SELPA | Monterey County | Fiscal Year | 2021–22

LOCAL PLAN

Section D: Annual Budget Plan

SPECIAL EDUCATION LOCAL PLAN AREA

California Department of Education

Special Education Division

2021–22 Local Plan Annual Submission

SELPA | Monterey County | Fiscal Year | 2021–22

Local Plan Section D: Annual Budget Plan

Projected special education budget funding, revenues, and expenditures by LEAs are specified in **Attachments II–V.** This includes supplemental aids and services provided to meet the needs of students with disabilities as defined by the Individuals with Disabilities Education Act (IDEA) who are placed in regular education classrooms and environments, and those who have been identified with low incidence disabilities who also receive special education services.

IMPORTANT: Pursuant to California *Education Code* (*EC*) Section 56048, adjustments to any year's apportionment must be received by the California Department of Education (CDE) from the SELPA prior to the end of the first fiscal year (FY) following the FY to be adjusted. The CDE will consider and adjust only the information and computational factors originally established during an eligible FY, if the CDE's review determines that they are correct.

Pursuant to *EC* Section 56195.1(2)(b)(3), each Local Plan must include the designation of an administrative entity to perform functions such as the receipt and distribution of funds. Any participating local educational agency (LEA) may perform these services. The administrative entity for a multiple LEA SELPA or an LEA that joined with a county office of education (COE) to form a SELPA, is typically identified as a responsible local agency or administrative unit. Whereas, the administrative entity for single LEA SELPA is identified as a responsible individual. Information related to the administrative entity must be included in Local Plan Section A: Contacts and Certifications.

Section D: Annual Budget Plan

SELPA: Monterey County

Fiscal Year: 2021–22

Table 1: Special Education Revenue by Source

D1. Using the fields below, identify the special education revenues by funding source. The total revenue and the percent of total funding by source is automatically calculated.

Funding Revenue Source	Amount	Percentage of Total Funding
Assembly Bill (AB) 602 State Aid	42,491,481	24.80%
AB 602 Property Taxes	6,005,069	3.50%
Federal IDEA Part B	14,427,021	8.42%
Federal IDEA Part C	46,978	0.03%
State Infant/Toddler	1,002,347	0.58%
State Mental Health	4,659,721	2.72%
Federal Mental Health	844,093	0.49%
Other Revenue*	101,890,290	59.46%
Total Revenue	171,367,000	**100.00%**

D2. Using the form template provided in **Attachment II**, complete a distribution of revenues to all LEAs participating in the SELPA by funding source.

D3. *Include a description of the revenue identified the "Other Revenue" category

LEA Local Fund Contributions

Section D: Annual Budget Plan

SELPA: Monterey County | Fiscal Year: 2021–22

Table 2: Total Budget by Object Codes

D4. Using the fields below, identify the special education expenditures by object code. The total expenditures and the percent of total expenditures by object code is automatically calculated.

Object Code	Amount	Percentage of Total Expenditures
Object Code 1000—Certificated Salaries	48,690,194	28.41%
Object Code 2000—Classified Salaries	27,951,500	16.31%
Object Code 3000—Employee Benefits	31,145,644	18.17%
Object Code 4000—Supplies	2,770,335	1.62%
Object Code 5000—Services and Operations	26,755,522	15.61%
Object Code 6000—Capital Outlay	7,500	0.00%
Object Code 7000—Other Outgo and Financing*	34,046,305	19.87%
Total Expenditures	171,367,000	100.00%

D5. Using the templates provided in **Attachment III**, complete a distribution of projected expenditures by LEAs participating in the SELPA by object code.

D6. *Include a description of the expenditures identified under object code 7000:

Indirect Cost, Lease Costs, SELPA Payment of District Allocations

Section D: Annual Budget Plan

SELPA | Monterey County | Fiscal Year | 2021–22

Table 3: Federal, State, and Local Revenue Summary

D7. Using the fields below, identify funding by revenue jurisdiction and percent of total budget.

Revenue Source	Amount	Percentage of Total Funding
State Special Education Revenue	54,437,794	31.77%
Federal Revenue	15,038,916	8.78%
Local Contribution	101,890,290	59.46%
Total Revenue From All Sources	171,367,000	100.00%

D8. Using the form template provided in **Attachment IV**, provide a complete distribution of revenues to all LEAs participating in the SELPA by federal and state funding source.

