

**POLICY 3100.70**  
**METHOD OF DISTRIBUTION OF FUNDS**

**YOLO COUNTY SPECIAL EDUCATION**  
**LOCAL PLAN AREA (SELPA)**

**AB 602 ALLOCATION PLAN**

**A. ALLOCATION METHODOLOGY**

1. For the purposes of this section, revenue is defined to be those funds received by the SELPA Administrative Unit (AU), including: state aide, special education property taxes, and the federal Individuals with Disabilities Education Act (IDEA) Basic Local Assistance grant. This is intended to encompass all AB 602 base plus ongoing equalization, (Cost of Living Adjustment (COLA), growth and Special Disability Adjustment funding, excluding AB 602 program funds and low incidence funds. For the purposes of this section, this will be referred to as the AB 602 apportionment.

2. The SELPA AU is the designated recipient of the AB 602 apportionment on behalf of the member Local Education Agencies (LEAs). All references to LEA(s) shall include any member LEA charter school(s). The AB 602 Allocation Plan does not apply to non-LEA charter schools which are considered to be a school of the chartering LEA for purposes of special education.

3. In this section, revenue does not include specific grants allocated to the SELPA AU by the State of California, nor does it include federal grants, except the IDEA Basic Local Assistance grant allocated to the SELPA AU. Additionally, revenue does not include those funds allocated directly to a SELPA member by any agency including, but not limited to grants, Medi-Cal billings, revenue limits, and block grants.

4. For the 2018-2019 fiscal year, an implementation factor of 75% will be applied to the AB 602 Allocation Plan methodology. Full implementation of the AB 602 Allocation Plan methodology will begin in the 2019-2020 school year.

**B. OVERVIEW**

1. The Yolo County SELPA Joint Program Administrators' Committee/Chief Business Official (PAC/CBO) Advisory Committee has identified Regional Priority Allotment Programs and designated Yolo County Office of Education (YCOE) to operate said

programs. Regional Priority Allotment Programs will be funded with AB 602 apportionment off the top.

2. Esparto Unified School District and Winters Joint Unified School District annually will receive a small district supplement, up to \$300,000, which will be allocated based on prior year's P2 Average Daily Attendance (ADA). Small district supplement funds may be used for: residential placement expenditures; fee for service program expenditures; and/or legal fees. In a given year, if Winters or Esparto do not need the entire \$300,000 small district supplement, unallocated funds would be rolled into the Nonpublic School (NPS) Reimbursement Pool.

3. Esparto Unified School District and Winters Joint Unified School District annually will receive a Mental Health Small District Supplement of up to \$75,000 respectively. Annually, Winters and Esparto will demonstrate their need for the Mental Health Small District Supplement by submitting a year-end reconciliation in accordance with Section G of the Annual Review Process below.

4. The SELPA AU will retain 2.5% of the AB 602 apportionment to fund a certified NPS Reimbursement Pool. SELPA member LEAs will have the ability to request from the SELPA a partial reimbursement of their annual NPS costs with adherence to the following guidelines:

By July 31st, each LEA will submit to the SELPA an NPS reimbursement claim which details the NPS name and identification code, student name, and the total annual cost of the placement for the prior fiscal year.

An LEA may not request reimbursement for an NPS placement unless that placement was first approved by the SELPA. Each LEA's NPS cost claim will be reimbursed based on a proration factor determined by dividing the NPS Reimbursement Pool total value (revenue) by the total of the LEAs' cost claims for that fiscal year. These reimbursements will be paid to each LEA within 30 days of receiving all the cost claims. The NPS Reimbursement Pool will be funded with AB 602 apportionment off the top.

