



Glenn County Office of Education

SELPA Review

January 31, 2008

Joel D. Montero
Chief Executive Officer



January 31, 2008

Arturo Barrera, Superintendent
Glenn County Office of Education
311 South Villa Avenue
Willows, CA 95988

Dear Superintendent Barrera:

In October 2007, the Glenn County Office of Education entered into an agreement with the Fiscal Crisis and Management Assistance Team (FCMAT) for a study that would perform the following:

1. Conduct a review of the Glenn County SELPA special education programs and provide recommendations for improvements in the following areas:

Fiscal review
Program position control
Program analysis
Duplication of services

FCMAT visited the county office October 17-19, 2007 to conduct fieldwork, interview staff, and review information. This report is the result of that effort.

We appreciate the opportunity to serve you, and please extend our gratitude to all the staff members of the Glenn County Office of Education.

Sincerely,

Joel D. Montero
Chief Executive Officer

FCMAT

Joel D. Montero, Chief Executive Officer

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Table of Contents

Forewordiii

Introduction I

Executive Summary 3

Findings and Recommendations 7

SELPA Fiscal Review..... 7

SELPA Role and Responsibility..... 27

Program Analysis..... 35

Duplication of Service..... 39

Position Control.....41

Appendices 43

Foreword

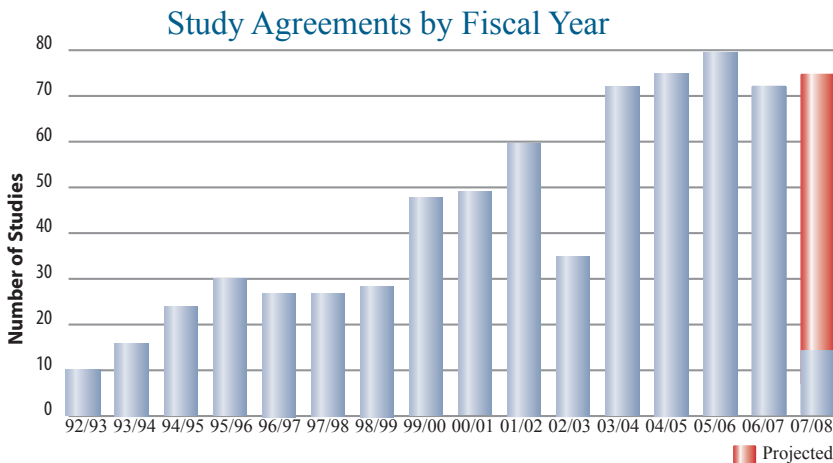
FCMAT Background

The Fiscal Crisis and Management Assistance Team (FCMAT) was created by legislation in accordance with Assembly Bill 1200 in 1992 as a service to assist local educational agencies in complying with fiscal accountability standards.

AB 1200 was established from a need to ensure that local educational agencies throughout California were adequately prepared to meet and sustain their financial obligations. AB 1200 is also a statewide plan for county offices of education and school districts to work together on a local level to improve fiscal procedures and accountability standards. The legislation expanded the role of the county office in monitoring school districts under certain fiscal constraints to ensure these districts could meet their financial commitments on a multiyear basis. AB 2756 provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans. These include comprehensive assessments in five major operational areas and periodic reports that identify the district’s progress on the improvement plans.

Since 1992, FCMAT has been engaged to perform more than 600 reviews for local educational agencies, including school districts, county offices of education, charter schools and community colleges. Services range from fiscal crisis intervention to management review and assistance. FCMAT also provides professional development training. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The agency is guided under the leadership of Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.

| | | |
|--|-----|---------|
| Total Number of Studies..... | | 667 |
| Total Number of Districts in CA 982 | | |
| ● Management Assistance..... | 631 | (94.6%) |
| ● Fiscal Crisis/Emergency..... | 36 | (5.4%) |
| Note: Some districts had multiple studies. | | |
| ● Districts (7) that have received emergency loans from the state. | | |
| (Rev. 10/10/07) | | |



Introduction

Background

Located in Northern California, the Glenn County Office of Education provides the county's districts with several administrative, community and educational services in areas that include business services, educational services, human resources and information technology.

The county office functions as the administrative unit of the Glenn County Special Education Local Plan Area (SELPA). The SELPA oversees and is responsible for ensuring that responsible districts or local educational agencies comply with laws and regulations related to the education of disabled students. Special education services are provided by the Orland Unified School District and the Glenn County Office of Education.

Like many of the small rural countywide SELPAs in California, the Glenn County SELPA historically depended on the county office to provide most, if not all special education programs and services in the county. When the funding model changed from a categorical allocation based on disability to the service-unit-based model initiated in 1980, some larger districts began providing services for students with nonsevere disabling conditions. However, since those districts had to use unit rates that were much lower than those of the county office, the responsibility for providing special education programs and services was returned to the county office. When the current AB602 funding model was initiated, Orland Unified was the only district providing special education services.

When the conversion from the former J-50 funding model to the current AB602 funding model was initiated in 1998-99, Orland Unified was funded at the same level or approximately the same level as before the conversion. The county office retained the balance of the funding and provided services for all other districts. This resulted in Orland Unified experiencing a large and increasing burden on its general fund to support the special education services it provided. Although the county office's pre-602 funding rates were considerably higher, it could still provide the special education services without requiring fiscal assistance from the school districts' general funds.

An outside consultant deemed this imbalance unfair to Orland Unified, and a five-year equalization program was initiated so that other districts could begin helping to fund the programs and services provided by the county office. At the same time, Orland Unified would be provided with relief from what was viewed as inequitable fiscal responsibility.

Because the equalization effort ended in 2006-07, the Glenn County SELPA seeks to identify an equitable distribution of the revenues and an equitable means of billing districts for the excess costs of providing special education services. The situation has been exacerbated by a state and federal funding mechanism that has not kept pace with the escalating costs of providing special education services.

In October 2008, the county office entered into an agreement requesting the Fiscal Crisis and Management Assistance team to perform the following:

- I. Conduct a review of the Glenn County SELPA Special Education programs and provide recommendations for improvements in the following areas:

- Fiscal review
- Program position control
- Program analysis
- Duplication of services

Study Team

The study team was composed of the following members:

William Gillaspie, Ed.D.
FCMAT Management Analyst
Sacramento, CA

James “Sarge” Kennedy
FCMAT Consultant
Red Bluff, CA

Leonel Martínez
FCMAT Public Information Specialist
Bakersfield, CA

JoAnn Murphy
FCMAT Consultant
Santee, CA

Dorothy Kay Atchison
FCMAT Consultant
Auburn, CA

Study Guidelines

FCMAT visited the county office October 17-19, 2007 to collect data, interview employees and collect information. This report is the result of that effort and is organized as follows:

- II. Executive Summary
- III. SELPA Fiscal Review
- IV. SELPA Role and Responsibility
- V. Program Analysis
- VI. Duplication of Service
- VII. Position Control

Executive Summary

To define a funding allocation model, Special Education Local Plan Areas (SELPA) must remember that they allocate funds to decrease the burden and not to fully fund the excess costs of providing special education programs and services. Local educational agencies have the primary responsibility for funding these programs and services. A fiscal model can also be viewed a way to apportion funds intended to *help pay* the excess cost of providing special education programs and services for students with disabilities to lessen the fiscal burden for school districts.

SELPA use fiscal models to distribute state aid and federal local assistance that helps members address the excess costs of providing special education services. Distribution should equitably relieve the fiscal burden of each member in providing a free appropriate public education (FAPE) to its students with disabilities, provide assistance in proportion to the cost of services, and ensure that each student in the SELPA has equal access to a FAPE. When considering revisions to the fiscal model, a SELPA should consider factors that prompt greater costs so they can ensure a more equitable distribution of state and federal funds.

Providing programs and services for students with other types of disabilities clearly costs more than providing these to students with other types. For example, a student with autism, deafness, or serious multiple disabilities will require more labor-intensive services. This results in greater personnel ratios and higher costs than, for example, students with speech disorders, who generally require less frequent and less intense therapeutic interventions that can often be provided in small groups rather than individually. As a result, excess costs are greater in the first instance unless they are mitigated by a funding model that provides for those differences.

The Orland Unified School District provides special education services to 223 of 272 students identified as having a nonsevere disability or only 81.99 percent based on state CASEMIS reports, Dec. 1, 2006. Therefore, it appears that the county office serves almost 20 percent of Orland Unified's nonsevere population, another factor that should be considered in developing a new funding allocation model.

Orland Unified's identification rate of students with severe disabilities is somewhat higher than the state, but the district's rate of students with nonsevere disabilities is almost 150 percent of the state rate, and the overall identification rate is approximately 3.5 percent higher. Although extenuating factors may be involved, it appears that Orland Unified overidentified its disabled students.

If these overidentified students are served by Orland Unified, the other SELPA members subsidize the overidentification by providing the district with a greater allocation than necessary to ensure an equitable distribution of resources. However, if Orland Unified overidentifies students, and the county office provides a number of them with services and programs, the other SELPA members twice subsidize the district. They do this by providing Orland Unified with an inequitable share of resources and paying the county for the excess costs of providing services.

It is not unusual for the county office's costs per student to be more than twice those of Orland Unified since the county office is the primary provider of services to students with low-incidence and other severe disabilities. When compared to the per-student cost of other similarly situated county offices of education, the Glenn County Office of Education's per-pupil cost is very low. Since neither entity showed any local contributions to the federal expenditures, comparative per-student costs suggest that Orland Unified may receive an inequitable proportion of those funds. It would not be meaningful to compare the two local general fund contribution (LGFC) rates since this information excludes the role that bill-backs to the districts play in these expenditures, and the \$1,205 per-student cost reflects only the county office. If data were available spreading the total local support for county office services to each participating district, it likely would be significantly higher than Orland Unified's, but that would raise questions of equity. Since Orland Unified has the county office provide services to a very significant proportion of its students with disabilities, particularly those with low-incidence and other severe disabilities, it should also make a considerable contribution to the county office services through bill-backs.

The Glenn County SELPA is countywide and includes all the districts in the county. The county office has served as the sole provider of services for all the districts except those from Orland Unified. It is the primary provider of services for Orland Unified students with severe disabilities. The five-year equalization plan gradually eroded the county office's ability to fund the cost of providing services, and bill-backs to the districts have consistently increased. As a result, there is growing interest in adopting a fee-for-service model. In this model, all or most of the available state, local special education property tax, and federal resources are allocated to the districts. This permits them to determine whether they could provide more cost-effective services to their students on their own or in association with one or more other districts. Alternatively, the districts could contract with the county office to provide the services based on an established fee.

Implementing bill-backs starts by making an allocation to the county office. A greater allocation covers a bigger share of the cost of providing programs and services and means less will be required through the bill-back process. A lower allocation increases the likelihood of very large bill-back charges. The Glenn County SELPA recently implemented a five-year plan to equalize the effects of special education funding on the local support required from the districts' general funds. One of the plan's effects has been to shift allocations from the county office to Orland Unified, leading to significant increases in the level of the bill-backs to the districts.

Although the current Glenn County Local Plan was revised in 2003, some sections require revision and clarification as well as additions. Since there is a new County Superintendent of Schools, a new SELPA Director and six new district superintendents, and all are members of the local plan area Governance Committee, it may be an appropriate time to update this document. It will be important to utilize the experience and expertise of the new SELPA administrators as well as other members who are familiar with critical aspects of the Glen County SELPA's history. The Glenn County SELPA is made up of nine school districts and the Glenn County Office of Education

Some superintendents are unclear on their role and responsibility as members of the Governance Committee. As a result, meetings are not well attended, and mistrust has developed that has affected the committee members. Committee agendas and minutes are reportedly sometimes inaccurate, which has contributed to the deteriorating relationship between members. Regular attendance at Governance Committee meetings is critical to ensure that all students who are entitled to services receive them.

There is no clear delineation between the role and responsibility of the SELPA and those of the county office's Special Education Services Department. This delineation of services is important to provide superintendents, special education administrators, principals, and Citizens Advisory Committee members with a better understanding of how and why services are delivered. Because Glenn County is small and rural, the state provides the SELPA with enhanced funding to ensure the necessary regional and program specialist services.

There is a perception that the county provides special education programs above the mandated level, and this contributes to the rise in excess costs for districts. FCMAT reviewed caseload distributions for all programs. Facility use throughout districts in the SELPA was also reviewed. The data used for this analysis was provided by the county office. Both mild/moderate and moderate/severe programs operate within the guidelines recommended by School Services of California. The recommended class size range for severely handicapped (SH) programs is eight to 10, and the average SH class size in the county office is nine. FCMAT found that programs are provided at the appropriate level, but not at regionally accessible locations, which could increase excess costs for transportation and travel time.

Another perception is that Orland Unified and the county office duplicate administrative services. The county office Director of Student Services also serves in the role of SELPA Director as described throughout the local plan and included in the job description. The Orland Unified Special Education Director appears to function more as a coordinator than a director. The individual in this position also serves as a District Psychologist and Program Specialist for the SELPA. The District Psychologist's duties are clearly delineated within general education parameters such as student study team coordination,

conducting assessments, Response to Intervention program development, language proficiency, behavioral supports, home/hospital services, Gifted and Talented Education and 504 referrals. The individual assigned to this position also does not possess an administrative credential, is not actively pursuing one, but plans to do so in the future.

The county office Director of Student Services also manages the staff, the evaluation of 67 county office certificated personnel, staff development, due process/mediation, nonpublic school placements and Beginning Teacher Support and Assistance (BTSA) programs. FCMAT found that there is no duplication of administrative duties between the county office Director of Student Services/SELPA Director and the Orland Director of Special Education. Despite the distinct differences in their job responsibilities, a professional and collaborative relationship exists between these two positions.

