budget request for the Level 3 NPS ERMHS reimbursement funding must be filed with the Charter SELPA and submitted within 30 days of contract signing.

LEVEL 2 OVERVIEW

Level 2 ERMHS Program Description

LEVEL 2 ERMHS

- This funding is intended to support targeted programs and interventions provided to students based on data driven IEP team decisions.

PROGRAM DESCRIPTIONS

- These IEP based services can include individual or group counseling/therapy for identified mental health related needs to receive educational benefit in the special education program. Identification is based on assessment and student records with a formal IEP meeting, goal development, and appropriate ERMHS related services identified. Services may be provided on or off school site.

ELIGIBLE EXPENDITURES

- Eligible ERMHS include those for any student who has an IEP, and for which the IEP states the student is eligible for individual professional and consulting services (e.g. individual therapy, family therapy, group therapy, group rehabilitation, therapeutic behavioral services, and psychological services). The following services codes may be identified in the student's IEP:
 - 510-Individual Counseling
 - 515-Counseling & Guidance
 - 520-Parent Counseling
 - 525-Social Work Services
 - 530-Psychological Services
 - 535 Behavior Intervention Services (student must have BIP in place related to Mental Health needs and at least one other Mental Health services, as identified in IEP)
- ERMHS assessments are NOT eligible for reimbursement

ERMHS PROVIDERS

- A direct employee of the school (not a contractor); must have the certification to enable them to provide mental health
- County Mental Health (CMH)
- A CDE approved Non-Public Agency (NPA) or Non-Public School (NPS)
- A sub-contractor of a County Mental Health Agency
- Licensed Clinical Social Worker (LCSW)
- Marriage and Family Therapist (MFT)
- See Charter SELPA MH Program Guidelines.

In addition to the Allocation Plan language described previously, the following guidelines are provided.

Level 2: Budget Request Process & Funding Flow

A. Timeline:

- November 1 by 5:00 pm (if date falls on a weekend then the Monday proceeding): LEAs submit Annual Mental Health Plan to SELPA via the Fiscal Portal
- Prior to December 1: LEA should ensure that all ERMHS Services are accurately reflected in SEIS
- December 1: SELPA will take a count of Level 2 services using a SEIS data pull for each LEA
- January 15 by 5:00 pm (if date falls on a weekend then the Monday proceeding): LEAs submit a Level 2 Budget Request with the Charter SELPA.
- February 28: The Charter SELPA Administration will make a second finding of sufficiency of mental health funding for potential adjustments to funding
- No additional Level 2 budget requests will be received after January 15

B. The budget request form provides prior-year data as a reference point. Charter LEAs are asked to estimate current year P-2 ADA when filing the budget request and use the LEA's December 1 SEIS services count. Please note that service level counts will be adjusted to exclude students in NPS (Level 3) placements and site based structured therapeutic programs. The budget request form captures costs by major object code and requests an additional narrative to provide information on who is providing the service and the number of hours or FTE being claimed for reimbursement. The SELPA will compare hours requested for reimbursement with hours of service in IEPs and discrepancies will be reviewed.

C. Funds will be distributed in February based on 50% of the approved amount, which will be 80% of the computed eligibility using the lesser of a) budget request b) current year P-1 ADA x \$250 or c) the December 1 SEIS services count.

D. Final funds will be disbursed in August, adjusted for end-of-year expenditure reporting and current year P-2 ADA. End of year expenditure reports should bear a reasonable relationship to the budget request report filed in January. End-of-year reporting is due mid-July.

E. See ERMHS Guidelines – Allowable and Non-Allowable Costs for additional details.

F. Distribution of Funds

First Payment: 50% in February

Final Expenditure Report: July

Final Payment: August

LEVEL 3 SITE BASED OVERVIEW

Level 3 Site Based Structured Therapeutic Educational Program Description

LEVEL 3 SITE BASED STRUCTURED THERAPEUTIC EDUCATIONAL PROGRAM

- This funding is intended to support the implementation of Structured Therapeutic Educational Programs built on LEAs school site.

