

# SPECIAL EDUCATION OPERATIONS



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# Agenda

- **Part B IDEA Funding**
  - Sections 611 and 619 Basics
  - Allowable Costs
- **Leveraging Funding**
  - Supplement Not Supplant
  - Braiding, Layering, Blending
- **Maintenance of Effort (MOE) and Excess Costs**



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# **PART B IDEA SECTIONS 611 AND 619**

# PERIOD OF AVAILABILITY

611 – eligible students 3-21

619 – eligible students 3-5

- Receive Initial Award – May/June
- Receive Final Award Notice – October
- Announce Allocations – May/June

## Applications

- Submitted signed assurances by July 1<sup>st</sup>, may obligate funds beginning July 1<sup>st</sup>
- If submitted in August, may **request** to obligate funds on July 1<sup>st</sup>
- September 1, obligate funds beginning

LEAs have 24 months to expend funds

Carryover funds are provided January



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## FUNDING FORMULA

- **BASE** amount is allocated based on 75% of FY 1999's federal grant
- **85%** of remaining funds are allocated based on the previous year's October Public and Private School enrollment on the basis of relative POPULATION of children ages 3-21
- **15%** is allocated based on POVERTY in the previous year's Poverty Level report card



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# FUNDING FORMULA EXAMPLE

- *SEA award = \$250,000,000      Admin = \$5,000,000 (2%)      State Set-Aside = \$27,000,000 (11%)*
- **Remaining balance = \$218,000,000**
- *Enrollment total for all LEAs = 1,000,000      Poverty Level for all LEAs = 50,000*
- *LEA X Enrollment = 1,000      LEA X Poverty = 100*
- Formula Grants
  - *LEA X = \$65,000 (FY 1999 Base Amount)*
  - *(LEA X Enrollment/Total LEA X Enrollment) x (.85 x Remaining Balance) = Population Allocation*  
 *$(1,000/1,000,000) \times (.85 \times \$218,000,000) = \$185,300$*
  - *LEA X Poverty/Total LEA X Poverty) x (.15 x Remaining Balance) =*  
 *$(100/50,000) \times (.15 \times 218,000,000) = \$65,400$*

*Total Allocation = \$315,700*





# ALLOWABLE COSTS

- ❑ Expenditures must benefit eligible students who are receiving special education services:
  - ❑ Special Education teachers and administrators
  - ❑ Related services providers (speech therapists, psychologists, etc.)
  - ❑ Materials and supplies for use with children with disabilities
  - ❑ Professional development of general education teachers who teach children with disabilities
  - ❑ Specialized equipment or devices to assist children with disabilities

**DISCLAIMER:** *These costs outline eligible in broad categories. They are not a definitive list of eligible costs. Eligible costs are specified by state and federal laws and program documentation.*



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QUESTIONS

ANSWERS







# LEVERAGING YOUR FUNDING



## **SUPPLEMENT NOT SUPPLANT**

Federal funds must be used to supplement and, in no case supplant, state, local, or other federal funds

Supplement – build upon or add to ([34 CFR 300.162\(c\)](#))

Supplant – replace or take the place of



## ❑ Planning tips

- ❑ Before spending any funds, develop a coordinated plan that distributes funds appropriately
- ❑ Know the requirements for reporting each funding source
- ❑ Implement a tracking system to account for how the monies are being spent (e.g., Time and Effort, cost allocation plan)



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# LAYERING



- ❑ “Supplement Not Supplant” is a key feature
  - ❑ First Layer – Foundation Layer – Apportionment General Education
  - ❑ Second Layer – Apportionment Special Education
  - ❑ Third Layer – Part B IDEA
- ❑ If remove one funding layer, will have other layers



