



EL DORADO

**CHARTERSELPA**

*Fiscal Update*



## June 2020

### 2019-20 State & Federal Budget Advice

- 19-20 Charter Member Rate (State) = **\$538.00** per 2019-20 P-2 ADA (before admin fee & set-aside for new charters)
- 19-20 Federal Rate = Increase to **\$133.09** per 2018-19 Enrollment/Fall 1 (before admin fee)

### 2020-21 Budgeting Tools

The SELPA has developed a tool to assist in your multi-year budgeting task. This spreadsheet calculates state special education revenue for 2020-21 and the subsequent two out years, based on assumptions entered for multiple variables. The variables your team controls to develop multiple scenarios are:

1. Statewide Target Rate (STR)
2. COLA
3. Special education funding deficit
4. Enrollment growth
5. ADA growth
6. Rolling vs. current year ADA

You can find the [tool](#) in the Budgeting Resources tab in the AB 602 portion of the [Business Office Support](#) page. It is linked to SELPA data sources and includes data for existing partners as well as charters approved for membership in 2020-21. After selecting your school from a dropdown, it will populate data for 2020-21 projected P-2 ADA, prior year enrollment, and your school's 2020-21 administrative fee rate. After entering "what-if" assumption values for the variables listed above, total revenue and monthly cash flow projections are calculated.

Another budgeting tool, available in the Fiscal Portal, facilitates evaluating the impact of user-defined expenditure scenarios on federal Maintenance of Effort (MOE) testing. The [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.



## 2020-21 State Budget Scenarios

The Governor’s May Revision has provided the following clarifications:

- There will be no COLA for 2020-21
- The State Target Rate is proposed to increase from \$557/ADA to \$645/ADA
- The three-year rolling average for ADA will be used for funding determinations

At this time, special education funding will be subject to deferrals, including the deferral of June 2019 revenue to July 2020. What is still unclear is whether or not we should expect a proration of the finalized 2020-21 rate.

Based on the May Revision, we have updated our scenarios on our website to include the following:

- \$645/ADA – adjusted State Target Rate of \$645 with no COLA and no proration.
- \$619/ADA – adjusted State Target Rate of \$645 with no COLA, prorated at 96%.

We are keeping our eyes on the budget negotiation process involving the Governor, Senate and Assembly and will provide updated information as it becomes available via the Budgeting Resources tab on the [Business Office Support](#) page of our website.

## 2020-21 Federal Budget Advice

Given that no legislative actions at the national level have been approved that would provide additional IDEA funding, the initial budget advice for the SELPA federal rate is unchanged.

- 2020-21 Federal Rate = **\$125.00** per 2019-20 Enrollment/Fall 1 (before admin fee).

## 2020-21 Administrative Fees

The 2020-21 Administrative Fee rate for each Charter SELPA partner is posted to the website (see “Handy Links” below). As a reminder, beginning 2019-20, the Administrative Fee schedule in the Allocation Plan was reduced. The table below captures these reductions for partners in good standing with the SELPA.

	Year 1	Year 2	Year 3	Year 5
<b>2019-20 and beyond</b>	<b>5.5%</b>	<b>4.5%</b>	<b>3.5%</b>	<b>3.0%</b>
Prior to 2019-20	6.0%	5.0%	4.0%	4.0%

## 2019-20 Mental Health Funding

### Funding Determination

As of the March funding determination, all funding levels will remain:

- Level 2: 80% of the lesser of the Preliminary Funding (\$3,300 x December 1 SEIS mental health service count OR actual budget) or the final actual



- expenditures
- Level 3 Site Based: 80% of approved budget request or final actual expenditures
- Level 3 NPS: 90% of approved budget request or final actual expenditures
- Level 3 Residential: 100% of approved budget request or final actual expenditures

### ERMHS Level 3

Throughout the year, there are four available expenditure reporting windows for Level 3 NPS and NPS/Residential placements. Final expenditure reporting is due July 13, 2020.

### Low Incidence

Low Incidence claims were due May 1, 2020. With all claims in, the final reimbursement amount has been set at \$2,470. If additional back-up documentation is required for your claim, you have until July 13, 2020 to submit it. We will be reviewing claims as quickly as possible and following up with any questions. Your prompt attention will ensure a cash payment in the current year and avoid the need to record and track an accrual on your books. Refer to the [Low Incidence Guidelines](#) for further information.

### Legal Risk Pool

Legal Risk Pool claims were also due May 1, 2020 for all existing Due Process claims. However, the Legal Risk Pool request template will remain open until June 30 for those Due Process claims filed after May 1, 2020. Please note that at the May CEO Council meeting, a decision was made to suspend the Legal Risk Pool at the close of 2019-20 and transfer any remaining balance to the Set-Aside Risk Pool. **Therefore, only validated, eligible expenditures ([Legal Risk Pool Guidelines](#)) through June 30, 2020, submitted by July 13, 2020, are eligible for reimbursement.**

The [Fiscal Portal](#) is open for Legal Risk Pool claim submissions, and Low Incidence back-up documentation uploads.

### SB 117

The state's expectation of charter schools receiving SB 117's COVID-19 related funding protection is that LEA employees and contractors continue to be paid. This expectation is framed as doing what is necessary to ensure that an LEA's educational infrastructure can be preserved throughout the pandemic closures. Although there is no specific definition of "contractor" in the legislation, certainly NPA's and NPS' currently serving students are included. Specifics about continued payments based on individual student and provider circumstances are decisions that must be made by your school. We hope you find this [Summary of Guidance](#) helpful in making these decisions.



## Fiscal Committee Meeting – June 9, 2020

The Charter SELPA CEO Council meets twice each year (fall and spring). Fiscal Committee meetings are an opportunity for all Charter SELPA business staff to receive updates from the CEO Council meetings. These online meetings are scheduled shortly after each CEO Council meeting. The meetings provide a quick update on any CEO Council actions that impact the business office, as well as updates related to state, federal, and educationally related mental health funding. All materials are subsequently posted on our website.

Please register for the upcoming Spring Fiscal Committee meeting, June 9, 2020 at 10:00 AM, below:

[https://edcoe.zoom.us/webinar/register/WN\\_86DFnuhKTPmNtet3CpF0wQ](https://edcoe.zoom.us/webinar/register/WN_86DFnuhKTPmNtet3CpF0wQ)

## Important Upcoming Dates

- 6/9/20 – Fiscal Committee Meeting (Webinar)
- 7/13/20 – Final 2019-20 Expenditure Reports Due (Federal, ERMHS, Low Incidence, Legal Risk)

## Handy Links

- [Fiscal Portal](#)

### 2019-20

- [Funding Detail](#)
- [State Cash Flow Projection](#)
- [Federal Cash Flow Projection](#)
- [Admin Fee Rates](#)
- [Fiscal Calendar](#)

### 2020-21

- [Funding Detail](#)
- [State Cash Flow Projection](#)
- [Federal Cash Flow Projection](#)
- [Admin Fee Rates](#)

