

**Tuition Rate Adjustments for Minimum Wage Costs
2018-19 & 2019-20 reconciliation rates**

This guidance covers how minimum wage funding may be requested by approved private programs serving school-age students with disabilities (chapter 853 schools), Special Act School Districts, State Supported Schools (4201 schools), and approved private preschool special class and special class integrated programs.

Minimum Wage funding requests must be submitted to the NYSED Rate Setting Unit (RSU) through the 2020-21 Minimum Wage Survey. This guidance is comprised of five sections:

- I. General Instructions for Requesting 2018-19 & 2019-20 Reconciliation Rate Adjustments – must be submitted by November 30, 2020**
- II. Steps to complete the Minimum Wage Survey Funding Request Form**
- III. Steps to complete the Minimum Wage Survey Minimum Wage Calculations**
- IV. Steps to complete the Minimum Wage Survey Regional Salary Data**
- V. Submission of Minimum Wage Survey**

Minimum Wage Survey Submission Instructions are at the end of this guidance. Questions regarding this Minimum Wage Survey are to be submitted in writing to: mwage@nysed.gov

Minimum Wage Act

The Minimum Wage Act (Article 19 of the New York State Labor Law), which was signed into law on April 4, 2016, established, by region, gradual increases of the minimum wage rate in New York State to \$15.00 per hour. The regional minimum wage rates are scheduled to increase each year on 12/31 until they reach \$15.00 per hour following the schedule below.

General Minimum Wage Rate Schedule

Location	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	2021*
NYC (11 or more employees)	\$11.00	\$13.00	\$15.00			
NYC (10 or less employees)	\$10.50	\$12.00	\$13.50	\$15.00		
Long Island & Westchester	\$10.00	\$11.00	\$12.00	\$13.00	\$14.00	\$15.00
Rest of State (ROS)	\$9.70	\$10.40	\$11.10	\$11.80	\$12.50	\$12.81

* Annual increases for the rest of the state will continue until the rate reaches \$15 minimum wage (and \$10 tipped wage). Starting 2021, the annual increases will be published by the Commissioner of Labor on or before October 1. They will be based on percentage increases determined by the Director of the Division of Budget, based on economic indices, including the Consumer Price Index.

Introduction: 2020-21 Minimum Wage Survey

Providers impacted by the Minimum Wage Act during the 2018-19 and/or 2019-20 school year may qualify for a rate adjustment to their 2018-19 and/or 2019-20 reconciliation tuition rates by submitting the 2020-21 Minimum Wage Survey to the Rate Setting Unit. To determine

the amount of funding that may be added to the 2018-19 and/or 2019-20 reconciliation tuition rates, each approved eligible provider will be responsible for submitting the Minimum Wage Survey for each program seeking a minimum wage rate adjustment. **Please be advised that these additional funds are intended to support employee salary costs and related mandated fringe benefits associated with increases in minimum wage.**

If a program does not submit a request for minimum wage funding, there will be no minimum wage rate adjustments on behalf of that program for the 2018-19 or 2019-20 school year tuition rates.

Each provider seeking additional funding for minimum wage costs must report 2017-18 salary and fringe benefits data which will be used to determine a rate adjustment to the 2018-19 and/or 2019-20 reconciliation tuition rates. The Chief Administrator will be required to attest to the accuracy of the information being provided as part of the 2020-21 Minimum Wage Survey on the FUNDING REQUEST form (i.e., the Funding Request Tab).

I. 2020-21 Minimum Wage Survey General Instructions - 2018-19 & 2019-20 Reconciliation Rate Adjustments

Download the 2020-21 Minimum Wage Survey excel document from the Rate Setting Unit website: http://www.oms.nysed.gov/rsu/Manuals_Forms/

Please note: a separate 2020-21 Minimum Wage Survey must be submitted to the Rate Setting Unit for each program code for which funding is being requested.

The 2020-21 Minimum Wage Survey will use **2017-18 school year salary and fringe benefits data** as the basis for the maximum projected amount. Calendar year-end cost report filers must combine the relevant data from the 2017 (FF) July-December reporting period and the 2018 (SS) January-June reporting period to create the requested 2017-18 school year salary and fringe benefits data.