Findings and Recommendations

SELPA Fiscal Review

In January 1974, the California State Board of Education adopted the California Master Plan for Special Education. While much has changed over the last 34 years, the underlying purpose of the fiscal model remains essentially intact and provides excellent guidance. The objectives essential to the construction of an equitable finance plan for special education are as follows:

1. *Provide adequate resources to assure equality of educational opportunity for all individuals with exceptional needs.*
2. *Provide levels of support for special education programs which will promote programs and services of equal quality.*
3. Provide encouragement for the development of comprehensive programs.
4. Promote both program and fiscal accountability.
5. Clarify fiscal relationships between state, county, and district.
6. *Ensure equity in support levels among various program components.*
7. Provide adjustments in support levels to reflect changing costs.
8. Provide support based on needs of pupils enrolled in education-funding based on specified programs and services rather than on categorical disability groupings.
9. Ensure that reporting and auditing policies and procedures are meaningful for evaluation and program development.
10. Provide methods for monitoring and evaluating quality control in special education.

(California Master Plan for Special Education, California State Board of Education, Jan. 10, 1974, Pages 36-37). Emphasis added.

This report section focuses on the three italicized objectives. In defining a funding allocation model, SELPAs must remember that these resources are *not* intended to fully fund the excess costs of providing special education programs and services.

Following are four sources for funding special education programs and services:

- Local support from the general unrestricted funds of school districts.
- Revenues from local property taxes to provide special education programs and services.
- State aid from Part 30 of the state's Education Code starting at Section 56000.
- Federal Local Assistance from the Individuals with Disabilities Education Act (IDEA), renamed the Individuals with Disabilities Education Improvement Act (IDEIA), last reauthorized as P.L. 108-446 in November 2004.

Part 30 of the Education Code provides “state aid” and IDEA provides “federal local assistance.” IDEA and state monitoring places the responsibility of providing special education services on the district of residence. Consequently, the full fiscal responsibility for supporting special education services rests with the district of residence. The federal and state funding sources are intended to lessen the financial burden to a school district for carrying out its responsibility.

(Note: Two other federal laws impose these requirements on local school districts without providing any financial support. Section 504 of the Rehabilitation Act of 1973 places these requirements on any agency receiving federal funds. The Americans with Disability Act (ADA) requires public and private entities to make reasonable and necessary physical and service accommodations for those with disabilities.)

In defining a funding allocation model, a SELPA must remember that it allocates funds to decrease the burden and not to fully fund the excess costs of providing special education programs and services. The primary responsibility for funding these programs and services rests with local educational agencies. Fiscal support for these programs and services is intended to come from the districts’ general funds as is clear from the following document sections:

“We found in our field visits that in many LEAs there is conflict between general and special education concerning the responsibility for providing services for pupils with disabilities. Some LEA administrators believe that students with disabilities are the sole responsibility of the state and federal governments and resent using any local revenue limit funding for special needs pupils. This viewpoint ignores the fact that the state provides a revenue limit for every pupil and works counter to providing a seamless educational system for all pupils.

“A principle of our proposal is that federal, state, and local education agencies will continue to share responsibility for funding special education. *State and federal funding is intended to support a portion of LEA costs for providing special education for children with identified needs. There will continue to be a local funding share in providing education to these children.*” (Emphasis added)

New Funding Model for Special Education: Final Report

Legislative Analyst’s Office, Department of Education, Department of Finance

Code of Federal Regulations 34 § 300.202 Use of amounts.

(a) *General.* Amounts provided to the LEA under Part B of the Act—

- (1) Must be expended in accordance with the applicable provisions of this part;
- (2) *Must be used only to pay the excess costs of providing special education and related services to children with disabilities*, consistent with paragraph (b) of this section; and
- (3) *Must be used to supplement State, local, and other Federal funds* and not to supplant those funds. (Emphasis added)

SELPA's use fiscal models to distribute state aid and federal local assistance that helps members address the excess costs of providing special education services. Distribution should equitably relieve the fiscal burden of each member in providing a free appropriate public education (FAPE) to its students with disabilities, provide assistance in proportion to the cost of services, and ensure that each student in the SELPA has equal access to a FAPE. When considering revisions to the fiscal model, a SELPA should consider factors that prompt greater costs so they can ensure a more equitable distribution of state and federal funds.

The fiscal model can also be viewed as a process for apportioning funds intended to *help pay* the excess cost of providing special education programs and services for students with disabilities to lessen the fiscal burden for school districts. The SELPA should review the method and basis it uses and develop and implement a model that emphasizes the use of state and local funds to mitigate excess cost. Providing programs and services for students with certain types of disabilities clearly costs more than providing services to students with other types. For example, a student with autism, deafness, or serious multiple disabilities will require more labor-intensive services. This results in greater personnel ratios and higher costs than, for example, students with speech disorders, who generally require less frequent and less intense therapeutic interventions that can often be provided in small groups rather than individually. As a result, excess costs are greater in the first instance unless they are mitigated by a funding model that provides for those differences.

There may be other valid considerations in distributing state and federal funds. The SELPA's current fiscal model apparently does not consider the much smaller base size of the direct-service districts and the impact this may have on costs. Socioeconomic factors or bilingual/bicultural factors may also play a greater role in some districts in identifying and providing services to students with disabilities. Districts with a higher population of students at lower socioeconomic levels may experience a greater incidence of students with disabilities, and districts with high socioeconomic populations may have greater costs associated with parental expectations and procedural activities.

Fiscal models often focus on equality and not equitability. This can result in considerable differences in the level of per-child expenditures and in the level of local general fund monies required among members.

It would be prudent to analyze the SELPA's current status as the first step in conceptualizing a new allocation plan. One of the first questions that SELPA members ask is whether disabled students are overidentified. Members also want to know how they compare with each other, other SELPA's and/or the state. Chart 1 shows the proportion of each district's population of students with a disability in relation to its reported average daily attendance (ADA). The chart also shows the information for the SELPA as a whole and the state, and divides the population into severe and nonsevere subgroups.

The chart shows that the Glenn County SELPA's identification rates are comparable to those of the state. Given the number of very small districts, this is somewhat unusual since each student identified as having a disability carries proportionately higher value than in districts with larger populations.

Three entities show rates significantly higher than those of the state. The Plaza School District shows a much higher identification rate for students with nonsevere disabilities. However, this could be a function of the small population base rather than the result of overidentification.

The county office appears to have an identification rate of students with nonsevere disabilities that is much higher than the state, and an identification rate of students with severe disabilities that is much lower. However, this can be misleading since the percentages are based on the total population of students whose ADA is reported by the county office, including infants and preschool students. Since these populations generate no ADA, the actual figure could be much lower.

The identification rate for the districts would change if these students were counted as residents of the district in which they actually reside. Since the county office provides special education programs and services for all districts except Orland Unified, a more meaningful analysis would compare the county office with the districts it serves. Incorporating that change, the chart shows that identification rates are considerably less than the state's identification rates.

Chart 1 Comparative ID Data Based on District of Residence

| District | ADA | Total Sev Disab | Total NonSevere | Total |
|-----------------|----------------|--------------------|--------------------|---------|
| Capay | 132.33 | 1 | 10 | 11 |
| | Percent of ADA | 0.76% | 7.56% | 8.31% |
| Hamilton Elem | 461.3 | 4 | 27 | 31 |
| | Percent of ADA | 0.87% | 5.85% | 6.72% |
| Hamilton HS | 337.71 | 6 | 22 | 28 |
| | Percent of ADA | 1.78% | 6.51% | 8.29% |
| Lake | 125.47 | 2 | 6 | 8 |
| | Percent of ADA | 1.59% | 4.78% | 6.38% |
| Plaza | 133.42 | 1 | 16 | 17 |
| | Percent of ADA | 0.75% | 11.99% | 12.74% |
| Princeton | 187.56 | 3 | 15 | 18 |
| | Percent of ADA | 1.60% | 8.00% | 9.60% |
| Stony Creek | 87.58 | 0 | 7 | 7 |
| | Percent of ADA | 0.00% | 7.99% | 7.99% |
| Willows | 1645.5 | 34 | 114 | 148 |
| | Percent of ADA | 2.07% | 6.93% | 8.99% |
| Glenn COE | 319.51 | 5 | 38 | 43 |
| | Percent of ADA | 1.56% | 11.89% | 13.46% |
| Total | 3,430.38 | 56 | 255 | 311 |
| | Percent of ADA | 1.63% | 7.43% | 9.07% |
| Orland | 2,193.78 | 58 | 272 | 330 |
| | Percent of ADA | 2.64% | 12.40% | 15.04% |
| County as Whole | 5,624.16 | 114 | 527 | 641 |
| | Percent of ADA | 2.03% | 9.37% | 11.40% |
| California | 5,946,121.83 | 148803 | 530845 | 679,648 |
| | Percent of ADA | 2.50% | 8.93% | 11.43% |

ADA column is from P-2, 2006-2007

Severe and nonsevere disabilities are from the Dec. 1 state CASEMIS reports, 2006

Orland Unified's identification rate of students with severe disabilities is somewhat higher than the state, but the district's rate of students with nonsevere disabilities is almost 150 percent of the state rate, and the overall identification rate is approximately 3.5 percent higher. Although extenuating factors may be involved, it appears that Orland Unified overidentified its disabled students.

If these overidentified students are served by Orland Unified, the other SELPA members subsidize the overidentification by providing the district with a greater allocation than

necessary to ensure an equitable distribution of resources. However, if Orland Unified overidentifies students, and the county office provides a number of them with services and programs, the other SELPA members twice subsidize the district. They do this by providing Orland Unified with an inequitable share of resources and paying the county for the excess costs of providing services. This factor clearly should be addressed in the process of designing a new allocation model. Chart 2 illustrates issue.

Chart 2 Proportion of Identified Students served by DOR/SELPA

| | ADA | UDC | Orland DOR | Adj DOR | Percent of ADA |
|------------------|--------------------|-----------------|-------------------|------------|-------------------|
| Orland | 2193.78 | 238 | 92 | 330 | 15.04% |
| Glenn COE | 3430.38 | 402 | -92 | 310 | 9.04% |
| SELPA as a Whole | 5624.16 | 640 | 0 | 640 | 11.38% |
| | Total Sev Dis | Total Served | Percent Served | | |
| Orland | 58 | 15 | 25.86% | | |
| Glenn COE | 56 | 97 | 173.21% | | |
| SELPA as a Whole | 114 | 112 | 98.25% | | |
| | Total NonSevere | Total Served | Percent Served | | |
| Orland | 272 | 223 | 81.99% | | |
| Glenn COE | 255 | 305 | 119.61% | | |
| SELPA as a Whole | 527 | 528 | 100.19% | | |

ADA column is from P-2, 2006-2007

Severe and nonsevere disabilities are from the Dec. 1 state CASEMIS reports, 2006

As the chart indicates, Orland Unified does not provide special education services to all its identified students. Of 58 students identified with severe disabilities, the district serves 15 or 25.86 percent. The rest are served by another agency, in most cases the county office. The rest of the SELPA has identified 56 severely disabled students, but the county office provides services to a population of 97 or 173.21 percent.

Orland Unified provides special education services to 223 of 272 students identified as having a nonsevere disability or only 81.99 percent. Therefore, it appears that the county office serves almost 20 percent of Orland Unified's nonsevere population, another factor that should be considered in developing a new funding allocation model.

The data's accuracy greatly depends on all entities having an accurate pupil count system, the California Special Education Management Information System, (CASEMIS). However, this data source is reported to be of questionable reliability. The SELPA should focus on this issue since reliable data is crucial to an effective, fair, and equitable funding model.

Of equal concern is the current fiscal balance between the two service providers and among all members of the SELPA. This should be the focus for determining equity.

The key to an equitable funding model is understanding the relationship between the level of funding to be allocated to each entity and the relative costs for providing similar services by each entity. This information can be reflected in the average rate of total expenditure per student and the average level of local contribution (or support) per student. The lack of a local contribution or a low proportion of local contribution to the total cost per student could suggest an overallocation of state and federal resources. A higher proportion of local contribution to the total cost per student could suggest an underallocation of state and federal resources.

In the past, developing this information and comparing it among SELPA members has been a very involved task. However, new tools are available for developing an equitable funding model that weren't available a few years ago. Greater precision in the CASEMIS information and a properly coded SACS accounting system can provide a wealth of information, particularly when combined with the data in the maintenance of effort (MOE) reporting documents now required of each SELPA.

MOE reporting documents extract the necessary information from each entity's fiscal records. The SACS has made this information more consistent throughout districts and county offices of education, making comparisons more reliable. Using the unduplicated pupil count for each provider, the county office and Orland Unified, an analysis can be performed based on the cost of each student with a disability in each provider's service program.

Chart 3 shows the per-student cost for the total expenditures and the per-student cost based on each funding source; federal and local, state and local, local only, and the total contributions from the agency's unrestricted funds. Total expenditures include all reported costs, direct costs: indirect costs, direct support costs, and program cost report allocations. The county office's contributions do not include the revenue derived from the bill-backs to the respective districts for services provided to their students with disabilities.

Chart 3 Cost per Student by Funding Source

| | Total Exp | Fed Exp | St/Loc Exp | Loc Only | LGFC |
|-----------|-----------|----------|------------|----------|----------|
| Orland | \$ 6,803 | \$ 1,443 | \$ 5,360 | \$ - | \$ 1,796 |
| Glenn COE | \$ 17,608 | \$ 1,897 | \$ 15,711 | \$ 103 | \$ 1,205 |

Based on the state 2006-2007 maintenance-of-effort report

It is not unusual for the county office's costs per student to be more than twice those of Orland Unified since the county office is the primary provider of services to students with low-incidence and other severe disabilities. When compared to the per-student cost of other similarly situated county offices of education, the Glenn County Office of

Education’s per-pupil cost is low. Since neither entity showed any local contributions to the federal expenditures, comparative per-student costs suggest that Orland Unified may receive an inequitable proportion of those funds. It would not be meaningful to compare the two local general fund contribution (LGFC) rates since this information excludes the role that bill-backs to the districts play in these expenditures, and the \$1,205 per-student cost reflects only the county office. If data were available showing the total local support for county office services from each participating district, it likely would be significantly higher than Orland Unified’s, but that would raise questions of equity. Since Orland Unified has the county office provide services to a very significant proportion of its students with disabilities, particularly those with low-incidence and other severe disabilities, it should also make a considerable contribution to the county office services through bill-backs.

