



EL DORADO

**CHARTERSELPA**

*Fiscal Update*



## April 2022 Fiscal Update

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### 2021-22 Low Incidence Funding (Due May 2)

Low Incidence funds are available for use on behalf of students certified as having a low incidence primary or secondary disability through the assessment/IEP process. The [Low Incidence Reimbursement Request](#) is available in the Fiscal Portal. Find additional information on reimbursement requirements in the [Low Incidence Guidelines](#).

The minimum claim is \$600, and the minimum reimbursement amount per Low Incidence claim has been set at up to \$1,000 for 2021-22. Determination of the 2021-22 maximum reimbursement requires all claims to be submitted. Low Incidence Reimbursement Requests are **due now and cannot be submitted after May 2, 2022**.

### Learning Recovery & Dispute Prevention (Due April 18)

Report eligible [Learning Recovery](#) and [Dispute Prevention](#) expenditures via the [Fiscal Portal](#) **by April 18, 2022**. As a reminder, cash for these one-time funding streams is released only after expenditures are reported and certified. Reporting is optional for both funding streams until the end of the year when final expenditures must be reported.

## American Rescue Plan (ARP) Federal Funding

Here are the details on the additional one-time federal special education (IDEA) funding included in the American Rescue Plan for 2021-22.

- Partners will have a 2-year window to expend the funds.
- This funding is being issued under a new resource code RS 3305.
- RS 3305 has the same expenditure requirements as the standard federal IDEA funding (RS 3310) received each year.
- RS 3305 and RS 3310 must be tracked **separately**.
- RS 3305 is one-time funding. Although we have heard discussions of rolling these new dollars into the base IDEA grant next year, no legislative action along these lines is currently pending.
- Partners in the Significant Disproportionality 2020-21 cohort will need to amend SigDis budget plans to include 15% of the RS 3305 allocation.

Partners should carefully consider the one-time nature and MOE implications of how this revenue is spent. Simply applying extra federal dollars without adding services (expenditures) has MOE implications. Further, if additional ongoing expenditures are covered by this revenue, how those expenditures will be covered in the future is important.

## 2021-22 ADA/Enrollment Reporting (Due April 18)

Data reporting to the SELPA now includes snapshot reports of school-wide ADA and enrollment. The SELPA membership consists of over 200 partners operating more than 440 schools. With such a large base, identifying enrollment and ADA trends throughout the year is needed to facilitate accurate budgeting and effective analysis. The Fiscal Portal template will require minimal time to complete but will supply the SELPA with tremendously valuable data. Please log into the Fiscal Portal and complete the [ADA/Enrollment Report #3](#) **by April 18, 2022**.

## Fiscal Workshop

Our Year-End Fiscal Workshop will be held on **April 26, 2022**, from 10:00AM to 12:00PM. The workshop will cover current budget updates as well as topics related to end-of-year processes. Registration is available [here](#).

## 2021-22 Budget Advice

- 2021-22 Charter Member Rate (State) = \$715 per 2021-22 P-2 ADA (before admin fee & set-aside for new charters)
- 2021-22 Federal Rate (RS 3310) = \$139.61 per 2020-21 Enrollment/Fall 1 (before admin fee)
- 2021-22 ARP Federal Rate (RS 3305) = \$39.67 per 2020-21 Enrollment/Fall 1 (before admin fee)
- ERMHS Level 2 = 80% of the lesser of \$3,000 x SEIS service count as of 12/1/21 or submitted ERMHS budget.

- ERMHS Level 3 Site-Based Therapeutic = 80% of approved budget
- 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 \$1000 for eligible materials/services per student, which will likely increase upon final funding determination (see Low Incidence article below)

## 2021-22 Maintenance of Effort (MOE) Pre-Test

The 2021-22 [Maintenance of Effort \(MOE\) Pre-Test](#) was due **March 18, 2022**, and all submissions are currently being reviewed. Should any questions arise, we will be reaching out for clarification and/or guidance. If the MOE Pre-Test Actual-Actual and Actual-Budget have not been submitted for your LEAs, we will be reaching out to do so. As a reminder, all LEA's must complete both items regardless of receipt of federal revenue.