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# ***BRAIDING***

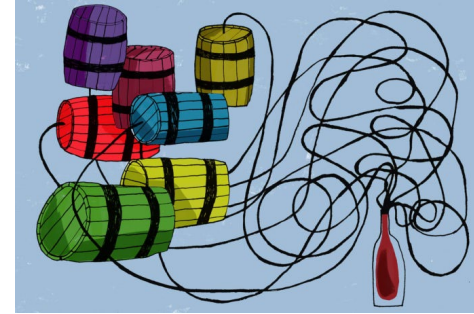


- When two or more funding sources are coordinated to support the total costs of services
- Funding sources retain their integrity
- Revenues are allocated and expenditures are tracked by categorical funding source ( 2 CFR §200.302)
- Cost allocation methods assure there is no duplicate funding of service costs and each funding source is charged appropriately



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# ***BLENDING***



- When two or more separate funding sources are wrapped together
- Costs are not allocated or tracked by individual funding sources
- Is less burdensome, but not recommended because costs are not allocated or tracked by funding source
- Many funding sources have specific eligibility and regulatory requirements



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QUESTIONS

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# **MAINTENANCE OF EFFORT (MOE)**

LEA MOE calculation  
includes all grade levels.



## Based on State Fiscal Year (SFY)

### SFY 2020

- Runs from July 1, 2019 to June 30, 2020; and
- Aligns with:
  - Federal fiscal year (FFY) 2019, and
  - The 2019-20 school year

**SFY 2020 = FFY 2019 = SY 2019-20**

CIFR and WestEd NCSI (2019, July29). *Key Differences Between IDEAL Local Educational Agency Maintenance of Effort and Excess Cost Requirements*. Retrieved from <https://cifr.wested.org/resources/lea-moe/>



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## Why is MOE required:

Ensure that LEAs do not replace state/local funding with federal funds.

### **LEAs must maintain at least the same amount of**

- Local funds, or
- State and Local funds

it spends for the education of students with disabilities from year to year.

At [\*\*34 CFR §300.203\*\*](#), IDEA requires an LEA to budget and expend at least the same amount of local, or state and local, funds for the education of students with disabilities as it expended in previous years, on a total **or** per capita basis.



### Eligibility Standard (34 CFR §300.203)

1. LEAs **must** budget at least the same amount, or more than the last time MOE was met
  - Verified at the time FP 267 is submitted

### Compliance Standard (34 CFR §300.203)

2. LEAs **must** spend at least the same amount, or more than the last time MOE was met
  - Verified February/March

### 4 methods to meet MOE

1. Local funds,
2. State and Local funds,
3. Local per capita, or
4. State and Local per capita.

Only one (1) method must be met.



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# METHODS USED FOR TO MEET MOE

- Amounts compared must be from the same method.
- An LEA can change methods from year to year.

State Fiscal Year	Local Only Total	State and Local Total	Local Only Per Capita	State and Local Per Capita	Child Count
2018	<b>\$500</b> ✓	\$950	\$50	\$95	10
2019	<b>\$550</b> ✓	\$918	<b>\$61.11</b> ✓	<b>\$100</b> ✓	9
2020	\$480	\$800	\$60	<b>\$100</b> ✓	8



