

POLICY 8

**FUNDING ALLOCATION PLAN
FOR SPECIAL EDUCATION**

Adopted by Superintendents' Council, 2/7/00
Revised 3/6/00, 4/3/00, 5/1/00, 10/2/00, 5/14/01, 6/3/02, 2/3/03, 6/2/03, 3/7/05, 1/8/07,
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SONOMA COUNTY SELPA

FUNDING ALLOCATION PLAN FOR SPECIAL EDUCATION (EFFECTIVE 2000-2001)

Background

AB 602, the Poochigian and Davis Special Education Reform Act, was signed by the Governor on October 10, 1997 and went into effect on July 1, 1998. The statute repealed the method of computing special education apportionments by allocation of Instructional Personnel Service Units (IPSU) based on special education pupil count, and established a new system of funding special education services as an allocation per pupil in regular average daily attendance (ADA).

The intent of the legislation was to ensure greater equity in funding among SELPAs, avoid unnecessary complexity, require fiscal and program accountability, and avoid financial incentives to inappropriately place pupils in special education.

AB 602 guaranteed to each SELPA for the 1998-1999 fiscal year, at a minimum, an amount equal to that received in the 1997-1998 fiscal year. Commencing with the 1999-2000 fiscal year and thereafter, the amount of funding computed for each SELPA would be subject to adjustment for changes in ADA.

The Sonoma County SELPA Finance Committee was charged by the Superintendents' Council to develop a new special education funding allocation plan and the committee began its deliberations in November of 1997. Due to the uncertainty over the implementation of AB 602 at the State level, the Superintendents' Council, along with almost all SELPAs in the state, decided to implement a "hold harmless" model for the 1998-1999 fiscal year. This model guaranteed, at a minimum, the same level of funding to each LEA as received in the prior fiscal year, with an exception for those LEAs eligible for capture of dollars under the existing SELPA IPSU allocation policy.

As a result of the complexity in allocating funding to 40 school districts and the County Office of Education in a fair and equitable manner, the Superintendents' Council decided to extend the "hold harmless" transitional model through the 1999-2000 fiscal year while the Finance Committee attempted to develop a permanent funding allocation plan.

The proposed Special Education Funding Allocation Plan, if adopted by the Superintendents' Council, will be in effect beginning with the 2000-2001 fiscal year.

Distribution of Funds from the State to the SELPA

All special education funds flow from the State directly to the SELPA Administrative Unit, which is the Sonoma County Office of Education. The SELPA Administration will, in turn,

allocate the funds to SELPA member LEAs according to this SELPA Funding Allocation Plan.

The funds received from the State are based on a dollar amount per SELPA-wide Average Daily Attendance (ADA). For example, in 1998-1999 the dollar amount per ADA for the Sonoma County SELPA was \$522.86. The total AB 602 dollars received from the State for 1998-1999 was \$34,832,404.

Eligibility Criteria to Receive Special Education Funds

In order to receive special education funds under the new funding allocation plan, a Local Education Agency must provide assurances and documentation that it:

- ◆ Will comply with all requirements of the SELPA Local Plan
- ◆ Serves special education students in accordance with their Individualized Education Programs (IEP)
- ◆ Provides direct instruction for a prescribed amount of time to special education students with credentialed special education staff and/or certified Non Public Agency (NPA) personnel

Distribution of Funds from the SELPA to Districts

The distribution of funds from the SELPA to districts occurs according to the following steps:

Step 1 SELPA-wide Revenues

The SELPA-wide revenues are initially reduced by the dollar amounts for the following programs. The remaining dollars are distributed to districts as non-SH revenues.

