

CDE Categorical Program Directors' Meeting Notes
December 10, 2010

Consolidated Application Update
Handout #1, #2

Ernie Thornberg, Consultant, Education Data Office
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CHANGES: See Handout #1 for some of the changes to pp. 20, 42, 43, 33, 34, and 45. Additionally, there will be changes made to the instructions so be sure to double check them. CADS is still being updated and the staff is working as fast as they can to get it out to LEAs.

Title I: If you think enrollment is wrong, contact Stephanie.

QUESTION: Is there a requirement to track Title I, Basic and Neglected funds separately if they're combined into one allocation?
The team will ask Jeff Breshears.

EIA/ELAP: For County Offices of Education: As long as they run one or more juvenile court schools, may receive EIA funds. (See Handout #2.) You have to fill the rest of the data out, but you can only mark JCS for funding. (You'll only see JCS on p. 31.)

P.35: Title I, Part A Reservations: Low-Income families. You can map the October count into Part 1 to give a better metric for this year's needs; however, this could change the ranking and Title I eligibility. You'd especially want to do this if the configuration of your schools has changed since Part I (ex. change from K-6 to K-8.)

CALPADS Update
Handout #3

Keric Ashley, Director, Data Management Division
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2009-10: CALPADS Dropout and Graduation rates for 2008-09 were released last week. They look "pretty consistent for the last couple of years for the majority of districts."

2010-11: This will be the first time CDE is able to do cohort graduation and dropout rates, which means they won't be comparable to years past (because it uses a different formula). They should be the most accurate we've had in the state and is consistent with federal law.

CALPADS Submissions: Fall 1 is open. Fall 2 software was made available the week of 12/6. (See handout for details.)

January-February 2011: CDE is loading three years of historical assessment data for CAHSEE, CELDT and STAR.

Reminder: The veto impacted funding for CDE oversight of CALPADS, which is still running. The Legislature has to grant authority to someone to spend the CALPADS money. CDE anticipates that a bill will be produced to support its continued oversight of the project.

QUESTION: How soon will CTE be integrated?

This is scheduled to be part of the end of the year (EOY) collection. There's a concern that all districts will be able to do this at the first year. It will continue to be collected as it has in the past, with the hope that all LEAs will be able to transition in 2011-12.

QUESTION: How will Civil Rights data collection be integrated?

Although data collections are similar, CDE is not involved with the federal collection at this point. They will not be integrated.

CPM Update
Handout #4

Hector Rico, Data Management Division
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CDE's CPM Plans have been approved. 61 LEAS in Cycle A will be reviewed (including 3 COEs). Cycle C online-only activities will occur in the spring. Notification will occur in late January, early February with visits about three months later. There will be formal findings for Cycle C, as opposed to the 2009-10 Cycle D online-only monitoring which was a pilot.

CAIS Training occurred December 8, 10, 14, 17; Posted online: <http://www.cacompcenter.org/cs/cpm/print/htdocs/cpm/home.htm>
Training on CPM Program Instruments via webinar/videoconference is scheduled for January 6, 2011. 9:00 am to 5:30 pm. Priority will be given to Cycle A and then to Cycle C sites.

Selena Arias has updated contact information – UCP: 619-319-0740

CPM Fiscal Monitoring
Handout #5

Paula Flores, Consultant, Audits & Investigations Division
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What's the role of the Fiscal Monitoring Unit? It will accompany program staff on reviews. Fiscal monitoring will conduct desk reviews of LEAs on Section 3 of the Program Instruments, as well as three separate instruments. They will be out there to assist LEAs to ensure programmatic compliance. They're not auditors; they're there to provide technical assistance. **Staff consists of 1 education admin, 2 consultants (onsite reviews), 1 analyst (online reviews).**

3 specific instruments: SFSF, Ed Jobs Fund, and Fiscal Monitoring Instrument. FM covers: Title I, Part A; Title I, Part C; Title II, Part A; Title III and Title IV

The power point presentation included 23 pages. The following 2 tables summarize key points from that presentation.