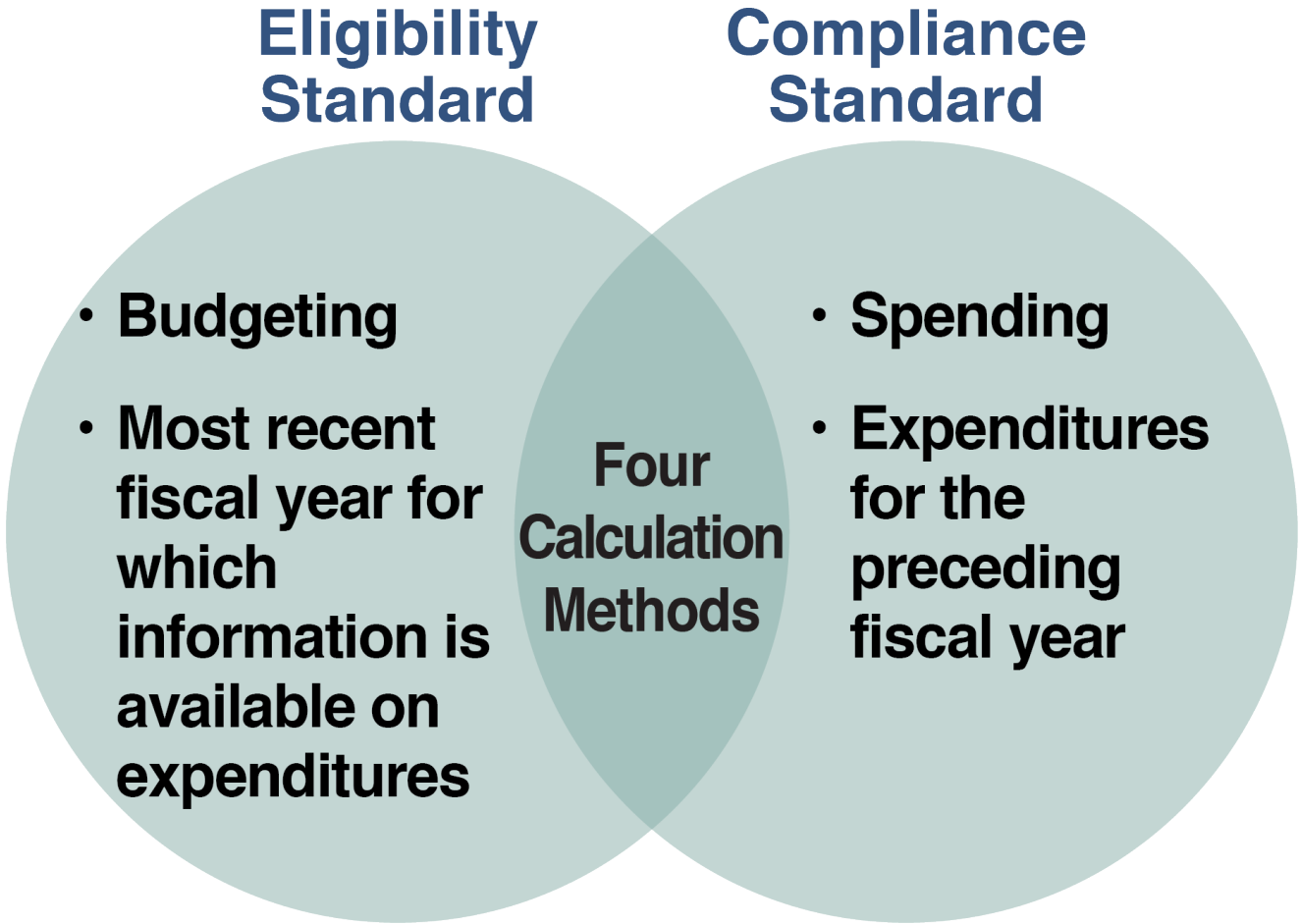
# NOT MEETING MOE (34 CFR §300.203)

- LEAs are not eligible to receive IDEA Part B funds if the **Eligibility Standard** is not met
- LEAs that do not meet the **Compliance Standard** are subject to repayment using non-federal funds.
- Opportunity to submit allowable exceptions



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# CHECK FOR UNDERSTANDING



# MOE Resources

## 1. [MOE Guidance Handbook and Worksheet](#)

Scroll down to Tools & Templates  
Maintenance of Effort

## 2. Reports F-195 and F-196

<https://www.k12.wa.us/policy-funding/school-appportionment/safs-report-api>

The **Resource to Program Expenditure Report** lists all expenditures

Select Year: School Year

Select Report Type: Fiscal

Select an Organization: District

## 3. Special Education November Federal Child Count

Log in to [EDS](#)

From the My Application List click on Special Education November Federal Child Count  
Summary Report

## 4. Questions

Email us at [speced.fiscal@k12.wa.us](mailto:speced.fiscal@k12.wa.us)





# EXCESS COST



Excess cost calculates elementary and secondary schools separately.