- DHOH/VI Itinerant Program
- Districts Exempt from the 50% ADA and 50% Pupil Count Model
- Isolated School District Allocation
- District NPS Pool Dollars
- District NPA Pool Dollars
- Adaptive Technology Center Allocation
- Federal Grant for Juvenile Court Schools
- Behavior Specialists Program
- LCI Students Attending SCOE 6-22 and SELPA Preschool Programs
- SCOE NPS/LCI .50 FTE Position
- CCS Facilities and Equipment
- Translation Services for DHH Students
- LCI Transportation Excess Costs
- Santa Rosa DHH Program

- Independent Advocate Program

To establish the first year funding rates, the following program dollars are reduced from the SELPA-wide revenues:

- SCOE 6-22 Program Dollars
- SELPA Preschool Program Dollars
- District Operated SH Program Dollars
- District Extended School Year (ESY) Dollars

Step 2 AB 602 Revenues

Districts receive the following AB 602 revenues, as applicable:

- District Non-SH Program Dollars
- SH Program Dollars (SCOE, SELPA Preschool and District SH Students)
- Extended School Year (ESY) Dollars
- Non Public School (NPS) Pool Dollars
- Non Public Agency (NPA) Pool Dollars

District Non-SH Program Dollars

The distribution of non-SH dollars is based on a 50% ADA and 50% pupil count model. Districts will receive a dollar amount per ADA (estimated at \$140.34 for 2000-2001), adjusted by the net special education COLA, based on their current year P-2 ADA count. They will receive a dollar amount per non-SH student (estimated at \$1,258.39 for 2000-2001), adjusted by the net special education COLA, based on their current year April pupil count.

SH Program/Full Inclusion Dollars

Districts will receive a dollar amount per SH student (estimated at \$13,437.87 for 2000-2001), adjusted by the net special education COLA, based on their current year April pupil count. The count of Full Inclusion students will be taken on October 1, February 1, and April 1 of the current year.

Non Public School (NPS) Pool Dollars

The dollars reimbursed to the district from the NPS pool are included as a source of revenue.

All language contained in the transitional funding allocation plan, adopted by the Superintendents' Council on May 3, 1999 regarding the NPS pool method and eligibility for reimbursement, will continue as appropriate until revised.

Non Public Agency (NPA) Pool Dollars

The dollars reimbursed to the district from the NPA pool are included as a source of revenue.

All language contained in the transitional funding allocation plan, adopted by the Superintendents' Council on May 3, 1999, regarding the NPA pool, method and eligibility for reimbursement will continue as appropriate until revised.

Step 3 Non-AB 602 Revenues

Districts receive the following non-AB 602 dollars, as applicable:

- District Local Assistance Federal Grant
- SCOE Local Assistance Federal Grant
- SCOE Special Education Property Tax Dollars
- SCOE Special Day Class (SDC) Revenue Limit Dollars
- District Special Day Class (SDC) Revenue Limit Dollars
- Non Public School Revenue Limit Dollars

District Local Assistance Federal Grant

The Local Assistance Grant dollars are distributed to districts based on their prior year December 1 unduplicated pupil count.

SCOE Local Assistance Federal Grant

SCOE's Local Assistance Grant dollars are distributed to districts by the prior year December 1 unduplicated pupil count of their students enrolled in the program.

SCOE Special Education Property Tax Dollars

SCOE's special education property tax dollars are distributed to districts by the pupil count of their students enrolled in the program in the current year.

SCOE Special Day Class (SDC) Revenue Limit Dollars

SCOE's SDC revenue limit dollars are distributed to districts based on the district of residence's ADA of their students enrolled in the program in the current year and the district's revenue limit.

District Special Day Class (SDC) Revenue Limit Dollars

The district receives its SDC revenue limit dollars if it operated an SDC program.

NPS Revenue Limit Dollars

The district receives its NPS revenue limit dollars if it had students enrolled in an NPS.

Three Year Implementation Plan

The new funding allocation plan will be based on 2000-2001 fiscal data. It will be implemented beginning with the 2000-2001 fiscal year with a transition plan implemented over a 3-year period. First of all, a comparison of revenues between the current "hold harmless" transitional model based on 1999-2000 special education revenues to districts will be made to the new funding allocation plan as described above.

The transition plan will make a positive or negative adjustment to the difference between the revenues generated by the current "hold harmless" transitional model and the new funding allocation plan by one-third each year. The adjustment amount of one-third of the difference will remain constant over the 3-year period.