To more accurately measure the level of equity achieved through the five-year equalization process, it would be necessary to add the bill-back amounts paid by each district to the county office’s LGFC, and add any bill-back amount contributed by Orland Unified to its total LGFC. The closer the resulting per pupil amounts are, the greater the equity.

Despite those concerns, a fair analysis suggests the data is sufficiently reliable to generate meaningful comparisons of how the current funding model fares. The comparison used all program/instructional expenditure figures, including indirect costs and program cost reporting allocations. Chart 4 shows the per-pupil rates for those cost components.

Chart 4 Cost per Student for Total Program Costs

| | Total Direct Expend | Total Direct Support | Total Indirect | PCRA | Total Program |
|---------|---------------------|----------------------|----------------|-------------|---------------|
| Orland | \$ 1,327,064 | \$ 45,225 | \$ 41,501 | \$ 205,268 | \$ 1,619,058 |
| | \$ 5,575.90 | \$ 190.02 | \$ 174.37 | \$ 862.47 | \$ 6,802.76 |
| San COE | \$ 5,971,187 | \$ - | \$ 643,614 | \$ 463,750 | \$ 7,078,551 |
| | \$ 14,853.70 | \$ - | \$ 1,601.03 | \$ 1,153.61 | \$ 17,608.34 |

Based on the state 2006-2007 maintenance-of-effort report

The following comparisons use only direct costs since that information provides a more meaningful and accurate source of comparison. The SELPA should consider whether it will accept other than direct costs when a member seeks an allocation increase. If so, the SELPA should adopt a consistent method of including and computing indirect costs and program cost reporting allocations to be used from the MOE documents.

Unduplicated count rate differences are also caused by local issues such as salary/benefit schedules, the age and experience of the special education staff, the level of administration/supervision provided to special education, and the population density of the service area. These factors should be considered in the ongoing implementation of the

funding model. Because these factors change over time, the model should be periodically reviewed and revised as necessary. *It is in the best interest of all members that no member agency accrues undue benefits at the expense of the other member agencies.*

Because of the intent of state and federal policy makers, mitigating the fiscal burden should be considered in terms of equitability rather than equality. This might include factors such as the following:

- Fostering the provision of special education services in the least restrictive environment (LRE)
- Responding to changing demographics and service need elements.
- Determining who will have primary responsibility for providing programs and services based on the disability and the levels and intensity of services that may be required.
- Establishing cost factors for the various disabling conditions based on the service needs that they create.
- Considering and weighing factors such as socioeconomic and bilingual/bicultural populations that may serve to generate greater special education costs.
- Comparing the cost effectiveness of alternative service delivery strategies.

This approach aligns the fiscal model with the intended use of state and federal funds and will focus on alleviating the excess costs of providing special education services based on factors that may increase those costs.

The SELPA should have an operations oversight committee composed of program and business staff members that annually review the SELPA's fiscal and program performance to ensure that special education services are provided cost effectively and according to state and federal requirements. This committee could also be important in ensuring that state and federal resources are equitably appropriated. The committee could use personnel data and other relevant information from each district to develop creditable revenues, creditable expenditures, staffing standards, other direct support costs, and indirect support costs for each member. The committee could also consider unique factors such as socioeconomic and bilingual/bicultural populations, the presence or absence of private schools, and/or the unique characteristics of the population of students with disabilities. This information could be used to develop budgetary parameters and recommend the allocation of state and federal resources in a manner that is fair and equitable. The committee should share the responsibility of developing, monitoring, revising, and evaluating the county office's special education budget. If the committee doesn't play a similar role regarding the Orland Unified's special education budget, it should have a strong advisory role regarding the allocations made to support that budget.

The state has developed specific goal and function codes to distinguish the relative costs of special education services. While these codes have the appeal of averaging the costs over a wide population, it may disguise the unusually high cost of serving some populations. The chart on the following page illustrates the per-student expenditures for each of these program goals. The relevant goal codes are as follows:

- 5001 (administration, supervision, and general non-program specific support)
- 5710 (infants and toddlers)
- 5730 (preschool services)
- 5750 (services for severe and/or low incidence disabilities)
- 5770 (services for nonsevere disabilities).

Chart 5 Cost per Student by Goal

| Total Expenditures | | 5001 | 5710 | 5730 | 5750 | 5770 |
|--------------------|----|-------|-----------|----------|-----------|----------|
| Goal | | | | | | |
| Orland | \$ | - | \$ - | \$ - | \$ - | \$ 5,951 |
| Glenn COE | \$ | 3,403 | \$ 19,085 | \$ 4,821 | \$ 28,275 | \$ 6,892 |

This information indicates that there still may be some need to provide additional training on the proper coding of special education expenditures. While Orland Unified reported serving students with severe disabilities, it shows no expenditures under goal code 5750 for serving that population. While not included above, the data used to develop the chart showed no expenditures for regionalized services and programs specialists. In 2006-07, the Glenn County SELPA received \$81, 551 to provide these services as a necessary small SELPA and an augmentation of \$135,950 for these purposes according to EC Section 56836.24. Some of those funds were passed to Orland Unified to provide program specialist services. Neither entity showed expenditures under goal 5060, program specialist services, nor did the county office show expenditures under goal 5050, regionalized services.

Some SELPAs have developed common subcodes for the goal and function codes to facilitate SELPA-wide planning and comparisons. The problem of using the state assigned goal and function codes for this purpose is that they are too broad and all-encompassing. For example, the most commonly reported factor that increases the costs of providing special education services is the increasing numbers of students with autism. However, this explanation is largely based on anecdotal information rather than a true analysis of disability related expenditures. Instead of relying on the basic goal code of 5750 for severely disabled and low-incidence services, some SELPAs have adopted a specific subcode, 5754, for reporting autism expenditures as recommended by the SELPA administrator's organization. This permits greater internal analysis of a SELPA's cost factors and can ultimately ensure the ability to generate actual expenditure information on a statewide basis. The document from the SELPA administrator's organization is included in the appendix section of this report.

The Regional Provider

When the SELPA membership has asked one or more of its member agencies to provide services to residents of their districts on its behalf, the districts of residence have the obligation to pay for those services. To minimize the excess cost of these services, the allocation model must consider the provider's role and ensure that the provider is not unduly burdened in carrying out this obligation.

In most cases, county offices of education provide services for students with severe and/or low-incidence disabilities in counties throughout the state. They were in a better position to accomplish this, and before the passage of Proposition 13, had the authority to levy a property tax for this purpose. That property tax was maintained as a part of the funding model after passage of Proposition 13, and the enactment of the Master Plan for Special Education in 1979.

The fundamental purpose of the property tax revenues is to fund the special education programs and services provided by the county office. However, if tax revenue funds exceed the cost of providing those programs and services, the county office is to distribute those excess revenues to the local school districts participating in the SELPA. In fact, some counties have initiated fee-for-service models in which all revenues, including the property tax funds, are allocated to the districts, allowing them to provide these services on their own or contract with the county office to provide the services.

Regardless of the arrangement, there are only four ways to pay for the costs of programs and services provided by one agency on behalf of another. They are as follows:

1. Payment can be made up front on some agreed-upon basis.
2. Payment can be made on an as-you-go basis throughout the year.
3. Payment can be made upon the completion of the provision of services.
4. Payment methodology could involve a combination of any two or all three of the above methods.

Property tax revenues are most commonly treated as up-front payments to the county office for the services it will provide.

In most county office SELPAs, allocations of federal and/or state funds are set aside and intended for use by the county office. They are most commonly provided on an as-you-go basis, and county offices receive these funds in the same manner that districts receive their allocations of state and federal revenues. However, consideration should be given to the fact that, unlike school districts, county offices of education do not have general funds to provide the required local support, which is incorporated into the state's conceptualization of the funding model. In addition, those who receive special education services from the county office are usually the most expensive student population to serve because of the nature of their disabilities or the demographic barriers hindering service provision. An equitable allocation model will consider these factors and provide for them through an

increased funding level. If the increase is insufficient, excess costs will accrue, and the districts will be billed for those costs. If the increase is greater than warranted, the county office of education will carry over the excess funds to the subsequent year. If these are not considered in the subsequent year's allocation design, the county office of education will begin accruing a reserve. While it may be prudent to provide for some reserve level, continuing to use an inequitable funding model that annually provides the county office with more funds than necessary will result in an unduly large reserve pool.

Alternative Funding Models

Before designing a new AB 602 funding model, attention must be given to the following:

- How services will be planned and delivered.
- Who will provide services for the students with low-incidence disabilities, students with severe disabilities, small populations of students in sparsely populated areas of the county and regional programs. These would be alternatives to service provided in the home school or placement in a neighboring SELPA or placement in a nonpublic school.
- How these providers will be “held harmless” so that they don’t bear an undue burden by serving students who are the responsibility of other local education agencies.
- What factors need to be considered in crafting an equitable funding model in Glenn County.
- Whether the current organizational structure meets appropriate needs.
- What the relative rates are of identifying students with a disability and whether there is a practice of overidentification in the SELPA.

The Glenn County SELPA is countywide and includes all the districts in the county. The county office has served as the sole provider of services for all the districts except those from Orland Unified. It is the primary provider of services for Orland Unified students with severe disabilities. The five-year equalization plan gradually eroded the county office's ability to fund the cost of providing services, and bill-backs to the districts have consistently increased. As a result, there is growing interest in adopting a fee-for-service model. In this model, all or most of the available state, local special education property tax, and federal resources are allocated to the districts. This permits them to determine whether they could provide more cost-effective services to their student on their own or in association with one or more other districts. Alternatively, the districts could contract with the county office to provide the services based on an established fee.

The common perception that the county office is merely another program provider is inaccurate. The county office is essentially a contractor. Yet the SELPA members erroneously perceive themselves as having little or no control over an arrangement that may not continue to benefit them. Whether the current funding model is largely retained, or a fee-for-service model is adopted, the districts should have a responsible

and responsive role in developing and implementing the county office's special education budget. Cost-control measures are clearly warranted, and all affected agencies should have a role in making those determinations in a relationship of partnership. In fact, since funds allocated to Orland Unified are community monies, every district has an interest in whether other districts provide services compliantly and cost effectively.

Since no district should benefit at the expense of others, no district should be free from providing local support for its students with disabilities. Districts that provide no direct services could be required to contribute an average amount of local support for each student identified with a disability that is being served by the county office in addition to any bill-backs that might be levied. These contributions would be based on district-of-residence information included in the CASEMIS data. The funds would be added to federal and state funds allocated to the county office and, if necessary, Orland Unified.

Target per-pupil expenditure rates could be developed for the county office and Orland Unified and for each key goal area for each entity. These include 5001 administration and general support, 5710 infants, 5730 preschoolers, 5750 students with low-incidence and other severe disabilities, and 5770 students with nonsevere disabilities.

Federal and state resources are insufficient to fully fund both agencies at the full target rates or any selected rate that represents the total cost. Even after adding the local support that should be required of districts that do not provide direct special education services, the funding capacity would be insufficient.

These revenues exclude the sizeable amount provided by revenue limit apportionment for students in special classes or any special federal or state grants for students with low-incidence disabilities, infants and toddlers, preschoolers, workability recipients, and other direct instructional purposes. Therefore, other revenue sources should be considered.

The first step would be to reduce the target rate by the amounts that each agency would receive in special day class and nonpublic school ADA apportionment. That amount could be computed to a per-student amount and deducted from the net target rates.

Federal and state special grants could be similarly computed if a single individual target rate per student is being employed for each agency. If target rates are computed separately for goal areas, those rates would need to be adjusted to reflect additional funding resources.

The next step is to subtract from Orland Unified's target rate the same amount that is required of nonproviding districts. The estimated total amount to fully fund the net target rates for the county office and Orland Unified can then be computed. This amount can be compared to the total resources available after funds are set aside for any pools that the SELPA established. The net target rates could then be deficated to reflect the difference between the resources required and the resources available.

Once the actual amount to be allocated to each district is computed, a percentage of the estimated net target rate could initially be allocated such as 75%. The withheld amounts could be allocated based on actual expenditures. If there is an insufficient amount to fully fund, the amount available could be further prorated for each recipient.

This model offers the possibility of modification without disruption to the entire structure when situations change and reflects what actually occurs each year. The model serves a more specific function than the more common method of allocating on a per-ADA basis or other approaches that emphasize equality over equity. Since the model is based on actual direct expenditures, a reliable CASEMIS database and identified resources, it provides an excellent means of addressing inequities and barriers in the service delivery system and could be used to analyze any other allocation model for equity and fairness.

The allocation for the current fiscal year appears to be based on comparative levels of ADA, with Orland Unified receiving 38 percent of the revenue because it represents 38 percent of the ADA and the county receiving 62 percent for the same reason. This allocation model is fairly equal, but not equitable and could be equitable only if Orland Unified and the county office had similar service responsibilities. However, Orland Unified does not serve all its identified students, with 75 percent (reference chart 2) being served by the county office. Further, Orland Unified is not required to provide services over a large and sparsely populated geographic area.

Some SELPA members propose moving toward a fee-for-service model that distributes special education revenues from all sources including federal sources, state sources, and property taxes, to the individual districts. The districts then determine whether they can provide special education services to their students with disabilities either unilaterally or by forming a consortium with other districts. If not, those resources would be used to contract with another provider, usually the county office, to provide the services much like the use of a certified nonpublic nonsectarian school.