Special Education Local Plan Area Funding Distribution

D9. Describe the basic premise of the SELPA Allocation Plan.

Income Distribution Agreement Funding Allocation Principles

1. Fairness and equity shall be the basis of the development of this Income Distribution Agreement.
2. Federal and state revenues will flow directly from the state to the SELPA Administrative Unit, which is currently the Monterey County Office of Education (COE). In turn, the SELPA Administrative Unit will allocate the funds to SELPA members according to this Income Distribution Agreement.
3. SELPA member districts will retain their own decision making on how to use their funds in serving special education students based on needs outlined in their Individualized Education Programs (IEPs).
4. This Income Distribution Agreement will be kept as simple as possible and yet be flexible and useful in serving special education students.
5. The distribution of funding will be understandable, predictable, and timely.
6. SELPA members will commit to timely reporting and analysis of all relevant data necessary for the allocation and distribution of funds.
7. Disputes regarding this Income Distribution Agreement will be resolved at the lowest level possible with final appeal to the SELPA Governance Council.
8. The Income Distribution Agreement will provide support for the development of cost-effective programs for all students, while not providing an incentive for districts to over-identify students for special education services.
9. The Income Distribution Agreement will recognize that districts have been, and will need to continue, contributing LCFF revenue and general fund contributions to cover special education costs.

SELPA: Monterey County | Fiscal Year: 2021–22

D10. Describe how the SELPA distributes IDEA revenues to the LEAs, including the models used to provide services to member LEAs:

Term of Agreement

This agreement is for a one year period beginning with July 1st of the 2021 – 2022 school year and ending on June 30th of the 2021 – 2022 school year. The SELPA Executive Committee or the SELPA Governance Council may initiate a review, and if necessary, a revision to the terms of this agreement.

AB 602 Funding

Base Entitlement

All funds from this entitlement will be distributed to districts (including funds generated by charter schools hosted by that district), MCOE charter schools, and MCOE alternative education programs based on the prior year's K-12 average daily attendance (ADA) at P-2.
Funding amounts for each SELPA are calculated by CDE through the Principal Apportionment. Principal Apportionment calculations are made three times for each fiscal year – the First Principal Apportionment (P-1) is certified by February 17th, the Second Principal Apportionment (P-2) is certified by July 2nd, and the Annual calculation is certified by February 20th of the following year (at the same time as the following year's P-1 certification). The SELPA's Administrative Unit then distributes the funds to school districts upon receipt.
The funds are distributed to each SELPA based on the following Principal Apportionment schedule:

July - 5.00%
August - 5.00%
September - 9.00%
October - 9.00%
November - 9.00%
December - 9.00%
January - 9.00%
February - 20% or 1/5 of balance due
March - 20% or 1/5 of balance due
April - 20% or 1/5 of balance due
May - 20% or 1/5 of balance due
June - Balance Due

SELPA-Wide Growth

Income received as the result of SELPA-wide increase in ADA will be distributed to districts, MCOE charter schools, and MCOE alternative education programs proportionate to their increase in ADA. Districts in declining enrollment will not be eligible to receive any portion of SELPA-wide growth funding.

SELPA-Wide Decline

Reduction in funding as the result of a SELPA-wide decline in enrollment will be applied to the SELPA-wide base entitlement. The reduced base entitlement will then be distributed as outlined in the Base Entitlement section of this agreement.

Deferrals

The SELPA Administrative Unit, using the same allocation formula established for each funding source, will distribute any deferred revenue, upon receipt.

Regionalized Services and Program Specialists

Funds for regionalized operations and services and the direct instructional support of program specialists are apportioned to the special education local plan areas through the AB 602 funding allocation. As a condition of receiving these funds, the SELPA shall ensure that all functions are performed in accordance with the description set forth in the local plan and Education Code 56836.23.

Funds to Support Students with Low Incidence Disabilities

$250,000 of the funds received through the AB 602 allocation to support special education and related services as required in each IEP for students with low incidence disabilities shall be retained annually by the SELPA for the current fiscal year and used to purchase approved items for these students. (see the “Low Incidence Books, Materials, and Equipment Funds” section of chapter 7 of Part I, Program Procedures in this handbook for further information).

