EL DORADO CHARTER SELPA
Thursday, January 18, 2018

Meeting to be held via Adobe Connect
on Thursday, January 18, 2018 at 10:00 a.m.

Registration for the Adobe Connect teleconference will be available at least two days prior to the meeting and the link will be sent out electronically.

AGENDA – EXECUTIVE COMMITTEE MEETING

Charter SELPA:

David M. Toston, Associate Superintendent
Ginese Quann, Charter SELPA Director
Robert Steponovich, SELPA Business Services Director
Vicki L. Barber, Retired EDCOE Supt. of Schools
Francie Heim, EDCOE/Charter SELPA Consultant
Kathleen Hall, Administrative Assistant

Executive Committee Members:

Mary Searcy Bixby, Altus Schools
Cindy Petersen, Gateway Community Charters
Pat Hill, Learn4Life
David Sciaretta, Einstein Academies
Tim Wolf, King-Chavez Charter Schools
Debi Gooding, The Learning Center
Jean Hatch, Redding School of the Arts
Jonathan Dean, The O'Farrell Charter School
J.J. Lewis, Compass Charter Schools
Lynne Alipio, Altus Schools
Paul Keefer, Pacific Charter Institute
Josh Drake, Rocketship Education
Julie Mattoon, KIPP Bay Area Schools
Melissa Mora, ACE Charter School
Karin Marsolais, Preuss School UCSD
Dawn Evenson, iLead Schools
DiAnne McClenahan, The Bay Group
Patricia Dougherty, Phoenix Charter Academy

1. **Membership Report**

   CEO Executive Committee will be updated on the current status of the Charter SELPA membership and applications for membership in 2018/19. Please see Attachment 1 for this update.

2. **Educationally Related Mental Health Services (ERMHS) Budget Update**

   CEO Executive Committee will be updated at regular intervals on the 2017-18 ERMHS budget to assure a transparent and predictable level of funding for Charter SELPA Partners. Please see Attachment 2, entitled 'ERMHS Update,' for details.

3. **Governor's Proposed Budget**

   CEO Executive Committee will be updated on the status of the California state budget and implications for special education funding. Please see Attachment 3 for details.

4. **SELPA Meeting Format Review**

   CEO Executive Committee will be asked for input on a review of the current governance meeting format. Please see Attachment 4 for details.

5. SELPA Leadership Report

6. Next Meeting Date

The next regularly scheduled meeting of the Charter SELPA Executive Committee will take place Thursday, March 8, 2018 at 10:00 a.m. via Adobe Connect teleconferencing.

Current Members per our Local Plan (as of July 1, 2017)

- 154 Charter Partners
- 328 Charter Schools – Local Plan
- 323 Charter Schools - Operating

Current Active Members

- 323 Charter Schools (Since submitting our LPR to the board, the 4 Olive Grove expansions and Pacific Valley Charter Academy notified us they would not open)

Applications for 2018-19

- 33 Applications submitted
  - 28 Non-Expansion (13 organizations)
  - 5 Expansions

Cohort 1 determinations: January 23, 2018

Cohort 2 determinations: March 13, 2018

ERMHS UPDATE

BACKGROUND

The September finding of sufficiency resulted in the following 2017-18 ERMHS budget and funding parameters:

	Charter SELPA ERMHS	2015-16 Final	2016-17 Projected (March CEO Exec) @ 90%	2016-17 Final	2017-18 Projected (Oct 17)
1	State	7,295,390	8,592,000	8,634,623	9,587,219
2	Federal	1,196,061	1,391,000	1,390,903	1,647,005
3	Total Income	8,491,451	9,983,000	10,025,526	11,234,224
4	Level 2	5,356,467	7,574,000	7,012,011	8,500,000
5	Level 2 Transportation		40,000	45,815	100,000
6	Level 3 Therapeutic	37,245	360,000	334,568	465,000
7	Level 3 NPS	971,774	1,449,000	1,267,874	1,775,000
8	Level 3 Residential	541,788	1,430,000	906,222	1,270,000
9	SELPA indirect	254,744	300,000	287,000	365,000
10	Total Expenditures	7,162,018	11,153,000	9,853,490	12,475,000
11	Income less Expenditures	1,329,433	(1,170,000)	172,037	(1,240,776)
12	Beginning Balance	1,259,373	2,588,806	2,588,806	2,760,843
13	Ending Balance	2,588,806	1,418,806	2,760,843	1,520,067
14	Reserve % of Revenue	30.5%	14.2%	27.5%	13.5%

The Level 2 formula will provide 80% of the lesser of:

a) $3,300 per eligible ERMHS SEIS count based on the December 1 count; or
b) January 2018 Budget request (updated with final expenditures July 2018); or
c) $250 per current year P-2 ADA.

