Fiscal Committee Meeting
June 7, 2022
Business Meetings and Professional Learning Opportunities

The Business Services Team offers both in-person and online meetings and workshops. The team provides technical information on special education funding and content to help build effective business teams.

Slide deck available on website – Spring 22 Fiscal Committee Slides
Today’s Agenda

May 26th CEO Council Meeting

1. Funding/Fiscal Update
2. Mental Health Funding (ERMHS)
3. CEO Council Actions
4. General Updates
Funding/Fiscal Update
Funding Rate Recap

**State**
- 2021-22 Estimate: $650.31
- 2021-22 Final: $715
- 2021-22 P-2 ADA
- Less Admin Fee & Rate Protection (1st yr only)
- 22-23 Current Projection: $820

**Federal**
- 2021-22 Estimate: $125
- 2021-22 Final: $139.61
- 2020-21 Enrollment
- Less Admin Fee
- 22-23 Current Projection: $125
## Funding Rate Recap – One Time Funding

<table>
<thead>
<tr>
<th>State</th>
<th>State</th>
<th>Federal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning Recovery RS 6537</td>
<td>Dispute Prevention RS 6536</td>
<td>American Rescue Plan RS 3305</td>
</tr>
<tr>
<td>$641.39</td>
<td>$149.56</td>
<td>$39.61</td>
</tr>
<tr>
<td>Funded on greater of 19-20 or 20-21 Pupil Count</td>
<td>Funded on greater of 19-20 or 20-21 Pupil Count</td>
<td>Funded on 2020-21 Enrollment</td>
</tr>
<tr>
<td>2 year spending window</td>
<td>2 year spending window</td>
<td>2 year spending window</td>
</tr>
<tr>
<td>By request, with approved LEA level plan</td>
<td>By request, with approved SELPA level plan</td>
<td>May decline, similarly to RS 3310</td>
</tr>
</tbody>
</table>
**State Budget**

- **State** (January 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. SELPA
  - Consolidate special education extraordinary cost pools into a single $6 million pool.
  - Two $3 million 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.

- **State** (May revision)
  - 6.56% COLA + additional Prop 98 funding for Special Education with funded rate remaining at $820/ADA.
  - LEA's to be funded on greater of current year, prior year or second prior year
  - No revision to ERMHS direct funding to LEA's
  - LCAP for Special Education delayed to 2025
Educationally Related Mental Health Services Funding (ERMHSM)
## Year-End ERMHS Funding Report

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>1 State</td>
<td>10,460,970</td>
<td>13,194,599</td>
<td>13,807,578</td>
<td>13,633,843</td>
<td>14,186,023</td>
</tr>
<tr>
<td>2 Federal</td>
<td>1,653,927</td>
<td>1,975,593</td>
<td>2,432,778</td>
<td>2,469,723</td>
<td>2,469,723</td>
</tr>
<tr>
<td>3 Prior Year Adjustments</td>
<td>-</td>
<td>-</td>
<td>136,413</td>
<td>374,545</td>
<td></td>
</tr>
<tr>
<td>4 Total Revenue</td>
<td>$12,114,897</td>
<td>$15,170,192</td>
<td>$16,376,769</td>
<td>$16,478,111</td>
<td>$16,655,746</td>
</tr>
<tr>
<td>5 Level 1 (2020-21 One-Time)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,852,917</td>
<td>-</td>
</tr>
<tr>
<td>6 Level 2</td>
<td>8,899,644</td>
<td>11,169,010</td>
<td>10,316,094</td>
<td>12,689,431</td>
<td>12,566,210</td>
</tr>
<tr>
<td>7 Level 3 Therapeutic</td>
<td>424,503</td>
<td>706,503</td>
<td>597,228</td>
<td>494,506</td>
<td>440,294</td>
</tr>
<tr>
<td>8 Level 3 NPS</td>
<td>1,199,433</td>
<td>1,628,401</td>
<td>1,475,492</td>
<td>1,096,403</td>
<td>2,330,000</td>
</tr>
<tr>
<td>9 Level 3 Residential</td>
<td>1,500,758</td>
<td>1,724,781</td>
<td>1,683,053</td>
<td>1,671,052</td>
<td>1,810,000</td>
</tr>
<tr>
<td>10 SELPA ERMHS Administration</td>
<td>360,730</td>
<td>456,861</td>
<td>422,591</td>
<td>585,900</td>
<td>501,000</td>
</tr>
<tr>
<td>11 Total Expenditures</td>
<td>$12,385,068</td>
<td>$15,685,556</td>
<td>$14,944,458</td>
<td>$18,390,209</td>
<td>$17,647,504</td>
</tr>
<tr>
<td>12 Revenue less Expenditures</td>
<td>$(270,171)</td>
<td>$(515,364)</td>
<td>$(1,882,311)</td>
<td>$(1,912,098)</td>
<td>$(991,758)</td>
</tr>
<tr>
<td>13 Beginning Balance</td>
<td>$2,777,322</td>
<td>$2,507,151</td>
<td>$1,991,787</td>
<td>$3,874,098</td>
<td>$1,962,000</td>
</tr>
<tr>
<td>14 Ending Balance</td>
<td>$2,507,151</td>
<td>$1,991,787</td>
<td>$3,874,098</td>
<td>$1,962,000</td>
<td>$970,242</td>
</tr>
<tr>
<td>15 Reserve (% of Revenue)</td>
<td>20.7%</td>
<td>13.1%</td>
<td>23.7%</td>
<td>11.9%</td>
<td>5.8%</td>
</tr>
</tbody>
</table>
## Final 2021-22 ERMHS Funding Levels

