

San Benito County SELPA

Special Education Local Plan Area Funding Allocation Plan



Approved on June 20, 2024
Allocation Plan Committee

Governing Council,
Special Education Committee
Business Advisory Committee

Descriptions of Governance Groups

The Governing Council is the governing body for the SELPA comprised of all the Superintendents in the SELPA itself. The role of the Governing Council in the development of the Local Plan is to review input and recommendations from the Special Education Committee (SEC), Business Advisory Committee (BAC), and Community Advisory Committee (CAC), for final approval and final submission to the California Department of Education.

The Special Education Committee (SEC) membership includes the Special Education Administrator of each Local Education Agency (LEA) and the Small Rural School Consortium represented by the SBCOE Special Education Administrator. The role of SEC in the development of the Local Plan is to review agreements and make recommendations based on committee discussions and input provided by the CAC.

The Business Advisory Committee (BAC) membership is comprised of Special Education Administrators and as well as Chief Business Officials (CBOs) representing their respective LEAs. The role of BAC in the development of the Local Plan is to review the SELPA Allocation Plan, and if necessary, recommend revisions to the SELPA Governing Council. Annually, BAC reviews staffing ratios related to the fee-for-service model and the bill-back agreement. All district business offices shall follow SELPA approved procedures for reporting special education income and expenditures for each of the types of programs or services provided within the SELPA.

The Community Advisory Committee (CAC) membership includes special education and general education parents, special education teachers, support staff and administrators. The role of CAC in the development of the Local Plan is to provide a forum for members of the public, including parents or guardians of individuals with exceptional needs who are receiving services under the plan to address questions or concerns, review drafts, make recommendations to the SEC, and review the final plan before submission.

Historical Information

The current special education funding structure, commonly referred to as Assembly Bill (AB) 602 (AB 602 was the legislation that passed the funding formula) replaces an 18-year-old formula. The old funding model was referred to as the J-50 funding model and was based upon unit rates and support ratios. This model encouraged identification of Students with Disabilities (SWDs); essentially, the more SWDs receiving special education services the more the local educational agency (LEA) would receive in state funding. The authors of AB 602 had an interest in eliminating this incentive as well creating a less complicated funding model. AB 602 was introduced and signed into law in 1997 and took effect for the 1998-99 school year.

Under AB 602, funding is based on average daily attendance (ADA), not the number of students being served in special education. AB 602 assumes that the percentage of SWDs shall be similar across all LEAs. To convert to the new formula, the state aggregated most of the special education

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funding and then divided by the 1997-98 ADA for each Special Education Local Plan Area (SELPA). With exception of mental health funding, funding is allocated through the SELPA rather than directly to the districts.

In the adoption of the new funding formula, there was a movement to provide equity among all SELPAs. The equity process became known as implementation Phases. Attempts at equity are now known as the following four phases:

- Phase I - Low-funded LEAs received equity funding in 1997-1998
- Phase II - The conversion to the per-ADA model became known as Phase II
- Phase III - Further funding to SELPAs with below average funding per ADA
- Phase IIIA - Additional funding for high-need SELPAs (considered a level up)

SELPA funding ranges from approximately \$478 per ADA up to \$925 per ADA. As of 2014-15, most SELPAs were in the midrange with the statewide target average of \$532. The San Benito SELPA funding rate as of 2014-15 was \$510, indicating that the SELPA ~~is~~ was funded below the statewide average. Programs that were excluded from the AB 602 calculation continue to be funded outside of the formula. Additionally, increases in state funding for the cost-of-living adjustment and/or growth are only applied to the state funds in the formula.

Equity in special education funding cannot be achieved as each SELPA and each participating member of the SELPA shall have unique needs and the state cannot predict those needs. In addressing those unique needs, each SELPA is required to develop a funding allocation plan for distributing the funding received for the special education related needs of the SELPA and its member districts.