Funds allocated in excess of the $250,000 SELPA equipment budget will be distributed to districts (including funds generated by schools hosted by that district), MCOE charter schools, and MCOE alternative education programs based on the current year’s LI count of LEA students on CALPADS Census Day. Prior to the release of funds, each LEA receiving funds must submit a report to the SELPA by June 1st, of the allocation year, identifying how the funds are used. The SELPA will review the plan to verify that the funds are being utilized appropriately. Any concerns regarding the reports will be discussed with the LEA in order to resolve the concerns. All reports must ensure that the funds will be used only to provide services or equipment as identified on IEPs for students who are determined to have a low incidence disability.

Low incidence funds spent on equipment by the district will require equipment tracking similar to that utilized at the SELPA level to ensure that equipment and device inventory is monitored for the appropriate utilization and transfer of items to the students requiring them.

Out-of-Home Care

Out-of-Home Care funds will be retained at the SELPA level to assist in covering costs that are incurred as a result of student placement in group homes or licensed children's institutions (LCIs) and other special circumstances. Funding will be provided to LEAs via an application process and is contingent upon the availability of sufficient funds. Funds will be allocated as follows: Reimbursement to LEAs of 100% of the fee for enrollment in a nonpublic school (NPS), as required by an IEP, for a student placed in a group home or LCI within Monterey County by a public agency other than education (e.g., Social Services, Probation, Regional Center) and when required to continue payment for residential nonpublic, nonsectarian school, following a student transfer to another SELPA as indicated in California Education Code 56325 (c).

Reimbursement of 25% of excess cost for enrollment in MCOE special education programs, as required by an IEP, for a student placed in a group home or LCI within Monterey County by a public agency other than education (e.g., Social Services, Probation, Regional Center).

Following payment for the placements of students in group homes, residential placements, and licensed children's institutions (LCIs) as indicated above, the remaining Out-of-Home Care funds will be utilized to supplement the funding of the Non-Public school pool.

Remote Necessary Small School Districts (Big Sur Alternate Funding Calculation)

The Monterey County SELPA recognizes that school districts qualifying as necessary small school districts that are unable to benefit from participation in regional programs due to being at least 50 miles from any neighboring school district within the SELPA are faced with unique challenges. These districts must be prepared to provide appropriate special education and related services to a small number of students, with a wide range of needs, all within the neighborhood school, and with limited staff. In order to ensure that all students with special education needs have access to an appropriate level of support, the qualifying school district shall receive its special education funding allocation based upon an alternative calculation, as described in the next paragraph, unless the district would receive a higher level of funding using the same formula that is used for all other school districts and defined throughout this document. An analysis of which calculation will yield the higher allocation will be conducted prior to the beginning of each fiscal year.

To determine the alternate calculation for qualifying districts, as described in the paragraph above, the LEA's portion of the Federal IDEA Local Assistance Entitlement Grant and any one-time special education funding will be subtracted from the total cost of the regular salary and benefits of a qualified teacher assigned to special education, for 60% of the school year, based upon 180 workdays per year. The resulting difference will yield the dollar amount of the district's AB 602 allocation plus its augmentation and will be provided from AB 602 funds prior to distribution of those dollars to other member LEAs. The district will be responsible for covering any additional costs for special education and related services required by its students as part of its general fund contribution.

Special Education Property Taxes

As calculated by CDE revenue exhibits, Monterey County Special Education Local Plan Area receives 0.277128 of the secured and unsecured property taxes allocated to the Monterey County Office of Education. This property tax revenue will be allocated as indicated below:

Allocation to Shared Costs and Special Purpose Funding Pools as indicated below:

a. Contract for IEP Documentation (SIRAS) – $107,300
b. SELPA-Wide Personnel Development – previous year funding, plus COLA 2020-21
c. Small School District Reserve – $200,000
d. Non-Public School Pool – $250,000
e. Extraordinary Cost Pool – $175,000

The MCOE Alternative Education Department will receive its share of the special education property tax income based upon its percentage of the prior year's county-wide P2 ADA.