<table>
<thead>
<tr>
<th>Level 2</th>
<th>Level 3 Site-Based</th>
<th>Level 3 NPS</th>
<th>Level 3 NPS-Residential</th>
</tr>
</thead>
<tbody>
<tr>
<td>IEP-based ERMHS Services</td>
<td>Structured Therapeutic ERMHS Program</td>
<td>ERMHS component of NPS placement</td>
<td>Room &amp; Board are required to receive ERMHS Services</td>
</tr>
<tr>
<td>Any Disability Designation Eligible</td>
<td>ED</td>
<td>ED</td>
<td>ED</td>
</tr>
<tr>
<td>80% of lesser of: a) $3000 per service b) Budget Request</td>
<td>80% of ERMHS Allowed Cost</td>
<td>90% of ERMHS Allowed Cost</td>
<td>100% of Room &amp; Board Costs</td>
</tr>
</tbody>
</table>
CEO Council Actions
2022-23 Local Plan Sections D & E

Annual Filing of Budget and Service Plan

• Budget prepared utilizing prior year expenditure trends and projections for 2022-23 based on growth.
• Service plan developed using CALPADS student data for the SELPA and projections for 2022-23.
• Plan can be accessed at https://charterselpa.org/governance/
ERMHS Direct Funding

Potential Shift of Funding Directly to LEA’s

• Current trailer bill language moves state and federal ERMHS funding directly to LEA’s, pending final budget

• If approved, consider mechanism for funding CPI trainings and NPS/RTC placements

• If not approved, proceed with a per ADA funding model, with funds held back for CPI and NPS/RTC placements.

• Further recommendations to follow in October.
A3 Education Recovery

Use and Allocation of Recovered Funds from A3 Education

- Suspend $2/ADA additional Rate Protection Pool contribution from existing charters
- Hold $6.2M in Rate Protection Pool
- Further recommendations to follow in October
General Updates
SEIS E-Signature Feature

SEIS-Sign introduced as a free service during Pandemic
SEIS initially determined a $1/student fee for service, in addition to contract
Original proposal for opt-in feature for LEA’s wanting this feature
SEIS-Sign has been rolled into license fee for the next 3 years

Fiscal Committee Meeting Survey
Low Incidence

- Low Incidence funding increased from $466/PY Dec Pupil Count in 19-20 to $3050/PY Dec Pupil Count in 20-21.
- The increase has led to excess funds in our Low Incidence pool even with all reimbursements paid at 100% of request.
- The SELPA is looking into how the use of funds may be expanded going forward.
Mark your Calendars

Next CEO Meeting / Fiscal Committee Meeting
- October 13/October 27, 2022

SpEd Business 101 Workshops
- July 14/August 9, 2022 (2 offerings, 10:00 AM-2:30 PM)

Open Office Hours
- July 11/August 16/August 30, 2022 (7:30 AM-5:00 PM)

Important Dates
- July 15, 2022 – Final Expenditure Reports Due (Federal, ERMHS, Low Incidence, Learning Recovery, Dispute Prevention)
- August 4, 2022 – Final Revenues and Accruals Posted to website
- September 2, 2022 – Year End Reports Due (MOE Actual, MOE Budget, Excess Cost, Subsequent Year Tracking)
Thank you!

Don’t forget to complete the

Fiscal Committee Meeting Survey

www.charterselpa.org
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Placerville, CA 95667