COLA and growth dollars for the three years are not included in the calculations for the comparison between the two models.

COLA Dollars

COLA percentage is first applied to the following:

- NPS Pool
- NPA Pool

The remaining COLA dollars are distributed to districts as part of the total revenues. The following rates will be adjusted by the COLA:

- Non-SH ADA Rate
- Non-SH Pupil Count Rate
- SH Pupil Count Rate
- Exempt School Districts Rate
- Isolated School Districts Rate

Growth Dollars

Growth dollars are included as part of the total revenues available for distribution to districts.

Districts Exempt from 50% ADA and 50% Pupil Count for Non-SH Due to Unique Circumstances

In order to maintain continuity of staffing and program and to provide a transition from the current funding allocation plan to the new, all districts which received the minimum guarantee of a .60 RSP unit under the previous IPSU Allocation Policy (Dunham, Liberty, Two Rock, Wilmar, Kenwood, Montgomery, Alexander Valley, West Side) will receive a minimum of \$50,000 funded "off the top" and adjusted by the net special education COLA. These districts may opt to receive their special education funds under the 50% ADA and 50% pupil count should an analysis confirm increased funding due to growth in enrollment.

The minimum guarantee amount includes the Local Assistance Federal Grant dollars. The above districts will not be included in the non-SH revenue distribution by ADA and pupil count by virtue of their receiving a minimum guarantee and their "off the top" status.

Isolated School Districts

Fort Ross and Horicon school districts, by virtue of their geographic isolation, will receive an allocation of \$71,012 funded "off the top" and adjusted by the net special education COLA to serve all their special education students per existing SELPA policy. The above districts will not be included in the non-SH revenue distribution by 50% ADA and 50% pupil count by virtue of their receiving a guaranteed allocation and their "off the top" status. The isolated guaranteed amount includes the Local Assistance Federal Grant dollars.

Court and Community School Program

The SCOE Court and Community School Program will be funded as a district and will receive revenues in the same manner as other districts in the 50% ADA and 50% pupil count model. The program will be responsible for the provision of special education programs and services to all eligible students in the same manner as all districts. The program will also receive the Federal Grant for Juvenile Court Schools' dollars funded "off the top."

Adaptive Technology Center (ATC)

The Adaptive Technology Center will be funded "off the top" based on a budget that is developed and reviewed annually.

Distribution of Non Intensive Preschool Program Dollars

For districts and/or consortiums operating a Non Intensive Preschool Program, the grant amount shall be divided by the current year December 1 nonintensive preschool pupil count, yielding a per pupil amount.

Projections of revenues shall be made on the current year grant amounts with an adjustment in the subsequent year as the actual grant amounts become known.

Distribution of SH Funding for Transitional Kindergarten Classes in the Event of Program Transfers

In the event of a program transfer of SCOE's transitional kindergarten classes, the district shall receive the SH funding associated with the classes.

Special Education Ending Balances for LEAs

The special education funding for any LEA may not exceed its ongoing special education expenditures.

Finance Committee Membership
1999-2000

Superintendents

Rick Brewer	Windsor
Rod Buchignani	Piner-Olivet
Jan Heffron	Cotati-Rohnert Park
Jane McDonough	Harmony
Michael McEvoy	Alexander Valley

District Business Managers

Steve Bolman	Petaluma
Gloria Eelkema	Sonoma Valley
Ann Huber	Cotati-Rohnert Park
Denise Whitaker	Santa Rosa City Schools
Suzanne White	Sebastopol

District Special Education Directors

Diane Ashton	West Sonoma County Consortium
Richard Jones	Healdsburg
Gerry Klor	Petaluma
Barbara Scott	Santa Rosa City Schools

SCOE

Gary Moe
J.R. Perkiss*
Barbara Tatman

SELPA

Betty Beavers*
Deborah Malone-Larson
John Namkung

Community Advisory Committee

Jeanne Bowman

*Non-voting member