

New Learnings for New Staff: Foundations of IDEA Fiscal Management Webinar

October 21, 2016

1:00 PM EST



Housekeeping

Your phones should be muted

Webinar will be recorded

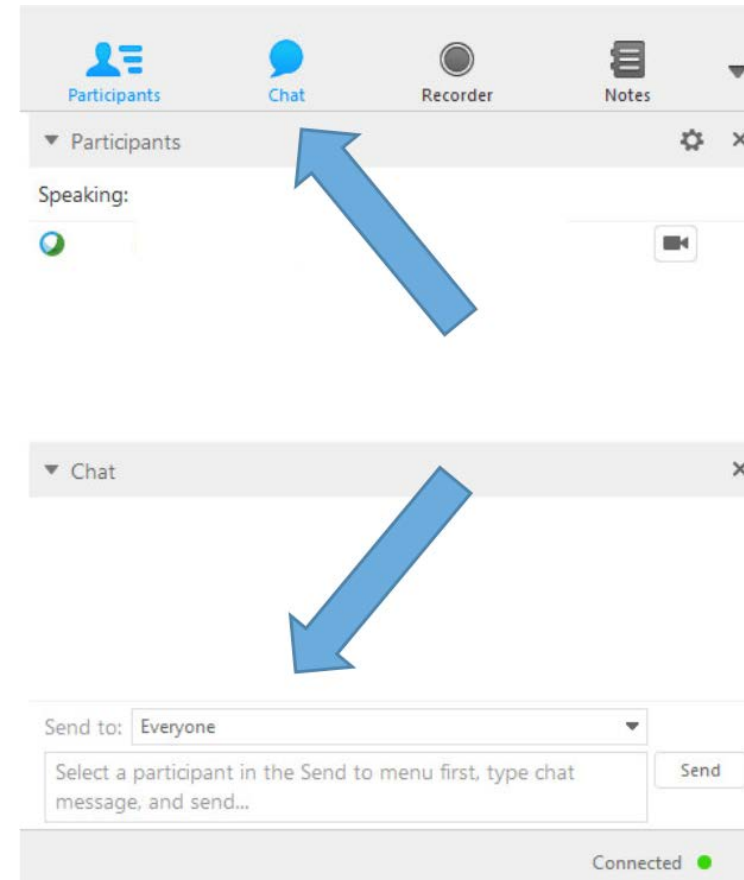
Time for questions at end



How to Interact

Put questions in the chat box throughout the presentation

Make sure you use the drop down menu to choose “everyone”



Partnering Technical Assistance Centers

Center for Fiscal Reporting	IDEA Data Center	National Center for Systemic Improvement
<p>CIFR provides TA to state education agencies (SEAs) to help them meet their federal obligation to collect and report special education fiscal data for Part B.</p>	<p>IDC provides TA to build capacity within states for collecting, reporting, and analyzing high-quality IDEA data. IDC works with states and LEAs to help them address challenges encountered in reporting IDEA data, including the MOE and CEIS data.</p>	<p>The overall purpose of the NCSI is to help states transform their systems to improve outcomes for infants, toddlers, children, and youth with disabilities. The NCSI FST supports SEAs by addressing a wide range of IDEA fiscal questions and concerns in relationship to the development, implementation, and evaluation of the State Systemic Improvement Plan (SSIP) and other priority areas.</p>
<p>The objectives include:</p> <ol style="list-style-type: none"> 1. Helping states build their capacity to collect and report accurate IDEA Part B fiscal data 2. Increasing states' knowledge of the underlying fiscal requirements and the calculations necessary to submit valid and reliable data around Maintenance of State Financial Support (MFS), local education agency (LEA), Maintenance of Effort (MOE), and Coordinated Early Intervening Services (CEIS) 	<p>The objectives include:</p> <ol style="list-style-type: none"> 1. Increasing state capacity for reporting high-quality IDEA data, including LEA MOE and CEIS 2. Developing training materials to help IDC stakeholders better understand collecting and reporting requirements under IDEA data, including LEA MOE and CEIS 3. Providing training and support to IDC stakeholders to build state capacity for collecting and reporting high-quality IDEA 	<p>The objectives include:</p> <ol style="list-style-type: none"> 1. Providing states with technical assistance regarding fiscal issues to support LEAs and in improving outcomes for children with disabilities 2. Collaborating across national TA centers to ensure state access to a continuum of support

Purpose of This Webinar

- Lay the foundation of IDEA fiscal requirements for new SEA personnel.
- Maximize the learning opportunities for new SEA personnel attending the upcoming *IDEA Fiscal Forum*.
- Part of an ongoing series.
- Interested participants do not have to attend the *IDEA Fiscal Forum* to participate in the series.

