



# FISCAL UPDATE

March 2024

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### P-1 Certification

CDE has certified the 2023-24 First Principal Apportionment (P-1). February state cash disbursements have been released. These disbursements included the first state cash for LEAs new to the SELPA this year, calculated on P-1 ADA. The updated Funding Details and Cash Flow document is posted on the [business page](#).

### Resource 3327 Grant Award Notifications

Federal mental health funds (RS3327) will be issued directly to the LEAs. From School Services of California (SSC), we have the following information concerning these notices:

CDE is still working on a variety of items to ensure the field is supported when they receive the RES 3327 - Federal Mental Health GANs. They are working on a Padlet to provide a one-stop shop for all needed forms, instructions, reporting documents, etc. They are also considering issuing a completely separate expenditure report for RES 3327, which would include indirect costs for simplicity.

None of these supplemental and supporting resources are yet ready for release to the field.

In the interim, **you should be tracking services provided to students with IEPs that will be coded to RES 3327**. Once those GANs do arrive, many of you will have the opportunity to complete a first expenditure report, and you should be ready to claim any of the funds used for reimbursement of expenditures already made providing mental health services to your students with IEPs.

The Grant Award Notices (GANs) 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**.

## Maintenance of Effort (MOE) Pre-Test

The Year-End/MOE Pre-Test will be available through the Fiscal Portal on March 6 and is due to the SELPA on March 22. 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 to offer support where warranted. The pre-test also allows evaluation of federal MOE testing before the window to make adjustments passes.

Important tips/reminders/changes from the prior year:

- The expenditures that you will enter into the MOE Pre-Test template should be your expected **FULL-YEAR** spending.
- For the pre-test, the SELPA is requesting only the current year (“Actual-Actual”). At year-end, we will require both Actual-Actual and Actual-Budget.
- The template will request you to enter your grant award amount for RS3327 (Federal mental health), and spending for that source of funds. Please enter full-year revenues (the entire amount of the Grant Award) and full-year expenditures. As the SELPA will be submitting your year-end MOE report on your behalf, we need to ensure that we capture your use of these funds.
  - If the Grant Award Notice for RS3327 is not received in time for you to include the revenue and expenditures in the MOE Pre-Test, you have two options:

1. **Use an estimate of the revenue** you will receive. In prior years, the rate for these funds was about \$11/ADA. This will permit you to include your estimated expenditures for this resource.
  2. **Do not include either revenue or expenditures** for RS3327 in your MOE pre-test. *Including either revenue or expenditures but not both will skew the results of the Maintenance of Effort tests.*
- Similar to RS3327, you will also record your full-year allocation and expenditures for RS6546 (State Mental Health funding). This category can be a source of local contribution to meeting your Maintenance of Effort. These funds you have been receiving directly from the CDE since the beginning of the school year, along with your principal apportionment.

### 2023-24 State & Federal Budget Advice

- 2023-24 State Rate = \$887.40 per the higher of each charter's 2021-22, 2022-23, or 2023-24 P-1 ADA (before admin fee & set aside for new charters).
- 2023-24 Federal Rate = \$160.29 per 2022-23 Enrollment/Fall 1 (before admin fee).

### 2024-25 Master Contract / ISA

The Master Contract/ISA (MS Word) and the Excel version of the ISA for 2024-25 are now posted on the [business page](#) in both the Business Office Resources and ERMHS Resources sections.

### Important Upcoming Dates

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 <a href="https://charterselpa.org/fiscal/">https://charterselpa.org/fiscal/</a>
3/6/2024	MOE Pre-Test available in the Fiscal Portal
3/22/2024	MOE Pre-Test due
4/17/2024	Expenditure Reports due (Federal #2, NPS/RTC #3)
4/17/2024	ADA/Enrollment Report #3 due
5/1/2024	Low Incidence Reimbursement Requests due
5/3/2024	Year-End Fiscal Workshop (Online, 10 AM-12 PM)