There are a number of considerations concerning the applicability of this model for many SELPAs, particularly small rural SELPAs. While the model appears to maximize the options available to SELPA members, the county office is not required to be a provider. If the county office declined, one or more of the other SELPA members would have to assume this role. Therefore, the likelihood of this being a viable model diminishes as the size and mix of large, medium and small districts decreases. The SELPA is mostly composed of small and very small districts, and it is not clear that they could successfully implement a fee-for-service model in this setting.

By itself, Glenn County also lacks sufficient numbers of visually and/or aurally impaired students to provide a cost-effective program. These services could actually be jeopardized if they were made a fee-for-service activity.

For a SELPA like Glenn County, active and meaningful participation in developing, monitoring, and revising the provider's special education budget is as effective as the fee-for-service option.

Proposal for Billing for Excess Costs by the County Office

FCMAT was asked to review the proposals being considered to revise the mechanism used by the county office to bill school districts for the excess cost of providing special education services and programs.

As previously mentioned, the state's current funding model for special education assumes that local support from general funds is necessary to fully pay for providing special education services. Since most county offices do not have general or unrestricted funds, they cannot provide local support for the special education services they provide. Consequently, county offices must depend on the district of residence of the students they serve to provide those funds. This results in what is commonly referred to as bill-backs or charge-backs.

The size of these bill-backs will depend on the following two factors:

- The level of federal/state/property tax assistance that is allocated to the county office of education by the SELPA to provide these programs and services.
- The cost-effectiveness of the programs and services being provided.

Implementing bill-backs starts by making an allocation to the county office. A greater allocation covers a bigger share of the cost of providing programs and services and means less will be required through the bill-back process. A lower allocation increases the likelihood of very large bill-back charges. The Glenn County SELPA recently implemented a five-year plan to equalize the effects of special education funding on the local support required from the districts' general funds. One of the plan's effects has been to shift allocations from the county office to Orland Unified, leading to significant increases in the level of the bill-backs to the districts.

The most effective way to control the size of bill-backs is to participate in the development, oversight, and revision of the operational budget for the special education programs and services provided by the county office. The districts that pay for excess costs must have a meaningful involvement in the decisions that affect those excess costs. Another section of this report discussed the possibility of establishing an operations oversight committee for this purpose. Such a committee, composed of both business and program staff, can ensure some reasonable control on the cost-effectiveness of programs and services and the amount of any resulting bill-backs and permit the districts to have greater influence on the decisions that affect excess costs.

Districts could further control costs by participating in the IEP meetings of their resident students as administrative agencies that have the authority to commit resources. At present, too few IEP meetings have representation from the student's district of residence.

The following effectively summarizes the issue of conceptualizing bill-back models:

“There are numerous formulas, chargeback agreements, and direct fee for service agreements throughout California. There are basically three types of scenarios to be considered: *shared (pooled) costs*, *direct costs*, or a *modification plan* that incorporates shared and direct costs.

Philosophical Scenarios:

- (A.) Shared (pooled) costs: The shared/pooled cost is similar to homeowner or car insurance. Each district shares in the overall cost of operating the program based on a formula (based on the number of students enrolled in the program from their district against the total of students enrolled countywide). *This is the model used in Glenn County.*
- (B.) Direct Costs: Under this scenario, a cost per student per service provided is established and agreed to by all parties. As districts send students to county programs, they are charged the exact direct cost for service. Before moving to this method a thorough analysis of cost per program should occur, and districts should serve as many special education students in their district as possible. Only the most severely handicapped students should be in county-operated programs. Some provision should also be made for very small districts since a small increase of severely handicapped students in a very small district could cause an undue hardship.
- (C.) Modified Plan with both Shared/Direct Costs: Another approach would be to offer a modified plan that would have a shared cost per student enrollment for administrative and support costs, and a direct cost fee for classroom costs.”

The first scenario spreads the cost over a much larger population and provides greater protection to the smaller, less populated districts that are more dependent on the county office to provide special education service.

The second scenario places a greater burden on those smaller districts and actually reflects the relative costs incurred by the county office in providing the services. Since the larger districts, Orland Unified and Willows Unified, are in a better position to serve a number of their residents who are currently served by the county office, this scenario would be of greater benefit to them.

The scenario that provides the most flexibility and is most open to modification as situations change is the modified plan, especially if it treats different elements in a way that minimizes negative fiscal effects for all parties.

Other scenarios could be considered. For example, a true insurance-focused method might spread the cost of low-incidence disability services over all districts based on ADA rather than enrollment. Any district could have such a student at any time, and these students come and go throughout the year. Therefore, direct-cost billing and even enrollment-based sharing could vary widely and greatly affect any single district.

One option is to split the excess cost by half or one-third to two-thirds and bill one portion based on one method and the other portion on the other method. This provides a greater spread of the burden in a more equitable manner.

As previously mentioned, an advantage of the SACS coding system is that it better enables the analyst to focus on identifying areas of cost. By using subcodes, the excess costs could be determined more precisely and billed on a more equitable basis. For example, the costs of providing services for students with autism tend to be much greater than the costs of providing services to students with other severe disabilities. If the excess costs of all special classes for the severely disabled are “bundled” together, it presents an unrealistic average cost per student.

An additional option is for the SELPA to provide greater incentives for districts to provide for their own students instead of routinely determining they should be in a county office program. This could be accomplished by using the fully insured and pooled insurance concepts.

For example, any district could happen to have one or more residents with a low-incidence disability. It would be expensive for any district alone to provide for its students with these disabilities. Therefore, the SELPA could become a fully insured hedge for all districts. The excess costs of these services could be billed on the basis of K-12 ADA for all districts. Every member would pay the same rate for the service regardless of whether it had a student that actually received service.

For other students with severe disabilities, the excess cost might be partially based on all districts' K-12 ADA since some districts need to have this resource available for some cases, and partially based on enrollment to equitably spread the burden among all districts that actually use the service that year.

Resource specialist, speech service, and other related service excess costs might be billed on enrollment only.

The appendix section of this report includes an application of this methodology for consideration by the Glenn County SELPA. The prevailing assumption in this model is that each cost center's proportionate share of the total expenditures is that cost center's proportionate share of the total excess cost.

Fee-for-Service Model

This model is very attractive to larger districts experiencing what they consider to be excessively high bill-backs from a county office. In this version of the direct cost scenario, all revenues accrue to the districts and they can opt to provide for their own students, collaborate with one or more districts to provide for some students, and/or contract with the county office to provide services in exchange for a pre-established fee.

This mechanism clearly gives the districts greater control over their fiscal resources. However, the method includes risk for the county office in agreeing to such an arrangement and for the smaller districts that have fewer resources to augment any allocation they might receive.

Implementing such a model may be a long-term goal. This could be initiated by adopting some modification of the scenarios under discussion, planning for the regional delivery of services within each zone, and then moving to a direct cost model that could evolve into a fee for service model. But, it would seem that it would not be a prudent undertaking for a small rural, sparsely populated SELPA like Glenn County at this time.

Additional Issues

It is unusual for the number of students in a SELPA who are identified as multiply disabled (10) or other health impaired (60) to be so low. In identifying a student as having multiple disabilities, if one or more of those disabilities is of low incidence (visual impairment, hearing impairment, and severe orthopedic impairments) the student should be reported under the appropriate low-incident disability category rather than in multiple disabilities. This also has the added benefit of generating low-incidence funding. If neither of the disabilities is of low incidence, the student should be reported as multiply disabled. Orland Unified alone has identified as many or more students with these two disabling conditions than the rest of the county combined.

The SELPA should develop specific criteria and protocols for determining disability eligibility and specific, consistent SELPA-wide criteria for SACS coding and reporting of special education revenue and expenditures.

Fund 17 seems to be a catch-all category for specific contingency funds, the reserve fund, set-aside pools for specific purposes and excess transportation costs. No one could clearly articulate the purpose and means of maintaining these various pools of funds.

Recommendations

The SELPA should:

1. Consider developing a more precise proposed bill-back model for excess costs that will fairly and equitably distribute those costs throughout the members of the SELPA.
2. Consider the advantages and disadvantages of a fee-for-service model. Some may benefit from that structure, and others may not.
3. Consider revising its funding model to emphasize greater equitability and a fair distribution of the resources and services if the fee-for-service model does not seem to be appropriate at this time.
4. Use the current revenue, expenditure, caseload, and demographic information to design a model that reflects the current and emerging nature and costs of the services provided, the populations receiving those services, and the demographics of the county that affect service provision.
5. As much as possible, ensure that no district or districts unduly benefit at the expense of other districts. This would include ensuring that all districts participate in the costs of providing special education services and that the location of programs and services are spread throughout the county to minimize transportation costs.
6. Implement a budget development process that involves the districts as active participants in the fiscal planning related to the services provided to their disabled students by the county office.
7. Consider implementing a process for member districts to play a greater role in the fiscal planning for the provision of services to their students with disabilities by Orland Unified as a condition of receiving its allocation.
8. Evaluate its current fund 17 and determine purposes for each pool currently established, determine whether additional pools might need to be established, and develop standards for the level, maintenance, and utilization of these funding sources that are clearly understood by all members of the SELPA. The SELPA should also develop a long-range plan that covers the revenues and expenditures that must be considered for such pools.
9. Develop policies with regard to the inclusion of indirect costs, direct support costs and program cost report allocations in data to be used for intra-SELPA use of resource comparisons.

10. Develop policies on unused allocations of state and federal resources and whether or not they should be carried over by the receiving district or returned to the SELPA for redistribution to other districts to reduce their level of local support.
11. Develop specific criteria and protocols for determining disability eligibility and specific consistent SELPA-wide criteria for SACS coding and reporting of special education revenue and expenditures.

SELPA Role and Responsibility

California Education Code, Section 56195.1 outlines the requirements that each SELPA must meet to provide special education services to eligible students. These provisions include governance, education responsibility, SELPA definition, contractual agreements, charter school participation in the local plan, etc. Section 56195.7 also refers to local requirements that include the following:

- Written agreements
- Coordinate identification, referral, and placement system
- Procedural safeguards
- Regionalized services
- Coordination with local public agencies
- Public/proprietary hospitals
- Juvenile court schools and county community schools
- Budgets for special education and related services, etc.

Since 1980, every SELPA in the state has been legally required to have a local plan that functions as a road map on governance and the delivery of special education services. It is important for school districts, and when appropriate, the county office and the Community Advisory Committee (CAC) to be involved in any plan revisions to ensure that all appropriate components and requirements are included. Education Code Section 56195.3 covers the roles and responsibilities of general and special education teachers and their involvement in local plan revisions.

Because everyone is in some way responsible for ensuring special education services are provided in a local plan area, revisions to the current Glenn County Local Plan must be coordinated to ensure good communication, collaboration and cooperation in the SELPA. California has 120 SELPAS and 120 different local plans. Every state SELPA must meet basic legal requirements in accordance with the California Education Code. However, because every SELPA is unique, local plans must also be working documents that ensure special education services are provided to all eligible students and detail how these services will be delivered.

Although the current Glenn County Local Plan was revised in 2003, some sections require revision and clarification as well as additions. Since there is a new County Superintendent of Schools, a new SELPA Director and six new district superintendents, and all are members of the local plan area Governance Committee, it may be an appropriate time to update this document. It will be important to utilize the experience and expertise of the new SELPA administrators as well as other members who are familiar with critical aspects of the Glen County SELPA's history. The Glenn County SELPA is made up of nine school districts and the Glenn County Office of Education.

A review of the local plan found many areas that appear to involve conflicting statements and omissions and therefore, require immediate clarification.

The local plan's governance consists of the Glenn County SELPA Governance Committee, which includes the superintendents of each of the nine districts, the County Superintendent of Schools and the SELPA Director. According to the local plan, the Glenn County Office of Education is the administrative unit (AU) for the Glenn County SELPA.

The governance section of the local plan includes conflicting statements. For example, Section 1.7 states, "The Governance Committee meets on an as needed basis, but at least three times per year." The same section also states, "The SELPA Governance Committee meets on a regular basis according to Brown Act requirements as established on a yearly calendar."

Further, it is unclear how a designee for a Superintendent who cannot attend the Governance Committee meeting is selected and what the designee's voting privileges are in accordance to Section I, Governance, 1.1 A.

The governance section also states that the "Governance Committee issues requiring voting and approval may also be taken to the regular Glenn County Superintendent's Cabinet for approval." According to the 2003 local plan, "The SELPA Advisory Cabinet shall be composed of representatives from special education and general education with parent and community group input when appropriate."

Section 1.8, paragraph 1, SELPA Staffing, states that the LEAs agree to invest the Governance Committee with the responsibility of designating the local plan AU, however, the first page of the local plan clearly designates the Glenn County Office of Education as the AU.

According to the local plan, the "Governance Committee and the County Superintendent of Schools shall be responsible for the selection, direction, discipline and annual evaluation of the SELPA Director. The Governance Committee shall assist in the hiring and selection process by the Administrative Unit." This section of the plan also states that "The SELPA Director shall be evaluated by the County Superintendent of Schools with the input of selected Governance Committee members." This section is unclear on the roles and responsibility of the Governance Committee and how committee members will be selected to hire and evaluate the SELPA Director.

Paragraph one of section 1.9, regarding the distribution of federal and state funds in the SELPA self-insurance pools, states that "These pools will be managed by the Glenn County SELPA and will be utilized at the discretion of the SELPA Director." This section also lists the amounts that will be collected and discusses the procedure to be followed

if costs are higher than pool funds. To fund the added expenses, excess costs will be charged on a pro rata share by ADA to districts at the end of the succeeding year.

