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Tuesdays at Ten:

New York State Special Education Update

September 26, 2023



WEBINAR

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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 MacaraegPartner



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

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Rate Setting Update

Interim Rate

Continuation of ETTPP \$8M

Minimum Wage Adjustment

23/24 Tuition rate setting methodology

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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

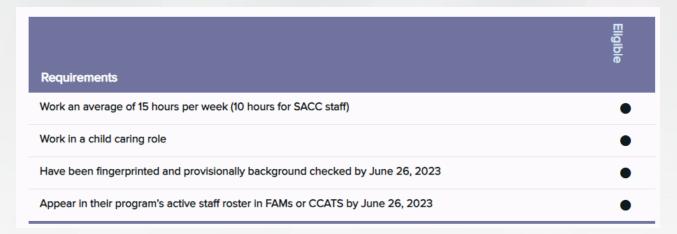
Period: Through September 30, 2023

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



OCFS Workforce Retention Grant

Application deadline: September 15, 2023



Staff Retention Award

Staff Recruitment Award

Offsetting revenue

Hold harmless

CFR Reporting



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

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Action Steps

- Enrollment, Enrollment, Enrollment
- 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

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Questions?



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