5. The SELPA AU will retain \$300,000 of the AB 602 apportionment to fund a Residential Cost Pool. SELPA member LEAs will have the ability to request from the SELPA AU a partial or full reimbursement (depending on total SELPA need) of their annual residential placement costs (i.e., room and board and mental health service expenses) associated with a LEA's new, first-time residential placement of a student on an Individualized Education Program (IEP). Residential Cost Pool funds will be allocated with adherence to the following guidelines:

- a. The IEP meeting placing a student in a residential educational setting must be held between July 1st and June 30th of the fiscal year the request is being submitted for.
- b. By July 31st, member LEA will submit to the SELPA AU a Residential Cost Pool reimbursement claim which details the name and identification code of the residential facility, student name, and the total annual cost of the placement for the prior fiscal year. Each LEA's Residential Cost Pool claim will be reimbursed based on a proration factor determined by dividing the Residential Cost Pool total value (revenue) by the total of the LEAs' cost claims for that fiscal year. These reimbursements will be paid to each LEA within 30 days of receiving all member LEA cost claims.

6. The Yolo SELPA will provide an equalization adjustment for SELPA member LEAs who underutilize the Regional Priority Allotment Equalization Programs (i.e., the infant program, special day classes for students who are severely disabled, and elementary special day classes for students who are deaf or hard of hearing (DHOH)).

Underutilization will be determined by comparing the percentage of students from each LEA participating in the Regional Priority Allotment Equalization Programs to each LEA's expected usage of these programs. Expected usage is the number of pupils who could be enrolled in Regional Priority Allotment Equalization Programs, which is determined by calculating the percentage of the district's ADA divided by the SELPA's total prior year P2 Average Daily Attendance (ADA). See exhibit A. For LEAs with a negative difference between their expected usage and actual enrollment in the Regional Priority Allotment Equalization Programs, the difference in the number of students will be multiplied by the average cost of the Regional Priority Allotment Equalization Programs. This product will be applied back to any LEA underutilizing the Regional Priority Allotment Equalization Programs. The equalization adjustment will be funded with AB 602 apportionment off the top.

7. The balance of the AB 602 apportionment not allocated as a Regional Priority Allotment or off the top allocation, as described above, shall be shared by all district member LEAs on a flat amount per prior year P2 ADA.

8. Annually, by August 31st, each LEA in the Yolo County SELPA shall provide to the SELPA an accounting of its prior year actual Special Education expenditures related only to those services mandated by a student's IEP. Any AB 602 revenues previously allocated to the LEA through the SELPA AB 602 Allocation Plan that are in excess of the documented Special Education IEP expenditures shall be returned to the SELPA for redistribution to the other LEAs whose documented Special Education IEP expenditures

are in excess of their AB 602 revenues. The excess AB 602 revenue will be allocated back on a per ADA basis to those LEAs that demonstrate excess Special Education costs.

### **C. YOLO COUNTY SELPA PROGRAMS**

1. The Regional Priority Allotment Programs, operated by YCOE, include the following programs and services as identified by the Yolo County SELPA Joint PAC/CBO Advisory Committee:

- Special Day Classes for Students who have Severe Disabilities
- Elementary Special Day Classes for Students who are Deaf or Hard of Hearing (DHOH)
- Low Incidence (DHOH, Visually Impaired (VI)/ Orientation and Mobility (O&M)) Itinerant Services
- Assistive Technology/Orthopedically Impaired Itinerant Services
- Dan Jacobs/Juvenile Hall/Alternative Education Resource Specialist Provider (RSP) Itinerant Teacher
- Adapted P.E. Itinerant Services

2. Infant Services will continue to be funded through the J-50 unit allocation model with YCOE as the mandated operator. Excess costs will be paid using the AB 602 apportionment off the top.

3. The Yolo County Office of Education, as program operator for the Regional Priority Allotment Programs, may make mid-year budget adjustments to meet student needs as long as budget adjustments cumulatively over the course of the year do not exceed the amount in the Yolo County SELPA's 5% program reserve. The Yolo County Office of Education will bring forward mid-year budget adjustments, which do not exceed the Yolo County SELPA's 5% program reserve, to the Yolo County SELPA Joint PAC/CBO Advisory Committee as an information item. Then, an adjusted estimate will be presented to the Yolo County SELPA Joint PAC/CBO Advisory Committee annually at 2nd interim. Mid-year budget adjustments, in excess of the Yolo County SELPA's 5% program reserve, will to be brought to the Yolo County SELPA Joint PAC/CBO Advisory Committee and then to the Superintendents' Council for consideration.