The San Benito SELPA has experienced a number of changes since it was formed in 1977, however, the funding allocation plan had not been updated since the implementation of AB 602. Since implementation of AB 602, the SELPA has been funded “off-the-top” of the allocation with the remaining dollars being allocated to the member districts on an ADA basis with the exception of the rural schools.

- The rural school’s allocation was distributed to the County Office of Education (COE) who managed the rural school’s account. Regionalized programs provided by member districts were billed based on excess cost guidelines and memorandums of understanding between the member districts and the regionalized program provider. This methodology has resulted in a high degree of complexity and uncertainty in billing.
- In August 2015, the SELPA appointed a SELPA Funding Allocation Plan Committee to develop a new funding allocation plan. The committee was comprised of each LEA’s director of special education and chief business official.
- Per agreement, the plan was reviewed in March of 2018 and revisions were presented to the Governing Council. In May of 2018, the plan was amended and approved to reflect the

inclusion of the Medical Therapy Unit (MTU) as well as funding recommendations for Educationally Related Mental Health Services (ERMHS).

- On May 19, 2016, the allocation model was adopted by the Governing Council and allocates all funds pursuant to applicable state and federal regulations. In addition, districts and the COE acknowledge the obligation to maintain the level of General Fund contribution towards the provision of special education services at a level equal to or greater than the prior year, noting the limited exceptions to maintenance of effort provided for in state and federal law.

Allocation of State and Federal Funds

State AB 602 and Federal Local Assistance Grant funds are distributed on an a per-ADA basis based upon prior year second principal apportionment attendance as certified by the state, after the following “off-the-top” expenditures have been funded: Low Incidence Programs, Medical Therapy Unit, Extraordinary Cost Pool, and SELPA Reserve.

SELPA, Low Incidence Programs, and staff are funded “off-the-top”. No later than January’s Governing Council meeting of each year, the SELPA Director shall present to the Governing Council any proposed changes to SELPA staffing for the succeeding year. Similarly, the SBCOE Special Education Administrator shall present any proposed changes pertaining to Low Incidence staffing. The Governing Council shall take action on staffing no later than March 1st of each year.

SELPA Staff

The SELPA is staffed as follows:

- 1.0 full-time equivalent (FTE) SELPA Director
- 1.0 FTE Program Specialist
- .60 FTE Clerical Support
- .50 FTE Data Systems Specialist
- 1.0 FTE Mental Health Provider for ASJUSD, NCJUSD, Small Rural School Districts

Low Incidence Programs/Equipment

The Low Incidence Programs are staffed as follows:

- 1.0 full-time equivalent (FTE) Visually Impaired Teacher
- 1.0 FTE Orientation Mobility Teacher
- 2.0 FTE Teacher of the Hard of Hearing
- 1.0 FTE Orthopedically Impaired Teacher
- Consultants – as agreed upon (i.e. Educational Audiologist)

Low-incidence equipment funds are allocated pursuant to applicable state and federal laws. Low-incidence funds are allocated based on need and LEA approval and subsequent approval by the SELPA. Requests exceeding available funding, are granted on a prorated basis to the maximum extent possible.

Medical Therapy Unit

The Governing Council shall designate an LEA to coordinate the facilities and budget for the Medical Therapy Unit (MTU); the actual costs of operation including supplies and equipment shall be funded “off-the-top” and rolled into the SELPA annual operating budget in order to reimburse the operating LEA. Funds allocated shall not exceed \$30,000 without further approval from the Governing Council. At the end of each fiscal year, any unused funds remaining in the budget shall be redistributed to all districts.

Extraordinary Cost Pool

The Extraordinary Cost Pool (ECP) is funded at \$250,000 and available by application. Fund balance is utilized to defray significant costs a district may encounter in providing a Free and Appropriate Public Education FAPE to students with special needs requiring specialized placement and services.