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	SFSF	Ed Jobs Fund
Timekeeping Requirements	<p>"Ensure the LEA properly charges... are reasonable and necessary."</p> <ul style="list-style-type: none"> - No federal requirements for time and effort records - Documents: <ul style="list-style-type: none"> o Chart of Accounts o General Ledger o Payroll Records o Position Duty Statements/Job Descriptions o Semi-Annual Certification o Personnel Activity Reports o Other items, as needed - Interviews with Staff - You may need 6-12 months of backup; length determined on a case-by-case basis. 	<p>Same purpose</p> <ul style="list-style-type: none"> - Documents: <ul style="list-style-type: none"> o Chart of Accounts o General Ledger o Payroll Records o Position Duty Statements/Job Descriptions o Semi-Annual Certification o Personnel Activity Reports o Other items, as needed Interviews with Staff
Allowable Costs	<p>"Ensure the LEA charges costs that are reasonable, necessary, and properly supported..."</p> <ul style="list-style-type: none"> - No Rainy Day supplement - Past debt repayment of allowable expenditures under SFS - No maintenance, stadiums, purchase or upgrade of vehicles, improvement of facilities... - Documents: <ul style="list-style-type: none"> o Chart of Accounts o General Ledger– Resource Code 3200 o Invoices, Purchase Orders, etc. o Other items, as needed - Interviews with Staff 	<p>"Ensure the LEA used the Ed Jobs funds only for compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees."</p> <ul style="list-style-type: none"> - Documents: <ul style="list-style-type: none"> o Chart of Accounts o General Ledger – Resource Code 3205 o Other items, as needed Interviews with Staff
Accounting of Funds	<p>"Ensure that LEA maintains records that separately track and properly account for SFSF funds, including how the funds were used."</p> <ul style="list-style-type: none"> - Documents: <ul style="list-style-type: none"> o Chart of Accounts o General Ledger– Resource Code 3200 o Invoices, Purchase Orders, etc. o Other items, as needed - Interviews with Staff 	<p>Same purpose</p> <ul style="list-style-type: none"> - Documents: <ul style="list-style-type: none"> o Chart of Accounts o General Ledger – Resource Code 3205 o SPSA o Invoices, Purchase Orders, etc. o Other items, as needed Interviews with Staff
Cash Management	<p>"Verify that the LEA is properly calculating, reporting, and remitting interest earned on unspent SFSF advances."</p> <ul style="list-style-type: none"> - See Guidelines for Calculating Interest on Federal Funds, Handout #6 - Documents: <ul style="list-style-type: none"> o Chart of Accounts o General Ledger– Resource Code 3200 o Cash Balance Report o Bank Statements o LEA Interest Calculation o LEA Interest Calculation Methodology o Interest Remittances (Date and Amount) o Other items, as needed - Interviews with Staff 	<p>Same purpose</p> <ul style="list-style-type: none"> - Documents: <ul style="list-style-type: none"> o Chart of Accounts o General Ledger – Resource Code 3205 o Cash Balance Report o Bank Statements o LEA Interest Calculation o LEA Interest Calculation Methodology o Interest Remittances (Date and Amount) o Other items, as needed Interviews with Staff
Reporting	<p>"Ensure the LEA complied with all of the accountability and reporting requirements that apply to the SFSF including info required under Sec. 1512 of ARRA."</p> <ul style="list-style-type: none"> - Documents: <ul style="list-style-type: none"> o 1512 ARRA Report o General Ledger– Resource Code 3200 o LEA Spending Plan. (This language is purposely loose. It is the document the LEA uses to budget, plan, and spend its money.) o # of Jobs Created or Retained – Calculations o # of Jobs Created or Retained – Calculation methodology o Other items, as needed o Interviews with Staff 	<p>Same purpose</p> <ul style="list-style-type: none"> - Documents: <ul style="list-style-type: none"> o 1512 ARRA Report o General Ledger – Resource Code 3205 o LEA Spending Plan. (This language is purposely loose. It is the document the LEA uses to budget, plan, and spend its money.) o # of Jobs Created or Retained – Calculations o # of Jobs Created or Retained – Calculation methodology o Other items, as needed Interviews with Staff