Some superintendents appear to be unclear on their role and responsibility as members of the Governance Committee. As a result, meetings are not well attended, and mistrust has developed that has affected the committee members. Committee agendas and minutes are reportedly sometimes inaccurate, which contributes to a deteriorating relationship between members. Regular attendance at Governance Committee meetings is critical to ensure that all students who are entitled to services receive them.

There is no clear delineation between the role and responsibility of the SELPA and those of the county office's Special Education Services Department. This delineation of services is important in providing superintendents, special education administrators, principals, and CAC members with a better understanding of how and why services are delivered. Because of Glenn County's small size and rural nature, the state provides the SELPA with enhanced funding to ensure the necessary regional and program specialist services.

Several special education staff members throughout the SELPA have both SELPA and other instructional responsibilities, and some individuals believe the program is "overadministrated."

There is no process to inform new superintendents, principals, teachers and other educators in Glenn County of the role and responsibility of the SELPA, the delivery of special education services, funding and budgets, ongoing professional development, etc. As a result of this lack of communication, relationships are not developed, and educators are not informed of services.

The CAC is an active organization in the Glenn County SELPA. A Web site for special education parents is part of the Glenn County Office of Education's Web site that informs parents of CAC meeting dates and times. The California Education Code does not require the SELPA Director be directly involved with the CAC in a SELPA, however, it is standard practice throughout many of the state's 120 SELPAs that the director function as this organization's administrator.

A significant number of Hispanic families reside in Glenn County, and information sent to parents is printed in English and Spanish, however, these notices do not indicate that interpreters will be available at CAC-sponsored meetings. CAC representatives indicated that they are interested in involving parents in CAC activities, however, notices and announcements sent home to parents are often not received.

Recommendations

The SELPA should

1. Review and revise the Glen County Local Plan to reflect current law and the operation of the SELPA. Updating the local plan will require time and effort from school districts, the county office and the CAC. Section 1, which is the governance section, should include the following:
 - a. All the school districts in Glenn County and the Glenn County Office of Education should be listed on the first page to clearly identify all the members.
 - b. Each section should be written so that all topics are included in the appropriate places. For example, the first section in the SELPA staffing section (1.8) should refer only to SELPA staffing. Sections should not be duplicated in other sections. The following governance structure in the Glenn County SELPA is recommended:
 - A governance committee
 - A special education administrators committee or operations committee.
 - A community Advisory Committee (CAC)

The Governance Committee should have as members the nine school district superintendents and the County Superintendent of Schools. The County Superintendent of Schools, which is the AU, should chair this committee, and the SELPA Director should serve as a committee assistant who is not a voting member.

- c. Disagreements among committee members that cannot be resolved through parliamentary procedure should be covered in a dispute resolution policy developed and written locally and approved by the committee. A sample of this document is attached to the appendix section of this report.
- d. Voting should be determined by the committee, and the voting procedures should be included in the local plan. Voting should be accomplished with one vote per LEA or through a weighted voting process.

- e. The revised local plan should indicate when a proxy is necessary and cover the tape recording of meetings so that minutes accurately reflect committee discussions and decisions. These tapes should remain with the County Superintendent for at least one year and be available to any committee member for review upon written request.
- f. The committee should not meet at the same time as the regular scheduled Superintendent's meeting. Perhaps the Governance Committee could meet in the morning and the Superintendent's meeting could be in the afternoon. The Governance Committee should meet monthly.
- g. The Governance Committee should continue to follow all the requirements of the Brown Act.
- h. The local plan governing structures should describe the duties and responsibilities of the following:
 - Governing boards of education
 - The County Superintendent of Schools
 - The County Superintendent of Schools Office as the AU Governance Committee
 - Special Education Administrators Committee or Operations Committee
 - Community Advisory Committee
- i. When a district Superintendent cannot attend a Governance Committee meeting, the Superintendent is required to appoint a designee and should notify the County Superintendent in writing of the name of the designee at least two days before the meeting. The designee should have the same voting privileges as the Superintendent he or she represents.
- j. The Governance Committee is the decision-making body and "Governance Committee issues requiring voting and approval" should not be taken to the Glenn County Superintendent's cabinet.
- k. The SELPA Advisory Cabinet section should be removed and be replaced by a section on the Special Education Administrators Committee or an Operations Committee. The committee members should be recommended by the Governance Committee, and the local plan should describe the membership of this committee, its role and responsibility and its voting privileges.

The committee should be an advisory body to the SELPA Director and the Governance Committee. This committee's responsibility is to ensure all eligible students with disabilities receive appropriate services. This committee should be chaired by the SELPA Director. This committee should meet monthly, and each agenda item should include a report from the state SELPA administrators meeting.

- l. The role and responsibility of the Governance Committee in the evaluation of the SELPA Director needs more clarification. The Governance Committee should annually select three members to help the County Superintendent evaluate the SELPA Director. These Governance Committee members should rotate annually.
 - m. The local plan should describe the process of hiring and evaluating the SELPA Director, the responsibilities of the County Superintendent, and the role of the Governance Committee in this process. Some SELPA local plans establish this as a shared role among all Superintendents while others delegate the task to a special committee composed of superintendents serving on a rotational basis with appropriate duties and responsibilities.
 - n. Section 1.9 on SELPA self-insurance pools indicates that the SELPA Director will manage these pools, and these pools "Will be utilized at the discretion of the SELPA Director." The language should be changed so that the SELPA Director does not collect all the necessary data regarding these pools. However, this information and recommendations should be submitted to the Governance Committee for action. This is a governance decision, not an administrative decision.
2. Develop a special education policy and procedures manual that is separate from the local plan. Procedures on pools and other areas should be described in a policy rather than the local plan. Policy and procedures manuals may contain examples of the following:

- Suspension and expulsion procedures
- Process and procedures for requesting low-incidence funds
- Specialized transportation
- Procedures for implementing extended year
- Instructional assistance services
- Exit criteria for special education services

3. Promote a collaborative and professional partnership between the County Superintendent and the district superintendents regarding special education and the local plan. This will help ensure all students who are entitled to receive special education services(s) actually receive them. Since the County Superintendent and most district Superintendents are relatively new to their positions, they have little history in working together. However, they have experiences from other SELPAs that could benefit the Glenn County SELPA, and this knowledge could help in revising the local plan.
4. Obtain outside assistance to help the Governance Committee develop a local plan that meets the SELPA's current and future needs. A dispute resolution policy should also be developed as the local plan is revised. Whoever provides the outside assistance should ensure that all superintendents work collaboratively to act in the best interest of special needs students in accordance with federal and state laws and regulations and the Glenn County Local Plan.
5. Create a separate committee to discuss program needs and issues, for example, transportation, curriculum, etc. The Special Education Administrators Committee or the Operations Committee would focus on issues such as policy development, interagency collaboration, professional development, compliance, and changes in laws and regulations.
6. Send invitations to administrators welcoming them to Glenn County. This could be an opportunity to share information regarding special education budgets, programs, services and the contact people who are available to assist them. Teachers should be informed about special education services, and periodic follow-up meetings should be scheduled so that there is communication and collaboration among all new special educators in the county.
7. Ensure the SELPA Director is an active partner in the CAC organization and assist the director with the related duties and responsibilities. This might include activities such as professional development for parents, interagency collaborations, and handbooks and flyers describing programs and services provided to special education students in Glenn County.
8. Provide Spanish-language information on the county office Web site link that focuses on the Community Advisory Committee. CAC activities could then be posted in both English and Spanish.

9. Ensure Web site postings and announcements and flyers sent to parents communicate the fact that interpreters will be available at CAC-sponsored meetings and or programs. To improve the effectiveness and communication in the CAC, administrators also need to share the CAC's role and purpose with teachers.

Program Analysis

The county office is the primary provider of special education and related services for students with disabilities, serving nine local districts in the county. Orland Unified is also a program provider and primarily serves its resident students. A full range of services is provided to most mild/moderate, moderate/severe and low-incidence populations from birth through age 22. The FCMAT study team reviewed the general education enrollment of Glenn County and found a steady decline in students over the past seven years. A study of special education enrollment during the same time indicates that the number of students that were identified with disabilities has remained at an average of 647 students. However, a significant decrease has occurred in students with mild/moderate disabilities along with significant increases in those with moderate to severe disabilities. This is consistent with statewide trends.

| General Education Enrollment: Glenn County | | | | | | |
|---|---------|---------|---------|---------|---------|---------|
| 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
| 6167 | 6055 | 6103 | 6063 | 5977 | 5945 | 5907 |

| California Special Education Management Information System (CASEMIS) | | | | | | |
|---|----------|----------|----------|----------|----------|----------|
| Special Education Enrollment | | | | | | |
| Dec 2000 | Dec 2001 | Dec 2002 | Dec 2003 | Dec 2004 | Dec 2005 | Dec 2006 |
| 647 | 660 | 661 | 672 | 619 | 634 | 640 |

CASEMIS provides a comparison report of the special education annual data collected in each SELPA in the state in the three critical areas of disability, ethnicity and grade level. This comparison report provides significant historical data that is essential to special education program planning. On a statewide basis, there is evidence of a significant increase in the disabilities of emotional disturbance (ED), other health impairment (OHI) and autism. A review of the Glenn County data verifies that those same trends exist in the SELPA.

| CASEMIS 2000-2005 | |
|--|------------------------------|
| % of change in disability (increases) | |
| <i>Disability</i> | <i>% of change statewide</i> |
| ED | 24.9% |
| OHI | 69.6% |
| Autism | 109.2% |

| CASEMIS 2000-2005 | |
|--|------------------------------|
| % of change in disability (decreases) | |
| <i>Disability</i> | <i>% of change statewide</i> |
| SLD | -5.9% |

The following chart provides data from CASEMIS over a six-year period detailing the number of students enrolled in special education in the Glenn County SELPA by disability area. This not a comprehensive list, however, it outlines the most significant increases and decreases in enrollment by disability.

| CASEMIS Annual Data Comparison Report | | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Emotional Disturbance (ED), Other Health Impaired (OHI), Autism & Specific Learning Disability (SLD) | | | | | | |
| Numbers of Students | | | | | | |
| Disability | Dec 2001 | Dec 2002 | Dec 2003 | Dec 2004 | Dec 2005 | Dec 2006 |
| ED | 9 | 11 | 14 | 15 | 18 | 27 |
| OHI | 20 | 36 | 48 | 45 | 48 | 60 |
| Autism | 6 | 11 | 10 | 14 | 16 | 19 |
| SLD | 405 | 399 | 383 | 343 | 319 | 297 |

Because SELPA revenue will decrease due to declining general education enrollment, the shift to more intensive disabilities will require prudent efforts in program design. There is no indication of long-range planning to address the expansion of autism, which is the fastest-growing disability area in the state and nation. At present, one in 150 children born in the United States has autism. It is unclear to what extent the increase in OHI disabilities is related to the rise in autism spectrum disorders, however, further study is needed to ensure that adequate programming is available. The SELPA has an insufficient range of placement options for students with emotional disturbance. Some school districts in this SELPA are unable to access the ED program, and some students have difficulty accessing mental health services. ED students need a higher level of services than the traditional special day class models.

FCMAT reviewed caseload distributions for all programs in response to a perception that the county provides special education programs above the mandated level, which contributes to the rise in excess costs for districts. Facility use throughout districts in the SELPA was also reviewed. The data used for this analysis was provided by the county office. Both mild/moderate and moderate/severe programs operate within the guidelines recommended by School Services of California. The class size range for severely handicapped (SH) programs is eight to 10, and the average SH class size in the county office is nine. FCMAT found that programs are provided at the appropriate level, but not at regionally accessible locations, which could increase excess costs for transportation and travel time.

The Education Code (5 CCR 3051.1 (b) requires caseloads for speech and language specialists not to exceed a SELPA-wide average of 55 without prior approval of the Superintendent. Speech and language caseloads at the county office average 42 students. Adapted physical education (APE) caseloads are below the recommended guidelines, however, because of the geographic makeup of the county's schools, this may be an appropriate level of service. The superintendents were unaware of the range of programs and services in the SELPA.

Despite a facilities shortage in some areas of the SELPA, a regional SELPA-wide facilities plan does not exist. The county office provides 17 special education classrooms in buildings throughout the county. School districts provide space in seven classroom locations where programs are assigned. A SELPA 2005 governance agreement on facilities states that districts will be reimbursed for costs associated with providing special education. The SELPA should develop a comprehensive facilities master plan that includes the components necessary to meet student needs on a regional basis and serves students with similar needs across district boundaries.

Recommendations

The SELPA should:

1. Review the CASEMIS pupil count for December 2007 in relation to changing trends in intensive disability areas, and align programmatic designs to meet those trends.
2. Explore options for expanding the level of service for students with emotional disturbance. These should include school-based mental health programs with outpatient therapy to avoid the requirements for more intensive programming in intensive residential programs.
3. Provide opportunities for open dialogue with the superintendents regarding disability awareness and changing trends.
4. Review the full range of programs and services available/required for students with disabilities.
5. Review the excess costs, and develop a plan to reduce costs.
6. Complete an analysis of the location of all programs and the services provided with superintendents and key representatives from the districts in the SELPA. The SELPA should also identify all the students in the SELPA by need and district of residence and design a service plan that provides an appropriate range of services and facilities.
7. Consider the concept of locating regional classes throughout the SELPA to maximize resources, reduce travel time and transportation costs.
8. Encourage the county office to consider holding discussions with the county's school districts to facilitate the construction of special education facilities and new district facilities. The state School Facilities Program requires a 40-year ground lease to obtain facilities funding for construction facilities on property not owned by the county office. The county office should consider developing a uniform ground lease to be used by all county school districts.