Applications are due no later than March 31st of each year to the SELPA and shall include current costs plus estimated cost through the end of the fiscal year. Based on criteria, the applications shall be reviewed by the Special Education Committee and recommendations shall be made to the Governing Council to make the final decision to fund and apply the agreed upon reimbursement methodology.

Mental Health Services

Mental Health Services – Education Code Section 56836.07

Federal law requires that students with disabilities (SWDs) are to be provided with mental health services if required. Federal and state funding is allocated to support such services, including Medi-Cal reimbursements for eligible students.

Delivery of services and provider caseloads are analyzed by the SELPA in conjunction with the SEC to ensure adequate funding on an ongoing basis. Funding shall be revisited based on LEA agreements and caseloads. Agreements shall be reviewed by BAC for final approval by the Governing Council.

Unless otherwise agreed upon, students placed by the San Benito County Probation Department in Pinnacles Community School shall be served by the San Benito County Office of Education assigned mental health provider.

Due to the depletion of funds in the 2023-24 school year and no agreed upon mechanism to replenish such funds, all LEAs agreed to eliminate the ERMHS ECP and seek other funding sources to defray costs associated with treatment for students with emotional disabilities.

Out of Home Care

The SELPA maintains an Out of Home Care fund balance of \$250,000. Fund balance is utilized to defray significant costs a district may encounter in providing FAPE to students with special needs requiring out of home care including, but not limited to, residential treatment including room and board, and transportation to and from out of home placements.

Fee for Service Agreement

Members of the SELPA provide the following regionalized programs in accordance with the Local Plan:

- Hollister School District (K-8) (see appendix D)
 - Mild-Moderate Self-Contained Classes (*available to small districts with 500 ADA or less*)
 - Moderate-Severe Self-Contained Classes
 - Social-Emotional Self-Contained Classes
- San Benito High School District
 - Mild-Moderate Self-Contained Classes (*available to small districts with 500 ADA or less*)
 - Moderate-Severe Self-Contained Classes
 - Postsecondary Moderate-Severe Self-Contained Classes
 - Social-Emotional Self-Contained Classes
- San Benito COE
 - Early Start
 - Preschool
 - San Andreas Continuation High School
 - Santa Ana Opportunity
 - Pinnacles Community Day School
 - Pinnacles Court School
 - Itinerant Resource Specialist, Occupational Therapy, School Psychology services to Rural School Districts

District program operators shall retain any general education average daily attendance (ADA) funding they receive for non-district SWDs enrolled in these regionalized programs. District-to-district fees for service including Extended School Year (ESY) as determined by IEP team, shall be based upon program costs according to the staffing ratio formulas which include annual average estimated staffing costs. An indirect cost rate shall be consistently applied to all billings based upon the indirect cost rate of all program operators. According to the extraordinary cost memorandum of understanding, additional adult assistants or other personnel required above the base program shall be billed at 100% of total costs to be executed on an annual basis on or before May 1st. Any short-term special education staffing costs above the base program shall be billed on a prorated basis. Short-term staff are defined as staff that are employed for less than 60 school days. At such time, the short-term position exceeds 60 days, and the need is expected to be ongoing, the program operator shall report the need for additional staffing to the BAC and Governing Council.

Program operators shall bill 50% of district costs no later than January 31st based on the December 1 pupil count with the remaining bill being sent at year end based upon the average count (enrollment) no later than July 31st.

Regional Program operators may propose changes to staffing and staffing ratios for review by the BAC as needed. Final fees and/or billbacks based on accurate costs for programs and services shall be reported on or before October 31st of each year.

The COE shall directly bill the rural school districts for itinerant services on a pro-rata basis.

SELPA Allocation Plan Review

The SELPA SEC and BAC, in conjunction with input from CAC, shall review the SELPA allocation plan every 3 years. No later than May 31st, the SELPA director shall present to the Governing Council any proposed changes to the allocation plan for the succeeding 3 years. Following approval timelines, the Governing Council shall take action to amend on or before June 30th of each year.