

# FISCAL UPDATE

## September 1, 2018

### MAINTENANCE OF EFFORT (MOE) REPORTING DUE

All 2017-18 SELPA partners must submit a Year End/MOE Report, regardless of whether or not federal funding was received in 2017-18. MOE is a federal requirement of receiving federal funds that states each charter LEA must spend each year (from state and local sources) at least what was spent in the comparison year (with allowable exceptions). Additionally, each charter LEA must budget (state and local sources) for the next year at least what was spent in the current year (with allowable exceptions).

[Year End/MOE Reporting](#) opened in the Fiscal Portal on August 6, 2018, and **MUST be submitted by September 7, 2018**. Please be aware that failure to meet this due date could prevent the Charter SELPA from submitting the required reporting for the entire SELPA, not just for the late LEA. In turn, late filing has a potential negative impact on SELPA-wide funding. **Please notify us immediately if there is any expected delay in completing the MOE by the due date.**

### SPED EXPENDITURE DETAIL

Education Code requires that each year the SELPA must file with CDE an Annual Budget Plan, which shall identify expected expenditures for the following:

- Special education services to pupils with severe disabilities and low-incidence disabilities
- Special education services to pupils with non-severe disabilities
- Supplemental aids and services to meet the individual needs of pupils placed in regular education classrooms and environments
- Special education instructional supervisions and administrative costs

The data we need to meet this requirement is collected as part of the Year-End/MOE submission via the Expenditure Detail template shown below. The Standardized Account Code Structure (SACS) defines specific Goal codes that allow for the segregation of expenditures to serve non-severely disabled, severely disabled and low incidence students, consistent with the columns in this template. Although charter schools are not mandated to use SACS account string coding, it is essential that the Annual Budget Plan represents an accurate projection. SELPA partners are urged to establish an internal coding structure to allow for the segregation of special education expenditures consistent with the columns in the Expenditure Detail template. See Section 300 in [CSAM](#) for guidance.

El Dorado Charter SELPA Expenditure Data							
Include all Special Education expenditures whether coded to federal, state or local income sources							
Special Education services to pupils with Non-Severe Disabilities ages 0-22 (1)	Special Education services to pupils with Severe Disabilities ages 5-22 (2)	Special Education services to pupils with Severe Disabilities ages 0-5 (3)	Supplemental Aids and services to meet the individual needs of pupils placed in regular education classrooms and environments (4)	Instructional Supervision, Administration & All Other SpEd Expenditures (5)	SELPA Admin/Set Aside Fee	Indirect Costs	Total Costs
184,735	0	0	0	0	4,639	0	189,374

Legend

(1)	SACS Goal Code 5770	Special education expenditures directed to children from birth to 22 years of age with non-severe disabilities. (This will default to the remainder of total costs not otherwise classified above.)
(2)	SACS Goal Code 5750	All special education expenditures directed to children with exceptional needs from the ages of five (who have been identified as kindergartners) to 22 years of age, inclusive, who require intensive instruction and training in programs serving pupils with the following profound disabilities: autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbances, or severe mental retardation (intellectual disability).
(3)	SACS Goal Code 5710 & 5730	All special education expenditures directed to infants (younger than 3) and preschool students (ages 3 to 5) with exceptional needs who require intensive instruction and training in programs serving pupils with the following profound disabilities: autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbances, or severe mental retardation (intellectual disability).
(4)	Any SACS Goal Code with Function Code 1130	Costs needed to facilitate a student receiving instruction provided in a regular education classroom or in an instructional setting other than separate classes, RSP Instruction, or NPA/S's. Supplementary aids and services include curriculum modifications and accommodations, as well as direct services and supports (e.g., instructional aide, interpreter services, Braille services, assistive technology).
(5)	SACS Goal Code 5001 & Function Code 2100	Special education instructional supervision and administration, whether directly charged or charged via Direct Support. All Direct Support charges should be entered here.

### SEVERE VS. NON-SEVERE

There is no absolute definition of a severely disabled student vs. a non-severely disabled student. Ed Code lists certain disabilities that can be considered severe. The decision about a special education student's placement is certainly driven by the severity of his/her needs. Ultimately, it is not a straightforward determination based solely on disability or placement though. Rather, it is a determination for certain disabilities based on the level of need.