9. Consider options for consolidating services in a more efficient manner such as the following:
 - In lieu of countywide program delivery, consider models with Orland Unified and Willows Unified as program operators and a smaller consortium for the other districts and the Glenn County Office of Education charter school and court school.
 - Explore options for consolidating high-cost intensive services through joint regional services in the Tehama, Corning, Glenn and Orland areas.
 - Explore the feasibility of combining efforts for low-incidence programming with Tehama and Glenn County.

Duplication of Service

There is a perception that a duplication of administrative services exists between Orland Unified and the county office. The county office Director of Student Services also serves in the role of SELPA Director as described throughout the local plan and included in the job description. The Orland Unified Special Education Director appears to function more as a coordinator than a director. The individual in this position also serves as a District Psychologist and Program Specialist for the SELPA. The duties of the District Psychologist are clearly delineated with general education parameters such as student study team coordination, conducting assessments, Response to Intervention program development, language proficiency, behavioral supports, home/hospital services, Gifted and Talented Education and 504 referrals. Furthermore, the individual assigned to this position does not possess an administrative credential and is not actively pursuing one, but plans to do so in the future.

In 2006-07, Orland Unified received \$36,000 to offset a portion of the Special Education Director's salary. This has enabled the coordinator to provide program specialist services to Orland Unified.

In addition to the duties of SELPA director, the county office Director of Student Services manages the staff, evaluation of 67 county office certificated personnel, staff development, due process/mediation, nonpublic school placements and Beginning Teacher Support and Assistance (BTSA) programs. FCMAT found that there is no duplication of administrative duties between the county office Director of Student Services/SELPA Director and the Orland Director of Special Education. Despite the distinct differences in their job responsibilities, a professional and collaborative relationship exists between these two positions.

Another potential area of duplication focused on the CASEMIS reporting of student data. The district of residence and the district of service are not accurately reported in CASEMIS. Two main factors affect the information in CASEMIS; the open enrollment process, which is an established practice in this region, and inter-SELPA transfers. In both instances, the district of residence loses student enrollment. Both factors can cause a district to lose ADA.

There is a longstanding practice of assigning the residence for preschool students to the county office instead of the district of residence. As a result, the schools of residence for these preschoolers are not aware that their students are enrolled in the preschool served by the county office until they are eligible for kindergarten. This inability to track identified children and plan for ongoing program needs as students transfer to kindergarten is not an efficient and effective practice. Furthermore, the current transition process from preschool to kindergarten is not clearly understood by the staff in local school districts. Since excess costs billings are made by district of residence, and preschool programs also incur these costs, it is unclear how the costs are to be recouped equitably.

Recommendations

The SELPA should:

1. Provide opportunities for discussions with superintendents to clarify the distinctions in administrative functions for the SELPA, county office and district special education programs.
2. Advise district administrators to adhere to legal requirements regarding credentials for the supervision of special education programs in districts.
3. Create an opportunity for the Superintendents to hold discussions on the potential effects of open enrollment and inter-SELPA practices, and develop strategies to mitigate the fiscal effects on districts.
4. Review the practice of assigning all preschool students to the county office as the district of residence.
5. Develop a transition process for preschool students who are moving to district-operated kindergartens that is clearly articulated to all receiving districts.

Position Control

In response to concerns from district superintendents regarding position control, FCMAT reviewed the process used by county programs to manage the movement of programs, positions and staff. Staffing information was provided to FCMAT upon request using a manually developed process of tracking personnel FTE. The county office currently uses a manual position control process on Excel, which does not allow all departments and districts to have access, and this can affect budget and staff planning. There was no formalized process for the movement of programs and staff in county office programs. There is little communication with superintendents regarding staffing and program planning. Districts want more control over the movement of county programs, increases in staff and the assignment of county staff working on school sites throughout the SELPA.

Recommendations

The SELPA should:

1. Explore options for a more refined process of position control that all departments can access to have a timely impact on budget and staff planning.
2. Increase the communication with superintendents regarding programs and services in the SELPA.
3. Establish operational guidelines for the movement of programs and positions in the SELPA.

Appendices

- A. Guide for Monitoring Program Budget and MOE Status
- B. *Excess Costs Proposal*
- C. *Sample Dispute Resolution Policy*
- C. *Study Agreement*

Guide for Monitoring Program Budget and MOE Status

The SACS coding system facilitates an understanding of your budget and program costs. A full understanding of the SACS system is not necessary, but knowing and looking for certain “key” codes can be of great assistance to you.

From the viewpoint of the convenience of having a consistent state-wide use of the same codes, it is unfortunate that some local entities have elected to develop their own “overlays” to the system. L A County has added an additional digit to some SACS codes and others have constructed a “macro” coding system that translates into the SACS structure for reporting purposes. Codes used here are the state codes and you will have to work with your business office to “translate” if the codes used in your SELPA differ.

Simply stated, there are:

- Resource Codes which identify the source/purpose of the funds
- Goal Codes which identify the broad focus/purpose of the activity
- Function Codes which specify the activity being provided
- Object Codes which identify the nature of the service or item being purchased if they are Expenditure Codes 1000 through 7999 and the nature of the revenue or the transferring source if they are Revenue Codes 8000-8999.

Resource Codes

These are the primary Resource Codes which you will want to monitor

- **3310** The basic federal IDEA Part B Local Assistance grant
- **3311** **Proportionate Share of federal IDEA Part B Local Assistance Grant to be used for parentally placed students in Private Schools (beginning in 07-08)**
- 3315 The federal preschool grant, Part B, Sec 319
- **3317** **Proportionate Share of federal IDEA Part B Local Assistance Grant to be used for parentally placed students in Private Pre-Schools (beginning in 07-08)**
- 3320 The federal preschool grant, Part B. Sec 311
- **3321** **Proportionate Share of federal IDEA Part B Local Assistance Grant to be used for parentally placed students in Private Pre-Schools (beginning in 07-08)**
- 3330 Infant Discretionary Grants (Note, See 6515, below)
- 3340 Local Staff Development Grant (Note, See 6535, below)
- 3345 Preschool Staff Development Grant
- 3360 Low Incidence Services Grant (Note, See 6530, below)
- 3385 Early Intervention (not Early Intervening) Grants
- 3405 Workability I (Note, See 6520, below)

- **6500** State Special Education Apportionments
- 6510 State Infant Apportionment

- **6515 Infant Discretionary Grant (replacing 3330 in 07-08 to reflect state funds)**
- **6520 Workability I (replacing 3405 in 07-08 to reflect state funds)**
- **6530 Low Incidence Service Grant (replacing 3360 in 07-08 to reflect state funds)**
- **6535 Local Staff Development (replacing 3360 in 07-08 to reflect state funds)**

These are additional Resource Codes which you will want to monitor. You might have some of these funds transferred to Special Ed or charged to a 5700 Goal Code. For MOE purposes, they should be considered “Local Only.”

- 1100 Lottery funds (particularly those generated by SDC and NPS ADA)
- 6300 Lottery Inst. Mat. (particularly those generated by SDC and NPS ADA)
- 7130 through 7200 Various Instructional Materials Funds
- 7230 Regular Home to School Transportation. Students who don’t qualify under Code 7240 may receive special transportation **if required by their IEPs**. As a result, this Resource Code could be combined with a 5700 Goal Code. To the extent that these costs exceed state apportionment, they could be considered “Local Only” for MOE purposes.
- 7240 Home to School Transportation for Severely Disabled and Orthopedically Impaired. Not all LEAs receive this funding, but if you do there should be a revenue object code with it. Expenditures for this purpose should be charged to a 5750 Goal Code. To the extent that these costs exceed state apportionment, such costs could be considered “Local Only” for MOE purposes.

Goal Codes

Special Education Goal Codes fall in the 5000-5799 range. This code range identifies that this revenue or these expenditures are for the purpose of providing special education services. Optional Goal Sub-codes can be created locally for specific purposes. As I have indicated earlier, if we are going to employ sub-goals locally, we should try to make them consistent throughout the state. The “suggested” sub-codes below are from the document I distributed earlier. Keep in mind that any sub-codes will “roll up” to the standard code for reporting purposes. The standard codes are in bold face and suggested optional Goal Sub-codes are in standard face.

- **5001** This is primarily for administration and support. An instructional function may not be combined with this Goal Code
- 5002 (For use by the SELPA AU) Special Ed “pass-through” revenue. Some AU’s, particularly in multi-district SELPAs have found the current “bundling of revenue” confusing and elected to establish a system which differentiates between funds coming in for its own programs and services and funds that are passing through to the member districts. While there is an object that permits this for federal funds, there is no such code for state apportionment. In effect this will “roll-up” to Goal Code 5001 for reporting purposes but it facilitates tracking of “pass-through” funds.
- 5003 (For use by the SELPA AU) Special Ed regionalized services/regional program specialist revenue. Some AU’s, in order to clarify that there is a specific funding stream for regionalized services and regional program specialists. These funds will be reported as coming in as “unspecified” but through the use of this sub code will be “earmarked” for use in Goal Codes 5050 and 5060.
- 5004 Spec Ed Student Services (Couns. Psych. Health, & Social Workers). Since such services are often provided across categorical lines, use of this sub-code allows expenditures for such services to be considered “unspecified” but are identified as student services.

- 5020 Alternative Use of Funds for Federal MOE purposes The SACS system does not currently provide for an acceptable method of using “special ed funds” for non-special education instruction/intervening services. Federal law permits, under certain circumstances. The use of such a sub-code could create specified goal for this purpose. Additional sub-codes 5021 and 5022 could be used to differentiate between the use of 50% of the federal increase for ESEA purposes and and early intervening activities, respectively

- **5050 Regionalized Services Funds for these purposes are restricted by EC Section 56836.25. Consequently, this Goal Code has been changed this year from optional use to required use. LEA’s providing these services, commonly, but not exclusively, SELPA AUs.**
 - 5052 Spec Ed Community Advisory Committee
 - 5053 Spec Ed Management Information System
 - 5054 Spec Ed Professional and Staff Development

- **5060 Regional Program Specialist Services Funds for these purposes are included in the funds that are restricted by EC Section 56836.25. Consequently, if Regional Program Specialist services are provided, the expenditures should be reported under this Goal Code. It, too, has been changed from optional use to required use.**

Special education instructional Goal Codes start at 5710 and continue through 5799.

- **5710** **Spec Ed Infants**

- **5730** **Spec Ed Preschool Students**
- 5731 Single Site or center
- 5740 Itinerant/ Integrated Sites
- 5741 Home based services

5750 Services for Students with Severe and/or Low Incidence Disabilities

- 5751 Spec Ed Sev Disab Extended Year
- 5752 Spec Ed Sev Disab Ages 5-17
- 5753 Spec Ed Sev Disab Ages 17-22

We strongly recommend that we all choose to use the following sub-codes

- 5754 Special Ed Autism
- 5755 Special Ed Emotionally Disturbed
- 5760 Spec Ed Low Incidence Disabilities

Additional Low Incidence code options

- 5761 Spec Ed Low Incidence Disabilities Extended Year
- 5762 Spec Ed Low Incidence Disabilities Visually Impaired
- 5763 Spec Ed Low Incidence Disabilities Deaf/Hard of Hearing
- 5764 Spec Ed Low Incidence Disabilities Orthopedically Impaired

- **5770** **Spec Ed Non-Sev Disab Ages 5-22**
- 5771 Spec Ed Non-Sev Disab Specific Learning Disabilities
- 5772 Spec Ed Non-Sev Disab Speech/Language Impaired
- 5773 Spec Ed Non-Sev Disab. English Language Learners
- 5790 Private School ISP's This would provide a code in which to show expenditures for private school ISPs. It would combine with the new Resource Codes, 3311, 3317, and 3321, above under Federal Resources codes. This has been recommended to CDE, but they have not yet agreed to incorporating it as a part of the SACS system.

Function Codes

Function Codes fall in the 1100 through 1199 range. This code range identifies specific special education activities provided through these expenditures are for the purpose of providing special education services. Optional Function Sub-codes can be created locally for specific purposes. As I have indicated earlier, if we are going to employ sub-goals locally, we should try to make them consistent throughout the state. The “suggested” sub-codes below are from the document I distributed earlier. Keep in mind that any sub-codes will “roll up” to the standard code for reporting purposes. The standard codes are in bold face and suggested optional Functional Sub-codes are in standard face.

- **1110 Spec Ed Separate Classes**
- **1120 Resource Specialist Instruction**
- 1121 Learning Centers/Resource Specialist Program. If an RSP is not a part of this program, it should be a 1190 Function Sub-code.

