



EL DORADO  
**CHARTERSELPA**  
*Fiscal Update*



## May 2021 Fiscal Update

### Federal Revenue Update

The 2020-21 Grant Award was received at the SELPA and the final rate has been established at \$132.36. The first two expenditure reports for 2020-21 are now being aggregated and will be submitted to CDE within the week.

We have not yet received the final payment for the 2019-20 grant, but are expecting CDE to begin processing expenditure reports again now that the current year grant is complete. We will send checks for 2019-20 accrued federal revenues as soon as we receive the funds.

### 2020-21 Low Incidence Funding

Low Incidence Reimbursement Requests are due by May 3, 2021. 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 2020-21 state budget provides for an increase in Low Incidence revenue to the SELPA, which allows for greater reimbursements to our partners.

The minimum claim is \$600 and the minimum reimbursement amount per Low Incidence claim has been set at \$1,000 for 2020-21. The maximum cannot be determined until **all** claims are submitted.

The [Low Incidence Reimbursement Request](#) is currently available in the Fiscal Portal. We recommend submitting your request in the Fiscal Portal as soon as possible so we may begin our review process. Requests can be made based on anticipated expenditures; final funding is based on expenditures reported at year-end. You can find additional information on reimbursement requirements in the [Low Incidence Guidelines](#).

### 2020-21 Budget Advice

- 2020-21 Charter Member Rate (State) = \$625.00 per 2020-21 P-2 ADA (before admin fee & set-aside for new charters). 2020-21 P-2 ADA will be equal to 2019-20 P-2 ADA plus any qualified growth funding, as described in SB820.
- 2020-21 Federal Rate = \$132.36 per 2019-20 Enrollment/Fall 1 (before admin fee).
- ERMHS Level 1 = \$10/PY ADA (opt-in required).
- Low Incidence = Up to \$1,000 for eligible materials/services per student, which may increase upon final funding determination (Fiscal Portal submission required).

**The following reimbursement percentages were increased at the final 20-21 finding of**

**sufficiency:**

- ERMHS Level 2 = 95% of the lesser of \$3,000/December 1 SEIS service count or ERMHS budget (opt-in required).
- ERMHS Level 3 Site-Based Therapeutic = 95% of approved budget (Fiscal Portal submission required).
- ERMHS Level 3 NPS = 95% of eligible ERMHS services (Fiscal Portal submission required).
- ERMHS Level 3 RTC = 100% of eligible Room and Board (Fiscal Portal submission required).

## 2021-22 State & Federal Budget Advice

- 2021-22 Charter Member Rate (State) = \$634.38 per 2021-22 P-2 ADA (before admin fee & set-aside for new charters).
- 2020-21 Federal Rate = \$125.00 per 2020-21 Enrollment/Fall 1 (before admin fee).
- ERMHS Level 2 = 80% of the lesser of \$3,000/December 1 SEIS service count or ERMHS budget (opt-in required).
- ERMHS Level 3 Site-Based Therapeutic = 80% of approved budget (Fiscal Portal submission required).
- ERMHS Level 3 NPS = 90% of eligible ERMHS services (Fiscal Portal submission required).
- ERMHS Level 3 RTC = 100% of eligible Room and Board (Fiscal Portal submission required).
- Low Incidence = Up to \$1,000 for eligible materials/services per student, which may increase upon final funding determination (Fiscal Portal submission required).

## 2021-22 Administrative Fees

The 2021-22 Administrative Fee rate for each Charter SELPA partner is posted [here](#).

## 2020-21 Mental Health Funding

ERMHS Cash Flow Projections are now posted on the [business page](#) of our website in the Mental Health (ERMHS) Funding section.

### ERMHS Level 1

In addition to regular Levels 2 and 3 ERMHS funding, the CEO Council approved one-time Level 1 mental health funding for 2020-21. The funding will flow at \$10/prior year ADA and is intended to support anticipated increases in general education mental health needs resulting from extended COVID-related conditions. Fifty percent of calculated Level 1 revenue will be distributed in the March 5, 2021 check run. The balance of Level 1 revenue due will be trued up to final expenditures reported in July.

In previous years, ERMHS revenue was restricted to special education expenditures and was distributed under Resource 6512. Therefore, the Charter SELPA's ERMHS reserves are held as Resource 6512. Beginning in the 2020-21 fiscal year, state ERMHS funding will be distributed under a new Resource code. The SELPA will issue Level 1 funding intended for general education spending (Goal 1110) as Resource 6546. All other ERMHS funding intended for special education spending (Goal 5xxx) will be issued as Resource 6547 or 6512.

We advise thoughtful monitoring of the use of your mental health funding this year, as these

expenditure decisions may impact your Special Education MOE compliance in subsequent years. In particular, you should carefully consider decisions to direct any Resource 6546 revenue (Level 1) to special education or to direct any Resource 6547 revenue to general education.

### ERMHS Level 3

Level 3 NPS/Residential funding requests are to be submitted via the [Fiscal Portal](#) within 30 days of the placement. You can now find the 2021-22 Master Contract and ISA templates on [the business web page](#).

## Governor's 2021-22 Budget Proposal

Special Education highlights of Governor Newsom's January budget proposal:

- 1.5% COLA (no make-up of 2.31% from last year as proposed for LCFF).
- Increased funding rate from \$625.00 to \$634.38/ADA.
- No ADA Hold Harmless, therefore SELPA funded on greatest of prior prior, prior or current year ADA.
- No change to:
  - » Current structure of AB 602 funding model.
  - » Elimination of (proration factor) going forward.
  - » Low Incidence funding (≈\$3,000 per LI student).
  - » Expanded use of ERMHS funding (continues to be available for all students).
  - » Frozen Counts: ADA for SELPA PS/RS revenue and state Mental Health funding, student count for Low Incidence funding.
  - » Current Year Deferrals (still in place February 2021 through June 2021).

Related Budget Components:

- Department of Health Care Services to implement an incentive program in coordination with county health departments and schools to increase the number of students receiving preventive and early intervention behavioral health services from schools, providers in schools, or school-based health centers. (\$400M over multiple years).
- PLNs to support LEA capacity to access Medi-Cal funds (\$5M one-time).
- Lead COE to develop Medi-Cal billing guidance (\$250K).
- Study to examine certification/oversight of NPS placements (\$500K one-time).

The legislative negotiation process is in full swing, moving toward Governor Newsom's May revise and the final June budget for 2021-22.

## Fiscal Workshop

The April 28 Year-End Fiscal Workshop [recorded webinar](#) and [presentation](#) are now available on the Charter SELPA website.

## Important Upcoming Dates

**05/03/21** – Low Incidence Pool Reimbursement Requests Due

**06/03/21** – Fiscal Committee Meeting (online)

## Handy Links

- [Fiscal Portal](#)

### 2020-21

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

### 2021-22

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