

Special Education Funding & Reporting

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Introductions

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Special Education Funding

State Funding:

Evidence Based Funding Model

Mandated Categorical Reimbursements

Federal Funding:

IDEA Flow-Through Grant

IDEA Preschool Grant

Proportionate Share

Medicaid

Public Act 100-0465 (Effective August 31, 2017)

Public Act 100-0564 comprehensively changed education funding distribution to local education agencies and included significant changes to special education programs.

Eliminated:

- Special Education Summer School Claim
- Special Education Personnel Claim
- Funding for Children Requiring Special Education Services
- Chicago District 299 Block Grant

The appropriations for these programs, populations and services were rolled into the new **Evidence Based Funding** program. 105 ILCS 5/18-18.5

Special Education State Mandated Categorical Appropriations

Program	FY17 Appropriation	FY18 Appropriation	% Change	FY18 Proration
Personnel	\$440,560,200	\$0	-100%	-
Funding for Children Requiring SpEd Services	\$303,829,700	\$0	-100%	-
Orphanage Tuition	\$103,472,500	\$68,177,600	-34.11%	100%
Private Facility Tuition	\$233,000,000	\$135,265,500	-41.95%	96%
Summer School	\$11,700,000	\$0	-100%	-
Transportation	\$452,339,800	\$387,682,600	-14.29%	93%
Total	\$1,544,902,200	\$591,125,700	-61.74%	-

CPS Block Grant

Special Education Programs	FY17 Appropriations	Block %	FY17 Amount
Personnel	\$442,400,000	19.1%	\$84,498,400
Funding for Children Requiring SpEd Services	\$303,829,700	29.2%	\$88,718,300
Orphanage Tuition	\$95,000,000	35.8%	\$34,010,000
Private Facility Tuition	\$233,000,000	48.4%	\$112,772,000
Summer School	\$11,700,000	54.4%	\$6,364,800
Transportation	\$450,500,000	30.7%	\$138,303,500
Totals	\$1,536,429,700		\$464,667,000
Total Block Amount		30%	

CPS Block Grant Chicago Public Schools (CPS)

Beginning with fiscal year 2018, Chicago District 299 receives funding for all special education programs in the same manner as all other school districts.

Evidence Based Funding (EBF)

Base Funding Model (BFM):

The EBF consolidates and replaces five grants received in FY17 into the BFM:

- Gross General State Aid + Stop Loss Grant (if applicable)
- English Learner Education
- Funding for Children Requiring Special Education Services
- Special Education Personnel
- Special Education Summer School

In this new system, districts receive the same receipts from each of those five programs again in FY18 as a hold-harmless provision.

Payments are distributed twice per month (22 payments/year)

Evidence Based Funding (EBF)

Base Funding Model (BFM):

EBF provides for students with moderate, high-incidence, special education needs

- Special Education Core Teacher (141:1)
- Instructional Assistant (141:1)
- Psychologist (1000:1)

EBF does not provide for high-cost, low-incidence students with disabilities

Funding for Children Requiring Special Education Services

Provides flexible, supplemental special education funding to support the delivery of services to students with disabilities.

Reimbursement Formula

District GSA Average Daily Attendance * 85% of Appropriation
+
District GSA Low-Income Population * 15% of Appropriation

Reimbursed Quarterly

Special Education Personnel Reimbursement Claim

Reimbursement Maximums:

Certified Staff: \$9,000

- Teachers
- Speech Language Pathologists
- Psychologists
- Social Workers
- Occupational Therapists
- Physical Therapists

Non-Certified Staff: \$3,500

- Para-Professionals
- Nurses

Reimbursed Quarterly

Special Education Personnel

- Specific state reimbursement has been eliminated but ISBE is required to collect FTE of special education and related service staff for Individuals with Disabilities Education Act (IDEA)
- Special Education Personnel Approval Claim will continue to have an August 15th deadline
- Special Education Personnel base amount is guaranteed as part of the base funding minimum, but apportionment may change due to staffing changes

Orphanage Tuition

Reimburses 100% of the current year tuition costs for eligible students with disabilities who are wards of the State under the guardianship of a public agency or who reside in state residential facilities. This includes regular term and summer term.

Reimbursement Formula

Education Costs + Required Transportation = Reimbursement

Reimbursed Quarterly

Private Facility Tuition Reimbursement

Provides reimbursement for a portion of the private facility tuition costs incurred by the district from the prior school year.

