



2020-21 Charter Member Rate – Take 3

May Revise

An unanticipated but most welcome component of the Governor's May Budget Revision is the inclusion of substantially all of his proposed special education funding increase from January. Industry consensus was that the January proposal to increase the statewide target rate was dead, given the substantial state budget deficit stemming from the COVID-19 pandemic. However, while LCFF base funding was indeed hit with a 7.92% cut in the May Revise, special education saw a 15% increase in its share of Proposition 98 dollars.

Summary of the May Revise:

- An increase in the Statewide Target Rate from \$557/ADA to \$645/ADA.
- 2.31% statutory COLA is suspended.
- Funding will be calculated using a 3-year rolling average of ADA for each LEA in a SELPA.
- Cash deferrals will not be applied to special education funding.
- Still unclear at this time is the status of the ongoing special education deficit, the elimination of which was proposed in January. We are hopeful trailer bill language released shortly will clarify this element.

The revised budget advice scenarios posted to the website are:

1. \$645/3-year rolling average ADA at no deficit; and
2. \$645/3-year rolling average ADA at a 4% deficit.

For each of these two scenarios, complete Funding Detail and Cash Projections are also posted to the website.

Budgeting Tools

- A "what-if" tool is available [here](#). This spreadsheet calculates state special education revenue for 2020-21 and the subsequent two out years, based on assumptions entered for multiple variables.
- The Fiscal Portal [MOE Forecasting template](#) is a blank copy of the live MOE template. It allows a user to enter current and comparison year data and view the MOE testing results generated from the entered data.