



EL DORADO

CHARTERSELPA

Fiscal Update



March 2022

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P-1 Certification

CDE has certified the 2021-22 First Principal Apportionment (P-1). Due to the timing of the certification, February state cash disbursements will be released on March 4. These disbursements will include the first state cash for schools new to the SELPA this year, calculated on P-1 ADA. Updated Funding Details and Cash Flow documents will be posted to the SELPA business webpage concurrent with payment processing.

Additional Federal Funding

We have now received details on 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 they spend this revenue. Simply applying extra federal dollars to equal expenditures poses MOE issues. If additional ongoing expenditures are covered by this revenue, how those expenditures will be covered in the future is important. The following

tables help illustrate these considerations.

	Comparison Year	Current Year	Diff
Exp coded to federal	100,000	120,000	20,000
Exp coded to state	200,000	200,000	0
Exp coded to local	80,000	60,000	(20,000)
TOTAL	\$ 380,000	\$ 380,000	
Pupil Count	20	20	MOE Test Result
State + Local	\$ 280,000	\$ 260,000	FAIL
Local Only	\$ 80,000	\$ 60,000	FAIL
State + Local/Pupil	\$ 14,000	\$ 13,000	FAIL
Local Only/Pupil	\$ 4,000	\$ 3,000	FAIL

	Federal One-Time \$	State One-Time \$
Increased SpEd services (expenditures)	No decrease in CY State/Local = No MOE Impact	Increase in CY State/Local = MOE Impact in future year
Maintain current levels of SpEd services (expenditures)	Decrease in CY State/Local = MOE Impact	Decrease in CY Local = MOE Impact

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)

ERMHS Determination of Sufficiency

The final determination of sufficiency for 2021-22 ERMHS funding has been completed. There will be no change in the preliminary reimbursement percentages for 2021-22. They are:

- Level 2 = 80% of the lesser of \$3,000 times the SEIS service count as of 12/1/21 or submitted ERMHS Level 2 budget.
- ERMHS Level 3 Site-Based Therapeutic = 80% of approved budget
- ERMHS Level 3 NPS = 90% of eligible ERMHS services
- ERMHS Level 3 RTC = 100% of eligible Room and Board

The first distribution of ERMHS Level 2 revenue (50% of approved funding) will be released in

the March 4 payment batch.

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

The 2021-20 [Maintenance of Effort \(MOE\) Pre-Test](#) will be released March 4 and will be due March 19, 2022. All SELPA members must complete this report, regardless of whether federal funding is expected in 2021-22. The pre-test is not only a means to evaluate federal MOE testing before the window to make adjustments passes, but it is also an opportunity to analyze overall special education spending from all revenue sources prior to year-end. In conjunction with completing the pre-test, we recommend that our partners who were required to pass MOE last year review their 2020-21 Actual-to-Actual and Actual-to-Budget submissions, which may be viewed in the Fiscal Portal. Detailed instructions will be provided in a Data Request email on March 4.

2021-22 Low Incidence Funding

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 2021-22 state budget provides for an increase in Low Incidence revenue to the SELPA, which allows for greater reimbursements to our partners.

The [Low Incidence Reimbursement Request](#) is currently available in the Fiscal Portal. The minimum claim is \$600, and the minimum reimbursement amount per Low Incidence claim has been set at \$1,000 for 2021-22. The maximum will be determined when all claims are submitted. Since we cannot determine the maximum reimbursement until all claim have been submitted, we recommend submitting your request in the Fiscal Portal as soon as possible. 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.

Important Upcoming Dates

- **03/04/22** – State Checks (February cash delayed due to P-1 certification)
- **03/19/22** – MOE Pre-Test Due
- **04/18/22** – Enrollment Report #3/DP & LR Expenditure Report Due
- **04/22/22** – Federal Expenditure Report #2/Lvl 3 ERMHS NPS/Res Expenditure Report Due
- **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](#)