



Mandated Costs Program Update

Presented to the Board of
Trustees September 4, 2012



Mandate Block Grant (MBG)

- New for 2012/13 mandated activities
- School districts make an annual choice to participate or use the existing claim reimbursement process
- Rate of reimbursement is \$28 per ADA (\$86,000 for LJSD)



Mandate Block Grant (MBG)

- Many questions remain about the new program
 - Does a district have to “justify” the amount received through claim documentation?
 - Subject to audit through the annual independent audit. – What will be audited?
 - Are new mandates included in the same funding?
 - Will eliminated mandates reduce funding in future years?
 - Some mandates are not currently in Block Grant (cleanup legislation expected)

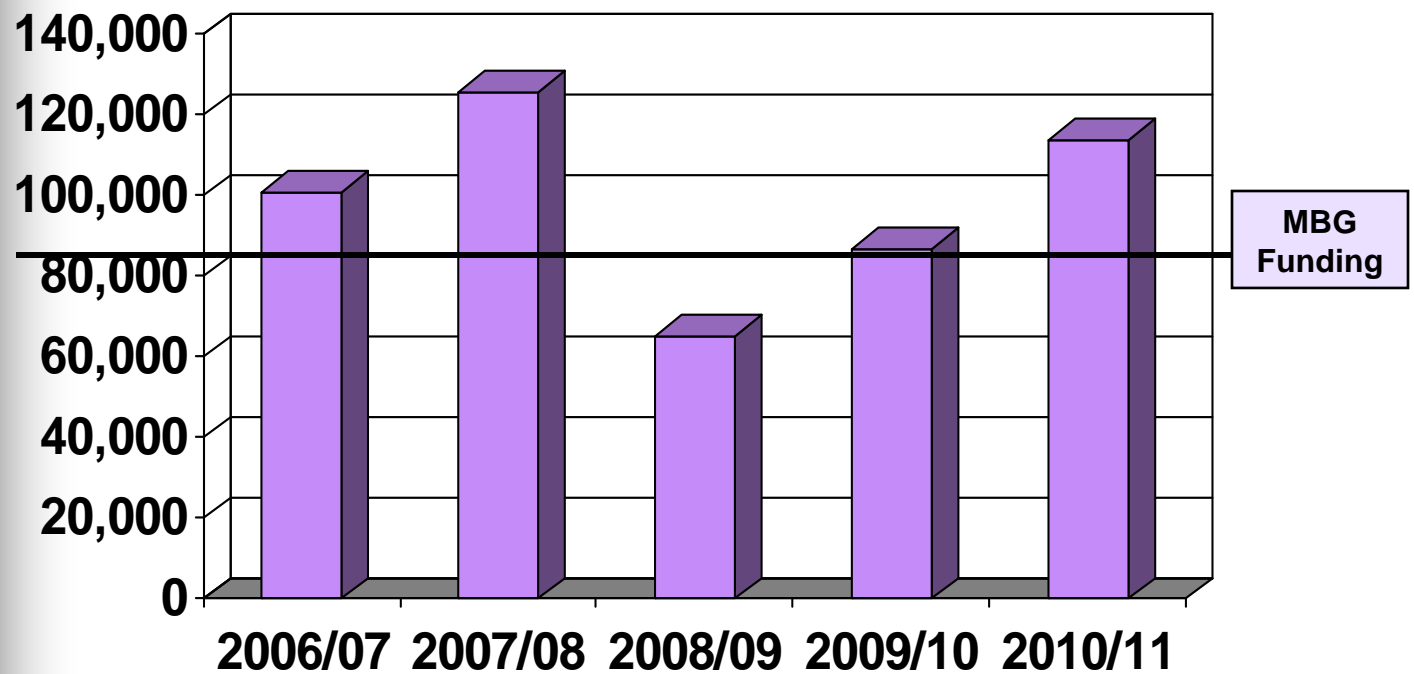
Mandate Block Grant (MBG)

- The biggest selling point is the funds would be received in 2012/13
- Districts who participate in the existing claim reimbursement process will wait for their funds like all previous years (even though a court ordered the state to pay these claims or remove the mandate)
- The state currently owes the District \$805,000 through the 2010/11 claims



Mandate Block Grant (MBG)

LJSD Claims History





Mandate Block Grant (MBG)

- The District will still file claims for the 2011/12 year – due to the state 2/1/2013
- Analysis projects 2012/13 claims for the District would be approximately \$120,000



Mandate Block Grant (MBG)

- While many questions remain about the MBG, it is clear the state is incentivizing districts to participate
- \$80,000 now will help the bottom line
- Let's hope there are no "gotcha's" that get added....



Mandate Block Grant (MBG)

- Staff recommendation is to participate in the MBG for 2012/13 and re-evaluate for 2013/14 based upon what is learned during the year