Session Overview and Objectives

- OSEP review of grants and fiscal support
- Context for IDEA fiscal requirements
- IDEA fiscal terms and regulations
- Grant application and allocation cycles

Participants will increase their knowledge about:

- IDEA fiscal terms and requirements
- The “annual cycle” of IDEA fiscal activities

OSEP Introduction

OSEP Fiscal Information

OSEP awards three entitlement grants to States

- Formulas for awards to States and subgrants to LEAs are contained in IDEA
- IDEA 611 (FFY 2016) \$11.9 billion
- IDEA 619 (FFY 2016) \$368 million
- IDEA Part (FFY 2016) \$458 million

OSEP also awards discretionary grants

- IDEA Part D (FFY 2016): \$227 million
- IDEA 611(c) data capacity: No more than \$25 million annually

State specific budget information and historical data available at <https://www2.ed.gov/about/overview/budget/tables.html>

OSEP Fiscal Information *(continued)*

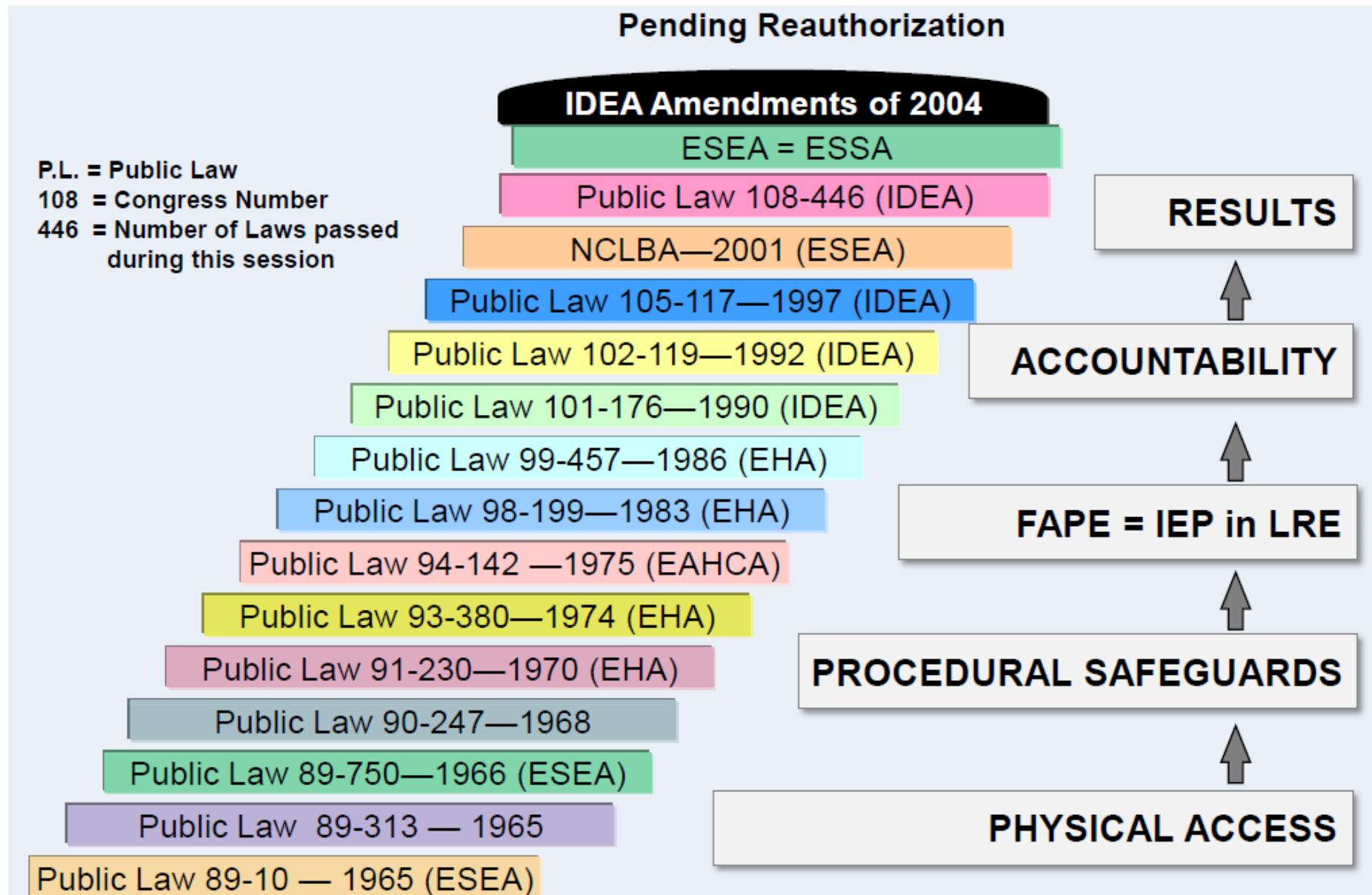
- Within the Monitoring and State Improvement Planning Division (MSIP) there is a Fiscal Workgroup
- Fiscal Workgroup Facilitator, Matt Schneer, Matthew.Schneer@ed.gov