PROGRAM DESCRIPTIONS

- Serves students who have been found eligible as ED, and who benefit from a Site Based structured therapeutic educational program for ERMHS at a school site. The program includes mental health services as part of a structured, multi-disciplinary program. The core components of a Site Based structured therapeutic educational program may include:
 - A therapeutic program structured by process and skill building groups
 - Takes place for the continuous scheduled hours of program operation
 - Includes staff and activities that teach, model, and reinforce constructive interactions
 - Includes peer and staff feedback to students on strategies for symptom reduction, increasing adaptive behaviors, and reducing subjective distress
 - Occurs daily for at **least three hours** during school hours

ELIGIBLE EXPENDITURES

- A student with a primary or secondary eligibility category of ED is eligible for ERMHS and the IEP states the student is eligible for individual professional and consulting services (e.g. individual therapy, family therapy, group therapy, group rehabilitation, therapeutic behavioral services, and psychological services. The following services codes may be identified in the student's IEP:
 - 540-Day Treatment Services
 - 510-Individual Counseling
 - 515-Counseling & Guidance
 - 520-Parent Counseling
 - 525-Social Work Services
 - 530-Psychological Services
 - ERMHS related transportation costs may be claimed under Level 2
 - ERMHS assessments are NOT eligible for reimbursement

ELIGIBLE PROVIDERS

- A direct employee of the school (not a contractor); must have the certification to enable them to provide mental health services; CDE-certified NPA's may be contracted to provide services on-site.
- See Charter SELPA MH Program Guidelines.

Level 3 Site Based Program: Budget Request Process & Funding Flow

- A. A Level 3 Site Based Structured Therapeutic ERMHS budget request and annual mental health plan must be submitted by November 1, 5:00 p.m. New programs started after November 1 are not guaranteed funding in the current year.
- B. The budget request form captures costs by major object code and an additional narrative to provide information on who is providing the service and the number of hours or FTE being claimed for reimbursement. A listing of students by student ID is requested on the form. The form requests information on student ED designation as primary or secondary. The SELPA will compare hours requested for reimbursement with hours of service in IEPs and discrepancies will be reviewed. Reimbursement may be claimed only for staff (employee or contracted) providing ERMHS in positions requiring certification. Related books and supplies may be claimed. ERMHS Assessments are not reimbursable
- C. If the LEA is using a Non-Public Agency (NPA) to provide services on site, a copy of the NPA Master Contract and ISA for each student must be submitted with the budget request.
- D. Funds will be distributed in February (50% of the approved amount). The approved amount is equal to 80% of the approved budget request.
- E. Final funds will be disbursed in August, adjusted for end-of-year expenditure reporting. End-of-year reporting is due mid-July. End of year expenditure report should bear a reasonable relationship to the budget request filed in November.
- F. See ERMHS guidelines – Allowable and Unallowable costs for additional details.
Expenditure Restrictions:
 - Allowable costs only - Certificated salaries and related benefits and books/supplies
 - Services provided (Staff or NPA) must require certificated staff
 - CDE Certified NPA if applicable
 - ERMHS Assessments are not reimbursable
- G. Distribution of Funds
First Payment: 50% in February
Final Expenditure Report: July
Final Payment: August

LEVEL 3 NPS

Level 3 NPS ERMHS Program Description

LEVEL 3 NPS ERMHS

- This funding is intended to reimburse schools when an NPS placement is required to effectively provide ERMHS.

PROGRAM DESCRIPTIONS

- When a student, who is eligible for special education under the eligibility category of Emotional Disturbance (ED), has educationally related needs which exceed the current placement with mental health supports and services, it may be necessary for the IEP team to consider a residential facility. This facility would provide intensive therapeutic services to support the student in accessing his/her educational program. When this is the case, it is required that the LRE options and continuum of services have been exhausted. Attendance at such IEP meetings is required by a comprehensive IEP team, which will include all service providers, site administrator, special education administrator/designee, SELPA involvement, mental health service provider, and receiving residential facility (if appropriate).