## 2021-22 Mental Health Funding

- ERMHS Cash Flow Projections are now posted on the [business page](#) of our website in the Mental Health (ERMHS) Funding section.
- All existing 2021-22 Level 3 NPS/Residential funding requests **should already have been submitted** via the [Fiscal Portal](#). Any new placement funding requests are due immediately upon placement.
- Expenditure reporting triggers Level 3 reimbursement. Throughout the year, there are four available expenditure reporting windows for NPS and NPS residential placements. The next expenditure reporting window **closes on April 22**.
- The [2021-22 Master Contract](#) and [2021-22 Individual Services Agreement \(ISA\)](#) templates are available on the business web page, along with the [2022-23 Master Contract](#) and [2022-23 ISA](#).

## 2021-22 Federal Revenue

The second federal expenditure report of the year is due by **April 22, 2022**. This second report is optional. If there are expenditures to report, we recommend doing so, as final expenditure reports (reported in July) often take several months to be funded by CDE. Federal grants are a reimbursement-based funding stream. Once our partners submit expenditures, the SELPA compiles them and reports to CDE the aggregate spending. When funds are released to the SELPA, we then release funds to our partners. This process can take time, so the sooner the report is filed, the better. As a reminder, charters in the first year of operation are not eligible for federal revenue because no prior year enrollment count exists upon which to base the funding.

## Governor's 2022-23 Budget Proposal

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

- 5.33% COLA (\$140.6 million) PLUS Prop 98 general funds = \$500 million:

- These increases would result in a base rate increase from \$715/ADA to an estimated \$820/ADA.
  - Funds will continue to flow through the AB 602 Funding Formula via SELPAs.
  - Calculate special education base funding allocations at the LEA level rather than the SELPA level.
- Allocate Educationally Related Mental Health Services funding directly to LEAs vs. SELPAs.
- Consolidate special education extraordinary cost pools into a single \$6 million pool.
  - Two \$3M cost pools currently exist, including one targeted for small SELPAs.
  - Reimbursements are only for amounts above the cost threshold (\$84,933.06 for 2021-22) and typically cover less than 40% of the requested reimbursement.
- Incorporate a Special Education Addendum to the LCAP to:
  - link special education and general education planning; and
  - target inclusion of SpEd parents in the LCAP development process.
- Create a special education resource lead to develop comprehensive IEP best practices and establish an expert panel to create a model IEP template.
- Establish an alternate diploma and alternative coursework options for SpEd students to demonstrate completion of the state graduation requirements.

The Legislative Analyst's Office (LAO) analysis of the Governor's SpEd proposals is available [here](#). It has been a very active budget negotiation season leading up to the Governor's May Revision and the final 2022-23 state budget in June.

## 2022-23 Budget Advice

- 2022-23 Charter Member Rate (State) = \$820 per the higher of 2020-21, 2021-22, or 2022-23 P-2 ADA (before admin fee & set-aside for new charters).
- 2022-23 Federal Rate = \$125.00 per 2021-22 Enrollment/Fall 1 (before adminfee).
- 2022-23 ERMHS budget advice will be issued once the Governor's proposed direct LEA funding of mental health revenue is or is not part of the final state budget.
- Low Incidence = Up to \$1,000 for eligible materials/services per student, which may increase upon final funding determination (Fiscal Portal submission required).

## 2022-23 Administrative Fees

The 2022-23 Administrative Fee rate for each Charter SELPA partner is posted [here](#).

## Important Upcoming Dates

**04/18/22** – ADA/Enrollment Report Due

**04/18/22** – Learning Recovery and Dispute Prevention Expenditures Reports Due

**04/22/22** – Expenditure Reports Due (Fed #2, Level 3 NPS/Residential)

**04/26/22** – Year-End Fiscal Workshop

**04/29/22** – Checks Issued (April State, Level 3 ERMHS)

**05/02/22** – Low Incidence Pool Reimbursement Requests Due

## Handy Links

[Fiscal Portal](#)

[Funding Detail](#)

[State Cash Flow Projection](#)

[Federal Cash Flow Projection](#)

[Admin Fee Rates](#)