- **1130 Supplemental Aids and Services in Regular Classrooms. This seems to be the most misunderstood code in the special education area. It is specific to aids and support for individuals with exceptional needs participating in general education classrooms. This Function Code is derived from the Annual Budget Plan requirements in EC Section 56205.**
 - 1131 Instructional Aids/Classified Staff
 - 1132 Brailing Services/Note Taking Services
 - 1133 Large Print Text
 - 1134 Interpreters and Transliterators
 - 1135 Assistive Technology
 - 1136 Individual and/or Small Group Instruction
- 1137 Home and Hospital Instruction
- 1180 Spec Ed Instruction/Services in Non-Public Schools and Agencies
- 1181 LCI Residents in Non-Public Schools
- 1182 LCI Residents in Non-Public Agencies
- 1183 Others in Non-Public Schools
- 1184 Others in Non-Public Agencies

- **1190 Spec Ed Other Specialized Instructional Services**
- 1191 Learning Centers, One on One Support, and Individual and Small Group Instruction
- 1192 Speech and Language Services (Speech Therapy could also be Function Code, 3150, but speech assistants/aides, speech therapy supplies and travel should be in an 1190 Function Code.)
- 1193 Adaptive PE
- 1194 Orientation and Mobility Instruction
- 1195 Specialized Services for Low Incidence (Vis Imp, D/HH, Ortho Imp)
- 1196 Work Experience/Vocational Ed
- 1197 Independent Living Skills
- 1198 Assistive Technology
- 1199 Other

The following are generally administrative and supervisor functions

- **2100 Supervision of Instruction**
- **2200 Regional Administration (SELPA Admin Unit (AU))**
- **2700 School Administration**

The following are Pupil Personnel or Student Services functions. They could combined with an instructional (5700) Goal or in an unspecified Goal (5001 or 5004)

- **3110 Guidance and Counseling Services performed by a Counselor**
- 3111 Individual Counseling
- 3112 Group Counseling
- 3113 Behavior Management
- 3114 Parent Counseling
- 3115 Pre-Mental Health Referral Counseling

- **3120 Psychological Services**
- 3121 Psychological Assessment
- 3122 Behavior Management
- 3123 Counseling (by a Psychologist)
- 3124 Pre-Mental Health Referral Interventions
- 3125 Mental Health Services
- 3126 Psychiatric Counseling/Monitoring

- **3130 Attendance and Social Work Services**
- 3121 School Social Worker Servies
- 3132 Counseling
- 3133 Pre-Mental Health Referral Interventions

- **3140 Health and Nursing Services**
- 3141 School Nursing Service
- 3142 Specialized Health Care Services
- 3143 Occupational Therapy
- 3144 Physical Therapy
- 3145 Medical Therapy Unit
- 3146 Health Assessment
- 3147 Vision Therapy

- **3150 Speech, Language, and Audiology Services for services provided by a Speech/Language Therapist. Language screening, assistance in the reading program, medical referrals for hearing concerns would be appropriate in this Function Code. Direct special education services should be in an 1190 Function Code**

- **3600 Pupil Transportation Home to School/Spec Ed Sev Dis/Ortho Imp**
- 3602 Pupil Transportation Parent Mileage In Lieu

Selected Revenue and Transfer Object Codes

- **8080-8089** **Miscellaneous Funds From Federal State and Local Sources**

The following two object codes often don't show up in special education budgets in which they should appear. It's important to make sure these transfers are in your budgets if they apply to your LEA

- **8091** **Revenue Limit Transfers (from SDC and NPS ADA Apportionment)** If you operate SDC's or have students in NPSs, this transfer should be in your budget, brought into Goal Code 5001
- **8097** **Property Tax Transfers (Special Ed Property Taxes)** If your LEA receives County Office special education property tax, this transfer should be in your budget in Goal 5001

- **8100-8299** **Federal Revenue**
- **8181** **Federal Local Assistance IDEA Part B** This code is used by a recipient LEA for programs and services it will provide.
- **8182** **Other Federal IDEA Revenues from State Discretionary Grants** This code is used by a recipient LEA for programs and services it will provide.
- **8287** **Pass-through Revenue from Federal Sources** This code would be used by the SELPA AU to identify federal revenue that is "passing through" LEA members of the SELPA
- **Other State Revenues**
- **8311** **Other State Apportionments (AB 602 Funds come in using this Object Code)**
- **8319** **Other State Apportionments - Prior Year Corrections**
- **8550** **Mandated Cost Reimbursements**
- **8560** **State Lottery Revenue**

Excess Costs Proposal

| | Program Expenditures | Percent of Expenditures | Portion of Deficit | Per ADA Share | Per participation | | | |
|---|----------------------|-------------------------|--------------------|---------------|-------------------|---------------|-----|--|
| | | | | 10.416.06 | or FTE share | | | |
| Functions 2100 & 2200 Program Administration & District Assistance | | | | | | | | |
| 01.1100.0.5001 | Lottery | \$ 3,601 | | | | | | |
| 01.6500.0.5001 | Gen Admin | \$ 486,321 | | | | | | |
| 01.6500.0.5730 | Preschool | \$ 14,424 | | | | | | |
| 01.6500.0.5750 | Sev Disabled | \$ 69,543 | | | | Participants: | n/a | |
| 01.6500.0.8650 | Dist Admin | \$ 65,934 | | | | | | |
| | | \$ 639,822 | 16.4897% | \$ (54,202) | | | | |
| | | per ADA | 100.00% | \$ (54,202) | \$ (5.20) | | | |
| | | per participation | 0.00% | - | \$ - | | | |
| Goals 5710 through 5720 Infant Programs | | | | | | | | |
| 01.3385.0.5710 | | \$ 59,480 | | | | Participants | n/a | |
| 01.6500.0.5711 | | \$ - | | | | | | |
| 01.6500.0.5720 | | \$ - | \$ 59,480 | 1.5329% | \$ (5,039) | | | |
| | | | per ADA | 100.00% | \$ (5,039) | \$ (0.48) | | |
| | | | per participation | 0.00% | - | \$ - | | |
| Goals 5730 thru 5749 Preschool Programs | | | | | | | | |
| 01.3315.0.8652.3120 | Psych | \$ 173 | | | | | | |
| 01.3345.0.5730.1191 | Staff Dev | \$ 632 | | | | | | |
| 01.1100.0.5730.1191 | Lottery | \$ 226 | | | | | | |
| 01.6500.0.5730.1191 | Speech | \$ 57,186 | | | | | | |
| 01.3315.0.5731.1190 | Center | \$ 33,757 | | | | | | |
| 01.3320.0.8652.3120 | Psych | \$ 22,281 | | | | | | |
| 01.6500.0.8652.3120 | Psych | \$ 8,664 | | | | | | |
| 01.3320.0.5731.1190 | Center | \$ 334 | | | | | | |
| 01.6500.0.5731.1190 | Center | \$ 78,751 | | | | | | |
| 01.1100.0.5740.1199 | Lottery | \$ 424 | | | | | | |
| 01.3320.0.5740.1199 | Itenerant | \$ 5,198 | | | | | | |
| 01.3320.0.5740.1199 | Itenerant | \$ 34,375 | | | | Participants | 54 | |
| 01.3345.0.5740.1199 | Staff Dev | \$ 108 | | | | | | |
| 01.6500.0.5740.1199 | Itenerant | \$ 60,071 | \$ 302,179 | 7.7878% | \$ (25,599) | | | |
| | | | per ADA | 50.00% | \$ (12,799) | \$ (1.23) | | |
| | | | per participation | 50.00% | \$ (12,799) | \$ (237.03) | | |
| Goals 5751, 5752, and 5753 Sev Disabled | | | | | | | | |
| 01.1100.0.5751.1110 | Lottery | \$ 790 | | | | | | |
| 01.3310.0.5751.1110 | 5-17 yrs | \$ 108,164 | | | | | | |
| 01.3310.0.5751.3148 | 5-17 yrs | \$ 43,832 | | | | | | |
| 01.6500.0.5751.1110 | 5-17 yrs | \$ 250,200 | | | | | | |
| 01.1100.0.5752.1110 | Lottery | \$ 274 | | | | | | |
| 01.3310.0.5752.1110 | 18-22 yrs | \$ 46,667 | | | | | | |
| 01.3310.0.5752.3148 | 18-22 yrs | \$ 22,405 | | | | | | |
| 01.6500.0.5752.1110 | 18-22 yrs | \$ 58,655 | | | | Participants | 36 | |
| 01.6500.0.5758 | Ext Yr. | \$ 38,430 | \$ 569,417 | 14.6752% | \$ (48,238) | | | |
| | | | per ADA | 33.33% | \$ (16,079) | \$ (1.54) | | |
| | | | per participation | 66.67% | \$ (32,159) | \$ (893.29) | | |
| Goals 5756, 5657, 5763, 5764, 5765 Low Incidence | | | | | | | | |
| 01.1100.0.5756.1199 | Lottery | \$ 131 | | | | | | |
| 01.3310.0.5756.1199 | Autistic | \$ 82,850 | | | | | | |
| 01.6500.0.5756.1199 | Autistic | \$ 82,136 | | | | | | |
| 01.1100.0.5757.3121 | Lottery | \$ 166 | | | | | | |
| 01.3340.0.5757.3121 | Staff Dev | \$ 1,338 | | | | | | |
| 01.6500.0.5757.3121 | Behav Spec | \$ 162,871 | | | | | | |
| 01.1100.0.5763.1199 | Lottery | \$ 154 | | | | | | |
| 01.3310.0.5763.1132 | Vis Imp | \$ 22,700 | | | | | | |
| 01.6500.0.5763.1199 | Vis Imp | \$ 76,149 | | | | | | |
| 01.1100.0.5764.1110 | Lottery | \$ 2,362 | | | | | | |
| 01.3310.0.5764.1110 | Aural Imp | \$ 13,938 | | | | | | |

| | | | | | | | | |
|---------------------|--------------|----|-------------------|----------|----|----------|--------------|--------|
| 01.3340.0.5764.1110 | Staff Dev | \$ | 2,923 | | | | | |
| 01.3310.0.5764.1134 | Interpreters | \$ | 144,705 | | | | | |
| 01.3360.0.5764.1134 | Interpreters | \$ | 5,186 | | | | | |
| 01.6500.0.5764.1199 | Aural Imp | \$ | 261,154 | | | | | |
| 01.1100.0.5765.1199 | Lottery | \$ | 602 | | | | | |
| 01.3310.0.5765.1192 | APE | \$ | 5,297 | | | | | |
| 01.3340.0.5765.1199 | Staff Dev | \$ | 604 | | | | | |
| 01.6500.0.5765.1192 | APE | \$ | 77,103 | | | | | |
| 01.3310.0.5765.1199 | Ortho/OHI | \$ | 17,525 | | | | | |
| 01.6500.0.5765.1199 | Ortho/OHI | \$ | 78,168 | | | | | |
| 01.3360.0.5765.3145 | PT | \$ | 1,403 | | | | | |
| 01.6500.0.5765.3145 | PT | \$ | 70 | | | | | |
| 01.3360.0.5765.3146 | OT | \$ | 635 | | | | | |
| 01.6500.0.5765.3146 | OT | \$ | 67,186 | | | | | |
| 01.1100.0.5765.3149 | MTU | \$ | 3,715 | | | | | |
| | | \$ | 1,111,072 | 28.6348% | \$ | (94,124) | Participants | 91 |
| | | | per ADA | 100.00% | \$ | (94,124) | \$ | (9.04) |
| | | | per participation | 0.00% | \$ | - | \$ | - |

| | | | | | | | | |
|--------------------------|-----|----|---------|----|---------|---------|-----------|------------|
| Function 1120 RSP | | | | | | | Total FTE | 4.6 |
| 01.6500.0.5770.1120 | RSP | \$ | 373,520 | \$ | 373,520 | 9.6265% | \$ | (31,643) |
| | | | | | per ADA | 0.00% | \$ | - |
| | | | | | per FTE | 100.00% | \$ | (31,643) |
| | | | | | | | \$ | (6,878.82) |

| | | | | | | | | |
|--|-----------|----|---------|----|-------------------|----------|--------------|----------|
| Goals 5773 and 5774 Speech and Language | | | | | | | | |
| 01.3340.0.5773.1191 | Staff Dev | \$ | 30 | | | | | |
| 01.6500.0.5773.1191. | Speech | \$ | 545,406 | | | | Participants | 365 |
| 01.6500.0.5774.1191. | Lang Dev | \$ | 195 | \$ | 545,631 | 14.0621% | \$ | (46,223) |
| | | | | | per ADA | 33.33% | \$ | (15,408) |
| | | | | | per participation | 66.67% | \$ | (30,815) |
| | | | | | | | \$ | (84.43) |

| | | | | | | | | |
|---------------------------------|--------------|----|-------------------|---------|----|----------|--------------|--------|
| PPS and Nursing Services | | | | | | | | |
| 01.3340.0.8652.3120 | Staff Dev | \$ | 536 | | | | | |
| 01.3340.0.8654.3142 | Staff Dev | \$ | 757 | | | | | |
| 01.3345.0.8654.3142 | Staff Dev | \$ | 260 | | | | | |
| 01.6500.0.8651.3110 | Counseling | \$ | 25,697 | | | | | |
| 01.6500.0.8652.3120 | Psych Serv | \$ | 169,099 | | | | | |
| 01.6500.0.8654.3142 | Nursing Serv | \$ | 82,671 | | | | Participants | n/a |
| | | \$ | 279,020 | 7.1910% | \$ | (23,637) | | |
| | | | per ADA | 100.00% | \$ | (23,637) | \$ | (2.27) |
| | | | per participation | 0.00% | \$ | - | \$ | - |

| | | |
|---|-----------|------------------|
| NPS/A Expenditures | \$ | 426,030 |
| NPS/A Revenue | \$ | 378,284 |
| NPS Portion of Prog Deficit | \$ | 47,746 |
| This is the "shared cost: of NPS/A placements | | |
| Program Deficit | \$ | (376,450) |
| Adjust Deficit (from above calculaiton) | \$ | 47,746 |
| Adjusted Prog Deficiti | \$ | (328,704) |

| | | | | | |
|---------------|-----------|-----------|-------------------|-----------|-----------|
| Totals | | | | | |
| \$ | 3,880,141 | 100.0000% | \$ | (328,704) | |
| | | | \$ | (21.24) | |
| | | | per ADA | (221,288) | |
| | | | per Particip./FTE | \$ | (107,416) |