ELIGIBLE EXPENDITURES

- A student with a primary or secondary eligibility category of ED is eligible for ERMHS related individual professional and consulting services (e.g. medical services, day treatment, individual therapy, family therapy, group therapy, group rehabilitation, therapeutic behavioral services, and psychological services). The following services codes are identified in the student's IEP:
 - 510-Individual Counseling
 - 515-Counseling & Guidance
 - 520-Parent Counseling
 - 525-Social Work Services
 - 530-Psychological Services
 - 535-Behavioral Intervention Services
 - Transportation costs
 - ERMHS assessments are NOT eligible for reimbursement

ELIGIBLE PROVIDERS

- A CDE approved Non-Public School (NPS) or Non-Public Agency (NPA); Must pass LCFF Test
- See Charter SELPA MH Program Guidelines.

Level 3 NPS (ERMHS): Budget Request Process & Funding Flow

- A. Timeline
- LEA will immediately contact their assigned Program Specialist when considering an NPS placement.
 - After placement has been recorded in student's IEP, NPS or NPS-Residential Facility will complete a SELPA Master Contract and Individual Service Agreement (ISA) for the student.
 - Within 30 days of signed SELPA Master Contract, LEA will submit a Level 3 Budget Request to SELPA via online template, along with a copy of the Master Contract and ISA.
 - Continuing placements from the prior year should be submitted no later than October 1st.
- B. A separate budget template is required for each student, and student ID must be provided along with designation of ED as primary or secondary disability. The template requires itemization of the cost for each service on the ISA (i.e. education, ERMHS services, and other services). For NPS ERMHS, the NPS contract should explicitly identify MH related costs. Changes made to a contract after approval, require a new budget request with the revised services and projected costs.
- C. Although educational services are provided by the NPS, LCFF revenue is received by the LEA for each NPS student. Educational costs may not be paid from ERMHS revenue. Therefore, a test is generated to ensure that the educational costs submitted in the budget template are equal to or greater than the LCFF revenue generated for the student.
- D. Revenue will be equal to 90% of the approved budget request (or greater amount if established by a determination of sufficiency in any given year).
- E. Up to 25% of the approved revenue will be distributed in October, up to 50% in January, up to 75% in April and up to 100% in August, based on certified expenditure reports.
- F. Expenditure reports should bear a reasonable relationship to the budget request. A template expenditure report will be provided, which may be filed as frequently as every month. No funds are released without submission of certified expenditure reports.
- G. See ERMHS Guidelines – Allowable and Non-Allowable Costs for additional details. Expenditure Restrictions:
- CDE Certified NPS
 - Pass LCFF Test
 - ERMHS Assessments are not reimbursable

LEVEL 3 RESIDENTIAL

Level 3 NPS Residential Program Description

LEVEL 3 NPS RESIDENTIAL

- This funding is to reimburse the room and board cost when an NPS-Residential placement is required to effectively provide Mental Health Services.

PROGRAM DESCRIPTIONS

- Student identified as ED has educationally related needs which exceed the current ERMHS supports and services. It may be necessary for the IEP team to consider a residential facility to address the student's intensive therapeutic services to support the educational program. When this is the case, it is required that the LRE options and continuum of services have been exhausted. Attendance at such IEP meetings is required by a comprehensive IEP team, which will include all service providers, site administrator, special education administrator/designee, SELPA representative, mental health service provider, and receiving residential facility (if appropriate).

ELIGIBLE EXPENDITURES

- ERMHS Services for any identified ED student who has an IEP and the IEP states the student is eligible for ERMHS related individual professional and consulting services (e.g. medical services, day treatment, individual therapy, family therapy, group therapy, group rehabilitation, therapeutic behavioral services, and psychological services). The following services codes are identified in the student's IEP:
 - 545-Residential Treatment Services
 - 510-Individual Counseling
 - 515-Counseling & Guidance
 - 520-Parent Counseling
 - 525-Social Work Services
 - 530-Psychological Services
 - 535-Behavioral Intervention Services
 - Transportation
 - E RMHS assessments are NOT eligible for reimbursement

ELIGIBLE PROVIDERS

- A CDE approved Non-Public School (NPS)
- See Charter SELPA MH Program Guidelines.