Per Ed Code, to be considered severely disabled, a student must have one of the following disabilities: autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbances, and/or severe mental retardation (intellectual disability). The second component of the non-severe/severe determination is the intensity of the instructional supports and related services the student requires.

An illustrative example is the autism disability designation. One student dealing with autism is generally able to function in a normal classroom setting with a few minor accommodations; another student dealing with autism needs a highly structured, pull out environment with significant supports and services. In the first case, costs would most likely be considered as directed toward a student with a non-severe disability. In the latter, to a student with a severe disability.

### CLOSE AND BUDGETING DATA POSTED TO WEBSITE

[Final Revenues and Accruals](#) for 2017-18 State (including Set Aside, Low Incidence and Legal Risk Pool Claims), Federal, and ERMHS (Level 2 and 3) are now posted on the website.

Initial 2018-19 State and Federal revenue and monthly cash flow projections, along with administrative fee rates, are also posted to the website.

### 2018-19 ERMHS FUNDING

One part of the 3-part ERMHS Level 2 funding formula is a count of eligible mental health services recorded in SEIS for your LEA on December 1<sup>st</sup>. We send preliminary service counts to your Steering representative so that the data can be reviewed for accuracy prior to the December 1<sup>st</sup> data pull. The first of these preliminary counts will be sent in September, and fiscal contacts will be notified when the data is shared.

The process should be underway to execute new Master Contracts and ISAs for all 2018-19 NPS & NPS residential placements continuing from last year. Please submit the renewed documentation and a current year Budget Request by October 1st via the Fiscal Portal. The Fiscal Portal template to do so will be available the second week of September. 2018-19 Master Contract and ISA templates are available on the website now.

REMINDER: A change made last year allows expenditures for approved NPS and Residential placements to be reimbursed as frequently as four times a year. However, expenditures cannot be submitted for reimbursement until a budget is approved. The schedule appears below.

Expenditure Reporting Period	Payment Date	Payment Amount
Through September	October	The lesser of actual expenditures or 25% of approved annual revenue
Through December	January	The lesser of actual expenditures or 50% of approved annual revenue
Through March	April	The lesser of actual expenditures or 75% of approved annual revenue
Through June (Year End)	Aug	The lesser of actual expenditures or 100% of approved annual revenue

### LOW INCIDENCE AND LEGAL RISK POOL

The Fiscal Portal is available for 2018-19 reimbursement requests for [low incidence](#) and [legal risk](#) pool claims. In both cases, claims can be submitted prior to final expenditures. The sooner we know of a claim, the better we are able to account for the reimbursement. Therefore, please do not delay in beginning the process.

Low incidence funds are available for use on behalf of students certified as having a low incidence primary or secondary disability through the assessment and IEP process. The minimum allowable request has been set to \$600. Additional information is available in the [low incidence guidelines](#).

The Charter SELPA maintains a legal risk pool for the purpose of mitigating the costs associated with due process litigation. In the unfortunate instance where a partner faces a due process hearing, the Legal Risk Pool is there to defray related legal costs. Information regarding eligibility criteria and funding is available in the [Legal Risk Pool Guidelines](#).

#### **2018-19 STATE & FEDERAL RATES BUDGET ADVICE**

18-19 State Rate = \$522 per 2018-19 P-2 ADA (before admin fee/set-aside for new charters)

18-19 Federal Rate = \$125 per 2017-18 Enrollment/CBEDS (before admin fee)

A multi-year revenue projection tool is available [here](#).

#### **IMPORTANT DATES UPCOMING**

- **Due 9/7/18** Year End/MOE Report
- **Due 10/01/18** ERMHS Level 3 NPS/Residential continuing placements budget requests (Portal available 2<sup>nd</sup> week of September)

#### **HANDY LINKS**

- [Complete 2018-19 Fiscal Calendar](#)
- [2018-19 Administrative Fee Rates](#)
- [New Partner Cash Advance Information](#)