II. Steps to complete the 2020-21 Minimum Wage Survey - FUNDING REQUEST form for a 2018-19 and/or 2019-20 reconciliation rate adjustment:

The FUNDING REQUEST form is located on the "Funding Request" TAB of the 2020-21 Minimum Wage Survey.

Section 1:

- 1) Identify the Provider Name: Select your Provider Name from the drop-down menu - School code should automatically update. If your provider name is not included in the provider name drop-down menu, you may manually enter the information.
- 2) Program Code: Enter the 4-digit program code for the preschool or school age program (see CFR Manual appendix H for codes) [CFR Manual program codes](#).

Section 2: Complete regional salary data worksheets (see item IV REGIONAL SALARY DATA instructions below)

Section 3: Calculation of maximum waiver amount due to Minimum Wage (no input required): The “Minimum Wage maximum waiver amount” for each applicable region as calculated on the minimum wage calculations worksheet will be combined to calculate a “2018-19 Reconciliation Rate Minimum Wage Maximum Waiver Amount” and a “2019-20 Reconciliation Rate Minimum Wage Maximum Waiver Amount.”

Section 4: Contact Information – please enter contact information of chief administrator.

Section 5: Attestation – The Chief Administrator is required to attest to the accuracy and usage of the information being provided in the 2020-21 Minimum Wage Survey. Once all data has been entered/calculated, please either: print out the screen and have the agency’s Chief Administrator sign the attestation and print and save the signed form as a PDF file; or insert an electronic signature and add the appropriate date and print and save the file as a PDF. **No funding will be provided absent this attestation.**

III. Steps to complete the 2020-21 Minimum Wage Survey – MINIMUM WAGE CALCULATIONS form for a 2018-19 and/or 2019-20 reconciliation rate adjustment:

1) Program Mandated Fringe Benefit Rate:

a) For fiscal year 2017-18 July-June filers:

The Mandated Fringe Benefits expenses are reported on schedule CFR-1 line 18 and the Personal Services expenses are reported on schedule CFR-1 line 16, of the 2017-18 CFR, respectively.

b) For calendar year Jan-Dec filers:

2017-18 Mandated Fringe Benefits expenses must be calculated by combining the mandated fringe benefits reported on schedule CFR-1 line 18 under the (FF) reporting period of the 2017 CFR with the mandated fringe benefits reported under the (SS) reporting period of the 2018 CFR. Similarly, for calendar year-end filers, the 2017-18 Personal Services expenses must be calculated by combining the personal services expenses reported on schedule CFR-1 line 16 under the (FF) reporting period of the 2017 CFR with the personal services expenses reported under the (SS) reporting period of the 2018 CFR.

2) Agency Administration Mandated Fringe Benefit Rate:

a) For fiscal year July-June filers, the **2017-18** Mandated Fringe Benefits expenses are reported on schedule CFR-3 line 3 and the 2017-18 Personal Services expenses are reported on schedule CFR-3 line 1, of the 2017-18 CFR.

b) For calendar year Jan-Dec filers, to calculate the **2017-18** Mandated Fringe Benefits expenses, you must combine the data reported on schedule CFR-3 line 3 of the 2017 CFR with the corresponding data reported on the 2018 CFR and divide the results by two. Similarly, for calendar year-end filers, the 2017-18 Personal Services expenses must be calculated by combining the data reported on schedule CFR-3 line 1 of the 2017 CFR with the corresponding data reported on the 2018 CFR and divide the results by two.

