



FISCAL UPDATE

February 2024

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January Reporting

If you have not submitted your Mid-Year Expenditure Report or ADA/Enrollment #2 reports which were due in mid-January, please contact the business office at charterSELPAbusiness@edcoe.org to open the appropriate template for input.

ERMHS Level 3 Funding

Level 3 NPS/Residential funding requests for continuing placements from 2022-23 should have already been submitted. Requests for new placements are to be submitted via the Fiscal Portal within 30 days of the placement.

Master Contract: <https://charterselpa.org/wp-content/uploads/2023/03/State-SELPA-2023-2024-FINAL-Master-Contract-1.docx>

ISA: <https://charterselpa.org/wp-content/uploads/2023/11/Individual-Service-Agreement.pdf>

Expenditure reporting triggers Level 3 reimbursement. We have extended the availability of the ERMHS Level 3 Expenditure Report Q2 (July 1, 2023, through December 31, 2023) through **February 21, 2023**, for recently approved NPS/RTC requests.

Year-End Maintenance of Effort (MOE) Pre-Test

The Year-End/MOE Pre-Test will be due in March. All SELPA members must complete this report, regardless of whether federal funding is expected in 2023-24. The SELPA utilizes

the pre-test to analyze special education spending prior to year-end and offer support where warranted. The pre-test also allows evaluation of federal MOE testing before the window to make adjustments passes. The SELPA will provide detailed instructions in the March Fiscal Update. Note also that the Federal rate will be increasing, with the revised rate available in time for the MOE pre-test.

Governor's 2024-25 Budget Proposal

The governor released his 2024-25 Budget Proposal in January. There were only a few items affecting special education funding. The most impactful of these is the very small statutory COLA adjustment of 0.76% for LCFF and for state AB602 funds. This small COLA will likely create some cost pressures for LEAs. The trailer bills have not yet been released as of this writing; there may be additional information forthcoming.

Low Incidence Guidelines Updated

The guidelines concerning Low Incidence reimbursement have been updated. The revised guidelines can be found here: <https://charterselpa.org/wp-content/uploads/2024/02/Low-Incidence-Guidelines-2023-24.pdf>

2023-24 Low Incidence Funding

A substantial pool of Low Incidence funds is available, and the Low Incidence Reimbursement Request is now open in the Fiscal Portal. We encourage LEAs to enter requests for materials and services as soon as possible. **The final day to submit requests will be May 1, 2024**, with actual expenditures due in July 2024.

The following lists the criteria for receiving 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 request must meet a minimum threshold of \$600.
- The materials and/or services acquired through Low Incidence funding must be:
 - Required for the student to meet their Individualized Education Plan (IEP) goals and objectives;
 - Required for the student to access general education; and
 - Specialized as it relates to a need or the needs of the low incidence disability indicated in a comprehensive evaluation completed by staff or a provider who is credentialed/knowledgeable of the low incidence disability area(s).

Reminder: Grant Award Notifications

Federal mental health funds (RS3327) will be issued directly to the LEAs. CDE anticipates that the Grant Award Notices (GANs) will be mailed in February or March. These will be paper notices sent to the superintendent or the highest-level administrator for each LEA that CDE has in their database. There are many important elements involved in receiving

these funds.

- The GAN letter **must be signed and returned** to CDE within a short time frame, to indicate that the LEA accepts the restrictions placed on the funds. If you do not sign and return the notice, you cannot access the funds for the current year.
- Federal funds are issued on a reimbursement basis. To receive the funds, you **must complete federal expenditure reports** indicating that you have spent monies within the restrictions. The expenditure reports have a strict naming rubric and timeline for submission.
- These Federal funds, which are issued under the Individuals with Disabilities Education Act (IDEA), are **restricted** to expenditures “for pupils with mental health-related services required by their individualized education program.”
- We strongly **recommend** that you spend the funds in the year in which they were granted, if possible. The federal grant spending period is 27 months, which can make tracking and reporting expenditures challenging when you are issued a new grant every 12 months.
- All LEAs receiving federal funding **must meet the Maintenance of Effort requirements**.

Reminder: Audit Report Due

Charter schools that operated in 2022-23, regardless of SELPA membership, are required to provide a copy of the 2022-23 independent audit report to the SELPA unless your LEA has formally notified the SELPA of an approved delay.

Links: [private upload link](#)
[public upload link](#)

Important Upcoming Dates

2/12/2024	SELPA offices closed in observance of President Lincoln's Birthday
2/19/2024	SELPA offices closed in observance of Presidents' Day
3/1/2024	P-1 Certification delays February State payments to March 1, 2024
3/4/2024	Updated funding details and cash flows posted to https://charterselpa.org/fiscal/
3/4/2024	MOE Pre-Test available in the Fiscal Portal
3/22/2024	MOE Pre-Test due
5/3/2024	Year-End Fiscal Workshop (10 AM-12 PM)