The lowest of the three calculated amounts above becomes the maximum Level 2 budget request. $100K is allocated for Level 2 transportation, and indirect costs for Level 2 are allowed.

Level 3 Site Based Structured Therapeutic Program (80% funded)

Certificated staff costs only. Staff may be contracted through an NPA or hired. 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.

Level 3 NPS ERMHS (90% funded)

ERMHS costs associated with the NPS placement only. Although not covered, the educational costs 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.

Level 3 NPS Residential Room and Board (100% funded)

All criterion and reimbursement parameters applicable to non-residential placements listed above apply. Additional costs that may be claimed are the residential room and board costs related to a student in an NPS placement.

UPDATE

1) Level 2 Budget

A major component of projecting Level 2 costs is a SELPA-wide count of ERMHS services recorded in SEIS. The 2017 December 1st service count was projected to be 5,000, the actual count was 4,610. This will likely result in Level 2 claims requiring less than the current $8.5M Level 2 budget (line 4). In addition, the SELPA has historically seen an increase in attendance from projected to actual P2, which results in higher than projected revenue (line 1). P1 certification in February will provide a good read on this for 2017-18.

The second component of determining Level 2 funding is the collection of budget requests, which were due January 16th. Analysis of these budget requests will yield a clearer picture of projected Level 2 total costs, which will be a factor in the May 1 determination of sufficiency called for by the Allocation Plan (See #3 below).

2) Level 3 Budget

Level 3 costs were projected to trend higher than last year. One mechanism put in place was to distribute funding quarterly based on actual expenditures (vs. a pre-determined advance schedule). This increases the frequency of cash flow for partners, and affords better cost tracking and budget management information.

Analysis of submitted Level 3 placements continues. Based on the data submitted thus far:

- Last year, 58 NPS and NPS residential claims were paid. Over the first 6 months of the current year, 53 claims have been submitted.
- The average reimbursement per request was $40,000 last year, **based on actual expenditures**. The average reimbursement for 13 currently approved claims is $65,000. However, this is **based on submitted budgets.**
- Last year, actual claims paid equated to 80% of the original budget amounts submitted. Applying this same ratio to the 13 claims approved this year yields a projected average claim paid of $52,000.
- Applying a $52,000 average reimbursement per request to the 53 claims submitted would result in a total reimbursement of $2.76M.
- The current Level 3 budget is $3.04M (lines 7 & 8).

Activity thus far is consistent with the projected trend of higher Level 3 placement costs, and careful monitoring of Level 3 activity will continue. There are a number of unknowns at this point in the year:

- All 40 of the submitted requests still under review may not be appropriate and approved.
- During the remainder of the year, additional student placements will occur and some current student placements will end.
- Minimal expenditures have been submitted. As more expenditures are collected, better data to project actual vs. budgeted expenditures will be available.
- There will likely be dollars to free up from the overall budget due to both increased revenue and lower than projected Level 2 costs, as mentioned above,

It is worthy of noting here that the current budget provides a $1.5M reserve (line 14).

3) May Determination of Sufficiency

The Allocation Plan states:

> "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 May determination involves managing to the 5-10% mental health reserve requirement by modeling changes in the percentage reimbursement levels of the mental health funding formula set in September (see page 1). The Allocation Plan details a priority order for allocating amounts in excess of the established reserve:

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

RECOMMENDATION - NONE

This report is provided for information only. No action is required. A budget update will be provided to Executive Committee at the March meeting. Any changes to the budget or funding parameters resulting from the May determination of sufficiency will be promptly communicated to the field.

GOVERNOR'S 2018-19 PROPOSED BUDGET - SPECIAL EDUCATION ITEMS

Released January 10, 2018

The Governor's budget provides a starting point for the legislative debate that will take place from January to June. In May, the Governor releases a budget update called the "May Revise" which provides an updated budget picture and more closely resembles what we can expect when the budget is signed into law prior to July 1, 2018.

The good news is that revenues are trending positive, resulting in a proposal by the Governor to increase funding for K-14 education by $4.6 billion, most notably providing full funding of LCFF (100% Gap Funding plus COLA). **Special education is proposed to receive an estimated COLA of 2.51%, which translates to approximately $13 increase per ADA.**

There were concerns the Governor's budget might realign resources for special education. The good news is that no major change to the funding formula is proposed. The bad news is that no augmentation for equalization of funding among SELPAs was proposed. There are additional reporting requirements for SELPAs, similar to LCAP reporting. There are also some additional augmentations to assist SELPAs in supporting student achievement goals for students with disabilities and support to recruit and retain special education teachers.