| General Program Deficit (excluding NPS/NPA) | | NPS/NPA SELPA Share | | Overall Shared Excess Deficit | | | | | | |
|---|-----------|---------------------|-------------------|-------------------------------|-----------------|-----------|-----------|------------|---------------|------------|
| \$ 328,704 | | \$ 47,746 | | \$ 376,450 | | | | | | |
| per ADA | | 4.58 | | per ADA | | | | | | |
| ADA | Per ADA | Preschool | Severely Disabled | Resource Spec Prg | Speech/Lang Prg | Program | Shared | Overall | Dist of Resid | Total |
| | \$ 21.24 | Numbers | Numbers | FTE | Numbers | Sub-Total | NPS/NPA | "Shared" | 30% share of | |
| | | | | | | | Costs | Sub-Total | NPS/NPA | |
| 1 | 619.23 | 5 | 3 | \$ - | 34 | \$ 19,891 | \$ 2,888 | \$ 22,729 | \$ 4,930 | \$ 27,669 |
| 2 | 71.18 | \$ - | \$ - | 0.300 | 1 | \$ 84 | \$ 326 | \$ 3,887 | \$ - | \$ 3,987 |
| 3 | 1,877.42 | 12 | 12 | \$ - | 88 | \$ 60,879 | \$ 8,606 | \$ 69,485 | \$ 745 | \$ 70,230 |
| 4 | 944.50 | \$ - | \$ - | \$ - | 6 | \$ 507 | \$ 4,329 | \$ 24,902 | \$ 1,686 | \$ 26,588 |
| 5 | 26.93 | \$ 572 | \$ - | 0.050 | 2 | \$ 169 | \$ 123 | \$ 1,208 | \$ 1,208 | \$ 1,208 |
| 6 | 873.15 | 3 | 2 | \$ - | 45 | \$ 24,847 | \$ 4,002 | \$ 28,849 | \$ 9,738 | \$ 38,587 |
| 7 | \$ - | 9 | \$ - | \$ - | \$ - | \$ 2,133 | \$ - | \$ 2,133 | \$ - | \$ 2,133 |
| 8 | 33.95 | \$ 721 | \$ - | 0.050 | \$ - | \$ 1,065 | \$ 156 | \$ 1,221 | \$ 373 | \$ 1,594 |
| 9 | 472.35 | \$ 10,035 | 1 | \$ - | 25 | \$ 13,039 | \$ 2,165 | \$ 15,204 | \$ - | \$ 15,204 |
| 10 | 23.06 | \$ 490 | \$ - | 0.200 | 1 | \$ 84 | \$ 106 | \$ 2,056 | \$ - | \$ 2,056 |
| 11 | 298.49 | \$ 6,341 | \$ - | 0.500 | 8 | \$ 675 | \$ 1,368 | \$ 14,576 | \$ - | \$ 14,576 |
| 12 | 564.96 | \$ 12,003 | \$ - | 1.000 | 16 | \$ 1,351 | \$ 2,590 | \$ 23,770 | \$ - | \$ 23,770 |
| 13 | 42.28 | \$ 898 | \$ - | 0.200 | 3 | \$ 253 | \$ 194 | \$ 2,721 | \$ - | \$ 2,721 |
| 14 | 34.49 | \$ 733 | \$ - | 0.400 | 1 | \$ 84 | \$ 158 | \$ 3,727 | \$ - | \$ 3,727 |
| 15 | 37.26 | \$ 792 | \$ - | 0.400 | \$ - | \$ 3,543 | \$ 171 | \$ 3,714 | \$ - | \$ 3,714 |
| 16 | 2,220.62 | \$ 47,177 | 7 | \$ 6,253 | 120 | \$ 10,131 | \$ 10,179 | \$ 78,481 | \$ 14,087 | \$ 92,567 |
| 17 | 1,793.11 | \$ 38,094 | 11 | \$ 9,826 | 14 | \$ 1,182 | \$ 8,219 | \$ 57,322 | \$ 44,963 | \$ 102,275 |
| 18 | 134.83 | \$ 2,864 | \$ - | 0.500 | \$ - | \$ 6,541 | \$ 618 | \$ 7,159 | \$ - | \$ 7,159 |
| 19 | 196.74 | \$ 4,180 | \$ - | 0.600 | 1 | \$ 84 | \$ 902 | \$ 9,293 | \$ - | \$ 9,293 |
| COE | 151.51 | \$ 3,219 | \$ - | \$ - | \$ - | \$ 3,219 | \$ 695 | \$ 3,913 | \$ - | \$ 3,913 |
| Totals | 10,416.06 | \$ 221,288 | 54 | \$ 12,799 | 365 | \$ 30,815 | \$ 47,746 | \$ 376,450 | \$ 76,512 | \$ 452,962 |

Explanation

| Individual Program | per ADA Rate | Deficit Share |
|----------------------------|--------------|----------------|
| Administration | \$ 5.20 | \$ 54,202 |
| Infant | 0.48 | 5,039 |
| Preschool | 1.23 | 12,799 |
| Severely Disabled | 1.54 | 16,079 |
| Low Incidence Disabilities | 9.04 | 94,124 |
| Speech & Language | 1.48 | 15,408 |
| PPSHS (Sp. Ed.) | 2.27 | 23,637 |
| Totals | 21.24 | 221,288 |

Per ADA: Most program deficit shares were partially or totally to be funded on the basis of ADA. The composite per ADA rate is \$ 21.24

Preschool: Fifty percent of the deficit is funded based on the numbers of children each district has participating in the program. The per child rate is \$ 237.03

Severely Disabled: Two-thirds of the deficit is funded based on the numbers of students participating in the programs. The per student rate is \$ 893.29

Resource Specialist Prog: The deficit is fully funded based on the RS FTE assigned to the districts participating in the program. The per FTE rate is \$ 6,878.82

Speech/Language Prog: Two-thirds of the deficit is funded based on the numbers of students participating in the programs. The per student rate is \$ 84.43

SELPA Share NPS/NPA: After NPS/NPA costs are offset by revenue limit apportionment generated by students placed in NPS, the reimbursement of the net cost for LC students receiving services in NPSs and NPAs, and the .3 share of the net cost of NPS and NPA placements paid by the districts in which the students are residents, the remaining costs are shared by all SELPA members on a per ADA basis. The "shared cost" totals \$ 47,746 and the per ADA rate computes to be \$ 4.58

SEAC approved 9/02
ECCOS approved 9/24/02
COS approved 1-21-03
Revised 8/03

2. Dispute Resolution Process

A. Rationale

In order to ensure the continual delivery of quality services to children with disabilities, a process for dispute resolution over the responsibility for service provision, governance activities, program transfer, or the distribution of funding must be in place.

B. Policy Statement

If a dispute arises over the responsibility for service provision, governance activities, program transfer, or the distribution of funding or if a school district, including any charter school LEA, group of school districts, or a county office believes that an action taken by the Council of Superintendents will create an undue hardship on the district(s) or county office, or that the action taken exceeds the authority granted the Council of Superintendents within the Local Plan and/or state or federal statute, the aggrieved district(s) or county office may request mediation. If mediation is not successful, the aggrieved district(s) or county office may request a review of the action by an Independent Review Panel.

Any request for mediation must be submitted in writing to the RLA Superintendent within thirty (30) days of the action taken by the Council of Superintendents. The written request must clearly identify the reason(s) for the request and the potential resolution(s) to the problem. A request for review by the Independent Review Panel of the results of mediation must be submitted in writing to the RLA Superintendent within thirty (30) days of the action taken through the mediation process, and must include the reason(s) for the request and the potential resolution(s) to the problem.

C. Administrative Guidelines

1. In the event of a disagreement among local education agencies, local education agencies and the Responsible Local Agency (RLA), local education agencies and/or the RLA and the SELPA regarding the distribution of funding, responsibility for service provision and any other governance activities specified in the Local Plan, it is the intent of the Executive Committee of the Council of Superintendents (ECCOS) and the Council of Superintendents (COS) that issues be resolved at the lowest level possible in the governance structure outlined in the Local Plan.
2. If a local education agency disagrees with a decision or practice of another agency or the SELPA, that local education agency has a responsibility to discuss and attempt resolution of the disagreement with the party, or parties,

directly involved. The parties involved will present the issues to their respective superintendents, or designees, who will attempt to resolve the matter. Either party may request the assistance of the SELPA Administrator, or his/her designee, or the Chair of the ECCOS, or the services of a neutral mediator from outside the SELPA. This policy is intended to resolve disagreements within a period of 45 days, but is not intended to undermine local authority.

3. If either party is not satisfied with the results of this early mediation, and the dispute relates to the distribution of funding, the responsibility for service provision or other governance activities specified within the Local Plan, the parties agree to submit the dispute to mediation. The parties will make a good faith effort to mutually agree to a mediator with expertise related to the dispute. If the parties cannot agree on a mediator, the parties will submit the dispute to mediation administered by an agency specializing in mediation.
4. Each party shall bear its own costs and expenses and an equal share of the mediator's administrative fees.
5. If mediation is not successful, an Independent Review Panel will be established.
6. To establish an Independent Review Panel, the Superintendent of the RLA shall establish a list of persons from nearby SELPAs, districts, or county offices, who are knowledgeable in the area of special education and who would be willing to serve as a member of such panel.
7. From the list of available panel members, the LEA or county office which requested the review, and the Superintendent of the RLA, acting for the Council of Superintendents shall each select a representative for the panel. These representatives then select one additional neutral member to serve as chairperson.
8. The panel shall meet as often as necessary to consider the facts of the complaint and prepare a written report and recommendations for consideration by the Council of Superintendents.
9. After studying the report of the review panel and at the next scheduled meeting of the Council of Superintendents, the Council must take one of the following actions. All voting is to be done in accordance with the weighted voting procedures specified in the Local Plan.
 - a) Vote to reaffirm the previous action of the Council.
 - b) Vote to rescind the previous action of the Council.
 - c) Vote to modify the previous action of the Council to comply or partially comply with the recommendations of the Review Panel.

Any costs resulting from this process are to be shared equally by the LEA(s) or county office which requested the review.



FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
PRELIMINARY STUDY AGREEMENT
September 11, 2007

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Glenn County Office of Education hereinafter referred to as the COE, mutually agree as follows:

1. BASIS OF AGREEMENT

The Team provides a variety of services to school districts and county offices of education upon request. The COE has requested that the Team provide for the assignment of professionals to study specific aspects of the Glenn County SELPA operations. These professionals may include staff of the Team, County Offices of Education, the California State Department of Education, school districts, or private contractors. All work shall be performed in accordance with the terms and conditions of this Agreement.

2. SCOPE OF THE WORK

A. Scope and Objectives of the Study

- 1) Conduct a review of the Glenn County SELPA Special Education programs and provide recommendations for improvements in the following areas:

Fiscal Review
Program Position Control
Program Analysis
Duplication of Services

B. Services and Products to be Provided

- 1) Orientation Meeting - The Team will conduct an orientation session at the COE to brief COE management and supervisory personnel on the procedures of the Team and on the purpose and schedule of the study.
- 2) On-site Review - The Team will conduct an on-site review at the COE office and at school sites if necessary.
- 3) Progress Reports - The Team will hold an exit meeting at the conclusion of the on-site review to inform the COE of significant findings and recommendations to that point.

- 4) Exit Letter - The Team will issue an exit letter approximately 10 days after the exit meeting detailing significant findings and recommendations to date and memorializing the topics discussed in the exit meeting.
- 5) Draft Reports - Sufficient copies of a preliminary draft report will be delivered to the COE administration for review and comment.
- 6) Final Report - Sufficient copies of the final study report will be delivered to the COE following completion of the review.
- 7) Follow-Up Support – Six months after the completion of the study, FCMAT will return to the COE, if requested, to confirm the COE’s progress in implementing the recommendations included in the report, at no cost. Status of the recommendations will be documented to the COE in a FCMAT Management Letter.

3. PROJECT PERSONNEL

The study team will be supervised by Anthony L. Bridges, Deputy Executive Officer Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

- A. Dr. William Gillaspie, FCMAT Management Analyst
- B. James “Sarge” Kennedy, Special Education Consultant
- C. Kay Atchison, Special Education Consultant
- D. Joann Murphy, Special Education Consultant

Other equally qualified consultants will be substituted in the event one of the above noted individuals is unable to participate in the study.

4. PROJECT COSTS

The cost for studies requested pursuant to E.C. 42127.8(d)(1) shall be:

- A. \$500.00 per day for each Team Member while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings.
- B. All out-of-pocket expenses, including travel, meals, lodging, etc. Based on the scope of work identified in section 2 A, estimated total cost is \$14,000. The COE will be invoiced at actual costs, with 50% of the estimated cost due following the completion of the on-site review and the remaining amount due upon acceptance of the final report by the COE.
- C. Any change to the scope will affect the estimate of total cost.

Payments for FCMAT services are payable to Kern County Superintendent of Schools-Administrative Agent.

5. RESPONSIBILITIES OF THE COE

- A. The COE will provide office and conference room space while on-site reviews are in progress.
- B. The COE will provide the following (if requested):
- 1) A map of the local area
 - 2) Existing policies, regulations and prior reports addressing the study request
 - 3) Current organizational charts
 - 4) Current and four (4) prior year's audit reports
 - 5) Any documents requested on a supplemental listing
- C. The COE Administration will review a preliminary draft copy of the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the Team prior to completion of the final report.

Pursuant to EC 45125.1(c), representatives of FCMAT will have limited contact with COE pupils. The COE shall take appropriate steps to comply with EC 45125.1(c).

6. PROJECT SCHEDULE

The following schedule outlines the planned completion dates for key study milestones:

| | |
|-------------------------------|---------------------|
| Orientation: | October 17, 2007 |
| Staff Interviews: | October 17-19, 2007 |
| Exit Interviews: | October 19, 2007 |
| Preliminary Report Submitted: | November 30, 2007 |
| Final Report Submitted: | To be determined |
| Board Presentation: | To be determined |
| Follow-Up Support: | If requested |

Scheduling of the review is based on the availability of FCMAT staff and independent consultants. The timeline will be confirmed following contract approval by the GCOE.

7. CONTACT PERSON

Please print name of contact person: Vicki Shadd, SELPA Director

Telephone 530 934-6575, ext 3203 FAX

Internet Address vshadd@glenncoe.org

Arturo Barrera, Superintendent Date
Glenn County Office of Education

Barbara Dean, Deputy Administrative Officer Date
Fiscal Crisis and Management Assistance Team