- IDEA Part B funds **must** be used for expenses above and beyond what is spent on the average elementary or secondary students (elementary and secondary is defined by the LEA).
  - Calculate elementary and secondary separately (**34 CFR §300.16**)
- IDEA Part B funds are for special education and related services that are in addition to the costs for all students.
- Excess Cost ensures LEAs spend at least as much on students with disabilities as it does on students without disabilities **before** using IDEA funds.

CIFR and WestEd NCSI (2019, July29). *Key Differences Between IDEAL Local Educational Agency Maintenance of Effort and Excess Cost Requirements*. Retrieved from <https://cifr.wested.org/resources/lea-moe/>



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## Requirement

- Tests whether the LEA has spent a minimum APPE for the education of elementary and secondary students with disabilities **before** using IDEA funds
- Not a year-to-year comparison

## Funds are used to calculate APPE

- All federal, state, and local funds regardless of source

## Meeting Excess Cost

- Using the minimum APPE from the previous year, multiply the amount by the Special Education November Child Count from the school year being tested.
- If this amount is greater than or equal to the minimum amount for both elementary and secondary levels, the Excess Cost requirement has been met



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## When Excess Cost is not met:

- Grant Award Implications
- LEAs that do not meet Excess Cost may be subject to repayment using non-federal funds
- Will impact the LEAs Fiscal Risk Assessment



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## TWO EXCEPTIONS

1. If OSPI provides direct services to students with disabilities (SWDs) to make free appropriate education (FAPE) available, it is generally treated as a Local Education Agency (LEA) for this purpose. It may use Part B funds from its state set-aside or Part B payments that would otherwise have been available to a LEA, for the purpose of service to those students. However, unlike a LEA, OSPI need not comply with the excess cost requirement when expending those funds ([34 CFR 300.175](#) and [34 CFR 300.227\(a\)\(2\)\(ii\)](#)).
2. Excess cost requirement does not apply if a LEA is using Part B funds to pay for all of the cost directly attributable to the education of a student with a disability (SWD) from the ages of 3 through 5 or 18 through 21, if no local or state funds are available for students without disabilities in these age cohorts (see [34 CFR 300.202\(b\)\(1\)\(ii\)](#)).



# EXCESS COSTS – ***DUE END OF FEBRUARY***

## Resources

1. **Excess Cost Guidance Handbook and Worksheet**  
Scroll down to Tools & Templates  
Excess Cost
2. **The district's F-196 Report can be used for both the "Base Tab" and the "Compliance Tab".** <https://www.k12.wa.us/policy-funding/school-apportionment/safs-report-api>  
The **Resource to Program Expenditure Report** lists all expenditures. The total expenditures must be broken out by elementary and secondary grades.
3. **Report 1251H October Enrollment for the previous and current years. Include Running Start only and Open Doors enrollments.**  
<https://www.k12.wa.us/policy-funding/school-apportionment/safs-report-api>  
Select Year: School Year  
Select Report Type: Apportionment  
Select an Organization Type: District (CCDDD)  
Select an Organization: District
4. **Special Education November Federal Child Count**  
Log in to [EDS](#)  
From the My Application List click on Special Education November Federal Child Count Summary Report
5. **Questions**  
Email us at [speced.fiscal@k12.wa.us](mailto:speced.fiscal@k12.wa.us)



QUESTIONS

ANSWERS





# **ADDITIONAL INFORMATION**



- We are implementing a [fiscal monitoring process](#). Information is posted on our website.
  - [speced.fiscal@k12.wa.us](mailto:speced.fiscal@k12.wa.us)
- [Safety Net](#) is the state proviso grant made available to LEAs demonstrating capacity in excess of state and federal funds.
  - [safety.net@k12.wa.us](mailto:safety.net@k12.wa.us)
- We recommend subscribing to our monthly updates. Subscription links can be found on the [Special Education](#) webpage.



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