SPECIAL EDUCATION SELPA

Recent reports from the California Statewide Special Education Task Force and the Public Policy Institute of California evaluating special education have called for a more seamless integration of special and general education in California. In the spring of 2017, the Department of Finance held four special education stakeholder discussions. Central themes from these discussions included more local transparency and accountability, additional financial support for special education, shifting away from a compliance driven system toward a system improving outcomes for students with disabilities, and integrating special education and general education into one cohesive system.

Data from the California School Dashboard highlighted that approximately two-thirds of school districts were identified for differentiated assistance based on the performance of students with disabilities. Building upon last year's discussions with stakeholders and in response to these findings, the Budget proposes the following:

- Strengthening the linkage between special education and general education planning by requiring Special Education Local Plan Areas (SELPA) to complete a SELPA local plan template that aligns the services and resources noted in their local plans with the goals identified in their member district's LCAPs.

- Improving special education budgeting transparency and accountability by requiring the SELPA to summarize how a SELPA's planned expenditures and services align with the improved student outcome strategies noted in their SELPA plan.

• Providing $10 million ongoing Proposition 98 General Fund for SELPAs to work with county offices of education to provide technical assistance to local educational agencies to improve student outcomes as part of the statewide system of support.

SPECIAL EDUCATION TEACHERS

Although many of the recent investments in the teacher workforce have been targeted at STEM, bilingual, and special education fields, there has been for decades a particularly acute shortage in the number of fully credentialed special education teachers. Most concerning, the number of special education teachers providing instruction with a substandard credential continues to rise. In response to this shortage—and because two-thirds of school districts have been identified as having poor special education performance, the Budget proposes an additional $100 million investment to increase and retain special education teachers:

• Teacher Residency Grant Program—$50 million one-time Proposition 98 General Fund to support locally sponsored, one-year intensive, mentored, clinical teacher preparation programs aimed at preparing and retaining special education teachers.

• Local Solutions Grant Program—$50 million one-time Proposition 98 General Fund to provide one-time competitive grants to local educational agencies to develop and implement new, or expand existing, locally identified solutions that address a local need for special education teachers.

RECOMMENDATION - NONE

This report is provided for information only. No action is required.

Issue

Report plans for our 2018-19 Steering Committee calendar.

Proposed 2018-19 Charter SELPA Steering Committee Meeting Dates

Over the course of the last year, we began reviewing our Steering Committee meeting structure and calendar within a continuous improvement framework. We solicited perspectives from Steering Committee members through surveys and in-person feedback, and reviewed attendance data. We identified an increase in online participation (up to 70%) as well as voices from the field requesting focus on more regionalized meetings to support local collaboration and needs. Based on our review of the data and subsequent conversations with program leaders, we propose the following Steering Committee meeting structure for 2018-19. We will continue to solicit feedback from the field and revise as appropriate.

Month	Meeting	Date & Time
September 2018	Online Steering Meeting	Wednesday 10am–12pm (Exact date TBD)
October 2018	Regional Steering Meetings (Sacramento, Bay Area, Los Angeles, San Diego)	**One Week:** (Exact dates TBD) Sacramento - Wednesday Bay Area - Thursday **Following Week**: Los Angeles - Wednesday San Diego - Thursday All meetings 10am-2:30 pm with hosted lunch
November 2018	Regional Steering Meetings (Sacramento, Bay Area, Los Angeles, San Diego)	**One Week:** (Exact dates TBD) Sacramento - Wednesday Bay Area - Thursday **Following Week**: Los Angeles - Wednesday San Diego - Thursday All meetings 10am-2:30pm with hosted lunch
December 2018	Online Steering Meeting	Wednesday 10am-12pm (Exact date TBD)
January 2019	Online Steering Meeting and Legal Forums	Wednesday 10am-12pm (Exact date TBD)
February 2019	No Steering Meeting/The Symposium will take place this month	
March 2019	No Steering Meeting/ The CCSA Conference will take place this month	

Month	Meeting	Date & Time
April 2019	Regional Steering Meetings (Sacramento, Bay Area, Los Angeles, San Diego)	**One Week:** (Exact dates TBD) Sacramento - Wednesday Bay Area - Thursday **Following Week**: (Exact dates TBD) Los Angeles - Wednesday San Diego - Thursday All meetings 10am-2:30 pm with hosted lunch
May 2019	Steering Meeting in person (all regions together in one location) in conjunction with CEO Council	Steering: Wednesday, 10am-2: 30 pm (Exact dates TBD) CEO Council: Thursday, 10am-1pm
June 2019	No Steering Meeting	
July 2019	Leadership Academy	Last week in July (Exact dates TBD)
August 2019	Teacher Academies	Regionally

Recommendation

We would like to begin gathering input and data related to our other meeting structures with the intent of reporting to and engaging in a discussion with the Executive Committee at the March 2018 meeting.