

# FORV/S™

## Tuesdays at Ten:

# New York State Special Education Update

September 26, 2023



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# Agenda

## New York State Special Education Update

- Introduction
- Past, Present and Future
- Rate Setting Update
- CFR and RCM Update
- Other Considerations
- Action steps
- Questions

# Meet the Presenters



**Bryant Macaraeg**  
Partner



**Koren Chen**  
Director

# Past, Present and Future

## 21/22

- Staffing issues
- Classroom closures
- NDC and TC Issues

## 22/23

- Staffing issues
- Delay in evaluation

## 23/24

- Staffing issues?
- Classroom size reduction
- Economic Indicators

## Future

- Proposed rate methodology 28/29

# Rate Setting Update

Interim Rate

Continuation of  
ETTPP \$8M

Minimum Wage  
Adjustment

23/24 Tuition  
rate setting  
methodology

# Rate Setting Update

- Interim Rate
  - Based on last certified rate
  - For FY 24 - should include both 11% and 6.25% trend factors
  - When comparing the 2023–24 interim rates to the 2022–23 interim rates, we noted at least 79 providers operating a total of 144 School-Age and Preschool special education programs\* are having a decrease in their interim rate, indicating a decrease in cash flow for these providers for the upcoming school year.

# Rate Setting Update

Rate Methodology for School-Age and Pre-school programs	22/23	23/24
Trend Factor	11.00%	6.25%
Non-Direct Cost Screen	30/70	35/65!
Enrollment Adjustment Factor	7.50%	No Change
Surplus (reserve) Retainage	23 through 25 – 11%; 26 – 8%; 27 – 5%; 28 and thereafter- 2%	No Change



# Rate Setting Update – Non-Direct Screen

- Impact of change of non-direct screen calculation
  - For every \$1 of direct; up to 0.5385 of non-direct is reimbursed
- Example:

	22/23 and Prior	23/24
Direct Expenses	\$1,350,000	\$1,350,000
Non-Direct Expenses	\$700,000	\$700,000
Allowable non-direct	\$578,610	\$726,975
Non-Direct Screen (loss)	\$(121,390)	\$0

# Rate Setting Update – Surplus Retainage

- Based on allowable expenses (after screens)
- Reporting requirements?
- Example:

Maximized rate	\$205.00
Allowable costs (after screens) per day	\$190.00
Maximum allowable surplus (11%)	\$20.90
Recordable Surplus – cannot exceed maximized rate	\$15.00

# CFR Update

- CFR Extension
- CFR-2A additional reporting lines
- CFR-4 overtime hours paid and amount paid disclosure
- FAQ related to HWB reporting
- New York City 4410 enhancement contract reporting

# Reimbursement Cost Manual (RCM) Update

- Consultant
- Credit card fees and interest
- Severance pay
- Grant-Funded Bonuses

# OCFS Childcare Stabilization Grant

## Allowable uses of Child Care Program Stabilization Grant

Personal costs

Rent

Facility maintenance and improvement

PPE

COVID-19 Equipment and supplies

Goods and services to maintain child care services

Mental health support

Health and safety training

Period: Through **September 30, 2023**

“Under the American Rescue Plan Act authority, providers are able to use Stabilization funds for costs that were incurred **after January 31, 2020**, as long as those uses were made **in response to the COVID-19 public health emergency**, in any of the categories above, **provided those expenses were not previously reimbursed by other funding or programs including NYS CARES child care grants.**”

**CSG 1.0** All allowable costs above

**CSG 2.0** 75% retention and recruitment

# OCFS Workforce Retention Grant

Application deadline: **September 15, 2023**

Requirements	Eligible
Work an average of 15 hours per week (10 hours for SACC staff)	●
Work in a child caring role	●
Have been fingerprinted and provisionally background checked by June 26, 2023	●
Appear in their program's active staff roster in FAMS or CCATS by June 26, 2023	●

**Staff Retention Award**

**Staff Recruitment Award**

Offsetting  
revenue

Hold  
harmless

CFR  
Reporting

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# New York City Enhancement contracts

Operational  
change

Expenditure  
tracking

Advance  
and claims

CFR  
reporting

Future  
Funding

# Recent OSC Audit Findings

Unsupported costs

Ineligible/Non-allowable costs

Allocation

Staffing levels

Policies and Procedures



# Action Steps

- Enrollment, Enrollment, Enrollment
- Documentation, Documentation, Documentation
- Keep tuition rates current
- Perform rate projection basing on recent rate methodology changes (current and future)
- Monitor program expenses and consider the impact from other government grants.
- Discuss with program stakeholders and strategize a plan on the usage of any projected surpluses

# Questions?

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