Level 3 NPS Residential: Budget Request Process & Funding Flow

- A. Timeline
- LEA will immediately contact their assigned Program Specialist when considering an NPS-Residential placement.
 - After placement has been recorded in student's IEP, NPS or NPS-Residential Facility will complete a SELPA Master Contract and Individual Service Agreement (ISA) for the student.
 - Within 30 days of signed SELPA Master Contract, LEA will submit a Level 3 Budget Request to SELPA via online template, along with a copy of the Master Contract and ISA.
 - Continuing placements from the prior year should be submitted no later than October 1st.
- B. A separate budget template is required for each student, and student ID must be provided along with designation of ED as primary or secondary disability. The template requires itemization of the cost for each service on the ISA (i.e. education, ERMHS services, room and board, and other services). For NPS ERMHS, the NPS contract should explicitly identify MH related costs. Changes made to a contract after approval, require a new budget request with the revised services and projected costs.
- C. Although educational services are provided by the NPS, LCFF revenue is received by the LEA for each NPS student. Educational costs may not be paid from ERMHS revenue. Therefore, a test is generated to ensure that the educational costs submitted in the budget template are equal to or greater than the LCFF revenue generated for the student.
- D. Revenue will be equal to 100% of the approved budget request for room and board.
- E. Up to 25% of the approved revenue will be distributed in October, up to 50% in January, up to 75% in April and up to 100% in August, based on certified expenditure reports.
- F. Expenditure reports should bear a reasonable relationship to the budget request. A template expenditure report will be provided, which may be filed as frequently as every month. No funds are released without submission of certified expenditure reports.
- G. See ERMHS Guidelines – Allowable and Non-Allowable Costs for additional details. Expenditure Restrictions:
- CDE Certified NPS
 - Pass LCFF Test
 - ERMHS Assessments are not reimbursable

SUMMARY OF TIMELINES AND REPORTING REQUIREMENTS

It is critical for the Charter SELPA to determine if there are sufficient funds available to fund all requests within a budget year. The timeline for each budget varies. Please see the schedule below for a summary of timelines. If a deadline falls on a weekend, the deadline is the following Monday at 5:00 p.m.

A compilation of Level 2 and Level 3 requests will be done in early February and a report provided at the Spring Executive Committee meeting. If a deficit exists in Levels 2 or 3, all charter LEAs will be notified immediately. The Allocation Plan provides a methodology for how any potential deficit or surplus is applied.

Timelines/Schedule (updated annually):

Level 2

- | | |
|--|-------------|
| • Annual Mental Health Plan | November 1 |
| • SEIS Services Count (pulled by SELPA) | December 1 |
| • Budget Request | Mid-January |
| • Payment of 50% of funding eligibility | February |
| • Expenditure Report | Mid July |
| • True up to lesser of funding eligibility or expenditures | August |

Level 3 Site Based (Structured Therapeutic Treatment) *

- | | |
|--|------------|
| • Annual Mental Health Plan | November 1 |
| • Budget Request | November 1 |
| • Payment of 50% of funding eligibility | February |
| • Expenditure Report | Mid July |
| • True up to lesser of funding eligibility or expenditures | August |

*Programs started after November 1 are not guaranteed funding.