Reimbursement Formula	
	Student in Private Placement
District Per Capita	\$10,000
Placement Cost	\$45,000
Reimbursement Level	2x per Capita
Reimbursement from State	\$25,000

Reimbursed Quarterly

Summer School Reimbursement

Reimburses districts a portion of the education costs for students with disabilities.

Eligibility Requirements:

1. The pupil must be enrolled in one or more courses offered for at least 60 clock hours in the summer session
2. The pupil must be eligible in either a Private Facility or under Funding for Children Requiring SpEd Services (IEP)
3. There shall not be a tuition charge to families to ensure a “free, appropriate public education”

Reimbursement Formula

Districts ADA x weighted equivalent of # of pupils reported

Special Transportation Claim

The state program pays a maximum of 80% of the district's allowable costs for transporting pupils with disabilities.

Reimbursement Formula

Eligible Costs * 80% = Reimbursement

Reimbursed Quarterly

Federal Room & Board Reimbursement

District must have an approved ISBE Private Residential Placement Room & Board Reimbursement Form to transmit a claim.

Claims should be submitted monthly through IWAS

Form available at:

https://www.isbe.net/Documents/34-37_residential_room_board.pdf#search=room%20%26%20board

Excess Cost Reimbursement

- Reimbursement for educational costs in excess of four district per capita tuition charges for ‘X-Fund’ Students.
- Reimbursed from excess federal room & board funds.
- FY 2017 proration - 13.9%

Reimbursement Formula	
	Student in Public Placement
Per Capita	\$10,000
Placement Cost	\$45,000
Reimbursement Level	4x per Capita
Reimbursement	\$5,000
Prorated Reimbursement	\$695

Federal Revenue

IDEA Part B Flow-Through Individuals with Disabilities Education Act

All funds must be spent on Special Education

Calculation Factors:

- Hold Harmless based on 1998 December 1st Child Count at \$518.62 per student
- 85% Based on enrollment
- 15% based on 3 year-rolling average of Low-Income enrollment

**Total allocation for Illinois school districts:
\$456,215,454**

Federal Revenue

IDEA Preschool Grant

Calculating Factors:

- Hold Harmless based on 1996 December 1st Child Count at \$485.55 per student
- 85% based on enrollment
- 15% based on 3-year rolling average of Low-Income enrollment

Total allocation for Illinois school districts \$12,838,651

Federal Revenue

IDEA Grant Guidance

Grant Writing

- Allowable expenditures:
 - Special education staff salaries & benefits
 - Para-professionals, occupational therapists, physical therapists
 - Teachers, social workers, psychologists, speech language = 10.1% TRS Penalty
 - Percent of benefits allowable must be equal to percent of staff salary
 - Acceptable to expend salaries with no benefits, but it is not acceptable to expend benefits without a salary
 - Supplies & equipment used for special education students
 - Travel expenses for personnel
 - Professional development, in-service & presenter fees

Federal Revenue

IDEA Grant Guidance

Expenditure Reporting

- Expense Dates:
 - Quarter 1 July 1-September 30 DUE October 20th
 - Quarter 2 October 1-December 31 DUE January 20th
 - Quarter 3 January 1-March 31 DUE April 20th
 - Quarter 4 April 1-June 30 DUE July 20th
- Expenditure Detail Requirements:
 - Account detail from financial software
 - Copies of invoices and purchase orders

Federal Revenue

IDEA Proportionate Share

- ISBE calculates a portion of IDEA allocations that must be spent on non-public students within a district's boundaries.
- Elements used to calculate non-public proportionate share:
 - Non-public and home-schooled students
 - Not enrolled in public school
 - Receiving services specified on individualized service plan (ISP) provided by the serving district

Federal Revenue

Medicaid

Fee For Service

- Reimbursement for health related services provided to eligible students who receive special education
- Face-to-face services
- Year-round billing completed by individual who provides special education services, you have 18 months to submit the claim

Administrative Outreach

- Reimbursement for administrative costs related to identifying and serving students who are at-risk or in need of services
- Data collected quarterly through Fairbanks, but you have two years to submit the claim

Reimbursed Quarterly

Special Education Reporting

Excess Cost Worksheets

Federal Regulation requiring districts to calculate, document and verify the excess cost of educating students with disabilities based on an annual per pupil expenditure.

