

# FISCAL UPDATE

## November 2018

### 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

Partners that were in existence in 2017-18, regardless of SELPA membership, are required to provide a copy of the 2017-18 audit to the SELPA. The fiscal portal will allow for private uploads from internal users possessing Fiscal Portal credentials, as well as public uploads in cases where the audit firm itself is uploading the report. Audit reports should be submitted by December 17, 2018. The upload link in the [fiscal portal](#) is available now.

### EDUCATIONALLY RELATED MENTAL HEALTH SERVICES (ERMHS)

SELPA Administration conducted the preliminary finding of sufficiency calculations called for in the Allocation Plan. Following are the results:

#### 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~~

#### ERMHS LEVEL 3

For all Level 3 categories, students must be identified in SEIS 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 the responsibility of the charter member.
- Level 3 NPS Residential Room and Board - 100% funded\*  
In addition to eligible ERMHS expenditures, room and board costs for eligible placements are also reimbursed.

***\* For all 2018-19 NPS & NPS Residential placements continuing from last year, budget requests are due immediately in order to ensure available funding.  
 For new placements, requests are due within 30 days of the placement.***

REMINDER: A change made last year allows expenditures for approved NPS and Residential placements to be reimbursed as frequently as four times a year. Remember, 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

### SEIS Mental Health Service Counts

One variable in the two-part ERMHS Level 2 funding formula is a count of eligible mental health services recorded in SEIS for your LEA as of December 1, 2018. The SELPA sends preliminary service counts to your Steering representative monthly beginning in September, which allows you to review the data for accuracy prior to the December 1 data pull. The November 1 service counts will be sent to Steering reps by the second week of November. Be sure to work with your program leaders to ensure an accurate count is pulled on December 1, as that will be the final count pulled to determine the eligible ERMHS service count component of the LEA's Level 2 ERMHS funding eligibility.

### 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](#), page 6. The addition to the formula is 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 DATES UPCOMING

- **Due 12/17/2018** – Upload 2017-18 Audit Report to the fiscal portal
- **Due 01/15/2019** – ERMHS Level 2 Budget requests
- **Due 01/18/2019** – 2018-19 mid-year expenditure reports and 2019-20 projected P-2 ADA

### HANDY LINKS

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