

**SELPA FINANCE ADVISORY COMMITTEE**  
**Standing Committee of the Consortium**

**April 24, 2023**  
**3:00 pm – 5:00 pm**

**SELPA Conference Room**  
**1524 Magnolia Avenue; Redding, CA 96001**

**MINUTES**

**1. Call to Order at 3:00 pm**

Christian Patz, SELPA Executive Director, called the meeting to order at 3:00 pm.

SELPA Finance Advisory Council members roll call:

- |   |                    |
|---|--------------------|
| ● David Flores, Shasta UHSD - Region1         | ABSENT             |
| ● Donell Evans, Anderson UHSD – Region 2      | Present            |
| ● Robert Fellingner, Redding ESD – Region 3   | Present            |
| ● TJ Hurley, Enterprise ESD – Region 4        | Present            |
| ● Cathleen Serna, Columbia ESD – Region 5     | Present (via Zoom) |
| ● De’An Chambless, Shasta COE – Region 6      | Present            |
| ● Teresea Spooner, Fall River JUSD – Region 7 | Present (via Zoom) |

Others present were:

- |  |                             |
|--|-----------------------------|
| ● Christian Patz, SELPA Executive Director | ● Beth Roberts, Gateway USD |
| ● Calli Coleman, SELPA Accountant          | ● Lindsey Gilstrap, SCOE    |

**2. Approval of the Agenda**

Discussion: None

**ACTION:** Robert Fellingner motioned to approve the Agenda as presented. Donell Evans seconded the motion. The motion passed by majority vote 6-0, no opposition, no abstentions, David Flores was absent.

**3. Public Forum / Hearing of Person’s Wishing to Address the Finance Advisory Council**

Discussion: None.

**4. SELPA Director’s Report**

**4a. Board Budget Directions – Update**

Discussion: Dr. Patz confirmed the Board’s approval of state and federal funds split as previously discussed.

4b. RTC Placements

Discussion: Dr. Patz stated there are possibly two RTC placements pending for approximately \$26k per month per student pending Board consideration tomorrow – one elementary and one high school – for placement at the same location. There are two new year-round RTCs in CA now.

Dr. Patz added that SELPA held a Paraeducator training last week with great attendance and received great review from attendees who appreciated being “seen”. The SELPA will have more para trainings this summer.

5. SELPA Fiscal Update

5a. AB130 Update

Discussion: Dr. Patz informed members that about 98% of the AB130 funds are spent, which is better than most SELPAs in the state. Capital projects will both be finished, and bundles are being delivered.

5b. 2022-23 Budget vs. Actual

Discussion: None.

5c. SELPA Budget - Reserves – Update / Discussion

Discussion: Dr. Patz provided a slide presentation and stated despite the purchase of the Rancho property, new car, etc. this year, the SELPA still has healthy reserves. General reserves are unlikely to increase. OOH will easily be reduced by a few RTC placements, plus getting less funds this year. Low Incidence is being spent down, though we may review and pause in a few years since state tax revenues are down. State Mental Health funds will be distributed directly to LEAs beginning in the 2023-24 school year, and federal funds distributed to SELPA are likely to be spent. Medi-Cal funds are being spent down, but Dr. Patz recommends holding reserves to allow for future audits.

6. Consent Items – *(These action items are of a routine nature or items for which no discussion is anticipated, and are acted upon by a single vote. Members may request that any item be removed and given individual consideration.)*

6a. Approval of Minutes for February 27, 2023

6b. Low Incidence Equipment Requests

6b1. LI Request #64 – Happy Valley ESD – Junction, VI / OI Equipment	\$1,276.26
6b2. LI Request #65 – Enterprise ESD – Lassen View, HH Equipment	\$1,802.38
6b3. LI Request #66 – Enterprise ESD – Lassen View, HH Equipment	\$ 477.96
6b4. LI Request #67 – Cottonwood ESD – Junction, VI / OI Equipment	\$ 72.92
6b5. LI Request #68 – Enterprise ESD – Mistletoe, HH Equipment	<u>\$ 745.00</u>
TOTAL:	\$4,374.52

6c. RTC Form

6d. 2023-24 FAC Meeting Schedule

6e. 2023-24 NPA Rate Sheets

6e1. Communication Across Barriers

6e2. Connecting to Care

6e3. Horizon Speech Therapy

6e4. Psyched Services

- 6e5. Talk Path Live
- 6e6. The Hello Foundation
- 6e7. Tiny Eye
- 6e8. Woods Family Speech Therapy
- 6e9. Presence Learning
- 6e10. Pristine Rehab