Allocation to MCOE Regional Programs – Remaining special education property tax income allocated to MCOE to offset the programs below:

a. Multiple Disabilities Programs at ABI, Ruth Andresen, and Gabilan Schools
b. MCOE Deaf/Hard of Hearing Program Classes and Educational Interpreters
c. Remaining programs in the SDC cost center

Contract for IEP Documentation

To fund the costs of the annual contract for IEP Documentation, a SELPA account will be funded at the cost of the annual contract each year from the Special Education Property Tax allocation. An additional five percent of the annual contract cost will also be funded each year for the maintenance and development of forms and LEA requested software features. Funds not expended from the account at the end of each year will be carried over to the next year (not to exceed 15%). If the costs of maintenance and development exceed the funded amount, additional funding for these purposes will require the approval of the SELPA Governance Council.

SELPA-Wide Personnel Development

These funds, previously allocated by the state directly to SELPAs, are included in the AB 602 base funding beginning in 2013-14. In 2013-2014, an amount equal to the amount received in 2012-2013 for staff development in 2012-2013, plus the approved COLA, shall be retained by the SELPA from the Special Education Property Tax allocation for provision of a personnel development program that meets the highly qualified teacher requirements and ensures that all personnel necessary to carry out this part are appropriately and adequately prepared. In each subsequent year, the SELPA shall retain an amount equal to the amount retained for personnel development from the previous year, plus COLA.

Small School District Reserve

Funds placed into the small school district reserve will be available for use by small school districts with an ADA of less than 350 to assist in paying for excess costs that pose an unusually severe hardship upon the district. This reserve will be funded at a minimum level of $200,000 each year.

Non-Public School Pool

Reimbursement to LEAs for 50% of the fee for enrollment in a NPS, as required by an IEP, for any Monterey County student. If requests exceed available funding, reimbursements will be prorated to equalize funding across applicants.

Extraordinary Cost Pool

It is the intent of the SELPA to self-insure member LEAs in order to assist in covering extraordinary costs that are incurred as a result of factors deemed outside the control of an LEA. To this end, an extraordinary cost pool will be funded at $175,000 from the special education property tax allocation each year (see Special Education Property Taxes section for funding calculation methodology). Funds not expended from the pool at the end of each year will be carried over to the next year.

Reimbursement will be provided to LEAs, upon their request, for qualifying circumstances. Examples of qualifying criteria include, reimbursement of up to 25% for MCOE regional program placements, reimbursement in addition to the other funds reimbursed for nonpublic school placements, extraordinary budget circumstances, and funding for new program development. Districts with approved requests will be reimbursed for up to 50% of the total cost of the qualifying circumstance providing funds are available (up to 25% reimbursement for MCOE regional program placements).

To be considered for funding from the Special Purpose Funding Pools, a district must complete and submit an application to the SELPA. The application must be received by the SELPA no later than April 1st of the current fiscal year in order to receive funds. Applications will be reviewed by the SELPA Executive Director to verify that the request for additional funding appears valid based upon criteria specified in the application. The SELPA Executive Director may seek input from appropriate advisory committees as determined necessary. Following review of the application, the SELPA Executive Director will recommend approval or denial to the SELPA Executive Committee. If the district disagrees with the decision of the SELPA Executive Committee, the decision may be appealed to the SELPA Governance Council.

Invoices for actual expenditures must be submitted by the district to receive the approved reimbursements during the following school year. Funding will be distributed to districts once all invoices have been received for the accurate calculation of reimbursements within the funding pool.

Infant Entitlement

The SELPA receives two Infant Entitlement Grants that support programs for children aged birth through 3 years and are generated through J-50 reporting. These grants are distributed to the two LEAs that offer Part C, Early Start Programs: MCOE Special Education and Monterey Peninsula Unified School District.

Local Assistance Entitlement

The Local Assistance Entitlement Grant is for students between the ages of five and 22 years. This grant is distributed to districts, MCOE special education department, MCOE charter schools, and MCOE alternative education based upon the previous year's final certified CALPADS special education student count. The SELPA AU distributes funds to districts upon receipt of apportionments.

