

## **W. Catastrophic Cost Pool**

### **W1. Purpose**

It is the intent of the Solano SELPA to self-ensure member LEAs against catastrophic costs associated with the implementation of regionalized services included within the SELPA's delivery model. It is understood that costs can and do vary within an acceptable range and that districts have the ability to adjust for these fluctuations on their own. However, when a district experiences an unexpected cost, related to regionalized services including SCOE operated program excess costs, the districts may apply to the SELPA for relief from the Catastrophic Cost Pool.

By definition, a catastrophic cost is considered an unbudgeted "one-time cost" that is incurred as a result of factors deemed outside the control of the LEA. Unacceptable variance in costs is defined as a cost that is greater than the combined average cost for all SELPA members. Relief from the pool is intended to help hold districts harmless during the current fiscal year, so that the cost can be managed in the successive fiscal year. While the pool is robust enough to account for a variety of unexpected costs, it is not intended to fund recurring problems, nor is it intended to fund local problems resulting from local decisions.

### **W2. Administration**

The Assistant Superintendent, SELPA at the direction of the Council of Superintendents administers the Catastrophic Cost Pool. Member LEAs may apply for relief from the pool by sending a letter to the Assistant Superintendent, SELPA, communicating the nature of the problem including the problem's history, a statement of current need, and projections for the successive fiscal year. A proposed method for long-term resolution is also required. The Assistant Superintendent, SELPA will then schedule a meeting with the LEA Superintendent and CBO to clarify and evaluate the request relative to the adopted criteria. The SELPA may request further information, approve, or decline the request at that time. If the LEA disagrees with the decision of the Assistant Superintendent, SELPA, appeal may be made directly to the Council of Superintendents. Allocations from the pool shall be made at the budget meeting of the Council of Superintendents. If approved requests exceed the funds available in the pool, relief shall be prorated as necessary.

### **W3. Funding Criteria**

In consideration of funding requests, the Assistant Superintendent, SELPA shall apply the following criteria:

1. Does the request meet the definition of a catastrophe, as noted above?
2. Has a similar request been made before?
3. Has the LEA considered all available local resources to resolve the issue before applying to the pool?

### **W4. Funding the Pool**

The Catastrophic Cost Pool is funded annually at the direction of the COS. Funds allocated for the pool are taken "off the top" of AB602, before the calculation of direct allocations to member districts. The pool typically maintains an initial balance of \$250,000.