Level 3 NPS Day and Residential

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|--|---------------------------------|
| • Budget Request, Master Contract & ISA | W/in 30 days of signed Contract |
| • Continuing placements | October 1st |
| • Expenditure Report through September & 1 st Payment | October |
| • Expenditure Report through December & 2 nd Payment | January |
| • Expenditure Report through March & 3 rd Payment | April |
| • Expenditure Report through Year End | July |
| • Final Payment | August |

CHARTER LEA DOCUMENTATION FOR LEVEL 2 AND LEVEL 3 FUNDING

Charter LEAs are responsible for:

- Maintaining documentation for all Level 2 and Level 3 costs claimed.
- Maintaining student records, as appropriate, in accordance with Family Educational Rights and Privacy Act (FERPA) and LEA policies. As a function of public education services, the mental health service provider shall have access to all educational records and files.
- Maintaining documentation to support the certificated and classified salaries billed and affiliated to ERMHS funding.
- Ensuring and maintaining documentation related to staff certification claimed in Level 2 and 3 from certified NPAs.
- Maintaining service logs related to ERMHS services delivered in Level 2 and Level 3 Site-Based programs.
- Maintaining documentation for Level 3 (Site Based) Structured Therapeutic ERMHS Programs which may include: program design, staffing, staff certification, and salaries.
- Maintaining and updating all SEIS records in a timely manner to reflect student needs, placement, and be prepared for SEIS pulls related to funding.
- Maintaining current Exchange of Information forms between LEA staff and NPA/S staff or outside providers to discuss student's mental health, medical, and educational needs.
- Ensuring that all of the student's IEP Goals, including Behavior Intervention Plan, Behavior goals, and Counseling goals, are updated and communicated to IEP Team members at intervals determined in student's IEP.
- Maintaining Behavior Emergency Reports on students receiving ERMHS support, particularly for students in NPS or NPS-Residential settings.
- Procuring and maintaining SELPA Master Contracts and Individual Service Agreements on an annual basis, even for students previously placed in an NPS or NPS-Residential setting.
- Maintaining progress reports and timelines that align with IDEA mandates, placement in an NPS or NPS-Residential setting does not negate a LEAs obligation to offer annual and triennial IEP meetings, with appropriate testing.
- Ensuring that students in NPS or NPS-Residential settings are administered mandated state testing, even when they are placed out-of-state.

The Charter SELPA may review IEP ERMHS data on frequency and duration of services and make a comparison to employee FTE claimed and NPA contracted services, to determine a reasonable relationship between services and costs.

ALLOWABLE AND NON-ALLOWABLE COSTS FOR LEVEL 2 AND LEVEL 3

| Allowable Costs | | | | | |
|-----------------|--|---------|-------------------------|-------------------|-------------------------|
| Object Code | Description | Level 2 | Level 3 Site Based | Level 3 NPS ERMHS | Level 3 NPS Residential |
| 1000 | Certificated Salaries. ERMHS provided by counselors, psychologists, other approved providers. | Yes | Yes | | |
| 2000 | Classified Salaries. Behavioral aides or staff providing ERMHS. | Yes | | | |
| 3000 | Benefits (medical, retirement, workers comp, unemployment, etc.) related to employees providing ERMHS. | Yes | Yes | | |
| 4000 | Books or supplies related to ERMHS | Yes | Yes | | |
| 5000 | Contracted Services with NPS or NPA for ERMHS | Yes | Yes | Yes | Yes |
| 7000 | Indirect | Yes* | Yes | Yes | Yes |
| | Transportation Costs | Yes* | May apply under Level 2 | Yes | Yes |

* If finding of sufficiency of funding, Level 2 indirect and transportation allowed.

| Non-Allowable Costs | | | | | |
|---------------------|---|---------|--------------------|-------------------|-------------------------|
| Object Code | Description | Level 2 | Level 3 Site Based | Level 3 NPS ERMHS | Level 3 NPS Residential |
| 1000 | Certificated salaries for any administrative employees | No | No | No | No |
| 2000 | Classified salaries for any administrative employees, office staff, or support person not providing ERMHS | No | No | No | No |
| 3000 | Benefits for administrative employees and other support not providing ERMHS | No | No | No | No |
| 4000 | Books or supplies not related to ERMHS | No | No | No | No |
| 5000 | Other operating costs (facility lease, utilities, custodial, etc.) | No | No | No | No |
| 6000 | Capital Outlay | No | No | No | No |
| 7000 | Indirect | | | | |
| | ERMHS Assessment Costs | No | No | No | No |

