

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Mental Health Funds for 2023-24



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Ask SSC . . . In fiscal year (FY) 2023-24, state and federal mental health resources will shift from the Special Education Local Plan Areas (SELPAs) to flow directly to local educational agencies (LEAs) via the Principal Apportionment process. How will the funds be calculated for both state and federal mental health funds?

State and federal mental health funds have historically been allocated to SELPAs, based on the aggregate average daily attendance (ADA) for each SELPA, which utilize local decision-making to determine use of those resources to provide mental and behavioral health support for students with disabilities (SWDs) and for the behavioral and mental health services for any student with such needs. With the implementation of the funding shift from SELPAs to LEAs, the allocation methodology was amended in Education Code Section (EC §) 56836.07 to address the calculation of mental health services funds.

Starting in FY 2023-24, federal funds will be allocated based on prior-year ADA reported for each LEA as of the Second Principal Apportionment (P-2). LEAs should note that federal mental health funds will continue to be subject to the requirements of the Individuals with Disabilities in Education Act, and will require signature on grant award notifications, federal assurances, and federal expenditure tracking, reporting, and budget planning to support the needs of SWDs.

For state mental health funds, when there is a General Fund appropriation for this purpose, the funds will be allocated to LEAs based on current-year ADA for each LEA as of P-2. These resources will continue to be restricted to behavioral and mental health purposes but are not restricted to special education expenditure or goal code.

For those interested, the exact language of EC § 56836.07 (d) and (e) is noted [here](#).