Mental Health Services Grants

Federal IDEA Allocation

These funds are restricted for provision of related services to students with significant emotional and/or behavioral needs as required on student IEPs. The grant is retained by the SELPA and is used to reimburse the Monterey County Health Department, Behavioral Health Bureau (MCBH) for provision of psychological services to students throughout the SELPA pursuant to a Memorandum of Understanding between the SELPA and MCBH.

State Allocation

The grant is retained by the SELPA and used as outlined below:

1. To reimburse the Monterey County Health Department, Behavioral Health Bureau (MCBH) for provision of psychological services to students throughout the SELPA pursuant to a Memorandum of Understanding between the SELPA and MCBH for any amount not covered by the Federal IDEA Allocation.
2. The remainder will be distributed to districts (including funds generated by charter schools hosted by that district), MCOE charter schools, and MCOE alternative education programs based on the prior year's K-12 average daily attendance (ADA) at P-2.

Other Grants

Federal Preschool Grant

The federal Preschool Grant provides funding for special education and services to children with disabilities ages three through five. Preschool grant funds (Resource Code 3315) shall be allocated based on each LEAs proportionate share of eligible and enrolled children using the previous year's final certified CALPADS special education student count for students ages three through five.

Preschool Staff Development

Preschool Staff Development funds provide for preschool staff development opportunities for personnel working in preschool programs that serve children with disabilities, ages three through five. Preschool staff development funds (Resource Code 3345) shall be allocated based on each LEAs proportionate share of eligible and enrolled children using the previous year's final certified CALPADS special education student count for students ages three through five.

Part C, Early Start

These funds are allocated to SELPAs for the purpose of planning and implementing a comprehensive, community-based interagency system of early intervention services for infants and toddlers with disabilities and their families. These grants are distributed to the two LEAs that offer Part C, Early Start Programs based on each LEAs proportionate share of eligible and enrolled children: MCOE Special Education and Monterey Peninsula Unified School District.

Infant Discretionary

These funds are for direct early education services for infants who have disabilities and are specifically intended to address unanticipated direct service impacts of transitioning to the Part C program from earlier delivery models. These grants are distributed to the two LEAs that offer Part C, Early Start Programs based on each LEAs proportionate share of eligible and enrolled children: MCOE Special Education and Monterey Peninsula Unified School District.

Maintenance of Effort Policy

The Monterey County Special Education Local Plan Area (SELPA) shall meet maintenance of effort (MOE) regulations requiring that federal funds be used only to pay the excess costs of providing special education and related services to children with disabilities and to supplement and not supplant state and local funds for special education (ref: 34 Code of Federal Regulations (CFR), sections 300.203-300.205).

The SELPA Administrative Unit (AU), as the grantee of federal funds from the California Department of Education (CDE), shall distribute all or part of the federal funds received to participating local education agencies (LEA) within the SELPA through a sub-granting process and shall annually conduct and report to the CDE the required MOE information. For the purposes of maintenance of effort, the SELPA AU is the recipient of the federal funds from CDE and is, in turn, a grantor of all or part of those funds as sub-grants to participating LEAs. The LEAs within the Monterey County SELPA shall compile and submit budget and expenditure information, including LMC-A and LMC-B reports.

The two required comparison tests are as follows:

First Comparison Eligibility Requirement – Grant-Year Budget to Prior Actual Expenditures (LMC-B)

• Each LEA will submit to the SELPA the required MOE documentation each year.
• Budgeted local or state and local expenditures must equal or exceed prior year expenditures for each LEA and for the SELPA, as a whole, subject to the federal Subsequent Years rule.
• The SELPA must ensure the LEA meets the eligibility comparison test before the allocations of Part B funds are made to the LEAs.

Section 1 – Each year, LEAs should record any of the exceptions listed below:
These items will reduce the amount required to meet MOE:

1. The voluntary departure, by retirement or otherwise or departure for just cause, of special education or related service personnel
2. A decrease in the enrollment of children with disabilities
3. The termination of the obligation of the agency to provide a program of special education to a particular child with a disability that is an exceptionally costly program because the child:

   a. Has left the jurisdiction of the agency;
   b. Has reached the age at which the obligation of the agency to provide FAPE to the child has terminated; or
   c. No longer needs the program of special education

4. The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities

Section 2 – LEAs that received a “meets requirement” compliance determination from CDE and have not been found to be significantly disproportionate may also reduce their MOE requirement. Under these conditions, the LEA may reduce the level of local or state and local expenditures otherwise required by the LEA MOE requirement by calculating 50 percent of the increase in federal subgrant allocation received for the current fiscal year compared to the prior fiscal year and reducing the LEA’s state and local MOE requirement by that amount.