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Fiscal Monitoring Instrument	
<p>1. Timekeeping Requirements FOR ON-SITE REVIEW ONLY</p> <p>Title I, Part A – 3010 & 3011 Title I, Part C* – 3060 & 3061 Title II, Part A* – 4035 Title III – 4203 Title IV* – 4124</p> <p><i>* Specific to the fiscal monitoring instrument</i></p>	<p>“Ensure the LEA properly charges salaries and wages in proportion to an allowable quantity and duties of the employee...”</p> <ul style="list-style-type: none"> - ON-SITE Review = All 7 items - ONLINE Review = Items 2, 4, 6, 7 only - Compensation for personnel Services <ul style="list-style-type: none"> o If federal funds are used for salaries, then time distribution records are required o Must demonstrate if employee paid with federal funds, then employee worked on that specific program/cost objective o Level of documentation is based on how employee is funded (state vs. federal) and how many “cost objectives” (single vs. multiple) - Time Requirements: Time distribution records for federally funded programs include: <ul style="list-style-type: none"> o Periodic Personnel Certification (single cost objective = at least semi-annually) o Personnel Activity Report or equivalent documentation (multiple cost objective = monthly report) o Other option (federally approved substitute system – CSAM Procedure 905) - Documents: <ul style="list-style-type: none"> o Chart of Accounts o General Ledger o Payroll Records o SPSA o Job Announcements o Position Duty Statements/Job Descriptions (Typically, a Duty Statement is more specific to the individual, while a Job Description is more general) o Semi-Annual Certification o Personnel Activity Reports o Other items, as needed - Interviews with Staff
<p>2. Allowable Costs</p> <p>Title I, Part A* – 3010 & 3011 Title I, Part C – 3060 & 3061 Title II, Part A* – 4035 Title III* – 4203 Title IV* – 4124</p> <p><i>* Specific to the fiscal monitoring instrument</i></p>	<p>“Ensure the LEA charges costs that are reasonable, necessary, and properly supported....”</p> <ul style="list-style-type: none"> - Documents: <ul style="list-style-type: none"> o Chart of Accounts o General Ledger o SPSA o Invoices, Purchase Orders, etc. o Other items, as needed - Interviews with Staff
<p>3. Supplement, Not Supplant FOR ON-SITE REVIEW ONLY</p> <p>Title I, Part A* – 3010 & 3011 Title I, Part C* – 3060 & 3061 Title II, Part A* – 4035 Title III* – 4203 Title IV* – 4124</p> <p><i>* Specific to the fiscal monitoring instrument</i></p>	<p>“Ensure the LEA uses categorical funds only to supplement, and not supplant state and local funds....”</p> <ul style="list-style-type: none"> - Documents: <ul style="list-style-type: none"> o Chart of Accounts o General Ledger o SPSA o Invoices, Purchase orders, etc. o Payroll Records o Semi-Annual Certification o Personnel Activity Reports o Position Duty Statements/Job Descriptions o Other items, as needed - Interviews with Staff
<p>4. Cash Management</p> <p>Title I, Part A* – 3010 & 3011 Title I, Part C* – 3060 & 3061 Title II, Part A* – 4035 Title III* – 4203 Title IV* – 4124</p> <p><i>* Specific to the fiscal monitoring instrument</i></p>	<p>“Verify that the LEA is properly calculating, reporting, and remitting interest earned on unspent federal advances....”</p> <ul style="list-style-type: none"> - Documents: <ul style="list-style-type: none"> o Chart of Accounts o General Ledger– Resource Code 3200 o Cash Balance Report o Bank Statements o LEA Interest Calculation o LEA Interest Calculation Methodology o Interest Remittances (Date and Amount) o Other items, as needed - Interviews with Staff
<p>5. Funding FOR ON-SITE REVIEW ONLY</p> <p>Title I, Part A – 3010 & 3011 Title III – 4203</p>	<p>“Ensure that the LEA allocates categorical funds to school sites in accordance with the approved allocation formulas....”</p> <ul style="list-style-type: none"> - Documents: <ul style="list-style-type: none"> o Chart of Accounts o General Ledger o SPSA o Invoices, Purchase Orders, etc. o Other items, as needed - Interviews with Staff