4. Additional services, that are IEP driven (i.e., sign language interpreters, 1:1 para professionals, 1:1 licensed vocational nurses, home instruction, related mental health services), outside of the Regional Priority Allotment Programs will be provided and paid for off-the-top.

5. Changes in services resulting from State/Federal mandates will be reviewed by the Joint PAC/CBO Advisory Committee for recommendation to the Superintendents' Council.

6. Annual Reviews

- a. The Yolo County SELPA Joint PAC/CBO Advisory Committee shall review the AB 602 Allocation Plan and formula at least annually and make recommendations to the SELPA Superintendents' Council as appropriate.
- b. YCOE shall make available to the SELPA Superintendents' Council its prior year unaudited actual expenditures for the operation of Regional Priority Allotment Programs no later than April of each year.

**D. FEE FOR SERVICE NOTATION**

In addition to the Regional Priority Allotment Programs, the Yolo County SELPA Joint PAC/CBO Advisory Committee has identified additional regional programs and designated YCOE to operate said programs. These programs will operate on a fee for service model. The Yolo County SELPA Joint PAC/CBO Advisory Committee determined the regional programs not included in the Regional Priority Allotment Programs currently designated to be operated by YCOE are:

- Horizon
- Adult Living Skills (Davis)
- Autism K-12

Additional services, that are IEP driven (i.e. sign language interpreters: 1:1 para professionals, 1;1 licensed vocation nurses, home instruction, related mental health services), will be provided by YCOE and paid for by the student's district of residence.

**E. PROGRAM RESERVE**

- Maintain a 5% reserve.
- Unexpended annual funds, which have been allocated through SELPA apportionment revenue to YCOE AB 602 allocation, shall be first allocated to a YCOE reserve account not to exceed 5% of current year YCOE programs' total expenditures.
- This reserve shall be reimbursed annually, as needed, at the start of the fiscal year and maintained by YCOE to guard against unforeseeable circumstances.

**F. PROGRAM SPECIALIST/ REGIONALIZED SERVICES FUNDING**

Beginning with the 2013-14 fiscal year, the Program Specialist/Regionalized Services (PS/RS) funding has been rolled into the Special Education AB 602 funding base, per legislative action.

The SELPA will fund the SELPA AU based on the SELPA AU's actual budget, up to 5% of the AB 602 apportionment, for operating expenses.

Additionally, the Yolo County SELPA Personnel Development Grant allocation of \$13,220, which has also been rolled into the Special Education AB 602 based on legislative action, shall continue to be allocated to the SELPA.

Reference: EC §56205-56208

## **G. ANNUAL REVIEW PROCESS**

1. Esparto Unified School District and Winters Joint Unified School District shall submit a year-end reconciliation for cumulative year-to-date mental health expenditures by Object Code, Object Title, Goal, and Function to the SELPA AU by July 31st (Exhibit C). LEAs must provide documentation of expenditures (i.e., paid invoices, payroll documents, etc.). The SELPA AU will verify that the mental health funds expended were used for qualifying purposes. Qualifying purposes are defined with adherence to the following guidelines:

a. To provide related mental health related services to students on IEPs, including out-of-home residential services, pursuant to federal law and as described in Education Code Section 56363. The SELPA AU will verify related mental health services using member LEA's Mental Health Service Reports generated in the Special Education Information System (SEIS).

b. For mental health expenses outlined in the California Department of Education (CDE) guidance letter regarding Assembly Bill 114: Use of Mental Health Funds in the Budget Act of 2011-12 from Fred Balcom dated January 5, 2012 (Exhibit A).

3. If the SELPA AU determines any mental health related expenditures requests were made for non-qualifying purposes, the LEA will not be reimbursed for those expenditures and those funds will be allocated to LEAs with additional qualifying expenses based on prior year's P2 ADA.

Superintendents' Council

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