

FISCAL UPDATE

December 2018

SELPA OFFICE HOLIDAY CLOSURES

The SELPA offices will be closed December 24, 25, 31 and January 1, 2019.

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)

2017-18 AUDIT REPORT SUBMISSIONS

The Charter SELPA Participation Agreement requires each partner to submit the LEA's annual independent audit report for review. This applies to all SELPA partners in operation during 2017-18. Please upload a copy of the audit report by Monday, Dec. 17.

There are two ways your final 2017-18 audit report may be uploaded:

1. Partners may upload their audit reports via the Fiscal Portal by following this [link](#).
2. Alternatively, you may provide this [link](#) to your audit firm and the report can be submitted on your behalf. The link will allow upload of your report but will not grant access to any other information stored in the Portal. You will still be able to access these reports once uploaded.

EDUCATIONALLY RELATED MENTAL HEALTH SERVICES (ERMHS)

ERMHS Level 2

Effective 2018-19, the components of the ERMHS Level 2 funding determination have been updated. At the October 11, 2018 meeting, CEO Council approved simplifying the formula by removing the P-2 ADA component of the funding determination. The lesser amount of the remaining two components will determine ERMHS Level 2 funding.

80% funding of the lesser of:

- a) \$3,300 per eligible ERMHS service based on the December 1 SEIS count; or
- b) 2018-19 budget request (**due January 15, 2019**); ~~or~~
- c) ~~\$250 per current year P-2 ADA~~

Obviously, the December 1, 2018 count of eligible mental health services recorded in SEIS is an important input for the 2018-19 funding determination. The SELPA sent three preliminary service counts to your Steering representative(s) monthly beginning in September to assist you in ensuring the accuracy of your data prior to the December 1 data pull.

ERMHS Level 2 Budget Request

As described above, the second component of the two-part ERMHS Level 2 funding formula is submission of a budget. Some changes have been made to the budget request template for this fiscal year. A 30-minute [webinar](#) is scheduled for December 12 to explain the changes made and assist with completing this required step for receiving ERMHS level 2 funding. It is highly recommended that your program/business team attend. The budget template will be made available on December 11 and must be submitted by January 15, 2019.

ERMHS Level 3

For all Level 3 categories, students must be identified with ED as primary or secondary disability.

- Level 3 Site Based Structured Therapeutic Program - 80% funded
- Level 3 NPS ERMHS - 90% funded*
Eligible ERMHS expenditures only. Educational costs are borne by the charter member.
- Level 3 NPS Residential Room and Board - 100% funded*
Room and board costs for eligible placements are reimbursed in addition to ERMHS costs.

*** To ensure funding, budget requests for all known NPS & NPS Residential placements must be submitted via the Fiscal Portal immediately.**
For future placements, requests are due within 30 days of the placement.

REMINDER: NPS & NPS Residential expenditures cannot be submitted for reimbursement until a budget is approved. Expenditures must be reported by the required reporting date in order to be included in the month end ACH/check run. The schedule appears below.

NPS Expenditure Reporting Period	Payment Date	Expenditure Reporting Deadline	Payment Amount
Through September	October	10/22/2018	The lesser of actual expenditures or 25% of approved annual revenue
Through December	January	1/22/2019	The lesser of actual expenditures or 50% of approved annual revenue
Through March	April	4/22/2019	The lesser of actual expenditures or 75% of approved annual revenue
Through June (Year End)	August	7/15/2019	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 the SELPA knows of a claim, the better able we are to account for the reimbursement. Therefore, please do not delay in beginning the process.

Low Incidence funds are available for services and materials needed to serve students identified as having a low incidence primary or secondary disability. The minimum allowable request is \$600. Additional information is available in the [Low Incidence Guidelines](#).

The Allocation Plan's Legal Risk Pool was established to help mitigate attorney fees associated with due process litigation. Information regarding eligibility criteria and funding is available in the [Legal Risk Pool Guidelines](#).

FEDERAL FUNDING POLICY UPDATE

Effective 2018-19 CEO Council adopted an addition to the federal funding Charter SELPA formula. This additional component of the federal funding formula can be found in the [Allocation Plan](#) on page 6. The addition to the formula is shown in red below:

- a) The Charter SELPA funds eligible LEA members based on prior year CBEDS enrollment (October count).
- b) New start-up charter members do not receive federal funds in the first year of operation because funding is based on prior year enrollment.
- c) New charter members (not a start-up) may receive federal funds if they existed in the prior year and CDE adjusts the current year Charter SELPA grant for the charter enrollment.
- d) **If enrollment for a continuing charter member is not included by CDE in the calculation of the Charter SELPA current year federal grant due to a CDS code change, the charter member remains eligible to receive federal funding in the current year.**
- e) The administrative fee (see #5) is determined based on total state and federal income per charter member, but the payment itself is considered paid with state dollars.
- f) Inability to fully spend special education dollars may result in ineligibility to receive federal funds in the subsequent school year. (See #7-- Unspent Funds).

IMPORTANT UPCOMING DATES

- **Due 12/17/2018** – Upload 2017-18 Audit Report to the fiscal portal.
- **Due 01/15/2019** – ERMHS Level 2 Budget requests. Notice will be sent in mid-December after the SEIS counts have been updated.
- **Due 01/18/2019** – 2018-19 mid-year expenditure reports and 2019-20 projected P-2 ADA. Notice will be sent when the reporting link is available in the Portal.

HANDY LINKS

- [Complete 2018-19 Fiscal Calendar](#)
- [2018-19 Administrative Fee Rates](#)