Discussion: Ms. Chambless requested the following revisions to item 6a of the Consent Agenda - Minutes for February 27, 2023:

- #7, second sentence should read *“Ms. Chambless stated AB602 changes by LEA....”*
- #8, second paragraph, fourth and fifth sentences should read *“...as previously committed. The program is currently....”*
- #8, fifth paragraph, first sentence should read *“Ms. Evans inquired about meals....”*
- #8, fifth paragraph, last sentence should read *“The thought is to have expansion....”*

Mr. Fellingner requested to pull item 6c – RTC form.

**ACTION:** De’An Chambless motioned to approve the Minutes for February 27, 2023 with corrections provided, the RTC form pulled, and the remaining Consent Items as presented. Robert Fellingner seconded the motion. The motion passed by majority vote 6-0, no opposition, no abstentions, David Flores was absent.

Discussion continued regarding Consent item 6c – RTC form and inquired if that was the final proposed form. Dr. Patz confirmed it is pending Board consideration tomorrow. Mr. Fellingner requested additional clarification regarding the entry for total LCFF funding for RTC-OOH students, as it is unknown what they will actually receive and suggested 100% reimbursement minus LCFF funds. Ms. Chambless confirmed at some point the figures need to be actual. Calli Coleman, SELPA Accountant, suggested calculating in the last period of the year to avoid monthly calculations. Ms. Evans said if it were monthly, then they still wouldn't know the LCFF ADA.

Discussion continued with concerns about the use of this data. Ms. Coleman further suggested use of total period cost, less received year-to- date. Ms. Chambless suggested a policy to advance if there is a cash flow issue, OR follow the 5%, 5%, 9% payment schedule for principal apportionment. Ms. Coleman confirmed the SELPA does have two districts who bill monthly, and the form will smooth out the process. Ms. Chambless confirmed this form is only for residential placements. Ms. Evans further suggested we take the full LCFF rate from the amount reimbursed so the accounting doesn't go backwards, then true up when the student's ADA is confirmed. Dr. Patz stated the form wouldn't go into effect until July, so the form can be further revised or create better defined instructions to keep flexibility for the small districts as Ms. Coleman intends. Dr. Patz requested the RTC form be pulled from the SELPA Governing Board's Consent Agenda.

## **7. Spectrum Expansion Billing – Discussion / ACTION**

Discussion: Dr. Patz informed members of the need for NPS facilities in Shasta County for students who need more support, although Shasta UHSD does not support an expansion of Spectrum Center due to their experience with the current high school program. Both high school districts and Fall River JUSD in the Program Advisory Council also objected to expansion of Spectrum, one abstained and all others supported.

Dr. Patz stated that Spectrum is currently looking at classroom space to lease at the Presbyterian Church on Placer. Their current Director is not returning. He previously discussed financial concerns with Ms. Chambless, as Spectrum is requesting SELPA guarantee 40 seats at \$250/day. If we don't meet 40 students, they would

bill higher than \$250/day until 40 students are met. IEP School averaged 45 students, yet discussions with Special Education Directors found at least 40 students are currently in need. Dr. Patz stated they may be billed \$300/day for the first quarter. Ms. Hurley inquired about a “not to exceed” clause. Dr. Patz stated \$300/day works out, but he will have better numbers by September and doesn’t anticipate \$500, and would anticipate paying districts back as extraordinary costs. Dr. Patz confirmed that if Spectrum can’t staff and serve all students then it would be a breach of contract and SELPA wouldn’t be liable.

Dr. Patz is working to establish the best three consecutive grades for the classrooms. Ms. Evans inquired about elementary concerns over the current high school program, and Dr. Patz stated the JPA did voice concern, but acknowledged challenges are common the first year of most programs and that proper leadership will make a significant difference. He currently speaks with Spectrum weekly to discuss concerns.

Ms. Evans emphasized concern with 40 student requirements and overall impact to the SELPA, and the extraordinary cost requests that could come due to many other financial decisions being made. Dr. Patz acknowledged her concerns and explained that Spectrum has great programs at other sites in California. Discussion continued regarding services and possible classroom options. Dr. Patz indicated he doesn’t intend to replace EXCEL as it serves different behavior scales who have more overlap w/ ERICS classes than IEP School did. He also added that Tehama County has approximately five students they would send to Spectrum so it is likely the SELPA could have at least 35 students by Sept 20th. The total risk is the guarantee of \$2m to Spectrum.