- 3) Once the Mandated Fringe Benefits expense and Personal Services expense data has been calculated and entered on rows 12, 13, 17, and 18, the spreadsheet will automatically calculate the 2017-18 Mandated Program Fringe Percent and the 2017-18 Mandated Admin Fringe Percent on rows 14 and 19.
- 4) Program % of Agency Administration
Please be advised that salary and benefits associated with agency administration staff (PTC 601 – 690) must be prorated based on the percentage of each program’s operating costs to the total agency’s operating costs as follows:
- a) For fiscal year July-June filers, the “Program Admin %” is the quotient of the “Agency Admin. Alloc.” costs reported on schedule CFR-1 line 65 divided by the “Net Agency Administration” costs reported on schedule CFR-3 line 42, of the 2017-18 CFR.
 - b) For calendar year filers (Jan – Dec), the “Agency Admin. Alloc.” costs and “Net Agency Administration” costs associated with the 2017-18 school year must be determined before the “Program Admin %” can be calculated.
 - i. To determine the “Agency Admin. Alloc.” costs associated with the 2017-18 school year, calendar year-end filers must combine the data reported on schedule CFR-1 line 65 under the 2017 (FF) reporting period of the 2017 CFR with the corresponding data reported under the 2018 (SS) reporting period of the 2018 CFR.
 - ii. For calendar year filers (Jan – Dec), to determine the “Net Agency Administration” costs associated with the 2017-18 school year, calendar year-end filers must combine the data reported on schedule CFR-3 line 42 of the 2017 CFR with the corresponding data reported on the 2018 CFR and divide the results by two.
 - c) Once these calculations have been performed, these amounts can be input onto rows 22 and 23 of the worksheet. The “Program Admin %” will be calculated on row 24 by dividing the “Agency Admin. Alloc.” costs by the “Net Agency Administration” costs associated with the 2017-18 school year.
- 5) Program Enrollment Data: Input 2 month and/or 10-month care days on rows 28 and 29 of the Min. Wage Calculations worksheet for the 2017-18, 2018-19, and 2019-20 school years, as reported on the Consolidated Fiscal Report schedule SED-1 or ST-3 Supplemental Schedule SS-14. For calendar year CFR filers, the 10-month care days are the September-December (FF) FTE enrollment plus the January-June (SS) FTE enrollment times the September-June session days. For example, for the 2017-18 school year, 10-month care days are calculated as: [(Sept-Dec 2017 FTE enrollment) + (Jan-June 2018 FTE enrollment)] X [(Sept-Dec 2017 session days) + (Jan-June 2018 session days)].

IV. Steps to complete the 2020-21 Minimum Wage Survey – REGIONAL SALARY DATA forms for a 2018-19 and/or 2019-20 reconciliation rate adjustment:

- 1) Input Salary hours paid Data: Input data related to the position(s) for which you are seeking additional minimum wage funding. Data pertaining to positions or employees not impacted by the increase in minimum wage does not need to be reported.

The minimum wage is based on where an employee performs work. Workers must be paid the minimum wage rate for their work location regardless of where the main office of their employer is located. Therefore, it is possible that a program with different approved locations may have employees subject to different minimum wage rates. Salary and Mandated Fringe Benefits data must be reported for employees in each applicable location. There are three separate tabs in the 2020-21 Minimum Wage Survey to capture this data: 2017-18 New York City (NYC) Salary Data, 2017-18 Long Island-Westchester (LI-W) Salary Data, and 2017-18 Rest-of-state (ROS) Salary Data.

- 2) Salary: For each applicable location tab (NYC Salary, LI-W Salary, ROS Salary), please enter the total hours that direct employed staff (employees, not independent contractors) were paid at each of the identified hourly wage bands, by Position Title Code (PTC), using 2017-18 payroll data.

Salaries include all taxable and non-taxable salaries and wages paid to employees on the agency payroll, payment for services (fee for service), and per diem pay. Hours worked and paid leave time should be included but do not count hours paid that were recorded for weeks that the school was not in session and the employee was not working or not on paid leave time (for example, if the school session calendar is 46 weeks but hours paid is booked on payroll for 52 weeks as an annualized salary, then only the actual hours worked and paid leave time hours should be counted for the year). For purposes of this minimum wage survey, do not include salary that is accrued, or severance pay to regular employees, and do not include any portion of fringe benefits, overtime, or any potential non-recurring payments in hourly wage. If an employees' salary changed during the reporting periods (2017-18 school year), report the hours paid under each of the respective wage columns. You may round hours to the nearest hundredth (two decimal places).

V. Submit the 2020-21 Minimum Wage Survey to the NYSED Rate Setting Unit:

The following must be submitted with your minimum wage funding request for each program seeking a rate adjustment:

- 1) the completed 2020-21 Minimum Wage Survey file in Excel format and
- 2) the 2020-21 Minimum Wage Survey and Reconciliation Rate Funding Request form with a signed attestation in PDF format.

Attach the two documents to an email titled "2020-21 Minimum Wage Survey" and send to mwage@nysed.gov. **The 2020-21 Minimum Wage Survey must be submitted no later than**

November 30, 2020. Questions regarding this guidance or the 2020-21 Minimum Wage Survey are to be submitted in writing to: mwage@nysed.gov.