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Fiscal Monitoring Instrument	
6. ARRA	<p>"Verify that the LEA charges costs to Title I, Part A, ARRA which are reasonable, necessary, and properly supported in accordance with applicable statutes, regulations, and program plans."</p> <ul style="list-style-type: none"> - Documents: <ul style="list-style-type: none"> o 1512 ARRA Report o Chart of Accounts o General Ledger o SPSA o Invoices, Purchase Orders, etc. o Other items, as needed - Interviews with Staff
7. Reporting Title I, Part A – 3010 & 3011 Title IV – 4124	<p>"Ensure that the LEA complied with all of the accountability and reporting requirements...."</p> <ul style="list-style-type: none"> - Documents: <ul style="list-style-type: none"> o 1512 ARRA Report o General Ledger o # of Jobs Created or Retained – Calculations o # of Jobs Created or Retained – Calculation methodology o Other items, as needed - Interviews with Staff

Budget Update Handout #7	<p>Heather Carlson, Consultant, Legislative Affairs & Waiver Division 916-323-2591 hcarlson@cde.ca.gov</p>
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For 2009-10, Prop 98 minimum funding level was \$51.3B. Of that amount:

- \$49.5B allocated
- \$1.8B settle-up obligation

The 2010 Budget Act:

- Retained \$49.1B Prop 98 minimum funding level from 2008-09
- \$11.2B maintenance factor.
- Suspension the Prop 98 guarantee by \$4.1B for 2010-11
- \$49.6B minimum funding level became \$49.4B due to veto of \$256M in child care funds.
- Defers \$1.7B in revenue limit funds from 2010-11 to 2011-12.

CUTS

- **CALPADS:** Veto of "\$6.4M in federal funds for the administration and implementation of" CALPADS and CALTIDES, with an additional \$3.9M veto for the administration of CSIS.
- **Special Ed:** Eliminated \$52M to pay county mental health for mandated Special Ed mental health services. Money usually flowed out to COEs, generally an inter-agency agreement with county mental health. In the absence of funding, LEAs are "on the hook" to provide services.
- **EIA and ELAP:** ELAP was folded into EIA as one big pot of money. One-time funding was made available for new charter schools. \$127 per ADA to schools that were not part of flexibility
- **Child Care and Development:** Eliminates CalWorks Stage 3 child care program, effective Nov. 1. (\$256M)
- **Alternative Schools Accountability Model (ASAM):** Eliminated. Savings of \$775,000.

State Mandates: Provides \$300M in Prop 98 settle-up payments for K-14 mandated costs. \$80.4M for K-12 2010-11 mandated costs, with remaining \$210M distributed on an equal per-student basis for LEAs, COEs and Community Colleges' unpaid prior-year mandate claims. Changes were made to some funded mandates to reduce costs. (See P. 8.)

FEDERAL FUNDS

- **EETT:** Appropriates \$37.7M from ARRA for Competitive Grant Program.
- **Ed Jobs Fund:** Appropriated \$1.2B to be distributed on revenue limit formulas.
- **School Improvement Grant Program:** \$415M
- **SFSF:** \$272M = last installment for K-12

What's new: The LAO forecasts additional cuts in the 2011 state budget. The Prop 98 Guarantee will go down \$2B next year as tax increases expire. A Special Session was called on Monday, December 6. While the current Governor decided to "wipe out child care," the budget committees decided to wait until the new Governor is sworn in. (January 3, 2010)

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Highly-Qualified Teacher Requirements Handout #8	Ron Taylor, Manager, Title II Leadership 916-323-4819 rtaylor@cde.ca.gov
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Do nothing. ED has asked for a review of the U.S Court of Appeals for the Ninth Circuit's decision. Consider interns Highly Qualified Teachers until you hear from CDE. That's in effect for this school year, so QEIA schools will still meet the requirement. Next year, however, is unknown.