Team	Audit Facilitator	Fiscal Accountability Facilitator
A	Susan Kauffman Susan.Kauffman@ed.gov	Jennifer Finch Jennifer.Finch@ed.gov
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OSEP Fiscal Workgroup

- **Conducts audit resolution and fiscal monitoring**
- **Committed to providing technical assistance**
 - Will provide technical assistance (including on-site when warranted) on a variety of topics
- **Most of the Fiscal Workgroup will be at the *IDEA Fiscal Forum***

Brief History of Individuals with Disabilities Act (IDEA)



Key Concept: Results Driven Accountability (RDA)

OSEP's vision:

All components of an accountability system will be aligned in a manner that best support States in improving results for infants, toddlers, children and youth with disabilities, and their families.

How do IDEA's fiscal requirements fit into this?

Key IDEA Fiscal Requirements

- **MFS: Maintenance of State Financial Support**
- **LEA MOE: Local Educational Agency Maintenance of Effort**
- **Excess Cost**
- **Proportionate Share**

Maintenance of State Financial Support (MFS)

34 CFR §300.163(a)

A State must not reduce the amount of State financial support for special education and related services for children with disabilities, or otherwise made available because of the excess costs of educating those children, below the amount of that support for the preceding fiscal year.

Local Educational Agency Maintenance of Effort (LEA MOE)

34 CFR §300.203

(a) *Eligibility standard.* (1) For purposes of establishing the LEA's eligibility for an award for a fiscal year, the SEA must determine that the LEA budgets, for the education of children with disabilities, at least the same amount, from at least one of the following sources,* as the LEA spent for that purpose from the same source for the most recent fiscal year for which information is available. [**sources on next slide*]

(b) *Compliance standard.* (1) Except as provided in §§ 300.204 and 300.205, funds provided to an LEA under Part B of the Act must not be used to reduce the level of expenditures for the education of children with disabilities made by the LEA from local funds below the level of those expenditures for the preceding fiscal year.

LEA MOE *(continued)*

Four Methods (“Sources”) for Calculating MOE

- Total local funds
- Total state and local funds
- Per capita local funds
- Per capita state and local funds

Also allowable exceptions and adjustments

Excess Cost

34 CFR §300.202(a)(2)

(i) The excess cost requirement prevents an LEA from using funds provided under Part B of the Act to pay for all of the costs directly attributable to the education of a child with a disability, subject to paragraph (b)(1)(ii) of this section.

34 CFR §300.16

Excess costs means those costs that are in excess of the average annual per-student expenditure in an LEA during the preceding school year for an elementary school or secondary school student, as may be appropriate, and that must be computed after deducting—

(a) Amounts received—

(1) Under Part B of the Act; (2) Under Part A of title I of the ESEA; and (3) Under Parts A and B of title III of the ESEA and;

(b) Any State or local funds expended for programs that would qualify for assistance under any of the parts described in paragraph (a) of this section, but excluding any amounts for capital outlay or debt service.

IDEA Grant Application and Allocation Cycles

FFY: Federal Fiscal Year: October 1

However.....

- Beginning January 1
 - Start planning for ...
 - SEA grant application
 - 60 day review period
 - LEA grant application
 - LEA allocations
 - ...



SEA IDEA Grant Application

- SEA makes assurances that it will meet IDEA requirements.
- Application includes a budget, including the High Cost Fund.
- Maintenance of State Financial Support is reported.

State Level Funds and Subgrants to LEAs

- **State must reserve funds for administration, required and optional activities.**
- **There is a cap on the amount of funds reserved.**
- **The remaining funds must be provided to LEAs as a subgrant.**

LEA IDEA Grant Application

- **IDEA requirement assurances**
- **Includes a budget**
 - Allowable costs
 - LEA MOE Eligibility Standard
- **Proportionate Share**

Part B 611 and 619 Allocations to LEAs

- **Based on a formula referenced at 34 CFR §§ 300.705 and 300.816**
- **Includes**
 - Base payments
 - Base payment adjustments
 - Allocation of remaining funds based on overall population and poverty of children within the jurisdiction of the LEA
 - Use of best data

End of State Fiscal Year (SFY)

- **SFY: Most end June 30 (Federal fiscal year ends September 30).**
- **LEAs begin calculating their final MOE compliance using four methods.**
 - based on *expenditures* from state and local (or local only) funds for children with disabilities.
- **SEAs must monitor LEAs' compliance with MOE.**

More Coming Up at the *IDEA Fiscal Forum*

- **Fiscal monitoring**
- **Center resources**
- **Grant management**
- **Documenting fiscal processes**
- **Blending/braiding funds**

What to Expect at the Forum

- **Information sessions followed by work sessions**
- **Early Thursday and Friday morning Q&A session for new fiscal personnel**
- **CIFR, IDC, and NCSI staff available for discussions**
- **Opportunities to meet with OSEP**

Questions



Partnering Organizations' Information



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