Please note: The LEA must use an amount of local funds equal to the reduction in expenditures to carry out activities that could be supported with funds under the Elementary and Secondary Education Act (ESEA) of 1965. This amount includes any activities under Title 1, Impact Aid, and other ESEA programs.

• The amount of funds expended by an LEA for early intervening services under 34 CFR, Section 300.226 shall count toward the maximum amount of expenditures that the LEA may reduce under this section.

Section 3 – Four MOE Test Methods to Maintain Effort
Either local or state and local funding sources are used for comparison at the SELPA level as well as for each individual LEA. In addition, the comparison may be per capita (per child with a disability, unless some other basis is permitted by the SEA for determining “per capita”). The four methods to maintain effort are:

1. The combination of state and local funds
2. Local funds only
3. The combination of state and local funds on a per capita basis
4. Local funds only on a per capita basis

If the SELPA as a whole passes the first comparison (budget vs. actual), the SELPA as a whole is eligible to receive Part B funding.

Consequences for Failure to Maintain Effort

If the SELPA fails the first comparison test (budget vs. actual), the SELPA as a whole and all of its participating members will be ineligible to receive Part B funding until budgetary revisions are made to enable the SELPA as a whole to meet MOE requirements.

If the SELPA as a whole passes the first comparison test (budget vs. actual), but one or more individual LEA sub-grant recipients fails the first comparison test, the LEA shall have until the first principal apportionment (better known as P-1 certification) occurs to comply with MOE requirements. The P-1 certification is the first time the current year expenditure data is available. If an LEA has not rectified the problem by the date that P-1 certification is made, the SELPA will notify the CDE. The SELPA will provide the CDE with the LEA's IDEA subgrant amounts. The CDE will reduce the SELPA's grant awards by the amount of the LEAs subgrant amount.

When an LEA fails to meet the MOE test in one year, the LEA is required in subsequent fiscal years to maintain effort at the level prior to the failure. Thus, the LEA must calculate its level of effort on the most recent fiscal year in which the MOE test was met.

Second Comparison Compliance Requirement – Prior-Year Actuals vs. Second-Prior Year Actuals or the most recent year LEA met using the method (LMC-A)

• Actual local or state and local expenditures must equal or exceed prior-year expenditures, subject to the federal Subsequent Years rule.
• SELPA comparison is made after unaudited actuals data is submitted to CDE following the end of the fiscal year
• The comparison will occur annually

Section 1 - Each year LEAs should record any of the exceptions listed below:

These items will reduce the amount required to meet MOE:

1. The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related service personnel
2. A decrease in the enrollment of children with disabilities
3. The termination of the obligation of the agency to provide a program of special education to a particular child with disabilities that is an exceptionally costly program because the child:

a. Has left the jurisdiction of the agency;
b. Has reached the age at which the obligation of the agency to provide FAPE to the child has terminated; or
c. No longer needs the program of special education

4. The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities

Section 2 – LEAs that received a "meets requirement" compliance determination from CDE and have not been found to be significantly disproportionate may also reduce their MOE requirement. Under these conditions the LEA may reduce the level of local or state and local expenditures otherwise required by the LEA MOE requirement by calculating 50 percent of the increase in federal subgrant allocation received for the current fiscal year compared to the prior fiscal year and reducing the LEA's state and local MOE requirement by that amount.

Please note: The LEA must use an amount of local funds equal to the reduction in expenditures to carry out activities that could be supported with funds under the Elementary and Secondary Education Act (ESEA) of 1965. This amount includes any activities under Title 1, Impact Aid, and other ESEA programs.

• The amount of funds expended by an LEA for early intervening services under 34 CFR, section 300.226 shall count toward the maximum amount of expenditures that the LEA may reduce under this section.