English Language Acquisition Program Funds Handouts # 9, 10	Richard Graham, Consultant, Regional Coordination and Support 916-319-0303 rgraham@cde.ca.gov
	Mark Klinesteker, Consultant, English Learner Accountability Unit 916-319-0420 mklinesteker@cde.ca.gov
	Ross Valentine, Fiscal Consultant 916-327-4405 rvalentine@cde.ca.gov

ELAP funding has been added to EIA. For the 2010-11 year, you may continue to spend that portion for ELAP purposes, the same as carryover. Alternatively, you may spend all of the money entirely as EIA. "For 2011-12 the funds must be spent for EIA purposes only. ELAP funds will become part of the districts' EIA Per Pupil Rate for 2011-12 and beyond."

- **Draft entitlements are underway.**

COEs can now offer an EIA program for Juvenile Court Schools.

EIA Funding 2010-11	
LEA	<u>LEA's prior year EIA per-pupil funding rate X 2010-11 EIA per-pupil count + amount equal to 2009-10 ELAP allocation.</u> Minimum entitlement: \$5,749 (1-10 EIA Eligible Pupils) OR \$8676 (11+) <i>before ELAP funds are added to LEA entitlement</i>
COE	Per-pupil funding rate = statewide average \$318.87 <i>CAVEAT: COE's that received ELAP in 2009-10 are not eligible for EIA funding in 2010-11.</i> Minimum entitlement: \$5,749 (1-10 EIA Eligible Pupils) OR \$8676 (11+) <i>Because ConApp was set up before COEs were included for EIA, the check box "yes" was not functional. When part II comes out, you will need to go back to Part I and revise P. 2 to say "yes."</i>

EIA Eligible Pupil Counts	
LEA	Determined from prior year populations: 1) # of Economically Disadvantaged (ED) pupils: Title I Formula children counts for LEAs; Adjusted Free Meal count* for "small" rural districts (on ConApp from prior year) 2) # of EL (prior year EL count on R-30) 3) Calculated # for each LEA that has a combined ED and EL pupil count (or concentration) < 50% of total pupil enrollment
COE	** Only Juvenile Court School enrollment is used for COEs.** Determined from prior year populations: 1) # of Economically Disadvantaged (ED) pupils: Adjusted Free Meal eligible* 2) # of ELs reported by JCS 3) Calculated # that has a combined ED and EL pupil count (or concentration) < 50% of total JCS pupil enrollment

* For Oct 2009 free meal count, there is an adjustment factor of 40.71%. (??)

How you choose to spend the funds will determine your reporting requirements/process on ConApp, Part II. The total amount on ConApp combines EIA and ELAP as one figure. The website will delineate ELAP proportions for LEAs. (??) There will be a mechanism for reporting if you choose to use the money for ELAP purposes, to be clarified in the revised ConApp, Part II Instructions. For now, it is described as follows:

- **P. 30:** There are lines where an LEA may add to their entitlement (Lines 2-4). Go to the website for your ELAP allocation, then put into line 10 "EIA Alternative."
- **P. 31:** Check box: "The LEA wishes to manually enter LEP & SCE site allocations."
- See the enrollment of schools with grades 4-8 and find the portion of the ELAP funds, then add to column F.

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**Open Enrollment Update
Handout #11**

Patricia Terry, Manager, Educational Options

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See Handout.

SES Regulations:

Swenson Christine, Director, District & School Improvement Division

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There was some language drafted in the summer to establish tutor qualifications. They went out for 45 day public comment, and responses were received. CDE reviewed the proposed language with ED and found a couple of statements were not likely to hold up as defensible. The newly proposed language essentially says to mirror HQ paraprofessionals. It's not proposed until it's posted on the SBE website.

When it's posted again, the field is welcome to comment. This will go up for the January SBE meeting followed by a 15 day public comment window.

**The next meeting of the Categorical Program Directors is a co-host meeting
at the California Department of Education, Room 1101 on Friday, January 21, 2011.**