Excess Cost Worksheets

Total District Expenditures	\$ 39,277,336
Capital Outlay/Equipment & Debt Service	<u>\$ - 1,247,704</u>
	\$ 38,029,632
IDEA, Title I & Title III Expenditures + OTHER SpEd	<u>\$ - 5,637,116</u>
	\$ 32,392,516
Total District Enrollment	<u>÷ 2,612</u>
Average Annual Per Pupil Expenditure	\$ 12,401.42
Students with IEPs (from iStar December 1 st Child Count)	<u>x 332</u>
EXCESS COST	\$4,117,272.32

Special Education Reporting

Maintenance of Effort

Federal Regulation requiring districts to expend at least the same year-over-year on educating students with disabilities based on total year Special Education expenditures.

MOE Calculations

FY16 Expenditures \$1,000,000
FY17 Expenditures \$1,500,000
Met MOE by **\$ 500,000**

FY16 Expenditures \$1,000,000
FY17 Expenditures \$ 950,000
Missed MOE by **\$ 50,000**

Your District Writes a Check to the Federal Government for \$50,000

Maintenance of Effort Exceptions

Exception #1

Voluntary Personnel Departure

RETIRED EMPLOYEE: Person A

Salary: \$120,000
Benefits: \$ 30,000
Total: \$150,000

REPLACEMENT: Person B

Salary: \$85,000
Benefits: \$ 8,000
Total: \$93,000

Difference: \$57,000 **THIS IS YOUR EXCEPTION AMOUNT**

RESIGNED EMPLOYEE: Person C

Salary: \$100,000
Benefits: \$ 30,000
Total: \$130,000

REPLACEMENT: NONE

Salary: \$0.00
Benefits: \$0.00
Total: \$0.00

Difference: \$130,000 **THIS IS YOUR EXCEPTION AMOUNT**

Maintenance of Effort Exceptions

Exception #2

End of Obligation to Provide Service to Exceptionally High Cost Students

- Leaves the District
- Ages Out of the District (from 8th Grade into High School)
- Graduates High School
- Leaves the Program Due to IEP Change

Student A

Reason Services Not Needed: Aged Out of District

Placement: Privately Placed

Tuition: \$ 25,000

Transportation: \$ 15,000

Aide: \$ 4,000

Other: \$ 7,000

Total: \$ 61,000

Maintenance of Effort Exceptions

Exception #3

Costly Expenditures for Long-Term Purchases

- Equipment
- Construction
- Property

These expenditures must have been coded as Special Education Expenditures the previous year to be considered an exception.

Maintenance of Effort Exceptions

Alternative Way to Meet MOE

Rise in Per Capita Spending

FY16	FY17	Difference
Student Count: 350	Student Count: 330	Student Count: -20
SpEd Expenditures: \$6,000,000	SpEd Expenditures: \$5,750,000	SpEd Expenditures: -\$250,000
Per Capita: \$17,142	Per Capita: \$17,424	Per Capita: +\$281

While you spent less overall,
your per capita increased,
so you met MOE!

District ABC Revenue Breakdown

State Funding

3005	Funding for Children Req. Special Ed Services	\$ 89,894
3005	Special Education Personnel	\$113,592
3005	Special Education Summer School	\$ 610
3100	Special Education Private Facility Tuition	\$ 13,493
3510	Special Education Transportation	\$ 68,847

Total State Funding

\$286,436

District ABC Revenue Breakdown

Federal Funding

4600	IDEA Preschool	\$ 12,404
4620	IDEA Part B Flow-Through	\$ 157,601
4625	IDEA Room & Board	\$ 0
4991	Medicaid Administrative Outreach	\$ 6,912
4992	Medicaid Fee-for-Service	\$ 17,651

Total Federal Funding **\$ 194,568**

District ABC FY 2016 Total Special Education Revenues & Expenditures

Total State Reimbursement	\$286,436
<u>Total Federal Reimbursement</u>	<u>\$194,568</u>
Total Special Education Reimbursement	\$481,004
Less Special Education Expenditures	(\$1,742,923)
Shortfall	(\$1,261,919)

Resources

Special Education Reimbursement Forms

<https://www.isbe.net/Pages/Special-Education-Approval-and-Reimbursement.aspx>

IDEA Part B Grant Information

<https://www.isbe.net/Pages/IDEA-Part-B-Grant-Program-Information.aspx>

IDEA Allocation Information

<https://www.isbe.net/Documents/fy18-budget.pdf#search=mandated%20categoricals>

Overview of State Special Education Funding

https://www.isbe.net/Documents/state_sped_funding.pdf#search=overview%20of%20special%20education%20funding

Special Education Appropriation and Claims History

https://www.isbe.net/Documents/sped_appro_pro.pdf

Questions and Answers

We thank you for your time!

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