**ACTION:** Robert Fellingner motioned to support Spectrum expansion Option A as presented in the proposal. TJ Hurley seconded the motion. The motion passed by majority vote 4-2-1. Robert Fellingner, TJ Hurley, De’An Chambless, Cathleen Serna approved. Donell Evans and Teresea Spooner objected. David Flores was absent.

## 8. SCOE Buses – Discussion / ACTION

Discussion: Dr. Patz provided information about the SCOE bus replacement needs. Ms. Chambless confirms each cost approximately \$200k for the smaller, 25 seaters. Dr. Patz stated the use of SELPA funds would drive LEA costs down. If SCOE purchases outright, then districts are charged by student usage. Cascade does not use SCOE. Dr. Patz recommends SCOE cover full cost and bill LEAs in order to keep reserves for SELPA needs, although we can revisit if the cost becomes burdensome to districts.

Ms. Chambless estimated the cost of \$1.7m spread across current districts using over 7 years for per pupil impact to be about \$1,200 per student per year and stated the purchase by SELPA up front is better for districts, due to the difficulty in fiscal planning. Dr. Patz believes each district should pay for their own transportation.

**ACTION:** Robert Fellingner motioned to support use of SELPA reserves toward bus purchases.

Discussion continued with Ms. Chambless stating funds would likely come from SELPA general reserves which grows annually and earns interest. Dr. Patz inquired if mental health funds could also be used.

**ACTION:** Robert Fellingner amended his motion to support use of SELPA reserves in the amount of \$400k toward SCOE bus purchases. De’An Chambless seconded the motion. The motion passed by majority vote 5-1-1. Robert Fellingner, De’An Chambless, Donell Evans, TJ Hurley and Cathleen Serna approved. Teresea Spooner objected. David Flores was absent.

## 9. Support Services Consultant Position – Discussion / ACTION

Discussion: Dr. Patz informed members he is building staff positions around need and Nick Syrrist, SELPA Support Services Consultant, has been recruited for differentiated assistance for SCOE and the SELPA has an opportunity to share this position with SCOE. Dr. Patz stated Mr. Syrrist would be 50% differentiated assistance, and 50% SELPA which would allow us to make SELPA a model for providing support of both services for LEAs. PAC voted as a package of three related items and Ms. Murphy abstained. Dr. Patz inquired of members if they would approve of Mr. Syrrist half SELPA and half SCOE funded, although the SELPA half would be a more expensive position.

Discussion continued regarding options to instead enhance the current job description and give more days, although Dr. Patz stated there would be day and pay range issues. Ms. Chambless added that the overall cost should still decrease, although his salary is increasing.

## 10. Itinerant Staff – Discussion / ACTION

10a. Low Incidence Providers

10b. Interpreters

10c. Administration

10d. Funding

Discussion: Dr. Patz reminded members that Gina Murphy is leaving SCOE. Ms. Murphy, through SCOE, currently manages Low Incidence itinerants. SUHSD also has two vacant interpreter positions. SELPA would take all FTE, all employees, including .1 FTE for Ms. Murphy's position plus .2 clerical. Dr. Patz explained the program is now at .7 vacancy and stated he could make it a full 1.0 FTE available for a new person to also coordinate private schools. SELPA would have the option to bill for the Itinerants at \$12/hour or so. Interpreter administration costs are unknown, but used \$12k as a placeholder in his slide presentation. Another option is to ask SCOE for a different indirect rate. Dr. Patz informed members that PAC had a split vote - 4 years, 2 nays, 1 abstained and that Gina Murphy proposed sign language interns.

Dr. Patz reiterated the actions requested of members:

1. Split current SELPA Support Services Consultant position
2. SELPA Manage Itinerants
3. Create new full time position

SCOE likes the idea of moving itinerants to SELPA as it is common for SELPAs to manage itinerants. Mr. Fellingner requested more clarity on what current costs are budgeted, projected, etc. and can't make a decision without specific figures. Dr. Patz estimated about \$150k for the position, although only about \$50k would be "out of pocket".