APPENDIX - CASEMIS DESCRIPTION EMRHS

Service Service Categories

- 510 Individual Counseling: One-to-one counseling, provided by a qualified individual pursuant to an IEP. Counseling may focus on aspects, such as educational, career, personal; or be with parents or staff members on learning problems or guidance programs for students. Individual counseling is expected to supplement the regular guidance and counseling program. (34 CFR § 300.24(b)(2), (CCR Title 5 §3051.9).
- 515 Counseling and guidance: Counseling in a group setting, provided by a qualified individual pursuant to an IEP. Group counseling is typically social skills development, but may focus on aspects, such as educational, career, personal; or be with parents or staff members on learning problems or guidance programs for students. IEP-required group counseling is expected to supplement the regular guidance and counseling program. (34 CFR §300.24. (b)(2)); CCR Title 5 §3051.9) Guidance services include interpersonal, intrapersonal or family interventions, performed in an individual or group setting by a qualified individual pursuant to an IEP. Specific programs include social skills development, self-esteem building, parent training, and assistance to special education students supervised by staff credentialed to serve special education students. These services are expected to supplement the regular guidance and counseling program. (34 CFR 300.306; CCR Title 5 §3051.9).
- 520 Parent Counseling: Individual or group counseling provided by a qualified individual pursuant to an IEP to assist the parent(s) of special education students in better understanding and meeting their child's needs; may include parenting skills or other pertinent issues. IEP-required parent counseling is expected to supplement the regular guidance and counseling program. (34 CFR §300.31(b)(7); CCR Title 5 §3051.11).
- 525 Social Work Services: Social Work services, provided pursuant to an IEP by a qualified individual, includes, but are not limited to, preparing a social or developmental history of a child with a disability; group and individual counseling with the child and family; working with those problems in a child's living situation (home, school, and community) that affect the child's adjustment in school; and mobilizing school and community resources to enable the child to learn as effectively as possible in his or her educational program. Social work services are expected to supplement the regular guidance and counseling program. (34 CFR §300.24(b) (13); CCR Title 5 §3051.13).
- 530 Psychological Services: These services, provided by a credentialed or licensed psychologist pursuant to an IEP, include interpreting assessment results to parents and staff in implementing the IEP; obtaining and interpreting information about child behavior and conditions related to learning; planning programs of individual and group counseling and guidance services for children and parents. These services may include consulting with other staff in planning school programs to meet the special needs of children as indicated in the IEP. (CFR Part 300 §300.24). IEP-required psychological services are expected to supplement the regular guidance and counseling program. (34 CFR §300.24; CCR Title 5 §3051.10).
- 535 Behavior Intervention Services: A systematic implementation of procedures designed to promote lasting, positive changes in the student's behavior resulting in greater access to a variety of community settings, social contacts, public events, and placement in the least restrictive environment. (CCR Title 5 §3001(d)).
- 540 Day Treatment Services: Structured education, training and support services to address the student's mental health needs (*Health & Safety Code, Div.2, Chap.3, Article 1, 1502(a)(3)*)
- 545 Residential Treatment Services: A 24-hour out-of-home placement that provides intensive therapeutic services to support the educational program (*Welfare and Institutions Code, Part 2, Chapter 2.5, Art. 1, §5671*)

OTHER RESOURCES

Please see the Charter SELPA website for the following resources as published by CDE:

1. Assembly Bill 114: Related Services under the Individuals with Disabilities Education Act (September 13, 2011)
2. Requirements for Securing the Services of Mental Health Professionals to Provide Related Services to Special Education Students (September 13, 2011)
3. Assembly Bill 114: Use of Mental Health Funds in the Budget Act of 2011-12 (January 5, 2012)
4. Assembly Bill 114: Day Treatment (June 27, 2012)
5. Assembly Bill 114: Assessment Summary (June 29, 2012)
6. Assembly Bill 114: Providing Coordinated Intensive Services through an Individual with Disabilities Education Act Compliant Individualized Education Program (July 26, 2012)
7. Licensure Requirements
8. DIS Services