Section 3 – Four MOE Test Methods to Maintain Effort
Either local or state and local funding sources are used for comparison at the SELPA level as well as for each individual LEA. In addition, the comparison may be per capita (per child with a disability, unless some other basis is permitted by the SEA for determining "per capita"). The four methods to maintain effort are:

1. The combination of state and local funds
2. Local funds only
3. The combination of state and local funds on a per capita basis
4. Local funds only on a per capita basis

Consequences for Failure to Maintain Effort

If the SELPA as a whole fails the second comparison test (actual vs. actual) after applying the exceptions, the SELPA will be billed by the CDE for the amount the SELPA, collectively, failed to spend from local or state and local funds to maintain its level of effort. The SELPA AU will then bill the individual LEA sub-grant recipients that failed the MOE second comparison test for the amount the LEA(s) failed to spend from local or state and local funds to maintain their level of effort.

If the SELPA as a whole passes the second comparison (actual vs. actual), but one or more individual LEA sub-grant recipients fail to spend from local or state and local funds to maintain their

level of effort, CDE will bill the SELPA for the amount that the LEA failed to spend from local or state and local funds to maintain its level of effort. The amount must be paid to CDE by the LEA from its state and/or local funding in the budget year.

When an LEA fails to meet the MOE test in one year, the LEA is required in subsequent fiscal years to maintain effort at the level prior to the failure. Thus, the LEA must calculate its level of effort on the most recent fiscal year in which the MOE test was met.

For the purposes of maintenance of effort, the SELPA AU is the recipient of the federal funds from CDE and is, in turn, a grantor of all or part of those funds as sub-grants to participating LEAs.

Inter-District Placements

Any costs associated with inter-district student transfers as required by Individualized Education Programs (IEPs) will be funded through agreements negotiated between the participating districts independent of this agreement.

Section D: Annual Budget Plan

SELPA: Monterey County

Fiscal Year: 2021–22

Table 4: Special Education Local Plan Area Operating Expenditures

D11. Using the fields below, identify the total projected SELPA operating expenditures by SELPA accounting codes, the amount, and the percent of total expenses. NOTE: For 2021-22 fiscal year, this table optional for single LEA SELPAs.

Accounting Categories and Codes	Amount	Percentage of Total
Object Code 1000—Certificated Salaries	589,613	6.22%
Object Code 2000—Classified Salaries	125,570	1.32%
Object Code 3000—Employee Benefits	326,035	3.44%
Object Code 4000—Supplies	266,463	2.81%
Object Code 5000—Services and Operations	5,663,963	59.74%
Object Code 6000—Capital Outlay		0.00%
Object Code 7000—Other Outgo and Financing*	2,509,599	26.47%
Total Operating Expenditures	9,481,243	100.00%

D12. *Include a description of the expenditures identified under object code 7000:

Low incidence funding for LEAs, special purpose funding pool district reimbursements, and other grant fund pass through to districts

SELPA: Monterey County | Fiscal Year: 2021–22

Table 5: Projected Expenditures for Supplemental Aids and Services in the Regular Classroom and for Students with Low Incidence Disabilities

The standardized account code structure (SACS), goal 5750 is defined as "Special Education, Ages 5–22 Severely Disabled." Students with a low-incidence disability are classified severely disabled. The LEA may elect to have locally defined goals to separate low-incidence disabilities from other severe disabilities to identify these costs locally.

D13. Does the SELPA, including all LEAs participating in the SELPA, use locally defined goals to separate low-incidence disabilities from other severe disabilities?

☐ Yes ☒ No

If "No," describe how the SELPA identifies expenditures for low-incidence disabilities as required by *EC* Section 56205(b)(1)(D)?

Each LEA receiving low incidence funds must submit a report to the SELPA identifying how the funds are used

D14. Enter the total projected expenditures for supplemental aids and services (SAS) for students with disabilities who are placed in the regular education classroom and for those who are identified with low incidence (LI) disabilities.

Total Projected Expenditures for SAS in the Regular Classroom Provided to Students with Disabilities	8,454,753
Total Projected Expenditures for Students with LI Disabilities	1,662,485

D15. Using the form template provided in **Attachment V**, provide a complete distribution of projected federal and state expenditures by LEAs participating in the SELPA.