Discussion continued regarding itinerant management. Dr. Patz confirmed they would remain as SCOE employees and estimates a \$50k cost differential from what he is proposing versus current SELPA spending and suggested he could find mental health funds to assist in cost. Ms. Evans is concerned all newly proposed SELPA spending will hit at the same time when the Medi-Cal and Low Incidence reserves annual spending down ends. Dr. Patz stated he is unsure if we continue to increase SELPA costs that we can meet the proposed distribution model.

Further discussion regarding the funding model continued and Dr. Patz confirmed the \$3m minimum requirement for all SELPA reserves. Ms. Coleman added that Low Incidence and Medi-Cal funds are more restricted to spend, and the anticipated future audits and a concern there will be no funds generated from

mental health contracts is very concerning. Ms. Roberts inquired how long the funding model is sustainable with existing expenses. Ms. Evans stated spending \$50k annually for the position would likely be okay, but questions if that is the actual number and emphasized her concern with several expenses being paid from the same reserves pot(s). Discussion among members continued regarding costs savings in SELPA managing the itinerants. 20% of Gina - 10% of Itinerants + 10% of DHH. Dr. Patz stated he needs to fund 1/3 of an administrative position, the interpreters are bill-for-service and again asked members to take action on the following items:

1. Split current SELPA Support Services Consultant position
2. SELPA Manage Itinerants
3. Create new full time position

Dr. Patz then stated these decisions would lead to a later decision regarding the purchase of a new unit at the Rancho property to house the interpreters, as they currently pay \$20k for space at Oasis.

#### 11. ERMHS Backup Staffing

Discussion: Dr. Patz stated he didn't get to the ERMHS backup option with PAC as they ran out of time, but it would be beneficial to districts to have an ERMHS safety net. After speaking with the Bridges program, Dr. Patz proposes SELPA prepay for 1/2 FTE for one year to allow them to make one counselor available should a district need additional mental health support services. Mental health reserves could be used to pre-pay for one year. Not currently an Action item, and he believes districts will have services covered, but this would be just in case. Ms. Evans stated AUHSD is currently in contract negotiations with Dunamis Wellness. Mr. Fellingner confirmed RESD is doing the same.

All members were in general agreement with a one-time expense having \$1.7m in mental health reserves.

#### 12. Rancho Road – Building / Budget Update – Discussion / ACTION

12a. SELPA Building Update

12b. Wonderland Signs proposal

12c. MOU – Columbia ESD – Custodial Services

12d. Tech Costs funding

12e. Purchase additional unit

Discussion: Dr. Patz provided members an attachment of the Rancho building update regarding expenditures, ongoing expenses, timeline, and additional proposal from Wonderland Signs. Columbia ESD is happy to provide custodial services, as it allows them to hire one FTE and the cost is negligible. SCOE is happy due to a shortage in custodial staffing. The additional unit purchased at Rancho would be purchased if the SELPA Governing Board approved SELPA management of the Low Incidence Itinerants. Dr. Patz estimates \$235k for the additional unit purchase costs, including approximately \$200k for the property purchase and escrow costs, \$25k for flooring, paint and other move costs, plus approximately \$5k for ongoing custodial costs.

**ACTION:** Donell Evans motions to approve the Wonderland Signs proposal, Columbia ESD MOU for custodial services, and Tech Costs funding as presented in the proposals. Robert Fellingner seconded the motion. The motion passed by majority vote 6-0, no opposition, no abstentions, David Flores was absent.

Discussion returned to prior Action items listed in item 10:

1. Split current SELPA Support Services Consultant position
2. SELPA Manage Itinerants

3. Create new full time position

Mr. Fellingner refused to motion due to lack of detail. Ms. Hurley reiterated reservations about the split and new position – not against the person, but she has concerns about future problems. Ms. Evans agreed. Ms. Chambless inquired again if SELPA should take on management of the interpreters. Ms. Evans stated she has not spoken with anyone at her district and is concerned about a big philosophical shift and if it will really play out from a HR standpoint.

Items listed above die for lack of motion.

**13. Future Agenda Items**

- Local Plan – 2023-24 Budget Plan
- RRC Procedure (as Consent item)
- RTC form
- SELPA Support Services Consultant – position split
- Low Incidence Itinerants
- Additional FTE position

Ms. Coleman inquired if the Medi-Cal billing provider is going out for RFP from the county. Ms. Roberts stated it has been postponed to the end of May or so.

**14.** Next meeting: Monday, May 15, 2023, 3:00 pm – 5:00 pm, SELPA Conference Room

**15.** Adjourned - Meeting adjourned at 5:07 pm.